



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

16 December 2015

Subject: Update on Sustainability Team Activities, Challenges and Opportunities

1 Purpose of the Note

- 1.1 To update members of the Business, Economy and Enterprise Scrutiny Board (3) on the activities, challenges and opportunities of the Sustainability Team.

2 Recommendations

- 2.1 The Business, Economy and Enterprise Scrutiny Board (3) are requested to:
- 1) Note the achievements, challenges and opportunities.
 - 2) Recommend that the Council forges closer links to Public Health and Clinical Commissioning Groups to tackle fuel poverty.
 - 3) Recommend that the Cabinet Member investigates the possible support that can be given to residents in fuel poverty to help them install energy efficiency measures where they are unable to contribute to the cost.

3 Information/Background

Outline of team activities

- 3.1 Fuel poverty team (2 Full time equivalent employees FTE)
- i) Provision of fuel poverty and energy efficiency advice and support to residents
 - ii) Project management of domestic energy efficiency retrofit schemes
 - iii) Evaluation of health outcomes of retrofit projects
 - iv) Managing the Switch and Save collective switching programme
 - v) Aerial thermal surveys
 - vi) Bid writing and collaborative working with Public Health, Housing Associations, fuel poverty charities and other councils
- 3.2 Energy Management team (3 FTE)
- i) Energy management
 - ii) Utilities bill checking and validation
 - iii) Building Management System maintenance
 - iv) Energy efficiency projects and financing
 - v) Provision of mandatory Display Energy Certificates for public buildings
- 3.3 Low carbon team (1.7 FTE)
- i) Management of low carbon projects
 - ii) Carbon emissions reporting
 - iii) Behavioural change initiatives
 - iv) Environmental awareness training
 - v) Resource efficiency projects

3.4 Business Sustain team (1.5 FTE)

- i) Environmental management consultancy – fee earning service
- ii) Production and maintenance of legal registers for environmental and H&S legislation
- iii) Training in general environmental awareness, internal auditing, spillage management, duty of care and resource efficiency
- iv) Legal compliance auditing

4 Achievements

4.1 Fuel Poverty

- i) Switch and Save – second run of collective switching scheme saw 1,688 people register and 501 switch suppliers, saving on average £285 each year, a total saving of £142,000 for all switchers.
- ii) Aerial thermal survey – heat map of the city showing which roofs are losing excessive heat – helps plan insulation schemes and allows residents to check their own roof online, in the first three days 6,000 people checked the performance of their homes and 600 went on to view details of loft insulation offers.
- iii) Insulation to homes of disabled people – Department of Energy and Climate Change awarded funding of £597k topped up with £223k of Energy Company Obligation (ECO) funding to allow the homes of over 80 disabled people to be insulated and have new boilers fitted.
- iv) Affordable Warmth advice and support schemes – provision of online and telephone services to vulnerable residents, plus home visits and regular surgeries at various locations including Age UK, foodbanks and GP surgeries around the city.
- v) Collaboration with Housing Associations to promote insulation schemes and encourage tariff switching e.g. 2,000 Whitefriars homes received external wall insulation, and 300 private homes also benefitted in Foleshill.
- vi) Links to Public Health around health impacts – Keeping Coventry Warm programme working on tackling the health impacts of cold homes on health e.g. GP referrals, hospital admissions

4.2 Energy Management and low carbon teams

- i) Heatline district energy network – innovative low carbon heating network installed and operated using waste heat from the Waste to Energy Plant to heat eight major city centre buildings via 4 miles of underground pipes including the largest thermal store outside of London.
- ii) Carbon Management Plan – plan to reduce carbon emissions from council activities by 35% by 2019/20 based on 2008/09 baseline. Reduction of 27% achieved in first five years of plan with six years still to go.
- iii) Green Champions – network of 110 enthusiastic colleagues working to reduce energy use and raise recycling rates. Annual savings of around £600 in energy per Green Champion can be realised and office recycling rates of 80% can be achieved saving £20k per year in waste costs.
- iv) Refit and IMPRESS refurbishment plans – energy efficiency works planned for a package of council buildings with contractors guaranteeing specified energy savings. IMPRESS scheme will allow a building of difficult construction to be refurbished to be energy efficient at no cost.
- v) Avoided energy costs – thousands of energy bills are checked each year to spot mis-billing by energy suppliers, mistakes are then challenged, saving the city council £222k over the last 2 years
- vi) Carbon Reduction Commitment – due to changes in the scheme and by reducing energy use the council fell below the entry threshold for the scheme. However the Government required compensation for loss of tax revenue and cut the funding to the council by £209k and to schools by £335k. 57 councils were similarly affected but Coventry saw the largest cut.

- vii) Help to schools - schools on the council's energy contract get help with issues such as billing, metering, energy efficiency, renewables and receive a regular Schools Energy Matters newsletter

4.3 Business Sustain

- i) Provision of ongoing support to local businesses – over 200 local small businesses receive regular help with environmental management helping them stay within the law, reduce their costs, and run environmental management systems assessed to the international ISO 14001 standard
- ii) Fee earning services – the team charges market rates for their services and fully recover their costs

5 Changes to national policies and schemes in last 12 months

- i) Green Deal and Green Deal Home Improvement Fund – both the pay-as-you-save and the cashback schemes are now closed with little chance of them returning. Estimated 2,000 jobs lost across the insulation industry in the UK.
- ii) Energy Company Obligation – funding reduced and timescale for delivery extended - significantly reducing impact. Round 3 of ECO may open in 2017 but likely to be only for those in fuel poverty
- iii) Feed in Tariff (FiT) and Renewable Heat Incentive (RHI) reductions – Feed in Tariff to be significantly cut (by up to 87%) seriously affecting uptake of solar pv and putting 20,000 jobs at risk nationally. RHI likely to be reduced next year.
- iv) Reduced red tape and support for businesses – welcome simplification but businesses not always clear on their responsibilities
- v) Business energy tax review – review of charges on energy for businesses and councils to simplify taxation landscape and simplify reporting. Only a consultation at present but there is a risk of increased tax liability on the public sector.
- vi) Changes to national energy strategy – confirmed the need to reduce carbon emissions but not at any cost – new imperative to keep energy costs as low as possible by removing perceived expensive green subsidies
- vii) Extra support for district energy schemes promised in spending review – possibly £300m in loans and grants – more details next year
- viii) Fuel poverty strategy - Government published its Fuel Poverty Strategy for England in March 2015 with the target that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of band E by 2020, band D by 2025 and band C by 2030. Ambitious as only 5% of English households in fuel poverty in 2013 lived in a property with an energy efficiency rating of band A, B or C, and almost one third (31 per cent) lived in Band G properties. No detail as yet as to how this will be achieved.

6 Challenges and opportunities

6.1 Challenges

- i) Scale of fuel poverty in the city
- ii) Lack of funding for energy efficiency measures in the city especially for residents who are unable to contribute to the cost of measures.
- iii) Pre-payment meters – high rates and cost of getting off PPM to a credit meter
- iv) Cost of energy to City Council
- v) Uncertainty about the future use of operational buildings
- vi) Schools moving to academy status and dropping out of council energy contract
- vii) Profile of climate change nationally compared to jobs, growth and the deficit

6.2 Opportunities

- i) Tariff switching esp. for PPM customers
- ii) Council as energy supplier – Nottingham City Council model
- iii) Expansion of district energy network in city and Canley plus new developments
- iv) Low carbon city as an attractor for companies wishing to invest
- v) Closer links to Public Health on fuel poverty and health impacts (and to CCGs)
- vi) Building on Business Sustain success to use ERDF funding to help SMEs through audits & grants
- vii) Joined up working with both local universities to tackle waste and carbon emissions
- viii) Community energy schemes set up using ERDF funding
- ix) City Council as facilitator and honest broker to trigger change and promote uptake of measures

7 Headlines

- i) Number one in the league table of English cities for reducing citywide carbon emissions – each resident's carbon footprint dropped almost a third from 6.9 tonnes to 4.9 tonnes between 2008 and 2013
- ii) Good track record in reducing the council's carbon emissions – 27% cut in five years
- iii) Number one in the Knauf local authority energy index (of 103 councils) for effective energy management within the council and the wider city (last year 5th place)
- iv) Finalist in Energy and Environment Awards in two categories: environmental leadership and communications campaigns May 2015
- v) Finalist in Business Green Leaders Awards for employee engagement campaign July 2015
- vi) Winner of Gold Green Apple Award for Environmental Best Practice November 2015
- vii) But, sixth highest level of fuel poverty in England with 15.9% of homes fuel poor and some areas 43%

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