

WILTSHIRE COUNCIL

**ENVIRONMENT SELECT COMMITTEE
2 MARCH 2009**

CLIMATE CHANGE UPDATE

Executive Summary

This report provides an update to members on progress against climate change objectives and the resources available to deliver these objectives as requested following the report presented on 3 November 2009.

Proposal

That the Committee notes the information in this report on:

- a) progress made against climate change objectives
- b) proposed work programme for 2010/11
- c) resources available to deliver against climate change objectives

Reason for Proposal

A briefing on carbon trading and resourcing of the climate change team was provided to members of the Select Committee on 3 November 2009. Members requested a progress update to be made available at their meeting of 2 March 2010.

ALISTAIR CUNNINGHAM

Service Director, Economy and Enterprise

CLIMATE CHANGE UPDATE

Purpose of Report

1. To update members on:
 - a) progress made against climate change objectives
 - b) proposed work programme for 2010/11
 - c) resources available to deliver against climate change objectives

Background

2. In November 2009, the Committee considered a report on carbon trading and the resources available to the climate change team. Members requested an update at the March 2010 meeting.
3. Since the November meeting of the Committee, the Audit Commission has stated that climate change will be an area of focus for the Comprehensive Area Assessment in 2010.

Progress against Climate Change Objectives

4. The Climate Change Board, chaired by Cllr Toby Sturgis, has approved the following objectives for the climate change team:
 1. Reduce the council's carbon footprint
 2. Work with partners to reduce Wiltshire's carbon footprint
 3. Ensure that Wiltshire is prepared for unavoidable climate change
 4. Prepare the council for carbon trading

Good progress has been made on all four objectives since the Climate Change team was set up in April 2009, as set out below.

Reducing the council's carbon footprint

5. The council has been working with the Carbon Trust since May 2009 to develop a carbon management plan which will be agreed by Cabinet in April 2010. As part of this process, the Climate Change Board has agreed a draft emissions reduction target against NI185 (which measures the council's own carbon footprint). The CO₂ emissions during 2008/09 were approximately 60,000 tonnes. The target is for the council to reduce its carbon footprint by 25% by 2013/2014 and by 50% by 2020.
6. The council has also signed up to the 10:10 campaign which commits it to aim to reduce emissions by 10% during 2010/11 (excluding schools and outsourced services).
7. An action plan has been developed to enable the council to improve its score in the Use of Resources assessment under Key Line of Enquiry (KLOE) 3.1 – use of natural resources.

Reducing Wiltshire's carbon footprint

8. The council is working with the Energy Saving Trust through its one to one programme to reduce the whole county's carbon footprint. The work with the Energy Saving Trust will model current and future carbon emissions across the county and help the council determine how best to tackle emissions reduction using this data. The Energy Saving Trust has completed a review of the council's services which directly impact on the county's carbon emissions, either through contact with customers or through planning-type functions. A number of recommendations have come out of the report and have been considered by the multi-disciplinary officer working group 'Act on Carbon' in February 2010. These will form the basis of an interim action plan, which will be refined and developed further during 2010/11. The Energy Saving Trust will support the council to develop its carbon reduction plan for the county over the next 12 months, and will then provide support for implementation for a further 12 months.
9. A two-year partnership project to make 43 Wessex Brigade more sustainable has been agreed and is being taken forward under the Military Civilian Integration Programme
10. The council has commissioned a climate change and renewable energy evidence base study. This is designed to principally fulfil the requirements of the Climate Change Supplement to PPS 1. The study is collecting data on current and future energy use in the county; assessing the supply of low carbon and zero carbon sources of energy; and making policy and target recommendations for incorporating in the Local Development Framework. The consultants Camco are expected to report by end of April 2010.
11. Member training on Planning and Climate Change will take place on the afternoon of 24 March. Officer training has also been arranged relating to Planning and Climate Change for policy and development management planners for the 26 March and 12 April.
12. A project to loan energy display monitors from libraries was launched on 8 February 2010. Over 40 monitors are available for residents to loan using their library card from 7 libraries across the county. The scheme will be reviewed after an initial 4 month pilot period. The demand for the monitors is such that all were loaned out on the day the pilot was launched and there is now a waiting list in many locations.
13. In December, the council submitted a bid to the national Low Carbon Communities Challenge with Climate Friendly Bradford on Avon. The bid was unfortunately unsuccessful, but the council continues to support the community group with their carbon neutral declaration.

Ensuring that Wiltshire is prepared for unavoidable climate change

14. The council has included a target in its Local Area Agreement to develop a climate change adaptation plan with partners by 31 March 2011 (Level 3 / 4 of NI 188). This is a challenging target given that climate change adaptation is a new area of work and that the authority has until recently been at Level 0

against this indicator (see Appendix 1). However, success will help ensure the council is well placed to benefit from any future performance reward grants. An initial consultation document on developing a climate change adaptation plan was circulated in December 2009 and the results are currently being analysed. A report is being prepared to fulfil the requirements of Level 1 of NI188. This will include: a summary of the initial consultation findings; a review of key council documents for how they are already addressing the risks of unavoidable climate change; a profile of the likely future impacts of climate change in Wiltshire; and a detailed project plan for completing NI188 Level 2. The council is on track to meet its interim target of reaching Level 1 by the end of March 2010.

15. The climate change team have been making presentations to Departmental Management Teams about the need to develop a climate change adaptation plan and will be presenting to the LSP Thematic Delivery Partnerships during Spring 2010.
16. A Climate Change Adaptation Steering Group will be formed in April 2010. A workshop, to be run by the Climate Outreach and Information Network (COIN), will be run in May 2010. This will help raise awareness across the council of how unavoidable impacts of climate change will affect the council in the future and gain buy-in from departments for preparing the action plan.

Preparing the council for carbon trading

17. The mandatory Carbon Reduction Commitment (Energy Efficiency Scheme) comes into force on 1 April 2010. Under the CRC the council will therefore be corporately responsible for carbon emissions arising from the consumption of gas and electricity in all its buildings (including schools) and from street lighting (but excluding transport). A league table will be published in October every year starting in 2011 showing the relative performance of all organisations taking part in the scheme nationally, and councils will be compared against large companies such as supermarket chains. Good performance will be achieved through demonstrating a year on year reduction in emissions from April 2011 onwards. For the first year of the scheme (baseline year April 2010 – March 2011), performance will be assessed through the proxy measure of how many Smart meters have been installed (meters that measure gas and electricity supply and send readings automatically back to the supplier). The council's performance in the league table is difficult to predict because it will be relative to what other organisations do. However, the council is committed to doing everything it can to secure a good position in the league table in order to minimise any financial penalties and preserve its reputation.
18. The council is taking part in a Carbon Trading simulation for 2009-10 run by the Local Government Information Unit (LGIU). This exercise has enabled the council to get to grips with the complexities of carbon trading and to develop a trading strategy. Wiltshire council was one of only 15 organisations (out of 98 taking part) to successfully bid for all allowances needed to cover forecast emissions for the whole of 2009-10. The council will be taking part in a more sophisticated version of the simulation with LGIU during 2010/11.

19. Through the CRC scheme, at the end of each trading year, we must hold enough allowances to cover our emissions or face fines. If we hold more allowances than we need, we may trade the excess allowances on the scheme's open market. If we do not hold enough, we will have to buy more. Prices on the open market may go up or down and there are therefore financial risks to not being on top of our energy consumption / carbon emissions.
20. The focus for the council during the reporting year 2010/11 will be on putting in place adequate systems to capture data on energy consumption and our carbon emissions from buildings and streetlights. To this end, the council's Property services are procuring Smart meters for all non-schools buildings that meet the council's criteria for Smart metering¹ through the OGC framework contract with British Gas. British Gas will be installing the Smart meters over the next 4 months.
21. Initial conversations have been held with schools finance officers and the Service Director for Schools over the best approach for installing Smart meters in schools, which account for 40% of the council's footprint under the CRC. The proposal is for the council to bear the financial risk in the first year of carbon trading by budgeting corporately for carbon allowances and any risk or reward, to include schools carbon emissions. In return, schools will be requested to lease Smart meters directly from British Gas at a cost of £90-£105 per electricity meter and £77-£110 per gas meter (cost depends on type of meter). The benefits of Smart meters to Wiltshire schools are that:
- they eliminate the need for estimated billing, meaning that schools will only pay for the energy they actually use, thereby saving approximately 2% on bills.
 - they will enable the Energy Team to work with schools to monitor gas and electricity use and identify areas where consumption is unusually high and therefore savings can be made.
 - all data will be logged and accessible online as a teaching aid. Pupils will be able to track the impact of any energy saving behaviour or measures over time.

Proposed work programme for 2010/11

22. The proposed work programme for the Climate Change team in 2010/11 is set out in Appendix 2.
23. A number of initiatives will help meet the council's objectives for both carbon reduction and climate change adaptation; therefore these are included at the end in the 'cross-cutting' objective.

Resources to deliver against climate change objectives

24. The council's budget for 2010/11 has been agreed by Cabinet at the time of writing this report, to include £400,000 revenue funding for the Climate Change team and £500,000 capital for a corporate carbon reduction

¹ Buildings meet the council's criteria for Smart meters if they are: not ear-marked for disposal; are larger than 100m²; spend a minimum of £200 pa on energy; are owned by the council.

programme. Subject to approval by Full Council, it is proposed to spend the budget in the following way:

- **£323,000 for staffing** - 7.6 FTE permanent staff and 1 FTE two year fixed term post (see proposed structure in Appendix 3).
- **£77,000 implementation budget** to obtain ISO 14001 accreditation, for project implementation & match funding for bids, as well as staff training and expenses / supplies and services.
- **£500,000 capital** for a corporate carbon reduction programme.

25. One half time post of Climate Change Community Officer is funded by DCS in addition to the climate change team budget, making a total staff complement of 8.1 FTE.

26. In addition to these resources, the following external funding has been obtained:

- **£52,000** revenue funding from the Carbon Trust to carry out energy efficiency **surveys** of 44 key sites, including schools.
- **£352,000 capital** 0% interest loan from Salix Finance for 3 energy efficiency projects in leisure centres and one to convert 1600 bollards to LED technology.
- a bid to Salix Finance for **£500,000 match funding** for the corporate carbon reduction programme is at application stage. This is likely to be approved and will be used to set up a £1 million 0% interest, revolving fund which can be loaned out for energy efficiency projects in council buildings and schools. Bristol City Council have had considerable success with a similar internal loan fund.

27. Costs for the team's work should be seen in the context of the authority's overall spend on energy and transport of over £13m per year, which the team will be working to reduce. The Value at Stake calculations for the carbon management plan show that compared with business as usual increases in costs, the authority could avoid costs of £16.4m over the next 5 years if it meets its target to reduce emissions by 25% by 2013/14(see Appendix 4).

Environmental Impact of the Proposal

28. The aim of the Climate Change team is to limit carbon emissions from the council and from the county overall, which will have a positive impact on the environment.

Equality and Diversity Impact of the Proposal

29. The work that the council is doing to reduce fuel poverty benefits disadvantaged groups in the community.

Financial Implications

30. Resourcing implications are set out above. Financial implications of the CRC were set out in the November 2009 report.

Legal Implications

31. The Council is legally required to take part in the Carbon Reduction Commitment trading scheme.

Options Considered

32. Doing nothing on climate change is not an option due to the following considerations:
 1. the council's performance on climate change plays a key role in the Comprehensive Area Assessment, Local Area Agreement and Use of Resources (Key Line of Enquiry 3.1);
 2. the council will incur fines and penalties under the Carbon Reduction Commitment if it does not take immediate action to measure and reduce its carbon emissions.
 3. Cumulative costs of up to £16.4m for energy and transport could be avoided by 2013/14 if the council meets its emission reduction targets.

Conclusion

33. While significant progress has been made during 2009/10 on developing a climate change work programme, additional resources are required for 2010/11 to deliver on this challenging and growing agenda. The capital and revenue budgets recently approved by Cabinet will enable the climate change team to deliver during 2010/11 and beyond.

ALISTAIR CUNNINGHAM

Service Director, Economy and Enterprise

Ariane Crampton

Head of Climate Change

Background Papers

1. Updates to Environment Select Committee 1 September 2009 and 3 November 2009
2. Draft Carbon Management Plan for Wiltshire Council February 2010
3. Briefing to the Wiltshire Environmental Alliance on NI186, December 2009
4. Energy Saving Trust report & recommendations for Wiltshire Council, Jan 10
5. CRC user guide January 2010:
http://www.decc.gov.uk/en/content/cms/what_we_do/lc_uk/crc/user_guidance/
6. Wiltshire Climate Change Adaptation Plan – initial consultation, December 09

7. LGA/Defra/UKCIP booklet for Members on climate change adaptation Jan 10:
<http://www.lga.gov.uk/lga/publications/publication-display.do?id=7759710>
8. Briefing on Salix Finance for the Climate Change Board, Nov 2009

Appendices

1. Summary of the requirements of national indicator 188 – Adapting to Unavoidable Climate Change
2. Outline work programme for the Climate Change team 2010/11
3. Proposed Climate Change Team structure from 1 April 2010
4. Value at Stake graph from carbon management plan

Appendix 1

Summary of the requirements of national indicator 188 – Adapting to Unavoidable Climate Change

Level	Description/ Requirement
0	Getting Started
0.1	Initial Project Planning
0.2	Engagement of Community, Service Users and Key LSP Partners
0.3	Scoping Project Resources
0.4	Identifying a Baseline
0.5	Supplementary Aim - Developing a Vision
1	Public Commitment and Impacts Assessment - Assembling an Evidence Base
1.1	Include other Expertise, Leadership and Public Commitment
1.2	Understanding Current Vulnerability
1.3	Identifying Some Significant Potential Impacts from Future Weather and Climate
1.4	Sharing the Load and Ongoing Project Planning
1.5	Supplementary Aim - Monitoring Future Impacts
1.6	Supplementary Aim - Weather and Climate Database
2	Comprehensive Risk Assessment
2.1	Comprehensive Assessment of Potential Impacts
2.2	The Risk-Based Assessment Revealing Priority Issues
2.3	Identify Priority Actions
2.4	Implement Priority Actions
2.5	Integrate LSP Partners
2.6	Supplementary Aim - Monitor New Business
2.7	Supplementary Aim - Monitor Effectiveness of Early Adaptation Measures
3	Comprehensive Action Plan (and prioritised action plan in priority areas)
3.1	Developing a Comprehensive Adaptation Action Plan
3.2	Embedding Climate Risks into Decision Making
3.3	Implementing Adaptation Responses
3.4	Supporting LSP and Partner Organisations
4	Implementation, Monitoring and Continuous Review
4.1	Monitoring Implementation of Plan
4.2	Monitoring Performance of Adaptation Actions
4.3	Review and Updating of Plans

Appendix 2

Outline work programme for the Climate Change team

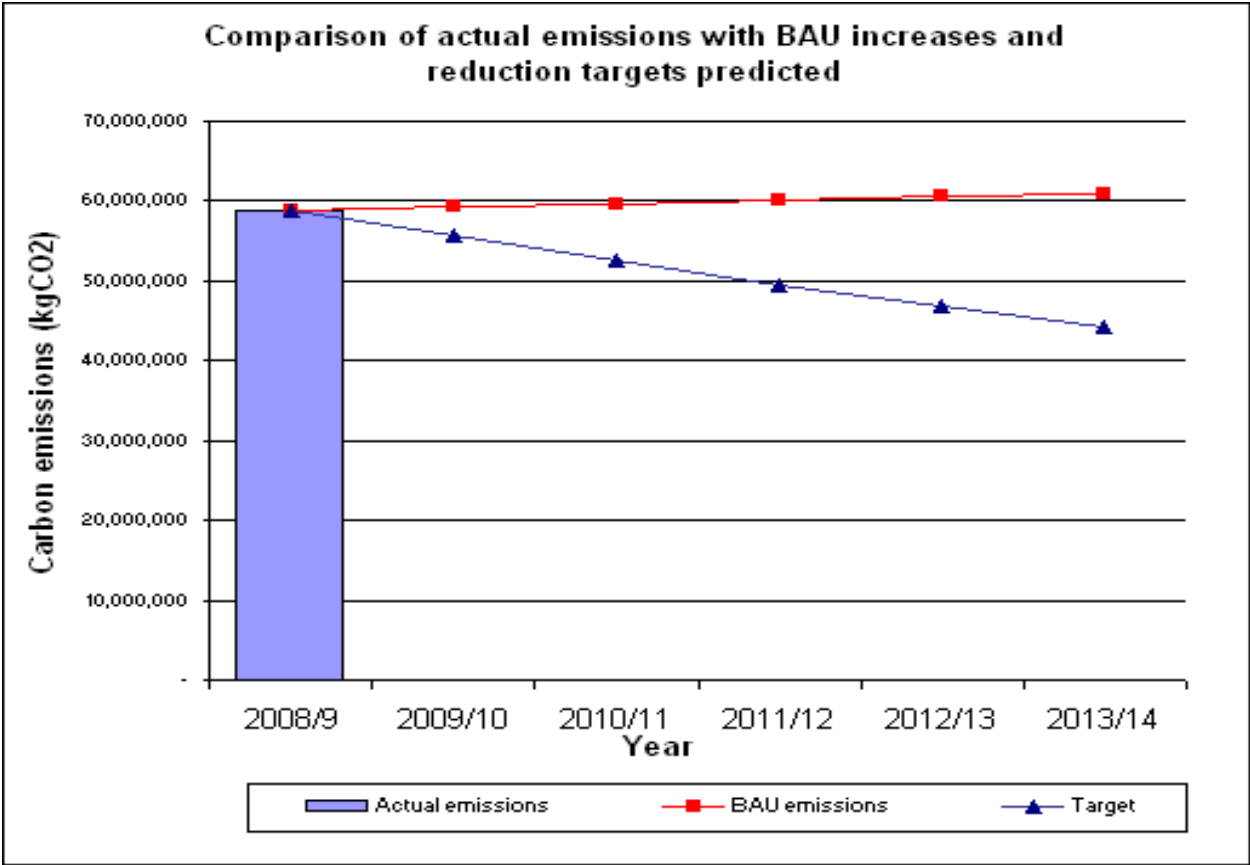
Objective	Task	Timescale
Policy & Strategy	Develop a framework climate change strategy for the council, including key legislative drivers and evidence base.	June 2010
	Revise the council's environmental policy	May 2010
Reducing the council's carbon footprint	Finalise carbon management plan – 5 year carbon reduction plan which aligns with workplace transformation, leisure centre review, etc	Cabinet - 20 April 10
	Set up Salix revolving fund and implement projects, incl in schools	March 10
	Identification of new projects through energy efficiency surveys, transport projects etc	On-going
	Use of Resources KLOE 3.1 – implement action plan: <ul style="list-style-type: none"> • Staff engagement • Standard brief for new build and refurbishments • Reduce council's own waste • Env'tal impact considered in all reports to committee (guidance developed) • Green procurement strategy 	March 11
	Develop an EMS for former TEL services	March 11
	Improve data quality for council's carbon footprint	April 10
Reducing Wiltshire's carbon footprint	Staff campaign	From March 10
	Develop carbon reduction plan for the county	Dec 10
	Identify opportunities for renewables in Wiltshire (Camco study)	March 10
	Partnership for Renewables – stage 1 desktop study	May 10
Prepare for unavoidable Climate Change	Level 0/1 against NI 188	End Mar 10
	Comprehensive Risk Assessment & Local Climate Impacts Profile – Level 2	End July 10
	Adaptation action plan – Level 3	End Mar 11
Preparing for CRC	Smart meters in all non school properties meeting the criteria set out on page 4 (see footnote)	March 11
	Smart meters in schools	March 11
	Registration for CRC	Sept 10
	Take part in LGIU carbon trading simulation	Until March 2011
	Carbon trading strategy agreed	Jan 11

Objective	Task	Timescale
Cross-cutting: Partnership working	Embedding carbon reduction and climate change adaptation in Wiltshire Family of Partnerships	On-going
	Work with businesses on carbon reduction/resource efficiency and CC adaptation	From Oct 10
	Work with Area Boards and Community Partnerships to develop climate change projects and develop capacity at a local level for dealing with unavoidable climate change	On-going
	Partnership project to green the Army (with 43 Wessex Brigade)	April 12
	Develop networks and projects to take advantage of EU funding opportunities	On-going
	Support the Wiltshire Environmental Alliance	On-going

Appendix 4

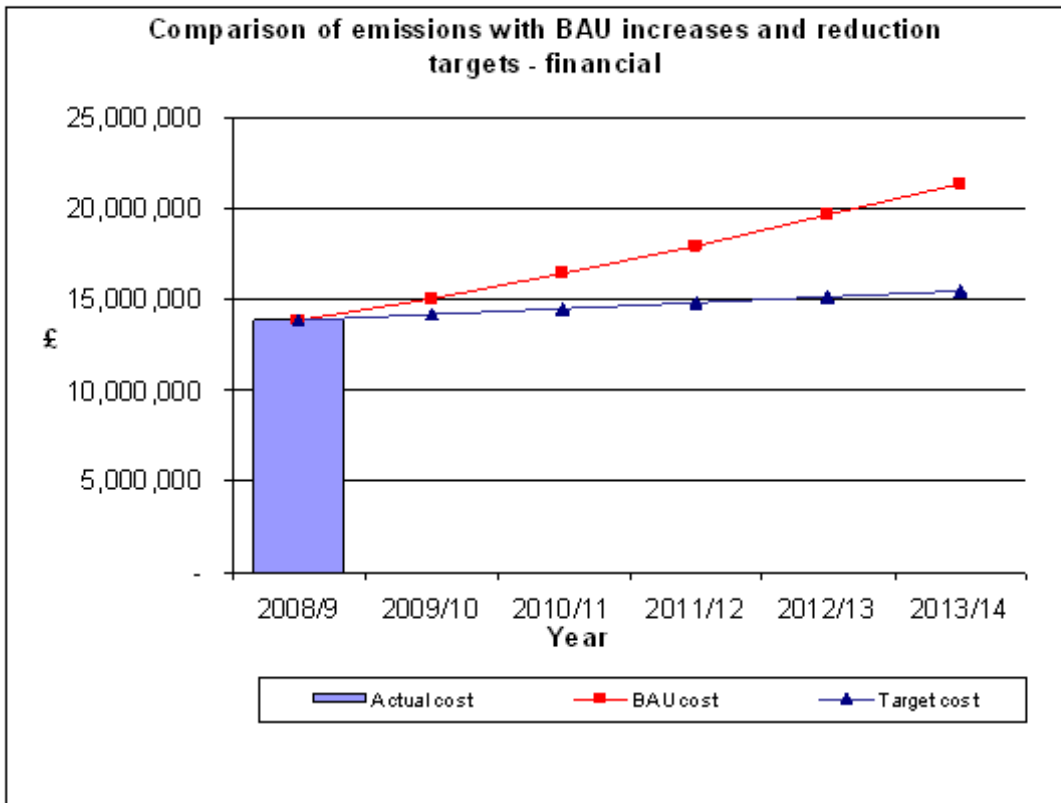
Comparison of business as usual scenario and reduced emissions scenario

Baseline CO₂ emissions for 2008/2009 are 58,874 tonnes with an energy cost of £13.8m



Graph 1: Comparison of business as usual emissions and CO₂ reduction targets.

This graph shows the predicted growth in CO₂ emissions under the 'Business as Usual' scenario from 58, 874 tonnes to 60,964 tonnes. Under the reduced emissions scenario emissions are predicted to be 44,156 tonnes CO₂ by the end of the plan period.



Graph 2: Comparison of business as usual financial increase with reduction targets

This graph shows the predicted growth in the Council’s energy and transport bill under the ‘Business as Usual’ scenario from £13.8m to £21.3m. Under the reduced emissions scenario, the council’s energy and transport bill is predicted to be approximately £15.5m (assuming an 8.4% increase in costs – DECC source).

The first five-year phase of Wiltshire Council’s carbon management plan aims to reduce CO₂ emissions by 25% by 2015, equating to 44,000 tCO₂ saved and a cumulative total of £16.4m avoided on energy and transport costs.