

By: Carolyn McKenzie – Sustainability and Climate Change
Margaret Howard, Asst Corporate Director ASSPH
Graham Gibbens Cabinet Member ASCPH

To: ASSPH Policy Overview and Scrutiny Committee 7th July 2011.

Subject: **Kent Environment Strategy Update**

Classification: Unrestricted

Summary:

This report summarises the progress towards delivery of the KCC Corporate commitments under the Kent Environment Strategy, emerging issues and gaps in delivery. Members are asked to note progress and agree recommendations outlined at the end of the report.

1. Introduction

1.1. The purpose of this paper is to give an annual update on progress towards delivery of KCC's commitments under the Kent Forum's Kent Environment Strategy. It replaces the annual sustainability and climate change update to Policy Overview and Scrutiny Committees.

The Kent Environment Strategy has now been agreed by Kent Forum and all Districts. Appendix 1 gives an overview of the key Themes and Priorities and Red/Amber/Green rates progress against each. The Strategy will be launched on the 22 July in Thanet and is available on:

www.kent.gov.uk/kentenvironmentstrategy .

1.2. The Kent Environment Strategy is a key part of Bold Steps for Kent and KCC's commitments have been woven into the new Bold Steps Performance Framework. Any necessary changes have also been made to the KCC Environment Policy. Progress will also be monitored through KCC's ISO14001 and reporting will be through POSC and Cabinet and the KCC Performance Assurance Team. A full report on Kent wide delivery of the Kent Environment Strategy will be produced in the fourth quarter of the year and reported to the Kent Forum.

2. Changing Policy Environment

2.1. Since the last update to POSCs the policy environment has changed significantly and is still in a considerable state of flux. National carbon targets have been raised to a 50% reduction by 2025 and numerous policy initiatives have been produced – most significantly the Green Deal and the Green Investment Bank as well as a Memorandum of Understanding signed between the Local Government Group and the Department for Energy and Climate Change. A more detailed written brief on policy changes can be produced if required.

2.2. Through targeted research, evidence gathering and continual evaluation of issues and opportunities KCC is seeking to place itself at the forefront of green developments and opportunities. Carbon modelling using specialised Carbon Descent Software and the commissioning of a Renewable Energy Resource Study to inform our long term action planning for renewable energy are good examples of this.

3. Priorities for Kent County Council

3.1. As the environment and climate change agenda is so disparate and diffuse, it is essential that KCC focuses on those issues that are most important and which we as a public sector body can influence. It is recommended that KCC put a greater focus on the three following areas:

- More efficient use of resources and reduction in carbon emissions, in particular:

- KCC buildings, transport and travel, working closely with the rest of the public sector
 - Increasing the pace of energy efficiency/low carbon retrofit of the domestic sector housing, ensuring consistent communication and support to Kent residents
 - Assistance to SMEs to help save money and sell green credentials
- Building resilience to climate change and making the most of emerging opportunities:
 - Ensuring a proactive approach to delivery of the Kent Climate Change Adaptation Plan – working with the public sector, business and communities.
 - Facilitating the delivery of renewable energy generation in Kent through the Kent Renewable Energy Strategy and Action Plan
 - Ensuring the continuity of the sustainable business support programme to further develop and deliver green business support.
 - Conserve and enhance the quality of Kent's natural and heritage capital:
 - Established functional habitat areas and wildlife networks in Biodiversity Opportunity Areas that support local landscape character.

3.2. Green jobs and green business growth, though a focus in it's own right it, it should also be seen as a key strategic priority across all strands of work.

4. Challenges to the delivery of the Kent Environment Strategy

4.1. This is a fast moving agenda and many areas of policy are still unclear. If KCC is to deliver real improvement another step change in approach will be needed to accelerate change.

4.2. As already identified in external discussions through the Kent Partnership and lately the Kent Forum, strong and visible leadership is crucial. KCC will need to examine in full the way it operates and behaves, identifying smarter ways of working and new ways of delivering services.

4.3. This will need to include greater virtual working, better use of tele/video conferencing and increased online delivery of services or functions online. The use of teleconferencing in KCC is still lower than expected, with only 10% of BT MeetMe accounts in regular use, and only just over 900 accounts across KCC. If all BTMeetMe account holders used their accounts in line with current regular users, savings are estimated to be in the region of over £1.5m.

4.4. Step change physical improvements in the KCC estate, as well as increased stimulation of capital investment in local energy efficiency and renewable energy installations in Kent will need the development of innovative finance arrangements and partnerships. There will need to be an acceptance of a reasonable element of risk and perhaps longer term payback, which should be balanced against a comprehensive and pragmatic business case. KCC will need to match its aspirations by facilitating real investment.

4.5. Required behaviours will need to be embedded in existing and new processes to ensure environmental considerations are mainstreamed. Bolting on environment considerations in the final stages of policy, programme and project development leads to less than satisfactory environmental outcomes and increased costs.

4.6. Creating a positive and vibrant green image for KCC and Kent will be essential. Much will need to be developed in partnership and require meaningful engagement with residents and businesses. A key aspect of this engagement will be to raise the profile of the issues outlined in the Kent Environment Strategy and create clear communications that inform, engage and excite residents, Kent businesses and potential inward investors in Kent.

4.7. We need to build on the image of the 21st Century Garden of England, to create the vision that Kent is a green county, welcoming to the development of appropriate green business with a high quality natural and historic environment.

5. Progress in the KCC Corporate Estate – Buildings, Transport and ISO14001

5.1. KCC continues to meet the ISO 14001 Environmental Management Standard, with a successful external assessment in May 2011. The next assessment is due in November and following a best value contract review we will be transferring to assessors BSI. A full report on KCC's corporate progress can be found in the KCC Environment Report 2010 which can be found here: <https://shareweb.kent.gov.uk/Documents/environment-and-planning/environment-and-climate-change/FINAL%20Environment%20Report%202009.pdf>

5.2. The picture for carbon emissions is mixed. The non-school buildings emissions have reduced by just over 5% since 2004 and further reductions are expected during the next 2 years as the estate efficiency programme makes an impact. Savings are being achieved in our larger estate buildings, but the large number of smaller, older and inefficient properties is holding back overall performance. Emissions from the schools estate have increased due to an increase in electricity consumption of 50% mainly due to greater use of ICT and extended schools.

5.3. KCC continues to invest in energy, water and carbon reduction, mainly through its Energy and Water Investment Fund (EWIF) housed by Enterprise and Environment. This year £572,500 has been invested, making a total of £1,710,550 invested in 120 projects since 2005 and life time savings of £3,013,414. This figure includes almost £900,000 of grants. A further £324,000 has been invested in exemplar projects that are part of larger initiatives in the main e.g. Oakwood House. Investment this year includes:

- £317,000 13 energy efficiency projects; this makes a total of 58, the largest being an ICT server virtualisation project which will reduce energy costs by 75%, saving £768,331
- £65,000 in 14 water efficiency projects including our first rain water harvesting unit at the Welsh Mountain Youth Centre giving a £900 annual saving, and a total of 28 water projects
- £80,000 on 7 renewable energy installations, making a total of 28 across the estate including 3 school biomass boilers and a ground source heat pump and solar thermal panels at Oakwood. We are now exploring another 2 schools to take on biomass boilers using local wood suppliers. This could provide a good alternative to using expensive heating oil for schools that are not able to use gas.
- £60,000 in trialling new technologies including 6 LED lighting projects

5.4. An initial business case has been developed for further roll-out of solar panels across the KCC corporate estate. Though the initial return on investment is acceptable, actual investment return will be on a building-by-building basis. Individual buildings are now in the process of being identified and assessed.

5.5. Business miles travelled for 2010-11 has reduced again by 11%, a cumulative total of 14% since 2008/09 with 2.5m less miles travelled and a reduction in claims of £571,000 over two years.

5.6. There are now over 900 BT Meet Me Teleconferencing accounts open. In the last year it is estimated avoided costs relating to travel and time totalled £167,000. The number of conferences made last year was 1,730, this represented almost 200,000 minutes of call time. The peak use was coupled with the winter weather, where there was an increase of 57% in calls made.

5.7. As part of our strategy to reduce fuel use, a Smarter Driver Training pilot was run last year with 66 essential and fuel card users which demonstrated possible annual savings of £27,312, and a potential fuel saving of 20%. If this was carried out across all fuel card holders and drivers that use on-site fuel tanks, potential savings per year would equate to over £220,000. We are currently investigating roll-out.

5.8. The latest waste data shows office waste recycling is at best practice level at 66%, exceeding the 2010 target set of 50%. Approximately 100kg of office type waste is generated per employee, good practice is deemed 200kgs or less.

6. Community Leadership – Climate Change and Community

6.1. In March this year, KCC was awarded the Improvement Efficiency South East award for Progress through Innovation for the development of the Kent Climate Change Adaptation Plan. Kent is now a leading case study for our approach to tackling the impacts of climate change, and KCC sits on the Government's Local Adaptation Advisory Panel.

6.2. An important part of our climate change work is to further understand how we are impacted by, how we respond to and the costs of, climate change impacts in particular severe weather events. To enable this, we have developed in partnership with the public sector in Kent the Severe Weather Impacts Monitoring System (SWIMS). SWIMS is an on-line tool enabling service providers across Kent to record how their service is affected by severe weather. Reports are then produced for each organisation as a decision support tool.

6.3. As part of our work with communities, four Kent community groups were given the chance to develop an environmental project in their area after winning a share of Kent County Council's Community Challenge Fund 2010. Groups from across the county competed for the £11,000 funding. The winners were Petham Primary School, Canterbury, which was awarded £5,000 to install solar panels; Shoreham Village Hall, Shoreham, near Otford, which was awarded £3,915 to insulate the building; and Herne & Broomfield Parish Council, Herne, which was awarded £500 to buy 'Eco-eye' monitors that will allow local residents to measure their energy consumption. Wye Community Farm, Wye, which was highly commended, was awarded partial funding of £1,500 to help it become self sufficient in fuel and food production by processing its own bio-fuel.

6.4. Helping residents to keep warm and cut their costs through retrofitting their houses with energy efficiency measures continues to be a focus for KCC. Last year Kent County Council working with its partners provided practical help to residents to reduce their energy bills. In partnership with district councils in Dover, Swale, Thanet and Tunbridge Wells, 2,273 energy and water saving devices were installed in over 600 homes. This included energy monitors, TV power down switches, shower timers, toilet hippo bags and hosepipe trigger guns. Some householders were put in touch with accredited installers to carry out loft and cavity wall installation. So far, more than 125 installations have been completed, with more underway. The project has provided extremely valuable insight into the behaviour of residents and will help us frame future retrofit programmes for Kent.

6.5. KCC and Kent AONB are leading a Forestry Commission Pathfinder Project, backed with a European funding grant of around £120,000. The project looks at wood fuel potential in Kent and the issues, barriers and solutions to develop it further. There are several large scale developments in South East utilising wood fuel, providing a growing market for wood fuel that this project will help Kent businesses access.

7. Community Leadership - Sustainable Business.

7.1. Through the creation of the Carbon Hub online support service, using an ERDF grant of almost £400,000, KCC is now moving towards more virtual low carbon support that can reach a greater number of businesses in Kent. To date over 500 businesses have registered on the Carbon Hub and receive regular support from energy/water advice, travel and green marketing.

7.2. In addition, this Spring KCC began an intensive programme of activity to help support businesses in our supply chain. Almost 1,500 of our key suppliers have been contacted with a survey to ask them about their energy and water usage and what support they may need. Over 259 have already returned the survey and are now being provided with an initial environmental report which identifies money saving measures. Initial results show that for the almost 136 businesses that have had a completed report average annual savings equated to £4,865 – though more usual savings for a small or medium sized business would be around £2,000. We are rolling out our Supply Chain Programme with the Kent Police, Fire Service and Prison Service as well as corporate businesses such as Skanska.

7.3. Improving environmental management is a key part of our strategy to help Kent business retain and win more business both in and outside of Kent in an increasingly environmentally aware marketplace. To this end we have developed STEMS – Steps To Environment Management - an certification scheme equivalent to the BS855 Level 3 which is sufficient for most companies to satisfy large clients, and in particular the public sector. The certification scheme is simple and quick to use and supported by the Institute of Environmental Management and the Carbon Trust.

7.4. Learning from our experience within KCC we are now starting to provide economic driver training for small and medium sized businesses in Kent. The first training session was held mid June and estimated savings identified totalled £29,133 (6 businesses) – with one business planning to roll out the training to the rest of his business which could save them £17,990/ year.

7.5. A targeted green business support package, building on the work of the Carbon Hub is being developed in partnership with Business Strategy and Support and Economic Development in Environment and Economy. Bids are being considered for ERDF funding and also the KCC Regeneration Fund. Existing green business support is being pulled together to maximise help available and provide a consistent communication with businesses to maximise opportunities.

8. Specific Progress for Adult Social Services and Public Health (ASSPH)

8.1. KASS (now FSC) offices demonstrated decrease in total energy consumption of 25.7% comparing to Jan - Dec 2010 with baseline (2004). Electricity use showed a decrease of 43%, gas a 20% decrease and oil use a decrease of 18%.

8.2. The end of year data for 2010/11 shows mileage claimed for the former KASS Directorate as 4.1 million miles. This represents an overall decrease of 10% when compared to the previous year and a decrease of 16% when compared to 08/09. This resulted in a reduction in mileage claims costs of £196,000.

8.3. KASS, and Public Health have been instrumental in pushing forward the development of the Kent Climate Change Adaptation Plan and the development of the SWIMS online database mentioned in paragraph 6.2 and 6.3. The insight given into the public health agenda and issues related to vulnerable adults has been invaluable and contributed greatly to the winning of the IESE award, and KCC being a best practice case study. The new FSC will have a crucial role to play in the roll out of the Climate Change Adaptation Plan

8.4. KASS have also provided valuable help to the ongoing development of KCC's housing retrofit programme mentioned in paragraph 6.4. The insight into vulnerable elderly issues was very helpful in developing the programme and will be essential as the programme moves forward.

9. Conclusions

To conclude, much progress has been made, and some quite significant savings. However, the trajectory with regards to environment being seen as a national priority is upwards, and if KCC wish to be on the front foot and at the forefront of change then a new level of activity will be needed to ensure continued progress and innovation.

Recommendations

ASSPH POSC Members are asked to:

- a. Note, and celebrate overall progress made by KCC and the C&C (CMY) Directorate, especially the re accreditation to ISO14001
- b. Discuss and agree the priorities and recommended approach outlined in Section 3 and 4.

Background Documents: Kent Environment Strategy. Kent Climate Change Adaptation Plan. KCC Corporate Environment Report.

Contact: Carolyn McKenzie – Sustainability and Climate Change/Enterprise & Environment
01622 221916 (x1916)//Carolyn.mckenzie@kent.gov.uk

Appendix 1 - Kent Environment Strategy Priorities, KCC and BSS (CED) Current and Planned Activity.

| Living Well Within Our Environmental Limits | KCC Env. Policy reference. | Key KCC and E&E Current Activity and Progress | Gaps in Delivery/Issues | RAG |
|---|--|--|---|--|
| Priority 1 Make homes and public sector buildings in Kent energy and water efficient, and cut costs for residents and taxpayers | Our estate Our leadership role in the community | <p>Overall carbon emissions are showing an increase against our 2004 baseline, this is mainly as a result of an increase in energy use in schools due to policy changes such as extended schools and increased levels of ICT. Schools account for the largest share of KCC's energy use. In contrast, non schools buildings energy use decreased by 5.2%, two cold winters have reduced savings gained from energy efficiency projects. KASS (now FSC) offices demonstrated decrease in total energy consumption of 25.7% comparing to Jan - Dec 2010 with baseline (2004). Electricity use showed a decrease of 43%, gas a 20% decrease and oil use a decrease of 18%. The KCC Energy and Water Investment Fund has loaned and granted £1,710,550, saving £3,013,414 over the lifetime of the equipment.</p> <p>KCC is working closely with Districts to ensure Kent makes the most of the Green Deal when it comes into being, and developing targeted behaviour change campaigns and communications for residents relating to low carbon technologies, energy efficiency and water.</p> | Build on fuel poverty and energy efficiency in the home activity already underway in partnership with other KCC Directorates as part of the KCC Retrofit Project. | <p>KCC carbon target is red overall.</p> <p>Corporate Target is amber.</p> |
| Priority 2 New developments and infrastructure in Kent are cost effective, low carbon and resource efficient whilst not entailing unreasonable costs. | Our leadership role in the community | Developing activity. Kent Design under review. A successful European Funded Event was held in January to work with key stakeholders to look at how energy efficiency, carbon and climate change can be incorporated into design and development in the future without incurring excessive additional cost. | Developing activity | |
| Priority 3 Turn Kent's waste into new resources and jobs for Kent | Partially covered under Our Decisions | Developing activity. A lot of work is being undertaken as part of the SE7 initiative. KCC is working closely with DEFRA, the SE7 and the Environment Agencies European Pathways to Zero Waste project. | Developing activity | |
| Priority 4 Reduce the ecological footprint of what we consume | Partially covered under 'Our Procurement | <p>E&E have set up the Carbon Hub which provides both online and targeted face to face to the public sector supply chain in Kent to save money and cut carbon. The Carbon Hub will aim to help 1000 businesses by 2013.</p> <p>A survey of needs and opportunities for energy efficiency and renewable energy are being undertaken for KCC and the public sector in Kent.</p> | More focus is needed around KCC's procurement and how we account for carbon, and the purchase of local goods. | |

| Meeting the Climate Change Challenge | KCC Env Policy reference. | Key KCC and E&E Current Activity and Progress | Gaps in Delivery/Issues | RAG |
|---|--|---|--|-----|
| Priority 5 Reduce future carbon emissions | Partially covered under Our Estate | <p>Overall the council achieved a business miles reduction of 11% between 2009 and 2010 with savings of £277,000. The end of year data for 2010/11 shows mileage claimed for the former KASS Directorate as 4.1 million miles. This represents an overall decrease of 10% when compared to the previous year and a decrease of 16% when compared to 08/09. This resulted in a reduction in mileage claims costs of £196,000.</p> <p>We have 28 renewable energy installations across the estate, and are continuing to explore further opportunities including more solar on corporate buildings and 2 more biomass boilers for schools supplied from a local woodland.</p> <p>The services provided by the Carbon Hub have been extended and a KCC Supply Chain Programme has been set up.</p> | <p>More work needed on how we develop and finance renewable energy resources within KCC and Kent, and how we support the development of green jobs and growth.</p> <p>To this end a Renewable Energy Resource Study is being undertaken to establish where the best opportunities are.</p> | |
| Priority 6 Manage the impacts of climate change, in particular extreme weather events | Partially covered under Our Decisions | Climate risk is incorporated into the KCC Corporate Risk Register. Areas of particular risk or vulnerability have been identified and action in progressing. A Kent wide Adaptation Plan has been agreed, and is being implemented. Kent is a national case study. | Detailed action plans need to be developed for each of the nine priority risk areas identified, and action begun. | |
| Priority 7 Support the development of green jobs and business in Kent | Partially covered under Our Decisions. | <p>Low Carbon Sector Strategy developed. A bid for further funding for support is being considered by the ERDF Fund and the KCC Regeneration Fund.</p> <p>Support for Green Business is being consolidated.</p> | KCC approach and resources need to be agreed. | |

| Value From Our Natural and Living Environment | | | | |
|--|--|--|--|--|
| Priority 8 Utilise the full social and economic potential of a high quality natural and historic environment in Kent | Partially covered under Our Estate and Our Leadership role in the Community. | Activity currently limited, though some action has been undertaken through social return on investment and by Public Health. | E&E needs to ensure continued links are made between the natural environment, the economy and the community. | |
| Priority 9 Conserve and enhance the quality of Kent's natural and heritage capital | Partially covered under Our Estate and Our Leadership role in the Community. | Work underway to implement KCC's new Biodiversity Duty. | Need to assess implications of Natural Environment White Paper. | |
| Priority 10 Ensure that Kent residents have access to the benefits of Kent's coast, countryside, green space and cultural heritage | Partially covered under Our Estate and Our Leadership role in the Community. | Links continue to be made between delivery of KCC's services and Kent's natural and heritage environment. | More consistent links to be developed and maintained across service delivery areas in order to identify opportunities. | |