

Report

Report to:	Climate Change and Sustainability Committee
Date of Meeting:	4 November 2020
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Strategic Energy Review
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1. Purpose of report

1.1. The purpose of the report is to:-

- ◆ update on the Committee on the work being undertaken on a Strategic Energy Review

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that progress on the Strategic Energy Review be noted

3. Background

3.1. In July 2015 a Strategic Energy Review was commissioned which was intended to further enhance the Council's commitment to developing sustainability through both the Council and its communities, as described in various publications including the Corporate Asset Management Plan, the Sustainable Development Strategy and the Carbon Management Plan.

3.2 It was recognised at this time that steady progress had been made since the council's first Carbon Management Plan in 2008. Key highlights included a consistent carbon emissions reduction year-on-year, a change in approach to replace oil consumption with gas, and specific projects which included the following low and zero carbon (LZC) technologies across domestic and non-domestic properties:

- Biomass boilers
- Air source heat pumps
- Ground Source Heat Pumps
- Solar Photovoltaics (Solar PV)
- LED Lighting & Voltage Optimisers
- Combined Heat and Power (CHP)

3.3 The scope of this Review was to consider a range of Low and Zero Carbon (LZC) energy efficiency technologies available that would benefit the Council, both in relation to energy/carbon output reduction and the savings associated with these; as well as income generation through energy sales and relevant income generated through UK Government support mechanisms such as the Feed-in-Tariff (FiT) or Renewable Heat Incentive (RHI).

3.4 The Review focussed on the following LZC technology options:

- District Heating for high rise domestic dwellings
- Solar PV
- Wind Turbine Generators across the vacant and derelict land portfolio

- 3.5 These options took precedence over other technologies as they offered the council an immediate and relatively risk-averse opportunity to make significant and sustainable cost savings to an existing energy cost base that was likely to rise sharply in the immediate years ahead.

4. Progress Update

- 4.1 Since the conclusion of the Strategic Energy Review progress has been made in the following areas:

District Heating

The council has continued to consider options to replace the heating system in Headquarters, Almada Street, Hamilton. It is being planned that any replacement would be capable of supporting a district heating system in the immediate vicinity, firstly in supporting other council properties nearby as well as the Almada Street development site and then potentially other private property in the area.

A review of the district heating systems to the 3 specific Multi Storey Flat clusters in East Kilbride also continues to be ongoing as part of the development of future Housing Investment Programme proposals.

Solar PV

A pilot exercise to install solar PV panels on housing stock has been carried out on properties off the gas grid which have had air source heating pumps installed as their heating replacement type. This is the subject of ongoing evaluation prior to determining options for further roll out.

Solar PV panels were part of the standard work specification from phase 2 of the Primary School Modernisation Programme onwards. In recognition of the benefits from the use of this type of technology PV panel installs to the Phase 1 schools have since been carried out through the Central Energy Efficiency Fund programme.

Wind Turbine Generators – on vacant and derelict land

The Strategic Energy Review concluded that the vast majority of the 19 Vacant and Derelict Land sites were unsuitable for this technology primarily due to their proximity to residential properties.

For the remaining sites a financial modelling exercise failed to demonstrate a sufficient return to the council to make this work stream viable.

5. Going forward

- 5.1 A further phase of this Review is now in development to build upon the work already carried out and which will specifically consider the following workstreams:

Engagement with an energy generator to meet the council's energy needs whilst reducing carbon outputs and energy costs

This would look to determine whether local energy sources could be used to meet the council's energy needs and which could lead to:

- A reduction in the council's carbon outputs, in turn helping to meet carbon reduction targets
- A minimising of energy costs
- Benefits to local communities through possible access to reduced cost/greener energy, and also through contractual community benefits

Review of the council's fleet

Ensuring that the council's fleet remains fit for purpose to support operational needs going forward and that this is met in a cost effective/low carbon way

Consideration of options for investing in energy production and supply as a means of income generation

Review the opportunities for investment in various forms/models of both energy generation and distribution. This will include risk and financial modelling to determine the likely return on the investment over the lifetime of the project and to help rank investment opportunities.

- 5.2 This review is being led through the Corporate Management Team with the Executive Directors, Housing & Technical Resources and Community & Enterprise Resources having joint responsibility for taking it forward. Updates on progress will be provided at appropriate points to the Climate Change and Sustainability Committee

6. Employee Implications

- 6.1. There are no employee implications

7. Financial Implications

- 7.1. Although there are no financial implications at this stage, specific financial implications related to the outcomes of the review, will be reported through the relevant financial reporting arrangements.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. The review will result in proposals/options to utilise the council's portfolio of assets in a way which improves energy efficiency whilst reducing carbon outputs.

9. Other Implications

- 9.1. Failure to meet sustainable development and climate change objectives is one of the Council's top risks. This review will assist in meeting these objectives

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. The Sustainable Development and Climate Change Strategy has undergone a public consultation, an equalities impact assessment and a Fairer Scotland assessment.

Daniel Lowe

Executive Director (Housing and Technical Resources)

23 October 2020

Link(s) to Council Values/Objectives

- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:- Daniel Lowe, Executive Director Housing & Technical Resources

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