

Regional Energy Strategic Planner

Purpose of Report

For information.

Is this report confidential? No

Summary

On 15 November Ofgem announced it will create energy planning roles across Great Britain to improve local energy planning and speed up the transition to net zero. The [Regional Energy Strategic Planners \(RESPs\)](#) will work with organisations at a local level including local government and gas and electricity networks, to improve understanding of the infrastructure needed in different parts of the country.

This is important to councils as place makers and service providers to ensure local economic growth, drive down the cost of living and enable councils to facilitate and even invest in local renewable energy generation.

Marzia Zafar, Deputy Director for Digitalisation and Decentralisation, will present the role of the Regional Energy Strategic Planners (RESPs) and how she expects them to work with councils to ensure that the RESPs support, complement and enhance the hard work of councils.

LGA Plan Theme: Championing climate change and local environments

Recommendation(s)

That the Board

Consider the presentation and advise on ongoing engagement.

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Regional Energy Strategic Planner

Proposal

1. Regional Energy Strategic Planners will be responsible for the development of strategic energy plans at the regional level, providing critical planning assumptions to inform system and network needs. Regional plans will aggregate top-down national targets and scenarios with local and regional insights. The RESPs will be responsible for enabling effective participation and oversight via a democratically aligned governance mechanism.
2. Ofgem, as the Energy Regulator, is tasked with undertaking the detailed design of the RESPs prior to National Grid the Future System Operator (FSO) taking on the implementation. This phase of the RESPs development provides an opportunity for members to assert the importance of councils as spatial planners, housing and infrastructure providers, and increasingly creators of Local Area Energy Plans, as being integral in the establishment and ongoing implementation of the RESPs.
3. Councils are also democratically accountable and could hold the RESPs to account if the governance structures established facilitate this. Democratic accountability has been repeatedly emphasised as a key design consideration needed from the outset for the RESPs and councils with the responsibility for broader spatial planning can provide this.
4. Today you will hear from Marzia Zafar, Deputy Director for Digitalisation and Decentralisation, on the role of the Regional Energy Strategic Planners (RESPs) and how she expects them to work with councils to ensure that the RESPs support, complement and enhance the hard work of councils.
5. The Regional Energy Strategic Planner is a new role currently going through a detailed design phase, making this an ideal opportunity to share how councils can help shape the output of the RESPs, what councils need from the RESPs and what councils can do to support the work of the RESPs.
6. Ofgem are proposing that there will be between 8 and 10 RESPs for England. The proposed RESP solution for England is that they could replicate the Sub-national Transport Body (STB) boundaries (Peninsula Transport, Western Gateway, Transport East, England's Economic Heartland, Transport for the South, Greater London, Midlands Connect and transport for the North) with the option to split Transport for the North and Midlands Connect regions in two, or alternatively for these two RESPs to produce two separate regional strategic plans.

7. The challenge with the proposed RESP boundaries in England is that in most cases, the boundaries do not align with the local government boundaries or with the Distribution Network Operator (DNO) boundaries. RESPs will therefore need to engage with multiple councils and consider multiple local plans for their strategic plan area, as well as engage with multiple DNO's.
8. Given this disparity in area, there is an opportunity for the RESP to take a lead role in coordinating the engagement across councils and DNOs to ensure plans meet the needs of councils and the transmission and distribution networks are both able to deliver on local needs in a timely manner.
9. There is also a question on the role of Local Area Energy Plans (LAEP). Where undertaken, LAEPs have been useful for councils in planning infrastructure needs to meet growth and identifying areas suitable for renewable energy generation. Existing LAEPs will also be useful to RESPs when they first start to consider their strategic planning function. However, where councils have not started on that journey, the RESP may either make that need redundant, or consider that joint investment in the production of a LAEP for a specific area is better value for money.
10. Key points/issues to consider/discuss;
 - How will 8 - 10 RESPs engage meaningfully with 317 councils?
 - Will RESPs look to convene councils and DNO collectively to plan effectively for an energy system designed from the bottom up and the top down?
 - Will the RESPs be sufficiently resourced to undertake such a convening role?
 - What will happen to Local Area Energy Plans that councils have produced?
 - How will the RESPs be democratically accountable?

Background

11. For the UK to meet its 2050 Net Zero target, every property on the gas grid network (domestic and commercial) will need to be switched over to electric heating, predominantly a heat pump, all passenger transport (personal and public) to transition from petrol and diesel to electric and all commercial transport to transition to a low carbon fuel source. This change is expected to see demand for electricity double (300TWh to 600TWh) and require electricity generated from renewables to increase fivefold.
12. This increase in demand for electricity will require a significant increase in infrastructure including renewable energy generation, solar and wind predominantly, and both electricity transmission and local distribution

infrastructure. Each of these will have an impact on councils in terms of spatial planning, housing and economic growth.

13. Since November 2022, the LINZ board has undertaken a programme of work exploring the barriers and opportunities for an increasingly electrified energy system that will be required to achieve net zero at lowest cost. In November 2022, National Grid DNO presented to the board on the work they were undertaking to re-enforce and an expand their local distribution network to accommodate growth, increase of electric vehicles, increases in electric heating and growth in local renewable energy generation requiring connections to the grid.
14. On 16 March, we held a Smith Square Debate – Climate Change: How to translate climate ambition into local action with Cllr Pippa Heylings chairing and speakers including Lord Deben, Chair of the Climate Change Committee, Jack Richardson - Head of Climate and Energy, Onward, Terri Wills – Urban Strategy Lead, ARUP and Luke Murphy – Associate Director for Energy, Climate, Housing and Infrastructure, IPPR. Topics discussed included - How well are we turning climate ambition into climate action in places? and, What must we do to accelerate climate action locally and nationally up to 2050?
15. On 16 May 2023 Councillor Pippa Heylings chaired our in person Future Local Electricity Networks seminar. Panellists included representatives from the Distribution Network Operators (DNO) in England, National Grid ESO, Ofgem, community energy associations, Energy UK, Energy Systems Catapult and councils to discuss the challenges and opportunities each sector faces and agree a way forward. Discussions were had on how DNOs and Councils can work proactively together, what the role of the Regional System Planner is likely to be, how that supports councils spatial planning and place making responsibilities and how energy system planning can be undertaken at best value.
16. In addition to our in-person meetings, we have responded to a series of consultations on heat networks, onshore wind and regulatory matters including Ofgem’s consultation on Future energy institutions and governance.
17. The future energy institutions and governance consultation sought views on the establishment of Regional System Planners (later to be renamed as Regional Energy Strategic Planners). The response focused on the pivotal role councils need to play in effective energy system planning and operation at the sub national level as they are democratically elected strategic planners and place makers. <https://www.local.gov.uk/parliament/briefings-and-responses/lga-submission-ofgems-consultation-future-local-energy>
18. Following on from this consultation, on 15 November 2023 Ofgem announced it will create energy planning roles across Great Britain to improve local energy

planning and speed up the transition to net zero. The [Regional Energy Strategic Planners \(RESPs\)](#) will work with organisations at a local level including local government and gas and electricity networks, to improve understanding of the infrastructure needed in different parts of the country.

19. The transition to net zero requires radical changes across the energy system. Changes in how we heat our homes, power our vehicles, and generate electricity for electrified heat and transport are underway, but also require significantly more change to our energy system.
20. National Grid the Electricity Network Operator (ENO) is to become the Future Systems Operator (FSO) and become a public body. For the FSO to effectively plan the energy systems of the future, it will establish the Regional Energy Strategic Planners across Great Britain with one in Wales, one or two in Scotland and between 8 and 10 in England, and be the delivery body for RESPs.
21. Other changes happening now include the establishment of Heat Network Zones' with a preference for councils to become Heat Network Zone Coordinators, and a consultation on the Future Homes and Buildings Standards. Officers will be drafting a response to the current consultations on Heat Network Zoning, and The Future Homes and Buildings Standard and both draft responses will be shared with Lead Members for sign off in February.

Implications for Wales

22. Ofgem proposal is for Wales to have one Regional Energy Strategic Planner covering all the Welsh Local Government area. Officers are engaging with the WLGA to identify opportunities to collaborate on this topic.

Financial Implications

23. There are no direct financial implications for councils following the establishment of RESPs. Engagement between councils and RESPs is key to the effectiveness of the RESP but most of that cost should sit with the RESPs or National Grid FSO. There is a potential for the establishment of RESPs to save councils money should they negate the need to produce Local Area Energy Plans or invest in LAEPs being produced by councils.

Equalities implications

24. The equalities implications of society moving to heating most of our homes from heat pumps and fazing out petrol and diesel road vehicles is ensuring the transition is just and fair. Officers are currently working on a report that will

government phasing on how we ensure the net zero transition is just and fair and does not disadvantage sections of our society.

Next steps

25. Officers will continue to engage with Ofgem and National Grid FSO on the detailed design of the RESPs and their implementation. This will include responding to consultations and representing member councils at meetings and events.