

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel	Buildings Land, and Procurement Panel
Date:	24 March 2020
Title:	Carbon and Energy Progress Report
Report From:	Director of Culture, Communities and Business Services

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Purpose of the Report

1. This report updates the Panel on further good progress on the reduction of the County Council's carbon emissions and details the ongoing programmes of work to achieve this. In the context of the Climate Change Emergency announced by the County Council in July 2019, it also makes a recommendation for further support to develop and invest in further energy saving initiatives and programmes from the existing capital budget.

Recommendations

2. The positive achievements of the Carbon Management Strategy Phase 2 against the 2025 Carbon reduction target of 50% are noted.
3. The good progress made and achieved in the Energy Performance Programmes (EPP) 4, 5 and 6 is noted.
4. The £1m Corporate Estate Salix¹ Decarbonisation fund to be established in financial year 2020/21 is noted following approval by Cabinet and County Council.
5. That the energy supply contract for Electricity and Gas will include the option to purchase electrical energy certified as renewable is noted.

¹ <https://www.salixfinance.co.uk>

Executive Summary

6. The purpose of this paper is to provide an update on the good progress on the reduction of the County Council's Carbon emissions and the ongoing programmes of work to support and achieve this.
7. The County Council at its meeting in July 2019 formally declared a Climate Change Emergency. This now provides the overall context for the current phase of the Carbon Management Strategy. The Council was appraised of the excellent progress made to date and the contribution programmes have already made to a reduction in emissions. Any future recommendations for investment and the delivery of future programmes of work will dovetail with the proposed action plan for Climate Change which will be considered by Council at a future date.
8. The Carbon Reduction programmes have delivered other wider benefits in addition to cost savings including reduced reliance on grid energy and cleaner air quality in the County.
9. To date £6m of up-front capital investment has been committed over the last 9 years, all of which will be paid back through energy savings over a relative short period of time – typically between 5 and 8 years. This has been committed based on a robust business case in several phased Energy Performance Programmes.

Contextual Information

Carbon Management Plan Phase 2

10. The Council has taken an innovative and long-term approach to reducing carbon emissions from its estate and assets since Cabinet approved a strategic plan in July 2010. The original targets set for the Council's buildings, street lighting and business travel at that stage were:
 - Phase 1 20% reduction by 2015
 - Phase 2 40% by 2025
 - Carbon Neutral by 2050
11. Over the last 9 years a significant reduction of over 43% has been achieved. The first phase target was exceeded, and the second phase target achieved in 2018 – 7 years early. Members have approved a new stretching target of 50% by 2025. Progress to date would indicate confidence that this can be achieved.
12. Carbon emission savings of 21,800 tonnes of carbon have been delivered to date – equivalent to planting a forest of trees covering 8,700 acres or 4,300 football pitches.

13. The Carbon Management Strategy Phase 2 shows a positive achievement of a reduction of 3.1% year on year, with an overall reduction of 43.3% against the 2025 target of 50% as illustrated in the table below.

Table of Carbon Emissions from 2010 to current

Sector	2010 Emissions Tonnes	2015 Emissions Tonnes	2016 Emissions Tonnes	2017 Emissions Tonnes	2018 Emissions Tonnes	2019 Emissions Tonnes	2025 Target Emissions
Corporate Buildings	21,000	19,060	16,829	16,830	16,425	14,924	-
Street Lighting	26,600	17,558	13,450	12,119	11,560	11,233	-
Officer Travel	6,600	4,889	4,534	4,605	4,420	4556	-
Total	54,200	41,507	34,813	33,544	32,405	30,717	27,100
% Reduction	-	-23.4%	-35.8%	-38.1%	-40.2%	-43.3%	-50%

Energy Programmes and Initiatives

Energy Performance Programme (EPP) Phase 4 – Light Emitting Diode (LED) Lighting Replacement

14. The EPP 4 initiative for LED replacement lighting is nearing the end of its two year programme. 39 projects will have been completed by the end of March 2020 giving a saving of 610 tonnes of carbon and £210,000 energy cost reduction through the programme per annum. The average pay back for this investment is under 8 years.
15. Further scoping of buildings to commit the residual budget are ongoing including opportunities to replace older lights with new LED. This produces both energy savings and a reduction in maintenance costs. Lighting replacement is currently one of the most efficient investments in terms of carbon savings and value for money.

Energy Performance Programme Phase 4 – Electric Vehicle Charging Points (EVCP) Public Facing

16. Public facing electric vehicle charging points have now been installed at five Country Parks (Queen Elizabeth, Royal Victoria, Lepe, Sir George Staunton and River Hamble), and Calshot Activity Centre being pay as you go at a usage charge based on an industry benchmark rate.
17. A further public facing charge point will be completed in March 2020 at the Sir Harold Hillier Gardens, and feasibility is ongoing for locations such as park and ride car parks and other public facing facilities to ensure the Council's assets are inclusive for electric vehicle drivers.

Energy Performance Programme Phase 5 – Electric Vehicle Charging Points (EVCP) Fleet

18. There are currently 40 electric vehicles in the Hampshire County Council (HCC) fleet and up to 190 vehicle replacements within overall scope.
19. The fleet vehicle charge point infrastructure has been built over the last two years in conjunction with operational business requirements and has been delivered to support the Hampshire small vehicle fleet transition.
20. At the end of Quarter 3 (October to December 2019), HCC had installed 118 EVCPs to support the HCC fleet vehicles.
21. The provision of “on-street” EVCP’s is being explored by Property Services’ Energy Team in conjunction with the Economy, Transport and Environment (ETE) team in response to interest from residents and consideration from other local councils in Hampshire. A guidance document has been produced by ETE for Hampshire residents for “on street” charging, outlining the interim action that can be taken and the associated responsibilities whilst the longer-term solutions are explored.

Energy Performance Programme Phase 5 – Battery Storage

22. Two battery storage feasibility contracts at EII Court and Dame Mary Fagan House are being progressed, where the viability is being explored to understand how the buildings may become carbon or electrical energy neutral. By combining more solar photovoltaic (PV) with battery storage and other on-site generation the intention is to develop a solution and proposal for the opportunity to become majority “off grid” requiring little or no mains energy use. Further updates will be presented to the Panel following the detailed analysis and the production of business cases.

Energy Performance Programme Phase 6 – Further Electric Vehicle Charging Points (EVCP)

23. Following approval of £410,000 in October 2019 for the further expansion of the electric vehicle charging infrastructure, Property Services’ Energy team continue to work with Hampshire Transport Management (HTM) to enlarge the EVCP fleet network. Orders are in the process of being placed for new EVCPs at Appletree Centre, Basing House and the Basingstoke Canal Centre linked to support the replacement of fossil fuel vehicles with new electric vehicles as part of the ongoing vehicle upgrade programme. This initiative is ongoing and contributing to the carbon reduction and air quality improvements associated with business mileage.

The Central Southern Regional Electric Vehicle Charging Framework

24. The framework was created by the Property Services’ Energy team in 2018 to provide an easy method for the public sector to procure electric vehicle

charging points in a challenging and complex market. This framework has been in existence for 2 years and is to be extended for a further 2 years from April 2020. This is an efficient route to market which gives access to a private sector installer offering a consistent open network solution for any authorities for public and fleet electric vehicle charging needs. To date over 50 organisations have accessed the framework and are currently installing EV charging infrastructure across Hampshire and the central Southern region. By the end of Quarter 3 (October to December 2019), a total of 345 EVCPs will have been installed through the framework, and approximately a further 250 have been approved for installation.

25. As part of a joint working arrangement with Southampton City Council, HCC provides direct support and expertise for the deployment of EVCPs across the city, as well as facilitation support through the framework.

Corporate Salix² Decarbonisation Fund

26. Salix Finance is an agency of Department for Business, Energy and Industrial Strategy – BEIS, offering 0% interest funding for energy projects. Salix have a new Decarbonisation Fund which is a financial re-cycling initiative to support delivery of further invest to save energy initiatives.
27. In January 2020 a report to Cabinet approved the establishment of a £1m Salix decarbonisation fund for the Corporate Estate for 2020/21. This is to enable a focus on more energy and carbon saving projects previously not in scope for earlier phases of Salix funding. Using energy saving technologies and initiatives it will provide flexibility to respond to changes and opportunities in the corporate estate. The fund is made up of £0.5m Salix 0% interest contribution match funded by HCC.
28. The decarbonisation fund will be deployed across the corporate estate to implement further energy performance measures, linking with new technologies and carbon reduction initiatives such as; solar PV where asset certainty and roof condition is improved (31 PV Installations already on roofs), battery storage for suitable buildings, LED lighting installation, building insulation and draft proofing programmes, heating system improvements through optimisation and controls upgrades, valve and pipe insulation and heating equipment replacement by either stand-alone activity or combined into planned maintenance programmes.
29. The cost of officer time for delivery of all programmes is included within the project costs therefore has no revenue cost to the Council, only a positive savings impact.

² <https://www.salixfinance.co.uk>

Schools Solar PV Business Case

30. In addition to these programmes, schools continue to request opportunities to install Solar PV systems. The energy team have developed a proposal and business case for Schools Solar PV and energy performance to enable the County Council to offer a Solar PV programme for schools in Hampshire. The business case has been developed and the Director of Culture, Communities and Business Services (CCBS) is in consultation with the Head of Finance. This will also be considered as part of the wider Climate Change action plan and further reported to the Panel. PV will be installed on new schools and extensions where it is technically feasible to do so.

Energy Supply Contracts

31. The renewal and take-up of the new energy supply contracts for Electricity and Gas through the Laser Procurement framework for the period 2020 to 2024 is progressing well. The framework is for external and internal public sector customers, including HCC's partners and schools as well as external Authorities, and will include the option to purchase electrical energy certified as fully renewable later within this calendar year. This a further opportunity to work towards the Councils carbon reduction targets and support other Authorities and schools achieve carbon savings and positive carbon credentials.

External Engagement

32. The Property Services' Energy Team have regular engagement with Government departments, the Carbon Trust and the industry advising on best practice and Hampshire is seen as a leading Council in this field. The team continues to expand its offer to include partners such as Hampshire Fire and Rescue Service and Hampshire Constabulary as well as schools, academy trusts and other local and county councils.
33. With the developed expertise and knowledge, the Energy Team is being requested by other public sector organisations and schools to support their carbon and energy reduction objectives. A recent example being the Bohunt Academy Trust, who commissioned professional services to undertake energy surveys and provide solutions and ideas to help support carbon and energy reduction.

CORPORATE OR LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty:

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it. Due regard in this context involves having due regard in particular to:
 - The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
 - Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
 - Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1 An equalities impact assessment has not been considered in the development of this report as access requirements are always considered during the design stages of building projects and are often improved.