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**To: The Business, Economy and Enterprise Scrutiny Board (3)**

**Date: 11<sup>th</sup> July 2018**

**Subject: The Energy & Low Carbon Team**

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**1 Purpose of the Note**

1.1 To inform and update members of the board on the work of the Energy & Low Carbon team

**2 Recommendations**

2.1 The Business, Economy and Enterprise Scrutiny Board (3) are recommended:

- 1) To note the content of the briefing note
- 2) To support the work of the Energy & Low Carbon team
- 3) To identify any specific areas of work the Board may wish to consider in more detail as part of their work programme 2018/19

**3 Structure**

3.1 The Energy & Low Carbon team consists of three teams:

- The Green Business Programme team
- Affordable Warmth
- Business Sustain

3.2 The team of 11 officers is over 90% funded through income and grants. It is externally focused and supports residents in Coventry and also businesses and organisations in Coventry & Warwickshire.

**4 The Affordable Warmth Team**

4.1 Consisting of two full time officers, this team works to tackle fuel poverty in the city via a range of advice and physical measures schemes aimed at vulnerable and low income households.

4.2 Affordable warmth advice and support is provided to residents on a range of subjects including energy bills, fuel debt, energy efficiency improvements, tariff switching, accessing grants and registering for the Priority Services Register. Advice and support is provided by phone, e-mail, surgeries and home visits with over 470 households helped in 2017/18. We also worked with Whitefriars Housing Association in 2017/18 to provide their tenants with energy saving advice home visits, saving each participant £280 on average. In addition, the team runs 3 collective tariff switching campaigns each year to help residents find cheaper energy tariffs. In 2017/18, 1787 households registered for the scheme.

4.3 The team also runs several projects to provide Public Health funded energy efficiency measures such as boiler replacements and insulation for low income or vulnerable residents at increased risk of fuel poverty. These are; the Public Health and energy supplier funded Warmer Homes in Coventry scheme (123 enquiries for insulation and heating have

been received since Jan 2018), Keeping Coventry Warm (In the 2017/18 winter period, 24 householders were assisted with emergency boiler repairs and replacements) and finally, Affordable Warmth on Prescription, an innovative scheme provided in 2017/18 in collaboration with GP surgeries in the city. The scheme combined Public Health funding with Warm Zones funding to provide insulation and heating improvements for patients identified by their GPs as suffering with cold related ill health. The early results of an evaluation of the scheme showed a reduction in GP and hospital appointments following completion of the insulation and heating work.

- 4.4 The team is currently setting up several future schemes. Warm and Healthy Homes for Disabled Householders will be launched shortly to provide insulation and heating improvements for low income disabled householders, funded by £200,000 funding support from the Better Care Fund. In addition, a Coventry aerial thermal survey was completed earlier this year and results will be made available to residents in the Autumn on the Council's website. Residents will be able to see the amount of heat lost from their homes and access advice on energy efficiency improvements.

## **5 The Green Business Programme team**

- 5.1 The Coventry & Warwickshire Green Business Programme is ERDF funded three year programme which runs from 2016 – 2018. It is the first dedicated business support service within Coventry & Warwickshire that enables businesses (SMEs) to save money on their energy bills and maximise low carbon opportunities. The £5 million pound programme provides grants of between £1,000 and £100,000 to fund up to 30% of the cost of installing energy efficiency measures or developing new low carbon products or services. Examples include LED lighting, new heating systems, compressors, CNC machines, more efficient equipment and renewables.
- 5.2 A team of three Business Energy Advisors have supported over 200 business to improve their energy efficiency and have saved businesses over 6,200 tonnes of carbon the equivalent to 700,000 gallons of fuel.
- 5.3 The Green Business programme also incorporates the Coventry & Warwickshire Green Business Network which enables businesses to come together to learn best practice, share ideas and promote energy efficiency. The network is free to join and open to any business in Coventry & Warwickshire. Managed by the Green Business Marketing & Events Coordinator the network provides free events and workshops on all aspects of low carbon, best practice & energy efficiency. In addition, it supports business to improve their green credentials to secure new business.
- 5.4 A new three year Green Business Programme to start 2019 – 2021 is currently awaiting final approval. This programme will incorporate all aspects of sustainability (waste, water and resources as well as energy), in addition to renewables. Energy and resource efficiency grants of between £1,000 and £100,000 will be available to all eligible SMEs at an increased intervention rate of 40%.

## **6 Business Sustain**

- 6.1 Business Sustain is an environmental consultancy team within Coventry City Council. They are self-funding and provide expert environmental advice and assistance on a wide range of issues from Environmental Management - ISO 14001, environmental legislation and environmental legal compliance and registers of environmental and Health & Safety legislation. Their clients are predominately with Coventry and Warwickshire, but they do assist companies throughout the UK. They have helped over 350 businesses and organisations to achieve the ISO14001 standard and all have gained certification first time.

To date the 2.6 FTEs have trained more than 20,000 people on environmental topics and have enabled a wide range of companies and organisations achieve significant cost savings through improved environmental management.

## **7 Other services**

- 7.1 The Energy & Low Carbon team also support and manage various other aspects of sustainability, some of which are detailed below:
- 7.2 Coventry & Warwickshire Energy Innovation Zone (EIZ). Coventry & Warwickshire EIZ is a CWLEP initiative and one of 4 pilot EIZs in our region. The main focus of the EIZ will be to integrate low carbon technologies, to develop the business models and infrastructure needed to support new approaches to clean energy as well as overcome regulatory barriers. They are designed to stimulate local clean energy innovation and drive productivity, within the region, as well as exports and growth. This is as a result of securing devolved powers (Devolution Deal 2015, 2017) and the EIZ model is supported by Energy Capital who are leading on this agenda as part of the devolved powers given to the WMCA. Funding from BEIS has been used to produce initial high level business cases for the 4 pilot EIZs. Next steps to obtain resource to take projects forward. One FTE per LEP.
- 7.3 Planning support. All outline and full applications for major development are assessed by the team to ensure the energy statements meet the requirements to provide a minimum of 10% of the development's energy demand through the on-site generation of renewable energy. This fulfils 'Delivering a More Sustainable City' SPD (EM2: Building Standards and EM3: Renewable Energy Generation).
- 7.4 The council's Annual Greenhouse Gas Report. This is mandatory and provides an annual overview of GHG emissions from Coventry City Council's estate and operations. A target was set to reduce the Council's Greenhouse Gas (GHG) emissions by 35% by the year 2020. This was achieved in 2015/16. Coventry City Council's GHG emissions for the year 17/18 from scopes 1 and 2 combined (electricity, gas & fuel) have fallen 42.5% and emissions from scope 3 (business travel and outsources areas) have fallen 54.59% from 2008/09.

## **8 The Climate Change Strategy**

- 8.1 For many years Coventry led the way amongst local authorities toping the carbon reduction league table. The Climate Change Strategy published in 2012 set a target to reduce carbon dioxide emissions by 27.5% by the year 2020. In 2016 we achieved a reduction of 34.6%.
- 8.2 The 27.5 per cent target is based upon a 2005 baseline and is equivalent to the national carbon dioxide emissions target of 34 per cent by 2020 which has a 1990 baseline leading to the difference in percentages.
- 8.3 The existing Climate Change Strategy for Coventry will be reviewed in 2019 for a new Strategy to be developed from 2021.

## **9 Other information**

### **9.1 Fuel poverty in Coventry**

- 9.2 Fuel poverty is a significant problem for some Coventry households, and many low income and vulnerable individuals are affected. Across the city, 14.4% of all households are fuel poor, and as a consequence they are unable to afford to stay warm in their homes.

### **9.3 White Label Energy Company**

- 9.4 During 2017, the Affordable Warmth Team looked into various options for helping residents to switch to cheaper energy tariffs. One of these options was White Labelling.
- 9.5 While White Labelling could be a way to help generate income for future fuel poverty projects, it was felt this option would not be appropriate for our residents for several reasons:

- The large number of homes the local authority would be required to switch every year were felt to be unachievable. Further to this, Coventry City Council has none of its own housing stock to switch void properties to the assigned white label supplier once vacant.
- The council would be tied into promoting 1 supplier and tariff, which may not be the cheapest or most appropriate on the market for residents.
- The energy market changes on an almost daily basis and a tariff/supplier that is competitive at one point in the year, may not be competitive at other times. By committing to one supplier, this could lead to reputational damage to the Council and the risk that we would not always be promoting the best tariff and supplier to our residents.

9.6 The full briefing note outlining the advantages and disadvantages of the White Label option was submitted and discussed by members in April 2017.

## **10 The Climate Change Act**

10.1 The Climate Change Act commits the UK government by law to reducing greenhouse gas emissions by at least 80% of 1990 levels by 2050 based on efforts to hold global temperature rise below 2C. The government has set legally-binding 'carbon budgets'. The first five carbon budgets have been put into legislation and run up to 2032. It is not on track to meet the fourth (2023 to 2027). To meet future carbon budgets and the 80% target for 2050, the UK will need to reduce emissions by at least 3% a year, from now on. This will require the government to apply more challenging measures. The implications of this are far reaching as they will impact power, transport, buildings and industry, waste and agriculture.

10.2 A report from the Committee on Climate Change on the UK's decarbonisation progress is due the end of June 2018 and is expected to warn the government they need to deliver considerably faster progress on cutting emissions from transport, heating, industry, and agriculture if it is to meet its binding carbon targets.

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