- scrumptious ('skr∧mp∫əs) *adj. Inf.* very pleasing; delicious 'scrumptiously *adv.*
- **scrumpy** ('skr^mpi) *n.* a rough dry cider, brewed esp. in the West Country of England.
- **scrunch** (skrAntJ) vb. **1.** to crumple or crunch or to be crumpled or crunched. -n **2.** the act or sound of scrunching.
- scruple ('skru:p<sup>o</sup>l) *n*. 1. a doubt or hesitation as to what is morally right in a certain situation. 2. *Arch.* a very small amount. 3. a unit of weight equal to 20 grains (1.296 grams). -vb. 4. (*obs.* when *tr*) to have doubts (about), esp. from a moral compunction.
- scrupulous ('skru:pjuləs) *adj.* 1. characterized by careful observation of what is morally right. 2. very careful or precise. 'scrupulously *adv.* 'scrupulousness *n*.
- scrutinise or -nize ('skru:ti,naiz) vb. (tr.) to examine carefully or in minute detail. 'scruti,niser or -,nizer n.
- **scrutiny** ('skru:tini) *n*. **1**. close or minute examination. **2**. a searching look. **3**. official examination of votes [from Latin *scrūtinium* and *scrūtārī* to search even to the rags, from *scrūta*, rags, trash.]
- **scuba** ('skju:bə) *n*. an apparatus used in skindiving, consisting of a cylinder or cylinders containing compressed air attached to a breathing apparatus.
- scud (sk $\wedge$ d) vb. scudding, scudded. (*intr.*) 1. (esp. of clouds) to move along swiftly and smoothly. 2. Naut. to run before a gale. -n. 3. the act of scudding. 4. a. a formatic of low ragged clouds driven by a strong wind beneath rai bearing clouds. b. a sudden shower or gust of wind.
- **scuff** ( $sk \land f$ ) *vb.* **1**. to drag (the feet) while walking. **2**. scratch (a surface) or (of a surface) to become scratched. **3** (*tr.*) *U.S.* to poke at (something) with the foot. -n. **4**. the act or sound of scuffing. **5**. a rubbed place caused by scuffing. **6**. a backless slipper.
- scuffle ('sk^f') vb. (*intr.*) 1. to fight in a disorderly manner.
  2. to move by shuffling. -n. 3. a disorderly statistic the sound made by scuffling.
- scull (skAl) n. 1. a single oar moved from the stern of a boat to propel it. 2. one handed oars, both of which are pulled b a racing shell propelled by a single oar, oars. 4. an act, instance, period, or distance
  to propel (a boat) with a scull. 'sculler, scullery (skAlərı) n., pl. -leries. Chiefly Brit. a sna part of a kitchen where kitchen utensils are kept

*n.*, **1.** a mean or despicable peoployed to work in a kitchen. variant of **sculpture. 2.** (*in* **sculp.** 

*m*.) **sculptress** *n*. a per

I. the art of mal and by carving y als, etc. **2.** work lentations by natural processes. *-vb.* (*mainly tr.*) **4.** (*also intr.*) to carve, cast, or fashion (stone, bronze etc) three-dimensionally. **5.** to portray (a person, etc.) by means of sculpture. **6.** to form in the manner of sculpture. **7.** to decorate with sculpture. *—*'**sculptural** *adj.* 

- **scumble** (' $sk \wedge mb^{-1}$ ) *vb.* **1.** (in painting and drawing) to soften or blend (an outline or colour) with an upper coat of opaque colour, applied very thinly. **2.** to produce an effect of broken colour on doors, panelling, etc. by exposing coats of paint below the top coat. -n. **3.** the upper layer of colour applied in this way.
- **scunner** ( $\mathsf{sk} \land \mathsf{n} \Rightarrow$ ) *Dialect, chiefly Scot. –vb.* **1.** (*intr.*) to feel aversion. **2.** (*tr.*) to produce a feeling of aversion in. –*n.* **3.** a strong aversion (often in **take a scunner**). **4.** an object of dislike.
- **scupper**<sup>1</sup> ('skApə) *n. Naut.* a drain or spout allowing water on the deck of a vessel to flow overboard.
- **scupper**<sup>2</sup> (vsk^p9) *vb*. (*tr.*) *Brit. sl.* to overwhelm, ruin, or disable.

scurry ('sk^ri) vb. -rying, -ried. 1. to move about hurriedly.
2. (*intr.*) to whirl about. n., pl. -ries. 3. the act or sound of scurrying. 4. a brief light whirling movement, as of snow.

scut (sk^t) n

scuttle

a brief light whirling movement, as of snow. animals such as the deer or rab-

> scuttle. 2. Dialect chief vegetables, etc. 3 liately behind the to run or me tied pace or to cause

# Climate Change

Scrutiny Task Group

# **Final Report**

TG No.29 August 2004



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# FOREWORD



As Chairman of the Environment Overview and Scrutiny Committee, I am pleased to introduce this report on climate change. Although to some this might seem an issue beyond the remit of Richmond Council, it is an obligation for us all, whether as individuals, businesses, local authorities, national governments and international organisations, to do what we can to address this serious threat to our way of life. Last summer 20,000 people across Europe died as a result of the heat wave. It was the hottest summer for 500 years.

Global warming is upon us and getting worse. Britain's climate is changing. The predictions are for more rain and more heat. As a riparian Borough, the issue of flooding, combined with rises in sea levels, is of direct concern to the authority. The recent floods in Devon and landslides in Scotland, while difficult to attribute directly to a single cause, are a worrying portent of what we could all face if we do not undertake steps to halt climate change.

It is not too late to take action. I would like to thank Task Group Members and advisers for their hard work in researching and proposing practical ways in which the Council can do just that and with it, reduce expenditure.

Councillor Alan Butler Chairman of the Environment O&S Committee



## INTRODUCTION



This report would not have come about without the recognition by the Environment Overview and Scrutiny Committee of the link between Climate Change and carbon dioxide emissions. I am especially grateful for the support of the Chairman, Cllr Butler, in enabling the discussions that led to the formation of the Task Group.

In London we are vulnerable to rising sea levels. The Thames Barrier is now used an average of five times a year. In the 80s it was used once every two years. And there is an emerging consensus amongst scientists that there is a genuine risk of 'runaway global warming' unless we drastically cut the emission of greenhouse gases over the next two decades.

Everything we do - as individuals or collectively - has an impact to some degree on Climate Change, and by putting heads together with a focus on the issue I believe we can begin to create a mindset where this impact is considered as a matter of course.

In recognition of the urgency of the issue, the Task Group gave itself a tight timescale and decided early on that we should focus on actions that would have the greatest impact, either in the short or the long term. I was especially keen not to 're-invent the wheel', nor to produce documents fatter than necessary. We therefore made an effort to meet others from nearby boroughs who have already trodden this path. I believe this has been of mutual benefit and my thanks are due to everyone who gave their valuable advice and time.

I would also like to thank the other members of the Task Group - it was a real privilege to work across party divides with people with such experience and commitment to this issue.

We owe special thanks to Principal Committee Manager, Ron Schrieber, and subsequently to the newly appointed Scrutiny Support Officer, Jonathan Hill-Brown, for all the assistance they provided.

I am convinced that if the Cabinet accepts the recommendations in this report, the Borough will have taken a significant step towards the reduction in carbon emissions that is so urgently required.

James Page Chairman of the Climate Change Scrutiny Task Group



# **EXECUTIVE SUMMARY AND RECOMMENDATIONS**

- The Task Group feels that the Council should give the issue of Climate Change greater priority. In particular a strategy is needed to reduce carbon emissions. There is much that can be done by the Council, residents and business to achieve this. First and foremost, the Council needs to revive the energy management structures. A new Energy Forum would help further. (Recommendations 1 a,b – page 16).
- 2. From both the Member side (**Recommendations 2 a,b,c page 17)** and the officer side the lead must come from the top. The officer must be of sufficiently high grade and calibre to champion energy management across the Council and the Borough. (**Recommendations 3 a,b,c page 17**).
- 3. The new Energy Manager needs to be provided with sufficient resources. Since the termination of the outsourced SERCO contract in October 2003 a backlog of work has been building up. In order not to lose valuable data, which is important for monitoring and identifying areas for efficiency savings, thought should be given to providing initial extra support. (Recommendation 4 page 18).
- 4. Funding for energy management could come from the 'bill top-up' model. (Recommendation 5 page 18).
- 5. The new Energy Manager should have a wide remit and cover issues such as staff awareness campaigns in order to be a powerful driver on energy efficiency Council- and Borough-wide. (Recommendation 6 page 18).
- 6. Staff awareness campaigns offer one of the easiest and most cost-effective ways of bringing about reductions in consumption (up to 10-20%). A campaign needs to be properly organised and funded. **(Recommendations 7 a,b,c page 19)**.
- Energy efficiency savings should not just go back into departmental budgets but should, in part, be invested in further energy savings. (Recommendation 8 – page 19).
- 8. The energy strategy should include clear targets. A further incentive to push energy management could come from seeking to attain accreditation from a recognised environmental management scheme. (Recommendation 9 a,b page 19).
- As schools make up a large proportion of Council properties and energy use, they deserve particular focus. There would be a positive spin-off in terms of awareness to involve pupils in energy surveys in schools as much as possible. (Recommendation 10 a,b,c – page 20).
- Energy procurement from renewable sources is one way in which carbon emissions can be reduced. This needs to be part of an overall energy procurement strategy which is currently lacking. (Recommendation 11 – page 20, see also Recommendation 1 – page 16).
- 11. Green procurement is currently given a low priority, even though it would not necessarily mean an increase in expenditure. The problem is partly due to a lack



of awareness on the part of procurement managers within departments. (Recommendations 12 a,b – page 21).

- 12. There is scope for introducing green criteria in tendering arrangements as part of a best value approach. (Recommendation 13 page 21).
- 13. The Council's Green Transport Plan has slipped on to the backburner. A relaunch is needed. **(Recommendation 14 page 22).**
- In order to increase energy efficiency in new buildings, the adoption of Supplementary Planning Guidance is proposed, in line with planned legislation and regional planning guidance, as well as steps to assist developers to meet these requirements. (Recommendations 15 a,b,c,d – page 25).
- 15. Corporate Procurement is already considering an eco-development in the Borough of up to five houses. The Group would urge the Council to put forward a site which is large enough to set a standard and benefit from economies of scale. Larger schemes have proved commercially viable in several other areas. Furthermore, housing associations (RSLs) should be encouraged to develop ecohousing schemes as this would help address the issue of fuel poverty. (Recommendations 16, 17 – pages 26).
- Not only council staff, but also pupils, residents and business need to be aware of energy saving measures. Action has already been taken by the Council regarding residents. The Group is proposing further steps to reach all the above mentioned groups. (Recommendations 6, 7b, 10a, 10b, 18 and 19 – pages 18, 19, 20, 26, 27).
- The Group is concerned that insufficient attention has been paid to setting energy efficient standards for PFI developments. (Recommendations 20 a,b page 27).
- Not only within the Council but also Borough-wide, steps need to be taken in the long-term to reduce energy used by transport, most importantly to reduce car journeys. The effectiveness of company Green Transport Plans that are sometimes required under planning conditions needs to be reviewed. (Recommendations 21 a,b,c, 22 – page 28).
- There are a range of other measures that the Group believes the Council should be taking to address the issue of Climate Change, provide community leadership and direction in the Borough and increase revenue. (Recommendations 23, 24, 25 a,b, 26 – page 28, 29, 30). In particular, consideration should be given to CHP (Combined Heat and Power) schemes, which could provide long-term revenue for the Council.





# PART I – ROLE AND FUNCTION OF THE TASK GROUP

## **BACKGROUND TO THE TASK GROUP**

- 20. At the meeting of the Environment Overview and Scrutiny Committee on 10<sup>th</sup> November 2003 it was agreed to set up the Task Group. At the initial meeting the group established the following Terms of Reference:
  - i) To review the Borough Policy Framework for consistency on climate change issues and make recommendations on policies and on the decision making process.
  - ii) To raise awareness of the issues within the Council, in schools and with residents and business.
  - iii) To identify further action that can be taken and make recommendations.
- 21. It was agreed that the Group should examine the issue of climate change in the spirit of 'Think Global, Act Local' and come up with practical recommendations for the Council and, as applicable, partner organisations.
- 22. The Group held a series of meetings with Council officers and external experts. Site visits were also conducted. Please see Appendix A on page 40 for a full list of meetings. Minutes of the meetings are available on the website. Please visit <u>http://www.richmond.gov.uk/councillors/scrutiny/default.htm</u> and click on 'Past Scrutiny Task Groups'.

## **TASK GROUP MEMBERSHIP**



James Page – TG Chairman



Paul Drury



Cllr Martin Elengorn



Dr. Michael Gold



Cllr Simon Lamb





# PART II – FINDINGS

# OUTLINE OF THE PROBLEM

### Why should climate change be of concern to the Council?

23. There are three reasons why action is needed and can be undertaken by the Council. Firstly, the global climate is changing with all the effects that this brings. Secondly, action is required under legislative and strategic frameworks. Thirdly, savings can be made in the Council's budget.

#### 1. Changes to Global Climate:

24. The evidence is widely regarded as unambiguous. Both local and global average temperatures rose during the 20th century (see graph at paragraph 25 on page 10). Average temperatures in Central England rose by about 1°C during the 20th century. The 1990s were exceptionally warm. Five of the six warmest years since UK records began in 1772 occurred after 1990. Average global surface temperature also increased - by 0.4 to 0.8°C since the late 19th century. The warmest year since global records began in 1860 was 1998, 2002 was the second warmest, and 2001 the third warmest. The Intergovernmental Panel on Climate Change (IPCC) reported in 2001 that there is new, stronger evidence that most of the warming over the last 50 years is attributable to human activities that involve the emission of so-called greenhouse gases<sup>1</sup>, such as carbon dioxide, methane and nitrous oxide. The IPCC 2001 report also predicted that, unless action is taken, global temperatures will rise by between 1.4 and 5.8°C by the end of the century. Mean sea levels are predicted to rise by between 9 and 88 centimetres, causing flooding of low-lying areas. Other effects could include increases in rainfall and the frequency of extreme weather events. New climate change scenarios (based on variations on future levels of emissions) for the UK suggest that the annual temperature across the UK could increase by 2 to 3.5°C by the 2080s while winters may become wetter and summers drier.<sup>2</sup>

<sup>1</sup> These are gases in the earth's atmosphere which absorb long-wave heat radiation from the earth's surface and re-radiate it, thereby warming the earth. The gases include: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and hydrofluorocarbons (HFCs). Of these, experts consider carbon dioxide (CO<sub>2</sub>), methane (CH<sup>4</sup>) and nitrous oxide (N<sub>2</sub>O) to be the most damaging. <sup>2</sup> Taken from the Office for National Statistics

(http://www.statistics.gov.uk/cci/nugget.asp?id=368)



25. Changes in temperature since 1861 (the baseline 0.0 is the 1961-90 average temperature):

(From the Met Office's Hadley Centre for Climate Change Prediction and Research, IPCC 2001

#### 2. Legislative and Strategic Framework:

report)

26. The second reason for action is the legislative and strategy framework relating to energy.

Policy Area	Description
Kyoto Protocol	As part of this international agreement the UK, partly through the EU, has a legally binding commitment to reduce its greenhouse gas emissions to 12.5% below 1990 levels by the period 2008 – 2012.
National Government	Beyond Kyoto, it is the aim of Government policy to reduce carbon emissions in the UK by 20% by 2010 over the baseline figure of
targets	1990 and by 60% by 2050. <sup>3</sup>
EU Directives	<ul> <li>Directive on the Energy Performance of Buildings, to be enacted in law by January 2006, will set minimum energy performance standards with certification for buildings and require the prominent display of the energy certificate in all public buildings and "institutions providing public services".</li> <li>EU Biofuels Directive which sets targets for the percentage of energy from grown fuels. The main objectives of the Directive are to reduce life-cycle emissions of carbon dioxide from transport across Europe, and to reduce the EU's future reliance on external energy sources (in this case, oil). It requires Member</li> </ul>

<sup>3</sup> DEFRA: EU Emissions Trading Scheme – UK Allocations Plan 2005-7, p.6



Policy Area	Description
	States to set indicative targets for biofuels sales for 2005 and 2010. The Directive requires Member States to take account of the reference values in setting their national indicative targets. These reference values are 2 percent, calculated on the basis of energy content, of all petrol and diesel for transport purposes placed on their markets by 31 December 2005; and 5.75 percent, calculated on the basis of energy content of the basis of energy content, of all petrol and diesel for transport states by 31 December 2005; and 5.75 percent, calculated on the basis of energy content, of all petrol and diesel for transport purposes placed on their markets by 31 December 2010. The UK Government will be giving an indication of its targets in Summer 2004.
National	Climate Change Levy which adds, for example, 0.43p/kWh to the cost of electricity
policy and strategy	<ul> <li>Key Performance Indicator 180a. Local authorities have to provide data on the energy consumption/m<sup>2</sup> of local authority operational property compared with comparable buildings in the UK as a whole.</li> </ul>
National Planning Policy	<ul> <li>Planning Policy Statement – Renewable Energy (PPS22). Published in August 2004, the old "Planning Policy Guidance 22 – Renewable Energy" (PPG22) is being replaced by "Planning Policy Statement 22 Renewable Energy".<sup>4</sup> This new guidance is intended to balance valid public concern about consultation procedures, the interests of all stakeholders, and the need to balance the planning for new renewable energy developments with other major infrastructure developments. The new PPS22 is more positive about exploiting renewable energy resources. It requires regional and local planning policies to "promote and encourage, rather than restrict, the development of renewable resources". Section 8 also states that "Local planning authorities may include policies in local development documents that require a percentage of the energy to be used in new residential, commercial or industrial developments to come from on-site renewable energy developments."</li> </ul>
Regional planning policy	<ul> <li>Draft Supplementary Planning Guidance 5 + 8 (Sustainable Design and Construction + Renewable Energy). Due for publication as draft in summer 2004 they will reflect what is in the</li> </ul>
	Mayor's London Plan on these issues.

(See Appendix B for a more comprehensive list covering all aspects of Climate Change and Government policy and legislation.)

#### 3. Financial Savings for the Council:

27. The third reason to act is to reduce the Council's expenditure without cuts in services. Saving on energy consumption has been described by one American expert as like "picking up \$50 bills from the floor". Through good energy management, as outlined in Chapter I below, significant savings can be made.

<sup>&</sup>lt;sup>4</sup> Please follow this link for more information:

http://www.odpm.gov.uk/stellent/groups/odpm\_planning/documents/page/odpm\_plan\_030334 .hcsp

#### Areas where the Council can make a difference

- 28. The Group concentrated its work on looking at ways the Council can make a difference. These were:
  - i) To consider the Council's procurement policies in regard to energy efficiency and use of renewable energy.
  - ii) To review energy efficiency measures in buildings in the Borough.
  - iii) To evaluate what can be done to inform businesses in the Borough about energy efficiency and renewable energy.
  - iv) To evaluate what can be done to inform residents in the Borough about energy efficiency and renewable energy.
  - v) To be updated on the Council's Green Transport plan.
  - vi) To consider the curriculum on Climate Change in schools and colleges of further education.
- 29. These areas for action also take account of the way energy in this country is consumed. See graphs below in paragraphs 30 and 31.



30. Final energy consumption by sector, 1970-2003<sup>5</sup>:

Source: Department of Trade and Industry

administration and agriculture. (2) Industry incudes construction.

<sup>5</sup> From DTI Environmental Energy Indicators (http://www.dti.gov.uk/energy/inform/energy\_indicators/ind11\_2004.pdf)





Scrutiny in Richmond

<sup>&</sup>lt;sup>6</sup> From DTI Environmental Energy Indicators (<u>http://www.dti.gov.uk/energy/inform/energy\_indicators/ind11\_2004.pdf</u>)

# I. Energy Management

#### **Overview**

32. Good energy management comes as a package encompassing different elements. (See chart below at paragraph 38 on page 15). As outlined above, it offers the chance to make major savings in the Council's budget. Of the £58 billion spent on energy in the UK every year, it is estimated by Action Energy that around 30% or £17 billion is wasted.

## How is energy currently managed within the Council?

- 33. Energy management falls under the remit of Corporate Property and Procurement in the Environment Directorate. Until October 2003 energy management for the Council was provided by SERCO. Since the termination of this contract, this service has been provided through a retained contract with energy consultants so that the authority meets the minimum standards on reporting. Without proper energy management, total figures for spending on energy within the Council are very difficult to obtain.
- 34. Corporate Property and Procurement is currently undergoing major restructuring which involves putting large contracts out to tender. It was reported to the Group that the second round of tendering will take place in November 2004. It is expected that the new Energy Manager will be recruited in February 2005 and in post by April 2005.
- 35. The Assistant Director Property and Procurement told the Group that the situation regarding energy management is currently inadequate and that present consultancy contracts are just stopgap measures.



## The new Energy contract

- 36. The Group is concerned that no real energy management will be possible for almost 18 months (from October 2003 to April 2005) while decisions are being made on the tendering process and the recruitment of post-holders. However, it does provide a welcome opportunity to review energy policy as a whole and, within this, the remit and scope of the new energy manager post.
- 37. The LB Lewisham energy management model:



(Reproduced with permission of Richard Hurford, LB Lewisham, Energy and Sustainability Manager)

38. The Group feels that the model outlined above from LB Lewisham is a useful one to follow. The seven elements contained within it make, when taken together, for a sound and effective energy management strategy. These are:

	Key Element	Description	
i)	Policy + Policy Forum	<ul> <li>Need for political agreement, clear, comprehensive strategy and high-level member and officer energy champions.</li> </ul>	
		<ul> <li>Need for an Energy Policy Forum where all stakeholders can make input.</li> </ul>	
ii)	Training	<ul> <li>Training sessions and awareness campaigns for managers and staff; creation of an energy efficient culture within the organisation.</li> </ul>	

	Key Element	Description	
iii)	Purchasing	<ul> <li>Data from energy bills is a crucial feed-in to monitoring. The requirement to provide detailed data needs to be part of any energy supply contract.</li> </ul>	
iv)	Monitoring and Targeting	<ul> <li>Software and technology which allow total Electronic Data Interface (EDI), providing comprehensive energy monitoring data; benchmarking to compare performance.</li> </ul>	
v)	Energy Surveys	<ul> <li>Tendered from commercial companies and Action Energy (who provide free surveys).</li> </ul>	
vi)	Installations	<ul> <li>Standard agreed charges for insulation, energy management controls, water measures, metering, motor controllers, lighting controls.</li> </ul>	
vii)	Review	<ul> <li>Annual review of energy management with report sent to stakeholders, with outcomes feeding back into policy – the "virtuous circle" approach.</li> </ul>	

39. While some of these points, like the writing of the energy policy itself, will be one of the tasks for the new energy manager, the Group is of the opinion that other points should be agreed as part of a general approach to energy strategy before this officer is in post. It is important that he or she has the political commitment and resources to deliver effective energy management. In particular the points that need attention are a) the need for officer and Cabinet Member energy champions, b) sufficient resources in the new contracts for energy management software, the electronic data interface, metering installation, lighting controls etc.

**Recommendation 1 a:** That an Energy Policy be drawn up by the new Energy Manager and adopted by the Council.

**Recommendation 1 b:** That consideration be given to the value of establishing an Energy Policy Forum.

## **Energy Efficiency Champions**

40. The need for Member and officer energy champions is one which came out clearly in discussions with officers in service departments across the Council. Energy management takes in many policy areas from procurement, schools building development, PFI contracts, housing, environment, property management, development control and planning policy. At all levels a lack of a coherent and comprehensive policy is keenly felt and, alongside a lack of policy,



the lack of officer and member champions on this issue. This view was borne out in discussions with the Energy and Sustainability Manager from the London Borough of Lewisham. This local authority has been in the vanguard of energy management in this country along with trailblazers like Woking Borough Council. A political commitment to this issue needs to be focussed on a Cabinet Member.

41. The role and tasks of the energy champions will have to be defined within the corporate energy strategy. The Group thinks that the Environment portfolio would be the most appropriate one to take on this role.

**Recommendation 2 a:** That the Cabinet Member for Environment and Planning take on the role of Energy Efficiency Champion/Lead Member.

**Recommendation 2 b:** That this title be added to the portfolio.

Recommendation 2 c: That this role be added to the portfolio terms of reference.

42. The natural champion on the officer side will be the new Energy Manager. It is essential that the post is sufficiently senior to champion energy efficiency within the Council. In addition, the preference of the Group – and this was also the advice from Lewisham - is that this post be kept in-house rather than be located in the outsourced energy management company. The Group feels the psychological contract, the commitment of this officer to the authority, would be greater if this were the case. It would furthermore mean that there would be inhouse expertise to enable the professional management of energy contractors. In terms of his or her authority within the administration, the post holder will require experience in the field in order to make an impact and make savings. It would be a case of "penny wise, pound foolish" to establish this post below the PO7 pay scale. The money invested in this post has the potential to be recouped many times over if the right candidate can be attracted. In Lewisham savings of £1-1.5 million/year have been achieved. This opportunity should not be jeopardised in Richmond for the sake of £10,000 in staffing costs. There are major changes in Energy Management that will have to be addressed in the near future like the EU Buildings Directive which comes into force in 2006. It is imperative that a suitably qualified and experienced officer is in post.

**Recommendation 3 a:** That the Energy Manager post be at least PO7 grade. **Recommendation 3 b:** That the post be client-side rather than contract-side. **Recommendation 3 c:** That an energy expert be involved in the recruitment process for this post.

43. Action Energy estimates that through good monitoring and targeting (M&T) 5-10% cost savings can be achieved. For this, historical data is obviously needed. In the absence of anything other than the most minimal energy management in the Borough, there is currently a large backlog of work building up, invoices to be entered etc. The Group heard, for example, of the difficulties that the Education department had had in obtaining the necessary information on schools' energy use and billing which was required for the DfES. Effective energy management requires all such information, not just for schools, to be accessible and entered into energy monitoring systems in order for inefficiencies and waste of resources to be identified and year-on-year benchmarking to be possible. Thought needs to

be given as to whether it would be advantageous for extra short-term administrative resources to be made available to enter the data for the period from October 2003 until April 2005 when monitoring systems are up and running.

**Recommendation 4:** That Corporate Property and Procurement examine whether there is a business case for extra short-term administrative resources to be made available to the new Energy Manager to deal with the 18-month backlog of work.

44. The LB Lewisham energy efficiency team is funded in part through a small amount added to all energy bills. It is written into all energy contracts that the energy supplier will refund a certain proportion back to the energy management team directly. The rates are set at 0.0341 pence/kWh on electricity and 0.095 pence/kWh on gas (depending on prices this adds 2-5% to the bill). This was approved by Lewisham's Legal Services and has been working well. The logic of this system is that a) end-users are more willing to pay such a small percentage than an annual charge for services and b) that it is much easier to collect with devolved budgets.

**Recommendation 5:** That the bill top-up model be adopted in Richmond as a part funding mechanism for the Energy Management function.

Another source of funding for the Lewisham team comes from providing energy 45. efficiency advice to Council departments and energy users. They currently have Service Level Agreements with 25% of schools in the borough to check energy efficiency and boilers. They take a small nominal fee for this. The team also offers a service to other users to analyse bills and take as their fee 25% of any savings found. A recent such saving was a £14,000 refund on an electricity bill overcharge for one service area. The Group believes that this, and not just procurement, should be part of the remit of the new Energy Manager. The administration should give thought as to whether the actual auditing should be carried out by the Energy Management team or whether they should commission work from others like Action Energy or CEN who offer free, albeit limited audits, or a mixture of both direct and commissioned energy audits. These bodies often conduct more extensive audits if they can take as their fee a percentage of savings found. The driving force for energy audits (both examination of bills as well as physical energy audits, boiler efficiency etc.) should nonetheless come from the in-house energy manager/team.

**Recommendation 6:** That it be in the remit/job description of the new Energy Manager that he/she/their team be responsible for encouraging other departments and service areas, schools, libraries, depots, care homes etc. to commission energy efficiency audits and offer a service to examine energy users' utilities bills.

46. Action Energy has found that very substantial savings are possible through staff awareness campaigns. This ranges from information to dispel myths that Action Energy commonly come across, for example, that turning off monitors is bad for them, through to information that turning down the thermostat 1°C can save around 8% on the heating bill. In the experience of Action Energy a well-funded and organised awareness campaign is a very effective tool and can shave 10-

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20% off an organisation's energy bill. It recommends that funding for this campaign should represent 1-2% of total energy expenditure. This should clearly be an integral part of the work of the Energy Manager. The Group finds the material on offer from Action Energy to be very useful.

**Recommendation 7 a:** That the Energy Manager be given responsibility for staff energy awareness.

**Recommendation 7 b:** That a staff energy awareness campaign be accorded a high priority by Corporate Property and Procurement.

Recommendation 7 c: That such a campaign be given, in consultation with external experts such as those from Action Energy, appropriate funding.

As part of the new energy policy it needs to be agreed what to do with the energy 47. efficiency savings that are made. The Group strongly feels that at least a fixed percentage should be returned to further energy saving schemes. The percentage should be written into the Energy Policy and reviewed annually.

**Recommendation 8:** That savings made through energy efficiency be, in part, ploughed back into capital investment to produce further energy savings. This should be a fixed percentage, and written into the corporate energy strategy and annually reviewed.

48. To ensure there is focus on energy efficiency within the Council, the Group considers that striving for accreditation with one of several schemes that are widely recognised would be of great benefit. The ones that the Group has heard of are: the European Energy Award (EEA), MACC 2 (Making a Corporate Commitment – first established by the DoE in 1991) and the international environmental management systems standard ISO 14001. Moreover, there should be clear targets for reductions in carbon dioxide emissions in the Borough.

Recommendation 9 a: That the Council aim for corporate accreditation to a recognised energy saving standard.

Recommendation 9 b: That the Council agree targets for reductions in carbon emissions to be attained by 2010.

#### **Energy Management in Schools**

- 49. This is an issue which is of much concern to the Group. There has been historical under-investment in school buildings and for many schools the priority is on stopping rain getting in rather than heat getting out. The Council sought to make good this situation by making bids for DfES scheme funding. The bid for primary schools was successful but, unfortunately, not that for secondary schools. This has left limited funds for maintenance available. Consultation is on-going for a £3m/year investment programme spread over 10 years.
- The current situation is that most energy for schools is bought via the Council's 50. purchasing through the Kent County Council administered LASER consortium,

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though the billing is made to the schools themselves. Some liquid fuels for oil heating are purchased via Corporate Procurement. In some schools the heating is controlled centrally by Corporate Procurement.

- 51. It is a very confusing situation, with no proper data being collected for all schools, even though these figures are required annually by the DfES. The Schools Building Development team is further hampered in its work as no comprehensive building services database is available and they are often reliant on the memories of individuals.
- 52. The Group welcomes efforts being made to improve the standard of school buildings. Notwithstanding the failure of the secondary school funding bid, the Group believes renewed efforts should be made to increase the budget for School Building Development. Energy savings are a long-term investment which will contribute to easing overstretched budgets. It would be an obvious step to make the new Energy Manager responsible for helping schools become more energy efficient, co-ordinating, for example, energy surveys which Action Energy and others provide free. It would be of great further benefit to involve pupils in the surveys as a practical science project with the spin-off that they would also apply this energy awareness at home. Action Energy offers informational material specially tailored for schools.

**Recommendation 10 a:** That the new Energy Manager be given responsibility for driving energy efficiency in schools, including monitoring, energy procurement, awareness campaigns, energy surveys and encouraging capital investments to deliver further energy savings.

**Recommendation 10 b:** That energy surveys in schools involve the pupils as much as possible.

**Recommendation 10 c:** That efforts be made to establish a comprehensive building services database for all schools.

#### **Green Electricity Sources**

53. In addition to reducing consumption, the procurement of green electricity<sup>7</sup> will play an important part in a Council policy to reduce carbon emissions. This needs to be properly addressed as one element of an energy strategy once the new energy manager is in post. This policy should be driven by best value principles i.e. taking into account strategic objectives as well as cost/efficiency.

**Recommendation 11:** That a Green Electricity Procurement Policy driven by Best Value principles form part of the wider Council Energy Strategy, to be drawn up when the new Energy Manager is in post (see Recommendation 1a).

<sup>&</sup>lt;sup>7</sup> Green Electricity is electricity which is from renewable sources, i.e. not from the burning of fossil fuels, and not from nuclear power.



#### **Green Procurement**

- 54. The Group heard from the Head of Property and Procurement that a new procurement strategy is being drawn up. The advice on Green Procurement in the 200-page Procurement Handbook is only one page long. However, green procurement is a large and ever growing area where competitive prices are meeting green/climate change requirements.
- 55. It was reported that Corporate Procurement has little control over individual purchasing decisions as budgets are largely devolved. The Group thinks that, if necessary, Internal Audit could be asked to look more regularly at purchasing by departments in the light of the new Procurement Strategy.
- 56. The key is to make sure that procurement managers in Corporate Procurement and in service departments know what products are available and are issued with clear policy guidelines. It needs proper research and consideration and should not just be an afterthought or window-dressing exercise as it might currently be viewed as. Benefit could be gained by setting up a Scrutiny Task Group or Member Review to look at this area together with the Corporate Procurement team and examine best practice in other authorities.

**Recommendation 12 a:** That within the review of the corporate procurement strategy, Green Procurement be given higher priority and be enforced as an integral part of procurement policy.

**Recommendation 12 b:** That the Environment Overview and Scrutiny Committee consider, in consultation with Corporate Procurement and Strategy, setting up an indepth review of Green Procurement as a Task Group/Member Review.

57. It is practice in other public sector tendering arrangements to require information about environmental policies of suppliers, such as waste recycling and the existence of a company green transport plan and to take these into account in assessing best value. This should be explored in Richmond.

**Recommendation 13:** That Corporate Procurement require information about environmental policies of suppliers and take it into account when assessing best value.

# II. Green Transport Plan

- 58. DTI statistics show that transport is, of the four sectors domestic, transport, services and industry now the largest consumer of energy in this country (see graph at paragraph 30 on page 12). Within this, energy consumption for passenger road journeys makes up by far the largest proportion. Any attempt by the Council to reduce carbon emissions needs to look at ways of reducing car journeys.
- 59. Transport energy consumption by type of transport, 1970 to 2002<sup>8</sup>:

<sup>&</sup>lt;sup>8</sup> From DTI Environmental Energy Indicators (http://www.dti.gov.uk/energy/inform/energy\_indicators/ind11\_2004.pdf)



- 60. The Council was one of the first to introduce a Green Transport Plan in 1996 which was copied by other authorities in London and elsewhere. It was adopted as corporate policy in 2000. Its aims were to contribute to reducing congestion, improving air quality and improving the health of employees. There have been successes as shown by, for example, the good use of the cycle parking provision as well as the increase in mileage allowances for cycling and 0% loans for season tickets. In a snapshot survey carried out in May 2003 in the Environment Department, journeys by bicycle and train were shown to have increased by 14%.
- 61. However, the survey covered one Council department and only just over half of respondents said they were aware of the Green Transport Plan. It is likely to be lower in other Council departments. Several measures still needed to be acted upon. These were identified in a paper from the Environment Department of February 2004<sup>9</sup> as being: review of the allocation of essential/casual user classifications and mileage rates; provision of showers in Regal House (Legal) and Elmfield House (Social Services); relaunch of the bike users' group, and a production of a series of leaflets. Promotion of the Travel Plan was also planned. It would include promotion of where information was available on the intranet, cycling, walking and public transport information as well as energy saving driving techniques. It furthermore included proposals to produce hard copies of this information.
- 62. The Group would welcome action on all of these measures and, despite obvious arguments in favour of paperless information, feels that it is more likely that staff will read hard copies and that the benefits from this outweigh these potential objections. In general, the Group believes that a complete relaunch of the Green Transport Plan is required.

**Recommendation 14:** That the Council's Green Transport Plan be relaunched and the actions identified in February 2004 be implemented.

<sup>9</sup> Please see Appendix D

# III. Planning

### **Overview**

63. Most of this report concentrates on what the Council can do as an energy consumer itself, but the Authority does have means to encourage and assist residents to make energy efficiency savings. Awareness for residents is the subject of a separate section (see Chapter V on p.23). Minimum energy standards are laid down by Building Regulations which are currently being revised. The Task Group would encourage the Council to press the ODPM for tighter regulations. Beyond Building Regulations, higher standards can be achieved through the development control system.

#### **Supplementary Planning Guidance on Renewable Energy**

- 64. The Group was given a presentation by the Principal Environment Officer at the London Borough of Merton on renewable energy targets in their UDP. The Merton approach, and one the Group wholeheartedly support, is to work together with developers to achieve goals goals which should not be overly prescriptive. In the language of the Government's Energy White Paper<sup>10</sup>, this translates into support for policies which do not "impose undue burdens on developers".
- 65. The LB Merton's policy, which is written into their UDP<sup>11</sup>, sets a target for 10% of energy requirement of a building to come from renewable energy. The wording in the UDP is "expect" rather than "require": "all new industrial, warehousing, office and live/work units outside conservation areas and above a threshold of 1000 SQM will be expected to incorporate renewable energy production equipment to provide at least 10% of predicted energy requirements." The success, in terms of developer willingness to work to the 10% target, has surprised many. The target has not always been reached, but the commonly held belief that developers are generally unwilling to put in energy efficient designs and technology has been disproved. There are sound economic arguments for building to high ecostandards and the issue to date has been more that developers are unaware of the measures that can be introduced.
- This could be addressed by providing information on web-based checklists which 66. developers can fill in themselves. There are many of them. The one which Merton recommends as being practical and applicable for all sizes of development is http://www.sustainabilityworks.org.uk/sus.php. It is important that, whatever system is chosen to implement a 10% renewables strategy, it is easy and practical for both development control officers and developers to use. Merton works with SEA (Sustainable Energy Action) which provides free advice to developers. The Group also heard that the DTI and the GLA have commissioned Faber Maunsell Consultancy (http://www.fabermaunsell.com/) to design a renewable energy "toolkit" for planners. This 100-page document is due for publication in September 2004 and will provide an easily understandable explanation of different renewable energy technologies, and guidance on implementing renewable policies for Development Control and forward planning officers. The GLA will be sending copies of the "toolkit" to all London boroughs. It is being produced to respond to the Government's Planning Policy Statement 22

<sup>&</sup>lt;sup>10</sup> Published by DTI in February 2003.

<sup>&</sup>lt;sup>11</sup> See Appendix C for LB Merton's policy in their UDP.

(PPS22), published in August 2004 as well as to paragraph 4a.7 and 4a.8 requirements of the London Plan and the accompanying Mayor's Energy Strategy.

- 67. Time does have to be invested in negotiations with developers and the Group would strongly urge that resources and expertise are available to the Development Control section to do this. This might be provided by the new Energy Manager.
- 68. It is important that the aim of the targets is clear. It is Merton's policy to stress reduction in the so-called "carbon footprint"<sup>12</sup> of the development. This allows for maximum flexibility in achieving the goal of reduction in carbon emissions through taking many factors into account, such as water use or the use of energy efficient technology.
- 69. The Group heard from Richmond's Planning Policy and Design Section that the majority of developments in the Borough were for sites up to 5 residential units. On average, 300 new dwellings are built in the Borough each year and few of them are commercial developments. In the light of this, the Group believes it makes more sense to apply this 10% renewables strategy to residential developments, rather than the Merton policy which currently only applies to commercial developments. (Though Merton is reviewing this.) This would not be a completely ground-breaking move. Westminster, a borough with many conservation areas, already works to EcoHomes standards<sup>13</sup>; Oldham Metropolitan Borough Council will be including a 10% policy to residential developments in their UDP. The Government has given clear endorsement and encouragement for such a policy in Planning Policy Statement 22 – Renewable Energy just published in August 2004. Here it states that "Local planning authorities may include policies in local development documents that require a percentage of the energy to be used in new residential, commercial or industrial developments to come from on-site renewable energy developments".
- 70. The issue of "undue burdens" on developers is particularly mitigated in London through the high value of land. Merton calculated that renewable energy investment to satisfy their policy would represent less than 3.6 per cent of total development costs. Their appraisal indicated that the policy is not likely to lead to non-viability. A solar water heater costs, for example, in the region of £2000 a small fraction of the value of the house. The initial investment pays off as it can reduce water heating bills by an average of 50%.
- 71. In terms of policy hierarchy, the Group is of the opinion that, in line with many other authorities, and as suggested by Planning Policy and Design, this strategy should be included in Supplementary Planning Guidance.

<sup>&</sup>lt;sup>13</sup> This is the standard established by the Building Research Establishment. See their website: <u>http://www.bre.co.uk/services/EcoHomes.html</u>



<sup>&</sup>lt;sup>12</sup> The "carbon footprint" refers to the amount of carbon that the building is responsible for producing and therefore also includes e.g. the carbon emissions resulting from producing the building's energy requirements.

**Recommendation 15 a:** That the Council adopt a policy that normally requires at least 10% of the predicted annual energy requirements for all significant developments to be met through renewable energy production or sourcing.

**Recommendation 15 b:** That this policy be included in Supplementary Planning Guidance.

**Recommendation 15 c:** That advice be made available to developers on energy saving design and technology, including e.g. websites with contact details for green consultants and heating engineers.

**Recommendation 15 d:** That resources and expertise be made available to the Development Control section to implement this policy.

## **IV. Eco-housing Development**

- 72. The Group very much welcomed the commitment that the Cabinet Member for Environment and Planning and the Head of Corporate Property and Procurement made to facilitating a model eco-development in the Borough on land of which the Council is disposing. Developments such as Gallions in Greenwich show that such schemes are affordable, practical and bring clear benefits. Gallions Housing Association works to cost factors of £1200/m<sup>2</sup> for 3-bed houses. The houses on the Ecopark cost £1100/m<sup>2</sup> to build. Commercialisation of existing ecotechnologies is increasing their accessibility and reducing their cost all the time. The homes offer high utilities savings over normal houses through a combination of good insulation, technology such as solar heating, underfloor heating, water saving devices and efficient design to capture the sun's energy. Residents' gas bills are around 60% lower, electricity 45% lower and water 50% lower than normal houses. The resale value of such houses has been found to be higher: at the BedZED<sup>14</sup> eco-development in the LB Sutton the value of houses has been 15% higher on resale than homes of a comparable size. The BedZED development is being replicated in other London boroughs, such as Harrow and Wandsworth.
- 73. The Group was told that Richmond's Property and Procurement team are currently identifying potential sites for an eco-development of up to 5 units. Though welcome, the Group believes this is not ambitious enough and that any model eco-development project should be more in the range of 6-15 units. There is no conflict with the principles of best value and the Group feels that developers will not, as Corporate Property believe, be put off by the conditions of sale. There are many successful eco-developments which have been a commercial success. Even very large developers such as Taylor Woodrow have begun to build ecohomes. The market value of property in Richmond is so high that buyers will not be deterred from bidding.

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<sup>&</sup>lt;sup>14</sup> BedZED stands for the Beddington Zero Energy Development, and is the UK's largest carbon neutral eco-village. It was developed by the Peabody Trust in partnership with BioRegional Development Group and designed by Bill Dunster Architects. Located in Wallington, South London, the village comprises 100 homes, community facilities and workspace for 100 people. Residents have been living at BedZED since March 2002.

**Recommendation 16:** That the Council should facilitate a larger scale eco-friendly development (6-15 units) through a partnership with the private sector in the disposal of one of its sites.

74. In addition, the Task Group believes RSLs should be given particular encouragement to bid for such schemes and provide social housing as in the Gallions Ecopark development. This would also help to address fuel poverty, which, according to a survey from 2001 affects over 4,500 households in the Borough (6% of total)<sup>15</sup>.

**Recommendation 17:** That the Council should encourage RSLs to develop ecohousing schemes.

# V. Awareness raising

75. Action Energy estimates that a good awareness campaign can reduce bills by 10-20%. This represents large savings both in carbon emission and in financial terms. This section considers awareness raising for four separate groups: staff, residents, business and schools.

#### <u>Staff</u>

76. This has been dealt with in Chapter I as part of the findings on the corporate energy strategy. See paragraph 46 on page 18.

#### <u>Business</u>

77. The Group commends the work of the volunteers at ZWIN (Zero Waste in INdustry) who provide free energy audits and advice for businesses in the area. They are already represented on the LA21/Better Borough forum but the Task Group urges the Council to do everything it can to support their activities and assist in promoting them to businesses in the Borough. One of the ways to do this would be to send out publicity with the business rate notification. The Group has been told that this would be technically possible.

**Recommendation 18:** That the Business Rates notification is used to provide sharp, graphic information on energy efficiency audits and advice to local businesses.

#### <u>Residents</u>

78. The Group welcomes the steps that the Council has taken to promote energy efficiency and reduce fuel poverty. Two particularly commendable examples are the recent launch of the freephone Energy Advice Hotline, and the project to train outreach workers to identify fuel poor households and assist them in obtaining grants. There are several schemes that residents in the Borough, depending on

<sup>&</sup>lt;sup>15</sup> From p. 17, LBRuT Affordable Warmth Strategy, June 2004 <u>http://www.richmond.gov.uk/depts/caring/housing/services/pshousing/word/Affordable%20Wa</u> <u>rmth%20Stratergy%20.doc</u>



meeting the eligibility criteria, can apply for.<sup>16</sup> As with all PR measures, there needs to be regular promotion of energy-saving advice – through various media – for the message to get across. Council tax notices could be used to provide a tangible example from the Energy Efficiency Co-ordinator of one of the energy savings that are possible, and to promote the Energy Advice Hotline.

**Recommendation 19:** That the Council Tax notices, Arcadia and other publications are used to provide energy efficiency information to residents.

#### <u>Schools</u>

79. Awareness in schools of climate change and, as part of this, energy efficiency has been considered above. See paragraph 52 on page 20 and recommendation 10b.

## **VI.** Issues for the future

#### **PFI Contracts**

80. The Group was disappointed that more information was not forthcoming on energy efficient standards in PFI contracts. The Council will ultimately be responsible for paying energy bills and it is therefore essential to ensure that these developments are as energy efficient as possible. The Group would like to see more information on this provided to the Environment Overview and Scrutiny Committee.

**Recommendation 20 a:** That the Council set energy efficiency standards for buildings procured under the PFI model.

**Recommendation 20 b:** That a report on energy efficiency standards in PFI contracts is brought to the Environment Overview and Scrutiny Committee in the next six months.

## **Transport**

81. The importance of transport has been shown in paragraph 58 on page 21 which deals with the Green Transport Plan for Council employees. However, the car journeys made by employees obviously make up only a small fraction of total car journeys made in the Borough. The Group believes that any serious commitment to a reduction in carbon emissions must address this, through the successor to the UDP and other policies.

<sup>&</sup>lt;sup>16</sup> These are Coldbuster, Warm Front, PLEASE, Houseproud, Energysmart, Handyperson, Sunrise. Please see p.29 of the Affordable Warmth Strategy for more details: <u>http://www.richmond.gov.uk/depts/caring/housing/services/pshousing/word/Affordable%20Wa</u> <u>rmth%20Stratergy%20.doc</u>

**Recommendation 21 a:** That in preparing its Local Development Framework the Council have regard to the desirability of reducing carbon emissions and take steps to encourage a reduction in car use in the Borough.

**Recommendation 21 b:** That the Council promote Green Transport Plans among businesses in the Borough.

**Recommendation 21 c:** That the Council undertake research to determine if Green Transport Plans that have been required under planning conditions have been effective.

82. Community leadership could be provided on another aspect of transport by ensuring that the Council's local transport fleet is run on renewable fuels.

**Recommendation 22:** That it be the long-term strategy that all Council vehicles run on bio-fuels and/or green electricity.

### **Tree-planting**

83. The Group believes that any carbon reduction policy should also include a commitment to planting trees, as they are very effective at absorbing carbon dioxide.

**Recommendation 23:** That the Council accelerate its own tree planting programme and encourage others to plant trees in the Borough.

## **Combined Heat and Power (CHP)**

- 84. Combined Heat and Power (CHP) is a fuel-efficient energy technology<sup>17</sup> that, unlike conventional forms of power generation, puts to use the by-product heat that is normally wasted to the environment. CHP can increase the overall efficiency of fuel use to more than 75%, compared with around 40% from conventional electricity generation. Furthermore, because it often supplies electricity locally, CHP can also avoid transmission and distribution losses. Due to the potential for local authorities to generate income through CHP, some have even talked about it as a replacement for the Council Tax.
- 85. There are incentives: exemption from the Climate Change Levy for all Good Quality CHP fuel inputs and electricity outputs; Climate Change Agreements to provide an incentive for emissions reductions; eligibility for Enhanced Capital Allowances (ECAs) to stimulate investment; Business Rates exemption for CHP power generation plant and machinery; and a reduction in VAT on certain domestic micro-CHP installations. There is also Government grant support in the form of the Community Energy programme to encourage CHP in community

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<sup>&</sup>lt;sup>17</sup> CHP is a means of increasing fuel-efficiency, but still involves the burning of fossil fuels. It should be pointed out that it is often involved in waste incineration and the Group's encouragement of CHP should not be read as an endorsement for this method of disposing of waste.

heating schemes. Local energy schemes are also good in so far as the money paid to a local energy company remains in the local economy.

86. Case study – Woking Borough Council:

Thameswey Energy Limited is a joint venture company, set up in 1999, which is 81% owned by ESCO International ApS of Denmark and 19% owned by Thameswey Limited, a wholly owned Woking Borough Council Energy and Environmental Services Company.

Thameswey Energy Limited aims to build, finance and operate small scale combined heat and power stations (Energy Stations), of up to five megawatts electricity output, to provide energy services to institutional, business and residential customers. Development of the first Energy Station in Woking town centre started in June 2000. The Energy Station now supplies distributed energy services of electricity, by private wire, and heat and cold water services by pipe to the Holiday Inn hotel, the Big Apple entertainment centre, Chameleon Bar, Quake night-club, Metro Hotel, H G Wells Conference and Events Centre, Victoria Way car park and Woking Borough Council Civic Offices; in addition electricity is supplied to other Woking Borough Council sites, including residential, by the public electricity network. The Energy Station was officially opened on 21 March 2001.

A second Energy Station, installed and commissioned in December 2001, is sited in Woking Park incorporating a 200-kilowatt Fuel Cell. A further development stage is in progress to install an 836-kWh Combined Heat and Power (CHP) station at the Leisure Centre. The Fuel Cell/CHP station will supply all the energy needs of Woking Park, the Pool in the Park and Woking Leisure Centre and will export surplus electricity to other Council owned sites, principally residential sites.

It has produced substantial savings and income for the authority of around  $\pounds 1m/annum$ .

87. Several other local authorities around the country are introducing CHP schemes and there is a growing body of international and national expertise in this matter. The Group heard that consultants from Action Energy can be brought in to offer advice on CHP in Richmond.

**Recommendation 24:** That the Council explore the possibility of CHP schemes in the Borough.

#### Leadership on carbon emissions reduction

88. The common thread which runs through the report is that community leadership on climate change is needed. It will provide a big impulse in this direction if these recommendations are adopted. The Group believes that these can only be a first step. The gravity of the problems requires measures which go still further. It is the view of the Group that there is a need for not just an Energy Strategy, but also, as other boroughs have, a Climate Change Strategy which would cover all policies which have an impact on this issue, such as waste and recycling, which are currently all in disparate policy documents. It would also be good practice to bring all climate change relevant information within the Council together on one site on the website.



Recommendation 25 a: That the Council draw up a Climate Change strategy.

**Recommendation 25 b:** That all relevant information be available on a Climate Change page of the Council website.

89. Other local authorities have implemented innovative green energy schemes as a further way to increase public awareness and set an example. There should be no additional costs to such measures, but the Group feels there is scope for providing community leadership through innovative, cost-neutral flagship projects.

**Recommendation 26:** That the Council explore the possibility of taking up an innovative, green energy scheme and fulfils a community leadership role on this issue.



# CONCLUSION

- 90. The range of issues covered in this report is wide. The proposals set out nevertheless offer practical steps to address the issue of Climate Change.
- 91. In some cases, legislation from the EU and central government will require all local authorities to carry out these recommendations in any case. The sooner Richmond acts upon them, the better armed it is for these changes. This could also involve benefiting from proposed schemes such as allowing local authorities to trade carbon emissions.
- 92. Not only do the report's recommendations offer the chance to reduce significantly carbon emissions they will also enable the Council to make significant financial savings. These savings are for the short and long-term. It is a win-win opportunity that should be seized and acted upon as soon as possible.

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# TABLE OF RECOMMENDATIONS

		Recommendation
1.	1a	That an Energy Policy be drawn up by the new Energy Manager and
		adopted by the Council.
2.	1b	That consideration be given to the value of establishing an Energy Policy
		Forum.
3.	2a	That the Cabinet Member for Environment and Planning take on the role of
		Energy Efficiency Champion/Lead Member.
4.	2b	That this title be added to the portfolio.
5.	2c	That this role be added to the portfolio terms of reference.
6.	3a	That the Energy Manager post be at least PO7 grade.
7.	3b	That the post be client-side rather than contract-side.
8.	3c	That an energy expert be involved in the recruitment process for this post.
9.	4	That Corporate Property and Procurement examine whether there is a
		business case for extra short-term administrative resources to be made
		available to the new Energy Manager to deal with the 18-month backlog of
		work.
10.	5	That the bill top-up model be adopted in Richmond as a part funding
	-	mechanism for the Energy Management function.
11.	6	That it be in the remit/job description of the new Energy Manager that
		ne/sne/their team be responsible for encouraging other departments and
		service areas, schools, libraries, depots, care nomes etc. to commission
		energy efficiency audits and offer a service to examine energy users
10	70	Utilities Dills.
12.	7a	awaronoss
13	7h	That a staff energy awareness campaign be accorded a high priority by
15.	70	Corporate Property and Procurement
14	70	That such a campaign be given in consultation with external experts such
	10	as those from Action Energy, appropriate funding
15.	8	That savings made through energy efficiency be, in part, ploughed back
	-	into capital investment to produce further energy savings. This should be a
		fixed percentage, and written into the corporate energy strategy and
		annually reviewed.
16.	9a	That the Council aim for corporate accreditation to a recognised energy
		saving standard.
17.	9b	That the Council agree targets for reductions in carbon emissions to be
		attained by 2010.
18.	10a	That the new Energy Manager be given responsibility for driving energy
		efficiency in schools, including monitoring, energy procurement,
		awareness campaigns, energy surveys and encouraging capital
		investments to deliver further energy savings.
19.	10b	That energy surveys in schools involve the pupils as much as possible.
20.	10c	That efforts be made to establish a comprehensive building services
L		database for all schools.
21.	11	That a Green Electricity Procurement Policy driven by Best Value
		principles form part of the wider Council Energy Strategy, to be drawn up
		when the new Energy Manager is in post (see Recommendation 1a).



		Recommendation
22.	12a	That within the review of the corporate procurement strategy, Green
		Procurement be given higher priority and be enforced as an integral part of
		procurement policy.
23.	12b	That the Environment Overview and Scrutiny Committee consider, in
		consultation with Corporate Procurement and Strategy, setting up an in-
		depth review of Green Procurement as a Task Group/Member Review.
24.	13	That Corporate Procurement require information about environmental
		policies of suppliers and take it into account when assessing best value.
25.	14	That the Council's Green Transport Plan be relaunched and the actions
		identified in February 2004 be implemented.
26.	15a	That the Council adopt a policy that normally requires at least 10% of the
		predicted annual energy requirements for all significant developments to
		be met through renewable energy production or sourcing.
27.	15b	That this policy be included in Supplementary Planning Guidance.
28.	15c	That advice be made available to developers on energy saving design and
		technology, including e.g. websites with contact details for green
		consultants and heating engineers.
29.	15d	That resources and expertise be made available to the Development
	10	Control section to implement this policy.
30.	16	That the Council should facilitate a larger scale eco-friendly development
		(6-15 units) through a partnership with the private sector in the disposal of
	47	one of its sites.
31.	17	That the Council should encourage RSLs to bid to develop the site
	40	identified.
32.	18	I hat the Business Rates notification is used to provide sharp, graphic
22	10	Information on energy efficiency audits and advice to local businesses.
33.	19	That the Council Tax notices, Arcadia and other publications are used to
24	20.0	provide energy eniciency information to residents.
34.	20a	I hat the Council set energy efficiency standards for buildings procured under the DEL model
25	20h	Under the PFI model. That a report on anargy officiancy standards in DEL contracts is brought to
<i>ა</i> ე.	200	the Environment Overview and Serviting Committee in the payt air menths
26	210	Thet in propering its Local Development Fremework the Council have
30.	21a	regard to the desirability of reducing earbon omissions and take stons to
		encourage a reduction in car use in the Borough
37	21h	That the Council promote Green Transport Plans among husinesses in the
57.	210	Rorouah
38	21c	That the Council undertake research to determine if Green Transport
00.	210	Plans that have been required under planning conditions have been
		effective.
39	22	That it be the long-term strategy that all Council vehicles run on bio-fuels
00.		and/or green electricity
40	23	That the Council accelerate its own tree planting programme and
		encourage others to plant trees in the Borough.
41.	24	That the Council explore the possibility of CHP schemes in the Borough.
42	25a	That the Council draw up a Climate Change strategy.
43	25b	That all relevant information be available on a Climate Change page of the
		Council website.
44.	26	That the Council explore the possibility of taking up an innovative. green
		energy scheme and fulfils a community leadership role on this issue.

Scrutiny in Richmond

# SELECTED READING AND REFERENCES

- Affordable Warmth Strategy, LBRuT: <u>http://www.richmond.gov.uk/depts/caring/housing/services/pshousing/word/Afford</u> <u>able%20Warmth%20Stratergy%20.doc</u>
- BBC website on Climate Change: <u>http://news.bbc.co.uk/1/hi/in\_depth/sci\_tech/2004/climate\_change/default.stm</u>
- Climate Change. See Defra site for more information and links: <u>http://www.defra.gov.uk/environment/climatechange/01.htm</u>
- Climate Change Levy. See HM Customs and Excise website: <u>http://www.hmce.gov.uk/business/othertaxes/ccl.htm</u>
- Energy White Paper (February 2003). See DTI website: <u>http://www.dti.gov.uk/energy/whitepaper/ourenergyfuture.pdf</u>
- The Environment in your Pocket 2003. An annual booklet of key environmental statistics published by the Government. See Defra website: <u>http://www.defra.gov.uk/environment/statistics/eiyp/intro.htm</u>
- EU Biofuels Directive. See DfT website: <u>http://www.dft.gov.uk/stellent/groups/dft\_roads/documents/page/dft\_roads\_02839</u> <u>3-02.hcsp#P50\_4844</u>
- EU Buildings Directive. See Defra website: http://www.defra.gov.uk/environment/energy/internat/ecbuildings.htm
- Key Performance Indicator 180. See ODPM website: <u>http://www.odpm.gov.uk/stellent/groups/odpm\_localgov/documents/page/odpm\_locgov\_604828-08.hcsp</u>
- Local Development Framework planning strategy document for every local authority which will replace the UDP. See ODPM website: <u>http://www.odpm.gov.uk/stellent/groups/odpm\_control/documents/contentservert</u> <u>emplate/odpm\_index.hcst?n=2150&l=1</u>
- London Plan (Regional Planning Strategy). See GLA website: <u>http://www.london.gov.uk/mayor/strategies/sds/index.jsp</u>
- Maldon District Council Draft Energy Strategy 2004-11: <u>http://www.maldon.gov.uk/NR/rdonlyres/euf45u2owxngpk3poudfkqrjqzfuzejvsegd</u>
   6jxhtguofz4qxz6sacypnyueeenavcesqsyt2u75nh/Strategy+-<u>+consultation+draft.pdf</u>
- Mayor's Energy Strategy. See GLA website: <u>http://www.london.gov.uk/mayor/strategies/energy/index.jsp</u>
- Planning Policy Statement Renewable Energy (PPS22). See ODPM website: <u>http://www.odpm.gov.uk/stellent/groups/odpm\_planning/documents/page/odpm\_plan\_030334.hcsp</u>



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# **GLOSSARY OF TERMS**

Term	Description	
Action Energy	Action Energy is the advice and consultancy arm of the	
3,	Carbon Trust, an independent company funded by	
	Government. Its role is to help the UK move to a low carbon	
	economy by helping business and the public sector reduce	
	carbon emissions and capture the commercial opportunities	
	of low carbon technologies.	
Carbon footprint	This refers to the amount of carbon that a building, area etc.	
	is responsible for producing and therefore also includes e.g.	
	the carbon emissions resulting from producing the energy	
	requirements.	
DETR	Department for the Environment, Transport and the	
	Regions. The Department became the Department for	
	Transport, Local Government and the Regions (DTLR) in	
	2001 Further reorganisation brought led to the creation of a	
	dedicated Department for Transport (DfT) and the Office of	
	the Deputy Prime Minister (ODPM) in May 2002.	
Defra	Department for Environment, Food and Rural Affairs	
DfT	Department for Transport	
DTI	Department for Trade and Industry	
EcoHomes standard	BREEAM (BRE Environmental Assessment Method) is the	
	world's most widely used means of reviewing and improving	
	the environmental performance of buildings. Since its	
	Jaunch in 1990, BREEAM has been increasingly accepted	
	in the UK construction and property sectors as offering best	
	practice in environmental design and management. Some	
	600 major office buildings have been assessed and there	
	are also schemes for industrial units. supermarkets and	
	homes. The homes version of BREEAM is called	
	EcoHomes. It provides an authoritative rating for new and	
	converted or renovated homes, and covers houses.	
	apartments and sheltered accommodation.	
GLA	Greater London Authority. This is the elected regional	
-	authority for Greater London, with a directly elected Mayor	
	and local parliament, the Greater London Assembly.	
Greenhouse Gases	These are gases in the earth's atmosphere which absorb	
	long-wave heat radiation from the earth's surface and re-	
	radiate it, thereby warming the earth. The gases include:	
	carbon dioxide ( $CO_2$ ), methane ( $CH_4$ ), nitrous oxide ( $N_2O$ ),	
	perfluorocarbons (PFCs), sulphur hexafluoride (SF <sub>6</sub> ) and	
	hydrofluorocarbons (HFCs). Of these, experts consider	
	carbon dioxide (CO <sub>2</sub> ), methane (CH <sup>4</sup> ) and nitrous oxide	
	$(N_2O)$ to be the most damaging.	
LBRuT	London Borough Of Richmond Upon Thames	
LEA	Local Education Authority	
Local Development	As of Summer 2004, instead of producing one plan (the	
Framework	UDP), local authorities will be required to produce several	
	shorter documents-to be known as Local Development	
	Documents which will make up the Local	



Term	Description		
	Development Framework.		
ODPM	Office of the Deputy Prime Minister		
O&S	Overview and Scrutiny Committee		
RSL	Registered Social Landlord (RSL) is the technical name for social landlords that are registered with the Housing Corporation — most are housing associations, but there are also trusts, co-operatives and companies. Housing associations are run as businesses but they do not trade for profit. Any surplus is ploughed back into the organisation to maintain existing homes and to help finance new ones.		
S 106	A legal agreement under Section 106 of the Town and Country Planning Act 1990 whereby a developer and potentially the local authority are obliged to undertake actions or contribute in benefit or in kind towards measures required to obtain planning permission.		
UDP	The Unitary Development Plan contains a variety of planning policies for the borough in general and for specific sites within the Borough.		

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APPENDICES			
Appendix A	Timetable of meetings		
Appendix B	Policy and Strategy Framework		
Appendix C	Extract from LB Merton's UDP on renewables		
Appendix D	List of local authorities developing prescriptive renewable energy planning policies		
Appendix E	Environment Department paper on action for implementation on the Green Transport Plan (February 2004)		

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# Appendix A – Timetable of Meetings

Date	Who attended	Issues discussed
3 Dec 2003	James Page (Chairman), Cllr Martin Elengorn, Cllr Simon Lamb, Dr. Michael Gold	Terms of reference
7 Jan 2004	James Page (Chairman), Paul Drury, Cllr Martin Elengorn, Dr. Michael Gold, Rob Gray, Cllr Simon Lamb, Simon Tompsett	Discussion with Rob Gray and Simon Tompsett from LA21/Better Borough
4 Feb 2004	James Page (Chairman), Paul Drury, Cllr Martin Elengorn, Dr. Michael Gold and Cllr Simon Lamb	Terms of reference
25 Feb 2004	James Page (Chairman), Cllr Martin Elengorn, Michael Gold, Cllr Simon Lamb, Trevor Pugh	Discussion with Trevor Pugh, Director of Environment
24 March 2004	James Page (Chairman), Paul Drury and Dr. Michael Gold	Agreement of work programme
27 April 2004	James Page (Chairman), Cllr Elengorn, Cllr Lamb, Paul Drury, Dr. Michael Gold, Kirsten Chambers (CEN), Stuart Blofeld (Action Energy), Andy Oakley (Corporate Procurement Manager, LBRuT), Peter Lee (Value and Innovation Manager, Richmond Housing Partnership), Rob Gray (Better Borough), Libby Rutter (ZWIN)	<ul> <li>a) Presentation on Energy Management by Stuart Blofeld;</li> <li>b) Presentation by Peter Lee on Energy Management at RHP</li> </ul>
12 May 2004	James Page (Chairman), Paul Drury, Cllr Elengorn, Dr. Michael Gold, Philip Wealthy (LBRuT Principal Policy and Design Officer), Adrian Hewitt (Principal Environment Officer, LB Merton)	LB Merton's policy on renewables in UDP
26 May 2004	Paul Drury, Dr. Michael Gold, Cllr Simon Lamb, Beverly Butler (Building Development Officer, LBRuT Education, Arts and Leisure), Brian McMillan, (Facilities Manager, Whitton School)	Energy management in schools
24 June 2004 6 July 2004	James Page (Chairman) Paul Drury, Cllr Martin Elengorn, Richard Hurford (Energy and Sustainability Manager, LB Lewisham), Cllr David Marlow, (Cabinet Member for Environment and Planning), Paul Chadwick, (Assistant Director, Property and Procurement, LBRuT) James Page (Chairman), Paul	Energy Management in LBRuT
15 July 2004	Drury, Cllr Martin Elengorn, Dr. Michael Gold and Cllr Simon Lamb	report
10 July 2004	j James Faye (Unainnan), Paul	Approvar or final report



Date	Who attended	Issues discussed
	Drury, Cllr Martin Elengorn (approval of those absent confirmed by email).	
Other events:		
15 June 2004	Fact-finding visit to Gallions Eco-	Cllr James Mumford,
	development, Greenwich	Jonathan Hill-Brown
24 June 2004	Fact-finding visit to BedZED, Eco-	Dr. Michael Gold, Cllr
	development in LB Sutton	James Mumford

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## Appendix B – External Factors and Political Framework relating to Climate Change/Energy Strategy

The list below makes no claim to be exhaustive but does include a wide number of areas, international, national and regional that have a bearing on this subject, both in a legislative and wider political sense<sup>18</sup>:

<b>Supranational</b>	
Kyoto Protocol	As part of this international agreement the UK, partly through the EU, has a legally binding commitment to reduce its greenhouse gas emissions to 12.5% below 1990 levels by the period 2008 – 2012.
Worldwide demand for oil	Factors which could cause problems with supply and price are: booming world economies, particularly in Asia/China; political instability in the Middle East and Central Asia.
EU Buildings Directive	Directive on the Energy Performance of Buildings, to be enacted in law by January 2006 will set minimum energy performance standards with certification for buildings and require the prominent display of the energy certificate in all public buildings and "institutions providing public services".
EU Biofuels Directive	This directive sets targets for the percentage of energy from grown fuels. The main objectives of the Directive are to reduce life-cycle emissions of carbon dioxide from transport across Europe, and to reduce the EU's future reliance on external energy sources (in this case, oil). It requires Member States to set indicative targets for biofuels sales for 2005 and 2010. The Directive requires Member States to take account of the reference values in setting their national indicative targets. These reference values are 2 percent, calculated on the basis of energy content, of all petrol and diesel for transport purposes placed on their markets by 31 December 2005; and 5.75 percent, calculated on the basis of energy content, of all petrol and diesel for transport purposes placed on their markets by 31 December 2010. The UK Government will be giving an indication of its targets in Summer 2004.
<u>National</u>	
National carbon targets	Beyond Kyoto, it is the aim of Government policy to reduce carbon emissions in the UK by 20% by 2010 over the baseline figure of 1990 and by 60% by 2050.
National Fuel Poverty Strategy	Fuel Poverty continues to affect approximately one in five of the UK population. This causes many problems including poor health. The main causes of fuel poverty are: inefficient housing, low household income, high fuel costs, large homes with few occupants, and external environmental factors. The strategy sets targets for eliminating fuel poverty 2018.

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<sup>&</sup>lt;sup>18</sup> Most of the information in this table is taken from Malden District Council's Draft Energy Strategy 2004-2011

Homo Enorgy	This Act obliggs Local Authorities to improve operate
Concernation Act	This Act obliges Local Authonities to improve energy
Conservation Act	efficiency in private and public sector nousing. The
1995 (HECA)	improvements include provision of information and advice,
	education, promotion, making grants and loans, and carrying
	out works. The Act defines a target of 30% improvement
	against the baseline of 1996 by 2011.
Sustainable Energy	This Act obliges the Secretary of State to report annually on
Act 2003	progress towards sustainable energy aims including fuel
/101 2000	noverty
Climate Change	This is a low on fossil fuel sourced energy used by industry
	and husiness, and is designed as an incentive to promote
Levy	and business, and is designed as an incentive to promote
	systems of energy use that cause low-carbon emissions.
	Typical levies are: Gas 0.015p/kWh, electricity 0.43 p/kWh.
	Energy from renewable sources is exempt. The levy is
	designed to be cost-neutral by virtue of reductions in national
	insurance contributions.
The Energy White	The Action Plan, published in April 2004, sets out the steps
Paper: "Our Energy	including regulatory measures that the Government is
Future – Creating a	planning. These include updating Building Regulations with
Low Carbon	provisions for e.g. higher boiler standards and changing the
Economy	way the Energy Efficient Commitment is delivered.
Key Performance	Local authorities have to provide data on the energy
Indicator 180a	consumption/m <sup>2</sup> of local authority operational property
	compared with comparable buildings in the LIK as a whole
Planning Policy	Planning Policy Statement – Renewable Energy (PPS22)
Statement -	Published in August 2004, the old "Planning Policy Guidance
Banawahla Enargy	Published III August 2004, the old Planning Policy Guidance
	22 – Reliewable Effergy (FFG22) is being replaced by
(PPS22)	Planning Policy Statement 22 Renewable Energy . This
	new guidance is intended to balance valid public concern
	about consultation procedures, the interests of all
	stakeholders, and the need to balance the planning for new
	renewable energy developments with other major
	infrastructure developments. The new PPS22 is more positive
	about exploiting renewable energy resources. It requires
	regional and local planning policies to "promote and
	encourage, rather than restrict, the development of renewable
	resources". Section 8 also states that "Local planning
	authorities may include policies in local development
	documents that require a percentage of the energy to be used
	in new residential, commercial or industrial developments to
	come from on-site renewable energy developments."

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<sup>&</sup>lt;sup>19</sup> Please follow this link for more information: http://www.odpm.gov.uk/stellent/groups/odpm\_planning/documents/page/odpm\_plan\_030334 .hcsp

Building Regulations	These regulations define the lowest permissible standard for energy efficiency of new buildings. They also require a notice detailing the energy performance of the building to be displayed before the sale of any new dwelling, and a copy to be lodged with the local authority before the certificate of completion is issued. Buyers of new homes are entitled to see the energy performance certificate. It will help them to assess the future energy costs of the house, but awareness of this regulation is not high.
Town & Country Planning Act – Section 106	Section 106 allows a local authority planning department to oblige a developer to comply with certain conditions. The conditions are a two-party agreement, so there is no opportunity for appeal. Section 106 conditions could be used to require best-practice energy efficiency or energy performance in excess of the minimum legal requirements for new housing.
Energy Efficiency Commitment (EEC)	EEC is an obligation on energy providers to spend a set amount per customer per year on energy efficiency measures. This money is made available through grant and discount programmes to encourage householders to implement energy efficiency measures. The Borough can benefit from EEC funding by developing programmes in partnership with energy suppliers or by working with third parties who have set up programmes with the energy suppliers.
Housing Bill 2003	This Bill introduces the requirement that the seller of a dwelling must produce a Home Information Pack including an energy report. It is likely to encourage sellers to improve the energy performance of properties before selling, and to encourage buyers to invest in energy efficiency measures as part of any programme of works on the new home.
Duty Cuts on Biofuels	The major part of the cost of fuels comprises Duty payable to Customs and Excise. Duty Cuts are designed to promote sustainable energy sources. Currently there is a 20p/l duty cut on biodiesel and bioethanol.
Grants for Renewable Energy	The Clear Skies programme from the DTI provides partial grants for domestic renewable energy systems. The PV-Solar Programme provides grants for domestic solar photovoltaic (electric) systems. Bio-energy Capital Grants are provided by the DTI for commercial renewable installations.



Regional	
Draft Supplementary Planning Guidance 5 + 8	Draft Supplementary Planning Guidance 5 + 8 (Sustainable Design and Construction + Renewable Energy). These relate respectively to policies 4B.6 + 4A.7,8,9 of the London Plan. Due for publication as draft in summer 2004 they will reflect what is in the Mayor's London Plan and Mayor's energy Strategy on these issues. The Mayor's London Plan policy paragraph 4A.7 has a statement on Energy efficiency and renewable energy "requiring the inclusion of energy efficient and renewable energy technology and design, including passive solar design, natural ventilation, borehole cooling, combined heat and power, community heating, photovoltaics, solar water heating, wind, fuel cells, biomass fuelled electricity and heat generating plant in new developments wherever feasible." The Mayor's Energy Strategy states in proposal 13 that "the Mayor will expect applications referable to him to generate at least ten per cent of the site's energy needs (power and heat) from renewable energy on the site where feasible. Boroughs should develop appropriate planning policies to reflect this strategic policy."

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# Appendix C – Extract from LB Merton's UDP on renewables

MOD 139 Policy E.13 and paragraph 3.119 (A): ENVIRONMENTAL IMPROVEMENTS FROM EMPLOYMENT DEVELOPMENT 50/R378 335/R354 (In response to the Inspector's recommendations in para 3.47.5 and in accordance with the decision of the Cabinet Member for Transport and Planning; May 2003)

Amend Policy as follows; Policy E.13: Environmental Improvements from Employment Development

To achieve environmental benefits, employment developments will be expected to be of high quality design and layout.

All new industrial, warehousing, office and live/work units outside conservation areas and above a threshold of 1,000 sqm will be expected to incorporate renewable energy production equipment to provide at least 10% of predicted energy requirements.

The following will be sought through negotiations:

(i) travel plans, where the proposal will have significant travel implications.

(ii) the provision of equipment and facilities to facilitate the separation and recycling of waste materials.

(iii) environmental and infrastructural improvements to the wider employment area.

(iv) the provision of facilities which will enhance the quality of the working environment for employees.

3.119a In the light of its Agenda 21 objective of reducing local reliance on nonrenewable energy sources, the Council is concerned to ensure that new industrial and commercial developments in the Borough are designed to utilise solar power as one means of minimising their dependence on non-renewable energy sources. By requiring the installation of renewable power generation equipment in larger developments, it is also anticipated that the Council will be helping to generate sufficient levels of demand to enable manufacturers of appropriate renewable energy equipment to exploit economies of scale in the production of such equipment. In turn this can be expected to reduce unit costs and contribute to a virtuous circle of falling prices and increasing demand. The Council will expect at least 10% of the predicted annual electrical energy requirements of businesses occupying large new industrial and commercial developments to be capable of being met by means of independent on-site renewable energy generation. For the purpose of this policy the means of generating renewable energy include photovoltaic energy, solar-powered and geothermal water heating, energy crops and biomass, but not energy from domestic or industrial waste.



MOD 20 POLICY PE.13 AND PARAGRAPH 4.149 ENERGY GENERATION AND ENERGY SAVING. 046/2563 008/0991 024/2487 Amend Policy as follows:

Proposals for development of facilities that generate energy locally, in particular renewable energy and those that reduce the use of energy and its transmission, will be permitted provided that:

(i) there is no demonstrable harm on visual or residential amenities or by way of pollution generation, or

(ii) it can be demonstrated that benefits contributing to diverse and sustainable energy supplies and to reducing greenhouse effects will outweigh harm rising from the development.

4.149 The Council will therefore encourage the development of renewable and local energy facilities, subject to their impact on local amenities. These facilities either generate energy themselves, or contribute to savings in energy consumption, or perform both functions. Examples of such facilities would be waste-energy plants, combined heat and power plants, facilities which make use of landfill gas, sewage sludge, hydroelectric power and wind energy. Active and passive solar designs are another widely used form of energy generation/conservation. Energy-saving and energy-producing facilities may have environmental impacts, such as causing noise, light, smell or air-born pollution. They may also be visually intrusive. When assessing applications, the Council will assess the energy benefits of the proposal, whilst having regard to the degree of any negative effects on local amenity and the existing character of the area.



# Appendix D - List of local authorities developing prescriptive renewable energy planning policies

(reproduced with permission of LB Merton)

FAO: Alan Whitehead MP Chair of PRASEG House of Commons London SW1A 1AA

RE: List of boroughs developing prescriptive renewable energy planning policies.



POINT OF CONTACT:

#### **ADRIAN HEWITT**

Principal Environment Officer London Borough of Merton 020 8545 3457 07941 055 596 adrian.hewitt@merton.gov.uk

23<sup>rd</sup> Oct 03

#### Dear Alan

Further to our meeting last week here is the current list of boroughs that are actively developing prescriptive renewable energy planning policies. It's an informal list – but currently the only one. If you need contact details for each authority please let me know.

Some like Croydon, and many other London boroughs, are slotting the policies into their emerging UDPs. Others like Newcastle are going to front load it into their LDFs. Some will opt for the SPG route, though it's our opinion that this should only be an interim approach prior to the LDF.

#### London boroughs:

Barking & Dagenham Bromley Corporation of London Croydon Ealing Greenwich Havering Lambeth Lewisham Southwark Tower Hamlets Waltham Forest Westminster

#### UK planning authorities:

Oldham Sefton North Devon South Devon Newcastle Edinburah Liverpool Sedgefield Derby **Brighton & Hove** Crawlev **Kirklees** Blackburn with Darwent Cambridge Cornwall Telford & Wrekin Belfast Worcestershire Charnwood Waveney Chester Exeter East Devon



No	Action:	Who By:	When By:	Stage of Implementation
1.	Review of office practices including flexi-time/ homeworking.	Personnel	Date not set	To be investigated by Personnel.
2.	Set up and advertise the bicycle loan.	Personnel/ Borough Cycling Officer	Completed February 2001 and still operating	A 0% loan is in operation for up to £500 and will cover the purchase of a bicycle and/or cycling equipment such as clothing, lights, locks and helmets. It was launched as part of Don't Choke Richmond 2001
3.	Negotiate a discount with local cycle shops.	Borough Cycling Officer	Spring 2004	Likely to be Moore Bros cycle in Twickenham as 10% discount already received on pool bike maintenance costs.
4.	Identify and estimate costs for installing showers and lockers	Construction & Property/ Borough Cycling Officer	The first shower was installed in June 2001on Civic Centre floor 2.	1 additional shower has been provided in the Civic Centre, and the existing shower on the ground floor has been refurbished. Lockers still need to be provided, although it has proved difficult to find an appropriate location. Requests for showers from Regal House (Legal) and Elmfield House (Social Services)
5.	Review cycle parking provision at Council Offices and identify new locations	Borough Cycling Officer	Civic Centre Facility expanded by 30 spaces May 2001. Additional requests received from other sites.	Civic Centre cycle parking expanded to take up a further 3-car parking spaces in the Civic Centre basement car park, with the addition of a further 26 cycle parks. Cycle parking facility had electronic card access and CCTV installed Oct 2002. To be integrated into ID access card system Feb/March 2004.Usage being monitored with a view to expand capacity further. Additional cycle parking requested by Ilex House (Way to Work), and permission granted by landlord of premises.
6.	Arrange for cycle mileage to be increased to 50p/mile	Personnel	Completed July 2000 and still in operation.	50p per mile rate operational as of 1 <sup>st</sup> July 2000.
7.	Monitor and report back on the two pilot pool cycle schemes.	Social Services/ Transport	September 2001	Permanent Pool bike system set up 2000. Use of the pool bikes increases considerably over the summer months. There is now a fleet of 6 pool bikes including a variety of frame sizes. Yamaha electric pool bike purchased June 2002.

No	Action:	Who By:	When By:	Stage of Implementation
8.	Set up a Bicycle Users Group (BUG)	Borough Cycling Officer	Set up June 2000	The BUG was launched on the 19 <sup>th</sup> June 2000 as part of Don't Choke Richmond/National Bike Week. The BUG has over 30 registered members and has functioned in the past as an e-mail information group. It needs to be relaunched which will create more discussion on cycling issues amongst staff.
9.	Produce a series of bulletins to inform all Council staff of related issues.	GTP working group	On going publication of a series of leaflets.	A series of leaflets under the title of 'Getting Greener' have been distributed to staff, starting in June 1999 with a general green travel issues leaflet. Cycle information leaflet has been distributed June 20001to all staff together with a copy of the Borough cycle map and also a copy of the London Cycle Network map. Walking Leaflet distributed June 2001. Public Transport Leaflet proposed for Spring 2004 to be published electronically on the staff intranet. Publishing of this leaflet has been delayed due to lack of funding.
10.	Ensure the BR journey planner is available to all employees	SE (Transport)	Completed November 2001	The internet version of Travel Infosystems RailPlanner has been installed and is now in operation. This allows integrated journey planning for trips by rail and tube, and is well used both internally via intranet access, and from hits on the Council web site by members of the public. License expires in April 2004 although no additional funding is available to renew. Will probably provide a link to TfL Journey Planner once the TravelInfosystems license has expired.
11.	Distribute copies of borough public transport and cycling maps to all employees	SE (Transport)	Completed May 2000	Borough bus maps were distributed in Nov 1999. Borough cycle maps have been reprinted and have been distributed to all staff. Planning to make public transport and cycling map available via public website and intranet in Spring 2004.
12.	Report on the issues related to a taxi hire contract to guarantee rides home.	GTP working group	Report to Cabinet November 2002	Report was made to GTP working group in November 1999. No further progress to date.

No	Action:	Who By:	When By:	Stage of Implementation
13.	Report on the pros and cons and costs of providing pool cars for work related journeys.	Env & Operational Services/Transp ort Planning	Report to Cabinet in 2002	The Powershift conference on alternative fuel vehicles (AFV) was attended in 2000. An additional conference in 2002 will be attended to further knowledge on grants/models for AFV pool cars. Feasibility reports on pool cars and the variety of fuels available has been submitted by Council Fleet Manager. Peugeot 106 Electric was taken on lease in December 2002, following the preparation of a business plan. Usage of the vehicle has been good. Running costs and reliability will be compared to an LPG van taken on trial by Parks Dept.
14.	Review of the allocation of essential/casual user classifications and mileage rates.	Personnel	Autumn 2002	Not started
15.	Review of relocation expense policy	Personnel	None set	To be progressed
16.	Report on the possibility of subsidised travel cards, Green Travel Allowances & reduced numbers of parking permits	Personnel & Transport	Spring 2003	Already a season ticket 0% loan system is in operation. This will be relaunched in the 'Getting Greener' public transport leaflet to be circulated to staff in summer 2003.
17.	Improve promotion of Travel Plan to staff.	Transport Planning	Not Set	Provide notice boards on each floor of Civic Centre, and information page on staff intranet providing information on measures available, and information sources for cycling, walking, public transport and energy saving driving techniques.