

14 February 2013

Agenda Item: 9

REPORT OF THE SERVICE DIRECTOR FOR TRANSPORT, PROPERTY AND ENVIRONMENT

PERFORMANCE REPORT – ENERGY AND CARBON MANAGEMENT

Purpose of the Report

1. This report provides information to the Committee on the performance of the energy and carbon management service.

Information and Advice

2. The energy and carbon management function provides a service on behalf of the Council's corporate estate, including schools, to ensure supply of electricity, gas and wood fuel is available at competitive rates; to promote and support investment in energy efficiency measures; to support investment in renewable energy technologies; to ensure compliance with energy-related legislation and to manage consumption data to enable effective monitoring, forecasting and reporting.
3. Performance measurement on energy and carbon management has been subject to changing central government requirements and legislation although the County Council is currently obliged to report its annual carbon emissions under the Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES).
4. Environment and Sustainability Committee should note that a detailed report on energy costs and procurement is scheduled to be presented to Finance and Property Committee on 25 February 2013.

Summary of Performance

5. CRCEES outcomes are only reported annually therefore no quarterly update on this is available for 2012/13. However attached is an appendix and flow chart containing both a summary of 2011/12 CRCEES data, and more importantly performance information covering Quarter 3 of 2012/13 in relation to other (not directly CRCEES related) elements of the service.
6. This indicates that overall performance for the service is still good, with a wide range of renewable technology initiatives being installed across the corporate estate, high take up of the Local Authority Energy Finance (LAEF) funding scheme, and a resultant drop in energy use and carbon emissions. Together with the increase in income generation from Feed in Tariffs (FiTs) and the Renewable Heat Incentive

(RHI) the service is contributing significantly to the efficient use of resources for the council against a backdrop of rapidly rising energy/fuel prices.

7. In order to maximise the opportunities offered by both the RHI and FiTs the council has already commenced a major Biomass Boiler replacement programme, and is seeking to extend it's investment in Photovoltaic panels with a further tranche of PV installations on council properties. A report to Finance and Property Committee seeking approval to this latter programme is currently being prepared.

Analysis

8. The scale of the reduction in CRCEES emissions from buildings reported to Committee in the performance report in September 2012 was largely due to the mild winter of 2011-12, compared to the fairly severe winter of 2010-11. At the time of drafting this report the winter of 2012-13 has also been relatively mild (even accounting for the short cold snap in January) and sustaining these reductions seems a realistic proposition particularly given the building rationalisation and improvements recently made under the Council's Ways of Working programme, combined with the renewable energy investment measures mentioned above.

9. Emissions for street lighting, signs and signals are less subject to weather patterns. Action to improve performance in this area primarily rests with Highways, where in addition to the part-night lighting programme officers are actively exploring opportunities for investment in low energy equipment.

10. Committee should be aware that although CRCEES cost for 2012/13 are being effectively managed and should be similar if not lower than costs incurred in 2011/12, the rate per tonne charge is set to increase from £12/tonne in 2012/13 and 2013/14, to £16/tonne in 2014/15. Other changes to the scheme may however help mitigate the council's financial risk under the scheme. These changes are currently subject to consultation.

Other Options Considered

11. None – this is a noting report.

Reasons for Recommendations

12. Energy and carbon management is a significant area of spend for the Council, and has a major impact on the environmental and economic well being of the County. It is essential therefore that the Environment and Sustainability Committee is fully briefed on issues which impact on the delivery of the service.

Statutory and Policy Implications

13. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below.

Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

14. Performance in this service area has a major impact on schools in Nottinghamshire, with the vast majority of non fee paying schools buying electricity and gas through the Council's contracts. For schools and non school sites alike, good energy management and sensible investment can help limit the impacts of the predicted upward trend in energy costs and even yield budget savings, in addition to the environmental benefits accrued from reducing carbon emissions and pollution associated with the use of fossil fuels.

Recommendation

15. That Committee note the contents of the report.

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For any enquiries about this report please contact:
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Constitutional Comments

16. This report is for noting only.

Financial Comments

17. This report is for noting only. There are no direct financial implications contained in the report.

Background Papers

None

Electoral Divisions

All