## **EXETER CITY COUNCIL**

# SCRUTINY COMMITTEE -ECONOMY 7 JUNE 2007

#### DRAFT CLIMATE CHANGE STRATEGY FOR EXETER 2007-2017

#### 1 PURPOSE OF THE REPORT

1.1 To provide Scrutiny Committee Economy Members with a short overview of relevant policy issues identified in the Draft Climate Change Strategy for Exeter 2007/17; to seek Members' comments on these and endorsement of the process outlined towards production of a Final Climate Change Strategy and Action Plan.

## 2 BACKGROUND

2.1 This draft strategy was discussed at the Scrutiny Committee (Community) on 5 June 2007 and will go forward to Executive on 19 June 2007. Given the crosscutting nature of climate change issues and their relevance also to policy agendas which fall within the remit of this Committee, this paper provides a summary of relevant key themes in the Draft Climate Change Strategy for Exeter. Annex A provides a copy of the Draft Strategy. Members are also invited to cross-refer to the Scrutiny Committee Community paper as they see fit.

## 3 CLIMATE CHANGE STRATEGY: RELEVANT THEMES

"There is still time to avoid the worst impacts of climate change, if we act now and act internationally. Governments, businesses and individuals all need to work together to respond to the challenge. Strong, deliberate policy choices by governments are essential to motivate change."

(Sir Nicholas Stern, 2006)

- 3.1. Climate Change is real and its implications are global. The Stern Report has shown categorically that action now to mitigate its potential impacts represents good value for money and a sensible investment in our future. Exeter City Council, working in partnership with others, in particular Exeter Vision, has an important role to playboth in the way it runs its own business and as a leader of the community. In that context, the Draft Climate Change Strategy for Exeter proposes 5 policy areas ('themes') on which Exeter City Council (with Exeter Vision) will take action. The proposals that Members of this Committee may wish to be particularly aware of at this stage are highlighted below:
  - a) The proposal to sponsor research (see 'Financial Implications' below) into the scope for 'decentralised' and renewable energy across Exeter and, according to the results of that study, to consider the creation of a local Energy Services Company (ESCO) in partnership with an energy provider. This research will be undertaken in collaboration with partners in the New Growth Point Initiative.

An ESCO might, for example, be involved in identifying sites, designing,

financing, building, owning and operating local decentralised energy systems for both new and existing development in the Exeter sub-region. The ESCO concept is well established in parts of Europe and there is growing interest in the UK. The Mayor of London for example has recently entered into partnership with EDF to establish a London-wide ESCO. Meanwhile, Woking Borough Council have successfully developed an ESCO ('Thameswey Energy Ltd') for the provision of local and sustainable energy services to tenants of residential areas, community buildings and sheltered housing.

- b) The proposal to further utilise parking policy to encourage public transport use and other sustainable modes of travel. In particular, the strategy suggests the introduction of a small, additional 'carbon offset' levy on city centre offstreet car park charges. The proceeds from this levy would be used entirely to fund additional sustainable transport and energy initiatives within Exeter. The range of activities that might be supported through this fund could include:
- Additional grants/financial contributions to local residents for better home insulation, to encourage the adoption of renewable energy technologies and the replacement of inefficient boiler and heating systems.
- Additional investment in public transport facilities or services and further investment in walking and cycling facilities.
- Increased investment in green spaces and tree planting.
- c) The proposal to explore mechanisms for encouraging the ownership of more carbon- efficient cars. One possible mechanism for doing this could be to encourage the Highway Authority to introduce differential charging for onstreet car parking such that those cars deemed to have high carbon dioxide emissions pay a higher fee for a residents' parking permit than those with more efficient vehicles. This would be to follow the model recently introduced in the London Borough of Richmond.
- d) The proposal to sponsor an independent review (see 'Financial Implications') of the information and advice facilities, resources and other skills, support and services available to Exeter business and residents in relation to Climate Change. Where unmet need is identified or where limitations in the supply of services is revealed, the City Council and Exeter Vision would lead on proposing additional services. In addition, the Strategy outlines a desire to work with other significant organizations in Exeter (e.g. Exeter University, the Met Office and EDF) to deliver flagship 'case study' projects focused on the practical application of the latest research techniques and scientific understanding in relation to climate change.
- e) Building on previous initiatives, the intention to work with the Carbon Trust through the Local Authority Carbon Management Programme, to calculate a baseline 'carbon footprint' for the Council's operations and, in turn, prioritise measures to reduce its greenhouse gas emissions from buildings, transport and waste production. Progressive implementation of these measures will lead to the Council meeting an aspiration to become a carbon neutral council.

## 4 NEXT STEPS

- 4.1 In addition to the research and review activity described above (proposals a and d), the policy themes in this draft strategy will also be subject to independent expert analysis to better understand the contribution that each might make to the government's target to reduce Carbon Dioxide emissions by 30% by 2020 (from 1990 levels). This review will also critique the scope, feasibility, focus and value-for-money of proposals to date and offer practical suggestions for their enhancement. The results of all analytical work strands are expected to be available by the late Autumn.
- 4.2 A parallel process of consultation will be undertaken with members of Exeter Vision, key agencies, residents and businesses to explore opportunities for partnership working and building ownership of the strategy. The results of the consultation and research activities will feed into the preparation of a final Climate Change Strategy and Action Plan for Exeter, for Member endorsement in January 2008

#### 5 FINANCIAL IMPLICATIONS

- 5.1. Executive will be invited to agree a budget of £25,000 to fund the independent review described in paragraph 3.1 (Proposal d) and to fund the independent analysis of policy themes (see paragraph 4.1). Research into the scope for 'decentralised' and renewable energy across Exeter, identified in paragraph 3.1. (Proposal a), will be undertaken in collaboration with partners in the New Growth Point Initiative. A contribution of £10,000 from the Planning Delivery Grant to fund joint work with the New Growth Point has already been agreed.
- 5.2 Members should however be aware that the investment outlined in this report represents the first stage in the development of an evidence-based strategic approach to tackling climate change in Exeter. The longer-term financial and organisational implications of this work will become clearer as the results of analysis and consultation emerge.

## **6 RECOMMENDATIONS**

- 6.1 That Members of Economy Scrutiny:
  - Comment on themes in the Draft Climate Change Strategy relevant to this Committee
  - Offer their endorsement of the research and consultation process outlined towards producing a Final Climate Change Strategy and Action Plan

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Local Government (Access to Information) Act 1985 (as amended) Background papers used in compiling this report:
None