

OVERVIEW AND SCRUTINY COMMITTEE

UPDATE REPORT TO: Overview and Scrutiny Committee

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PART I

FOR INFORMATION

CARBON MANAGEMENT PLAN 2009 - 2014

1 Purpose of Report

At the 25 February 2010 meeting of the Overview and Scrutiny Committee, officers provided a report on the development of the Council's Carbon Management Plan for 2009 - 2014. At that meeting the Committee raised a number of questions on the draft (see section 3 below). Officers advised they anticipated to be in a position to answer those and any other questions plus present a final copy of the Plan (see appendix A) for Members of the Committee at the next meeting on 1 July 2010.

The Committee should be advised that Cabinet subsequently:

- a) considered the final draft of the Carbon Management Plan on 14 June 2010 and resolved to approve it;
- b) adopted the Plan's target to reduce CO2 emissions from the Council's own operations by 40% from a 2008/09 baseline by 2014; and
- c) supported the activities listed in Section 4 of Appendix A of this report.

2 Recommendation

The Committee is therefore requested to:

- a) support the Cabinet's decision to resolve the Plan; and
- b) accept the responses made herein by officers to the questions raised on 25 February; and
- c) make any other recommendations the Committee sees fit to ensure the Council achieves the Carbon Management Plan's targets.

3 Summary

At the meeting on 25 February 2010, Members raised the following questions in relation the draft Carbon Management Plan, all of which have been circulated previously:-

- a) **Question:**

How much carbon emission would be saved in the Heart of Slough scheme?

Answer: At present, Officers are unable to give an accurate figure. However, work has begun identifying a number of potential project opportunities within the Heart of Slough Redevelopment which it is felt would contribute significantly towards the Council achieving its full carbon reduction target by 2014. The projects being quantified and prioritised are:

- Redevelopment of the Brunel car park & Brunel bus station site
- Redevelopment of Slough Central Library site
- Redevelopment of Thames Valley university site
- Possible CHP plant and/or district heating installation scheme
- Use of photovoltaic's on the roof of the Learning Curve/energy efficiency saving within the new build

The Carbon Management Programme Board and relevant Project Team officers are working closely both with the Property Services and Finance teams and the contractors managing each element of the build to fully indentify and quantify the potential carbon and energy savings associated with each project. This information will be added to the Plan once the full impact of the development on the Council's ability to deliver our carbon reduction target has been assessed.

b) Question:

In relation to the deficit in funding during the identified three year period, a Member asked how this would be achieved as, in their opinion, this was a difficult task. The Officer advised that the administration would need to identify funds for this purpose and a comprehensive reply would be brought back.

Answer: Since the Committee met on 25 February 2010, work has been undertaken to try and clarify the extent of the shortfall across the organisation and for each year of the Plan. As a result, officers are now able to advise that the total *provisional* amount of capital, revenue and external investment believe to be needed to realise the Plan's carbon and financial savings is :

Provisional Funding Schedule for the Programme

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Estimated capital cost	£747,416	£439,301	£672,485	£1,145,677	£954,366	£3,959,245
Estimated revenue cost	£16,125	£35,627	£259,106	£7,000	£410,635	£719,493
External funding secured to date	£0	£5,000 ¹	£0	£188,000 ²	£0	£193,000
Total	£763,541	£479,928	£931,591	£2,272,268	£1,364,971	£4,871,738

All of the projects identified in section 4.1 and 4.2 of the Carbon Management Plan are *existing* projects and, as such, do not require any additional resources as they were and still are being serviced by existing departmental, schools, contractors and Slough Community Leisure's capital and /or reserve budgets, where applicable.

¹ LSP Grant

² LSP Grant

Funding profile for existing projects

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Estimated capital cost to date	£747,416	£68,531	0	0	0	£815,947
Estimated revenue cost to date	£16,125	£17,355	£12,375	£0	£0	£45,875
External funding secured to date	£0	£5,000 ³	£0	£188,000 ⁴	£0	£193,000

Provisional estimates of the outstanding amounts of capital and reserve funding needed to implement the remainder of the Plan's projects (i.e. those in sections 4.3 and 4.4) are:

Provisional costs and sources of funding required for the remainder of the Plan⁵

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Estimated provisional capital cost	£0	£370,770	£672,485	£1,145,677	£954,366	£3,143,298
Estimated provisional revenue cost	£0	£18,252	£237,731	£7,000	£410,635	£673,618

It should be noted that all of the figures outlined in the above tables are still *indicative* and will ultimately depend on each project's actual costs and the relevant discreet funding streams indentified for each, prioritised and secured by Directorates, schools and contracted out service providers⁶ from the following sources, and over the life of the Programme⁷:

- Directorate's existing capital and reserve budgets
- The Council's routine planned maintenance and repair budgets
- The Council's Capital and Assets Programme (where the project has successfully bid for and secured funds)
- External grant aid where applicable
- Dedicated schools grants
- Schools budgets
- Capital Primary Programme where applicable

This work is continuing and a more detailed report will be compiled for Member's consideration at the next Committee meeting.

It should also be noted that the above figures take no account of the projects listed in section 4.5 of the Plan (potential projects for the future) and for which no details on costs/savings are currently available.

³ LSP Grant

⁴ LSP Grant

⁵ the full cost of the Programme can not be determined until each of the project listed at sections 4.3 and 4.4 of the Plan are confirmed and the monies needed to finance them have been quantified, prioritised and secured form Directorates, schools and contractors budgets.

⁶ Contracted out service providers (including Slough Community Leisure) will be expected to finance their projects from within their delegated budgets.

⁷ If funding for a particular project cannot be found in the year specified, it may be necessary to postpone delay the provisional start date of the project until a later point in the Programme and until sufficient resources can be found to fund it.

d) Question:

The subject of creating fuel from household waste was of particular interest to a Member who asked whether any progress had been made within the Council in examining this source of energy. The Officer was unable to comment on this but advised that the question would be referred to the relevant Director.

Answer: Yes. The Lakeside Energy from Waste (EfW) plant at Colnbrook is now on line and generating approx 37 MW of electricity from over 410,000 tonnes of residual waste per year from local authorities and businesses. Only a small amount of this recovered energy from waste is used to power the plant itself while the vast majority is exported to the local electricity grid - enough to meet the domestic needs of c.16,000 homes.

e) Question:

A Member noted that schools represented 41% of the carbon emissions and asked what could be done to rectify this. The Member also commented that it appeared that only the Grammar Schools in the town were receiving funding for works and it appeared that other community schools were not receiving this and why was this so? The Officer advised that he was unable to respond to this particular query and would refer the question to the relevant Director.

Answer: Schools account for approx. 41% of the Council's buildings footprint in 2008/09 (i.e. 8,442 tonnes being 41% x 20,592 tonnes) and not the Council's total carbon footprint for 2008/09. The schools projects currently identified in Section 4 of the Plan comes from three sources:

- those identified as a result of the school in question benefiting from a free Carbon Trust walkabout and energy audit of their facilities in 2008/09 (Foxborough, Slough and Langley Grammar), and
- those that have been identified and prioritised by the Property Services team as a result of their detailed knowledge of the fabric and condition of the school buildings and/or the entire schools estate, as part of the Councils routine repairs and maintenance programme; and
- those that have been identified and prioritised as part of the Capital Primary Programme.

Slough Borough Council does not propose to provide the funding for any of these projects over the life of the programme - this is expected to come from the respective schools budget's and/or their dedicated schools grant and external grants monies where applicable. We shall however continue to promote the availability of the Carbon Trust's free energy walkabouts to those schools with an energy spend in excess of £50,000 per annum in order to continue to raise awareness of the issue and identify potential carbon reduction projects for the future. Working with schools to reduce their emissions over the life of the Programme will however be one of the hardest areas for the Council to effect change, given that schools have delegated budgets and may not have the same carbon reduction priorities as the Council.

f) Question:

It was noted, in relation to short and medium term projects, that a high level of expenditure would be required for mechanical equipment, for example. A

Member asked whether the replacement/ maintenance costs of such equipment was taken into account in the calculations. The Officer replied that this was not the case and for example where a new boiler was fitted the costing would have been for the initial cost of the boiler. The Member suggested that the calculations might be incorrect and, as a result, the Council might end-up paying significantly more costs to cover maintenance, where needed. The Officer advised that he would take this comment back to the relevant Director.

Answer: Officers would advise and confirm that the detailed quantification process undertaken for each of the Plan's projects include not only the cost of replacement technology but also a comparison of the annual maintenance costs/charges of the original equipment in situ and the proposed replacement, where appropriate.

Appendices Attached

'A'- Slough Borough Council's Carbon Management Plan 2009 – 2014. Circulated separately to Committee Members and available on request from Democratic Services (01753 875018)