



Meeting: Council

Date: 17th July 2014

Wards Affected: All Wards

Report Title: Energy and Climate Change Strategy 2014 – 2019

Is the decision a key decision? Yes

When does the decision need to be implemented? Upon approval

Executive Lead Contact Details: Contact Details: Councilor Dave Thomas - Deputy Mayor
Executive Lead for Strategic Planning, Housing and Energy

Supporting Officer Contact Details: Contact Details: Charles Uzzell - Commissioner of
Place and Environment

1. Purpose and Introduction

- 1.1 The Energy and Climate Change Strategy 2014 - 2019 sets out the energy and climate change challenges for Torbay and how these can be addressed with an overarching aim of securing economic prosperity and increasing social and environmental benefits by reducing carbon emissions. It puts forward projects that will support the transition towards a lower carbon economy whilst maximising economic opportunities and laying the foundations for sustainable growth and greater resilience in the future.
- 1.2 Torbay has already reduced its emissions by 25% since 1990 but much progress is still required in order to meet the national target of a 34% cut in carbon emissions by 2020.
- 1.3 The revised strategy reflects the scale of the challenge and the need to build on existing strengths, as well as explore new opportunities for sustainable development. Securing the necessary commitment to deliver the projects set out within the strategy will be an important step in meeting the carbon reduction targets and in providing both social and economic benefits/outcomes.

2. Proposed Decision

- 2.1 That the Energy and Climate Change Strategy 2014-2019 for Torbay and Action Plan as set out in Appendix 1 to this report be approved.

3. Reason for Decision

- 3.1 The strategy promotes the opportunities and priorities of Torbay Council acting as a community leader, service provider and estate manager. In an increasingly competitive landscape for public resources it is important that Torbay has a robust and clear strategy that articulates how the Council and its partners will develop a low carbon economy that benefits businesses and the community.

- 3.2 There is a growing economic sector of renewable and low carbon technologies that bring new job opportunities and prosperity, historically flourishing in areas considered to have a high quality environment. As well as economic growth there are opportunities to alleviate fuel poverty and reduce the impact of rising energy prices on households and businesses, requiring the council to take a leading role.
- 3.3 As a coastal location with vital strategic infrastructure, such as road and rail links that are reliant on external organisations, it is important that Torbay is able to influence decisions made nationally. Demonstrating commitment by adopting policies that seek to improve Torbay’s resilience to extreme weather events strengthens the Council’s position when dealing with other funding and delivery agencies and with Government.
- 3.4 The Strategy does not commit the Council to a change in the Council’s budget. The projects within the Action Plan will either be delivered through existing resources, funding bids or on an invest to save basis to be considered on the business case of the individual project.

Supporting Information

4. Position

- 4.1 The Energy & Climate Change Strategy 2014-2019 refreshes and updates the previous strategy and action plan, reflecting changes that have taken place both locally and nationally. It provides a framework for the council and its partners to deal with energy security, carbon reduction and resilience.
- 4.2 The strategy is aligned with and reflects many of the priorities and aspirations set out in the emerging Local Plan ‘A Landscape for Success’ and the recently adopted Torbay Economic Strategy as well as the Local Transport Plan and Municipal Waste Management Strategy.
- 4.3 The energy and climate change Strategy sets the greenhouse gas emissions targets for the Bay as a whole in line with the legally binding national target of a 34% reduction in green house gas emissions, from 1990 levels, by 2020. It also sets a five year carbon target to cover the period of the Strategy for the Bay.

Torbay Five Year Carbon Target

	2014	2015	2016	2017	2018	2019
Torbay carbon emissions (KtCO _{2e})	557	548	539	530	518	505

- 4.4 The Strategy sets out policies and projects relating to specific areas of focus as set out below:
- 4.5 **Powering the Local Economy**
 The strategy supports opportunities for business in the low carbon technology sector. In 2009/10 the low carbon and environmental technologies sector contributed £23m to Torbay’s economy and provided 1,300 full time equivalent jobs. This requires a diverse array of skills across many sectors, ranging from engineering and design, to waste management, transport and renewable energy technologies. By 2022 the retrofitting of energy efficiency measures to domestic properties in Torbay is anticipated to generate a further 200 jobs and add £50m to the local economy.

4.6 Energy Security in Torbay

The strategy will seek to deliver renewable energy schemes such as combined heat and power/district heating and solar panels where this is appropriate and feasible to provide improved energy security within the Bay. The strategy also supports energy efficiency in homes and businesses. This is essential when considered against domestic electricity prices which have increased by 56% since 1998, and are predicted to rise by 35% (2015) and 45% (2020) based on central growth & fossil fuel price rise scenarios. Domestic gas price rises are expected to be +26% (2015) and +21% (2020) from 2014 prices.

4.7 Fuel Poverty & Energy Efficient Homes

In 2010 DECC statistics showed that 16% of the Bay's homes were fuel poor with pockets as high as 23% in parts of the Bay. Over 13,300 properties fail the Thermal Comfort Criteria of the Decent Homes Standard in Torbay (21%) than compared to nationally (13%). The private rented sector is worst with 36% of the stock failing the standard, equating to a total of 4,758 properties.

4.8 The strategy builds on the work undertaken so far through the Cosy Devon Partnership. Cosy Devon is a collaboration of local authorities (including Torbay) who have negotiated an agreement with EoN to fund energy efficient measures in homes. These measures focus on vulnerable people and those who struggle to pay their fuel bills. This contract will initially bring £1.6m into the Bay's economy by April 2015. It should also create, or safeguard, 156 jobs in the domestic eco-refurbishment sector by 2017, using a local workforce trained at South Devon Colleges' SW Energy Centre.

4.9 An Energy Efficient Council

In 2012/13 Torbay Council spent £1.4m on gas and electricity. Increasing energy costs, coupled with reduced council revenue budgets mean that it is even more important for the Council to be energy efficient. Government forecasts show that energy inflation will rise between 5% (optimistic) and 10% (more realistic) in the short to medium term. The Council continues to realise financial savings and reduce its energy use and is currently exploring using an Energy Performance Contract approach to provide significant cost savings, generate income and reduce carbon in service delivery.

4.10 Flooding and a Resilient Torbay

The strategy aims to ensure that vital infrastructure such as national road and rail links are maintained and strengthened. The UK in 2013/14 experienced an exceptionally wet winter. It was the wettest January and winter season (December to February) since records began in 1766. The South West of England including Torbay suffered from both flooding and storm damage that caused significant damage and the closure of strategic transport infrastructure for prolonged periods.

4.11 The extreme weather events of early 2014 have once again highlighted the impact that extreme weather has on community resilience, transport, local government and the economy of the South West Peninsula. The severe flooding events, storm surges, tides and high winds that were experienced in Torbay having all had an impact on individual people, communities, infrastructure and economic performance.

5. Possibilities and Options

- 5.1 There are many opportunities, and some clear risks associated with this agenda (e.g. Environmental Technology sector growth and flood damage & disruption respectively). The Energy and Climate Change Strategy 2014-2019 sets a policy framework that enables the Council and its partners to make the best use of resources, develop projects that take advantage of the opportunities available and reduce overall risks to the Authority.
- 5.2 To help secure the investment needed to promote sustainable growth Torbay must have a clear, well supported strategy in place. Adopting the Energy and Climate Change Strategy 2014-2019 will ensure this is the case by communicating its priorities to local and national bodies.

6. Fair Decision Making

- 6.1 An Equality Impact Assessment will not be undertaken on the strategy. No major effects or significant negative impacts are expected.
- 6.2 Adoption of the strategy itself will not require any direct procurement.

7. Public Services (Social Value) Act 2012

- 7.1 Adoption of the strategy itself will not require any direct procurement.

8. Risks

- 8.1 If the strategy is not adopted Torbay will not have a clear plan for tackling energy security and climate change at a local level. Failure to improve the resilience of the area is also likely to lead to increased pressure on Council services and therefore higher costs for the Council.
- 8.2 There have been local, national and international changes since the last climate change strategy was approved by the Council in 2008. Not to address these changes and set a new five year carbon budget would result in:
- missed opportunities for cost savings.
 - the Council's ability to hedge against future energy cost increases would be diminished
 - reduced ability to secure Regional, National & European funding
- 8.3 Additionally, without a strategy in place Torbay may become less competitive, and may therefore not take full advantage of the growth in green jobs that is occurring nationally and in particular in the South West.
- 8.4 There is also an associated reputational risk for the Council by not demonstrating community leadership in this area.

Appendices

Appendix 1 - Draft Climate and Energy Strategy

Appendix 2 - Statement of Representation

Additional Information

N/A