



CLIMATE CHANGE COMMISSION 1 APRIL 2008

Report of the Chair of the Commission

Outcome of the Climate Change Commission's reviews of: i) The development of Local Authority Climate Change Action Programmes ii) Review of the use of the Council's Sustainable Procurement Policy

RECOMMENDATION

1. It is recommended that members consider the report and identify and further recommendations that they wish to make as a consequence of these reviews.

SUPPORTING INFORMATION

- 2.1 At its meeting on 12 November 2007 the Climate Change Commission agreed to support the Climate Change Board by carrying out reviews to investigate:
 - a) How other similar local authorities have addressed climate change issues within their areas and in particular how they had developed their Climate Change Action Programmes.
 - b) How best practice local authorities have identified and implemented carbon reduction opportunities through changes to procurement procedures. (Part 2)
- 2.2 The attached report, which was presented to the Climate Change Board meeting on 12 March 2008, details the outcomes of these two reviews.
- 2.3 It is recommended that members consider the report and identify and further recommendations that they wish to make as a consequence of these reviews.

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Background papers:	Appendix 1 – Implications
List of appendices:	Appendix 2 - Outcome of the Climate Change Commission's reviews of: <ol style="list-style-type: none">i) The development of Local Authority Climate Change Action Programmesii) Review of the use of the Council's Sustainable Procurement Policy

IMPLICATIONS

Financial

1. None arising from this report.

Legal

2. None arising from this report.

Personnel

3. None arising from this report.

Equalities impact

4. Environmental issues are of importance to all Derby people

Corporate Objectives

5. This report has the potential to link with the following Corporate Objectives,
 - Leading Derby towards a better environment
 - Giving you excellent services and value for money

Climate Change Commission

Outcome of the Climate Change Commission's reviews of:

- i) **The development of Local Authority Climate Change
Action Programmes**
- ii) **Review of the use of the Council's Sustainable
Procurement Policy**

March 2008

Executive Summary

At its meeting on 12 November 2007 the Climate Change Commission agreed to support the Climate Change Board by carrying out reviews to investigate:

- c) How other similar local authorities have addressed climate change issues within their areas and in particular how they had developed their Climate Change Action Programmes. (Part 1)
- d) How best practice local authorities have identified and implemented carbon reduction opportunities through changes to procurement procedures. (Part 2)

These reviews are detailed in Parts 1 and 2 of the attached report and are summarised below

Part 1 Summary

The objective of the first review was for the Commission to contact local authorities that are similar to Derby and appear to have made significant progress in implementing initiatives to combat the effects of climate change and to enquire about their experiences with a view to identifying initiatives which if adopted by the Council could expedite or enhance the Council's Climate Change Action Programme.

Kirklees Metropolitan Council, Leicester City Council and Nottingham City Council agreed to contribute to the Commission's review. The representatives of these local authorities attended evidence gathering meetings at which Commission members explored how the three Councils had gone about developing their Climate Change Action Programmes.

The detailed outcomes of the meetings are set out in Part 1 of the full report. The Commission concluded that there were lessons to be learned about:

- Carbon Reduction Targets and Baseline information
- Involving members and staff in the Council's Climate Change Activities
- Measures to reduce carbon emissions from domestic properties
- Local Energy generation
- Involving Schools
- Addressing future challenges

As a consequence of its review the Commission made the following recommendations:

Recommendation 1

That the Climate Change Board:

- a) Considers the information provided to the Commission by the representatives of Nottingham City, Leicester City and Kirklees Metropolitan Borough Councils to the Climate Change Commission
- b) Identifies any initiatives or actions that would enhance or advance the Council's Climate Change Action Programme
- c) Informs the Commission by a report to a future meeting, of the action which it now proposes to take.

Recommendation 2

That the Leader of the Council, Chief Executive, and senior members and officers of Derby City Council visit a local authority such as Kirklees Metropolitan Council to examine how they have implemented their Climate Change Action Programmes and what has been involved in doing so.

Part 2 Summary

The objectives of the Commission's second review were to:

- (a) Determine whether the Council had a suitable Sustainable Procurement Policy
- (b) Establish the extent to which any Sustainable Procurement Policy was being followed by Council departments.

The review was based on a simple questionnaire survey of the Council's Head of Procurement and the Chief Officers of the Council's five departments. The responses received by the Commission are shown in Sections 3.1 and 3.2 of the report.

From the responses it received the Commission has drawn the following conclusions:

- The City Council has a viable Sustainable Procurement Policy which is applicable to all areas of procurement. This policy is not however easily accessible.
- Chief Officers are supportive of the concept of sustainable procurement and consider that the Council will need to make more use of sustainable procurement if it is to meet its carbon reduction targets.
- Currently, there is only limited use of the Sustainable Procurement Policy across the Council. Usually it is only used where there are obvious and significant sustainability issues and impacts.
- In general Council staff have limited knowledge of the Sustainable Procurement Policy or of the way in which it should be applied, so there is a need for awareness raising, guidance and training in the use of the policy.
- Sustainable procurement is not currently seen as a high priority for departments, more importance being given to issues such as value for money and performance against ideal specification.

- There is little formal record keeping by departments to show how issues of sustainability have been taken into account when procuring products/services.
- Wide spread use of sustainable procurement by the Council is likely to result in at least a short term increase in costs.

The Commission has consequently made the following recommendations:

Recommendation 1

Guidance should be issued on the extent to which Council departments are required to follow the principles of sustainable procurement and the policy document should be made much more accessible.

Recommendation 2

New and extensive publication of the need for sustainable procurement should be provided to employees at all levels across the Council and staff should be actively encouraged to look at procurement practices within their departments.

Recommendation 3

The Sustainable Procurement Policy should be supported by clear user-friendly guidance with examples wherever possible. If resources are available training sessions on sustainable procurement should be offered and a forum established to publicise and exchange examples of best practice. Again, if resources are available a 'helpline' should be set up to offer advice to employees on sustainable procurement.

Recommendation 4

All Council departments should as a matter of course keep records to show how they have followed the procedures set out in the Sustainable Procurement Policy.

Recommendation 5

As part of their record keeping all Council departments should include details of any increased costs that they incur by the sustainable procurement of products or services. Wherever possible these additional costs should be related to the environmental savings achieved through sustainable procurement.

Outcome of the Climate Change Commission's reviews of:

- i) The development of Local Authority Climate Change Action Programmes**
- ii) Review of the use of the Council's Sustainable Procurement Policy**

1. Introduction

At its meeting on 12 November 2007 the Climate Change Commission agreed to support the Climate Change Board by carrying out reviews to investigate:

- e) How other similar local authorities have addressed climate change issues within their areas and in particular how they had developed their Climate Change Action Programmes.
- f) How best practice local authorities have identified and implemented carbon reduction opportunities through changes to procurement procedures.

Parts 1 and 2 of this report detail the outcome of the Commission's reviews.

Part 1

The development of Local Authority Climate Change Action Programmes

1. Introduction

1. The Commission recognises that all local authorities are currently faced with preparing and implementing initiatives to:

- Address and counter the threats posed by climate change
- Respond to the requirements of forthcoming climate change legislation
- Deliver on local and national climate change commitments

2. However, as some local authorities have been working towards these objectives for a significant number years and are consequently much further along this road than Derby, it was considered by the Commission that there would be value in interviewing representatives of some of these local authorities to see whether that there were lessons that could be learned and applied in Derby.

2. Objectives and Methodology of the review

3. The objective of this review was for the Commission to contact local authorities that are similar to Derby and appear to have made significant progress in implementing initiatives to combat the effects of climate change and to enquire about their experiences with a view to identifying initiatives which if adopted by the Council could expedite or enhance the Council's Climate Change Action Programme.

4. In pursuit of this objective a number of local authorities that are similar to Derby were identified from the Carbon Trust's list of 'Phase 1' Councils. This is the group of councils that took part in Phase 1 of the Carbon Trust's Local Authority Carbon Management Programme which ran from May 2003 to April 2004.

5. A number of the Phase 1 Councils were contacted and representatives of two of them, Kirklees Metropolitan Council and Leicester City Council, agreed to give evidence to the Commission. Subsequently Nottingham City Council also agreed to contribute to the Commission's review.

6. The representatives of these local authorities attended evidence gathering meetings of the Commission in February and early March 2008. The meetings took the form of an informal discussion which was aimed at providing answers to the following question themes:

2.1 Question themes for local authority witnesses

- (1) Did your local authority start working on its Climate Change Action Programme? Was there any particular event or set of circumstances that triggered the development of your local authority's Climate Change Action Programme?
- (2) Has your local authority undertaken a baseline exercise to establish its CO₂ footprint? If it has, how has this information been used in developing your programme?
- (3) What are the carbon reduction targets of your local authority's Climate Change Action Programme? What particular areas is your Climate Change Action Programme aimed at?
- (4) Derby City Council has designed its Climate Change Action Programme to cover the following roles of the Council
 - Estate Manager
 - Service Provider
 - Community LeaderIs this similar to the approach taken by your local authority? If not how does your approach differ?
- (5) What structure has your Council adopted to take the Programme forward – in particular, what is the working relationship between the operational, energy management role and the more corporate, programme co-ordination role?
- (6) How have you gone about publicising your Climate Change Action Programme and engaging and educating employees and the public?
- (7) What criteria have you adopted to help prioritise which projects are taken forward within your programme? Are you tackling the simplest problems first or going for those where success will have the biggest impact?
- (8) Have you included any significant carbon reduction projects in your Climate Change Action Programme and if so how are you funding them?
- (9) In the course of running your Climate Change Action Programme have you done or come across anything that has proved particularly successful in reducing your local authority's carbon emissions?
- (10) Conversely, is there anything that you have done that has not proved successful or that you would not do again?

3. Response of the Witnesses

7. The full notes of the Commission's meetings with the representatives of Kirklees, Leicester and Nottingham Councils are contained in Appendix 1 of this report. The key points extracted from the meetings are listed in the table below.

Table 1

Key points from the Commission's meeting with Simon Green, Director of Sustainable Development, Nottingham City Council – 12 February 2008.		
SG1	a)	Since last year Nottingham's approach had been for the sustainability and economic development teams to work together. SG said that this was important because there were strong linkages between the two functions and there was a need to develop an approach that did not tend towards the extremes.
	b)	One of the major steps taken by Nottingham was to bring sustainability and economic development together in the same department. SG said this had helped the Council to achieve both its environmental and economic development targets. SG said the initiative had also helped to promote an invest-to-save mentality in the Council which could provide the funding needed to achieve environmental targets.
SG2	a)	By using the technology that was now available it was possible to achieve strong economic development and sustainability
	b)	There were now a number of devices available to reduce energy consumption and efficiency
SG3		Nottingham City Council had started to develop its environmental programme in the late 1990s.
SG4	a)	There had been strong member/officer support and that this had resulted in the Nottingham Declaration on Climate Change which was launched in November 2000.
	b)	Now a need to put some of the drive back into the Nottingham Declaration.
	c)	Successful implementation was largely down to individuals.
SG5	a)	Nottingham's Climate Change Strategy dated from October 2006. It had been the subject of wide consultation and involved 60 recommendations which had been endorsed by full Council.
	b)	A copy of the Strategy document has been provided to the Commission.
	c)	The Strategy identifies the need to reduce carbon emissions

		but the focus is more on doing this through reducing energy consumption and generating energy from renewable sources.
SG6		Nottingham had a lot of inherited buildings that required a significant amount of work to bring them up to an acceptable efficiency standard
SG7		It was important to involve the facilities management at the early stages as they needed to be fully on board with any proposals
SG8	a)	Nottingham City Council was one of the top ten users in the country of green electricity and said that this was mainly used in buildings
	b)	70% of all Nottingham City Council's energy and 90% of its electricity comes from green sources. The total CO2 emission for the whole City was in the order of 2m tonnes/year.
SG9	a)	SG said that Nottingham did not have any plans at present for using water power, but they did have an energy services company Enviro Energy, which was a wholly owned subsidiary of Nottingham City Council and which used the energy from the 130,000 tonnes of waste burned in the Council's incinerator for district heating and electricity generation
	b)	The scheme had originally served public housing stock so the recipients had had relatively little choice in the matter. However the intention was now to extend the scheme to the Meadows and to include 4000 additional houses and some new build.
	c)	Developers would have to deliver 10% of the energy for their new build from renewable sources and the district heating scheme was available to do this.
	d)	The district heating scheme was saving the equivalent of 26,000 tones of CO2 per year.
SG10	a)	Asked whether Derby could apply the Merton Rule to new properties built in the City. SG confirmed that this was possible but there needed to be the political will to do it.
	b)	Government has put in place arrangements to enable local authorities to fast track adoption of the Merton Rule
SG11	a)	The environmental image of a City is important.
	b)	Councils need to steer developers to deliver the required product.
SG12		Asked if with the benefit of hindsight there was anything he thought Nottingham should have done differently, SG said that it should have developed its policies first rather than starting the actions without having an overall policy.
SG13	a)	There was a need at an early stage to identify resources to deliver on recommendations. If this was not done there was a

		danger of alienating staff who were faced with having to deliver an output without any funding to do it.
	b)	Initially Nottingham had started off with a strategy but not enough resources to deliver it and without any proper involvement of facilities or estates management. This had created problems which could have been avoided if the estates and facilities managers had been involved from the start.
SG14		Asked about the support the whole process in Nottingham had received from the Chief Executive, SG confirmed that this had been true at the start of the process and was still the case.
SG15	a)	Nottingham was seeking EMAS accreditation for the whole Council
	b)	Officers have been appointed as EMAS champions in all NCC departments
Key points from the Commission's meeting with Anna Dodd, Environment Team Leader, Leicester City Council – 21 February 2008		
AD1	a)	Leicester City Council (LCC) started its work on Climate Change programme in 1994
	b)	Carbon reduction targets were set to reduce levels by 50% on 1990 levels by 2020.
AD2	a)	In 2003 a Climate change strategy for the City was developed in conjunction with the Local Strategic Partnership (LSP)
	b)	Developed a 24 point Climate Change Action Plan
AD3	a)	So far LCC have achieved a 25% reduction on the Council's 1990s figures – mostly due to switching to cleaner energies i.e. gas.
	b)	City wide there has been a 10% reduction against target but this masks large decrease in heavy industry over this period which is largely responsible for the drop in emissions.
	c)	Over the same period there has been a 7% increase in carbon emissions from residential properties and a 10% increase in transport emissions.
	d)	LCC is responsible for 3% of the city's emissions and schools are responsible for 1%
	e)	80% of LCC's emissions come from their building stock
	f)	Another target area is to reduce the 15% Carbon emissions from LCC staff's commuting.
	g)	LCC is working to develop targets for departments and teams

		across the Council
AD4		The Council produces a very small amount of its own energy e.g. photovoltaic cells on swimming baths
AD5	a)	LCC has its own version of the 'Merton Rule' for sustainable energy to be built into planning developments. The 10% sustainable energy target is currently for larger developments. It will be increased this year to a 12% target.
	b)	LCC are working on developing area of the City (Ashton Green) in a sustainable way – This is a private development on council land. English Partnerships are involved in this scheme and it is hoped it will be a key model for sustainable development both in LCC and across the country.
AD6	a)	Biggest challenge for LCC is to reduce emissions in buildings especially in tackling Council's office tower block.
	b)	Some council building in last 5 years have very poor environmental standards
	c)	LCC base line measurement for emissions is 53,950 tonnes Carbon/equivalent gases in 2005/06. This figure is nearly double Derby City Council's level however LCC have almost twice as many buildings than Derby. This figure may have been measured slightly differently to the way Derby City Council took its measurement.
	d)	A Community Award Scheme has been developed to reward good practice and ideas from the public/officers/local companies
AD7	a)	LCC aims to engage with the public through its strategy 'Climate Change – What's Your Plan?' which challenges the public to change their behaviour
	b)	LCC launched website in October 2007, which gives suggestions about how public can alter their carbon footprint by reducing their energy consumption and carbon emissions.
	c)	A Climate change pack has been produced to give to public/staff information about how they can alter their behaviour to reduce their impact on the environment
	d)	An advisor for Council staff will be appointed to influence behavioural changes at work to reduce emissions
	e)	A corporate Travel Plan will be introduced in April/May to encourage people to leave their cars at home and use public transport when travelling to work.
	f)	The Council's vehicle fleet is being looked at to see where it can be reduced and how efficiencies can be made

	g)	A new sustainable procurement officer has been appointed
	h)	LCC now have a 'Mitigation Action Plan' and a Climate Change officer who is working on an 'Adaptation Plan'
AD8	a)	Two years ago the LSP commissioned some work to look at environmental issues
	b)	The LSP have 1 officer giving practical advice and one working with organisations to get them to sign up to commitments to reducing their emissions. Both posts are funded through Neighbourhood Renewal Fund money.
	c)	The LSP are in the process of setting up a Climate Change Board – The board will be chaired by a Councillor and cover the LSP.
AD9		All Cabinet Members in LCC have some responsibilities relating to reducing the impact on the environment within each of their portfolios.
AD10	a)	LCC are looking at developing wind turbines in the city as are a visible sign of change and action (unlike insulation which can't be seen!) and the public can get involved in. The wind turbines could be developed on Council Land with a private developer using a Community Share Scheme.
	b)	Opportunities to improve use of biomass sources are being explored
	c)	A feasibility study is to be carried out of heat pumps for the university, prison and hospital
AD11	a)	£500,000 of funds from building schools for the future has been made available as a loan to schools to improve their environmental standards
	b)	70 schools are working towards the EMAS standard with 50 already achieving this.
	c)	60% - 70% of primary school pupils in LCC walk to school
AD12	a)	AD said further challenges included being more specific in the Climate Change Action Programme regarding how effective each initiative would be in tackling carbon emissions and giving greater consideration to the costs involved in reducing emissions.
	b)	AD felt there was still a long way to go to convince Members and the public that spending the money was worthwhile and necessary and that this was one of the biggest challenges to overcome.

Key points from the Commission's meeting with Phil Webber – Head of Environment Unit , Kirklees Metropolitan Council – 5 March 2008		
PW1		PW said that Kirklees had started its environmental programmes in 1992 following the Rio summit.
PW2	a)	PW said that Kirklees' original target had been to reduce its 1990 level of carbon emissions by 30% by 2005.
	b)	PW said that by 2005 Kirklees had achieved an overall reduction of 34% based on its 1990 levels, but he pointed out that this was largely achieved by buying electricity from renewable sources and by actions such as boiler replacement, improved energy efficiency and the 'dash to gas'.
	c)	Kirklees had now set a new target which was to reduce its 2005 levels by a further 30%. This was reflected in its LAA targets for the Council and the District.
PW3	a)	PW said that in order to define reductions it was necessary to work out the Council's carbon baseline level for 1990 and he emphasised the difficulty of doing this retrospectively.
	b)	PW said that they were still finding it difficult to establish a baseline figure for the Council, and he said it had taken years to get this clear.
PW4	a)	PW said that for Kirklees the majority of emissions were associated with buildings and travel at work and he suggested that the situation would be similar for Derby.
	b)	Kirklees has around 800 Council owned buildings.
PW5		Like Derby, Kirklees originally had problems with estimated energy bills, with incorrect billing and with bills for buildings that did not exist.
PW6	a)	Building Management Systems had been installed at some of these buildings and smart metering was being trialled in order to control energy usage and contain costs.
	b)	Being on the right energy tariff was important.
PW7	a)	Asked about the size of Kirklees' energy management team. PW said that it consisted of about five FTE employees but emphasised that it worked closely with staff in other areas of the Council.
	b)	In response to a further question about staffing levels PW said that this was dependent on what the team was being asked to do. He said that his current requirement was for an extra five staff. This was based on a core of 13 FTE employees.
PW8	a)	A key area for the Council was buildings.
	b)	The extensive areas of new building that were taking pace in Kirklees offered great opportunities for energy/emissions

		savings.
	c)	The Council wanted to install a heat-from-waste district heating plant that would provide heating for some of the new areas and the Royal Infirmary.
	d)	The cost of this plant would be around £6m with the Council putting up half of this and a large local company the rest.
PW9	a)	Kirklees' 'Warm Zone' project offered free loft insulation and cavity wall insulation to residents.
	b)	The Council had put £9m into this scheme with the rest coming from Scottish Power.
	c)	The target was to achieve 70% of properties with extra insulation, half of this supplied through Warm Zone.
PW 10	a)	Kirklees had commissioned a survey of 13 weirs on its local river and was considering the installation of hydroelectric plants on four of them.
	b)	The Council was actively managing some sizeable woodland areas which had previously been neglected. The management of these areas was producing a lot of trimmings and the Council was considering the construction of a pellet mill which could convert these into fuel. There would be enough to heat a significant number of buildings and the amount of woodland was sufficient to sustain this supply without the need for much re-planting.
PW 11	a)	The Council services had mitigation and adaptation plans and there was a 'Star Chamber' (Budget) meeting at which departments had to present and explain these plans to members.
	b)	New buildings had to satisfy a 'Seal of Approval Board' and building and project teams were required to present to the Board which asked questions about issues such as Whole Life Costing and resilience.
	c)	Whole Life Costing was important because it considered the break even point for a building. In most cases this would occur after around 15 years but as well as this, the buildings were better to use as they satisfied exemplary building standards.
PW 12		The Council tried to encourage the adoption of environmental standards by private developers. Marks and Spencer were following them and Tesco were building a new store to the BREAM 'very good' standard.
PW 13	a)	The Council had not done the publicity particularly well.
	b)	However some minor projects, such as the installation of wind turbines on the Civic Centre roof had received a lot of

	c)	publicity. Highly visible projects could be good because they raised public awareness.
PW 14	a)	The Council had achieved some funding through land sales, particularly through the sale of its share of Leeds Bradford Airport.
	b)	Capital receipts were vital for the success of the projects.

4. Outcomes of the review

8. All three witnesses represented local authorities which have been working on Climate Change/Carbon Management issues for considerably longer than Derby City Council and have a wealth of practical experience which should prove very useful, both in directing the development of the City Council's Climate Change Action Programme and in guiding the planning of the Council's environmental and energy management projects.

9. The key points provide the detail of the evidence gathering sessions with the main points being collated and summarised below:

4.1 Carbon Reduction Targets and Baseline Information

10. Leicester and Kirklees both have stated targets for reducing carbon emissions by a defined percentage from a previous baseline level. PW emphasised the difficulties that Kirklees had experienced in defining their historic baseline level. Derby is experiencing a similar problem and there is no reason to expect that the problem was any easier for Leicester City Council.

11. In the evidence he provided to the Commission SG did not mention a carbon reduction target for Nottingham City Council, and neither is such a figure identified in Nottingham's Climate Change Strategy. Instead NCC is working towards a target of reducing energy consumption from Council buildings and they relate their carbon reductions to that reduction in energy use.

12. If there are problems in defining a baseline figure for carbon emissions for Derby City Council, the approach followed by Nottingham might be worth considering, at least as an interim measure.

4.2 Involving members and staff in the Council's Climate Change Activities

13. Of the three local authorities that gave evidence to the Commission, Leicester City Council seems to have taken member/staff involvement furthest. Their initiatives are listed in AD7 of the Key Points. Leicester has

also engaged with their LSP which has set up a Climate Change Board and is now working with local organisations on emissions reduction.

14. There would appear to be advantages for Derby in examining the approach taken by Leicester.

15. Nottingham City Council considers that one of the major steps they have taken was to bring together sustainability and economic development. They also believe it is important to involve facilities management at the early stages and to identify the resources needed to deliver recommendations.

16. These are all points that could be usefully be examined by Derby.

4.3 Measures to reduce Carbon emissions from domestic properties

4.3.1 Planning and Private Developments

Both Nottingham and Leicester have implemented their own version of the Merton Rule and are requiring developers to meet defined standards for sustainable energy for new targets.

If Nottingham and Leicester are doing this there seems no reason why Derby should not follow suit. This would have a significant impact on medium term carbon emissions from the City.

4.3.2 The Kirklees Warm Front Scheme

This scheme offers free loft and cavity wall insulation to residents. It is not means tested and the Council's target is to achieve 70% of properties with extra insulation, half of this supplied through Warm Zone.

4.4 Local energy generation

17. Currently Leicester only generates a very small amount of energy. However the Council is looking at installing wind turbines on Council owned land using a Community Share Scheme. It is also exploring opportunities to use biomass sources and conducting a feasibility study on the use of heat pumps for the university, prison and hospital

18. Nottingham has its own ESCO which uses energy from waste to generate electricity and provide district heating. The Commission were told this saves 26,000 tonnes of CO₂/year. Kirklees are proposing the installation of a heat-from-waste district heating scheme. The £6m cost of this will be funded jointly by the Council and Scottish Power. Kirklees were also looking at using four of the weirs on a local river for hydro electric generation and were investigating the installation of a pelleting mill to turn woodland management wastes into wood pellet fuels.

19. The proposed new County/City waste disposal facility may offer the opportunity to develop a heat from waste district heating scheme in Derby. The advantages of this would help to offset public opposition to such a facility.

20. Although Derby does not have extensive areas of Council managed woodland, the possibility of using the waste material from its arboricultural management activities could be investigated. The use of heat pumps could also be explored

4.5 Involving schools

21. Schools in Leicester are responsible for around one third of the Council's carbon emissions. To address this Leicester City Council have used £0.5 m of Building Schools for the Future funds as a loan to schools to improve their environmental standards. Seventy schools working towards EMAS with 50 having already achieved it. Around 60% of Leicester primary school pupils walk to school.

4.6 Addressing Future Challenges

22. Leicester City Council felt that further challenges included being more specific in the Climate Change Action Programme regarding how effective each initiative would be in tackling carbon emissions and giving greater consideration to the costs involved in reducing emissions. They also felt there was still a long way to go to convince Members and the public that spending the money was worthwhile and necessary and that this was one of the biggest challenges to overcome.

23. Kirklees had a 'Star Chamber' (Budget) meeting at which departments had to present and explain their mitigation and adaptation plans to members.

24. The idea of departments presenting and explaining their Climate Change proposals to members, perhaps of the Climate Change Overview and Scrutiny Commission, is one that might be explored by Derby City Council. It would be possible to use this to explore Whole Life Costing and would increase member knowledge and involvement in what is being proposed across the Council.

5. Conclusions

25. The evidence gathering meetings with witnesses representing Nottingham City, Leicester City and Kirklees Metropolitan Councils has provided useful confirmation of validity of the actions so far included in the City Council's Climate Change Action Programme.

26. The witnesses have also informed the Commission of a range of actions and initiatives that their local authorities have implemented.

27. It is considered that there would be value in the City Council exploring some of these actions and initiatives and where appropriate adopting them to enhance and advance its Climate Change Action Programme.

28. A number of recommendations based on the outcomes of this review are contained in the following section of this report.

6. Recommendations of the Commission

Recommendation 1

29. That the Climate Change Board:

- a) Considers the information provided to the Commission by the representatives of Nottingham City, Leicester City and Kirklees Metropolitan Councils to the Climate Change Commission
- b) Identifies any initiatives or actions that would enhance or advance the Council's Climate Change Action Programme
- c) Informs the Commission by a report to a future meeting, of the action which it now proposes to take.

Reasons

30. To enhance and advance the City Council's Climate Change Action Programme and to keep the Climate Change Commission informed of developments.

Recommendation 2

31. That the Leader of the Council, Chief Executive, and senior members and officers of Derby City Council visit a local authority such as Kirklees MBC to examine how they have implemented their Climate Change Action Programmes and what has been involved in doing so.

Reasons

32. To provide members and officers of the Council with an appreciation both of what can be achieved and of the cost and resource implications of such achievements.

DRR 7 March 2008.

Part 2

Review of the Use of the Council's Sustainable Procurement Policy

1. Introduction

1. The acquisition by the Council of any commodity or the provision of any works or services carries with it the potential for a range of adverse effects. These effects can have an adverse environmental impact on health and economy, both locally and globally.

2. The adverse environmental effects of procurement can be grouped generally under the following headings:

- Increased atmospheric emissions resulting in various forms of local and global air pollution
- Increased water pollution and/or land contamination through waste disposal
- Use of irreplaceable natural energy resources
- A deterioration in overall environmental quality

3. In addition to these environmental effects there may also be health or health and safety effects associated with the procurement of commodities or service.

4. The adverse environmental impacts of procurement are not just confined to the use by the Council of the commodity or the delivery of the service in question. Although these are undoubtedly important, particularly as they are under the Council's direct control, the 'end user' impacts may be a comparatively minor part of all the adverse environmental impacts associated with the delivery to the Council of the commodity or service.

5. Sustainable Procurement is in very general terms intended to address the adverse impacts of procuring and delivering goods of services.

6. Sustainable Procurement has been defined as:

'A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation but also to society and the economy, whilst minimising damage to the environment'

7. The processes of sustainable procurement by English local authorities are well established and there is a wealth of detailed information on processes and procedures on the excellent Sustainable Procurement Information Network (SPIN) website.

2. Methodology and Objectives of the Commission's review

8. There appear to be two elements that are essential if a local authority is to effectively implement sustainable procurement. These are:

1. The possession by the local authority of a viable sustainable procurement policy
2. The recognition by elected members and employees at all levels within the local authority that virtually everything they do at work has implications for sustainability and that they should consider those implications and act in the manner that results in the minimum adverse impact.

9. The objectives of the Commission's review were therefore to:

- (c) Determine whether the Council had a suitable Sustainable Procurement Policy
- (d) Establish the extent to which any Sustainable Procurement Policy was being followed by Council departments.

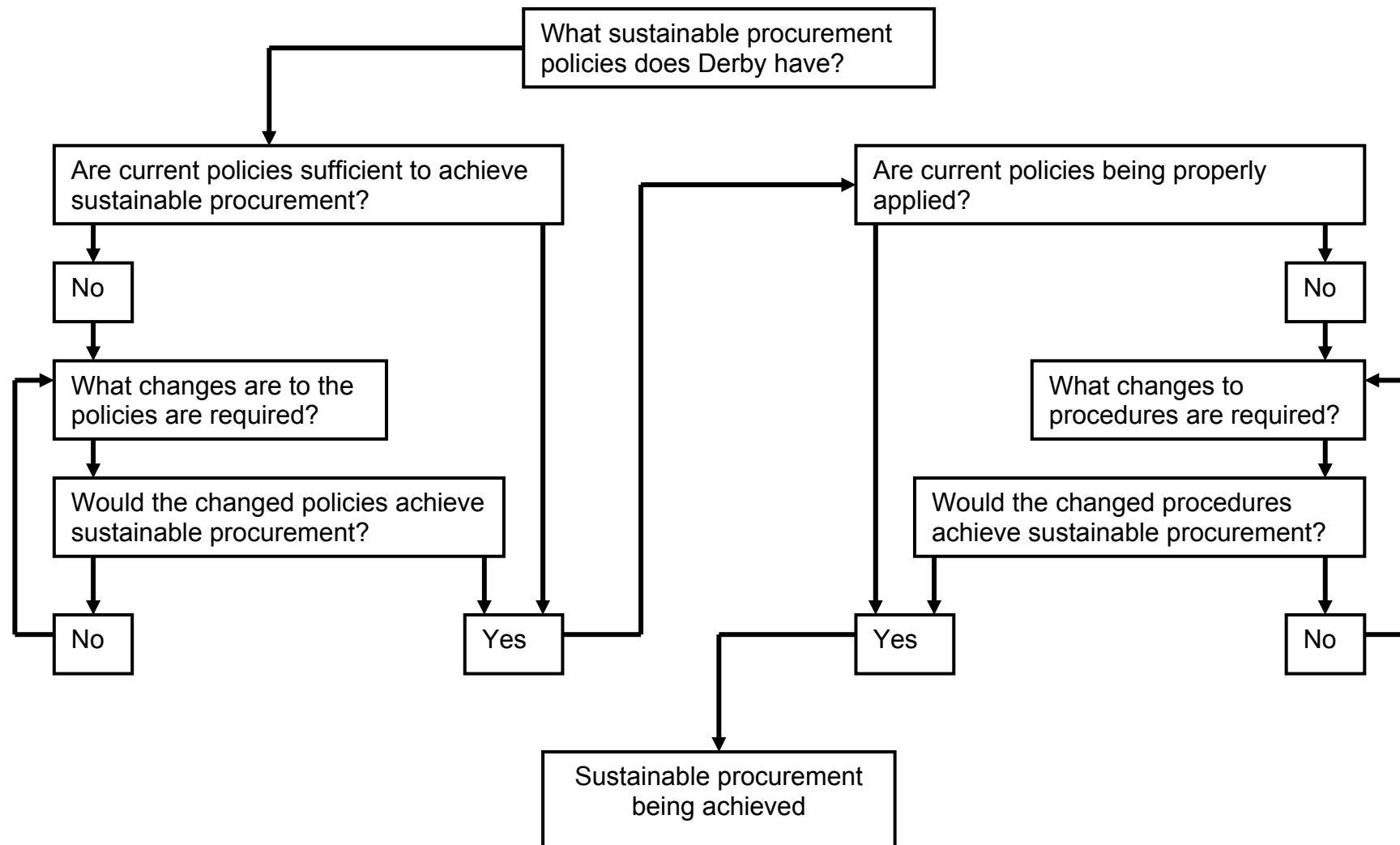
10. The structure of the review is outlined in the flow diagram shown in Figure 1, but in practice it was based on a simple questionnaire survey of the Council's Head of Procurement and the Chief Officers of the Council's five departments.

11. The questions asked of these witnesses were as follows:

2.1 Questions for the Head of Procurement

- (1) How do you define sustainable procurement?
- (2) What sustainable procurement policies does Derby have? What do these cover and how are they intended to work?
- (3) How long have the sustainable procurement policies been in place? Do the policies apply to the procurement of goods and services at all levels or only if they exceed a certain value – if the latter what is the threshold value?
- (4) Are the existing policies adequate/sufficient to achieve a satisfactory level of sustainable procurement?
- (5) How has the Sustainable Procurement Policy been publicised to Council employees? To what degree do you think that Council employees know about the policy?
- (6) How are sustainable targets defined for the procurement of specific goods and services? Who defines the procurement targets for the service departments?

Figure 1 – Structure of the Review



- (7) How are Council officers intended to apply the sustainable procurement policy? Are any records kept of compliance with the procurement process? Is anyone responsible for checking that a department's procurement complies with the Council's Sustainable Procurement Policy?
- (8) Do you know how much importance departments place on sustainable procurement compared say with cost, speed of delivery or availability of the product/service?
- (9) Are there any examples of good practice in sustainable procurement by Council departments? Conversely, are there any particular examples of poor practice?
- (10) In overall terms what level of compliance do you think is there across the Council with the concept of sustainable procurement?
- (11) If the overall level of compliance with the sustainable procurement policy is less than desirable, what actions do you think could be taken to encourage more sustainable procurement across the Council?
- (12) Do you think that a Council-wide increase in the level of sustainable procurement is likely to result in the Council being faced with increased costs for goods and services – if so do you know how much this increase is likely to be?

2.2 Questions for Chief Officers

- (1) What do you understand by the term 'sustainable procurement'?
- (2) In terms of procurement within your department, please list in your current order of importance (the most important first) the following aspects of a product/service:
 - Cost
 - Performance against ideal specification
 - Value for money
 - Sustainability
 - Availability
 - Ease of use
- (3) Are the staff in your department aware of the Council's Sustainable Procurement Policy? Is there anyone within your department who is responsible for ensuring/encouraging compliance with the Policy?
- (4) Does your department keep any records to show how issues of sustainability have been taken into account when procuring products of services?

- (5) Is the issue of sustainability taken into consideration for all types of procurement within your department, or is it only considered in cases where there are obvious and significant sustainability issues/impacts?
- (6) In cases where it has been recognised that there are/will be sustainability issues, how closely does the procurement regime operated by your department conform to the guidance contained in the Council's Sustainable Procurement Policy.
- (7) How easy is it to comply with the Council's Sustainable Procurement Policy? What are the barriers to using the Policy? Are there any ways in which the Policy might be improved to make it easier and/or more practicable to apply?
- (8) Do you think any significant environmental benefit would result from giving sustainable procurement a higher priority within the Council?
- (9) If sustainable procurement was made mandatory what financial impact do you think this would have on the operation of your department?
- (10) Are there any examples of good procurement practice by your department? If so please provide details and if possible quantify any resulting benefits.
- (11) Do you think that the Council will need to increase its level of sustainable procurement in order to achieve its carbon reduction targets? If so how do you think that this might best be done?

3. Response to Questionnaire Survey

3.1 Head of Procurement's response

Q1.	How do you define sustainable procurement?
	<p>Sustainable Procurement requires taking social and environmental factors in consideration alongside financial factors in making procurement decisions.</p> <p>It involves looking beyond the traditional economic parameters and making decisions based on the whole life cost, the associated risks and implications on society and the environment.</p>
Q2.	What sustainable procurement policies does Derby have? What do these cover and how are they intended to work?
	<p>We have a single policy which the principles of which can be applied to all areas of contracting.</p> <p>Some specific examples of where sustainability has been taken into account in forming the procurement are:</p> <p style="padding-left: 40px;">a. Implementation of a recycled paper supplier</p>

	<ul style="list-style-type: none"> b. Use of recycled materials in highways contracts. c. Route planning in contracts where distribution is involved. d. Use of local labour identified as a requirement within the contract.
Q3	How long have the sustainable procurement policies been in place? Do the policies apply to the procurement of goods and services at all levels or only if they exceed a certain value – if the latter what is the threshold value?
	Less than a year in practice and it is applicable to all areas of procurement. We have not set any thresholds.
Q4	Are the existing policies adequate/sufficient to achieve a satisfactory level of sustainable procurement?
	If applied the policy is adequate in providing guidance and an approach to sustainable procurement. What it may not address is the complexity of approach that certain contracting areas will inevitably. For a satisfactory level of outcome to be achieved there would need to be more resource available to officers to address these issues and more direction on the priorities of the Council's requirements in this area.
Q5	How has the Sustainable Procurement Policy been publicised to Council employees? To what degree do you think that Council employees know about the policy?
	The policy has been promoted directly to officers working with the procurement team as part of the development of specifications within the procurement process. It has been promoted within the Procurement Connection publicity as the general development of better procurement practice. We understand that it has been promoted by the Environmental team in their work with departments.
Q6	How are sustainable targets defined for the procurement of specific goods and services? Who defines the procurement targets for the service departments?
	I am not aware of any targets set for departments although there are some targets for recycling within certain contracts such as Highways and construction.
Q7	How are Council officers intended to apply the sustainable procurement policy? Are any records are kept of compliance with the procurement process? Is anyone responsible for checking that a department's procurement complies with the Council's Sustainable Procurement Policy?
	<p>We would expect officers to retain information in their contract files on the process for managing their procurement and would expect to see the development of the specification documents address these issues.</p> <p>We have no resource for monitoring compliance to procurement requirements in this area.</p>

Q8	Do you know how much importance departments place on sustainable procurement compared say with cost, speed of delivery or availability of the product/service?
	No information on this in general but would not say it was seen as a priority.
Q9	Are there any examples of good practice in sustainable procurement by Council departments? Conversely, are there any particular examples of poor practice?
	Areas such as highways are more developed in areas such as use of recycled materials and reusing material within projects but this is sector led rather than department led.
Q10	In overall terms what level of compliance do you think is there across the Council with the concept of sustainable procurement?
	Very difficult to say due to lack of visibility of any specific activity. Informal feedback suggests that there are officers who take consideration of the sustainability of their procurements but it would probably be the minority and not more than 30%.
Q11	If the overall level of compliance with the sustainable procurement policy is less than desirable, what actions do you think could be taken to encourage more sustainable procurement across the Council?
	Raising awareness of the requirement and some more specific guidance on what the priorities are for the Council. Potentially target the contracting areas that would be expected to have high impacts and provide technical support to the officers managing those areas.
Q12	Do you think that a Council-wide increase in the level of sustainable procurement is likely to result in the Council being faced with increased costs for goods and services – if so do you know how much this increase is likely to be?
	It is impossible to say. If the review of procurement would lead to a reduction in consumption which is feasible in certain areas this could reduce the overall cost to the Council. There are still pricing premiums on certain 'green' products so that could lead to an increase in costs in the short term. The focus needs to look at whole life costs so that all factors can be taken into account to seek better value over the whole life of the goods/ services being consumed

3.2 Chief Officers' Responses

		Corporate and Adult Services	Children and Young People	Environmental Services	Regeneration and Community	Resources
Respondent		Rod Wood HR Division	Andrew Flack	Dave Pickering	Composite – All Divisions	Don McLure
1	What do you understand by the term 'sustainable procurement'?	Not much	Ensuring that supplies and services have minimal impact on the environment and natural resources, such that they may be sustained over a long period of time and without excess detriment to future generations	Purchasing goods and services that take into account the social, economic and environmental impact. Considering their source, how they are transported and how they are eventually disposed of.	<p>All the social, environmental and financial elements associated with end-to-end business processes as directed by the Local Agenda 21 initiative and associated governmental direction over the last 15 years or so.</p> <p>Don't know</p> <p>Buying goods from renewable sources</p> <p>Using suppliers who operate according to sustainable principles</p>	The term needs to be Plain Englished. My understanding of the term is having robust procurement systems in place across the Council and with partners that are embedded so that the Council receives optimum value for money in everything it expends money on – but I suspect that in this context it means 'green' procurement e.g. recycled paper, low energy light bulbs etc.
2	In terms of procurement within your department, please list in your current order of importance (the most important first) the following aspects of a product/service:	<ol style="list-style-type: none"> 1. Performance against ideal specification 2. Value for money 3. Cost 4. Availability 5. Ease of use 6. Sustainability 	<ol style="list-style-type: none"> 1. Availability 2. Value for money 3. Performance against ideal specification 4. Cost 5. Sustainability 6. Ease of use 	<ol style="list-style-type: none"> 1. Value for money 2. Performance against ideal specification 3. Cost 4. Availability 5. Ease of Use 6. Sustainability 	<p>This would very much depend on what is being procured</p> <p>Generally :-</p> <ol style="list-style-type: none"> 1. Value for money 2. Cost 3. Performance against ideal specification 4. Sustainability; 	<ol style="list-style-type: none"> 1. Value for money 2. Performance against ideal specification 3. Sustainability 4. Cost 5. Availability 6. Ease of Use

	<ul style="list-style-type: none"> • Cost • Performance against ideal specification • Value for money • Sustainability • Availability • Ease of use 				<p>5. Availability; 6. Ease of use.</p> <p>However, for example:- Availability would be the most important (for the procurement of artists etc for Arts & Entertainments) but Performance against Ideal Specification would be the most important for technical equipment such as stage access ladders etc.</p>	
3	<p>Are the staff in your department aware of the Council's Sustainable Procurement Policy? Is there anyone within your department who is responsible for ensuring/encouraging compliance with the Policy?</p>	<p>A - No. B - No.</p>	<p>Patchy given the scale and breadth of the dept No. It would be a matter for all carrying out the procurement</p>	<p>Purchasing Manager is aware. Responsible people – HOSs, Quality Manager, Purchasing Manager</p>	<p>None of the divisions questioned were aware of the Council's sustainable procurement policy.</p> <p>There are no "buyers" as such - all officers with a procurement remit should adhere to council procurement rules.</p>	<p>Other than the key officers who are responsible for procurement in each of the services, probably not. As Director with responsibility for corporate procurement, I have overall responsibility with the head of Procurement and her team who do encourage compliance with the Policy. The Corporate Procurement team is growing by two officers from April 2008, so we might be able to focus on more</p>

						work in this area.
4	Does your department keep any records to show how issues of sustainability have been taken into account when procuring products of services	No.	No	Proof with tender documents and evaluation procedure.	Yes – Highways & Transportation keep various records via outputs from Prince 2 documentation, tender documents, tender assessment models, construction management records and the like. Other divisions do not keep any records	Not aware personally
5	Is the issue of sustainability taken into consideration for all types of procurement within your department, or is it only considered in cases where there are obvious and significant sustainability issues/impacts?	It's not.	The latter only, almost certainly	Only in obvious cases at present.	No, not necessarily. E.g. printer cartridges/consumables – where the real expectation is that the manufacturer has embraced associated sustainability issues in the associated recycling initiative(s) etc. within their industry. However, within Highways & Transport it is built-in to contracts that are let for engineering works say via specification requirements and	Not aware personally but I would expect this to be the case.

					constraints, onto tender assessment criteria and associated evaluation models, onto respective performance or delivery criteria. (Environmental Management System requirements; waste management plans etc are the norm.) See ** below	
6	In cases where it has been recognised that there are/will be sustainability issues, how closely does the procurement regime operated by your department conform to the guidance contained in the Council's Sustainable Procurement Policy.			When routed through purchasing office the checklist within the policy is used.	<p>None of the divisions are aware of the policy so unable to comment on specifics.</p> <p>However, for engineering contracts the procurement model encompasses and probably exceeds the level of guidance given – assuming of course that those elements are known at the time of specification/tender. An example could be: not only does the project manager consider recycling as an option but ensures that it is the design requirement of</p>	I am not aware of any so cannot comment on this.

					<p>that element of work (carriageway recycling programme).</p> <p>Within other divisions of R&C the issues of sustainability are not currently strongly recognised.</p>	
7	<p>How easy is it to comply with the Council's Sustainable Procurement Policy? What are the barriers to using the Policy? Are there any ways in which the Policy might be improved to make it easier and/or more practicable to apply?</p>	Do not know.	Variable. Understanding and resources may be the major issue.	Not too difficult. A shorter, user-friendly format would make things easier.	<p>The initial barrier is of course the awareness that the DCC policy exists and there appears to be no knowledge of existence of a sustainable procurement policy at all within R&C – even from members of the procurement group.</p> <p>– having documented that, it is a general principle for all engineering works. It is a basic government led agenda with associated awareness, knowledge and experience of the principles of sustainable development and procurement held throughout the</p>	I'm not hands on enough with the Policy to comment here.

					<p>Highways & Transport Division.</p> <p>The policy could be improved by:-</p> <ul style="list-style-type: none"> • Better/easier document retrieval; (i.e.: finding it!!) • Cascading associated information and training; • Associated link with DCC's Environmental Policy; • Associated links into governmental agenda's e.g. "Securing the future – delivering sustainable development strategy" etc. • Examples of the elements associated with the "5 steps associated with Sustainable Procurement" & worked examples; • A central database of sustainable procurement norms 	
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					<ul style="list-style-type: none"> and initiatives. etc 	
8	Do you think any significant environmental benefit would result from giving sustainable procurement a higher priority within the Council?	It's possible.	Given the scale of the Council it certainly ought to have such an effect but whether that is significant would depend on the definition	Definitely.	Yes – although without knowing what the policy encompasses it is difficult to comment with any certainty.	Yes.
9	If sustainable procurement was made mandatory what financial impact do you think this would have on the operation of your department?	Do not know.	Hard to assess, but in major areas such as building and transport, explorations so far suggest it would be substantial (e.g. we have not been able to afford the full range of sustainability solutions that might be used in school buildings)	There would probably be an initial increase in expenditure but this should be off-set by a reduction when the effects of the reduction in life cycle cost takes effect.	<p>Additional finances required –</p> <p>Training and management of business processes;</p> <p>Staff would need training on procurement processes – time & resources implications.</p> <p>Increased costs of products and services.</p> <p>Having read the Sustainable Procurement Policy it appears to have a very wide remit beyond just environmental considerations – it encompasses social responsibility etc. How would this impact on the</p>	Marginal.

					use of Approved Suppliers/the use of Constructionline/ the compliance with EU legislation etc	
10	Are there any examples of good procurement practice by your department? If so please provide details and if possible quantify any resulting benefits.		Measures have been included in substantial school new build and refurbishment. Details from CYP Asset Management Team or Property Services	The recent Building Maintenance Supplies Tender. The QA Manager was involved in the assessment of the returns and the award criterion was set at 50% on quality. The contract is due to start in April 2008.	<p>Within Highways & Transport & esp. within Engineering there are numerous examples on a number of aspects including:-</p> <p>1. LTP delivery – e.g. multi-modal shift leading to social & environmental benefits. (healthier communities, reduction in carbon footprint, reduced waste & reduced reliance on world resources etc)</p> <p>2. Early contractor involvement/value management/buildability issues/carriageway recycling/waste management plans/EMS/continuous improvement and performance management etc – all built into engineering projects. Major new</p>	Not aware of any.

					<p>development would be the Midlands Highway Alliance and the associated collaboration with the Alliance partners.</p> <p>3. Working with the Community Punishment Group on environmental works associated with watercourses in Derby City. Providing an outlet for serving of community service orders as well as delivering environmental improvements along respective watercourses.</p> <p>Across the other divisions the main areas of sustainable procurement practice relate to the purchase of energy saving products</p>	
11	Do you think that the Council will need to increase its level of sustainable procurement in order to achieve its carbon reduction targets? If	Probably. It would help if the existing policy had a higher profile.	Yes – by wider understanding and planning for cost implications	Definitely. Leadership, training and the commitment of resources is required.	Yes. Among many things :- Associated training and network of procurement officers. Database of associated	Yes. Report to Chief Officer Group containing options and recommendations.

	so how do you think that this might best be done?				best practice. Management systems and audit processes. Allow flexibility within Contract Procedure Rules.	
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**** See attached example extracts from recent tenders/submissions for the HMTC (Highways term Maintenance Contract) and Street Lighting PFI**

There is an assumption within the R&C divisions that for building construction projects (e.g.: libraries) the architects take into account sustainability issues within their design & tender procedures.

For some purchases of technical equipment the energy consumption of the product will be considered as energy costs within the theatres can be significant (e.g.: light bulbs etc)

4. Summary of responses to the Questionnaires

12. The Head of Procurement has informed the Commission that for the last year the Council has had in place a sustainable procurement policy which is applicable to all areas of procurement. She considers that the policy sets out the approach to sustainable procurement and provides the necessary guidance. She would expect officers to retain information on their contract files and to develop specification documents to address the issues of sustainable procurement. The existence of the policy is not disputed but it is not easy to find in the Council's document library.

13. The Head of Procurement has confirmed that there has been some promotion of the sustainable procurement policy. However she suggests that more needs to be done to raise the awareness of the requirement for sustainable procurement and that there should be more specific guidance on the Council's priorities. The Head of Procurement thought that across the Council the level of compliance with the concept of sustainable procurement might be in the order of 30%. However the responses received from the Chief Officers suggest that this might be a fairly optimistic prediction.

14. The Chief Officers' responses to their questionnaire show that there is overall a good awareness of the concept of sustainable procurement but that it is currently not given as higher priority as issues such as value for money and performance against the ideal specification of a product or service.

15. The Chief Officers also agree that staff awareness of sustainable procurement is somewhat patchy and from their responses it appears that the delegation of responsibility for sustainable procurement to individual officers is not widespread within the Council's departments. However several Chief Officers were able to cite examples of good sustainable procurement practice by their departments.

16. It is of note that, with two exceptions, Chief Officers reported that their departments are not keeping records to show how issues of sustainability have been taken into account when procuring products or services. They also said that where sustainable procurement procedures are followed this is only done for the procurement of products or services where there are obvious and significant sustainability issues and/or impacts.

17. The Chief Officers were asked how easy they found it to comply with the Council's Sustainable Procurement Policy and their responses suggest that more guidance and possibly a more user-friendly process might result in a greater use of the Policy. This suggestion is supported by the Head of Procurement who felt that a more satisfactory level of outcome might be achieved if officers were given more direction on the Council's requirements and if there was more resource available to address any issues that they had.

18. All the Chief Officers felt that there was the potential to realise significant environmental benefits from sustainable procurement but some also felt that mandatory adoption of sustainable procurement was likely to have an adverse

financial impact on their departments, at least in the short term. This view was shared by the Head of Procurement.

19. All the Chief Officers felt that the Council would need to increase its level of sustainable procurement in order to achieve its carbon reduction targets and there was clear support from them for leadership, training and resources to achieve this.

5. Conclusions resulting from the Review

20. From this very limited review of sustainable procurement by the City Council the Commission has drawn the following conclusions:

- The City Council has a viable Sustainable Procurement Policy which is applicable to all areas of procurement. This policy is not however easily accessible.
- Chief Officers are supportive of the concept of sustainable procurement and consider that the Council will need to make more use of sustainable procurement if it is to meet its carbon reduction targets.
- Currently, there is only limited use of the Sustainable Procurement Policy across the Council. Usually it is only used where there are obvious and significant sustainability issues and impacts.
- In general Council staff have limited knowledge of the Sustainable Procurement Policy or of the way in which it should be applied, so there is a need for awareness raising, guidance and training in the use of the policy.
- Sustainable procurement is not currently seen as a high priority for departments, more importance being given to issues such as value for money and performance against ideal specification.
- There is little formal record keeping by departments to show how issues of sustainability have been taken into account when procuring products/services.
- Wide spread use of sustainable procurement by the Council is likely to result in at least a short term increase in costs.

6. Recommendations arising from the Review

21. The Commission offers the following recommendations which are intended to address the major issues identified from the review.

Recommendation 1

22. Guidance should be issued on the extent to which Council departments are required to follow the principles of sustainable procurement and the policy document should be made much more accessible.

Reasons

23. At present it appears that where sustainable procurement procedures are being followed, this is only being done for the procurement of products of services where there is an obvious and significant sustainability issue/impact. It is considered that Council departments should be provided with clear guidance and where necessary threshold levels for the use of sustainable procurement and the policy document and any associated guidance needs to be easy to find.

Recommendation 2

24. New and extensive publication of the need for sustainable procurement should be provided to employees at all levels across the Council and staff should be actively encouraged to look at procurement practices within their departments.

Reasons

25. The responses to the questionnaires suggest that whilst there may be a good understanding of sustainable procurement at upper management levels within the Council this understanding may not be widespread throughout the organisation and that opportunities for sustainable procurement are consequently being missed.

26. There is a significant level of environmental awareness and enthusiasm amongst Council employees, as has been shown by the success of the Energy Champions, and publicising the concept and benefits of sustainable procurement will allow the Council to make further use of this enthusiasm.

Recommendation 3

27. The Sustainable Procurement Policy should be supported by clear user-friendly guidance with examples wherever possible. If resources are available training sessions on sustainable procurement should be offered and a forum established to publicise and exchange examples of best practice. Again, if resources are available a 'helpline' should be set up to offer advice to employees on sustainable procurement.

Reasons

28. To ensure that that information on sustainable procurement procedures is readily available to all Council employees.

Recommendation 4

29. All Council departments should as a matter of course keep records to show how they have followed the procedures set out in the Sustainable Procurement Policy.

Reasons

30. To provide a record of the extent to which the Sustainable Procurement Policy is being applied across the Council and information which can be used to demonstrate the reduction in the Council's carbon emissions that are attributable to sustainable procurement.

Recommendation 5

31. As part of their record keeping all Council departments should include details of any increased costs that they incur by the sustainable procurement of products or services. Wherever possible these additional costs should be related to the environmental savings achieved through sustainable procurement.

Reasons

32. To provide a means of identifying and tracking the any increase in costs due to sustainable procurement.

DRR 5 March 2008.

Appendix 1

Notes of Commission meeting with Simon Green, Director of Sustainable Development, Nottingham City Council on 12 February 2008.

Those present:

Simon Green (SG)
Councillors Ingall and Wood
Jane Temple, Andy Hills, Ellen Bird and DR
Apologies: Cllr Grimadell

The Chair welcomed SG to the meeting and explained that the Commission wanted to find out how other local authorities had gone about setting up their Climate Change Action programmes and to learn from their experiences.

SG said he would like to start by giving an overview. He said that he was Director of Sustainable Development at Nottingham City Council and told the meeting that since last year Nottingham's approach had been for the sustainability and economic development teams to work together. He said that this was important because there were strong linkages between the two functions and there was a need to develop an approach that did not tend towards the extremes, for example total commitment to economic development or the opposing 'eco warrior' approach.

SG said that by using the technology that was now available it was possible to achieve strong economic development and sustainability. However, he agreed that this was easier in a local authority such as Nottingham which had a mainly service based economy than in one with heavy industries such as iron and steel.

SG told the meeting that Nottingham City Council had started to develop its environmental programme in the late 1990s. He said that there was strong member/officer support and that this had resulted in the Nottingham Declaration on Climate Change which was launched in November 2000. The Declaration recognised the significance of climate change and the need to do something about it. SG said that it had been relatively easy to get people to sign the declaration but much more difficult to get them to do something about it. He reaffirmed his earlier statement that technology provided the way forward and said that this was something Nottingham was very keen on.

SG told the meeting that there was now a need to put some of the drive back into the Nottingham Declaration. He said that only 50 or so English local authorities had not now signed the declaration. The Declaration provided a tool kit for local authorities but successful implementation was largely down to individuals. SG confirmed that the Nottingham Declaration was mainly funded by the Energy Saving Trust and the Carbon Trust with only a small proportion of contributions from Nottingham City Council.

In response to a question from the Chair SG said that Nottingham's Climate Change Strategy dated from October 2006. He said it had been the subject of

wide consultation and involved 60 recommendations which had been endorsed by full Council. The Strategy had been unanimously adopted by the Council.

The Chair asked about the technology that Nottingham was using to take forward its Climate Change Strategy. In response SG said that there were now a number of devices available to reduce energy consumption and efficiency. He said that in common with many local authorities, Nottingham had a lot of inherited buildings that required a significant amount of work to bring them up to an acceptable efficiency standard. SG said that there were 14 such buildings in the city centre in Nottingham. He said that there was a hierarchy of actions which started with improving efficiency and went on to reduce energy consumption and then to look at how/why energy was consumed.

SG said that it was important to involve the facilities management at the early stages as they needed to be fully on board with any proposals. He said that the cost/benefit implications of any proposals needed to be investigated offered the example of the power perfecter which could reduce energy consumption by around 10%.

SG told the meeting that Nottingham City Council was one of the top ten users in the country of green electricity and said that this was mainly used in buildings. He said the Council was keen to work with the Universities and to transfer their technology to Council buildings.

The Chair mentioned Derby City Council's proposed water turbine and asked whether Nottingham had any similar plans. In response SG said that Nottingham did not have any plans at present for using water power, but they did have an energy services company Enviro Energy, which was a wholly owned subsidiary of Nottingham City Council and which used the energy from the 130,000 tonnes of waste burned in the Council's incinerator for district heating and electricity generation. SG said that they were working on ways to expand this scheme to include more properties.

A Commission member asked about the reaction of the public to the Council as a provider of energy. In response SG said that the scheme had originally served public housing stock so the recipients had had relatively little choice in the matter. However the intention was now to extend the scheme to the Meadows and to include 4000 additional houses and some new build. Developers would have to deliver 10% of the energy for their new build from renewable sources and the district heating scheme was available to do this. This was the case for the apartment/loft market which was introducing the concept and advantages of district heating to a different sector of the market.

SG told the meeting that the district heating scheme was saving the equivalent of 26,000 tones of CO2 per year. He said he was not sure of the Council's CO2 target, but there was a target to reduce energy consumption by 10%. SG said that 70% of all Nottingham City Council's energy and 90% of

its electricity comes from green sources. The total CO2 emission for the whole City was in the order of 2m tonnes.

A Commission member asked whether Derby could apply the Merton Rule to new properties built in the City. SG confirmed that this was possible but there needed to be the political will to do it. He said that Government had put in place arrangements to enable local authorities to fast track adoption of the Merton Rule. There was some discussion of this and concern about the reaction of developers. It was agreed that the approach would be easier to implement in London where there was much more demand for housing land. SG suggested that there was value in pressing for the adoption of the Merton Rule and said that the aim should be to achieve a quality product.

SG said that the environmental image of a City was important. He pointed out that purchasers of new commercial buildings or conversions of existing buildings were asking for them to meet the top BREEAM standards, and he said that as environmental sustainability would create its own markets, Councils needed to steer developers to deliver the required product.

The Chair asked SG if with the benefit of hindsight there was anything he thought Nottingham should have done differently. In response SG said that it should have developed its policies first rather than starting the actions without having an overall policy. SG also suggested that there was a need at an early stage to identify resources to deliver on recommendations. If this was not done there was a danger of alienating staff who were faced with having to deliver an output without any funding to do it. SG said that initially Nottingham had started off with a strategy but not enough resources to deliver it and without any proper involvement of facilities or estates management. This had created problems which could have been avoided if the estates and facilities managers had been involved from the start.

A Commission member asked about the support the whole process in Nottingham had received from the Chief Executive. SG confirmed that this had been true at the start of the process and was still the case.

SG told the meeting that Nottingham was seeking EMAS accreditation for the whole Council and had been to the top 25 local businesses to try to get them to do the same. He said that this would involve 20-25,000 local employees and a lot more if their primary suppliers were included. SG said that alongside this the Council was adopting a hub and spoke approach with officers appointed as EMAS champions in all departments. He said there was a need for ownership if this approach was to be successful. SG confirmed that the Chief Executive was committed to the approach.

SG said that one of the major steps taken by Nottingham was to bring sustainability and economic development together in the same department. He said this had helped the Council to achieve both its environmental and economic development targets. SG said the initiative had also helped to promote an invest to save mentality in the Council which could provide the funding needed to achieve environmental targets.

In conclusion SG said that investment in Nottingham, or in Derby or Leicester, would have benefits for the whole region and he suggested that the Commission consider the approach taken by Munich which had developed as a centre for new environmental technologies and markets in Germany.

There being no further questions the Chair thanked SG for his contribution to the Commission's review and closed the meeting.

DRR 13 February 2008.

Notes of the Commission meeting with Anna Dodd, Environment Team Leader, Leicester City Council on 21 February 2008

Present:

Councillors Ingall, Grimadell, Jane Temple

Officers: Craig Scott, David Romaine, Ellen Bird

Anna Dodd (AD) was invited by the Chair to speak about the history of Leicester's work to tackle Climate Change.

History

- AD explained Leicester City Council (LCC) started its work on Climate Change programme in 1994
- Carbon reduction targets were set to reduce levels by 50% on 1990 levels by 2020.
- This was not effectively monitored due to staff shortages
- In 2003 a Climate change strategy for the City was developed in conjunction with the Local Strategic Partnership (LSP)
- The Council had no specific resources to develop Climate Change Action plan until 2007
- In 2007 re-examined figures using 'Cities for Climate Protection' criteria.
- Developed a 24 point Climate Change Action Plan – the Chair requested a copy of Action Plan

Current situation

- So far LCC have achieved a 25% reduction on the Council's 1990s figures – mostly due to switching to cleaner energies i.e. gas.
- City wide there has been a 10% reduction against target but this masks large decrease in heavy industry over this period which is largely responsible for the drop in emissions.
- Over the same period there has been a 7% increase in carbon emissions from residential properties and a 10% increase in transport emissions.
- LCC is responsible for 3% of the city's emissions and schools are responsible for 1%
- 80% of LCC's emissions come from their building stock
- The criteria LCC use for measuring targets and emission levels currently aren't the same as the criteria used by Government and therefore some work needs to be done to bring these figures into line.
- The Council produces a very small amount of its own energy e.g. photovoltaic cells on swimming baths – the Chair said he would like to take Commission Members to visit these schemes.
- LCC has its own version of the 'Merton Rule' for sustainable energy to be built into planning developments. The 10% sustainable energy

target is currently for larger developments. It will be increased this year to a 12% target.

- Biggest challenge for LCC is to reduce emissions in buildings especially in tackling Council's office tower block.
- Some council building in last 5 years have very poor environmental standards
- AD suggested being able to borrow funds against future running costs would be beneficial to fund environmentally beneficial aspects of a new building's design.
- It has been agreed that the Council would adopt Building Research Establishments Environmental Assessment Methods standards (BREAM) for all Council buildings.
- Another target area is to reduce the 15% Carbon emissions from LCC staff's commuting.

Base line Measurements

- LCC base line measurement for emissions is 53,950 tonnes Carbon/equivalent gases in 2005/06.
- This figure was nearly double Derby City Council's level however LCC had almost twice as many buildings than Derby.
- It was noted that the figure may have been measured slightly differently to the way Derby City Council took its measurement.

Engaging the public

- LCC aims to engage with the public through its strategy 'Climate Change – What's Your Plan?' which challenges the public to change their behaviour
- LCC launched website in October 2007, which gives suggestions about how public can alter their carbon footprint by reducing their energy consumption and carbon emissions.
- AD reported on a number of initiatives to increase awareness of environmental issues with the public e.g. gave out energy saving light bulbs on valentines day 'to light up loved ones life'

LSP/Council work

- 2 years ago LSP commissioned some work to look at environmental issues
- LSP have 1 officer giving practical advice and one working with organisations to get them to sign up to committing to reducing their emissions. Both posts are funded through Neighbourhood Renewal Fund money.
- A Climate change pack has been produced to give to public/staff information about how they can alter their behaviour to reduce their impact on the environment – the Chair requested a copy of pack.

- The LSP are in the process of setting up a Climate Change Board – The board will be chaired by a Councillor and cover the LSP.
- In addition, all Cabinet Members in LCC have some responsibilities relating to reducing the impact on the environment within each of their portfolios.
- The LSP's Climate Change Board Structure was circulated.
- LCC now has Climate Change officer who is working on an 'Adaptation Plan' (It was noted that the Mayor of London was leading in this field currently)
- A 'Mitigation Action Plan' is now in place at LCC

Future plans

- Currently LCC are working on developing area of the City (Ashton Green) in a sustainable way – This is a private development on council land. English Partnerships are involved in this scheme and it is hoped it will be a key model for sustainable development both in LCC and across the country.
- AD felt that as the Government's 'code for sustainable homes' comes on board it will be easier to force developments to be more sustainable
- LCC are looking at developing wind turbines in the city as are a visible sign of change and action (unlike insulation which can't be seen!) and the public can get involved in.
- The wind turbines could be developed on Council Land with a private developer using a Community Share Scheme.
- Swaffham had successfully used this type of scheme for wind turbines
- A Community Award Scheme has been developed to reward good practice and ideas from the public/officers/local companies
- Working to develop targets for departments and teams across the Council

Schools

- £500,000 of funds from building schools for the future has been made available to loan to schools to improve their environmental standards
- 70 schools are working towards the EMAS standard with 50 already achieving this. (EMAS - the Eco-Management and Audit Scheme, is a voluntary initiative designed to improve companies' environmental performance)
- 60% - 70% of primary school pupils in LCC walk to school

Summary of LCC Climate Change Action Programme

- The main target is to reduce the emissions from Council Buildings. This has been delayed slightly until the LSP Climate Change Board has started its work so that all parties are tackling this issue collectively.
- An advisor for Council staff will be appointed to influence behavioural changes at work to reduce emissions
- A corporate Travel Plan will be introduced in April/May to encourage people to leave their cars at home and use public transport when travelling to work.
- The Council's vehicle fleet is being looked at to see where it can be reduced and how efficiencies can be made
- Wind turbine schemes are being looked at (see above)
- Opportunities to improve use of biomass sources are being explored
- A feasibility study is to be carried out for combined heat power pumps for the university, prison and hospital
- A new sustainable procurement officer has been appointed (AD thought Warwickshire and Nottingham city Council were leading in this field currently)

Other issues

- AD said further challenges included being more specific in the Climate Change Action Programme regarding how effective each initiative would be in tackling carbon emissions and giving greater consideration to the costs involved in reducing emissions.
- AD felt there was still a long way to go to convince Members and the public that spending the money was worthwhile and necessary and that this was one of the biggest challenges to overcome.

Councillor Ingall thanked Anna for contributing to the Commission's evidence gathering session and also asked that the Commission's thanks to all the officers at Derby City Council who were driving the climate change agenda forward be noted.

Draft Notes of Commission meeting with Phil Webber – Head of Environment Unit, Kirklees MBC on 6 March 2008.

Those present:

Phil Webber (PW)

Councillor P Ingall

Jane Temple, Andy Hills and DR

The Chair welcomed PW to the meeting and explained that the Commission wanted to find out how other local authorities had gone about setting up their Climate Change Action programmes and to learn from their experiences.

PW told members that he was Head of the Environment Unit at Kirklees MBC and said that this covered sustainability issues. PW said that Kirklees had started its environmental programmes in 1992 following the Rio summit. He said that a key trigger for the Council had been the Friends of the Earth Climate Change Commitment.

PW said that Kirklees' original target had been to reduce its 1990 level of carbon emissions by 30% by 2005. He said that to do this it was necessary to work out the Council's carbon baseline level for 1990 and he emphasised to members the difficulty of doing this retrospectively. PW said that by 2005 Kirklees had achieved an overall reduction of 34% based on its 1990 levels, but he pointed out that this was largely achieved by buying electricity from renewable sources and by actions such as boiler replacement, improved energy efficiency and the 'dash to gas'.

PW said that Kirklees had now set a new target which was to reduce its 2005 levels by a further 30%. This was reflected in its LAA targets for the Council and the District.

PW said that they were still finding it difficult to establish a baseline figure for the Council, and he said it had taken years to get this clear. He said that baseline information was now very important as Kirklees had signed up for emissions trading. PW told members that for EMAS Kirklees were required to identify the level of emissions from Council buildings, travel at work and street lighting, and water supply/consumption, although information about travel to work was not required. PW said that for Kirklees the majority of emissions were associated with buildings and travel at work and he suggested that the situation would be similar for Derby.

PW confirmed that, like Derby, Kirklees had originally had problems with estimated energy bills, with incorrect billing and with bills for buildings that did not exist. PW said that Kirklees emissions trading agreement did not permit the Council to accept more than 2% of estimated bills. He told members that the Council had experienced major problems with its energy providers. It had on occasions been necessary to take these up at Director level with the energy providers and to send out Council employees to locate and read the disputed meters.

PW told members that Kirklees had around 800 Council owned buildings. Building Management Systems had been installed at some of these buildings and smart metering was being trialled in order to control energy usage and contain costs. PW also said that it was important to being on the right energy tariff was important.

A Commission member asked about the size of Kirklees' energy management team. PW said that it consisted of about five FTE employees but emphasised that it worked closely with staff in other areas of the Council. He said that there were some issues with the arms length nature of some Council functions, such as swimming pools and in passing he mentioned the possibilities of energy/emissions savings at pools by the use of night time cooling, water recycling and pool covers.

PW said that the key area for the Council was buildings and he mentioned the extensive areas of new building that were taking pace in Kirklees and which offered great opportunities for energy/emissions savings. PW said that the Council wanted to install a heat-from-waste district heating plant that would provide heating for some of the new areas and the Royal Infirmary. PW told members that the cost of this plant would be around £6m with the Council putting up half of this and a large local company the rest.

PW also told members about Kirklees' 'Warm Zone' project which offered free loft insulation and cavity wall insulation to residents. He said that the Council had put £9m into this scheme with the rest coming from Scottish Power. PW explained the political arrangements at Kirklees to the Commission members and told them how each of the political groups had driven forward the Council's green agenda. He said that the bulk of the money that had been allocated had gone into the Warm Zone project which was not means tested and was available to all Kirklees residents.

In response to a question about the availability of funding PW said that Kirklees had a relatively high proportion of the population on benefits and that this affected the settlement that the Council received.

With regard to other projects PW said that Kirklees had commissioned a survey of 13 weirs on its local river and was considering the installation of hydroelectric plants on four of them. He also said that they were now actively managing some sizeable woodland areas which had previously been neglected. The management of these areas was producing a lot of trimmings and the Council was considering the construction of a pellet mill which could convert these into fuel. There would be enough to heat a significant number of buildings and the amount of woodland was sufficient to sustain this supply without the need for much re-planting.

So far as an overall plan was concerned PW told members that the Council services had mitigation and adaptation plans and there was a 'Star Chamber' (Budget) meeting at which departments had to present and explain these plans to members. As a specific example, PW said that Building Services had

introduced route planning and organisation procedures that were aimed at reducing unnecessary journeys by their operatives in Council vehicles. PW also mentioned a 'Seal of Approval Board' which new buildings had to satisfy and said that building and project teams were required to present to the Board which asked questions about issues such as Whole Life Costing and resilience. PW confirmed that requirements on issues such as carbon emissions were built into the approval process for new buildings.

PW said that Whole Life Costing was important because it considered the break even point for a building. He said that in most cases this would occur after around 15 years but as well as this the buildings were better to use as they satisfied exemplary building standards.

Asked about the adoption of environmental standards by private developers, PW said that the Council tried to encourage this and he said that Marks and Spencer were following them and Tesco were building a new store to the BREAM 'very good' standard.

PW told members that Kirklees were now looking at the issue of sustainable procurement but said that they had not yet got to grips with this. He said the new job would be involving the Council's partners and working at district level. He confirmed that the Warm Zone project was being applied on a ward by ward basis and said that this was proving hard work. PW told members that the target was to achieve 70% of properties with extra insulation, half of this supplied through Warm Zone.

Asked about publicity, PW said that the Council had not done this particularly well. However he said that some minor projects, such as the installation of wind turbines on the Civic Centre roof had received a lot of publicity. He agreed that highly visible projects of this kind could be good because they raised public awareness. PW agreed that inter-party competitiveness had been good for Kirklees.

A Commission member asked about management structures and working arrangements between Council departments and PW agreed to provide some information on this. He said that the Council had an impact plan and received a quarterly report which provided regular updates on projects.

Asked about funding PW said that the Council had achieved some of this through land sales, particularly through the sale of its share of Leeds Bradford Airport. He said that capital receipts were vital for the success of the projects.

In response to a further question about staffing levels PW said that this was dependent on what the team was being asked to do. He said that his current requirement was for an extra five staff. This was based on a core of 13 FTE employees.

There was general discussion about the possibility of arranging a meeting for the senior members and officers of Derby with those of Kirklees and an agreement that this might be worthy of following up.

There being no further questions the members expressed their thanks to PW and the meeting was closed.

DRR 6 March 2008.