

Agenda item: **Carbon Management Programme and Action Plan**

**[No.]**

**Cabinet**

**On 23 March 2010**

Report Title.

**Haringey Carbon Management Programme and Action Plan**

Report of **Chief Financial Officer & Director of Urban Environment**

Signed :

Contact Officer : Kamar Zaman  
Sustainable Energy Manager 020 8489 2178

Wards(s) affected: **All**

Report for: **Key Decision**

## **1. Purpose of the report**

1.1 The report proposes a Carbon Management Programme and Action Plan for adoption. The plan includes an aspirational target of 40% reduction of CO2 emissions from the Council's own buildings, schools and transport by 2015 from 2006/7 levels.

## **2. Introduction by Cabinet Members**

### **2.1 Introduction by the Cabinet Member for Environment and Conservation:**

On implementation this programme will ensure that the Council complies with statutory requirements, such as the Carbon Reduction Commitment, and will contribute to continuous improvement in the Use of Resources CAA requirements.

### **2.2 Introduction by the Cabinet Member for Resources:**

This programme will ensure that the Council achieves value for money in the operation of its estate and achieves significant cost avoidance through reduced consumption of utilities.

### **3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

- Priority 1 - Making Haringey one of London's greenest boroughs.

#### **3.1 Council Strategies**

3.1.1 This Programme supports the Greenest Borough Strategy that states that Haringey Council will have a 10% reduction in carbon emissions from 2006/7 levels by 2010.

3.1.2 The Carbon Management Action Plan incorporates a series of actions and projects that supports the Council's overall strategy to reduce borough wide emissions by 40% by 2020.

#### **3.2 Comprehensive Area Assessment**

3.2.1 Carbon Management is an integral aspect of the Comprehensive Area Assessment process as part of the Use of Resources assessment. By embedding carbon management into all activities, the Council will be able to manage the environmental impacts of the services it operates.

3.2.2 The action plan sits as a living document behind the Carbon Management Programme.

### **4. Recommendations**

4.1 That Cabinet agree an aspirational target of a 40% reduction in CO<sub>2</sub> emissions from Council operations by 2015 against a 2006/7 baseline.

4.2 That Cabinet adopt the Carbon Management Programme and Action Plan.

### **5. Reason for recommendations**

5.1 The current energy market is extremely volatile, but pricing trends suggests future increases of at least 5% per annum. With Council buildings and schools extending their opening hours and new schools and extensions under the BSF programme, predicted energy consumption is likely to increase (by approximately 4% per annum). It is estimated that the projects identified in the Carbon Management Programme will reduce consumption and over the next five years will have avoided cost to the Council for energy of approximately £38 million.

5.2 The Council is currently subject to large changes in environmental legislation, specifically the Carbon Reduction Commitment, which requires the Council to trade allowances for the amount of Carbon emitted. The Council is expected to have to purchase approximately £430,000 worth of allowances in 2011/12. A 40% carbon reduction would reduce this to £258,000 and increase the likelihood of a positive position and potential bonus payments.

5.3 The Council was the first to sign up to the Friends of the Earth 'Get Serious About CO<sub>2</sub>' campaign, committing itself to a 40% borough-wide carbon reduction by 2020. The aspirational 40% target proposed in the Carbon Management Programme is estimated to be delivered by 2015, ensuring the Council leads by example and will promote case studies with businesses, residents and key partners in the borough to enable delivery of the wider target as well.

## **6. Other options considered**

6.1 As this is a plan supported by the Carbon Trust no other options have been considered.

## **7. Summary**

7.1 In November 2009, at the Full Council meeting, Haringey signed up to the Friends of the Earth "Get Serious About CO<sub>2</sub> Campaign", pledging to cut borough wide carbon emissions by 40% by 2020.

7.2 The Greenest Borough Strategy had previously adopted a 10% reduction target by 2010 based on 2006/7 levels.

7.3 In May 2009, Haringey Council signed onto the Carbon Trust Local Government Carbon Management Programme to develop an action plan. The preparation of the programme is supported by the Carbon Trust.

7.4 Appendix 1 outlines the proposed Carbon Management Programme and Action Plan for Haringey Council. It assesses activities and projects that can achieve carbon and cost savings and will contribute to supporting the Greenest Borough Strategy, in particular Priority 4: Leading example – managing the Council sustainably and Priority 5: Sustainable design and construction.

7.5 The strategy and policy have been developed in support of the Greenest Borough Strategy and more ambitious than the UK government target of a 34% reduction of CO<sub>2</sub> emission by 2020.

7.6 The Council's carbon baseline in year ending April 2007 was 36,583 tCO<sub>2</sub> (carbon dioxide emissions in tonnes).

7.7 In order to help authorities take the necessary steps needed to integrate Carbon Management into the organisation, the Carbon Trust developed a Carbon Embedding Matrix for implementation. The matrix outlines, step by step, the actions that organisations need to achieve their target. Planned actions to meet the target have been drawn up following a self assessment with key officer engagement.

7.8 A number of projects are already underway with existing plans. The additional energy efficiency projects will be planned over the next five years dependant upon the

projected savings as a percentage of the baseline reduction, available resources and funding opportunities.

7.9 67% of projects have been quantified so far, which will lead to carbon savings of over 11,000 tonnes. There is a commitment to work to identify further projects and opportunities as the plan progresses. This will include de-centralised energy and further travel opportunities in particular.

7.10 Section 4 of the plan proposes a number of projects that will help achieve the savings detailed below. These projects are detailed in the Appendix 1.

7.11 By achieving the targets set out with the plan, the Council can expect to reduce its carbon emissions from 36,583 tonnes to 21,950 tonnes by 2015. Using DEFRA calculations, this is the equivalent of taking 4,596 cars off the road every year.

7.12 £38 million is the “cumulative value at stake” – the difference in total energy costs assuming business as usual growth against the position if the projects in this plan are implemented. This is the financial cost avoidance to the Council over the next five years if the actions and projects are delivered.

7.13 Section 6 of the plan (Appendix 1) sets out the planned actions and activities to ensure carbon management is embedded across the organisation. For example, delivering training to all, complying with CRC, delivering on NI185, ensuring CO2 saving is everyone’s responsibility, aligning council policies etc.

7.14 The matrix outlines, step by step, the actions that an organisation needs undertake to embed carbon management and achieve their carbon reduction target.

7.15 The Leading by Example Board will oversee the development and implementation of the programme. The Board is chaired by the Chief Financial Officer and meets quarterly. It reports into the Greenest Borough Stream Board and is supported by the Corporate Utilities Management Board (CUMB).

7.16 The key role of the CUMB is to implement the projects and actions outlined in the Carbon Management Plan and ensure the Council’s carbon reduction target is met. The project leader will report the progress made by the CUMB against the target to the Leading by Example Board (quarterly), CEMB (reported by the Chief Financial Officer quarterly) and Cabinet (reported by the Cabinet Member for Resources annually).

7.17 Projects will be implemented and managed by existing personnel resources and directed towards the relevant project officers in each Directorate. However, it is expected that there will be some additional programme management resource requirements. These requirements are currently being assessed although it is expected that they can be funded through existing funding arrangements.

## **8. Chief Financial Officer Comments**

8.1 Carbon reduction projects have been quantified and actions identified for the next five years which will contribute to a reduction in carbon emissions of 40% by 2015. In accordance with Carbon Trust guidance, at this stage all funding plans for the full five years are not fully in place, but a number of funding streams are identified and the action plan includes directing and obtaining this funding in the medium term.

## **9. Head of Legal Services Comments**

9.1 The Head of Legal Services has reviewed this report and notes its contents and advises that there are no specific legal issues which arise out of its contents.

## **10. Equalities & Community Cohesion Comments**

10.1 The Council is committed to equal opportunities regarding staff recruitment within the programme if resource requirements are required.

10.2 In relation to energy efficiency projects, the Council in its Equality Public Duties Scheme (2006) its Guide to Equality in Procurement (2007) and its Equal Opportunities Policy (2007), commits to including equalities considerations at every stage of the procurement process in to ensure that the process is fair, transparent and accessible to all, so that local businesses especially small – medium sized enterprises, black and ethnic minority business, women and the community and voluntary sector run social enterprises have the opportunity to tender for council contracts.

10.3 Also invitation to tenders are advertised on the “Compete For” and “Supply to Gov” websites so small and medium sized enterprises (SMEs) have the opportunity to tender for council contracts using this route as well.

10.4 An Equality Impact Assessment is being developed in line with the issues raised above.

## **11. Consultation**

11.1 The Carbon Management Programme and Action Plan have been developed with guidance from the Carbon Trust, and in support of the Greenest Borough Strategy. Consultation was sought with officers of the Corporate Utilities Management and Leading by Example Boards. Officers are from all directorates ranging from Corporate Property Services, Leisure and Children and Young People Services.

11.2 The Programme has been endorsed by the Greenest Borough Strategy Stream Board.

11.3 The strategy is high level, ambitious and proposes the initial actions and further

development of a five year implementation programme to deliver the strategy. This detailed programme will be delivered by planned actions and specific projects in agreement with officers supporting the Greenest Borough Strategy.

## **12. Service Financial Comments**

12.1 Cabinet agreed the set up of a Sustainable Investment Fund in 2008. This is a ring fenced revolving fund of £500k. The grant is match-funded by Salix Finance (an external grant scheme) that contributes an extra £155k. The energy cost savings from projects financed by the SIF are re-invested into the fund to pump-prime new projects.

12.2 In 2009 a Schools Sustainable Investment Fund (SSIF) amounting initially to 12.5% of residual school balances, was set up. This is an interest free loan for schools to carry out energy efficiency improvement measures. Loans are repaid via the savings accrued from project energy cost savings.

12.3 In 2010, Salix Finance has match funded £75k to support the SSIF.

12.4 The remainder of the finance required will be sought from a mixture of existing capital budgets, prudential borrowing and government grants once the detailed sequencing of projects is established.

## **13. Use of appendices /Tables and photographs**

13.1 Appendix 1 – Summary of Quantified Projects

13.2 Appendix 2 - Carbon Management Programme and Action Plan (Draft)

## **14. Local Government (Access to Information) Act 1985**

14.1 [http://www.opsi.gov.uk/acts/acts2008/pdf/ukpga\\_20080027\\_en.pdf](http://www.opsi.gov.uk/acts/acts2008/pdf/ukpga_20080027_en.pdf)

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## Appendix 1: Summary of Quantified Projects

Project	Cost (£)	Annual Saving		Pay back (years)
		£	CO2 (tonnes)	
Awareness Raising Campaigns	10,552	83,794	202	0
BMS Fine Tuning	61,892	8,047	49	8
BMS Installation in Swimming Pool Halls	22,247	8,612	52	3
Boiler Optimum Start Controls	23,649	57,896	347	0
Bolier Sequencing	271,850	16,133	99	17
CHP Park Road Swimming Pool	174,100	77,000	199	2
Draught Proofing (Corporate Property)	84,434	38,181	242	2
Equipment Timer Controls	404,658	12,226	75	33
Heating Control Systems	338,736	57,386	354	6
LED Floodlights (Sports Grounds)	115,722	11,366	7	10
LED Car Park lights	99,000	27,992	17	4
Lighting Controls (Offices)	720,739	91,315	303	8
Loft Insulation in Corporate/Leisure Buildings	355,521	19,521	120	18
Low Energy Photocell Streetlights	101,041	4,922	29	21
Office Pipework Insulation	3,809	727	4	5
Replace Lighting to T5	62,487	123,163	746	1
Replacement Streetlight Lamps	4,188	9,844	59	0
Secondary Glazing	268,458	15,065	93	18
Solar Thermal in Care Homes	50,432	256	2	197
Streetlighting Electronic Gear Controls	102,748	4,922	29	21
Swimming Pool Heat Recovery	67,153	21,783	134	3
Thermostatic Radiator Valves (Care Homes)	30,642	32,030	197	1
Upgrade to Condensing Boilers	321,353	60,816	375	5
Variable Speed Drives in Offices	2,044	748	4	3
Voltage Optimisation in Offices	99,227	19,456	80	5
Wind Turbines	100,000	4,200	10	24
Zoning	575,471	172,354	1031	3
Voltage Optimisation (Primary Schools)	30,144	6,760	40	4
Voltage Optimisation (Secondary Schools)	414,918	96,158	559	5
Thermostatic Radiator Valves (Schools)	17,600	453116	84	0
Switching to Biofuel in Primary Schools	213,284	2,794	17	76
Loft Insulation (Schools)	8,500	4,245	26	2
Lighting Controls (Schools)	67,000	18,986	113	4
Draught Proofing (Schools)	21,000	56,349	6.1	0
Draught Proofing in schools	171,660	116,179	735	1
<b>Total</b>	<b>5,416,259</b>	<b>1,734,342</b>	<b>6,439</b>	<b>15</b>