

WIRRAL COUNCIL

CABINET

21 FEBRUARY 2012

SUBJECT:	CARBON BUDGET 2012-13
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF LAW, H.R. & ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	ENVIRONMENT
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to advise Members of the corporate and departmental progress made against the Carbon Budget 2011/12 (Appendix A); the revisions that are required to meet Corporate Goals; and, provide the Carbon Budget for 2012/13.
- 1.2 Members requested that a Carbon Budget be established (Council 14 December 2009, Minute 77 refers). The resolution included instructions to:
 - Establish the Council's carbon footprint and quantify tonnes of CO₂ emitted as a direct result of Council operations for 2010 onwards;
 - Prepare carbon budgets detailing emissions and efficiency targets for each department to be presented at Budget Cabinet and Council alongside the Council's financial budget; and,
 - Report to Cabinet on progress being made by departments against their carbon target and the measures and projects being undertaken to reduce energy use and carbon emissions.
- 1.3 Appendix A sets out the Carbon Budget Performance Table for the Council's buildings. The Carbon Budget Impact Statement (Appendix B) summarises the measures and projects aimed at reducing carbon emissions.
- 1.4 Progress against the actions requested by Members at Cabinet 21 February 2011 (Minute 331 refers) is also included in the report.
- 1.5 The Carbon Budget process will be further developed in light of anticipated changes to the mandatory Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES) and organisational needs.
- 1.6 The Carbon Budget is not a statutory requirement but is Wirral's only method of managing CO₂ emissions in order to comply with the Corporate Objective to 'reduce our carbon footprint' and the CRCEES.
- 1.7 The carbon budget is not financial but meeting the annual targets will have an impact on costs. Reductions in carbon emissions are achieved by reducing

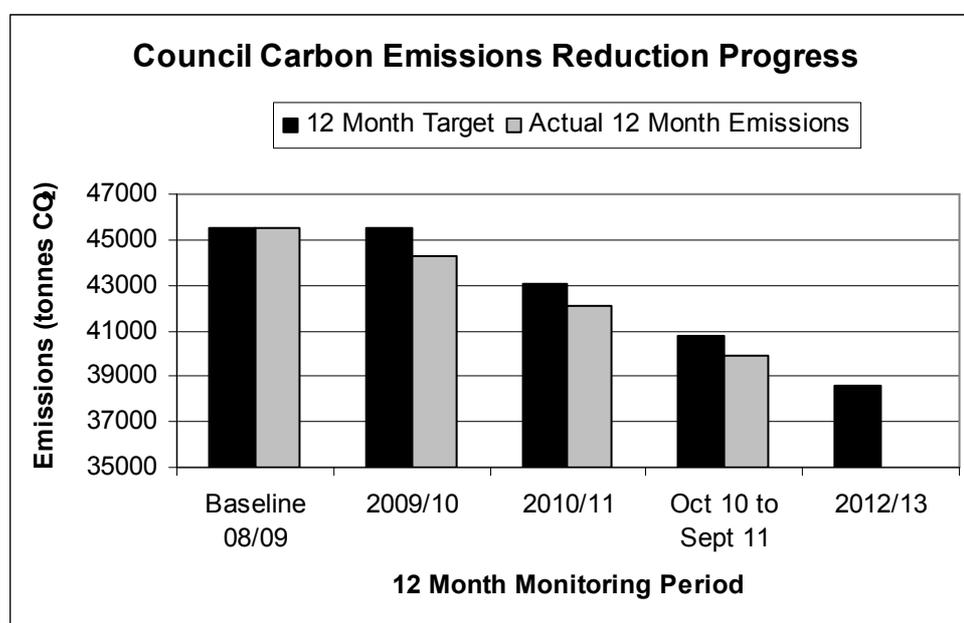
energy use and there are financial savings that will be made from the avoided costs of energy and CRCEES allowances.

1.8 This report does not contain exempt information.

2.0 BACKGROUND AND KEY ISSUES

2.1 Background

2.1.1 The chart below shows actual 12 month carbon emissions compared against the annual emissions targets set out in the Carbon Budget that was approved by Cabinet on 22 February 2010 (Minute 335 refers). To date, the rate at which emissions have been reducing has exceeded that which is required to meet the 60% reduction target by 2025. Annual targets for carbon management are modified to reflect changes to the council estate.



2.1.2 The Carbon Budget was approved by cabinet on 22 February 2010 (Minute 335 refers). The method of apportioning emissions between Departments has since altered to reflect the Asset Register listing by service responsible for a site or building. Total emissions were not affected.

2.1.3 The Carbon Budget is not financial, but it is presented at the same time as the financial budget as directed by Council.

2.1.4 The Sustainability Unit calculates the carbon emission figures for a twelve month period every six months. This information is used to compile a performance report for the past year and is used to encourage Departments to meet their carbon target and so aid the carbon management process. For the purposes of reporting on the carbon budget, the most recent carbon reporting period is used. In this

case it is the reporting period from 1 October 2010 to 30 September 2011.

2.1.5 Due to the time lags in obtaining comprehensive energy consumption data from energy suppliers, Carbon Budget figures do not match the Financial Year when the Carbon Budget report is presented. If the most recent complete financial year were to be used, the report would be unable to reflect the most recent trends.

2.2 Progress against Cabinet Minutes

2.2.1 Appendix A shows the Council's progress towards emissions targets set by the Carbon Budget. Taking account of the performance over the year 1 October 2010 to 30 September 2011, corporate emissions are calculated to be within 0.56% of the 2011/12 target.

2.2.2 As directed by Members, the Sustainability Unit is working with the Merseyside Pension Fund (MPF) to implement the carbon budget as part of its normal business activities. Wirral is responsible for the operation of the MPF and is obliged to report their activities for CRCEES. Initial meetings have taken place and work will continue to ensure the MPF contributes to Wirral's carbon reduction targets.

2.2.3 Council 14 December 2009 (Minute 77 refers) instructed the Director of Finance to bring forward an appropriate evaluation model for quantifying CO₂ emissions as part of the procurement process for new Council contracts and other spend. The Council's Procurement Team are collaborating with 30 other local authorities through a project being run by dCarbon North West, which aims to understand, inform and encourage sustainable business practices throughout the supply chain.

2.2.4 The dCarbon North West project is designed to help businesses make cost savings through reduced energy use and enable them to promote their green credentials to existing and potential customers.

2.2.5 dCarbon Northwest utilises the on-line supplier engagement tool CAESER (<http://nqc.com/CAESER>), managed by NQC Ltd, to help organisations assess their carbon management. Completing the assessment will provide a tailored report, which also provides support and recommendations for action where relevant. The on-line system can then also be used to communicate any improvements that they can make in the future. Access to the system will be given to all participants so that they will be able to see the 'Carbon Spend' information of each organisation and the Council can use this as part of the procurement process.

2.2.6 Progress on reducing the Council's Carbon Footprint was reported to Sustainable Communities Overview and Scrutiny Committee on 23 November 2011 (Min 7 refers).

- 2.2.7 A briefing on the ethos of the Carbon Budget was delivered in December 2011 as part of the Members' Training and Development Programme.
- 2.2.8 Departmental Management Teams (DMT's) have been provided with a series of actions on improving energy efficiency to communicate to their staff.

2.3 Current Initiatives

- 2.3.1 Current initiatives to reduce the Council's Carbon footprint are shown in Appendix B.
- 2.3.2 The Sustainability Unit has scheduled quarterly attendance at each Department's DMT meetings in order to assist and advise management teams on how to meet their Carbon Targets without compromising service delivery.
- 2.3.3 Work is scheduled to commence in April on proposals for a management framework that will comply with ISO 50001 (Energy management systems). This will clarify roles and responsibilities and give clear directions to achieve the structural carbon savings required. The system will be tailored to the Council's changing needs in order to drive down emissions, control costs and reduce risks.
- 2.3.4 Training sessions for Energy Champions and Building Attendants/Caretakers have been arranged and should improve the flow of information back to DMT's on issues around maintenance of equipment and plant and identified energy inefficiencies and waste. Local or strategic solutions may be required to address the issues raised and the appropriate approaches will be determined through the Asset Review Board.
- 2.3.5 DMT's have been reminded that access to individual building energy information is available via the energy database web access. This facility provides energy and carbon emission information that can be used to track progress.

2.4 Development of the Carbon Budget

- 2.4.1 Wirral Council's Carbon Budget was first developed in 2009 and set annual performance targets to 2012/13 based on NI (National Indicator) 185 and 194 method and inclusion criteria. Targets for 2013/14 onwards now need to be set to continue the scheme.
- 2.4.2 This presents an ideal opportunity to review the Carbon Budget process based on the following:
- Lessons learnt to date;
 - Alignment with the most recent industry standard (ISO 50001:2011 Energy management systems);

- Alignment with CRCEES (Carbon Reduction Commitment Energy Efficiency Scheme); and,
- Consultation with affected departments and organisations.

2.4.3 NI's 185 and 194 were deleted from the single data list and the CRCEES now provides the most rigorous CO₂ emissions report. The CRCEES is subject to regular internal and external audit and gives the performance figures greater authority.

2.4.4 A consultation on draft legislative proposals aimed at simplifying the CRCEES is due to start in February 2012; government aims to implement a simplified scheme for Phase 2 of the CRCEES starting in April 2013.

2.4.5 It is recommended that the current Carbon Budget method be applied until April 2013. A report will be produced following the results of the Government's consultation on simplification of the CRCEES detailing recommended alterations to the Carbon Budget process as well as organisational carbon budget targets for 2013/14 onward. The Sustainability Unit will consult internally as part of the development process.

3.0 RELEVANT RISKS

3.1 The greatest risk is not meeting the required corporate targets set out in the carbon budget. Failure to meet targets will mean that energy costs and CRCEES charges could increase.

3.2 There is a risk that individual departments may not meet their targets. The Sustainability Unit is working with DMT's and staff to help meet the carbon reduction targets and reduce this risk which also carries financial implications.

3.3 The absence of an effective carbon management system to deliver the Carbon Budget increases the risk of not meeting the targets as detailed in the Corporate Plan. Accreditation with an approved management system will reduce this risk and ensure that the carbon management system is fully mainstreamed and that focus on carbon reduction is maintained.

4.0 OTHER OPTIONS CONSIDERED

4.1 Regular reporting on the Carbon Budget on a departmental basis is based on the Council Resolution passed on 14 December 2009. The only other option is to do nothing which is not a reasonable alternative as it would increase the financial costs of the CREES.

5.0 CONSULTATION

- 5.1 A briefing on the ethos of the Carbon Budget was delivered as part of the Members' Training and Development Programme.
- 5.2 Departmental Management Team (DMT) meetings are being attended quarterly to consult, assist and inform Management on how to achieve their carbon targets which will contribute to reaching corporate goals.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 The setting of the Council's Carbon Budget has no direct implications for voluntary, community and faith groups.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 7.1 There are no direct financial implications arising from this report. It should be appreciated that a reduction in carbon emissions is normally associated with a corresponding reduction in energy use and consequent cost. At present, the CRCEES requires the Council to purchase allowances at a rate of £12 per tonne to cover all reportable emissions.
- 7.2 There are no IT implications arising directly from this report.
- 7.3 There are no staffing implications arising directly from this report.
- 7.4 The rationalisation of the Council's estate will greatly assist in the delivery of the Carbon Budget as detailed in Appendix B.

8.0 LEGAL IMPLICATIONS

- 8.1 There are no direct legal implications arising from this report.

9.0 EQUALITIES IMPLICATIONS

- 9.1 The potential impact of the proposal has been reviewed with regard to equality and it is concluded that there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 Reducing Wirral's carbon footprint has been identified in the Corporate Plan as one of the goals for the next three years.
- 10.2 If the proposals contained within the carbon Budget Impact Statement 2012/13 are fully realised, the Council will reduce CO₂ emissions by

approximately 2,490 tonnes which will positively assist in meeting future emissions targets.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 The disposal of Council owned properties outlined in Appendix B could have planning implications. Any future applications for planning permission would be assessed for compliance with the statutory development plan, which currently comprises of the Wirral Unitary Development Plan (as saved by direction of the Secretary of State on 28th September 2007 and the North West of England Regional Spatial Strategy to 2021 (September 2008).

12.0 RECOMMENDATIONS

12.1 It is recommended that:

12.2 The progress towards the 2011/12 target included in Appendix 1 is noted.

12.3 The Carbon Budget for 2012/13 included in Appendix A is approved.

12.4 The actions described in Appendix B are noted and endorsed.

12.5 The current Carbon Budget method be applied until April 2013 and that a further report detailing recommended alterations as a result of the review of the Carbon Budget process together with Carbon Budget targets for 2013/14 will be brought to a future meeting of Cabinet.

13.0 REASONS FOR RECOMMENDATIONS

13.1 To set a Carbon Budget that will help the Council to meet local and national emissions targets, assist in the management and operation of the CRCEES and contribute to reducing energy consumption and costs.

13.2 To allow a review of the Carbon Budget method that will permit improvements to be implemented that will ensure it complements other mandatory schemes and removes duplication of effort.

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APPENDICES

Appendix A – Carbon Budget Performance Table for Local Authority Buildings

Appendix B – Carbon Budget Impact Statement

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Council (Notice of Motion)	14 December 2009
Budget Cabinet	22 February 2010
Budget Council	1 March 2010
Cabinet	25 November 2010
Cabinet	21 February 2011
Budget Council	1 March 2011
Cabinet	14 April 2011

Appendix A - Carbon Budget Performance Table for Local Authority Buildings

Baseline Carbon Footprint (2008/09): 45,481 tonnes

Responsible Department	*2011/12 CO2 Emissions Target (tonnes)	**Actual Emissions Oct 10 to Sept 2011 (tonnes)	*2012/13 CO2 Emissions Target (tonnes)	Reduction required to meet 2012/13 CO2 Emissions Target (tonnes)
ADULT SOCIAL SERVICES	1,673	1,621	1,575	98
SCHOOLS	17,129	15,843	16,238	891
CYPD	1,032	1,043	996	36
CORPORATE SERVICES	0	0	0	0
LHR & AM	4,642	4,321	3,923	719
FINANCE	734	726	697	37
TECHNICAL SERVICES	14,460	16,340	12,630	1,830
TOTAL	39,670	39,894	36,059	3,611

* When the first Carbon Budget was agreed, targets were set for the three years 2010/11, 2011/12 and 2012/13. Annual targets are revised at each six monthly update when available data is reviewed to compensate for: underperformance; changes in the Council's estate and meet corporate carbon emissions reduction goals. The targets above take these updates into account.

**The last full twelve month period for which data is available.

Appendix B - Carbon Budget Impact Statement

CARBON BUDGET IMPACT STATEMENT 2012-13

Description of Action	Carbon (Tonnes of CO2) Reductions/Increases	Outcomes	Risks	Other Impacts/Comments
Install Voltage Optimisation System at alternative site to Treasury	-20	Positive impact on emissions Reduced maintenance Costs	Installation at Treasury proved non feasible as mainframe cannot be taken out of service. Alternative site not yet identified	Reduced cost
PV Installation at Cheshire Lines Building	-2	Positive impact on emissions		FITS Income Installation Complete
Disposal of Alexander Hall	-13	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Returned to Council 09/12/11 – completion date uncertain
Disposal of Brookfield Children's Home	-32	Structural reduction in carbon emissions should the site be disposed of.	Site re-use may impact on carbon emissions	Site mothballed – may be re-used
Disposal or Transfer of DASS Properties (Mapleholme, Pensall, Poulton, Meadowcroft)	-581	Structural reduction in carbon emissions should the identified homes be transferred out of Council control or sold.	Emissions reduction dependent on completion	Completion anticipated October 2012
Disposal of Delamere Community Centre	-11	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated July 2012
Disposal of Kylemore Community Centre	-15	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated August 2012
Disposal of Vale House	-47	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated July 2012
Overton Community Centre	-25	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion uncertain

CARBON BUDGET IMPACT STATEMENT 2012-13

Description of Action	Carbon (Tonnes of CO2) Reductions\Increases	Outcomes	Risks	Other Impacts/Comments
Disposal of Bromborough Social Centre	-22	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion uncertain
Disposal of Willowtree	-159	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated December 2012
Disposal of Hillcroft	-8	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated August 2012
Disposal of 245 Liscard Road	-8	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion uncertain
Disposal of Oakenholt Road Complex	-39	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated July 2012
Disposal of 96 Manor Road	-15	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated October 2012
Disposal of Poulton Primary	-65	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated August 2012
Disposal of Esher House	-56	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated October 2012
Disposal of Old Court House	-88	Structural reduction in carbon emissions	Emissions reduction dependent on completion	Completion anticipated December 2012
Combined Heat and Power	-400 to 550	Positive effect on emissions	Long term contract Approval not gained from SCP or successor	Reduced cost Improved energy efficiency

CARBON BUDGET IMPACT STATEMENT 2012-13

Description of Action	Carbon (Tonnes of CO ₂) Reductions\Increases	Outcomes	Risks	Other Impacts/Comments
Solar PV Project	-300	Positive effect on emissions. Environmentally Friendly Renewable Source of Energy	Outcome of consultation on FITS modifications proposed by DECC	To be assessed on the outcome of current tender exercise
Awareness Raising		Introduce a cultural change to make saving energy a normal part of service delivery; educate staff at all levels; and, motivate and maintain performance levels.	Impact difficult to assess Reduced performance if not fully implemented	Improved energy efficiency
Provision of additional Electric heaters	TBC	Supplementary heating necessary where existing systems are out of service or faulty to maintain reasonable comfort Negative impact on emissions	Long term use will increase emissions	Higher electricity cost due to increased use
Decrease temperature set points by 1 Deg C where possible.	-274	Positive impact on emissions	Local control and unrealistic expectations	Reduced gas costs
Remote monitoring and lamp upgrade to 900 main road streetlamps	-310	Structural reduction in carbon emissions	Programme is stopped	Financial savings (will depend on updating the unmetered supply certificate)
TOTAL PROPOSED EMISSIONS REDUCTION	-2,490	Tonnes of CO₂		