

TONBRIDGE & MALLING BOROUGH COUNCIL

STREET SCENE and ENVIRONMENT SERVICES ADVISORY BOARD

08 June 2021

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 CARBON REDUCTION OPTIONS

To Consider options set out by Laser (energy consultants appointed by the Council)

1.1 Background

1.1.1 Members will be aware that Laser attended the last meeting of this Board to outline the current position in relation to the existing carbon footprint of the Borough Council. The slides are attached as Annex 1 for reference. It was agreed at the previous meeting that Laser would begin work to suggest carbon descent options for consideration.

1.1.2 This work has now been undertaken and the report from Laser is attached at Annex 2. We will also be hearing from Helen Cartledge and Steve Marks from Laser as they will talk us through the report and answer any questions that Members may have.

1.2 Model Output Summary

1.2.1 The report is in the form of a Model Output Summary, with a scenario that highlights key points, option details and strategic and secondary actions, which support the “forecasts and planned actions” and “associated cashflow position” charts.

1.3 Future zero carbon support

1.3.1 Members will need to consider the necessity of gaining further support to help the Council reach the zero-carbon goal by 2030. Three key areas have been identified by Laser to be of significant relevance to the Council’s current position:

- Annual Review of scope and carbon footprint
- Consult, Design & Install Dynamic Purchasing System (CDI DPS) – taking into consideration the high level of carbon emissions associated with gas

usage for heating of the leisure centres, this DPS includes routes to consultants who can provide feasibility studies and potential solutions on how to help mitigate these emissions

- Green Energy Options – it is recommended that the Green Basket and PEPPPA are explored for future energy contracts. The GHG Protocol plan to bring out further guidance later this year / early next year in relation to the reporting of carbon emissions associated with electricity consumption, which could mean more rigorous criteria for suppliers to classify energy as ‘zero emissions’ or ‘green’.

1.4 Legal Implications

1.4.1 None

1.5 Financial and Value for Money Considerations

1.5.1 An earmarked reserve has been established in the sum of £250,000 to fund in full or part recommendations/ initiatives that come out of the scoping exercise in relation to the carbon descent plan for the Council

1.5.2 £6,000 has been spent on consultancy expertise from Laser of which 50% has been met by KCC and the balance funded from the climate change reserve.

1.5.3 A further £55,000 may also be required from this reserve to fund green initiatives currently being investigated for the new Leybourne Lakes Country Park facility. Further details on this will be brought to the relevant board.

1.5.4 Additional funding will be required to invest in any proposed carbon reduction options as identified by Laser. **It is very important to note that these suggestions have not been factored into the medium-term financial strategy.**

1.5.5 Members will note from the cashflow projection in Annex 2, that over the period modelled, to 2050, there are a number of measures or projects which either have a positive or negative effect on the cashflow projection.

1.5.6 Although at the end of the period a positive, accumulative cashflow position of £270,000 is predicted, by 2030 the position will be a predicted negative, accumulative position of approximately £600,000, the breakeven point being reached by 2041. This results from having to make an initial investment in energy projects such as rooftop solar and heat pumps.

1.5.7 These figures assume the savings made from reduced utility usage associated with estate rationalisation is used to offset the costs of proposed energy projects, however, those savings have already been factored into the Council’s Savings and Transformation Strategy and can therefore not be ‘double counted’, meaning the accumulative net cashflow will increase in cost by approximately £74,000 per annum.

1.5.8 The current modelling shows that from 2030 the Council will need to pay for carbon offsetting which, by 2050, is estimated to cost the Council approximately £1.658M over the period. Further investigative work will be required with the aim of reducing the need for carbon offsetting in the future.

1.5.9 It is recommended that Management Team be asked to carry out further analysis of the energy projects proposed in the report and their associated impact on the cashflow projection, with the aim of identifying projects for inclusion in the Capital Plan process.

1.6 Risk Assessment

1.6.1 The Council has committed to an aspiration to become carbon neutral by 2030. If the Council does not implement measures and projects to achieve that aspiration there is a risk of reputational damage to the organisation.

1.7 Equality Impact Assessment

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.8 Policy Considerations

1.8.1 Asset Management

1.8.2 Biodiversity & Sustainability

1.8.3 Climate Change

1.8.4 Business Continuity/Resilience

1.8.5 Procurement

1.9 Recommendations

It is **RECOMMENDED** to Cabinet that;

1.9.1 Members note that none of the proposed carbon reduction options have been factored into the Council's Medium Term Financial Strategy;

1.9.2 Members note Laser's Carbon Reduction Model Output report at Annex 2, and;

1.9.3 Management Team be asked to analyse the energy project proposals outlined in the report, along with their financial implications, and report their findings to the relevant Advisory Board.

The Chief Executive confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

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Nil

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