

## CABINET MEETING – 13 JANUARY 2010

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

Climate Change Action Plan Progress Report

**Author:**

Deputy Chief Executive

**Purpose of Report:**

This report presents progress on Sunderland's Climate Change Action Plan, and requests Cabinet approval of the revised carbon reduction initiatives and targets, which is needed for Sunderland to meet the first requirement of the EU Covenant of Mayors initiative.

**Description of Decision:**

Cabinet is recommended to:

- i) note the progress reported against Sunderland's Climate Change Action Plan;
- ii) approve the submission of this Action Plan, and information contained within, to the EU Covenant of Mayors office.

**Is the decision consistent with the Budget/Policy Framework?** Yes

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

Approval of this progress report, and revisions to targets and actions, is required to update the Climate Change Action Plan, and meet first requirement of the Covenant of Mayors.

**Alternative options to be considered and recommended to be rejected:**

No alternative option is proposed, as this would cause the Council to not meet its first commitment within the EU Covenant of Mayors initiative.

**Is this a "Key Decision" as defined in the Constitution?**

No

**Is it included in the Forward Plan?**

Yes

**Relevant Scrutiny Committee:**

Sustainable Communities

**CLIMATE CHANGE ACTION PLAN PROGRESS REPORT**

**REPORT OF THE DEPUTY CHIEF EXECUTIVE**

**1 Purpose of the Report**

- 1.1 This report presents progress on Sunderland's Climate Change Action Plan, and requests cabinet approval of the revised carbon reduction initiatives and targets, which is needed for Sunderland to uphold the first requirement of the EU Covenant of Mayors initiative.

**2 Description of Decision**

- 2.1 Cabinet is recommended to:
- i) note the progress reported against Sunderland's Climate Change Action Plan;
  - ii) approve the submission of this Action Plan, and information contained within, to the EU Covenant of Mayors office.

**3 Background**

- 3.1 The Council's aim is for Sunderland to become a clean, green city with a strong culture of sustainability, which is one of the five main aims within the Sunderland Strategy. Within this aim, the partners to the strategy have a specific commitment to reduce its carbon emissions.
- 3.2 Sunderland has also made several public commitments to tackling climate change:
- The Nottingham Declaration (signed November 2001)
  - The EURO CITIES Declaration in Climate Change (signed November 2008)
  - The EU Covenant of Mayors (signed January 2009).
- 3.3 To meet these commitments, the Council adopted the Climate Change Action Plan in November 2008, as the framework through which Sunderland will work to reduce the city's carbon emissions.
- 3.4 This report summarises the progress made since the Action Plan was developed and refreshes Sunderland's carbon reduction targets, in line with new UK targets, and those arising from the EU Covenant of Mayors initiative.

**4 EU Covenant of Mayors**

- 4.1 In February 2009, all North East Local Authorities collectively signed the EU Covenant of Mayors treaty. So far, over 950 municipalities across Europe have signed this treaty, but the North East remains the first region to have signed across the board.

4.2 The requirements of the EU Covenant of Mayors are as follows:

- That Local Authorities submit a “Sustainable Energy Action Plan”, or equivalent document, within one year of signing (for Sunderland, this deadline is 14<sup>th</sup> January 2010);
- That Local Authorities report on progress against this action plan every 2 years;
- That Local Authorities commit to reducing carbon emissions by 20%, from a baseline year of their choosing.

4.3 Subject to Cabinet approval of this report, Sunderland will be able to meet the first requirement. The Climate Change Action Plan will ensure Sunderland meets the other two requirements.

## **5 Progress in 2008 and 2009**

### **Current Carbon Emissions**

5.1 Sunderland’s baseline year for monitoring carbon emissions has now been set as 2005. At this point in time, DEFRA has issued verified, local authority carbon emission estimates for 2005, 2006 and 2007.

5.2 In 2007, Sunderland’s carbon emissions were 1,864,300 tonnes CO<sub>2</sub>, which is a 4.5% reduction since 2006, and a 5.6% reduction since the baseline year of 2005. Of these emissions, 34% were produced by housing, 40% from employers (public and commercial) and 26% from road transport.

### **New Targets**

5.3 Sunderland is now aiming to cut carbon emissions by at least 34% by 2020 (compared to 2005), to align itself with the new UK Low Carbon Transition Plan (July 2009). This is an increase from the 26% target agreed previously.

5.4 While the recent conference of 193 countries in Copenhagen was not able to establish a new international treaty on reducing carbon emissions, Sunderland will review its own carbon reduction target when this happens. However, a new treaty is not likely to change the UK’s position greatly, given that the likely requirements for developing countries will be to reduce emissions by between 25 to 45%, and that the UK’s current target (34%) is in the middle of that range.

### **Progress on Carbon Saving**

5.5 With initiatives known to have been implemented from April 2008 to January 2010, an estimated 56,000 tonnes CO<sub>2</sub> will be saved, taking total emissions in 2009 to 8% below 2005 levels. The following summarises key areas of progress, between April 2008 – January 2010.

### **Housing Initiatives**

5.6 Housing initiatives have saved 8,200 tonnes of carbon emissions, which arise from:

- Insulation measures that were installed in 4,014 homes, by the combined efforts of the Council, Gentoo and the government's "Warmfront" programme
- 3,231 new boilers were installed by Gentoo and the "Warmfront" programme.

5.7 Other progress includes:

- The Council has secured £3M of Carbon Emission Reduction Target (CERT) funding, from a major utility company, to install up to 16,000 energy efficiency improvements in homes up to March 2012.

### **Employer Actions**

5.8 Employer actions have saved 27,300 tonnes of carbon emissions, which arise from:

- Nissan installed 2 more 660kW wind turbines, taking the total to 10 turbines;
- Employers in the Low Carbon City campaign continued to install carbon saving measures. For example, City Hospital Sunderland installed new Combined Heat and Power boilers, and the University of Sunderland installed Sunderland's first ground source heating system in their new Chester Rd campus building;
- The Council installed 1.7MW of wood burning boilers, in 6 new schools;
- Emissions saved from closure of Sunderland Glassworks in September 2007, will manifest in 2008 emissions data.

5.9 Other progress includes:

- The Low Carbon City campaign was launched in March 2009, with 20 major employers committing to cut their carbon emissions by 10% or more. These employers will alone save 28,000 tonnes of CO<sub>2</sub> by 2020;
- The Council continues to develop plans for 250kW of wind energy to power its own buildings;
- Planning approval was granted for a 9MW biomass power station at the Port of Sunderland.

### **Transport Initiatives**

5.10 Transport initiatives have saved 20,800 tonnes of carbon emissions, which arise from:

- A 1% reduction in traffic levels in 2008, compared to 2007;
- Introduction of 2.5% biofuels into all road fuels;
- Continued expected increases in vehicle efficiency.

5.11 Other progress includes:

- Sunderland was included in the UK's first Low Carbon Economic Area, to support electric vehicle manufacturing and deployment;
- The Smarter Choices campaign was launched across Tyne and Wear, to help individuals make sustainable travel choices.

## Awareness and recognition

### 5.12 Other progress includes:

- Capitalising on its expertise in carbon management, the Council was commissioned to conduct a carbon emissions study for all 5 Tyne and Wear local authorities;
- In February 2009, Sunderland City Council won the national Sustainable Communities Award, for “Tackling Climate Change”.

## 6 Carbon Emissions Outlook from 2010 to 2020

6.1 Future actions and opportunities identified in this progress report could cut Sunderland’s carbon emissions by a further 404,000 tonnes CO<sub>2</sub>. This will reduce total emissions to 29% below 2005 levels, with future revisions to this action plan needing to identify how the further 5% reduction could be achieved, to meet the 34% target.

6.2 This level of emissions reduction requires at least 2.5% reduction per year to 2020. This is still very challenging, but initiatives to support these more ambitious targets include the following:

- Sunderland is developing a new Economic Masterplan, with a vision that Sunderland is to become “**An entrepreneurial University City at the heart of a low carbon regional economy**”. Action plans that demonstrate how Sunderland will develop a Low Carbon Economy –will be developed during 2010. These will both support low-carbon business sectors, such as electric vehicles and offshore wind, and develop Sunderland as a centre of low carbon business infrastructure, buildings and transport.
- Sunderland City Council and housing partners will continue efforts to work towards insulating every possible home in Sunderland. From 2010, this will now include the first trials of solid wall insulation for private homes, which is where the greatest potential exists for making carbon savings in Sunderland’s existing housing stock. Applications will also be made to the government’s Low Carbon Communities Challenge Fund, to further support solid wall insulation within Sunderland’s major housing regeneration areas.
- All North East local authorities have now made a commitment to cut their carbon emissions through the EU Covenant of Mayors. It is anticipated that this will foster much greater joint-working on carbon reduction opportunities, both at a regional level, and within the Tyne and Wear City Region.

6.3 Sunderland is also relying on the UK Government to successfully deliver renewable energy targets for heat and electricity, along with bringing into force new national sustainable construction policies for homes and all other buildings.

## 7 Financial implications

7.1 Other than the funding already committed to specific initiatives, the Climate Change Action Plan does not in itself require funding. Any funding or resources

needed for further initiatives will be considered and brought forward on a case-by-case basis.

7.2 However, this review has indicated two new areas that require potential investment in the future, which will need to be brought forward separately:

- Co-ordination and delivery of a Low Carbon infrastructure and developments. Strategically, this will be met by the action planning to be completed on the Economic Masterplan. However, in the short term, feasibility funding will be required to establish economically viable locations and technologies for low carbon developments sites. However, subsequent installation should be able to be financed through developer or private investment.
- Significant need for investment in solid wall insulation, which should be considered by future Housing Strategies and energy efficiency programmes in Sunderland, and explore opportunities through sub-regional and regional housing strategy and funding.

## **8 Legal Implications**

8.1 While national carbon emissions targets have been enacted in statute, through the Climate Change Act, Sunderland's carbon emission targets, at a local authority level, are not legally binding. However, these targets will contribute to performance indicators linked to carbon emissions (NI185 and NI186), that are to be monitored by central government and taken into account in the Comprehensive Area Assessment.

8.2 The Covenant of Mayors is a legally binding document, and Sunderland would be expelled from the Covenant if:

- no Action Plan was submitted;
- reports in two successive periods were not submitted;
- the city failed to meet the overall CO<sub>2</sub> reduction objective.

8.3 Subject to approval of this report, the first requirement will be met, and the Climate Change Action Plan will ensure the other actions are also met.

## **9 Contribution to Corporate Objectives**

9.1 The Climate Change Action Plan, and associated actions:

- Support Aim 5 of the Sunderland Strategy: "To ensure that Sunderland becomes a clean, green city with a strong culture of sustainability", as well as providing the framework to achieve the Sunderland Strategy objective of reducing carbon emissions by 26% by 2025.
- Support Sunderland in progressing towards NI186 targets, both locally and towards the Tyne and Wear City Region Multi Area Agreement targets.
- Support a range of sustainability objectives within the Sunderland Strategy and Local Area Agreement, as evidenced through a Sustainability Appraisal of the action plan.

## **10 Consultation**

10.1 Consultation has been carried out specifically with the Council services and organisations relevant to the new areas of action identified in this annual report, namely:

- Office of the Chief Executive (Corporate Policy, Business and Investment, Director of Financial Resources);
- City Services (Transportation);
- Health, Housing and Adult Services (Housing Strategy);
- External organisations (Gentoo, Sunderland ARC, Nissan).

## **11 Reason for Decision**

11.1 Approval of this progress report, and revisions to targets and actions, is required to update the Climate Change Action Plan, and meet first requirement of the Covenant of Mayors.

## **12 Alternative Options**

12.1 No alternative option is proposed, as this would cause the Council to not meet its first commitment within the EU Covenant of Mayors initiative.

## **13 Background Papers**

13.1 The following papers are included with this report:

- Climate Change Action Plan for Sunderland. Progress Report Jan 2010

13.2 The following papers were used in developing this report, and can be supplied by the Deputy Chief Executive.

- Appendix 1. Completed Sustainable Energy Action Plan template, for submission to EU Covenant of Mayors Office.