



Subject:	Motion re Not-for-Profit Energy Company - Update
Date:	6 th February 2018
Reporting Officer:	Nigel Grimshaw, Director of City & Neighbourhood Services
Contact Officer:	Siobhan Toland, Assistant Director

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	To consider a motion in relation to the establishment of a not-for-profit energy company which, in accordance with standing orders, was referred to the Committee by the Council at its meeting on 4 th December 2017.
1.2	The report provides Members with background on not for profit energy companies and suggests next steps around the options for establishing a Belfast City Council 'not-for-profit energy company'.

2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> agree that the options for establishing a Belfast City Council ‘not-for-profit energy company’ are explored within the development of relevant strategies including Belfast’s Sustainable Development Framework and a city energy programme.
3.0	Main report
3.1	<p><u>Key Issues</u></p> <p>At the meeting of the Council on 4th December, the following notice of motion was proposed by Councillor Attwood and seconded by Councillor Milne:</p> <p><i>“This Council notes that the Scottish Government and a number of local authorities have established not-for-profit energy firms in search of new revenue, to restore faith in public services and tackle fuel poverty.</i></p> <p><i>The Council notes that the first and best-known publicly owned energy companies, Robin Hood Energy in Nottingham and Bristol Energy, have given consumers, particularly those on low incomes, more choice and the option of a supplier whose only job is to secure the lowest price for consumers.</i></p> <p><i>The Council agrees to explore the potential benefits of establishing a Belfast City Council owned not-for-profit energy company to tackle fuel poverty in Belfast.”</i></p>
3.2	<p>Initial research has shown that there is a growing interest in the area of alternative energy suppliers and the benefits it can bring including tackling of fuel poverty. The Council has considered this issue previously and in March 2013 a report was brought to the former Health and Environmental Services Committee on the issue of Collective Switching. Collective switching is when a large group of people, known as a community or closed group, uses its collective purchasing power to negotiate its own tariff with energy suppliers. This was as a result of a Council Motion agreeing that an investigation be conducted exploring possibilities for the introduction of a ‘collective switching’ scheme in Belfast. Members agreed that the collective switching scheme was not feasible locally and it was not progressed at that time.</p>
3.3	<p>Officers have also explored options around community energy schemes but potential legal issues were identified with the Council getting involved in these schemes and they have not been progressed. However, this is an evolving area and there have been new developments since this work was undertaken, so there may be merit in revisiting some of this work.</p>

3.4	<p>In addition, the Belfast Agenda has identified a key workstream to 'Develop a city energy programme' and it would be expected that this would include consideration of some of these new developments.</p>
3.5	<p><u>Examples of work going on elsewhere</u></p> <p>There are good examples of work going on elsewhere in the area of energy supply and some of these are outlined in appendix 1. These include examples where Councils have established not-for profit energy companies: Robin Hood Energy was established by Nottingham City Council in September 2015 and Bristol Energy was established in the autumn of 2015 by Bristol Council.</p>
3.6	<p>There are also examples of where the issue of tackling fuel poverty is being tackled within wider energy projects which look not just at the provision of affordable energy but also at ensuring secure and sustainable energy.</p>
3.7	<p>It is also clear however that given the different energy market conditions in Belfast that some of these projects may not be directly transferable and further exploration is required to determine the relevance and application to Belfast.</p>
3.8	<p><u>Next steps</u></p> <p>Elsewhere issues around energy are linked to the Sustainable Development Agenda, Belfast's Sustainable Development Framework is due to be reviewed and there is potential to include exploration of the options around not for profit energy companies within this.</p>
3.9	<p>As previously mentioned within the Belfast Agenda one of the workstreams under city development is 'Develop a city energy programme' and part of this is to tackle fuel poverty. It would be possible therefore to consider this issue within this piece of work.</p>
3.10	<p>Given the breadth of considerations required it is recommended therefore that the options for establishing a Belfast City Council 'not-for-profit energy company' are more fully explored within the development of relevant strategies including Belfast's Sustainable Development Framework and a city energy programme.</p>

3.11	<p><u>Financial & Resource Implications</u></p> <p>There may be expenditure on expert advice and consultancy fees as this issue is further explored. Any support required will be procured in the line with Council's process and will be met within existing resources.</p> <p><u>Equality or Good Relations Implications</u></p>
3.12	<p>Any future developments would be required to equality screened in line with the Council's process.</p>
4.0	Appendices – Documents Attached
	Appendix 1 – Examples of work ongoing elsewhere