

BROMSGROVE DISTRICT COUNCIL

CABINET

4TH FEBRUARY 2009

CLIMATE CHANGE – KEY ISSUES FOR THE DISTRICT COUNCIL

Responsible Portfolio Holder	Councillor Peter Whittaker
Responsible Head of Service	Phil Street
Key Decision	

1. SUMMARY

- 1.1 The purpose of this report is to highlight key issues for the Council in relation to climate change as a consequence of national performance indicators for local government and recently introduced legislation.

2. RECOMMENDATION

- 2.1 That the key issues and obligations for the Council, as detailed throughout the report, be noted
- 2.2 That the Cabinet recommend the Council to approve the appointment of a shared post with Redditch Borough Council to be responsible for climate change policy, subject to Redditch's agreement to jointly funding such a post.
- 2.3 That a project management plan be prepared and implemented which shall be monitored by the Council's Energy Efficiency Group.

3. BACKGROUND

- 3.1 It is becoming widely acknowledged that climate change presents a significant challenge to the UK and to the international community. Government, business and individuals all have a part to play, and all can benefit from rising to the challenge of climate change.
- 3.2 The UK's Climate Change Programme, published in 2006, sets out the Government's policies and priorities for action in the UK and internationally. Subsequently, the Climate Change and Sustainable Energy Act 2006 placed an obligation on Government to report to Parliament on greenhouse gas emissions in the UK and action taken by Government to reduce these emissions.
- 3.3 The Climate Change Bill was introduced in Parliament on 14 November 2007 and the aim is to receive Royal Assent by Autumn 2008. The Bill follows the Stern Review which stated that the cost of doing nothing to tackle climate change will be

much greater than the cost of taking action now to reduce carbon emissions. The Bill will create a new approach to managing and responding to climate change in the UK and sets ambitious targets (which are legally binding) to reduce carbon emissions. The Government has recently created a new department for energy and climate change to give an even greater focus to solving the twin challenges of climate change and energy supply.

- 3.4 It is understood that 135 of the 150 Local Area Agreements (LAA's) have chosen climate change mitigation indicators (NI 185/186/187) as a priority for their area. In addition 50 LAA's have chosen a climate change adaptation measure (NI188), reflecting Defra's national priorities to deal with climate change.
- 3.5 The Council has undertaken some positive work since 2006 although this has happened in a fragmented and uncoordinated way. Amongst the actions it has pursued are engaging the Energy Savings Trust to carry out a review of the Council's energy efficiency measures; setting up an energy efficiency group; commissioning work on a travel plan and has examining its procurement policies especially in terms of energy procurement.
- 3.6 Three new National Indicators (NI) on Climate Change were introduced in April 2008 as part of the new performance framework (Appendix 2). Two of these have been carried forward into the LAA. The key issue for the Council is to ensure that it is able to monitor its performance against the indicators and achieve the targets set.
- 3.7 Two indicators indirectly relating to Climate Change have also been introduced NI 187 – Tackling Fuel Poverty and NI 194 – Air Quality (reducing air pollutants). These indicators are not addressed in this report. However, the Council already has in place actions addressing NI187 with regard to fuel poverty.
- 3.8 The principle three national indicators addressed in this report are NI 185 which requires the Council to reduce the amount of carbon emitted as a result of its own operations and NI 186 that requires the Council encourages a reduction in carbon from each home and business within the district. This will require publicity and promotional activity.
- 3.9 The third national indicator is NI188. This requires that the Council accurately forecasts what the impacts of a changing climate will be and ensure that it is adequately prepared for any negative implications. Also the Council has to ensure that any positive implications are fully felt by both the organisation and people who live and work in the district. NI 188 sets a series of levels as follows:

- **Level 0:** Baseline
- **Level 1:** Public commitment and prioritised risk-based assessment:
- **Level 2:** Comprehensive risk-based assessment and prioritised action in some areas:
- **Level 3:** Comprehensive action plan and prioritised action in all priority areas.

- 3.10 Further details on what the NI 188 levels require is included in the appendix 2
- 3.11 The Worcestershire Climate Change Pledge set a main target of a 2% year on year reduction in carbon emissions from the Council. There is currently no action plan associated with the strategy and it is being revised in 2008 to reflect this omission. The County Council is a beacon authority in terms of its work in this area and is leading on the development of a county wide action plan for County wide actions on climate change, although district specific strategies and action plans are strongly encouraged to reflect the differing priorities, geographical impacts and community aspirations of each individual district.
- 3.12 To achieve the Council's obligations under the Nottingham Declaration, an action plan is required. This action plan needs to be resourced and requires corporate buy-in, with potential investment required to ensure savings in the medium-longer term. Understanding across the Council on this is limited and fragmented. The Council can expect to be audited on this in the future to ensure the Council is compliant and are allowed to continue to be a signatory to the Declaration.
- 3.13 In conjunction with the development of the County-wide action plan, this Council needs to develop a Climate Change Strategy and action plan to meet the requirements of the national indicators.
- 3.14 Appendix 1 contains draft actions for inclusion in 2009/10 service plans which support achieving the National Indicators. It is important that the Council begins to take action to tackle climate change.
- 3.15 Without additional resources the Council is unlikely to meet the requirements of the new indicators and LAA targets.
- 3.16 Officers are holding discussions with Redditch Borough Council regarding the possibility of the strategic role being someone employed as a shared post across both authorities. This would result in savings and better value for money. This posts principle role would be to develop a climate change strategy and action plan in line with the Nottingham Declaration, the Worcestershire Climate Change Strategy and the LAA; monitor and promote actions within the climate change action plan and support Heads of Service to identify the role of their service in the climate

change agenda and in identifying key actions for their service area. Crucially they would guide and monitor actions in pursuit of the performance targets contained in the National Indicators.

- 3.17 If the discussions with Redditch do not lead to a shared post the Council will need to identify an officer to carry out the duties associated with climate change or make other arrangements to secure an appointment.
- 3.18 It may be necessary to eventually find resources to support this role with a more community-based officer to deliver real change at grass roots level to empower businesses, schools and communities to get involved in this agenda and take action themselves.
- 3.19 The energy efficiency group should be reconstituted so that it can more effectively identify and address the Council's responsibilities and obligations. This Group should include senior representatives from a number of council services.

4. FINANCIAL IMPLICATIONS

- 4.1 Officers are currently discussing the feasibility of a shared post with Redditch Borough Council. This will reduce costs to both authorities.
- 4.2 A revenue bid is contained in the 2009 / 10 budget round. The resources requested are based on a shared post with Redditch Borough Council.
- 4.3 Improving performance in relation to mitigating climate change by reducing carbon emissions, namely from the Council's own fleet, business mileage and energy consumption, will also result in savings to the Authority.
- 4.4 Successful delivery against LAA targets will bring financial reward to Worcestershire County Council which may result in financial assistance to District Authorities.
- 4.5 Funds for specific projects will be sought via external funding, the LAA and the Council's capital programme. There are increasing opportunities to bid for funding to undertake climate related activity and projects; although bidding for, and managing funded projects requires significant human resource. A bid has been submitted to the Energy Saving Trust for a resource to assist in the development of a Climate Change action plan for the authority, mainly to achieve the requirements of NI 185.

5. LEGAL IMPLICATIONS

- 5.1 The Climate Change Bill will create a new approach to managing and responding to Climate Change in the UK and sets ambitious legally binding targets to reduce carbon emissions.

5.2 The Carbon Reduction Commitment (CRC) is a new legally binding energy saving scheme, detailed in appendix A and due to take effect in 2010. The CRC is expected to affect over 150 local authorities in England, If an authority currently spends more than £500K per annum on electricity, it will probably be included in the scheme. In 2007/08 Bromsgrove District Council spent £220,000 on gas and electricity. However, with the review of tariffs next year the Council could be affected in the future.

6. COUNCIL OBJECTIVES

6.1 Climate Change has been adopted as one of the Council's objectives and links with cleaner streets and environmental improvements. Presently the Council does not have any discrete resources dedicated to the pursuit of the climate change objective and has not dedicated any resource to monitor and pursue actions associated with NI's 185, 186 and 188.

7. RISK MANAGEMENT

7.1 Progress in terms of adapting to and mitigating the effects of Climate Change will be part of CAA inspections and other corporate assessments such as Nottingham Declaration Certification. The Council needs to be able to demonstrate that it is making advances in this area and that the direction of travel in this area is positive.

7.2 Failure to do so may lead to a low CAA score, negative impact on residents' perception of the Council. It will also result in the Council not addressing one of its objectives.

7.3 Currently the Council is not monitoring its performance in relation to the relevant NI's and does not have an action plan to tackle these indicators. Presently the Council is below level zero in relation to NI 188 and it expected to be at Level 2 by March 2011. It is anticipated that the Government will expect district councils to reached a revised level and achieve Level 3 by March 2011.

7.4 Failure to make progress will prevent contribution to achieving the objectives of the Worcestershire LAA, reducing the Council's options for associated reward funding.

7.5 Failure to reduce the Council's own emissions through an ambitious enough target may leave the Council vulnerable to future legislative changes.

7.6 Ultimately there is a risk that the Council will not adequately protect the local environment and community.

8. CUSTOMER IMPLICATIONS

8.1 NI 186 requires the Council to demonstrate community leadership and monitor and promote the reduction of carbon emissions across the

district. The Council will need to signal its intention for tackling carbon emissions and reduce emissions by 3% a year across the district.

- 8.2 The Council will need to work with its communities to achieve this target. The Council has a responsibility to its customers to work towards mitigating the worst effects of climate change.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

- 9.1 Climate change will have an impact on all aspects of the community. However, older people and those on lower incomes will be worst affected by severe weather and by identifying means for achieving improved energy efficiency in their homes.

10. VALUE FOR MONEY IMPLICATIONS

- 10.1 Actions to improve the energy efficiency of the Council's buildings and using resources more efficiently will have value for money implications.
 10.2 The pursuit of a shared post with Redditch Borough Council will reduce costs to the Council and contribute to better use of resources.

11. OTHER IMPLICATIONS

Procurement Issues – This has significant implications for procurement as all procurement needs to take account of energy efficiency or impact of purchases on the environment.
Personnel Implications – Proposals include shared post.
Governance/Performance Management – The energy efficiency group will be reconstituted.
Community Safety including Section 17 of Crime and Disorder Act 1998 - None
Policy – Climate change forms part of the Council's objectives and pursuing this is a key policy area. The NI's form part of the county LAA.
Environmental – Climate change is central to the environment agenda. Effective use of resources, actions to mitigate climate change and conformance to new legislation form part of sustainable environmental considerations.

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes

Executive Director - Partnerships and Projects	Yes
Executive Director - Services	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	Yes
Corporate Procurement Team	Yes

13. WARDS AFFECTED

All Wards

14. APPENDICES

Appendix 1 - List of indicators and the targets.
Appendix 2 - Summary of national indicators

15. BACKGROUND PAPERS

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Appendix 1

Indicator	Targets	Action that the Authority needs to take
NI 185 – CO2 reduction from local authority operations	WCC Pledge Target to achieve at least a 2% year on year reduction from 2006 levels	<ul style="list-style-type: none"> • Collate baseline information this year • Set targets for reduction in early 2009/10 • Identify and implement actions needed to improve performance during 2009/10 and 2010/11 <p>Examples of reductions could be to:</p> <ul style="list-style-type: none"> • Reduce the number of business miles undertaken by staff • Reduce the background temperature in RBC buildings • Improve the efficiency of the Council fleet
NI 186 – Per capita reduction in CO2 emissions	<p>LAA target of 9% reduction over 3 years</p> <ul style="list-style-type: none"> • 2008/09 – 0.6% • 2009/10 - 1.3% • 2010/11 - 1.9% 	<ul style="list-style-type: none"> • Demonstrate actions taken to lead to reductions in CO2 emissions. • Undertake a publicity campaign to increase awareness <p>For example: <u>Give away energy efficient light bulbs with information</u></p>
NI 188 – Planning to Adapt to Climate Change in the LA area	<p>Assumed that all LAs are at 'baseline' level</p> <p>LAA target to achieve 'level 2' within 3</p>	<ul style="list-style-type: none"> • Support county wide action plan, currently in development • Develop a local action plan as a matter of urgency

Indicator	Targets	Action that the Authority needs to take
	years (by end March 2011) <ul style="list-style-type: none"> • 'Level 1' by March 2009 • 'Level 2' (or 3 subject to review by GOWM) by March 2011 	Examples of actions could be to: <ul style="list-style-type: none"> • Identify what the climate is likely to be like in Bromsgrove in 2010, 2015, 2020 and so forth. • Identify high risk areas where service delivery is likely to be compromised as a result of a changing climate.

Appendix 2

Local government performance framework

NI 185 - Percentage CO2 reduction from LA operations

The public sector is in a key position to lead on efforts to reduce CO2 emissions by setting a behavioural and strategic example to the private sector and the communities they serve. The way in which the local authority delivers its functions can achieve CO2 emissions reductions.

The aim of this indicator is to measure the progress of local authorities in reducing CO2 emissions from the relevant buildings and transport used to deliver their functions and to encourage them to demonstrate leadership on tackling climate change.

Measurement against this indicator requires each local authority to calculate its CO2 emissions from analysis of the energy and fuel use in their relevant buildings and transport, including where these services have been outsourced.

There are a number of documents to support local authorities use of NI185 including Supplementary guidance for NI185: Percentage CO2 reduction from LA operations

NB: This guidance was updated on 17 July 2008. The update concerned two elements. First, clarity on the reporting system in two-tier areas. Second, a change in the reporting year from a calendar year to a financial year basis. The first report to Defra is now due on 31 July 2009. Further information will follow on how this is to be provided.

- Defra has developed a spreadsheet tool (Excel 900 KB) to capture information on CO2 emissions from buildings and transport. The output sheet in the tool allows LAs to assess progress against the indicator. This tool **must be used** to report information to Defra.
- Defra commissioned a research project to inform the development of its proposals for the LA estate climate change performance indicator.

The final report of the original research project (which is also relevant to the methodology for measuring reductions of CO₂, and NO_x and PM₁₀ for purposes of the Air quality Indicator NI 194) from Local Authority operations.

Local government performance framework

NI 186 – Per capita CO2 emissions in the LA area

Action by local authorities will be critical to the achievement of the Government's climate change objectives. Local authorities are uniquely placed to provide vision and leadership to local communities by raising awareness and to influence behaviour change. In addition, through their powers and responsibilities (housing, planning, local transport and powers to promote well-being) and by working with their Local Strategic Partnership, LAs can have significant influence over emissions in their local areas.

The indicator relies on centrally produced statistics to measure end user CO2 emissions in the Local Area from:

- Business and Public Sector,
- Domestic housing, and
- Road transport

This data is already captured and analysed to produce area by area carbon emissions per capita. Analysis carried out by AEA Energy and Environment has confirmed that the data available for the construction of this local area Climate Change Indicator are sufficiently robust with relatively low levels of uncertainty.

The percentage reduction in CO2 per capita in each LA will be reported annually.

Statistics

Definitive data representing Emissions of carbon dioxide for local authority areas (Microsoft Excel format 922 KB) during 2006 for every Local Authority (NUTS4) and Government Office (NUTS1) are now available.

A revised version of the 2005 dataset has also been published alongside the 2006 data. Improvements to the way the data are produced (see "How the figures are calculated" below) mean we have had to revise the 2005 figures to make them comparable with the new methods used to calculate the 2006 figures. The 2005 and 2006 data are consistent and comparable with one another allowing change to be monitored over time.

How the figures are calculated

The data are based upon LA CO2 estimates produced by AEA technology on behalf of defra. These National Statistics estimate *all* emissions in an area and have been modified slightly for this indicator to exclude certain emissions such as those from Motorways. The document below gives a short accessible explanation of how the emissions are modelled, and also explains which emissions are then excluded from the National Statistics to produce the figures used to monitor this indicator (i.e. the figures downloadable from the “Statistics” section above).

- **Methodology**
- **Local and Regional CO2 Emissions Estimates for 2005 - 2006 for the UK - This explains the methodology in full technical detail.**

Revisions to the 2005 data

In order to ensure there is a consistent time series, production of the 2006 figures has included revising the 2005 baseline values. In most cases, these revisions are very minor. Nevertheless, it is these most recent values that are now to be used for the indicator.

Previously released figures for emissions in 2005 include the original release in 2007 and revised figures in spring 2008. The revised figures released in spring 2008 used Office for National Statistics 2005 mid-year population estimates instead of 2001 Census data when converting total emissions in each area into a per capita figure. It is these figures users may recognise as those referenced when setting targets against their 2005 baseline.

Please note that procedures relating to the use and publication of National Statistics require that the statistics page on the Defra website is free from policy content, including links to policy pages of the website.

Local government performance framework

NI 188 – Planning to Adapt to Climate Change

Introduction

NI188 is designed to measure progress in preparedness in assessing and addressing the risks & opportunities of a changing climate. The indicator has been developed in consultation with the GO, UKCIP, LGA, EA and the Audit Commission.

Please see indicator guidance on NI188

Aim of the indicator

The aim of this indicator is to embed the management of climate risks and opportunities across the all levels of services, plans and estates. It is a process indicator which gauges progress of an LAA to:

- Assess the risks and opportunities comprehensively across the area;
- Take action in any identified priority areas;
- Develop an adaptation strategy and action plan setting out the risk assessment, where the priority areas are – where necessary in consultation & exhibiting leadership of local partners - what action is being taken to address these, and how risks will be continually assessed and monitored in the future; and
- Implement, assess and monitor the actions on an ongoing basis.

What are we trying to achieve ?

Without the evidence to determine outcome based targets, the best indicator we can use currently in adaptation is a measure of progress. Ultimately we are trying to ensure that assessing the risks and opportunities from climate change is embedded across all decision making, services and planning. To do this we want authorities to assess the risks and opportunities from climate change across their area (and if appropriate incorporating that of neighbouring authorities) to determine what are their priority needs to adapt and develop relevant action plans. We are looking for the LAA to then take appropriate adaptive measures.

Adapting to climate change will be a continuous process, therefore we are not looking for a local authority to have completed the process by the end of the period – continual risk assessment is key. What we are looking for is evidence

that the local authority has put in place a mechanism for proactively managing climate risks and opportunities in their decisions, plans and measures on the ground. In addition, working with their local strategic partnership members to embed climate change adaptation across the local authority area will be important.

Over the life of the indicator, several documents on adaptation are likely to be published including statutory guidance and further evidence gathered as to the likely impacts. We are therefore looking for the local authority to put in place a framework of measures which can accommodate and build in the new evidence as and when it becomes available.

How does this link to the CSR07 Public Service Agreement and the Climate Change Bill ?

The CSR 07 PSA on climate change includes the objective to develop a robust approach to adapting to climate change in the UK. Currently under the climate change PSA, the outcome indicator is on sustainable water abstraction. As the Government's adaptation programme develops, the aim will be to develop broader and more outcome based indicators of adaptation. However, until then the results from the indicator will form a key part of the evidence under the PSA on adaptation.

There is though a Defra DSO – “Economy and society resilient to environmental risk and adapted to the impacts of climate change” and there are also several other PSAs and departmental objectives, where adaptation to climate change are linked. E.g. PSA 19 Increased long term housing supply and affordability.

The Climate Change Bill is currently going through Parliament. The draft Bill includes a power for the Secretary of State to require a public body to report on its progress on adaptation, if required. This power might be exercised where a body is seen to have a specific vulnerabilities but has not taken account of adaptation issues. With this background, there is therefore an expectation that significant public bodies such as Local Authorities will have taken some action on adaptation.

The Bill also places a duty on government to publish an assessment of risk to the UK and its plan to tackle adaptation, and report on progress. As part of

this reporting, the information from the LAAs will be an important tool in demonstrating progress on adapting to climate change nationally.

We are developing a cross-Government Adaptation Policy Framework document. The Framework will identify priority areas for action, where Government departments need to work closely together to ensure adaptation occurs.

The Adaptation Policy Framework publication is expected to cover four key themes:

- People (e.g. health, security)
- The Natural and Historic Environment (e.g. agriculture)
- Economy (e.g. finance, energy)
- Sustainable Communities (e.g. built environment, water)

The APF will be published when the legislative position is clear. This will set out a strategic vision for a UK that is adapting well to the impacts of climate change.