

## PLYMOUTH CITY COUNCIL

**Subject:** Corporate and City Carbon Reduction  
**Committee:** Cabinet  
**Date:** 15 January 2013  
**Cabinet Member:** Councillors Vincent, Lowry and Penberthy  
**CMT Member:** Adam Broome (Director for Corporate Services)  
Anthony Payne (Director for Place)  
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**Ref:** AH  
**Key Decision:** No  
**Part:** I

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### **Purpose of the report:**

This report recommends the endorsement of a Council estate reduction target of 20% by 2014/15 from 2009/10 levels as per the Corporate Asset Management Plan 2005 - 2015.

This report seeks endorsement of the Carbon Management Programme target for the Council estate of a reduction of 20% by 2014/15 from 2009/10 levels. It also seeks approval of a programme of work to develop a Low Carbon theme to the Plymouth Plan, including a process of stakeholder engagement followed by a Low Carbon Summit event in summer 2013.

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### **Corporate Plan 2012-2015:**

This work will support the Co-operative Council's approach in its promotion of a low carbon city. The Corporate Plan also identifies priorities including 'improving energy efficiency in buildings, developing and making low carbon district heating schemes viable and reducing the emissions of public sector estate, and reducing per capita CO<sub>2</sub>'.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

Financial implications (revenue and capital) of any proposed Council estate carbon reduction measures will be subject to Business Case approval.

Any resource issues associated with the recommendation for a low carbon theme are part of the wider implications associated with the preparation of the Plymouth Plan. These have already been covered by Cabinet's decision on that dated 11th September 2012. These costs are expected to be met from the Planning Department revenue budget.

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**Other implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:**

Some of the potential medium term ambitions on carbon neutrality and the move to a Low Carbon Plymouth will directly support the promotion of community cohesion by helping to provide energy cost reductions, particularly for households with lower income, addressing the causes of fuel poverty.

The consultation process will include a variety of methods and a range of information that is accessible to different audiences and engages with people of different ages, backgrounds and interests and will work with the People Directorate and other organisations that specialise in this field to achieve this. An Equality Impact Assessment will be undertaken for the Plymouth Plan itself, and be available at submission stage.

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**Recommendations & Reasons for recommended action:**

This report recommends that Cabinet:

1. Confirms the Council's estate Carbon reduction target of 20% by 2014/15 from 2009/10 levels as per the Carbon Management Plan annexed to the Corporate Asset Management Plan 2005 - 2015.

**Reason:** To reduce the Authority's costs and carbon emissions, as well as lead by example and support delivery of national carbon reduction targets.

2. Approves the development of a Low Carbon theme to the Plymouth Plan, including the delivery of a Low Carbon Summit event in Summer 2013 which will help inform the content of the Plymouth Plan.

**Reason:** To ensure the ambition to be a carbon neutral Council, is developed in a manner that ensures any potential offsetting mechanism complements the Council's, and its partners, city wide work on Carbon reduction.

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**Alternative options considered and reasons for recommended action:**

Alternative carbon reduction targets were explored as part Carbon Management Programme. Benchmarking and consideration of our internal capacity and resources led to the conclusion that 20% was ambitious but realistic.

The option of defining now our exact approach to carbon neutrality and 'offsetting' was explored and rejected due to challenges of ensuring that any offsets are invested locally. This option raised concerns that the wrong approach to offsetting would not compliment the Council's wider work to reduce per capita carbon emissions. Alternative options will be explored through the Plymouth Plan and Low Carbon Summit.

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**Background papers:**

A guide to carbon offsetting for the public sector (DECC 2010),

[http://www.decc.gov.uk/assets/decc/what%20we%20do/a%20low%20carbon%20uk/co2\\_off\\_setting/1\\_20100115105713\\_e\\_@@\\_aguidecarbonoffsettingen.pdf](http://www.decc.gov.uk/assets/decc/what%20we%20do/a%20low%20carbon%20uk/co2_off_setting/1_20100115105713_e_@@_aguidecarbonoffsettingen.pdf)

How local authorities can reduce emissions and manage climate risk (Committee on Climate Change May 2012)

[http://hmccc.s3.amazonaws.com/Local%20Authorites/LA%20Report\\_summary.pdf](http://hmccc.s3.amazonaws.com/Local%20Authorites/LA%20Report_summary.pdf)

**Sign off:**

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Originating SMT Member											
Have you consulted the Cabinet Member(s) named on the report? Yes											

## 1. Background

1.1. The UK Committee on Climate Change recently (May 2012) highlighted local authorities' significant role in delivering national carbon targets. It recognised how councils can drive and influence emissions reductions in their wider areas through the management of their estate, the services they deliver, their role as social landlords, community leaders and major employers, and through their regulatory and strategic functions.

1.2. Plymouth City Council is aware of the importance of its role and this is reflected in the Council's Greener Plymouth commitment to set a 'target of cutting carbon emissions with the medium-term aim of making Plymouth a carbon-neutral Council'. The Corporate Plan identifies priorities including 'improving energy efficiency in buildings, developing and making low carbon district heating schemes viable and reducing the emissions of public sector estate, and reducing per capita CO<sub>2</sub>'.

1.3. This Cabinet report is complemented by a second Cabinet report on Energy Cooperatives that addresses the commitments to create a co-operative energy supply company or mutual to negotiate better gas and electricity prices for domestic users and one to support solar energy generation.

1.4. It is intended that these reports will be followed later this year with recommendations covering the business case for carbon reduction projects including solar PV installations on corporate buildings, street lighting, district energy, and domestic energy efficiency programmes.

1.5. The UK Committee on Climate Change's report recognises that action on climate change has many local benefits. As well as contributing to national carbon budgets, carbon reduction programmes can bring a range of benefits such as lower energy bills, economic regeneration, local job creation, and improved health. Increasing resilience to climate change risks can result in avoided costs from flood damage to buildings, infrastructure and services, enhanced green spaces and improved health. To reduce emissions across our local area it recommends action across the following areas:

- **Our own estate:** Reducing emissions from Plymouth City Council's own estate is important as it makes a useful contribution to meeting carbon budgets and legitimises a wider role in reducing emissions in the area by demonstrating leadership. The main opportunities are in our own buildings, street lighting, transport and procurement.
- **Improving energy efficiency in buildings:** The most important role the Council can play in the residential buildings sector is through implementing home insulation measures in the context of national energy efficiency programmes. The Green Deal and Energy Company Obligation (ECO) are the key programmes for local authorities to engage with as providers or partners.

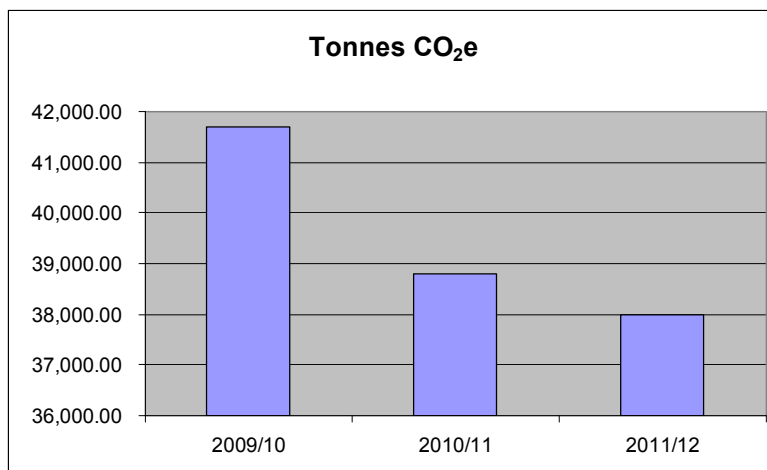
- **Planning:** Local authorities' planning functions are a key lever in reducing emissions and adapting localities to a changing climate. It is particularly important that local authorities use their plan making and development management/building control functions to: enforce energy efficiency standards in new buildings and extensions; reduce transport emissions by concentrating new developments in existing cities and large towns and/or ensuring they are well served by public transport; work with developers to make renewable energy projects acceptable to local communities; plan for infrastructure such as low-carbon district heating networks, green infrastructure and sustainable drainage systems; and avoid increasing the area's risk to climate change impacts by locating new development in areas of lowest flood risk.
- **District heating:** Local authorities have a unique role in coordinating the roll out of viable district heating schemes, often by providing initial loads to support the early phases and investment. District Heating could not only provide efficiencies in heat and power generation (and hence carbon and cost savings) for a number of Council buildings, but also for a range of other existing customers, providing low carbon infrastructure that can support future development, and progressively decarbonise heating through a move to renewable energy. In Plymouth these will be delivered without any further investment in waste to energy technologies. District heating schemes are most likely to expand on the basis of biomass and gas technologies.
- **Transport:** The most important role local authorities can play in reducing transport emissions is through implementing sustainable travel programmes (e.g. encouraging 'Smarter Choices' through car clubs, travel plans, cycling infrastructure etc., and providing better public transport) and promoting low-carbon vehicles by rolling out electric vehicle charging infrastructure, providing incentives for drivers of low-carbon vehicles, and purchasing low-carbon buses.
- **Waste:** Local authorities have an important role in waste prevention and sustainable waste management through awareness-raising campaigns, providing separate collections for recycling, and implementing waste-to-energy schemes.
- **Low-carbon plans:** All local authority areas should develop a low-carbon plan that includes a high level of ambition for emissions reductions and focuses on emissions drivers over which local authorities have influence in buildings, transport, waste, renewable power generation and their own estates.

1.6. To become a carbon-neutral Council will require coordinated action with our partners across all the above areas of work. To ensure that we maximise the local benefit of any 'offsetting' approach that is required to become carbon neutral we need to work with the Department of Energy and Climate Change (DECC) and local stakeholders to define an appropriate solution. This issue is explained below.

## 2. What is our Carbon Target and how have we defined it?

2.1. The Carbon Management Plan (annexed to Asset Management Plan 2005-2015) recommends a Carbon reduction target of 20% by 2014/15 from 2009/10 levels from the Authority's own estate. The authority follows the internationally recognised Carbon Management standard ISO 14064 guidelines.

2.2. Substantial progress has already been made through the Carbon Management programme led by the Corporate Services directorate. The Authority's CO<sub>2</sub> emissions have reduced by over 9% since 2009/10 and we rank among the top 20% in the 2011 UK wide Carbon Reduction Commitment Energy Efficiency Scheme Performance League Table. This has been achieved through projects such as installing energy efficient lamps in office buildings, boiler replacement programmes, the accommodation strategy, improved utility management through the corporate landlord initiative, reducing our fleet and using more efficient vehicles.



Plymouth City Council: Carbon Reduction from own Estate

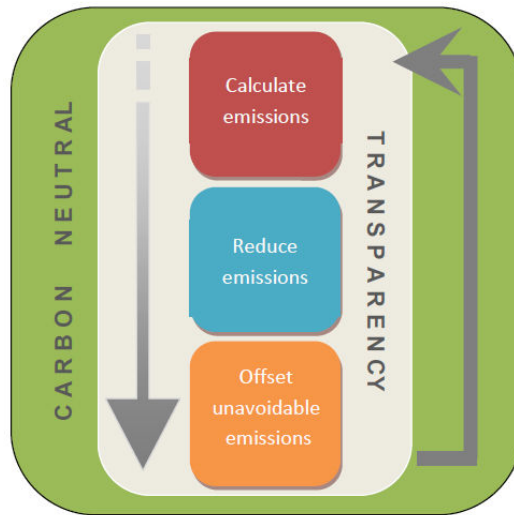
2.3. Further work programmes are being developed, including solar installations and energy efficient street lighting.

### 3. What does being Carbon Neutral mean?

3.1. Carbon neutrality would be achieved by reducing the authority's emissions from its own estate as much as financially and operationally possible, after which unavoidable emissions are 'offset' by investing in external carbon offsetting projects

3.2. Becoming a carbon neutral Council would involve establishing a transparent process for offsetting these residual emissions so that net carbon emissions equal zero. See diagram below.

3.3. Currently Carbon Offsetting guidelines do not support offsetting carbon through local projects, but rather recommend that carbon credits are procured through Kyoto approved schemes such as the Clean Development Mechanism (CDM) and European Union Emissions Trading Scheme (EUETS). However, this approach would mean that Plymouth would not directly see the benefits of these offset investments.



From: A Guide to Carbon Offsetting for the public sector (DECC 2010)

3.4. As a way of example: assuming that the authority sets itself a goal of being carbon neutral by 2020, and assuming it follows its current planned trajectory of 4% internal carbon reduction p.a., the authority would need to offset 22,300 tonnes CO<sub>2</sub> in 2020. At current EUETS credit price (£12/tCO<sub>2</sub> May 2012) this is equivalent to an annual payment of £275,000 into one of the Kyoto approved schemes. This payment would benefit the atmospheric carbon content on a global scale but would not result in investment in the local carbon reduction projects listed in para 1.4.

3.5. On this basis it is considered important that the ambition to be a carbon neutral Council is developed in a manner that ensures any offsetting mechanism complements this city wide work on Carbon reduction, and particularly current initiatives such as the Energy Co-operative and our commitments to promote improvements to domestic energy efficiency. The upcoming Plymouth Plan consultation process provides an opportunity to have a full and rounded debate with the community and stakeholders on this issue.

3.6. The Council can explore with the Department of Energy & Climate Change, whether a local approach to offsetting can be developed and agreed, in line with the future proposals (post 2016) for developers to offset the carbon emissions that they cannot viably reduce on-site through contributions, also referred to as 'allowable solutions'.

#### 4. What is the Plymouth Plan?

4.1. It is intended that the Plymouth Plan will be a strategic document that encompasses the whole of the city, as well as considering the city within its sub-regional and wider context. It will set out a vision and path to improvement, providing strategic policies to guide future change. It will include both a 'bottom up' and 'top down' approach, so as to provide a context for improving the city's neighbourhoods as well as the city as a whole. It will be a plan for both people and place. It will set out how Plymouth's potential for long term sustainable growth, as well as its wider role as the economic hub of the far South West, can be delivered.

4.2. The Plymouth Plan process will review the adopted Core Strategy and support Area Action Plans (AAPs), taking the city's statutory Development Plan forward within the context of the government's new Local Plan system.

4.3. The timetable for preparing the Plymouth Plan, as set out in the 2012 Local Development Scheme, is as follows:

<b>Plymouth Plan Stage</b>	<b>Programme</b>
<b>1. Plymouth Plan Conversations</b> An engagement process to scope and evidence the Plan	Summer 2012 to Spring 2013
<b>2. Plymouth Plan: Your Plan, Your City</b> A formal public engagement process on the draft plan through the Plymouth Plan Convention	Summer 2013
<b>3. Plymouth Plan: The Final Plan</b> Submission of the Plymouth Plan to Secretary of State, for examination prior to adoption	Summer 2014
<b>4. Plymouth Plan: The Legal Stages</b> Independent Examination of Plymouth Plan Council Adoption of the Plymouth Plan	Winter 2014 Autumn 2015

4.4. It is recommended that a Low Carbon theme to the Plymouth Plan is developed with partners and stakeholders as part of the work identified in stage 1. It is proposed that this will lead to a Low Carbon Summit event as part of the Plymouth Plan Convention (stage 2) at which the options for carbon reduction policies and projects, carbon neutrality and offsetting will be explored. The outcomes from this will be collated into subsequent formal consultation processes and influence the eventual content of the Plymouth Plan.