

#### **AGENDA ITEM NO. 11**

Report To: Safe, Sustainable Communities Date: 26 October 2010

Committee

Report By: Head of Regeneration and Planning Report No: R&E/SSC/KB/

021

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Subject: Carbon Reduction Commitment Energy Efficiency Scheme -

**Council Participation during 2010/11** 

## 1.0 PURPOSE

1.1 The purpose of this report is to advise the Committee of the impact on the Council during 2010/11 of the Carbon Reduction Commitment Energy Efficiency Scheme (CRC) and to inform Members of the Council's participation in the Carbon Trust's Carbon Management Revisited Programme.

#### 2.0 SUMMARY

2.1 Members will recall a report to the 31 August 2010 Committee which outlined the CRC Scheme's potential impact on the Council.

Min. Ref. 31.8.10 Para. 475

- 2.2 As previously advised, the level of our participation in the Scheme was dependent on whether our street lighting was considered in terms of qualification. The Scottish Environment Protection Agency, the regulators of the Scheme in Scotland, have since confirmed that we do not need to include street lighting when determining the extent of our involvement.
- 2.3 The outcome therefore is that we need to make an information disclosure but we are not required to report any future emissions data or purchase allowances for the remainder of this phase of the Scheme. The information disclosure was made on 15 September 2010, in advance of the 30 September 2010 deadline.
- 2.4 The Council is currently participating in the Carbon Trust's Carbon Management Revisited initiative, a support programme for Local Authorities who, like Inverclyde, took part in the Carbon Trust's Public Sector Carbon Management Programme during 2007/08 and it is proposed to report back to Committee when the initiative is complete.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members:
  - a. note the impact on the Council of the CRC Energy Efficiency Scheme during 2010/11; and
  - b. note the Council's participation in the Carbon Management Revisited Programme and agree to receive a progress report when the Programme is complete.

Stuart W. Jamieson Head of Regeneration and Planning

## 4.0 BACKGROUND

- 4.1 The CRC Energy Efficiency Scheme aims to improve energy efficiency, reduce CO2 emissions and raise awareness in large organisations, especially at senior level, and encourage changes in behaviour and infrastructure.
- 4.2 The level of participation is based on whether an organisation has half hourly electricity meters settled on the half hourly market and on its total half hourly electricity supplied during the calendar year 2008. Because our half-hourly electricity was more than 3,000 MWh but less than 6,000 MWh, we are required to make an information disclosure but do not need to report any future emissions data or purchase allowances for the remainder of this phase of the Scheme.

#### 5.0 CARBON TRADING PUBLIC SECTOR SCHEME 2010/11

5.1 From April 2011, the Council may be required to buy and surrender carbon allowances as part of the CRC Scheme. In order to ensure that the Council is equipped to manage the new carbon trading process, we are participating in the Carbon Trading Public Sector Scheme 2010/11. This programme allows us to practice virtual carbon trading without risk or financial commitment.

# 6.0 CARBON MANAGEMENT REVISITED PROGRAMME

- 6.1 During 2007/08, the Council participated in the Carbon Trust's Public Sector Carbon Management Programme, the end result of which was the production of our Carbon Management Plan 2008/13. The Plan set out the Council's approach to carbon management and identified key actions to meet our target of reducing our emissions by 15% by 2012/13 from a 2007/08 baseline.
- 6.2 The Council is already addressing many of the actions in the Carbon Management Action Plan. To complement that activity, we have embarked on the Carbon Trust's Carbon Management Revisited Programme which is a support programme for all Local Authorities who participated in their 2007/08 Carbon Management Programme.
- 6.3 With specialist support from the Carbon Trust, we will:
  - establish a revised carbon baseline;
  - review and refresh our current carbon reduction projects list;
  - identify additional projects that may be required to deliver above the original, or revised, carbon reduction target;
  - take forward the results of the Carbon Management Assessment Tool document that we recently completed; and
  - assess the maturity of the carbon management model in our Council and examine how it could be made more effective in any update of our Carbon Management Plan.
- 6.4 Participation in the Programme requires the early confirmation of a Project Sponsor and Project Leader. The Head of Regeneration and Planning and the Green Charter Unit Co-ordinator will fulfil these roles.
- 6.5 It is proposed to provide Members with a progress report when our involvement in the Carbon Management Revisited Programme is complete.

## 7.0 FINANCIAL INFORMATION 2010/11

- 7.1 The Council was not required to pay a fee to make the information disclosure outlined at Section 2.3.
- 7.2 Participation in the Carbon Trading Public Sector Scheme described at Section 5 costs £1,500, funded from the Green Charter Budget. The financial implications (one-off costs) are:

Cost Centre	Budget Heading	Budget Year	Spend to date	Virement from	Comments
Green Charter (01789)	Subscriptions	2010/11	£1,500	N/A	Spend from existing budget

7.3 There is no cost to the Council to participate in the Carbon Management Revisited Programme outlined at Section 6.

## 8.0 IMPLICATIONS

8.1 The promotion of environmental initiatives is a priority of the Community Plan 2008/18, the Single Outcome Agreement 2009/11 within Outcome 8: Environment and the Corporate Plan 2007/11 within Strategic Outcome 3: Safe, Sustainable Communities.

# 9.0 CONSULTATION

9.1 Finance Services and Property Resources and Facilities Management have been consulted regarding the content of this report.

# 10.0 CONCLUSION

10.1 The Committee is asked to note the Council's participation in the CRC Energy Efficiency Scheme during 2010/11. Members are also asked to note our involvement in the Carbon Trust's Carbon Management Revisited Programme and agree to receive a progress report when the initiative is complete.