

SURREY COUNTY COUNCIL**CABINET****DATE: 24 MARCH 2015****REPORT OF: MR MIKE GOODMAN, CABINET MEMBER FOR ENVIRONMENT AND PLANNING****MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES****LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR FOR ENVIRONMENT AND INFRASTRUCTURE****JULIE FISHER, STRATEGIC DIRECTOR FOR BUSINESS SERVICES****SUBJECT: CARBON AND ENERGY POLICY FOR 2015 TO 2019****SUMMARY OF ISSUE:**

This report sets out the County Council's Carbon and Energy policy for 2015 to 2019, which builds on the Council's existing policy framework.

The policy sets out the County Council's ambition to be a resilient and low carbon council in the most cost effective way, whilst enhancing the wider benefits to Surrey's economy and environment.

The policy will enable the Council to reduce its carbon emissions, manage energy costs and become more resilient in times of volatile global energy markets, whilst meeting our energy needs in buildings, streetlighting and the Council's fleet and business travel.

The Council has a number of statutory duties that it is obliged to carry out in respect of carbon and energy.

The County Council is required to participate in the Carbon Reduction Commitment Energy Efficiency Scheme, a trading scheme relating the carbon omission from the County Council estate. The Council also has to provide Display Energy Certificates and Energy Performance Certificates in buildings covered by the Energy Performance of Buildings Directive as well as carry out Air Conditioning Inspections to assess energy efficiency. As part of the Single Data List, the Council is required to publish an annual report of its Greenhouse Gas Emissions.

The County Council must fulfil its responsibilities as the Planning Authority for Waste and Minerals (which includes approving extractive activities in relation to fuel reserves) and also its responsibilities as the Planning Authority for council developments, for example school expansions. In the latter respect, the council must apply the policies of the relevant Local Planning Authority, depending on the location of the site.

Furthermore the County Council is statutorily required to maintain (though not necessarily improve) the building fabric and services of particular types of schools i.e. Community, Foundation and Voluntary Controlled, with its specification and maintenance regime decisions impacting on the efficiency and performance of heating systems, lighting, air tightness and insulation.

Adopting the Carbon and Energy Policy will assist the County Council in complying with its statutory requirements and deliver added value.

RECOMMENDATIONS:

It is recommended that the Cabinet:

1. adopts the proposed Carbon and Energy Policy (**Annex A**).
2. An action plan is developed, further to the policy's outline action plan (Annex A, section 7) to implement the policy and deliver the carbon emissions reductions and associated cost savings.
3. That the Cabinet Member for Environment and Planning works in partnership with Surrey Boroughs and Districts to develop opportunities for joint working to reduce carbon emissions and energy costs of the public sector.

REASON FOR RECOMMENDATIONS:

Implementing the Carbon and Energy Policy will support the Council's aims, including providing improved cost control and value for money, demonstrating community leadership in relation to carbon emissions reduction and achieving wider benefits for Surrey's local economy and environment.

DETAILS:

Why we need a carbon and energy policy

1. The policy is required to enable the Council to address a number of key challenges, opportunities and expectations on the Council, including:
 - Managing budget pressures in the context of volatile energy price increases and the ongoing challenging financial climate
 - Reducing carbon emissions, in support of UK government Climate Change Act¹.
 - Ensuring joined up decision making across the Council's services in respect of implications for energy and carbon
 - Supporting schools to be more cost efficient and environmentally sustainable
 - Harnessing the potential benefits from technological and other innovation and new models of delivery

¹ The Climate Change Act was passed in 2008. Its purpose is to develop an economically credible emissions reduction path, to 2050 and a national plan for adaptation to climate change.

- Developing wider benefits to Surrey's economy and local environment, such as employment in the low carbon economy sector and air quality benefits.
2. This policy builds on the Carbon and Energy Policy for period 2010-14 and demonstrates continued delivery in support of the Surrey Climate Change Strategy; a joint vision of the County Council, boroughs and districts and Surrey Police to reduce carbon emissions and enable climate change adaptation, across the public sector estate/services and in domestic and commercial sectors. The Climate Change Strategy is owned by the Surrey Energy and Sustainability Partnership and through this forum, the Council will continue to seek to identify joint working opportunities for climate change mitigation and adaptation.

Scope of the policy

3. The scope of this policy is the energy consumption and associated carbon emissions over which the Council has the greatest control.

The policy does not cover the management of risk to service provision of a changing climate, nor does it cover activities to reduce carbon emissions from the wider community i.e. domestic and commercial sectors.

4. The scope of the policy is defined as follows:
 - a. In the scope of direct objectives and within the scope of our measured and monitored carbon emissions:
 - i. fuel and power consumption of the corporate property portfolio,
 - ii. the development of the Council's assets for energy generation,
 - iii. streetlighting electricity consumption,
 - iv. fleet fuel consumption and staff business travel
 - v. schools which are maintained by the Council i.e. Community, Foundation and Voluntary Controlled statuses.²
 - b. In the scope of wider objectives, but not within the Council's measured carbon emissions:
 - i. the suppliers who provide service contracts where energy costs form a significant component.
 - ii. schools which are not maintained by the Council, for example Voluntary Aided (VA) schools and Academies³.

² It is recognised that although these schools are within the scope of monitoring and reporting, they are self-governing organisations in respect of many decisions that influence energy consumption

³ Whilst VA schools and Academies are beyond the scope of our measured emissions, as a Council we work across the spectrum of Surrey's education community to deliver

- iii. Staff commuting is also within the scope of this policy, but not part of measured emissions levels. The Council has a clear interest in supporting flexible and productive working and demonstrating leadership in its role as Transport Authority.

Baseline carbon emissions and energy costs

5. In 2013/14, within the scope outlined above, the Council emitted 67,746 tonnes of carbon dioxide and other greenhouse gases. The Council spent a total of £14m on energy, comprising electricity, gas and oil in all non-school buildings (£3.1m), streetlighting (£3.5m), fuel for fleet vehicles (approximately £0.7m), business travel expenses (£5.8m) and CRC liabilities (£0.8m⁴). Schools, excluding Academies, spent a further £8.2m on electricity, gas and oil in 2013/14.

Figure 1: Energy costs and carbon emissions in 13/14

| | Energy cost | CO ₂ emissions (tonnes) ¹ |
|--|---------------|---|
| Energy for corporate buildings | £3.1m | 14,074 |
| Streetlighting | £3.5m | 16,064 |
| Carbon Reduction Commitment (carbon tax) | £0.8m | n/a |
| Owned vehicles (estimated fuel spend) | £0.7m approx. | 1,526 |
| Business travel mileage, inc lump sum (excluding public transport trips) | £5.8m | 3,057 |
| County council: sub total | £14m | |
| Schools : Community status | £8.2m | 33,025 |
| Schools: Voluntary controlled | | |
| Schools : Foundation status | | |
| Schools : Voluntary aided | | Out of scope |
| Academies | Not known | Out of scope |
| TOTAL for carbon reduction target purposes | | 67,746 |

sustainability objectives including safer travel to school, learning for sustainability; waste and energy programmes.

⁴ Carbon Reduction Commitment reporting rules have changed for 14/15 and the current MTFP has been adjusted accordingly.

Benchmarking

6. Benchmarking the County Council is primarily achieved through published CRC reported carbon emissions and greenhouse gas emissions reporting to DECC. This indicates the council is broadly in line [with changes over] time with other councils. However, differences in estate portfolios, changes in reporting requirements over time, discrepancies in reporting scope and methods are just a few of the barriers to the accuracy of more specific benchmarking in energy consumption and carbon emissions levels.
7. Benchmarking of energy costs, via the council's LASER contract has been assessed by the council's internal audit department and the future procurement proposal for 2016 to 2020 is to be presented to the Cabinet in April. The latest independent value for money assessment by the London Energy Project confirms Laser's past purchasing performance to be "Good". The LEP⁵ report (December 2014) evaluated average market price with achieved purchase price and rated LASER's performance as "good" for all four of its purchasing options.

Way forward to 2019

8. The policy sets out the County Council's ambition to be a resilient and low carbon council in the most cost effective way, whilst enhancing the wider benefits to Surrey's economy and environment.
 - a. The policy sets a **target** for a 10% reduction in carbon emissions by 2018/19 against a 2013/14 baseline, which will deliver associated cost avoidance i.e. savings compared to 'business as usual'.
 - b. The target was developed in light of a number of factors including the appraisal of financial return and delivery feasibility of opportunities, growth pressures, changes in our approach to financing energy efficiency improvements in schools and the relatively small scale of economically and practically feasible opportunities identified to date in relation to Council owned fleet and business travel. These considerations are further discussed in the risk management section below and in Annex B.
9. The policy is underpinned by a set of **guiding principles**:
 - a. To be joined up in decision making as one council e.g. service decisions including energy efficiency considerations
 - b. To develop carbon reduction proposals on a prioritised basis (statutory obligations, return on investment, feasibility of influencing and delivering change, scale of emissions reduction, wider local social and environmental impacts)
 - c. To work with partners with mutual interest

⁵ London Energy Project (LEP) is a public sector shared service, designed and managed by the public sector for the public sector on a not-for-profit basis in total 39 members, including 30 London Authorities and 4 Regional Authorities. Its primary aim is to enable Participating Authorities to achieve value for money and efficiencies through smarter energy buying, improved administration process and carbon reduction.

10. A core group including Property, Environment, Highways and Finance Services has identified and appraised opportunities and risks in relation to these principles. The scale of investment and return has been considered for the most significant opportunities identified to date and this is further discussed in the financial and value for money section below. Project options have been identified across the corporate estate, street lighting, schools, fleet vehicles and business travel.
11. An outline **action plan** to deliver these financial and carbon benefits is outlined in the policy, in form of eight **objectives**:
 - 1) Meet statutory obligations
 - 2) Be joined up in decision making
 - 3) Achieve efficiency and wider benefits through procurement
 - 4) Engage staff to be active in saving energy
 - 5) Optimise the asset performance of the corporate estate
 - 6) Reduce emissions from fleet vehicles and business travel
 - 7) Support schools to reduce energy costs and emissions⁶
 - 8) Monitor and report our progress

Monitoring and reporting

12. The Council is already required to participate in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme, report its carbon emissions to the Department for Energy and Climate Change and to publish an annual report of all Greenhouse Gas (GHG) emissions on the Council's website. In addition to this the Overview and Scrutiny Committee will review progress on an annual basis.

| |
|----------------------|
| CONSULTATION: |
|----------------------|

13. The policy has been developed by a core officer group including Property, Environment and Finance services and in consultation with relevant services, in particular Highways & Transport and Fire and Rescue Services. The policy has been developed with reference to the Carbon Trust's success criteria for a public sector Carbon Management Plan and the county's Internal Audit team has also been consulted during policy development.
14. Boroughs and Districts have been consulted via the Surrey Energy and Sustainability Partnership, along with ongoing dialogue with parallel officers in SE7 Councils, via the SE7 Energy group.
15. The Council's Overview and Scrutiny Committee scrutinised the proposed policy on 29 January 2015. This process included inviting comments from a range of local environmental interest groups.
16. The committee endorsed the policy, subject to two recommendations, as covered elsewhere in this meeting's agenda.

⁶ Our level of engagement with schools depends on their status. Schools from across the sector spectrum, will be invited to participate in sustainability initiatives, for example Ecoschools and Ashden LESSCO₂ programme, although charging arrangements may vary. Site specific guidance on identifying, accessing finance and the procurement of energy efficiency measures, will be provided to maintained schools only.

17. As described in the Cabinet Member's formal response to these recommendations, with regard to the ambition of the target; this has been further considered by officers and taking account of the changes and future uncertainties that the Council faces, this target is considered to be appropriate and deliverable (see further discussion below).
18. Furthermore, a commitment to delivering a staff energy awareness and behaviour change campaign is included in the policy's action plan and steps are underway to deliver this in conjunction with Internal Communications, using the County Council's well-established internal communication channels.

Further evidence for the case for 10% target for emissions reduction

19. Council Overview and Scrutiny Committee recommended that the Cabinet give further consideration to the level of the target for carbon emissions reduction, in light of a benchmarking exercise that highlighted that some neighbouring 'South East 7' authorities have set higher targets (see Annex B).
20. As outlined in the risk management section below, the Council faces a number of challenges in delivering absolute emissions reductions: growth pressures from schools and IT requirements; a reduction in government funding; and the need to ensure acceptable rates of return on investment to the Council. A 10% net emissions reduction is a challenging target in this context and the Council will consider the potential for further in the period beyond 2020. Progress against the target will be subject to detailed review in September 2016⁷ with a view to setting a higher target for the remaining period, if it can continue to deliver both carbon and cost benefit to the County Council.
21. The Council does not have a statutory duty to set or achieve any prescribed level of emissions reduction, beyond ensuring overall best value and in general supporting the Government's long term national emissions targets and carbon budgets, as set out by the Climate Change Act 2008. This is the legal framework for ensuring that Government meets its commitments to tackle climate change requiring an emissions reduction of at least 80% by 2050, compared to 1990 levels (or a 77% cut vs 2006 levels)⁸. This includes emissions from electricity generation, domestic heating, transport, commercial and industrial sectors. There is no statutory responsibility for councils to achieve a prescribed level of contribution towards this.

RISK MANAGEMENT AND IMPLICATIONS:

The Carbon and Energy policy sits within the context of managing risks to the County Council, and provides the basis for management of these risks:

22. **Affordability of energy:** In providing vital public services, the Council has a significant demand for energy, the price of which has been subject to above inflation rises and may be subject to further inflation over the coming decade.

⁷ The review will consider achievements since the baseline year of 13/14 i.e. emissions reduction in 14/15 and 15/16.

⁸ Building the Low Carbon Economy – the UK's contribution to tackling climate change, Part 1: the 2050 target

By having a lower energy demand, through increased efficiency, we will not only reduce costs but also have less exposure to price volatility.

23. **Reputational risk:** as the lead strategic public sector body in Surrey, the Council is expected to demonstrate leadership in the prudent use of resources, both financial and natural capital and in controlling pollution.
24. The Carbon and Energy Policy helps the Council to manage these risks by setting out a proactive strategy to manage energy costs and reduce carbon emissions.

A number of other risks to the successful implementation of the policy have been identified and the Council will seek to mitigate these, as set out below:

25. **Buy-in from schools:** finance for energy efficiency measures in schools is primarily to be delivered through schools taking on loans to finance energy efficiency measures, with repayments via energy bill savings. Previously such measures have been predominantly funded through the schools maintenance budget, but due to high demands on this budget for essential core maintenance and historic reductions in funding received by the county from government, a new approach is required for energy efficiency measures. Officers have produced supportive guidance for schools and will support schools to fully understand the new funding arrangements and ensure value for money, through the selection of appropriate projects and procurement of value for money contractors.
26. **Availability of affordable capital:** schools taking on Salix⁹ loans is subject to this funding source continuing to be available, and terms and conditions remaining attractive. For the corporate estate energy efficiency measures in buildings, the Council has set aside a capital budget in the MTFP (Medium Term Financial Plan). The Council will, on behalf of itself and maintained schools keep well informed of the best options for financing projects, including traditional borrowing options and newer models of delivery involving third party finance.
27. **Limited lifetime of renewable energy subsidies:** the subsidies currently available for micro-generation from renewable sources i.e. the Feed in Tariff (FIT) and the Renewable Heat Incentive (RHI), are subject to annual degeneration and their life time is limited with fixed budget caps. The tariffs are designed to encourage early adopters, leading to mainstreaming of these technologies and consequential price reductions for non-recipients of the tariff into the future. In the solar PV market this has been observed. However, if economies of scale are not achieved or sustained, or price reductions not seen by purchasers, then attractive investment opportunities in the future may be more limited than at present. Based on current industry impressions, it should be expected that FIT and RHI will only be available to new schemes until 2020 at the latest, depending on market take up in relation to the fixed budgets set for these incentives.

⁹ Salix is a dedicated funding stream for the public sector to access finance at 0% interest, for energy efficiency measures, subject to meeting terms and conditions of the fund.

28. **Corporate estate portfolio change:** uncertainty over the future retention or disposal of assets can present difficulties for decision making in any building maintenance or upgrades. The Property team will work closely with Services to better understand the impact of such changes wherever possible.

Further residual risks to achieving cost and carbon reductions which are beyond the Council's control have also been identified. The proposed means of addressing these is outlined below:

29. **Weather:** variations in weather conditions result in significant annual variations in the demand for heating fuels, of a magnitude potentially in excess of 10% in one year compared to the next. These are clearly beyond our control and we will apply a correcting calculation to our carbon emissions target, to account for this. However the financial cost remains an absolute figure.
30. **Growth pressures:** even if the Council were to achieve a notional optimum level of energy efficiency, growth pressures such as the schools expansion programme, and expanding use of the ICT Primary data centre¹⁰ could increase energy demand beyond the gains in efficiency from the estate as a whole. The 10% target is set in light of current estimates for the scale of this growth pressure, but should growth be higher than currently expected, this would create a further challenge to meet a net 10% reduction. The monitoring method will ensure transparency through reference to such changes alongside reported emissions.
31. **Energy price volatility:** whilst energy price inflation is a risk that is managed by the Council as part of its procurement arrangements, volatile energy prices create a difficult environment to provide high confidence in the likely levels of the Council's future energy costs and equally the value at stake and cost avoidance achievable by a given investment programme. This is addressed, as far as possible, through the use of well informed and continuously reviewed assumptions, which are applied consistently across various business cases.
32. **Electricity carbon factors:** even if energy demand is reduced by 10%, carbon emissions are not necessarily reduced by an equal amount, as the carbon intensity of energy consumption, in particular electricity, is determined by the grid's 'energy mix' (coal, gas, nuclear, renewable etc). National policies are in place for a general 'decarbonisation' of the grid over time, but other factors are also at play, such as geopolitical events in energy producing countries (affecting wholesale energy prices, including relative price changes between fuels) and large scale infrastructure programmes e.g. nuclear decommissioning, new nuclear capacity, coal with carbon sequestration and storage etc. These all affect carbon intensity of grid electricity. The Council could avoid this risk by applying the same carbon factor throughout the policy period, but this is not considered appropriate, as it would not give an accurate reflection of emissions in a given year and could give information which conflicts with the Council's emissions declared under national schemes such as Carbon Reduction Commitment (CRC) and Greenhouse Gas emissions reporting.

¹⁰ The ICT Primary data centre has been designed and built to high level of energy efficiency, but current utilisation of the facility is only a fraction of what it has been designed for over the longer term. Therefore increased use will lead to increased energy consumption relative to today.

Financial and Value for Money Implications

33. A core aim of the proposal is to ensure the Council achieves value for money in relation to its energy demands. The funding for the proposed projects within the policy will be sought from a variety of sources. These depend on the area of the estate or fleet and some are within the current Medium Term Financial Plan (MTFP) while others are not yet included, as stated in Annex A, page 16. The Council's standard investment appraisal and approval processes will be applied where appropriate.
34. In relation to maintained schools, the Council will focus on supporting schools to identify carbon savings project opportunities and to secure finance from dedicated low cost funding sources, such as Salix, who receive funds from the Department for Energy and Climate Change and the Department for Education. Academies and Free schools are able to access the Education Funding Agency's 'Condition Improvement Fund' via Salix.
35. A key objective of the policy is to identify new opportunities with positive return on investment, in established and new technologies and current financial incentives for micro-generation.
36. The Council is currently active in implementing carbon reduction projects in areas including:
 - a. Corporate estate energy efficiency and micro-generation measures comprising Building Management Systems, more efficient boilers (both gas and biomass), other heating system improvements, insulation, LED lighting and controls and solar PV. Voltage optimisation has also been recently installed in 14/15.
 - b. Programmes to support staff to work flexibly and reduce the need to travel in the course of meeting business needs.
37. Further investigations are underway in the areas of:
 - a. Large scale solar PV array at a closed landfill site; increasing returns from land with limited alternative use.
 - b. Schools estate efficiency projects and micro-renewables (similar measures to the corporate estate), funded via Salix borrowing or other third party investment, in line with funding criteria.
 - c. Electric vehicles for Community Highways Officers.
 - d. Streetlighting LED for one fifth of the highest lighting priority areas (given the new lighting management (dimming) programme).
38. The scale of investment and savings for the corporate estate is consistent with the Council's MTFP. For illustrative purposes a simple financial appraisal and carbon reduction schedule for possible energy conservation projects for the corporate estate has been conducted in conjunction with Finance. This shows that investment of £3.2m could generate carbon reductions of 10% from the corporate estate (making up one third of the target) and yield a positive financial return with a simple payback of around 8 years.

39. Analysis for schools included suggests investment of £9.6m would yield a similar percentage reduction in emissions, with a simple payback of around 8 years and making up a further half (50%) towards the target. Low cost borrowing arrangements such as Salix are recommended as the primary funding source, rather than continuing to ring fence capital investment from the schools capital maintenance budget. In addition, county funded maintenance projects may also contribute carbon reduction benefits on the schools' estate, but these will not be designed with carbon reduction as the primary focus.
40. Other areas currently under consideration for potential financial return, include a large scale solar PV array at a closed landfill site and procurement of electric vehicles within the Council's fleet. Such projects would require scrutiny and approval from the Council's Investment Panel and Cabinet. Streetlighting LEDs on one fifth of the network have been considered, but to date the business case has not been found to offer an acceptable return to the Council.
41. If any of the current range of schemes under consideration are determined to be uneconomic, then other opportunities will be sought to contribute towards achievement of the 10% target emissions reduction. Schemes will only be pursued where they provide a positive return on investment for the County Council, but at the same time the 10% target will not represent a limit on options development and investment. Proposals achieving an acceptable return to the Council will continue to be sought beyond this target.
42. The cost effectiveness of the Council's previous programme of carbon reduction in corporate buildings and maintained schools has previously been reported to the Overview and Scrutiny Committee. This has reported that investment of £9.2m in energy efficiency measures, over a three year period from 10/11, has delivered full year savings of £1.1m pa.
43. Along with investment in streetlighting, the above programme has contributed towards a 9% reduction in overall carbon emissions over the 2010-14 period of the previous policy, after accounting for the impacts of weather variations (or a 12% absolute reduction, if not accounting for weather). Overall this scale of change is broadly comparable with other councils in the south east.

Section 151 Officer Commentary

44. The Section 151 Officer confirms that the investment in energy efficiency measures since 2010/11 has contributed to ongoing energy costs avoidance as per the report and that the current MTFP includes corporate property savings and investments in line with the report. Future investment for SCC non-school schemes will be assessed on a case by case basis and follow the Council's capital funding procedures. Any new savings will be incorporated into the budget planning considerations for the updated MTFP.

Legal Implications – Monitoring Officer

45. The Climate Change Act 2008 is the legal framework for ensuring that Government meets its commitments to tackle climate change requiring an emissions reduction of at least 80% by 2050, compared to 1990 levels.

Equalities and Diversity

| | |
|--|--|
| Information and engagement underpinning equalities analysis | <p>The policy has been developed in conjunction with those departments with lead responsibility for delivering those services which make up the largest contribution to the Council's energy/ fuel use and carbon emissions. i.e. Property Services (Council buildings and schools), Highways (street lighting) and Fire and Rescue (fleet vehicles) and HR in relation to business travel.</p> |
| Key impacts (positive and/or negative) on people with protected characteristics | <p>This policy is a framework, setting a target for carbon reduction over 5 years and a range of objectives and areas of focus. It does not prescribe any specific projects at a level than enables assessment of impacts on protected equalities characteristics, at this stage.</p> <p>Therefore the policy is not expected to have any negative or positive impacts on groups with protected characteristics. However once specific projects are at an appropriate developmental stage, equalities considerations and EIAs will be conducted, where required. This is particularly in the case of business travel and proposals for services affecting the public e.g. streetlighting, which are within the scope of the policy and may have impacts on some groups with protected characteristics.</p> |
| Changes you have made to the proposal as a result of the EIA | <p>None required.</p> |
| Key mitigating actions planned to address any outstanding negative impacts | <p>None required. Any impacts of specific projects will be considered as a when proposals are brought forward.</p> |
| Potential negative impacts that cannot be mitigated | <p>None.</p> |

Public Health implications

46. The Council is a direct provider of school buildings (including SEN schools), care homes, day centres, youth centres; buildings used by people who are most vulnerable to the potential negative effects on health of excess cold and heat. The policy will positively contribute towards meeting the Council's obligations to supporting health and wellbeing of such service users, through a more proactive approach to energy management and will also consider the health and well being needs of building occupants in energy management decisions.

47. In a wider context, the Council's proactive management of energy, will support health benefits at a local scale including air quality improvements (in the case of reducing emissions from transport and reducing / displacing oil consumption in some buildings) and contribute positively to national and international actions to mitigate the most serious levels of climate change.

Climate change/carbon emissions implications

48. The policy is specifically focused on enabling the Council to deliver and demonstrate progressive reductions in carbon emissions arising from its own operations and estate. The policy comprises a target and a strategic plan, to enable a 10% reduction in carbon emissions by 2019, further building on carbon reduction achieved since 2010.

WHAT HAPPENS NEXT:

49. Subject to the Cabinet's approval of the proposed policy, more detailed milestones will be set out via the quarterly Directorate performance reporting process for 2015/16, across the relevant services.
50. Annual external statutory reporting will continue, as required and the Council's Overview and Scrutiny Committee will receive annual reports, with the first report in 2016 , reporting on progress in emissions reduction in 2014/15 vs the baseline year.
51. A Greenhouse Gas emissions report, as required by Department for Energy and Climate Change, will comprise trends in emissions and commentary on progress. It will be published annually in July on the Council's external website.
52. The Cabinet will be consulted in due course, on further investment cases and contract decisions, in support of the policy.

Contact Officer:

Bronwen Chinien, Environment Policy Manager, 020 8541 8538

Consulted:

- SCC Property
- SCC Highways
- SCC Fire and Rescue Service
- SCC Procurement
- SCC Internal Audit
- SCC HR and Organisational Development
- Surrey Energy and Sustainability Partnership (Boroughs and districts)
- South East 7 Councils, various Energy Managers
- Carbon Trust
- Environmental interest groups, via the Overview and Scrutiny Committee process

Annexes:

Annex A: Carbon and Energy Policy 2015 to 2019

Annex B: Benchmarking carbon reduction targets and reported reductions

Sources/background papers:

- [SCC Carbon and Energy Policy 2010 to 2014](#)
 - [SCC Greenhouse Gas Emissions Report 13/14](#) to DECC 2013/14 and previous.
 - “Annual Energy Report for County Council Buildings in 2012/13 and LASER energy procurement contract”, report to Overview and Scrutiny Performance and Finance subgroup, 30th September 2013
 - Review of Energy Management 2013/14, Internal Audit Report, August 2013
-