

**COUNTY COUNCIL'S CARBON REDUCTION COMMITMENT, INCLUDING THE 10:10 PLEDGE**

*To:* **Cabinet**

*Date:* **24 November 2009**

*From:* **Executive Director: Environment Services**

*Electoral division(s):* **All**

*Forward Plan ref:* **None** *Key decision:* **No**

*Purpose:* **To outline the implications of the County Council signing up to the 10:10 commitment.**

*Recommendation:* **Cabinet is recommended:**

- i) To note the performance data contained within the report.**
- ii) To note the implications of the 10:10 commitment.**
- iii) To continue to support the delivery of the Local Authority Carbon Management Plan and not reprioritise the activity and resources aligned to it.**
- iv) To report the outcome of its discussions to Council in response to the recent motion on the 10:10 Commitment.**

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## 1.0 BACKGROUND

- 1.1 On 13 October a motion was submitted to the County Council meeting requesting that Cabinet report to Council in December on “the implications of the Council participating in the 10:10 scheme and setting itself an ambitious target of reducing the County Council’s carbon emissions by 10% in 2010-11”.
- 1.2 After debate an amended motion was agreed (Appendix 1) requesting that Cabinet “reports to the next meeting of the Council in December on the full implications of the Council participating in the 10:10 scheme”.
- 1.3 A briefing note (Appendix 2) was provided to all Members at the Council meeting to facilitate the debate on the motion.
- 1.4 This paper combines emissions information and related issues around carbon management that together form a basis for the response to the Council motion. It sets out the County Council carbon emissions baseline, our approach to carbon management and the implications of the 10:10 commitment.

## 2.0 BASELINE

- 2.1 The total emissions for Cambridgeshire County Council in 2008/09, as reported for NI185 CO<sub>2</sub> from local authority operations:

- 85,142 tonnes carbon dioxide (CO<sub>2</sub>)
- 261 tonnes nitrogen oxides (NO<sub>x</sub>)
- 11 tonnes particulates (PM10)

2008/9 represents the baselines reporting year for N185.

The full breakdown is shown in the table below:

Breakdown of 2008/09 County Council Emissions

	CO <sub>2</sub> kilogramme (kg)	%	NO <sub>x</sub> (kg)	%	PM10 (kg)	%
School buildings	38,949,403	45.7	60,462	23.1	1,688	14.9
Non-school buildings	6,329,722	7.4	11,133	4.3	315	2.8
Streetlights	5,447,587	6.4	12,390	4.7	392	3.5
Business mileage	2,685,716	3.2	1,145	0.4	14	0.1
Fleet vehicles	1,370,425	1.6	7,368	2.8	244	2.2
Contracted services	30,358,827	35.7	168,687	64.6	8,649	76.5
Total	85,141,680		261,185		11,302	

- 2.2 The greatest proportion of carbon dioxide emissions came from schools buildings (46%). This is followed by contracted services (36%), of which the majority are transport emissions from the Education Transport service. 7.5% of total carbon emissions were from non-schools buildings, 6.4% from streetlights and 4.8% from business mileage and fleet vehicles.
- 2.3 Energy consumption in buildings is by far the most significant source of emissions for Cambridgeshire County Council at 53%. Of this, the majority comes from energy use in schools. Emissions from school transport account for another 29.3% of the total. This means that schools account for 75% of emissions. As an authority we are accountable for schools emissions, even though we have little direct control in reducing them.
- 2.4 Underpinning our targets is a need to engender behaviour change, both for our internal operations and in the wider community. Without having a clear understanding of the barriers to this change, sustainable improvements are unlikely to be achieved. An example is our published business mileage targets that are not on track to be delivered by 2011. Consequently new targets will be agreed in the new financial year. Planned amendments to the Human Resources (HR) system will make it easier for managers to manage the performance of their teams. With the support of experts within the Environment Policy and Projects Service we believe that these targets will be achievable.

### **3.0 PLANNING TO REDUCE OUR CARBON EMISSIONS**

- 3.1 Our performance will be measured via NI185 and in future years, the indicators will monitor the reduction in emissions as well as the totals. Good performance is indicated by a year on year % reduction in emissions, currently 2% year on year for Carbon. Currently our basic carbon reduction target as set out in the Climate Change and Environment Strategy is 2% year on year reduction. However, the 2% year on year target was based on a national emissions target which has since been updated from 60% reduction, to a more challenging 80%. Also it is probable that the quick wins in earlier years may mean greater savings in earlier years. Possible revisions to this basic target are an issue that the Climate Change Programme Board will need to consider further and will be brought to Cabinet shortly.
- 3.2 A major step forward for the County Council in its commitment to reducing carbon emissions was taking part in the Local Authority Carbon Management scheme during 2008/09. This resulted in the development of the Local Authority Carbon Management Plan (LACMP), adopted by Cabinet in May 2009. It sets out an aspirational target of 30% reduction in CO<sub>2</sub> over 5 years and potential ways of

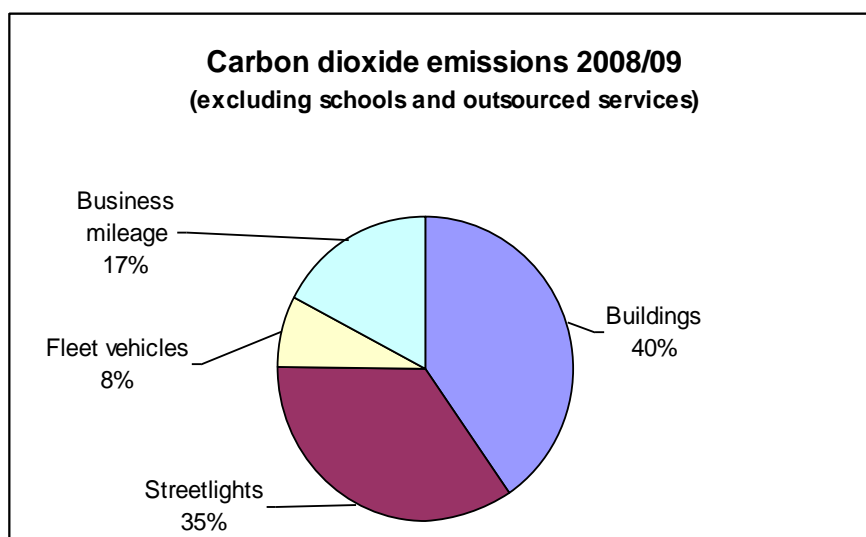
achieving this significant cut. The LACMP covers all operational activity, including schools and school transport, and has resources aligned to delivering it. This includes support for schools through the Energy Management Unit, as well as dedicated posts within Children and Young People's Services

#### **4.0 CARBON REDUCTION COMMITMENT**

- 4.1 The Carbon Reduction Commitment (CRC) is a new mandatory carbon emissions trading scheme. It has financial consequences for all organisations with an electricity usage above a fixed level of 6000 mega (million) watts per hour per annum; this includes the County Council. The CRC includes all the emissions included in NI185, other than transport fuel.
- 4.2 The County Council will be required to purchase permits to cover all our carbon emissions (including emissions from oil and gas, not just electricity). The CRC will commence in April 2010 but the first year will be for reporting only. From April 2011 we will be required to purchase emissions for the year ahead at a price of £12 per tonne. Allowances to emit carbon will be traded in a 'closed' market, and once we enter the second stage of the scheme in 2014 allowances will diminish over time so forcing the price upwards.
- 4.3 Organisations that perform well in reducing carbon will be rewarded – those performing less well will be penalised financially. Thus in future years our use of energy as an organisation and our performance relative to other authorities will dictate the financial implications for us as an authority. It will also indicate whether we need to purchase further carbon permits or sell any extra capacity that we may have.

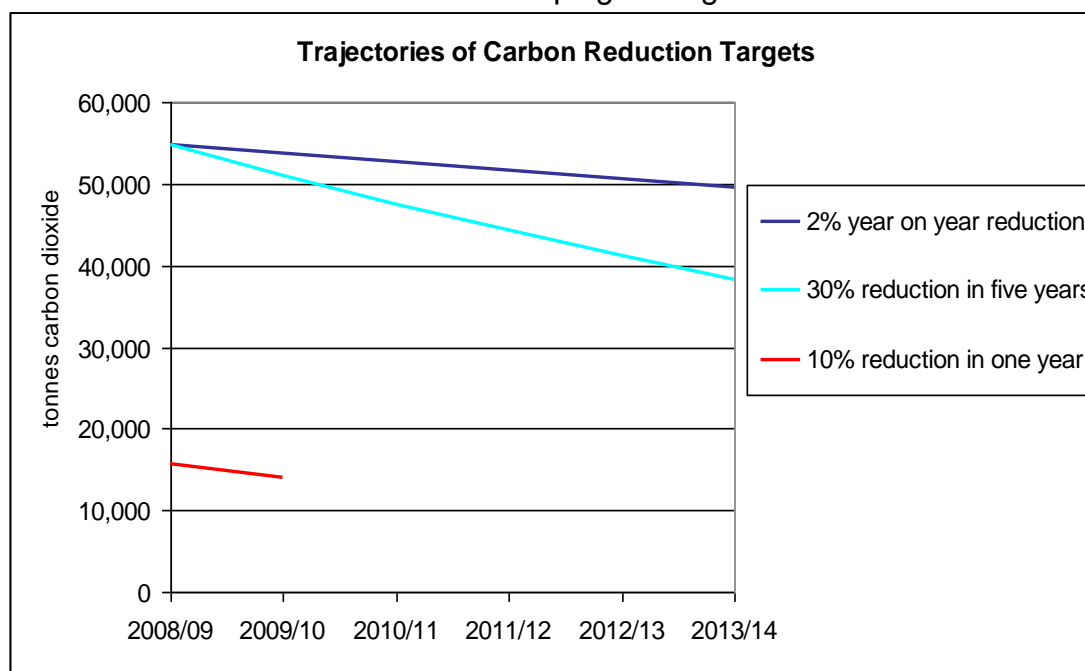
#### **5 10:10 COMMITMENT**

- 5.1 Further information on this scheme is available at <http://www.1010uk.org>. To sign up we would need to measure our baseline (which we would be doing for NI185 anyway) and then commit to reduce our emissions by 10% by the end of March 2011. There is some flexibility in the target and we would be listed as a successful participant if we reached 3%. A number of Local Authorities have signed up but they are mainly unitary and metropolitan boroughs. Many County Councils have fed back that the short term nature of the commitment does not fit with their strategic position on carbon reduction.
- 5.2 As outlined in Section 2 our carbon footprint for the financial year 2008/09 totalled 85,142 tonnes of CO<sub>2</sub>. The dataset required for 10:10 i.e. excluding schools and outsourced services, gives a much smaller total of 15,671 tonnes CO<sub>2</sub>.



5.3 The box below shows the trajectories of the various carbon targets. Whilst the one year 10% target makes a dent in emissions, the total amount saved is much less than for our existing targets applied to a baseline that includes emissions from our schools estate (note that emissions from outsourced services are not included in these calculations).

5.4 Even if we achieve only a part of the aspirational 30% target we will have made more significant overall carbon reductions as a County Council than with the 10:10 campaign's target.



5.5 Delivery of carbon reduction targets is dependent on investment in carbon reduction projects – investment which will payback overtime through savings in energy and fuel costs. The Carbon Management Plan estimates that a total investment of £8 million would be required over the 5 years to realise the 30% reduction ambition. This is

compared to about £5 million in extra costs associated with energy price increases during the same period if there is no carbon reduction activity. Further annual savings would accrue from avoidance of having to purchase carbon permits as part of the Carbon Reduction Commitment – a cap and trade scheme in operation from 2010 onwards.

- 5.6 The Council's approach to investment for carbon reduction is set out in the Carbon Management Plan. This includes £500k from the £2m for Environmental Improvements in the 2009/10 budget which will be matched by a government fund to create a £1million rolling fund in which payback savings can be reinvested in further carbon reduction projects. Pipeline projects for the corporate estate are planned which will use up the best part of £350k. For example the planned installation of low energy A light-emitting diode (LED) lights in Castle Court will save approximately 140tonnes of carbon each year.
- 5.7 If the County Council was to use all the available investment to tackle emissions as per the 10:10 campaign, schools will not be able to benefit from it. This is contrary to the objectives set out in the Carbon Management Plan.
- 5.8 Other projects which will help reduce our total carbon footprint include the Better Utilisation of Property Assets programme which is working to use our properties more efficiently, with an overall cut in available floorspace that will also result in emissions savings. However, savings from larger inefficient properties cannot be released in one year; 2 or 3 years is more realistic.

## **6.0 ROLE AND ADVICE OF CLIMATE CHANGE PROGRAMME BOARD**

- 6.1 The motion and related issues were considered at the Climate Change Programme Board on 2 November. The Board felt that it was important to highlight to Cabinet the following:
- That schools emissions are excluded from the 10:10 commitment for local authorities. The 10:10 commitment will therefore divert resources away from schools as an area of focus for County Council carbon reduction activity.
  - The already approved LACMP sets out an ambitious target of a 30% reduction over 5 years and this is a more effective target than 10:10 i.e. it saves more carbon because it covers a much broader scope of emissions sources.
  - Whilst primarily focused upon the highest emitting areas such as schools the LACMP will deliver some emissions savings that could count towards the 10:10 commitment. However we do not believe that these will enable us to reach 3% in 2010-11.

- Whilst the aspirations of the 10:10 commitment should be applauded, it is the sustained reduction in absolute emissions that must be the goal.
- An organisation can claim to have successfully participated in the 10:10 scheme by achieving emission reductions of only 3%. It is questionable whether, in the case of the County Council, the public would consider this a success or would focus on the failure to achieve a 10% reduction.
- If the Council decides not to join the 10:10 commitment, it could undermine our ability to encourage others to sign-up.

In summary:

- Total emissions for NI185 and LACMP equates to 85,142 tonnes CO<sub>2</sub>
- Total emissions for 10:10 equates to 15,671 tonnes CO<sub>2</sub>

Commitment	Anticipated Reduction in CO <sub>2</sub> by end of 2010/11
10:10 (full 10% reduction)	1,567 tonnes
10:10 (3% successful reduction)	470 tonnes
NI185 (2% year on reduction)	1,703 tonnes
LACMP (30% over 5 years, assuming linear progression)	5,109 tonnes

## 7.0 SIGNIFICANT IMPLICATIONS

- 7.1 Having considered the matters within the implications checklist officers believe that the following significant implications arise out of this paper:

### Resources & Performance

The requirement set out in section 4 above for us to purchase permits to cover our emissions presents significant financial implications. For the first two years the cost to the authority will be £12 per tonne. The exact impact will depend both on our emissions and our ability to reduce them, but is likely to be in the region of £600-650k each year.

Other financial matters are covered in sections 5.5 and 5.6 above. All major decisions should take account of the cost of that decision in terms of carbon as well as other financial impacts. Should we fail to perform well in reducing our emissions we will not only have to bear the cost of our permits but we will also see a smaller rebate from Central Government. Conversely good performance may give us the ability to trade any spare capacity within our permits on the open market. Activity that produces emissions also require “energy” to be purchased, so the quicker the fall in emissions the less our “energy” costs will be.

## 7.2 Climate Change

To ensure the greatest cuts in carbon emissions, our work to tackle climate change by addressing the Council's own impacts should incorporate the areas responsible for the highest emissions. Currently these are activities associated with schools; mainly buildings but also transport.

Whilst we do not have direct control over School emissions and activity we do have an ability to influence their behaviours. It is important that resources currently identified to exercise this influence are maintained and by signing up to the 10:10 challenge could see resources diverted from this and from delivery of the Carbon Management Plan in general. It is also important that those dealing directly with schools understand the impact of their decisions upon emissions and our ability to reduce them.

## 7.3 There are no significant implications in the following areas:

- Statutory Duties & Partnership Working
- Access & Inclusion
- Engagement & Consultation

Source Documents	Location
Local Authority Carbon Management Plan	Energy Management Unit RES1406 Babbage House Castle Park Castle Hill Cambridge CB3 0AT
NI185 Baseline data	Environment Policy and Projects, 3 <sup>rd</sup> Floor, C wing Castle Court



## Appendix 1

### COUNTY COUNCIL – 13<sup>TH</sup> OCTOBER 2009

#### ITEM 13 MOTIONS SUBMITTED UNDER COUNCIL PROCEDURE RULE 10

##### (A) MOTION SUBMITTED BY COUNCILLOR K BOURKE

###### Amendment by Councillor A G Orgee

Delete the submitted motion and replace with the following:

“The Council notes that the Climate Change Act (2008) committed the UK to reducing the greenhouse gas emissions by 80% by 2050 in a bid to tackle climate change.

The Council acknowledges the problem of climate change and the urgent need to cut its carbon footprint with immediate effect. The Council therefore supports the aspirations of the “10:10” Scheme which asks everyone – individuals, businesses and organisations – to seek a cut of 10% in their carbon emissions by 2010.

The Council acknowledges that the 10% year-on-year reduction in emissions is an aspirational target, but notes that cuts of 3% or greater are required for an organisation to have successfully participated in the 10:10 scheme.

The Council notes that its Carbon Management Plan has a target of a 30% reduction in its carbon footprint over 5 years and that the Plan uses targeted intervention to use funding most effectively.

The Council notes that in 2008/9 school buildings accounted for 46% of the Council’s total carbon footprint. Many of the Carbon Management Plan’s interventions are targeted at school properties. However, the Council notes that the 10:10 scheme as applied to the Council would not include school buildings nor outsourced services.

The Council notes that joining the 10:10 scheme could therefore result in directing funding to less effective ways of reducing its carbon footprint, and therefore requests that Cabinet reports to the next meeting of the Council in December on the full implications of the Council participating in the 10:10 scheme.

### THE 10:10 CAMPAIGN – A BRIEFING FOR THE COUNCIL

#### 1. What is 10:10?

10:10 is an ambitious, UK based climate change campaign based on a very simple idea: that by getting as many individuals and organisations to sign up to cutting their carbon emissions by 10%, together they will help to achieve a 10% cut in the UK's carbon emissions in 2010, and inspire others to do the same.

As well as the obvious campaign 'hook' of 10% in 2010, the project is aimed at raising awareness of the need for immediate action on carbon reduction.

The UK already has world first long-term carbon reduction targets set in statute – 80% cut by 2050 (based on 1990 baseline). However, the amount of climate change causing emissions in the *global* atmosphere is still increasing. The longer it takes to get global emissions on a downward trajectory, the more likely it is that extreme and unpredictable weather patterns will emerge.

A number of Local Authorities have signed up to date, including the London Boroughs of Richmond, Greenwich, Islington, Camden, Lambeth, Haringey plus Nottingham City Council, Coventry City Council, Bath and North East Somerset Council, Pendle Borough Council, Hartlepool Borough Council, Manchester City Council, Cambridge City Council, Kirklees Council, Wirral Metropolitan Borough Council, Warwickshire County Council, Stoke-on-Trent City Council. A motion proposing that all Liberal Democrat councils should commit to the campaign objectives was passed at their party conference in September.

#### 2. Signing up for 10:10

To sign up for 10:10 the Council would be required to:

- Establish its emissions for the baseline year. As we are required to report on our emissions already through National Indicator 185, a sensible baseline year would be the current reporting year April 2009 to March 2010.
- Aim to achieve an absolute 10% cut in the following 12 months, which is April 2010 to March 2011.

The campaign only covers emissions for which the Council has current direct control. This means that emissions from schools and outsourced services are not included, even though we are required to report and reduce those emissions under NI185 and the Carbon Reduction Commitment and they make up 46% and 36% respectively of our total carbon footprint as an organisation.

Work has just been completed on assessing our 2008/9 baseline for NI185 which totalled 85,142kte. A fuller analysis on this is being prepared and will be reported to Members shortly.

Organisations that sign up to 10:10 are required to measure progress in meeting the target, and there is some flexibility in the target. At the end of the 12 month period, organisations will be listed as 'successful' participants of the campaign if an emissions reduction of at least 3% has been achieved.

Schools will be asked to join the campaign separately, but on a similar basis.

Individuals signing up to the campaign are encouraged to complete 10 carbon reduction actions, but their actual carbon reductions are not monitored further.

### **3. Commitments that Cambridgeshire County Council has already made**

The County Council has already made public commitments to carbon reduction with some critical milestones as follows:

- 2002: Signed up to the Nottingham Declaration on tackling climate change
  - 2005: Published first Climate Change Strategy
  - 2008: Adopted a revised Climate Change and Environment Strategy with achievable targets; Council identifies 'tackling climate change' as one of four corporate priorities
  - 2009: Took part in the Carbon Trust's Local Authority Carbon Management initiative, resulting in the adoption in May 2008 of the Council's Carbon Management Plan
- Also in 2009/10, the budget includes new resources for tackling climate change.

The Council's Climate Change and Environment Strategy, adopted by Council in summer 2008, set a target for reduction in carbon dioxide emissions from our own operations, based on a downward trajectory in line with national emissions targets. This target is a rolling year-on-year 2% reduction in emissions.

However, the 2% year on year target was based on a national emissions target which has since been updated from 60% reduction, to a more challenging 80%. Possible revisions to this target are an issue that the County Council's new Climate Change Programme Board will need to consider further.

A major step forward for the County Council in its commitment to reducing its carbon footprint was in taking part in the Local Authority Carbon Management initiative during 2008 to 2009. The Carbon Management Plan was approved by Cabinet on 5 May 2009. This has resulted in development of a **Carbon Management Plan which sets out an aspirational target of 30% over 5 years** and ways of achieving this. Alongside this we also now have a detailed

and comprehensive understanding of our emissions as an authority, enabling us to focus and prioritise activity and improve our performance.

#### **4. Summary**

The principles of the 10:10 campaign as a whole are sound, and certainly the motives behind the campaign and the need for action to cut carbon now should be supported.

Whilst the Council could sign up to the 10:10 campaign, it will require the diversion of financial resources from the projects currently prioritised under the Carbon Management Plan.

A question for the Council is whether the target of 30% over 5 years across the whole of the Council's estate including schools, and as set out in the Carbon Management Plan, more accurately reflects the Council's appetite for carbon reduction than 10% in one year, and will actually result in a much greater carbon saving than the 10:10 targets.