

# CHESHIRE EAST COUNCIL

## REPORT TO: ENVIRONMENT & PROSPERITY SCRUTINY COMMITTEE

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Date of Meeting: 26 June 2012  
Report of: Strategic Director - Places  
Subject/Title: Carbon Management Plan Annual Monitoring Report  
Portfolio Holder: Cllr Rod Menlove

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### 1.0 Report Summary

1.1 In March 2011, Cheshire East Council published its Carbon Management Plan, to reduce CO<sub>2</sub> emissions and energy costs between 2011 – 2016. This document identifies a range of projects to be developed over the five year period to achieve a 25% reduction in our energy consumption from the 2008/09 baseline. This is equivalent to 51,037 tonnes of CO<sub>2</sub>. If we do not take action now to reduce our energy use and meet this target it is estimated that it will cost the authority an additional £ 13.2 million over the next 5 years.

1.2 Within the plan there is a commitment to an annual progress review:

*“The Council acknowledges that a plan is only as good as its management and its delivery. While progress is regularly monitored, a full scale review will take place each April. This review will cover our CO<sub>2</sub> savings against targets collectively and individually for each project and closely monitor the financial investment and savings too. The outcome of the review will be reported to Cabinet”.*

1.3 Since the publication of the plan we have achieved a saving of **2532 tonnes of CO<sub>2</sub>** and there has been good progress in implementing the 55 identified projects. This is a significant achievement, though it should be noted that this is effectively savings achieved through projects implement in 2009/10 and 2010/11, so is effectively 2 years worth of activity. To achieve our target of **12,759 tCO<sub>2</sub> by March 2016**, we need to achieve the same level of savings each year for the next 4 years as we have done in the past two.

1.4 Within the original plan, the identified projects did not account for all the savings needed. There is a gap of 4.8%, or 2504 tCO<sub>2</sub>. This gap is likely to grow larger with time as some of the projects are not implemented or do not achieve the savings predicted. In response, new projects need to be developed. Over the past 12 months several new projects have been identified and are listed in Appendix B for information. This list requires refinement and it is intended that they be reviewed and new projects be developed in conjunction with staff and Councillors over the forthcoming year.

**1.5** Details of the progress of each project from the original Carbon Management Plan is provided in Appendix A, as are details of the progress with projects to “embed” Carbon Management within the organisation through a review of the Carbon Management self assessment matrix (Appendix C).

**2.0 Decision Requested**

Environment & Scrutiny Committee is requested to:

- 2.1 Accept and approve the figures presented as the Carbon Management Plan annual monitoring report 2011-12.
- 2.2 Give support to the proposal that additional resources will need to be made available to projects yet to be identified within the Plan in order to achieve the savings target we have set ourselves.

**3.0 Background**

3.1 Cheshire East Council made an early commitment to reducing its impact by signing up to the Nottingham Declaration in 2008/09. In the same year, as the third largest unitary authority in the North West, we had an annual energy bill of £9.9 million and emitted almost 52,000 tonnes of CO2. Both our energy costs and carbon footprint will continue to rise if action is not taken to significantly reduce consumption.

3.2 In addition, the prospect of the Councils participation in Phase 2 of the governments Carbon Reduction (Energy Efficiency) Commitment from 1<sup>st</sup> April 2013 at a cost of £12/tonne of CO2 poses an additional financial incentive on the authority to reduce its carbon emissions. The cost for our participation in 2013/14 is estimated to be **£507,528**, and unless action is taken to reduce our carbon emissions, will only continue to increase each year. The table below highlights the sources of the Councils emissions:

<b>Category</b>		<b>t CO<sub>2</sub> 200 8/9</b>	<b>%</b>
<b>Buildings and Street Lights</b>	Office buildings	3,868	8%
	Libraries	722	1%
	Primary Schools	9,502	19%
	Community and day centres	2,799	5%
	Secondary Schools	13,325	26%
	Other buildings	3,665	7%
	Streetlights	7,053	14%
	Leisure centres	3,439	7%
<b>Transport</b>	Fleet	4,563	9%
	Business	2,099	4%
		<b>51,037</b>	<b>100%</b>

- 3.2 By working with the Carbon Trust to produce a five year Carbon Management Plan, Cheshire East Council set out to:
- achieve a reduction in energy use and associated carbon emissions and deliver **cost savings** from carbon reduction activities in our buildings, schools, transport provision and street lighting,
  - reduce the demand for energy and fuel and **increase efficiency** of the organisation, and
  - **demonstrate leadership** to the public and the community through actions in our schools, libraries, leisure centres and adult services.
- 3.3 Carbon management is identified as a key objective of the Cheshire East Council Corporate Plan 2011-13:

*“In addition to working with residents and businesses to reduce carbon emissions, we have developed a carbon management plan in association with the Carbon Trust. This plan puts in place a 5 year strategy to reduce our carbon emissions by 25% by 2016”.*

And Cheshire East Council’s Business Plan 2012 -15:

*“The Council has set clear targets for reducing carbon emissions which will not only reduce our overall carbon footprint but minimise the amount of money we now have to pay to Government under the Carbon Reduction Commitment”.*

#### 4.0 Carbon Management Plan Project Register

- 4.1 When published, the Carbon Management Plan identified 55 projects that would deliver just over 95% of our target. This left room for further projects to be identified that would deliver a further 4.8% of the target, equivalent to 2504 tonnes of CO<sub>2</sub>.



- 4.2 Within the plan, these 55 projects were divided into 43 “existing projects”, 10 “planned projects” and 2 “medium/long term projects”, depending upon their level of development and funding available.
- 4.3 Detailed reporting of progress against each of these 55 individual projects is provided in Appendix A. In summary, of the 55 projects:
- 40 have already been successfully completed and are on target to achieve their predicted savings (mostly from existing projects);
  - 7 are ongoing with good prospects for achieving the anticipated savings within the plans timeframe (from planned projects)

- 3 of the projects originally identified have not been implemented (from existing projects);
- 4 projects are constrained by resources available to implement them and need better data and/or performance measures developing (Good Housekeeping, Green ICT, Staff travel and Schools Engagement);
- 1 has been implemented but not achieved the savings originally identified (the Invest to Save budget 10/11),

4.4 The projects that have taken place since the production of the Carbon Management Plan have saved the authority **2532 tCO<sub>2</sub> to 31<sup>st</sup> March 2012**. This is a significant achievement, though it should be noted that this is effectively savings achieved through projects implement in 2009/10 and 2010/11, so is effectively 2 years worth of activity. To achieve our target of **12,759 tCO<sub>2</sub> by March 2016**, we need to achieve the same level of savings each year for the next 4 years as we have done in the past two. Therefore, the pace of implementation needs to increase if we are to ensure we achieve the challenging target we have set ourselves.

4.5 It is likely that as we progress through the next year or two of the Carbon Management Programme, the gap between our achievements and our target grows. This is in part because we have already identified those projects which are more straightforward to complete, and identifying savings will become increasingly challenging. It is also likely that some of those projects which are ongoing may not deliver the savings anticipated unless additional resources become available to them. Appendix B lists those projects which have been identified within the last 12 months which will be amongst those considered in developing new projects to achieve savings in consultation with staff and members. Additional resources will need to be made available to projects yet to be identified within the Plan in order to achieve the savings target we have set ourselves

## **5.0 Embedding Carbon Management within the Council**

5.1 For the Carbon Management Plan to be successful it needs to be owned across the Council, or “embedded”. We used the Carbon Trust’s Carbon Management 5 level Embedding Matrix (enclosed in Appendix C to this report) to determine our starting point when the plan was published in March 2011. Targets were also set at that point for progression. An assessment of progress against those targets at March 2012 is also set out below.

5.2 Each element is led by a senior officer whose role is to ensure progress and to report that progress to the Programme Board and to the Council. The Matrix demonstrates that carbon management is not just about technical projects but relates to all Council activity from strategy development, communications and training, responsibility, accountability, monitoring and review, programme management, finance and investment and policy alignment.

5.3 As can be seen, although some progress has been made in many areas, there is still some way to go in embedding carbon reduction into all of the Council's actions and activities.

<b>Category</b>	<b>Level (of 5) at March 2011</b>	<b>Target level by date</b>	<b>Level at March 2012</b>	<b>Target level at 2014</b>
Corporate Strategy	3	4 (by March 2012)	4	5
Programme Management	3	4 (by December 2011)	3/4	5
Responsibility	2	4 (by March 2012)	3	5
Data Management	4	4 (by December 2011)	4	5
Communications and Training	3	4 (by December 2011)	3/4	5
Finance and investment	4	5 (by March 2012)	4	5
Policy alignment	2	3 (by September 2011)	3	5
Schools engagement	3	4 (by March 2012)	3/4	5

### **Further information**

Copies of the Carbon Management Plan and all supporting data are available from the officer below.

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