
Meeting: Executive
Date: 4 May 2010
Subject: Climate Change Strategy and the Carbon Management Plan (2010/11)
Report of: Cllr Tom Nicols , Portfolio Holder for Sustainable Development

Summary: The report proposes the adoption of:

- the Climate Change Strategy to provide the framework on which the Council will take action to cut carbon, be more energy and fuel efficient, cut costs and be prepared for the impacts of a changing climate; and
- the Carbon Management Plan, which proposes specific actions to reduce the Council's own carbon footprint.

Advising Officer: Gary Alderson, Director of Sustainable Communities
Contact Officer: Stephen Mooring, Corporate Policy Advisor (Climate Change/Sustainability)
Public/Exempt: Public
Wards Affected: All
Function of: Executive/Council
Key Decision Yes
Reason for urgency/ exemption from call-in (if appropriate) N/A

CORPORATE IMPLICATIONS

Council Priorities:

Taking positive and proactive steps to tackle climate change demonstrates leadership and contributes to the delivery of the all the Council's priorities, particularly in relation to managing growth effectively.

Financial:

Failure to take action will leave the Council vulnerable to massive costs later, both in inefficiencies in dealing with climate change and in fines.

In 2009 Ofgem also predicted a 60% price rise for energy by 2016. Based on the Council's and schools current combined energy spend of £3.4 million per year, by 2015 this would represent an increased combined energy bill of up to £4.6million rising as high as £5.4 million by 2016.

The Carbon Management Plan (Appendix B) explores the impact of this in more detail (on pages 16 to 18) and shows the estimated cumulative cost to the Council of taking no action compared to delivering a 60% CO₂ reduction over the next ten years is £76 million. This is primarily through increased energy and fuel bills for our buildings, schools and outsourced services. This figure is based on a comparison the Council

taking a 'business as usual' approach - where no investment is made in carbon reduction measures against the savings generated from measures taken to achieve the specified target. This also considers the impact of a conservative estimate of the predicted price rises in energy and fuel bills.

The Council will be subject to the Carbon Reduction Commitment (CRC) which will cost the Council approx. £300k p.a. from April 2011 (included in the medium term financial strategy). This estimate is based upon the carbon emissions sources included within the scope of the scheme from the 2008/09 carbon footprint at the starting allowance value of £12 per tonne (pages 8 and 9 of the Climate Change Strategy). Depending on the levels of reduction we achieve the Council may be entitled to reward payments which will offset part or potentially all of this sum, these would be received from October 2011 onwards. CRC is extremely complex and the final guidance was only issued at the start of April 2010. This is currently being reviewed to identify the full implications and requirements that will be placed on the Council from this mandatory scheme

Projects identified in the Carbon Management Plan (Appendix B – pages 19 to 27) have estimated annual savings of £1.3 million in energy and fuel costs (based on current energy and fuel prices) split between the Council and schools. Future opportunities will require funding in the region of £1.1 million and the principles on which these will be progressed is set out on pages 23 and 24 of the Strategy (Appendix A). An assessment of the estimated costs to implement new projects against the future efficiency savings and cost avoidance is included at Appendix C of this report.

Legal:

The Climate Change Act places a legal duty on all public authorities to put in place a climate change adaptation plan, to ensure that their areas are resilient and prepared for the impacts of a changing climate. This act also implements the CRC Energy Efficiency scheme which the Council will be legally required to participate in. This also has strict financial penalties for organisations and their nominated representatives who fail to participate or maintain accurate supporting evidence.

Risk Management:

Central Bedfordshire will not be immune to the impacts that a changing climate will have. This change will include higher temperatures, hotter, drier summers, the increased threat of flooding as well as wetter winters and the council will need to act now to adapt and to manage the risks to service delivery, the public, local communities, local infrastructure, businesses and the natural environment.

Failure to take action on this agenda will also present the Council with financial risks, primarily through the increase in fuel costs and impact of the CRC scheme along with the reputational risk of not dealing with the change.

Staffing (including Trades Unions):

If the Council is to achieve a reduction in its' carbon footprint, staff and members will need to be involved and act. Some of the measures to deliver this could involve staff working differently, e.g. through making use of tele and video conferencing to reduce car journeys or ensuring that they take small no cost measures, such as turning equipment and lights off, which cumulatively make a significant contribution.

Based on best practice from other Local Authorities targeting staff with a robust green awareness campaign could reduce energy use in the Council's buildings by up to 5%, which equates to a saving of £35,000.

Equalities/Human Rights:

Compliance with equality legislation has a direct impact on a Council's ability to deliver against the sustainability agenda, of which climate change is a major element. Issues such as economic development, sustainable communities, quality of life and community cohesion are all factors which can be influenced by an individual's experience of inequality and discrimination.

These factors were highlighted by the findings of the Equality Review (commissioned by the Cabinet Office in 2006/07) which collected and analysed a wide range of evidence on inequality and concluded that the prosperity and cohesion of all communities are affected by differences in identity (for example gender, ethnicity and disability) and other factors such as changes in social mobility, migration and socio-economic conditions.

The actions taken to implement the Climate Change Strategy, particularly those relating to cutting the Central Bedfordshire area's carbon footprint and preparing for the impacts of a changing climate will need to be carried out in an inclusive manner. They will benefit those suffering from inequalities, for example domestic energy efficiency work will be targeted at households suffering from fuel poverty and measures taken to mitigate against the impacts of a changing climate – such as extreme weather events and heat waves - protecting the elderly and vulnerable.

Community Safety:

The impacts of a changing climate will also result in more threats to the safety of our communities. For example, by 2020, UKCIP predicts that the summer of 2003, which was 2°C warmer than average, will become the norm. This resulted in over 35,000 excess summer deaths in northern Europe – mainly of the elderly and vulnerable.

The increased risk and frequency of extreme weather events will place more pressure on the Council and emergency services. Implementation of the Strategy will ensure that robust adaptation measures are put in place to limit or avoid these impacts.

The increase in energy costs will also have considerable impacts on our residents with more people falling into fuel poverty, and this will ultimately have the biggest impact on those parts of society that are already vulnerable.

Sustainability:

The key principles of sustainability are living within environmental limits, ensuring a strong, healthy and just society, and achieving a sustainable economy. The Climate Change Strategy will deliver on, or link strongly to, the Council's response to these principles. The Strategy will be the focal point for ensuring that the Council operates within its environmental limits – particularly in relation to carbon emissions and energy and fuel efficiency.

The implementation of the Strategy will support households and businesses to cut their carbon footprints and as a result benefit from the savings resulting in reduced energy and fuel use. In 2008 the low carbon economy in the UK was worth £106.5bn, this presents Central Bedfordshire with a real opportunity to build on the success of current innovators in our area to develop our own economy in this over the coming years.

Summary of Overview and Scrutiny Comments:

- As the lead area at the time, Business Transformation OSC declined the opportunity to review the Strategy and developing plans.

RECOMMENDATION(S):

- 1. that the Executive consider and recommend to full Council the adoption of the Climate Change Strategy attached at Appendix. A**
- 2. that the Executive considers and approves the Carbon Management Plan attached at Appendix B.**

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| <i>Reason for Recommendation(s):</i> | <i>So that the Council:</i> <ul style="list-style-type: none">• <i>Fulfils the legislative requirements placed upon it in the Climate Change Act (2008);</i>• <i>Realises the potential efficiency savings from taking action to reduce its carbon footprint</i>• <i>Acts to prepare and protect the Council and our area from the impacts of a changing climate.</i> |
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Executive Summary

The Climate Change Strategy is the Council's plan to cut carbon, be more energy and fuel efficient, cut costs and be prepared for the impacts of a changing climate. Once published the Strategy will publicly confirm the Council's ambition, targets and plans to demonstrate leadership in this area. This document is provided in Appendix A.

The Strategy sets out the Council's high level framework to embrace the climate change agenda and acknowledges that action needs to be taken now to avoid massive costs later, both in inefficiencies, increased fuel and energy costs and in fines.

The Strategy will be delivered through the implementation of three supporting plans: the Carbon Management Plan (CMP) (Final version in Appendix B); the Central Bedfordshire Area CO₂ Emissions Reduction Plan and the Climate Change Adaptation Plan (both to be developed by the end of 2010/11).

The Strategy proposes that the Council sets out the ambition to:

- Aim for a 35% reduction in its' own carbon footprint by 2015 and works towards an overall 60% reduction by 2020 (from the 2008/09 baseline).
- Work towards achieving level 4 (top level) of NI188 in relation to preparing for the impacts of a changing climate by 2012/13.
- Continue to work towards the current LAA area emissions target of a 10.7% by 2011 and future targets.

Introduction

1. Like all other local authorities, Central Bedfordshire Council has a key role to play in mitigating climate change – both as a community leader and through the services we provide. The Council is also a considerable consumer of energy and a direct source of carbon dioxide (CO₂) emissions through our activities and buildings. The Council will therefore need to get its own house in order to demonstrate leadership, realise the efficiency savings associated with tackling this issue, and, as a result, inspire business and residents in our area to themselves take carbon reduction measures.

2. Central Bedfordshire will not be immune to the impacts that a changing climate will have and will need to act now to adapt and manage risks to service delivery, the public, local communities, local infrastructure, businesses and the natural environment.
3. Aside from the moral and environmental case for taking action to tackle climate change there is a massive opportunity for the Council to reduce costs and operate more efficiently by embracing this agenda alongside a number of other compelling drivers:
 - considerable scope for efficiency and cost savings;
 - future impact of the increase in energy and fuel prices;
 - requirements of the Climate Change Act (2008), including the Council's compulsory participation in schemes such as the CRC energy efficiency scheme and Display Energy Certificates (DEC's); and,
 - assessment of our effectiveness at addressing this issue in the Council's operations and Central Bedfordshire area through the Comprehensive Area Assessment (CAA) and the Local Government Performance Framework (including NI185 and NI186).

Our work to date

4. The Council's work on climate change to date work has been built on the excellent progress made by the legacy authorities. This has focused on the following core areas of activity:
 - i) Compiling the Council's carbon footprint and identifying and considering opportunities to reduce this;
 - ii) Understanding the positive contribution of existing projects to this agenda, such as the Council's Streetlighting Strategy and Medium Term Accommodation Strategy;
 - iii) Working closely with partners on projects to reduce the area's carbon footprint and support householders to be more energy efficient, in support of the LAA target for NI 186: *Reducing the LA area's CO₂ emissions*;
 - iv) Developing the Council's Climate Change Strategy which sets out an overall framework for taking this agenda forward (see Appendix A).
 - v) Participating in the Carbon Trust's Local Authority Carbon Management Programme (see paragraph 5 below).

This work was overseen by the Climate Change Management Board.

5. In May 2009 the Council was chosen, amidst strong competition, to take part in the Carbon Trust's local authority carbon management programme (LACM). Inclusion in this programme has given the Council access to free technical support and expertise from the Carbon Trust to identify and explore carbon reduction opportunities, and to assess the future impact of not taking action. This work has been used to compile a Carbon Management Plan (CMP) (see Appendix B) for the Council which will be used to guide the measures that the Council takes to reduce its own carbon footprint.

6. To support work on reducing the Central Bedfordshire area's emissions the Council was successful in being selected to take place in the Energy Saving Trust's (EST) One to One Local Authority support programme in September 2009. As with the Carbon Trust's LACM programme, the Council faced stiff competition from other Local Authorities to get a place on this programme. Inclusion on this programme is also providing the Council with free additional technical support from the EST, this time the focus of this being on putting together an action plan to drive forward carbon reduction and energy efficiency measures in the Central Bedfordshire area. This specifically looks at the support and services we provide to residents, businesses and partners, and how this can be utilised to drive forward opportunities to help realise carbon reduction and energy efficiency.
7. Work on preparing for the impacts of a changing climate had in the past focused on emergency planning for extreme events, e.g. flooding etc, and there is now a need to consider how the impacts (e.g. hotter summers, more extreme weather) will affect services and our area. To address this, impact assessments of all our functions will be carried out over the coming year as the basis for developing a Climate Change Adaptation Plan which all local authorities are now required to produce.

The Council's and Central Bedfordshire's carbon footprints

8. To understand the main sources of CO₂ emissions from the Council a carbon footprint was compiled. The Council's carbon footprint is 33,700 tonnes (2008/09 baseline) and shows schools to be the biggest contributor to emissions (51%). A detailed breakdown is given in the Strategy on pages 7 and 8 (see Appendix A). The Council's total spend on energy is in the region of £3.4 million (including schools). The combined total spend on energy and fuel for transport, including where services are outsourced, is £7.2 million.
9. The latest CO₂ emissions data from the Department of Energy & Climate Change (DECC) for Central Bedfordshire shows that in 2007 our area was responsible for 1,582 kilo tonnes (kt) of CO₂. Per capita emissions for our area are at a lower level than the national average. This is looked at in more detail on pages 9 and 10 of the Strategy.

Adapting to the impacts of a changing climate

10. While carbon reduction is an important area of work, the level of historic emissions already means that some change to the climate is and will happen. The 2007 summer floods, the 2004-06 drought and the 2003 heat wave have shown how climatic events can have a major impact on our natural environment, households, businesses, infrastructure (such as roads, railways, water supply and electricity generation) and vulnerable sections of society, such as low-income households or the elderly.
11. The Climate Change Act places a legal duty on all public authorities to put in place a climate change adaptation plan, to ensure that their areas are resilient and prepared for the impacts of a changing climate. This will be monitored through the Council's performance against NI 188: *Adapting to a changing climate*.

The Council's Strategy and supporting implementation plans

12. The Climate Change Strategy is the Council's plan to cut carbon, be more energy and fuel efficient, cut costs and be prepared for the impacts of a changing climate. Once published the Strategy will publicly confirm the Council's ambition, targets and plans to demonstrate leadership in this area. This document is provided in Appendix A.
- 13.. The Strategy sets out the Council's high level framework to embrace the climate change agenda and acknowledges that action needs to be taken now to avoid massive costs later, both in inefficiencies, increased fuel and energy costs and in fines.
14. The Strategy proposes that the Council sets out the ambition to:
 - Aim for a 35% reduction in its' own carbon footprint by 2015 and works towards an overall 60% reduction by 2020 (from the 2008/09 baseline).
 - Work towards achieving level 4 (top level) of NI188 in relation to preparing for the impacts of a changing climate by 2012/13.
 - Continue to work towards the current LAA area emissions target of a 10.7% by 2011 and future targets.
15. The Strategy will be delivered through the implementation of three supporting plans; these being the Carbon Management Plan (CMP) (Appendix B), the Central Bedfordshire Area CO₂ Emissions Reduction Plan and the Climate Change Adaptation Plan (both to be developed by the end of 2010/11).

Conclusion and Next Steps

16. The Council has continued to build on the good practice of the legacy authorities and has already taken proactive steps to reduce its carbon footprint with the approval of the projects such as the Street lighting Strategy and Medium Term Accommodation Strategy.

The Climate Change Strategy sets out the Council's aspirations for how it will continue to take forward its work in tackling the issue of climate change and carbon reduction. The level of aspiration – demonstrated by the targets being set, as detailed in paragraph 14 of this report, will shape the content of the delivery plans that will be put in place to deliver this strategy. Whilst work on climate change will continue over the coming years, the priorities over the next year are as follows:

- Approval of the Climate Change Strategy and Carbon Management Plan (May Executive).
- Calculation and publication of the Council's carbon footprint for 2009/10.
- Hold an annual public facing initiative to raise awareness (such as a carbon cutting contest) and support communities to reduce energy use and cut carbon.
- Host an annual climate change conference.
- Implement the Council's Street lighting Strategy and Medium Term Accommodation Strategy, along with the other projects identified in the CMP.
- Carry out a programme of 'climate impact' assessments for all Council functions.

- Support staff to be greener through a Staff Green Champions Club and bespoke training sessions.
- Comply with the Government's Carbon Reduction Commitment.
- Support schools and those organisations that provide services on behalf of the Council to better understand their carbon footprints and the action they can take to reduce them.

Appendices:

Appendix A – Central Bedfordshire Council's Climate Change Strategy

Appendix B – Carbon Management Plan

Appendix C – Cost Benefit Analysis of taking proposed carbon reduction measures against taking no action.

Background Papers:

The following tools from the Carbon Trust support the formulation of the Climate Change Strategy and Carbon Management Plan:

- Carbon footprint tool for Central Bedfordshire Council 2008/09
- Rapid Assessment of Potential (RAP) Tool
- Carbon Management Plan Register of projects
- Quantification crib sheet

Other supporting papers include:

- NI186 Delivery plan
- NI188 guidance
- UKCIP, I&DEA and LGA guidance: '*Climate change and local communities – How prepared are you?*' available at:

http://www.ukcip.org.uk/images/stories/Pub_pdfs/Local_authority.pdf

Location of papers:

Papers are held electronically or in hard copy at Melbourne House.