

Report of	Meeting	Date
Corporate Director (Business) Introduced by the Executive Member (Business).	Executive Cabinet	2 October 2008

IMPLEMENTATION OF CLIMATE CHANGE STRATEGY.

PURPOSE OF REPORT

1. To up-date Members on progress made so far into the implementation of the Council's Climate Change Strategy adopted in May 2008.
2. To request the approval of the release of funds from the Climate Change monies to progress specific schemes.

RECOMMENDATION

3. To note the progress of the Climate Change Strategy and to approve the release of £120,000 of the Climate Change Monies within the financial year 2008- 2009 and an additional £60,000 in the next financial year.

EXECUTIVE SUMMARY OF REPORT

4. The report sets out the good work that the Council has already begun in relation to its responsibilities regarding climate change and requests that £120,000 be released as follows within this financial year:
 - £60,000 for business grants.
 - £20,000 for grants for domestic solar panels.
 - £10,000 for Greening Chorley Markets
 - £30,000 to bridge match funding gap for individuals, the "third sector", and Small Medium Enterprises.

REASONS FOR RECOMMENDATION

(If the recommendations are accepted)

5. To reduce Chorley Council's impact on Climate Change, to provide visible Community Leadership and to help Chorley's local businesses save money and be environmental leaders.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

6. To spend the monies on other activities that could be financed from other sources.

CORPORATE PRIORITIES

7. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	X	Develop local solutions to climate change.	X
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	X
Involving people in their communities		Ensure Chorley Borough Council is a performing organisation	X

BACKGROUND

8. Since the adoption of the Council’s Climate Change Strategy in May of this year the issue of Climate Change has gone further up the national and local agenda.
9. In the autumn, the Climate Change Bill is due to gain Royal Assent. This will give central government the power to require a report from public sector organisations, such as local councils, on how an authority is assessing and acting on the risks and opportunities from a changing climate.
10. The LAA for Lancashire was agreed in the summer. It includes national indicators relating to the reduction of carbon emissions within the Borough as a whole, and how the Council is planning for the impacts of Climate Change.

BRIEF SUMMARY OF STRATEGY

11. The Climate Change Strategy gives a brief summary of the possible impacts on Chorley of forecast climate change; the statutory obligations the Council has relating to energy efficiency; increasing the use of micro generation; and the reduction in numbers of those in fuel poverty. It also sets out its responsibilities to promote good practice.
12. Directors are responsible for implementing the cultural changes set out in the Strategy. Decisions made in their particular services need to consider impact on reducing carbon emissions, and the ability to withstand extreme forecast weather conditions.
13. It also set out what the Council has done previously, its current activities and set out a number of specific actions that were proposed for the early, mid and long term.
14. These were grouped around the Council as an Organisation, the Council as a Service Provider and as Community Leader. Some of these actions involve costs that need to be specifically agreed.

PROGRESS SO FAR

15. Related to the Climate Change Strategy the following has taken place, or is taking place.

Within the Council as an Organisation:

- The loop and e- news and views regularly used to promote energy saving tips etc.
- Undertaking awareness raising campaign through posters and stickers encouraging staff to cut down on energy use.
- Additional links put on Climate Change website to provide up-to date information on grants etc.
- Survey and investigation of waste from the Council offices. Setting out programme to ensure that the majority of office waste can be recycled.
- Progression through Staff Matters of setting cap for carbon emissions of lease cars, rationalisation of water coolers in Council buildings and information regarding energy saving works to the three main buildings such as turning down the thermostats to 19 C.

- The mayoral car has been changed to a Prius.
- Committed to producing a Green Travel Plan for staff.

16. The Council as a Service Provider:

- Working with the County Council on a cycling strategy for the Borough.
- Has parking charging strategy that acts as a disincentive to commuter parking.
- Ensures new developments include renewables and other methods of reducing carbon emissions as well as developments being designed to be able to withstand more extreme weather patterns.
- Working as a pilot authority with the County Council on details of how the Council's work and the Borough generally will be affected by Climate Change (including costs).

17. As a Community Leader:

- The Council together with its partners has produced the draft Chorley Partnership Climate Change Strategy, for consultation until the 24th October.

ACTIONS THAT REQUIRE FINANCIAL CONTRIBUTIONS

18. The Council have set aside £180,000 of monies to be used on capital projects that will contribute to the Council's work on Climate Change. In the previous report a number of proposals were put forward. This report requests a specific approval for the release of funds for a number of specific actions. Some of these actions will have a direct impact on reducing carbon emissions, others demonstrate Community Leadership and others will have an indirect but important impact.

GREENING THE COVERED MARKETS

19. Planning permission has now been granted for the refurbishment and modernisation of the Covered Markets. The Markets are pivotal to Chorley's character and to its reputation as a Contemporary Market Town.
20. It is proposed that up to £10,000 be spent from the Climate Change pot to be used on rainwater harvesting and the introduction of energy saving lighting. These would reduce the carbon footprint of the Markets. Treated water requires considerable energy to be made fit to drink (0.00029 kg of CO₂ per litre) and to be pumped from its source, whilst conventional lighting is three quarters less efficient than Energy Saving bulbs and lighting systems.
21. It would also reduce the utility bills for the Council, particularly, as the Council is now charged for rainwater run off from the roof span of the Market. If suitably publicised it will demonstrate that the Council is using best practice and taking a Community Leadership role that also makes commercial sense.
22. The works are due to take place this financial year. It is estimated that the Council would save approximately £3,000 per annum and around 1000 kg/carbon dioxide per annum relating to the rain water harvesting.

BUSINESS GRANTS

23. The Climate Change Strategy proposed that £120,000 be used for businesses to apply for grant support to make practical changes to reduce their carbon emissions over two years. Following the adoption of the Strategy in May, further work has been undertaken by the Business Directorate, the Local Strategic Partnership, Groundwork Pennine and Lancashire County Developments Ltd (LCDL) to put together a proposed business model. A bid has been made by the Council for up to £60,000 of ERDF monies, which if okayed would result in up to £360,000 of monies being spent on ways of reducing emissions for businesses within the

Borough. In addition, the County Council and its LCDL arm has up to £462,000 available county wide, on a first come, first served basis, for grants to Small and Medium sized Enterprises to use for the purchase and installation of renewable energy technologies.

24. It is envisaged that the Local Strategic Partnership act as the contact between businesses and the professional, free, and experienced advice provided by Groundwork Pennine on behalf of the Government. A detailed programme has been put together to promote the Chorley Business Climate Change Club, which is a good example of joined up working between the County, Chorley Council, LCDL, and the County Council to the benefit of local businesses.
25. The average business would save up to £267 per employee and 77 tonnes of carbon per intervention without any grant, therefore depending on the advice given and proposed actions it is likely that considerably more savings would be made on average as well as giving local businesses a competitive advantage in straightened economic consequences. A detailed programme is set out in Appendix 1.

REDUCING EMISSIONS FROM THE DOMESTIC SECTOR

26. Chorley's domestic sector is responsible for over 40% of the Borough's carbon emissions. The Council is committed to distributing over £200,000 worth of energy efficiency grants to complement the government's Warm Front grant this financial year. It is currently renegotiating with an external agency to re-engineer how it manages its discretionary grants for insulation measures. Details of which will be presented to members in the future.
27. It is proposed that £20,000 of the Climate Change capital monies be set aside to provide grants of up to £1,000 to be match funded for domestic solar thermal heating systems (ie solar water panels). These provide on average a saving of up to 300 tonnes of carbon over the life-time of the system. They work by the sun heating water that runs through panels to absorb as much heat as possible, this water is then used for hot water systems. Although, a standard system is unlikely to provide all of a household's hot water requirements all year round they are one of the most cost effective ways of reducing domestic energy bills and carbon emissions. They are also suitable for retro-fitting to most properties.
28. This technology is established. Most systems have a life expectancy of around 35 years.
29. Grants would only be applicable to homes that satisfied the criteria for the government's low carbon buildings programme. Therefore, applicants would be able to benefit from the government's domestic grant scheme as well as the Council's.
30. This scheme would reduce carbon emissions in two ways; by ensuring that houses are well insulated and are fitted with energy saving light bulbs, and by introducing a highly visible renewable energy source.
31. Such a scheme would demonstrate community leadership and would mirror in the domestic sector the Council's ground breaking business grant system.

GRANTS TO BRIDGE MATCH FUNDING GAP FOR INDIVIDUALS, THE "THIRD SECTOR", AND SMALL MEDIUM ENTERPRISES

32. Often grant providing bodies require match funding for projects. For those with limited resources, such as community groups this can be the biggest hurdle for unlocking potential funding.
33. It is proposed that up to £30,000 be set aside to provide discretionary contributions up to £5,000 to provide match funding in the following sectors.

Investment in ‘Third Sector’ Projects, Including our Community Managed Assets.

34. This investment could fund feasibility assessments (typically £200-300 via Community Futures), and provide amounts of match funding for carbon reduction and renewable technology projects. This investment could enable community groups to meet the match funding requirements of grant schemes such as:

- Lancashire Climate Change Fund
- Low Carbon Buildings Phase 2
- Lottery Sustainable Energy Programme

Investment in an SME grants programme

35. This investment will enable small to medium sized enterprises meet the match funding requirements of loans, grant, and tax relief support such as:

- Carbon Trust SME loans
- Lancashire Small Scale renewables grants
- Carbon Trust Enhanced Capital Allowance
- European Regional Development Fund
- The Council’s Business Grant Scheme

Grant to Support Individual Householders Not on Mains Gas.

36. A small grant scheme for micro-generation projects may encourage individual householders to invest in renewable technologies (e.g. solar, wind, ground source heat). Currently the only non ‘means tested’ grant is the Low Carbon Buildings Phase 1. The grant is capped at £2,500 or 30% of the total project cost (whichever is lower). In the current economic climate this may not be a sufficient incentive for householders to install renewable technologies.

IMPLICATIONS OF REPORT

37. This report has implications in the following areas and the relevant Corporate Director’s comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION)

38. The Council in its Capital Programme allocated £180,000 to Climate Change schemes that would contribute towards a reduction in both its own carbon footprint and that of the Borough. The proposals outlined in his report are contained within that sum.

CONCLUSION

39. The Council has already made good progress in implementing its adopted Climate Change Strategy in how it operates as an Organisation, Service Provider and Community Leader, with little or no additional costs.

40. The four funding projects outlined above go one step further. They will make it much easier for the residents, community groups and businesses within the Borough to benefit from the

existing grants and business advice available. In the case of Greening Chorley Markets it will be an example of best environmental practice suitable to a Contemporary Market Town.

41. This funding package will confirm Chorley Council as one of the leading districts in the North West in the field of Climate Change.

JANE MEEK
CORPORATE DIRECTOR BUSINESS

Background Papers			
Document	Date	File	Place of Inspection
Chorley Council Climate Change Strategy	May 2008		Union Street
Report Author	Ext	Date	Doc ID
Louise Nurser	5281	18th September 2008	Louise/reports/climate change strategy implementing the Report

Appendix 1.**DRAFT****Chorley Partnership****Climate Change - business involvement**

- **The Launch Event – November 2008** The Chorley Partnership's Climate Change Strategy will soon be out for consultation. We hope to formally launch it in the Autumn. An event is being planned in partnership with Chorley Council, Groundwork Pennine and LCC for the beginning of November.

As part of this event, LCC may also use this opportunity to launch its Small Scale Renewables Fund, which Chorley SMEs will be able to apply for. This fund is £462,000 pa for two years, for the whole of Lancashire. The fund will not be disaggregated per district, but will be allocated on a first come first served basis.

Groundwork will also be giving information to local businesses (who will be invited to attend using Chorley Council's business contacts database) on the support available to them to carry out an environmental audit of their companies and to signpost them to grants available (eg. CBC, LCC, Carbon Trust, etc).

Following the event, we will promote the setting up of a 'Chorley Businesses Climate Change Club', to be run by Groundwork Pennine, and invite Chorley businesses to become members. Groundwork will carry out resource efficiency audits, at no cost to the businesses involved, as well as the delivery of workshops (evening events or business breakfasts) on raising awareness of various energy and resource saving measures. These will also be another opportunity to signpost businesses to grant support.

- Ongoing support from Groundwork Pennine

Groundwork Pennine will continue to deliver energy efficiency audits with Chorley businesses throughout 2008/9 and 2009/10, and signpost them to funding streams as appropriate. The energy efficiency audits will suggest measures business should be taking. Where physical work is involved, Groundwork will signpost businesses to local (Chorley) suppliers specialising in energy saving installations, in conjunction with Chorley Council as a priority over other suppliers in the region.

Workshop events will also be carried out throughout 2008/9 and 2009/10, with frequency depending on interest from local businesses.

This support will be delivered through their ENWORKS funding (secured until March 2010) and therefore will be carried out at no cost to Chorley businesses.

- Performance Management

Groundwork use the ENWORKS online toolkit which allows for the performance monitoring of the programme. For instance, we will be able to use it to calculate how much energy has been saved by Chorley businesses, and what this equates to in financial savings.

- Money available for grant assistance

£60k pa – Chorley Council Climate Change pot (for 2 years) (with potentially double this if we are successful with ERDF bid)

£462k pa county-wide from LCC for Small Scale Renewables for SMEs (for 2 years)

+ other grants available nationally (eg. Carbon Trust, etc).

- **Budget for the Climate Change Strategy Launch**

£2475 LCC

£1500 Chorley Partnership

+ additional support in kind from Groundwork Pennine and Chorley Council

Climate Change Strategy Launch Event

DRAFT

DATE: w/c 3rd or 10th November.

TIME: 6.30pm

VENUE: Revolution Marketing Suite, Buckshaw Strategic Regional Site.

BUDGET (to include publicity costs): *Approx. £5,475 (£2,475 LCC + £1,500 Chorley Partnership).*

PURPOSE:

- To launch the Chorley Partnership's Climate Change Strategy and
- To harness enthusiasm in the business community for climate change,
- To raise awareness of the threats and opportunities posed by climate change to businesses
- To highlight the practical and financial support available from Groundwork, Chorley Council, LCC and national funding pots (eg. Carbon Trust).
- To promote the existence and benefits of a 'Chorley Business Climate Change Club' for climate change and to encourage organisations to join up.

AGENDA:

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| 6.30pm | Welcome from Allan Jones, Chair of the Chorley Partnership |
| 6.40pm | Statement of commitment from Cllr Goldsworthy / Donna |
| 6.50pm | Launch of the strategy presentation |
| 7.15pm | Guest speaker / case study from a Chorley business |

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