



Independent Networks
Association

A manifesto for growth

INTRODUCTION

The UK is at a critical juncture, with governments, businesses and communities facing questions that will shape our society for generations to come. How do we reach Net Zero by 2050, while ensuring it is done in a fair and just way? How do we build the new homes the country is crying out for, while ensuring they are fit for the future?

At the Independent Networks Association (INA), it is our view that these should not be seen as challenges, but instead opportunities. Opportunities for investment – into green jobs and low carbon technologies that will boost economic growth, opportunities to deliver critical infrastructure that is built to last and to boost the UK's energy security through cheap, home-grown electricity.

Since 1996, independent networks have been delivering large-scale improvements in innovation, competition and service across the industry. In that time, independent networks have played a key role in some of the UK's largest regeneration projects such as Battersea Power Station and Media City in Salford, as well as connecting over 80% of new homes built each year to the gas, electricity and water networks. Our focus on the fast, efficient, and cost-effective delivery of new energy and water networks and great service for our customers has seen independent networks become the preferred choice for housing, transport, electricity infrastructure developers and public bodies.

As we move into a key time for the UK, Independent Networks stand ready to work with the next Government and industry to 'unblock' some of the issues that are holding back the delivery of new housing and Net Zero infrastructure.

Vicki Spiers
Chair of the INA



ABOUT INDEPENDENT NETWORKS

Independent networks connect 80% of new homes to electricity, gas and water networks across Great Britain, making around 300,000 new connections each year. Alongside new homes, these companies connect large scale projects, and support the rollout of next generation infrastructure such as electric vehicle (EV) charging stations, generation and solar farms.

Summary

01. Proposed reforms should be progressed quickly and ensure that local growth projects are viewed equally to connecting projects at transmission level.
02. Standardise processes and frameworks for land rights and consents across the energy networks.
03. Introduce a national water New Appointments and Variations (NAV) licence.
04. Ensure the transition to low carbon technologies is done in a pragmatic way, that doesn't impact the delivery of new homes.
05. Ensure there is a just transition to Net Zero and resources are available to retrain the current workforce.
06. Create a single 'tell us once' Priority Services Register (PSR).

Case study: Darwin Green, Cambridgeshire

On the outskirts of Cambridge, BUUK are delivering the energy infrastructure for a new development with around 1500 homes being built alongside new green spaces, a central park, new primary school, supermarket, library, and sports facilities. A secondary school will also be delivered in future phases.



OUR ASKS OF THE NEXT GOVERNMENT



REDUCE GRID CONNECTION QUEUES

The connection queue across transmission and distribution is over 500GW, five times the amount that is currently connected. The size of the queue is expected to grow to 800GW by the end of year. Ofgem and the last Government have announced plans to cut connections delays from five years to just six months, however, more can and should be done to bring projects online quickly as the UK decarbonises its electricity grid.

Independent networks are increasingly connecting extra high voltage (EHV) projects to the grid and are fast becoming the preferred supplier for renewable energy developers as they connect projects more quickly and cheaply and are more flexible than incumbents.

It is vital that equal priority is given to local growth projects with the decarbonisation of the grid. The Government estimated at least £90 billion is required from private investors by 2030 that reflects delivering sustainable growth at all voltage levels, the desire to invest is there if these projects are prioritised.

Reducing grid connection queues

To reduce the time it takes to connect new projects to the grid, the INA is calling on the next government to follow through with the recommendations already set out by the National Energy System Operator (NESO). Alongside these, the Government should:

- Fast track competition to deliver all types of network investment, such as strategic and enabling investment.
- Urgently implement practical ideas to solve the connections queue issues into delivery by treating changes to energy governance codes as urgent changes.
- Ensure regional network planning is built out by the Distribution System Operators ahead of the new National Energy System Operator's regional system planning role starting in 2028.
- Create consistency across Britain around network design to encourage flexible connections that reduce their peak energy requirements.
- Ensure the new process for arranging the queue honours existing shovel ready connections.

On average it takes projects **five years** to be connected to the grid.

The size of the grid connection queue is expected to **rise by 300GW** by the end of 2024.

POLICY ASK:

PROPOSED REFORMS SHOULD BE PROGRESSED QUICKLY AND ENSURE THAT LOCAL GROWTH PROJECTS ARE VIEWED EQUALLY TO CONNECTING PROJECTS AT TRANSMISSION LEVEL

ACCELERATE THE ROLL OUT OF RAPID EV CHARGING STATIONS

More electric vehicles were purchased in 2023 than ever before, with over 314,000 being sold in the UK. This is expected to grow by a further 100,000 in 2024. However, one of the key barriers to the adoption of electric vehicles often cited is still the lack of charging infrastructure across the UK. This is despite major growth in the number of charging points over recent years with the UK now having 60,000 public chargepoints – up 45% from this time last year, and of these c. 11,900 are rapid or ultra-rapid charging devices across c. 5,280 charging locations across the UK, rapid charging stations can charge an EV to 80% in 20–40 minutes.

Delivering rapid charging stations

One of the key stumbling blocks in delivering this crucial infrastructure is around land and consents. There can often be protracted and costly legal discussions between infrastructure developers and landowners around access to land to build infrastructure such as substations, underground and overground cables, which represents a barrier to timely connections. There are no set timeframes for agreement and there are no guidelines on compensation. This means that in development hotspots, such as areas around motorway service stations, the costs of access or ability to build becomes expensive and legal costs can spiral.

To overcome this issue and avoid protracted discussions on wayleaves and consents with energy network companies and landowners which carry a hefty price tag and delays growth, the INA is calling on the next Government to set out a standard framework for negotiating land rights, processes and dispute resolution.

POLICY ASK:

STANDARDISE PROCESSES AND FRAMEWORKS FOR LAND RIGHTS AND CONSENTS ACROSS THE ENERGY NETWORKS.

The number of public chargepoints has **grown by 47%** over the past year.

Just 1/5th of these chargepoints are either rapid, or ultra-rapid chargepoints.

Case study: Ionty EV Charging

Located at Bodmin Retail Park in Cornwall, ESP Utilities worked in partnership with Ionty to deliver 12 high power charging bays, allowing low carbon travel to and from Cornwall.

Utilising their technical expertise, ESP Utilities worked in partnership to address and resolve the risks initially identified regarding transferable voltage. This partnership delivered an accelerated deployment with a practical and cost-efficient solution.



INCREASE THE EFFICIENCY OF WATER REGULATION

Independent networks have made over 75,000 water connections, equating to around c.20% of the connections market. Independent networks are able to deliver new water connections 20-25% quicker than incumbents and because they adopt the network and provide services to the customer, they are incentivised to provide best practice in leakage, water metering and flexible, sustainable drainage.

How to increase the efficiency of water regulation

Currently, New Appointments and Variations (NAV) water licences are issued on a site-by-site basis to companies providing drinking water and wastewater services. Since changes in 2019, this process has improved, with new entrants in the sector driving up standards and timeframes for connections with NAVs now representing around 50% of the market.

However, the site-by-site application can be overly bureaucratic and long-winded, with companies having to apply to four different regulators or bodies, including Ofwat, the Environment Agency or Natural Resources Wales, the Drinking Water Inspectorate and the Consumer Council for Water.

Introducing a national NAV licence would see companies assessed upfront, and once a licence has been granted, see them free to operate and compete across England and Wales. Streamlining this process would lead to better regulation, and a better natural environment as regulators would have more time and resource to focus on environmentally sensitive sites and to investigate poor performers.

Independent Networks have made **over 75,000** new water connections.

Independent Networks were granted **412 NAV licences** last year.

Introducing a national NAV licence would have saved **36,000 days** of regulators time last year.

POLICY ASK:

INTRODUCE A NATIONAL NAV LICENCE.

ENSURE ENERGY POLICY DOESN'T DELAY HOUSEBUILDING

The UK has a housing shortage of around 4.3 million homes, the Centre for Cities estimates it would take at least half a century to fix even if the last Government's target of 300,000 homes each year was met.

One of the key stumbling blocks faced by new developments is the lack of capacity at the National Grid. It has been reported that thousands of much needed new homes are on hold, and some schemes face a delay of up to four years as they wait to be connected.

The future of home heating, and lack of policy clarity in this area also has the potential to stall new development. It is proposed that from 2025 new homes will have an electric solution to their heat demands. The INA is supportive of the electrification of heat for new homes, as this will be one of the natural steps towards decarbonisation. However, consideration should be given for developments that are already in flight, as energy infrastructure is often provided at the start of any development.

This is particularly the case for homes with gas infrastructure. The INA estimates that approximately 530,000 new dwellings in England originally contracted with gas infrastructure are unlikely to have completed construction by 2025.

The UK has a housing shortage of around **4.3 million homes**.

Independent networks connect around **80% of new homes**.

Should these proposals come into effect, there is a real chance that some of these homes will not have an adequate electricity connection for a heat pump. Remedying this could impact the delivery of these homes and will undoubtedly have cost implications.

Building new homes

To ensure much-needed new homes are built, the transition to low-carbon technologies such as heat pumps and heat networks is should be done in a pragmatic way, without hard cut off dates, so that there is no delay in the delivery of new homes.

POLICY ASK:

ENSURE THE TRANSITION TO LOW CARBON TECHNOLOGIES IS DONE IN A PRAGMATIC WAY, THAT DOESN'T IMPACT THE DELIVERY OF NEW HOMES.

SUPPORT THE DEVELOPMENT OF GREEN SKILLS & JOBS

As the UK decarbonises, we will need a new workforce equipped with the skills needed to achieve our 2050 targets. A recent report from PwC found that increases in renewable and low carbon energy generation could be constrained by a skills gap of around 200,000 workers.

The UK currently has c.640,000 green jobs, a figure which has been growing steadily over the past 10 years. However, to ensure the UK has the right skills to realise our Net Zero ambitions, the INA is calling on the next government to support the development of green skills and jobs further. This is not just in engineering but also across technology, information technology, design and analysis – providing rewarding and exciting careers for young people.

Equipping the UK's workforce

One of the main ways in which the UK will develop its green skills is through upskilling the current and future workforce, and employers should be supported in investing time and resources into doing this. It is also important that Government provide policy clarity in certain areas, such as the role of hydrogen in home heating, so companies can begin to equip their employees with the necessary skills.

Vocational education and training must not be overlooked when bridging the UK's green skills gap, and alternative career pathways, such as apprenticeships, should be promoted to ensure young people are aware of all the opportunities available to them.

POLICY ASK:

ENSURE THERE IS A JUST TRANSITION TO NET ZERO, AND RESOURCES ARE AVAILABLE TO RETRAIN THE CURRENT WORKFORCE.

The UK currently has **c. 640,000 green jobs.**

The UK has a green skills gap of **200,000 workers.**

Case study: Harlaxton Engineering Services

Harlaxton Engineering Services and its sister company, Harlaxton Energy Networks offer a range of apprenticeships as it looks to provide the next generation of workers with the skills needed to build a successful career, and help the UK meet its Net Zero targets.

Harlaxton's apprentices benefit from on the job learning, and having access to a range of industry standard equipment, giving them hands-on experience on sites across the country. They are supported by highly qualified engineers who provide them with invaluable insights and practical knowledge to excel in their career journey.



ENHANCE PROTECTIONS FOR VULNERABLE CUSTOMERS

The Priority Services Register (PSR) exists to help utility companies look after customers who have extra communication, access, medical, financial or safety needs. It is intended to allow utility companies to tailor their services to support households who need additional help with things such as energy bills, but also provide additional support in the event of a power cut, or gas or water supply interruption.

There are around three million people registered on the PSR, however it is estimated that there are millions of people who are not receiving the support they need. This is partly due to the lack of awareness about the PSR. Polling has shown that 80% of UK adults do not know it exists. The issue is further compounded by the fact that the PSR is just shared between incumbent water companies and distribution networks and not with a wider range of utility sectors. Signing up across multiple companies and sectors each year is a burden on vulnerable customers.

Creating a single, multi-sector Priority Services Register

The creation of a single, multi-sector 'tell us once' PSR will help to paint a clearer picture of the number of vulnerable customers in the UK and ensure there is not a disparity in their treatment. The INA is advocating for all utility networks – both incumbents and independents – to be included in a single PSR, along with energy suppliers as they are the customers' main point of interaction.

There are **c. 3,000,000 people** on the Priority Services Register.

It is estimated that millions more are missing out on support.

80% of UK adults do not know the Priority Services Register exists.

POLICY ASK:

CREATE A SINGLE 'TELL US ONCE' PRIORITY SERVICES REGISTER





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