

READING BOROUGH COUNCIL

REPORT BY CHIEF EXECUTIVE

TO:	COUNCIL		
DATE:	27 JANUARY 2009	AGENDA ITEM:	6
TITLE:	CLIMATE CHANGE STRATEGY AND ACTION PLAN DEVELOPMENT UPDATE		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK AND COUNCILLOR GITTINGS	PORTFOL IO:	LEADERSHIP ENVIRONMENT AND SUSTAINABILITY
SERVICE:	CHIEF EXECUTIVE	WARDS:	BOROUGH-WIDE
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1. EXECUTIVE SUMMARY

- 1.1 The Nottingham Declaration on Climate Change (which Reading Borough Council signed in March 2006) requires the Council to make both strategic and operational responses to carbon dioxide emissions reduction.
- 1.2 A first draft of a Climate Change Strategy was published in April 2008 and following a period of consultation, feedback informed a second draft of the strategy which was noted at Cabinet on 1 December 2008. Cabinet recommended that this revised version of the strategy be reported to Council for approval in 2009 (Minute 107 refers).
- 1.3 The strategy is accompanied by an action plan which sets out a range of activities aimed at meeting the key objectives of the strategy. These have been published on the Council's website, and put on deposit in the Group Rooms. The Overview of Consultation Responses Received for Reading Climate Change Strategy is attached at **Appendix A**.
- 1.4 The Council is recommended to adopt this revised draft of the strategy.

2. RECOMMENDED ACTION

- 2.1 That the second draft of the Climate Change Strategy be adopted as the Council's Climate Change Strategy and Action Plan for the period 2008-2012.

3. POLICY CONTEXT

- 3.1.1 Currently the Council has no specific Policy for Climate Change, although the Environmental Policy Statement and a Sustainable Community Strategy broadly cover this theme area. A specific Climate Change Strategy has been developed to respond to the new legislative and leadership roles which Councils are required to perform with respect to Climate Change. The context and main requirements placed on Local Authorities, with respect to climate change are set out in sections 3.1.3 to 3.1.10 below.
- 3.1.2 A first draft of the Climate Change Strategy was published in April 2008 and following a period of consultation, feedback informed the second draft of the strategy which was noted at Cabinet on 1 December 2008. Cabinet recommended that revised version of the strategy be brought to Full Council in 2009.
- 3.1.3 The Nottingham Declaration on Climate Change (which Reading Borough Council signed in March 2006) requires the Council to make both strategic and operational responses to carbon dioxide emissions reduction.
- 3.1.4 The Climate Change Act received Royal Assent in November 2008. The Act is the first national legislation in the world to set legally binding targets for reductions in greenhouse gases. It sets a target of 80% reduction in greenhouse gases from 1990 levels and 34-42% reductions by 2020. It confers powers for carbon trading and other methods of reducing greenhouse gases emissions.
- 3.1.5 The Act establishes the Committee for Climate Change, who produced the first report "Building a low-carbon economy - the UK's contribution to tackling climate change". The report makes recommendations on the first three budget periods, 2008-2022.
- 3.1.6 By 2010 Reading Borough Council will be required to participate in a mandatory carbon-trading scheme, with a price of £12/tonne CO₂ set in the introductory phase and a bonus/penalty of ±10% rising to 50%.
- 3.1.7 The Local Government White Paper *Strong and Prosperous Communities* commits local authorities to a smaller more focussed set of priorities as well as radically reduce the number of national indicators (to 198). Four of these indicators are for climate change.
- 3.1.8 The Local Area Agreement, signed off in June includes as one of 34 designated 'up to 35' indicators, National Indicator 186, 'Per capita CO₂ emissions in the LA area'. This indicator requires carbon reductions per capita across the Borough and will be measured and monitored by the Government. In addition to this, 3 other national indicators have been adopted amongst the 30 selected local indicators. These are NI 185 CO₂ emissions for local authority estate, NI 187 Tackling fuel poverty and NI 188 Adapting to climate change.
- 3.1.9 The Climate Change and Energy Efficiency Act (2006) places a statutory duty on local authorities to have regard to the Energy Measures Report in the exercise of any of their functions.

- 3.1.10 According to RBC's own benchmarking and monitoring process, developed under the Carbon Trust's Local Authority Carbon Management Programme, the Council's carbon footprint (2006/7) was **19,873** tonnes. This compares to **20,870** tonnes in 2005/6, and represents a saving of approx. 1000 tonnes, or 4.8% reduction. Our stated target in the Carbon Strategy and Reduction plan and out LAA is a 2% year on year reduction.
- 3.1.11 According to the latest Government figures (provided by AEA technology), the borough of Reading had a carbon footprint (2005) of 1,003,000 tonnes which reduced to 995,000 tonnes (2006). This represents a 1% reduction. (This figure is not directly comparable with previous borough-wide footprints due to improvements in data quality and changed methodology). The target within the Local Area Agreement is for a 9 % reduction in CO2 emissions per person over the three years of the LAA, which ends in March 2011
- 3.1.12 The Consultation on the Draft Climate Change Strategy and Action Plan closed on the 31st May 2008. A report on the responses is included in the Appendix.

4. THE PROPOSAL

(a) Current Position:

- 4.1 The Draft Climate Change Strategy and Action Plan consultation ended on 31st May 2008. Taking over twenty written consultation responses the proposed amendments to the first draft of the climate change strategy have been incorporated into a second draft of the strategy. This draft of the Strategy was presented to Cabinet on 1st December 2008. Cabinet approved the second draft of the strategy for endorsement by full council.

(b) Options Proposed

- 4.2 It is recommended that the Council approve the adoption of the second draft of the climate change strategy and action plan. This covers the period of 2008-2012 and fits into the government's budgeting periods outlined in the Climate Change Act.
- 4.3 The strategy also includes an action plan which details the approach that the Council will take to address climate change within the Borough over this period.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The Strategic Aims are:

- To Develop Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley
- To establish Reading as a learning City and a stimulating and rewarding place to live and visit

- To promote equality, social inclusion and a safe and healthy environment for all

5.2 The development of a Climate change Strategy is key to delivering all of the above strategic aims.

5.3 There is a legislative and moral imperative for local authorities to lead to reduce the emissions of greenhouse gases from their boroughs. Even where targets to reduce greenhouse gases are met globally, significant social, economic and environmental impacts will be inevitable. The Council must also lead in making the community and economy resilient to these impacts.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 The consultation for the Climate Change Strategy has now closed (31 May 2008). Interested Stakeholder views were taken into account for a final draft of the climate change Strategy as per the revised timetable set out below:

April 23rd - May 31 st 2008	Draft document on RBC Website for comments
July 7 th	Draft Document to cabinet along with recommendations from Environment Scrutiny Panel
July	Incorporate cabinet comments and consultation feedback into plan
Sep 24 th	Make presentation highlighting changes to Scrutiny
Nov 3 rd	Report on changes proposed to Cabinet
Nov 17 th	Circulate final draft for interested stakeholder comments
Dec 1 st	Take final Draft to cabinet for approval
Jan 27 th 2009	Take Final Draft - Full Council

7. LEGAL IMPLICATIONS

7.1 There are a number of legal implications relating to the Climate Change Act, which will set the legal framework for a raft of regulations. These will include legally binding targets for reductions in greenhouse gases for the UK as a whole to be met through a mandatory cap and trade scheme, known as the Carbon Reduction Commitment.

8. FINANCIAL IMPLICATIONS

8.1 There are positive and negative cost implications relating to the climate change strategy. Taking the Stern Report 2006's figures, the assumed cost of action to avert serious climate change would represent 1-5% of GDP. The cost of inaction could be 5-20 times this cost. The cost of meeting 80% reductions has recently been estimated to be 1-2% by the climate change committee led by Lord Turner. It should therefore be considered that local investment would need to match this.

- 8.2 The Carbon reduction Commitment presents a specific risk to Authorities who do not perform well in energy use. With specific penalties for poor performance and financial trading benefits associated with good performance strong energy action will present relative financial opportunities.
- 8.3 Current projects under the Local Authority Carbon Management Programme have demonstrated energy cost reductions, with payback periods of measures ranging from 7 to 36 months. Existing projects show significant opportunities for corporate savings and re-investment.
- 8.4 Although costs of various long term policies have not yet been quantified there are likely to be revenue costs associated with scaling up action on climate change. Cost implications with respect to adaptation are complex and difficult to quantify but involve many agencies, affecting infrastructure across the Borough.

9. BACKGROUND PAPERS

- 9.1 Second Draft Climate Change Strategy - Available Reading Borough Council Website:
[http://www.reading.gov.uk/environmentandplanning/airqualityandclimatechange/climatechange/Consultation responses document](http://www.reading.gov.uk/environmentandplanning/airqualityandclimatechange/climatechange/Consultation%20responses%20document).
- 9.2 Consultation responses summary (attached).