

**REPORT FOR: CABINET**

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**Date of Meeting:** 28 October 2010

**Subject:** Annual Review - Climate Change Strategy

**Key Decision:** Yes

**Responsible Officer:** Brendon Hills, Corporate Director  
Community and Environment

**Portfolio Holder:** Councillor Phillip O'Dell, Portfolio  
Holder Environment and Community  
Safety

**Exempt:** No

**Decision subject to  
Call-in:** Yes

**Enclosures:** Appendix A - Climate Change Strategy  
Implementation Plan – Progress  
Review – September 2010  
Appendix B – Revised environmental  
impact assessment advice

*Due to the size of the appendices, the documents  
have been circulated to Cabinet Members, other  
key Members and officers only. The documents  
have been placed in the Members' Library and  
published with the agenda which can be viewed  
on the website.*

## Section 1 – Summary and Recommendations

This report sets out progress on implementing the council's Climate change Strategy); details the actions taken to date and sets out the proposed work-streams for the next three years

### Recommendations:

Cabinet is requested to:

- A] Note the progress in delivering the climate change strategy over the last year;
- B] Confirm the new initiatives set out in Section 2.4. i.e.
  - 1. Sign up to the 10:10 campaign
  - 2. Approve the revised Action Plan for the period 2010/11 to 2012/13 be published for public consultation (section 2.5).

### Reason: (For recommendation)

To ensure continued progress in the delivery of the climate change strategy

## Section 2 – Report

### 2.1 Introduction

The council adopted the climate change strategy in September 2009, which set out a target to reduce corporate CO2 emissions by 4% a year – starting in April 2010.

### 2.2 Current situation – Climate Change Strategy

Progress since September 2009 has been mixed with good progress in some areas. The following highlights the main progress/issues in each of the Strategy's nine theme areas

#### 2.2.1 Planning and Development

a. **Council Tax Rebates:** Because of time constraints, the provision of council tax rebates was not possible from April 2010. The provision of rebates from April 2011 is currently being reviewed. It is recommended that this proposal is not pursued at present.

b. **Promotion:** More work needs to be done on the website and in general promotion of energy saving initiatives

### 2.2.2 Domestic Energy

- a. Retrofitting:** We have brought in investment of approx. £1.7m over the last year via national and regional energy savings schemes such as Warm Zones and Warm Front, and expect to increase this to £2m in the current year. These schemes are funded by CERT (Carbon Energy Reduction Target), which places obligations on the energy companies to pay for insulation and energy efficiency works. In general terms people over 70 and families on income benefits will get these works free of charge. Other groups are classified as "Able to Pay" and receive subsidies in the region of one-third for these works
- b. Affordable Warmth Strategy:** We have worked with partners in HSP to develop an Affordable Warmth/Fuel Poverty Strategy, which is currently in draft form and is expected to go to public consultation later this year after endorsement by cabinet and HSP.
- c. Affordable Warmth capital budget:** The above Strategy is expected to be funded by redirecting capital expenditure of this £150k annual budget - subject to development of a business case for the MTFS (the council's Medium Term Financial Strategy), towards supporting people who are not fully covered by CERT. i.e. people in the able to pay group. Provision of a council subsidy of £100 would cover approx. half of the CERT-subsidised cost and mean that the pay-back period for the average resident would be about one year.
- d. CESP:** We are in discussions with energy companies about retrofitting housing in the seven SOAs (Super Output Areas) with lower decile national incomes. This would be carried out under the government's CESP (Community Energy Saving Programme) which ends in 2012. CESP is a whole area approach where 500-600 homes are retrofitted. The level of support varies but is approx. 50% from the energy companies, dependent on the types of measures installed. A further report on options will be referred to Cabinet in December 2010.
- e. Promotion:** More work needs to be done on the website and in general promotion of energy saving initiatives

### 2.2.3 Transport

This is a challenging area, which the council can seek to influence but not control.

- a. School travel plans:** Work has continued with schools in developing their Travel Plans. Currently 96% of schools in the borough have travel plans.
- b. Electric power points:** We are currently installing a dual charging point in the visitors car park at Harrow Civic Centre. This will be part of TfL's plugged in places initiative and will require scheme membership. Investigations are underway to expand this to other public car parks in the next financial year. This is dependent on available technology.
- c. Car Clubs:** We continue to encourage the roll out of car clubs through residential travel plans and are investigating the possibility of an electric car club for 2011/12.
- d. Itsuptoallofus website:** This continues to attract in excess of 1800 unique visitors per week. It continues to host video tutorials, podcast,

discussions on all means of sustainable transport. It is also used to promote local events and initiatives. See [www.itsuptoallofus.com](http://www.itsuptoallofus.com)

**e. Active travel:** The Council continues to work with NHS Harrow in linking up sustainable transport and the health agenda.

**f. Promotion:** Sustainable transport is promoted through ITSUPTOALLOFUS, breatheinHarrow, the Council's website and also monthly IMOVELONDON newsletters.

#### **2.2.4 Water and flooding**

**a. Stage 2 Strategic Flood Risk Assessment:** This has been commissioned and signed off.

**b. Surface Water Management Plan:** Work has started on this statutory plan, which will reinforce requirements to address surface water flooding – such as permeable surfaces and SUDS (Sustainable Urban Drainage Systems).

**c. Promotion:** More work needs to be done on the website in respect of advice on reducing flood risk.

#### **2.2.5 Waste**

**a. Recycling:** We have continued to improve our recycling rates and reduced the total amount of waste being collected. We remain the second highest recycling borough in London achieving a rate of 46% in 2009/10.

**b. WLWA:** We have worked closely with our partners in WLWA to move their procurement strategy forward

**c. West London Waste Plan:** Within West London we have also made significant progress in the development of the joint West London Waste Plan, which will identify suitable sites across the sub-region for the additional waste treatment sites that are needed if we are to divert waste from landfill.

#### **2.2.6 Biodiversity and the Natural Environment**

**a. Trees:** In 2009/10 we planted 1000 trees and hope to do the same in 2010/11.

**b. New maintenance regimes** have been introduced in Stanmore Marshes and West Harrow Rec to improve biodiversity – as part of the Biodiversity Action Plan

**c. Tree Strategy:** This is being reviewed to reflect the Mayor of London's strategy and guidance from the Greater London Authority.

#### **2.2.7 Food, Fair Trade and Sustainable Shopping**

**a. Allotments:** Take up of allotments has improved over the last year as a result of improved management. Occupancy rates are now 98%. Approx. 300 people are on the waiting list for allotments.

**b. Fair Trade:** The new administration has renewed the commitment to becoming accredited as a Fair Trade Borough. A member-Officer working group has been established and a programme of work agreed, with the intention of achieving accreditation in the current year.

## 2.2.8 Businesses and the Public sector

- a. **Joint climate change strategy:** Some work has been undertaken in the development of a Joint Climate Change Strategy for Harrow Strategic Partnership (HSP) – particularly with the NHS. This will continue despite the proposed abolition of the PCT. It will take 2 to 3 years for GP commissioning to get established and other NHS providers (particularly North West London Hospitals Trust) will continue and should be keen to participate in a joint plan..
- b. **Affordable Warmth/Fuel Poverty Strategy:** We have worked with partners in HSP to develop an Affordable Warmth/Fuel Poverty Strategy, which is currently in draft form and is expected to go to public consultation later this year.
- c. **SMEs:** The council's current Smartworks programme for Small and Medium Enterprises (SMEs) finishes this year. It is hoped that over the three years of the project 40 SMEs will have received advice on energy, water and waste.

## 2.2.9 Reducing the council's footprint

- a. **CRC.** It has become clear over the past year that our main focus in reducing our carbon emissions should be on ensuring that we comply with the CRC. The scheme will be considered in more detail in a report to Cabinet in December 2010.

Reducing our emissions will result in significant financial savings in the medium to long term, but requires investment to achieve them. Achieving the level of investment required remains a fundamental challenge.

- b. **Energy saving.** We have made a good start in reducing the council's carbon emissions from buildings– having achieved an average, weather-corrected reduction of approx. 7% over the last two years. In the current year we will have invested approx. £400k by the end of the year in energy reduction measures. However this will only produce savings of about half the required scale (i.e. only 2% compared to the target of 4%.)
- c. **Measurement.** Work has continued during the year to ensure that our measurement and monitoring of our consumption is improved. More accurate measurement/assessment of our street-lighting stock has increased our measured emissions by 767 tonnes. This represents an increase of 25% in recorded street lighting emissions
- d. **Street lighting policy review.** The revision to the street-lighting database has the effect of increasing our reported total emissions by 3%. Street lighting represents 24% of our total electricity consumption. The proposal to review street lighting policy is therefore even more important. It is proposed to report on this review to the March 2011 Cabinet.
- e. **Leisure Centres.** Contracts with Leisure Connexions for the extension of the current contracts have been agreed with an agreement for basic energy saving measures (such as pool covers) to be introduced. The major opportunity to improve performance will come when the contracts are re-tendered in two years time
- f. **Cabinet report guidance for Environmental Impact.** Appendix B sets out revised guidance for report writers, which will require them to consider in more detail the climate change impacts associated with any proposals

- g. Staff car parking.** The Corporate Strategy Board has approved a three-year plan to introduce charges for staff car parking at the civic centre. This is currently being reviewed as part of the consideration of the long-term future of the existing site.
- h. Green travel plans.** We are continuing to work on our green travel plan to ensure more effective management of the Civic Centre car park and an increased use of sustainable transport .
- j. Street cleansing fleet.** The street cleansing fleet has been substantially replaced during 2009/10 – resulting in improved emissions from more efficient (Euro 4 and 5) engines. Three electric street cleaning handcarts were sourced for cleaning the town centre.
- k. Refuse fleet.** Introduction of the new fleet last year has resulted in a reduction in fuel use over the last year. The introduction and integration of new Route-smart technology with the Waste Collector in-cab technology is expected to allow further fuel savings once fully operational.
- i. Driver training,** all drivers are undertaking Driver CPC training on Vehicle Safety, Control Systems and Fuel Efficiency to improve fuel efficiency driving skills.
- l. Special Needs Transport Fleet.** A review of special needs transport is ongoing and a new fleet of vehicles have been leased/rented as part of the review. Routing software has also been procured to allow the routes to be managed more efficiently. The number of vehicles has reduced from a high of 96 to the current number of 87 of which 76 are on long term lease and 11 on spot hire arrangements. Of these 36 are Euro 5 compliant and 51 Euro 4 compliant.
- m. Promotion:** More work needs to be done on the website and in general promotion of energy saving initiatives

#### **2.2.10 Website development .**

A recurring theme in the delivery of the climate change strategy is the lack of progress on delivering the necessary improvements to the website. It is proposed to address this by April 2011 by using the current vacancy (created by the resignation of the senior environment and climate change officer post in the climate change section) to fund development work (i.e. by redirecting expenditure from the current Affordable Warmth capital budget). This will mean that development of community initiatives will be restricted for the remainder of the current year.

A business case will be developed for using this funding in the current year.

### **2.3 Financing Energy Saving Retrofits**

#### **Government Loans**

To date, we have been able to obtain interest free loans from SALIX for projects with a relatively short pay-back period of less than five years. Savings in energy costs are used to pay back the loans. In the current year we have obtained £400k of loans from SALIX (as reported in July). It is not clear whether similar loans will be available going forward.

The council's capital budget in 2010/11, of £100k for carbon reduction, has not yet been allocated. We will endeavour to put forward business cases for investment over the next six months.

## **RE:FIT (Building Energy Efficiency Programme)**

The London Development Agency (LDA) has procured a solution to the financing of energy efficiency measures in public sector buildings in London, which commences in April 2011 - RE:FIT. This allows the public sector, in London, to retrofit existing buildings with energy saving measures, reduce carbon emissions and achieve substantial annual cost savings.

The LDA has procured 12 energy performance contractors (ESCOs), under a Framework Agreement, to deliver guaranteed energy savings for participating public sector organisations. The scheme is funded by £100m of public money and the LDA is looking for commercial partners to increase the fund size by another £500m. All the funding is provided under a loan scheme to ensure the continuation of the scheme. Loans are paid back from the resultant energy savings.

Once a public sector organisation has internal support for the scheme and backing from RE:FIT the process can proceed relatively quickly. No separate procurement is needed. A mini-competition is held to which all 12 contractors are invited. The selected ESCO then prepares detailed proposals in discussion with the client. This guarantees a level of carbon saving and the payback period. The risk in terms of delivering the saving remains with the ESCO.

The payback period selected by the client is an important element in this process. Short payback periods favour simple saving measures. Experience from the pilot projects, indicate that to deliver deeper carbon reductions, it is better to specify longer payback periods. This allows higher investment and bigger reductions. In the pilot schemes, average savings have been in the region of 25%. It is recommended that a pay-back period of up to 10 years be used.

We will investigate this option further and report back in December 2010 as part of our report on the Carbon Reduction Commitment.

## **2.4 New initiatives for the Climate Change strategy**

Appendix A details progress on the Climate Change Implementation Plan and details proposed actions over the next three years.

A new proposal is to sign up to the **10:10 charter**. As a local authority we would need to be able to demonstrate a minimum 3% reduction in energy usage compared with a base period (of a year) measured at some point - ending between September 1 2009 and June 30 2010.

## **2.5 Consultation**

The revised Climate Change Strategy and Implementation Plan for 2010/11 to 2012/13 will be subject to public consultation from Dec 1<sup>st</sup> 2010 to Jan 31<sup>st</sup> 2011. Comments etc will be reported back to Cabinet in March 2011.

## 2.6 Legal comments

None

## 2.7 Financial Implications

There are no direct financial implications arising from this report. Proposals with a financial impact will be considered by the relevant challenge panels and reported as part of the draft Medium Term Financial Strategy to Cabinet in December.

## 2.8 Performance Issues

**NI 185** measures the carbon footprint of all the council's operations (e.g. buildings, street lighting and transport related emissions). The measure is the annual percentage reduction. The climate change strategy set an annual target to achieve a 4% reduction for this indicator. Good performance in the CRC scheme will help to deliver reductions in NI 185.

However the scope of emissions measured in the CRC and NI 185 are not identical. CRC emissions cover 90% of static emissions. NI 185 covers all static emissions plus transport related emissions. Static emissions account for 91% of NI 185 emissions. Thus the CRC covers 81.9% of our total emissions

To date, only NI 185 data for 2008/9 has been collected by the government. Collection of data for 2009/10 has been put on hold by DECC. Further information is awaited.

The proposal will contribute to delivering energy reductions across the council.

The proposals should have minimal impact on resident outcomes that are delivered either by partners or by joint working with partners.

If the proposal did not go ahead the council would not reduce its energy usage.

**NI 186** measures the per capita emissions of residents in the borough from all emissions. Under LAA we had a target to reduce these emissions by 4% a year. Our ability to directly affect this indicator is limited. Central government programmes such as Warm Front, CESP, Boiler scrappage and car scrappage etc will help to reduce emissions by ensuring that insulation levels are improved and replacement cars and equipment are more fuel efficient. .

There would be no direct impacts on resident outcomes delivered either by partners or by joint working with partners, if the proposal were not accepted. However, poor performance would generate increasing financial costs and these would have indirect consequences.

If the proposal did **not** go ahead, the council would suffer a loss of reputation, receive adverse assessments from external auditors and would face increased financial pressures

**NI 187** measures the percentage of people receiving benefits who live in fuel poverty. The draft Affordable Warmth/Fuel Poverty strategy identifies this indicator as being flawed. As part of the development of the Affordable



Warmth/Fuel Poverty strategy we will develop a new local indicator to identify people in fuel poverty and allow us to target help where it is most needed. We propose to no longer collect NI 187 (subject to Government requirements).

**NI 188** – Adapting to climate change. Our assessment for 2009/10 showed that we had progressed to Level 1, which requires public commitment and an impacts assessment. Our current target for 2010/11 is Level 2, which would require a comprehensive risk assessment to be completed. It is proposed to hold our current position during the current year (i.e. Level 1).

**NI 194** measures the NOx and PM10 emissions from the council's operations. This data is collected via the same spreadsheet as NI 185. (As with NI 185) we are awaiting clarification from the government as to the future of this indicator.

## **2.9 Environmental Impact**

The climate change strategy is the council's overarching strategy on climate change and is designed to deliver a 4% annual reduction in carbon emissions across the council's operations and within the wider community

There is no specific requirement for a formal Environmental Impact Assessment or a decision based on Best Practicable Environmental Option

## **2.10 Risk Management Implications**

Risk included on Directorate risk register? See Strategic Risk 3: Fail to actively contribute to sustaining the environment in the Strategic Risk Register.

The following risks are identified throughout this report: -

- Financial arrangements for schools
- Insufficient planned maintenance budget
- Absence of planned boiler replacement programme
- Lack of financial and staff resources to develop strategy
- Development of corporate carbon reduction strategy
- Lack of capital resources for a retrofitting programme

It is recommended that, where possible, the risks and the actions to mitigate the risks are incorporated into Strategic Risk 3 and/or included in the C&E Directorate Risk Register.

## **2.11 Equalities implications**

Where appropriate Equality Impact Assessments will be carried out in relation to items identified in the Action Plan 2010/13 prior to implementation."

## **2.12 Community safety**

There are no community safety implications

## **2.13 Corporate Priorities**

The proposed new corporate priorities are:

- Keeping neighbourhoods clean, green and safe

- United and involved communities: a council that listens and leads
- Supporting and protecting people who are most in need
- A town centre to be proud of.

This report will help to support all of these priorities

### **Section 3 - Statutory Officer Clearance**

Name: Steve Tingle	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 5 October 2010		
Name: Matthew Adams	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 18 October 2010		

### **Section 4 – Performance Officer Clearance**

Name: Martin Randall	<input checked="" type="checkbox"/>	on behalf of the Divisional Director Partnership, Development and Performance
Date: 5 October 2010		

### **Section 5 – Environmental Impact Officer Clearance**

Name: Andrew Baker	<input checked="" type="checkbox"/>	on behalf of the Divisional Director (Environmental Services)
Date: 5 October 2010		

## **Section 6 - Contact Details and Background Papers**

**Contact:** Andrew Baker, Head of Climate Change. Tel: 020 8424 1779,

**Background Papers:**

Cabinet report: September 2009: Climate Change Strategy – Adoption

Cabinet report: January 2009: Draft Climate Change Strategy

Climate Change Act 2008

OFGEM report: Project Discovery (Future energy prices)

[http://www.ofgem.gov.uk/Markets/WhlMkts/Discovery/Documents1/Discovery\\_Scenarios\\_ConDoc\\_FINAL.pdf](http://www.ofgem.gov.uk/Markets/WhlMkts/Discovery/Documents1/Discovery_Scenarios_ConDoc_FINAL.pdf)

10:10 Campaign. <http://www.1010global.org/uk/organisations/councils>

**Call-In Waived by the  
Chairman of Overview  
and Scrutiny  
Committee**

**NOT APPLICABLE**