

6 JUNE 2023

PR6-23 | COMMUNITY BENEFIT FOR ELECTRICITY TRANSMISSION NETWORK INFRASTRUCTURE

Introduction

We are writing in response to the government's consultation on community benefit for electricity transmission network infrastructure.

The National Association of Local Councils (NALC) is the national membership body that works with the 43 county associations of local councils to represent and support England's 10,000 local (parish and town) councils and parish meetings.

Local councils and their 100,000 councillors are the first tier of local government, closest to the people, and play an essential part in delivering hyper local services, building strong communities, and strengthening social fabric.

Local councils cover two thirds of England and a third of the population and invest over £3 billion per year to improve and strengthen communities.

Summary

NALC's headline positions on community benefit for electricity transmissions network infrastructure are as below:

- Government should bring planning laws and guidance in line with government policy by making it conditional for energy saving and carbon neutral measures to be included in all relevant planning applications and building control matters.
- NALC has signed up to the proposition that there is a climate emergency and will therefore, as a general principle, promote and support moves and policies which help to mitigate it. For instance, NALC supports the need for Local Plans and large developments to be subject to environmental appraisals and it supports energy efficient homes and more trees.
- NALC fully supports the national transition to renewable energy. There is however serious concern regarding the "in isolation" examination of Nationally Significant Infrastructure Project (NSIP) submissions to the Planning Inspectorate, given that Suffolk and Norfolk are experiencing numerous (5 in Norfolk and 7 in Suffolk) NSIPs in a confined geographical

region and timeframe. The current onshore grid connection arrangements will entail devastating adverse impacts for many local communities and the environment. We call on the government, as a matter of urgency, to ask National Grid and OFGEM to demonstrate that a co-ordinated, strategic approach is being taken towards national energy options and that the best environmental and economic solution is being delivered for the residents of Suffolk (as well as other coastal communities so affected) and the national energy need.

- NALC believes that improvements to the current regime of government support and investment in electricity transmission infrastructure could be made by facilitating action by communities to undertake small-scale projects themselves.
- Based on intelligence we have received from some local councils across England it should be feasible for installed generators in a local area to be connected into the Grid immediately, in circumstances where limited spare capacity is available but where larger scale projects may not be possible for some considerable time, because of requirements for major costly upgrades to the network.
- NALC will support a soundly based planning system which represents the most reliable tool for the sustainable allocation of land, and which represents the three pillars of sustainability equally, i.e., social, economic, and environmental factors.
- Wilsden Parish Council has recently experienced some of the changes to electricity transmission infrastructure just outside its parish boundary. The main electricity distribution substation for the Bradford area is just outside the parish boundary and there have been two recent applications for battery storage units to cope with the intermittent nature of wind energy production. The local council supports the principle but is disappointed that these battery storage units must be sited on green belt outside the existing substation, even though there is adequate space within the site. The reason for this is that battery storage systems must be provided by independent third parties. This is yet more evidence that the relevant developers of the infrastructure in the Bradford area (as those in Norfolk and Suffolk) are not taking a coordinated approach.

Consultation questions

NALC's answers to the main consultation questions are as below:

1. What are your views on how community support for electricity transmission network can be improved? This includes any electricity transmission network infrastructure developed by Transmission Operators and developers within scope of these proposals. We would welcome supporting evidence if available.

NALC believes that local councils should be involved in determining the community benefits framework, managing the arrangements and also benefitting from the resultant grants. The government should ensure that it is not only local residential properties that may receive direct payments, but also community and charitable bodies, too (e.g. village halls and care establishments.) We would wish to avoid leaving the outcome too much to a voluntary arrangement. In our experience, windfarm operators have been totally prescriptive about the size of the community benefits that they are prepared to give.

2. Do you agree with the proposed types of infrastructure and projects we would include in these proposals? Please explain why.

No we do not agree. Locally installed small scale generators and projects should be included in scope so that both centralised and decentralised action can proceed concurrently. This consultation needs to consider the options for upgrading infrastructure to provide for local use of locally produced energy.

3. What are your views on government's preferred approach of a voluntary benefit scheme underpinned by government guidance (covering both wider and direct community benefits)? Please explain why and provide any supporting evidence if available.

We believe that deriving community benefit from electricity transmission network infrastructure is not only about having the right technology, nor indeed having a separate infrastructure, although they may be important. It is about creating fairer charging policies which are prescribed by government and the regulator, which currently distinctly disadvantage local producers and local consumers.

4. What are your views on the information we have proposed to include within government guidance? This includes identifying eligible communities, consultation and engagement, governance and delivery and funding.

Scope should be widened to include some element of direct payment by government of relevant support funding to local councils. The level of this funding should be calculated with reference to the individual circumstances of the local project and the needs of the local area. There will be requirements for direct investment in the technology and cable infrastructure for smart local microgrids. There will also be a requirement for targeted grant support for the local communities undertaking the local projects.

5. Do you agree with the government's proposals to focus on direct and wider community benefits, choosing not to pursue options such as community ownership and electricity bill discounts? Please explain why.

The focus should include options such as community ownership of locally installed generators so that local projects will be incentivised.

6. How do you think guidance could be developed most effectively? How should different stakeholders be involved?

Government should provide direct incentives, by means of both policy support and investment of funds, to encourage local communities.

7. How do you think the effectiveness of this approach should be evaluated? Please explain why and provide any supporting evidence.

By annually vetting any increase in take-up of local councils delivering small scale electricity generation projects themselves.

8. Do you have a preferred approach to how the level of funding should be calculated? Why is this your preferred approach?

Local (parish and town) councils should have direct access to all and any funding the government makes available for the rollout of local electricity transmission infrastructure.

9. What level of funding do you believe is appropriate? Why do you believe this? Could you please provide any evidence or data as to how you have come to this calculation.

There will be requirements for direct investment in the technology and cable infrastructure for smart local microgrids. There will also be a requirement for targeted grant support for the local communities undertaking the local projects.

10. Is there anything further we should consider as part of next steps?

Government should urgently bring forward development of local “smart” and “microgrids” as part of the infrastructure upgrade. To exclude this as part of this investment would be a huge missed opportunity.

For further information on this response contact Chris Borg via email at chris.borg@nalc.gov.uk or policycomms@nalc.gov.uk.