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NOTICE OF MEETING

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SUSTAINABILITY PANEL

will meet on

TUESDAY, 21ST MARCH, 2017

At 7.00 pm

in the

DESBOROUGH 4 - TOWN HALL, MAIDENHEAD

TO: MEMBERS OF THE SUSTAINABILITY PANEL

COUNCILLORS MARION MILLS (CHAIRMAN), DAVID COPPINGER (VICE-CHAIRMAN),
NICOLA PRYER, DEREK SHARP, LYNDA YONG AND SIMON WERNER

SUBSTITUTE MEMBERS

COUNCILLORS MICHAEL AIREY, GERRY CLARK, PHILIP LOVE, JACK RANKIN,
EDWARD WILSON, MALCOLM BEER AND LYNNE JONES

Karen Shepherd - Democratic Services Manager - Issued: Monday 13 March 2017

Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at www.rbwm.gov.uk or contact the Panel Administrator **Tanya Leftwich** 01628 796345

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AGENDA

PART I

| <u>ITEM</u> | <u>SUBJECT</u> | <u>PAGE NO</u> |
|-------------|--|--------------------|
| 1. | <u>APOLOGIES FOR ABSENCE</u> To receive any apologies for absence. | - |
| 2. | <u>DECLARATIONS OF INTEREST</u> To receive declarations of interests from Members of the Panel in respect of any item to be considered at the meeting. | 5 - 6 |
| 3. | <u>MINUTES</u> To note the Part I minutes of the meeting of the Panel held on the 31 January 2017. | 7 - 12 |
| 4. | <u>OPEN FORUM</u> Opening remarks by the Chairman on the Panel's role. | - |
| 5. | <u>ON-STREET ELECTRIC VEHICLE CHARGING POINTS</u> By Ian Featherstone (Energy Saving Trust). | - |
| 6. | <u>SCHOOLS RE:FIT PROGRAMME</u> By the Energy Reduction Manager (Michael Potter) with support from Rob McKinnon (Local Partnerships). | 13 - 28 |
| 7. | <u>UPDATE FROM THE WASTE TEAM</u> A written report submitted by the Waste Strategy Manager (Naomi Markham). | 29 - 30 |
| 8. | <u>ENERGY REDUCTION MANAGER UPDATE</u> By the Energy Reduction Manager (Michael Potter). | 31 - 42 |
| 9. | <u>DATE OF FUTURE MEETINGS</u> The dates of future meetings are as follows (7.00pm start): <ul style="list-style-type: none">• Tuesday 9 May 2017.• Monday 3 July 2017.• Monday 18 September 2017.• Monday 27 November 2017.• Tuesday 30 January 2018.• Thursday 8 March 2018.• Thursday 10 May 2018. | - |

MEMBERS' GUIDANCE NOTE

DECLARING INTERESTS IN MEETINGS

DISCLOSABLE PECUNIARY INTERESTS (DPIs)

DPIs include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any license to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

PREJUDICIAL INTERESTS

This is an interest which a reasonable fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs your ability to judge the public interest. That is, your decision making is influenced by your interest that you are not able to impartially consider only relevant issues.

DECLARING INTERESTS

If you have not disclosed your interest in the register, you **must make** the declaration of interest at the beginning of the meeting, or as soon as you are aware that you have a DPI or Prejudicial Interest. If you have already disclosed the interest in your Register of Interests you are still required to disclose this in the meeting if it relates to the matter being discussed. A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in discussion or vote at a meeting.** The term 'discussion' has been taken to mean a discussion by the members of the committee or other body determining the issue. You should notify Democratic Services before the meeting of your intention to speak. In order to avoid any accusations of taking part in the discussion or vote, you must move to the public area, having made your representations.

If you have any queries then you should obtain advice from the Legal or Democratic Services Officer before participating in the meeting.

If the interest declared has not been entered on to your Register of Interests, you must notify the Monitoring Officer in writing within the next 28 days following the meeting.

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Public Document Pack Agenda Item 3

SUSTAINABILITY PANEL

TUESDAY, 31 JANUARY 2017

PRESENT: Councillors Marion Mills (Chairman), David Coppinger (Vice-Chairman), Nicola Pryer, Derek Sharp, Lynda Yong and Simon Werner

Also in attendance:

Officers: Tanya Leftwich, Michael Potter and Naomi Markham

APOLOGIES FOR ABSENCE

None received.

DECLARATIONS OF INTEREST

The Chairman declared a personal interest in Item 5 (Stein Pyrolysis) as she was on the board of 4 Marlow Road and Pinkneys Green Youth Centre.

Councillor Derek Sharp declared a personal interest in Item 5 (Stein Pyrolysis) as he had met both speakers before.

The Chairman informed everyone present that the meeting was being recorded and that the audio would be made available on the RBWM website.

The Chairman informed everyone present of the fire evacuation procedures and asked that all mobile phones were switched off during the meeting.

MINUTES

RESOLVED Unanimously; That the Part I minutes of the meeting held on the 29 November 2016 were agreed as a correct record.

The Energy Reduction Manager informed the Panel that the BMS project was going out to tender in the next few days / this week. Councillor Derek Sharp requested that a copy of the BMS specification be emailed to the Panel by the Energy Reduction Manager.

The Energy reduction Manager went onto explain that he was hopeful the Re:Fit details would be coming back before the Panel in March.

The Chairman thanked the Waste Strategy Manager and Clerk for providing the Panel with the waste figures with the minutes as requested at the last meeting.

OPEN FORUM

Martin Fry (MRF&A / City University) raised the subject of ISO15001 and asked whether the Council was fully certified. The Energy Reduction Manager stated that the Council was not certified but was using elements of the standard in the Sustainability Strategy. Martin Fry advised that a revised version would be coming out shortly and would be going to public consultation in July. It was suggested that the Energy Reduction Manager checked the BSI website for the revised version once it was available.

Martin Fry raised the subject of student workshops and explained that they would be coming up again soon. The Energy Reduction Manager was requested to let Martin Fry know if any work linked to this was available.

The Chairman informed everyone present that the Panel's role was to deliver the Council's Sustainability Strategy that had got six separate work streams which were available on the RBWM website (sustainability, energy, water, waste, transport, renewable generation). It was noted that the work streams fed into a list of three main pathways.

Members were asked for any ideas or residents ideas on sustainability to be fed into the Chairman.

The Vice-Chair questioned whether the Energy Reduction Manager had been involved in the re-fit of York House in Windsor. It was noted that the Energy Reduction Manager had suggested that Solar Panels should be placed on the roof of York House and he was hopeful his suggestion would be taken into account.

STEIN PYROLYSIS

The Chairman welcomed Peter Stein and Nav Singh (Stein Pyrolysis) to the meeting and invited them to address the Panel.

Members were given a brief presentation on Stein Pyrolysis. The presentation covered the following:

- Peter Stein CV.
- Peter Stein.
- Stein Pyrolysis Technology.
- Pyrolysis System's bad press.
- Video – technical detail.
- Key technology points.
- Gas condensing and oil forming with washing tower.
- Oil recovery.
- Tar recovery and re-use.
- Water treatment.
- Control system.
- Generation.
- Profitability.
- Options.

In the ensuing discussion the following points were noted:

- That no combustion took place.
- That pyrolysis was oxygen free.
- That the bi-product was charcoal, a clean fuel, which was used to fuel the process.
- That nearly all processes in the market today were batch processes which meant they were very high in capital, maintenance and high in smells. It was noted that three types of these plants in Germany had been shut down due to the smell they had omitted.
- The prototype had been built 12 years ago but that it had been a start and stop process as they had needed to learn how to operate the unit.
- That this was a unique product for the UK although there was a similar product in California.
- That all recycling needed to be separated – it was noted that Peter Stein used a wind shifter to do this and would be able to help out with that.
- That they were virtually licensed in America – Peter Stein explained to the Panel that this was because the laws had recently changed.

- That there was not a full scale operating unit in the UK that could be seen by the Panel. It was noted that the unit in the video had been dissected after two years so it could be analysed.
- That Peter Stein did not have three years operational results behind him or £4million available to build a full unit. It was noted that Peter Stein had been getting performance bonds in place and that the RBWM was the first Local Authority they had approached.
- That there was a flare in the unit and that it was a fully enclosed system which could be seen from the air but not from the ground. It was noted that no smells were present as it was a fully enclosed system.
- That glass in recycling helped bind things together.
- That up to 50% mix of plastics and other materials was OK, but not 100% plastics.
- That it would take 12 months to manufacture the unit and a further 6 months to set it up, hence 18 months in total.
- That the input would be 8000 hours (dry weight) which would be made up of 50% wet weight (50/60 tonnes) and half total waste.
- That other size plants were available but it was felt that the 4 tonne plant was the most cost effective.
- That worst case scenario would be that the Council could get 80% of the full contract value back along with being able to sell some assets.
- That the product had been ready for the UK market for the last twelve months and that they were working with America, South Africa, Ireland and China but wanted a high profile UK project.

Martin Fry commented that he felt this was excellent technology and requested a copy of the presentation which the Clerk agreed to supply to him via email.

Peter Stein informed the Panel that if they would like anymore detail he would be happy to provide it and stated that this would be a very good flagship project (zero waste).

The Chairman thanked Peter Stein and Nav Singh for attending the meeting and presenting to the Panel.

UPDATE FROM THE WASTE TEAM

The Chairman welcomed the Waste Strategy Manager, Naomi Markham, to the meeting and invited her to update the Panel.

The Waste Strategy Manager informed the Panel that she had not received the January tonnage figures as yet. It was noted that just over 190 tonnes of food waste had been collected over November and December which equated to a 16% increase on November and December 2015 figures. An increase for the year was noted to be 34%.

The Waste Strategy Manager informed Members that the new textile collections were continuing and that a textiles leaflet would be going out soon. Councillor Lynda Yong explained that she had put textiles out to be collected three times since the last meeting but that they had not been collected. The Waste Strategy Manager asked that Councillor Lynda Yong informed her of the address so she could look into it. It was noted that the collection vehicles visited every street in the Royal Borough. Councillor Lynda Yong suggested that bright bags be used so that this recycling stood out clearly to the collection operatives. The Waste Strategy Manager agreed to look into this suggestion but did state that the Council was trying to stop people from having to collect a specific bag to use for textile recycling as residents could currently use any bag available to them. Councillor Simon Werner stated his concern regarding the number of bags collected (approximately 200 bags per week) compared to the amount of fuel and manpower used to collect from every street in the Royal Borough as he felt it to be uneconomical. The Waste Strategy Manager explained that she was expecting the number of bags collected to increase as the textile collections had only just started. The Panel was informed that the original plan had been to have cages on the waste

collection vehicles but it was found that the bins had a higher bin lift than previously thought. The Waste Strategy Manager informed the Panel that the Lead Member for Environmental Services and Managing Director had made the interim decision to start the textile collections as they were currently operating (i.e. on separate vehicles collecting from every street in the Royal Borough). It was noted that textile recycling was cost neutral to the Council as they received an income from the textiles collected. The Waste Strategy Manager informed the Panel that she was unaware of the carbon cost of collection vehicles visiting every street in the Royal Borough. The Panel was informed that it was hoped the interim decision with regard to textile collections would only need to be in place for up to a maximum of six months. It was requested that the carbon costs over six months be raised with the Lead Member for Environmental Services, Councillor Cox and the findings be circulated to the Panel.

Councillor Derek Sharp questioned what size grey bin was provided if a bin was lost as he had received reports that smaller bins were being supplied to residents in the Royal Borough. The Waste Strategy Manager informed the Panel that the decision had originally been made in 2012 to replace lost bins with smaller standard size grey bins. It was noted that if a household comprised of 6 people or more / 5 people and a child in nappies / whether there was a valid medical reason they would receive a 240 litre bin. Residents in smaller households would automatically be supplied with 180 litre replacement bins (standard bin size). It was noted that the smaller bins were being provided so as to help encourage recycling as the Panel was informed that 80% of all rubbish could be recycled.

The Vice-Chair questioned how long the turnaround was for replacement parts (e.g. bin lids) as he was currently waiting for a part he had requested approximately a week ago. The Waste Strategy Manager explained that it should be a 10 day turnaround.

The Waste Strategy Manager informed the Panel that a free Saturday green waste collection service was available to residents or alternatively residents had the option to compost at home.

The Waste Strategy Manager explained that the rolling campaign with regard to flats where bins were not labelled up well in bin stores was now complete. It was noted that the Waste Strategy Manager informed the Panel that she would shortly be doing a sample section to see the results of the campaign. It was noted that positive feedback had already been received from residents.

The Panel was advised that the 2017/18 objectives were to increase food waste collections and look at contamination levels in order to help reduce contamination levels.

The Vice-Chair requested that the Waste Strategy Manager look into whether Marks & Spencer's white plastic tray bases, typically used for cold meats, were recyclable. It was noted that dirty pizza boxes should not to be recycled.

The Chairman thanked the Waste Strategy Manager for her update and stated that she and the Panel looked forward to receiving an update at the next meeting either in a written or verbal format.

UPDATE FROM THE ENERGY TEAM

The Energy Reduction Manager, Michael Potter, referred Members to pages 13-20 of the agenda and explained that the report provided an update and gave the Panel an overview of the progress being made to deliver the Panel's energy reduction strategy.

The key areas covered were noted as follows:

- Energy Consumption
- Town Hall Solar Performance
- RBWM Energy Switch to Save
- Schools Energy Saving Competition

- Town Hall Water Usage and Reduction Project
- Work planned over the next period until the next Sustainability Panel

In the ensuing discussion, the following points were noted:

- That Chairman congratulated the Energy Reduction Manager on the energy cost saving for corporate buildings of just under £250k. Councillor Derek Sharp commented that it would be good to have a screen in Reception to display the good news on. The Chairman agreed to contact the Managing Director, Alison Alexander, to find out what the current situation with the non-operational screen was.
- That the cleaning of the solar panels on the Town Hall roof cost approximately £400.
- That the solar panels were checked following the fireworks and there where no issues observed with debris or otherwise. It was noted that the condition of the panels would be checked in February to see if it would be beneficial to have them cleaned again.
- Martin Fry requested that the uptake figures in Hurley after the second round of the RBWM Energy Switch to Save scheme be provided to him by the Energy Reduction Manager.
- Councillor Lynda Yong informed the Panel of her unpleasant experience with her energy supplier when they had called to put pressure on her to stay with them. Councillor Yong expressed concerns for the elderly residents in the Royal Borough who needed to switch. It was requested that more help / support be given to the elderly, especially those without access to computers. The Energy Reduction Manager explained that the Council offered help with registration to get people onto the scheme but had not looked at the next step (re: actually switching). This was something that could be looked into going forward.
- Councillor Derek Sharp requested that with regard to energy consumption that the lease of Grenfell Park be re-looked at when it was up for renewal. It was felt they should be paying for their energy otherwise they had no incentives to be 'green'.
- The cut-off date for the February auction was the 13 February 2017. It was requested that the Energy Reduction Manager emailed all Councillors to notify them of this date to help encourage them to switch energy suppliers.
- That the numbers entering an auction did make a difference as it was a collective energy scheme. It was noted the more that signed up meant the better deals offered by the energy suppliers.
- It was suggested that the Energy Reduction Manager looked into whether the Mayor or Deputy Mayor would be available to attend the Schools Energy Saving Competition on the 23 February 2017. It was noted that this would be reported in the press. The Chairman and Vice-Chair stated that they hoped to be able to attend the event on the 23 February 2017.
- The Energy Reduction Manager believed that the energy suppliers would not offer businesses a better deal if the dates of the auctions were changed to the end of the financial year.
- That the difference in the annual water consumption between what was expected and what was calculated based on automatic metering was considered a 'huge amount'. It was hoped that the Town Hall water reduction project would help close the gap,
- It was not expected that the contingency fund to upgrade the urinals would be needed in full.

That work planned over the next period included:

- Instruction of the water control upgrades subject to member approval.
- Delivery of the Energy Switch to Save Scheme.
- Delivery of the Schools Energy Saving Competition.
- Tendering of the corporate building LED upgrade phase 2.
- Tendering of the Town Hall BMS project.

RESOLVED Unanimously; That the Sustainability Panel notes the report, the progress made and comments on the proposed work plan over the next period as detailed in paragraph 11.22.

RESOLVED; That the Sustainability Panel approves the upgrade of the urinal controls for a total cost of £7,120 and a trial of restricting flow to the taps for £300 using capital code CY03 (Councillors Marion Mills, David Coppinger, Nicola Pryer, Lynda Yong and Simon Werner = For and Councillor Derek Sharp = Abstained).

DATE OF FUTURE MEETINGS

Future meeting dates were noted to be as follows:

- Monday 6 March 2017
- Tuesday 9 May 2017

The meeting, which began at 7.00 pm, finished at 8.50 pm

CHAIRMAN.....

DATE.....

| |
|---|
| Title: Schools RE:FIT programme |
| Contains Confidential or Exempt Information?: <i>NO - Part I</i> |
| Member reporting: Councillor Coppinger, Lead Member for Sustainability |
| Meeting and Date: Sustainability Panel - 21 March 2017 |
| Responsible Officer(s): Andy Jeffs, Interim Strategic Director of Operations Craig Miller, Head of Community Protection & Enforcement Services |
| Wards affected: All |



REPORT SUMMARY

1. The report provides information relating to a potential schools retrofit energy efficiency project. The project would be run under the RE:FIT framework and potentially in partnership with Slough Borough Council. It is estimated that a programme including all the borough's schools would attract an investment of around £2m. The scheme would be financed using government funding called Salix Finance. This funding offers 0% loans to schools for energy efficiency works. The programme would be multi-phased with potentially a first round of surveys commencing in late 2017.
2. The recommendation at this stage is to progress the discussions with Slough Borough Council and Local Partnerships in order to work up a full delivery model for the programme. Initially an information document would be drawn up for schools to read to allow interest to be gauged.
3. These recommendations are being made so that a method for large scale energy efficiency delivery in our schools is developed. The project is crucial in helping schools to reduce their energy usage, reduce their carbon footprint, reduce their energy expenditure and improve the school teaching environment.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Sustainability Panel notes the report and:

- i) Approves progression of the schools RE:FIT programme proposal in principal (subject to school interest and further internal approvals) and the working up of a full delivery model in partnership with Slough Borough Council and Local Partnerships.
- ii) Approves the writing up of an information document for schools regarding the scheme. The document, once agreed, will be sent out to schools to gauge initial interest.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 Offering a RE:FIT programme to schools will aid the delivery of large energy and carbon savings in the school estate as the programme eliminates the usual barriers to implementation. The programme would be cost neutral to all schools (maintained, academy or free) and the Council would gain an income through its delivery. External funding would be sought and so no Council funding is required. Further to the energy savings the programme may have the additional benefits of creating a better working teaching environment for staff and pupils and the programme could be used educationally as an awareness raising exercise or directly as part of the school curriculum. Initially the Council will need to engage schools to determine the levels of interest before proceeding any further.
- 2.2 There are two ways that the RE:FIT programme contracts can be procured. Either the Council runs a mini competition on the RE:FIT framework directly or the Council partners with another authority. By partnering the cost to procure is significantly reduced. Furthermore partnering with an authority with a large portfolio may provide economies of scale that the Council couldn't achieve on its own.

2.3 Table 1: Options for the delivery of the schools RE:FIT programme

| Option | Comments |
|---|--|
| Schools continue consuming energy as they currently are and do not use the RE:FIT programme. Not Recommended | Schools will not reduce their energy and carbon emissions. They will not improve their school working environment. |
| The schools RE:FIT programme is tendered directly by RBWM officers to offer schools a tailored energy saving programme. Not Recommended | Whilst this approach is possible and would provide large energy savings in the school estate there will be a higher cost to procure the contract than in a partnership approach. |
| The schools RE:FIT programme is run in partnership with Slough Borough Council. This is the recommended option | This approach reduces costs and time for the Council and still provides the same large savings to schools as the directly tendered route. |

3. KEY IMPLICATIONS

3.1 Table 2: Target for the Schools RE:FIT programme

| Outcome | Unmet | Met | Exceeded | Significantly Exceeded | Date of delivery |
|--|------------|--------------|----------------|------------------------|------------------|
| The number of schools using the RE:FIT contract to reduce their energy consumption by 15% or | <5 schools | 5-10 schools | 10 -15 schools | 15+ schools | 31/03/2019 |

| Outcome | Unmet | Met | Exceeded | Significantly Exceeded | Date of delivery |
|----------|-------|-----|----------|------------------------|------------------|
| greater. | | | | | |

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 No new funds are being sought. External funding from Salix Finance will be used to deliver this project. The 0% government loans would be held directly by the schools.
- 4.2 Initial estimations show that the investment would be in the region of £2m if all the schools took part in the scheme. This figure does depend greatly on the type of measures that the schools implement though. This will not be known until the schools are surveyed.

5. LEGAL IMPLICATIONS

- 5.1 The Council would need to contract with the schools taking part and with the supplier in order to carry out the contract's project management.
- 5.2 The Council would need to enter some form of partnership agreement with Slough Borough Council for the duration of the RE:FIT framework. This would be to ensure that the working parameters of the partnership are set from the outset.

6. RISK MANAGEMENT

6.1 **Table 4: Risks of schools not implementing the schools RE:FIT**

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|---|-------------------|--|-----------------|
| Schools do nothing to reduce their energy consumption and simply pay the going rate for energy. Energy prices will go up over the next few years and school income is reducing so this poses a risk to the school's ongoing finances. | HIGH | Schools both practice energy awareness such as the schools energy saving competition and by taking action to reduce energy consumption by installing energy conservation measures. | Low |
| Reactive repairs and maintenance is costly and will impact on the school's operations. | Medium | By replacing old equipment for new the reactive maintenance costs with reduce significantly and | Low |

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|---|--------------------------|--|------------------------|
| | | there shouldn't be any ongoing impact on the schools operations. | |
| Schools could implement projects to save energy as and when they find funding but the risk is that they never find the funding and that they only do one energy saving measure at a time which takes a long time to make the savings they need. | Medium | Adopt an approach like RE:FIT which is a whole building approach to energy efficiency with a finance route connected to it. | Low |
| Schools agree energy efficiency works with a previously unknown contractor without properly procuring the contractor and without the proper contractual controls. | High | An approach like RE:FIT means that pre-approved contractors are properly procured using contracts that protect the school. | Low |
| That energy conservation measures are not installed which could both improve the teaching environment and reduce ongoing maintenance costs. | Medium | Install energy conservation measures through the RE:FIT programme to improve the school environment and to upgrade old energy consuming equipment/ plant that requires a lot of maintenance. | Low |

7. POTENTIAL IMPACTS

- 7.1 The RE:FIT programme will mean that energy conservation measures are installed in the borough's school estate. Disruption will be kept to a minimum through working patterns outside of school hours and in the holidays.
- 7.2 No Equality Impact Assessment (EQIA) carried out.

8. CONSULTATION

- 8.1 No consultation at this stage further than procurement and residential services. Schools to be consulted with a proposal document as per below timetable.

9. TIMETABLE FOR IMPLEMENTATION

9.1 Table 5: Initial Timetable for Schools RE:FIT

| Date | Details |
|------------|--|
| 31/05/2017 | Email RE:FIT proposal document to schools |
| 30/06/2017 | Collate school responses and determine way forward |

- 9.2 Implementation date if not called in: Immediately

10. APPENDICES

- 10.1 Appendix 1 – Schools RE:FIT Programme costs by school
Appendix 2 – Display Energy certificate breakdown by school

11. BACKGROUND DOCUMENTS

RE:FIT framework background

- 11.1 The RE:FIT framework allows public sector bodies to enter into an energy performance contract with pre-verified contractors. The contract works on an invest to save basis through energy efficiency and renewable technology improvements using a whole building approach. Most importantly the savings made by the upgrades are guaranteed by the installing contractor. The savings are verified using an energy performance monitoring system called the International Performance Measurement and Verification Protocol (IPMVP).
- 11.2 RE:FIT started out as an energy performance contract framework in London. This framework has since been expanded nationally and the third version of the framework contract is now in use. The current framework is running until 2020 and includes 16 trusted energy service companies. These framework suppliers can be accessed through further competition on the framework.
- 11.3 The public sector framework also ensures that the procurement is OJEU compliant by tendering the framework according to European procurement

legislation. This reduces the time and costs involved with procurement by the public body accessing the contracts. A mini competition of the framework suppliers is required in order to contract a supplier.

- 11.4 Local partnerships is a joint owned partnership between HM Treasury and the Local Government Association (LGA). They are responsible for the delivery of RE:FIT outside of London.

Schools RE:FIT programme

- 11.5 Schools have a number of barriers to implementing energy efficiency measures. Some of the common barriers are lack of capital funding, lack of technology knowledge, lack of approved supplier contacts and also lack of security over whether efficiency measures are going to provide the anticipated savings.
- 11.6 These barriers to school energy efficiency investment are eliminated by the RE:FIT framework. Funding can be arranged through various methods and specialist pre-vetted energy service companies will provide all the required expertise. The energy saving guarantee ensures the savings are made by the school. This means the required savings set out in the school's funding agreement are met ensuring the school is never out of pocket.
- 11.7 RE:FIT, which was initially focused around key corporate buildings, has now been implemented in many schools. The experience gained since 2008 when RE:FIT was first piloted has meant that many lessons have been learnt. This means that the frameworks have been improved to better meet the needs of the users and the contractors have more experience working on energy performance contracts in the public sector.
- 11.8 All schools including maintained, academies and free schools could potentially take part in the RE:FIT school programme. The programme can be set up so that the school contracts with the supplier, the finance provider and the Council. This allows flexibility over which schools take part and means that the Council doesn't have any contractual commitments with the finance provider.

Schools RE:FIT contracting options and process

- 11.9 The schools RE:FIT programme supplier can be contracted in two different ways. One way is to partner with another authority and the other way is to procure the contract directly. The obvious advantages of partnering are that the cost of procurement is significantly reduced and it would save a large amount of time. It would also have the benefit of increasing the size of the portfolio on offer to the supplier and hence better economies of scale should be achieved. Procuring the contract directly would mean that the Council would have more control over who the contracted supplier is. Since resources for the procurement exercise are limited it is proposed that a partnership approach is adopted. Slough Borough Council are in the process of a large RE:FIT tendering process and have offered a partnership with the Royal Borough. If we wish we can add our schools into a portfolio of buildings listed as potential second phase sites in the Slough BC tender documentation. This would not commit any particular site but it would allow the Council to contract using the Slough Borough Council's contracted supplier.

11.10 The broad process for a schools RE:FIT programme using a partnership approach is multistep. The key steps are:

- Initial school engagement and sign up to the scheme
- Survey of school sites by contracted RE:FIT supplier
- If the school is happy with the information provided after the survey they will then need to make a decision whether to progress the project to an investment grade proposal (IGP). The investment grade proposal (IGP) documents set out the savings and measures to be installed under the contract. At this point the school would need to contract the supplier for the IGP. The school can decide to not progress to the installation stage if they are not happy after the IGP has been drawn up but they would be liable for the cost of the IGP.
- Assuming the sites don't want to drop out from the process the programme would progress to the installation phase.
- Following the installation the contact would enter into the monitoring and verification phase using the International Performance Measurement and Verification Protocol (IPMVP) until the investment has been paid off.

11.11 The funding for the schools could be sought from Salix Finance. In England Salix is funded by the Department for Business, Energy and Industrial Strategy. The Salix loan fund can offer schools 0% finance for projects with a combined payback of up to 8 years. There are funding options for both maintained and academy schools and can be offered as a direct loan to the school. The loan would be repaid by the school using the savings made by the installed measures. It would be set so that whatever the payback period for the installed measures is this would also be the length of time the loan is paid back over. This means that the project would be cost neutral for the school. Funding would be applied for during the IGP delivery phase of the project and contracts would be signed before the works commence. It should be noted that if a school converts to Academy any Salix loan taken out by a maintained school would be novated over to the new Academy school.

11.12 Further funding solutions may also need to be investigated to help provide some flexibility on the measures that can be installed. The 8 year payback limit offered by the standard Salix loans will not be long enough for certain measures and so this may need to be topped up. There are a couple of funding schemes potentially available such as the European Structural Investment Funding and Heathrow Community Fund which could potentially be accessed. These funding schemes will need to be investigated further to determine their suitability for a RE:FIT project.

11.13 Private finance from the service provider is another way schools could get funding for longer payback measures. This would likely be in the form of an operating lease. Otherwise potentially the Council could provide a loan for a small fee if the capital funding can be found. It is not anticipated that these funding routes would be the preferred options for finance but perhaps they should be considered as part of the funding options.

11.14 The Council would facilitate the process highlighted in 11.10, provide project management services and organise funding arrangements as part of the contract.

What the project might look like

11.15 It is envisioned that the project would be multi-phased joining schools together in manageable groups. Under the partnership approach the size of the group is less relevant because the scale has already been achieved during the tender process. This allows for more flexibility which would not be available in a direct tender by the Council. Ideally there would be 5-10 schools in a phase. All types of school could be considered for the project.

11.16 Typical energy conservation measures that might be delivered under the RE:FIT programme are:

- Lighting and their controls
- Heat recovery
- Variable speed drives on pumps and fans
- Solar panels/ thermal
- Upgrading to energy efficient boilers where relevant (probably gas where available, but potentially biomass or CHP for 'off grid' schools, and district heating)
- Radiator reflective panels
- Improving hot water controls and reduction of hot water wastage
- Improving insulation (notably external insulation) and draft proofing of doors and windows. Insulation of pipework. Roof insulation and cavity wall insulation.
- Fabric improvements –windows, doors
- Building Energy Management Systems and their optimisation,
- PC/ printer management programmes
- Improvements involving wet areas like swimming pools
- Battery storage.

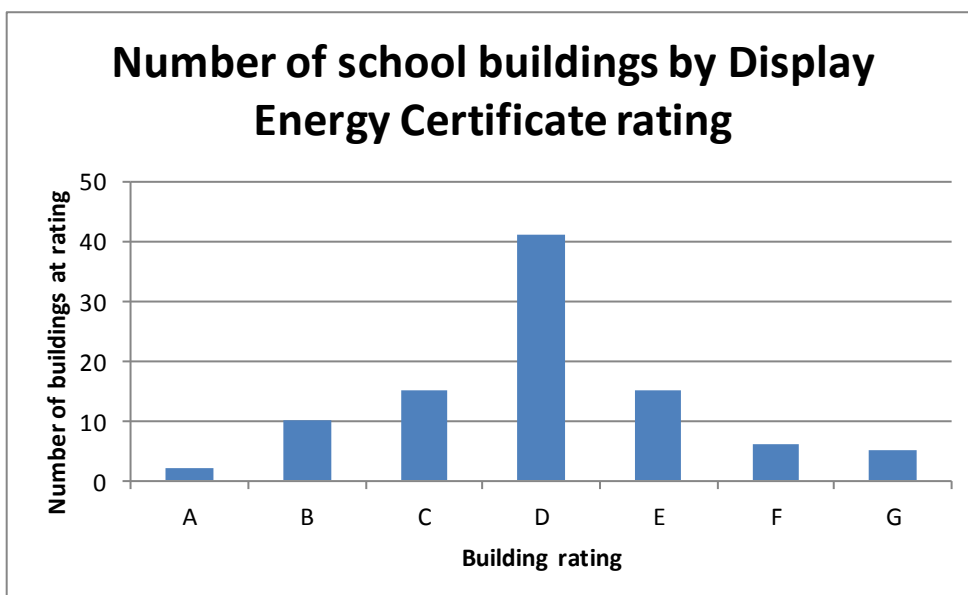
11.17 In terms of costs, a primary school would on average need an investment of £20,000 - £50,000. Secondary and special schools can require an investment of £250,000 - £500,000. These example costs are figures provided by Local Partnerships based on their past experience. Of course there are many factors in play which determine the level of investment such as what opportunities are available, how efficient the school is and the size of the school.

11.18 Based on some initial calculations of the Council's schools estate it is currently looking like there are works available in the region of £2m. Looking at a group of five of the smallest primary schools as a phase this could total in the region of £30,000. On the other end of the scale if there were nine large primary's and one large secondary involved in a phase then the investment level would be more in the region of £450,000. These are two extremes and in reality it is likely the overall cost of a phase would be around £200,000. As previously stated is not anticipated that this investment would come from the Council.

- 11.19 The above figures are based around a 20% saving being made at each school and based on 2016/17 energy prices. Local Partnerships have seen schools generally save anything from 15-35% and even greater in some cases. Energy prices are currently low and over the next few years there will be some large increases, indeed in 2017/8 we are expecting increases of around 22% compared to 2016/17.
- 11.20 The intention would be to have a rolling programme of phases. Schools would need to be engaged to join the scheme and this may take varying amounts of time. Some keen schools such as the set of schools that signed up to the energy saving competition may take the lead. Once their energy saving measures have been successfully installed other schools may then take interest. The number of schools in a phase will always need to be manageable both from the Council's perspective and the supplier's perspective.
- 11.21 As the scheme facilitator and project manager the Council can take a payment for the project management of the scheme. This amount can be top sliced from the Salix Finance as an allowable expense. Overall this could equate to an income across the estate of roughly £180,000.

Current school performance – Display Energy Certificates

- 11.22 Display Energy Certificates are one way that we can look at how our schools are performing. A display energy certificate ranks the school building against typically performing school buildings of a similar size. There is a grading scale from A to G, A being the most efficient and G being the worst performing. The ranking system uses a numerical system to calculate the grade- 100 being typically performing, 200 being very badly performing and 0 being no energy consumed at all. The 100 point lies between D and E grades. This means D graded buildings are performing slightly better than typical and E perform slightly worse. Each grade away from the typical performing point means the school is performing 25% better or worse than the previous grade. Schools with an F grade will be using 25-50% more energy than would be typical and schools with a G grade will be using more than 50% energy than a typical school. A chart of the Council's school buildings is shown below showing the range of grades. There are 26 buildings performing worse than would be typical across 19 schools. Ideally these schools would be targeted first over 2-3 phases, in reality the first phase may contain a number of environmentally keen schools.



Maintenance requirements/ Oil boilers

11.23 Schools have an ongoing need to upgrade ageing equipment to not only improve the running efficiency of the item but also to reduce its associated maintenance costs. One such item is the school boilers.

11.24 A look through the list of schools has indicated that 23 schools are using old oil boilers as their main source of heating for the school. Maintenance costs will be high for these boilers due to their age (around 20 years old) and there will be more breakdowns than with a modern boiler system. Furthermore the cost of oil has been increasing and there are cheaper and cleaner ways for the school to be heating itself. This is potentially something that can be looked at under the RE:FIT contract but it is likely that it would require additional investment to the Salix funding.

Next steps

11.25 The next steps should the Panel agree to progressing the proposal are:

- Gaining internal approvals
- Investigating funding options further
- Agreeing the way forward from a procurement and legal perspective
- Determining the terms of the partnership with Slough Borough Council
- Writing up a proposal for schools and gathering feedback.

12. CONSULTATION (MANDATORY)

| Name of consultee | Post held | Date sent | Commented & returned |
|-------------------|-----------------------------------|-----------|----------------------|
| Cllr Coppinger | Lead Member for Sustainability | 06/03/17 | |
| Cllr Mills | Chair of the Sustainability Panel | 06/03/17 | 08/03/17 |
| Lisa Pigeon | Environmental Health lead | 22/02/17 | 04/03/17 |

REPORT HISTORY

| | |
|---|----------------------------|
| Decision type: Non-key decision | Urgency item? No |
| Report Author: Michael Potter, Energy Reduction Manager, 01628 682949 | |

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Appendix 1 - Schools RE:FIT Programme estimated investment costs by school

| School | Investment |
|--|----------------------|
| Cookham Nursery | £2,419.65 |
| Maidenhead Nursery | £2,769.87 |
| Burchetts Green CE Infants School (ACADEMY Dec 2014) | £3,319.84 |
| Knowl Hill CE Primary School (ACADEMY Sept 14) | £5,239.75 |
| St Edmund House PRU | £6,249.70 |
| Eton Porny CE First School (ACADEMY Feb 2016) | £7,210.63 |
| The Queen Anne Royal Free CE Controlled First School | £7,769.63 |
| Waltham St Lawrence Primary School | £8,439.26 |
| Trinity St Stephen CE Aided First School | £8,578.44 |
| Woodlands Park Primary School | £10,353.45 |
| White Waltham CE School (ACADEMY Sept 2012) | £10,685.92 |
| Forest Bridge School (Free school July 2015) | £11,869.43 |
| Alexander First School | £12,195.76 |
| Cheapside CE Primary School | £12,240.55 |
| Lowbrook Academy (ACADEMY April 11) | £12,669.39 |
| Holy Trinity CE Primary School, Cookham | £13,059.37 |
| South Ascot Village Primary School | £13,389.36 |
| Datchet St Mary's CE Academy (ACADEMY Jan 2012) | £13,685.19 |
| Alwyn Infant School | £13,882.93 |
| The Royal (Crown Aided) School | £14,025.43 |
| Braywood CE First School | £14,306.18 |
| Furze Platt Infant School | £14,344.38 |
| Larchfield Primary and Nursery School | £14,369.31 |
| Cookham Rise Primary School | £14,463.33 |
| Cookham Dean CE Primary School | £14,522.35 |
| St Michael's CE Primary School | £14,972.02 |
| St Luke's CE Primary School (ACADEMY Dec 2014) | £15,357.92 |
| Bisham CE Primary School | £15,414.87 |
| Clewer Green CE School | £15,589.25 |
| Hilltop First School | £15,693.96 |
| Boyne Hill CE Infant and Nursery School | £16,507.25 |
| St Francis Catholic Primary School (ACADEMY Sept 15) | £17,121.72 |
| Holy Trinity CE Primary School, Sunningdale | £17,145.16 |
| Dedworth Green First School (ACADEMY May 2016) | £17,819.14 |
| St Edward's Catholic First School | £17,918.42 |
| Homer First School | £17,945.09 |
| St Mary's Catholic Primary School (ACADEMY July 13) | £18,269.12 |
| Kings Court First School | £18,892.04 |
| Wraysbury Primary School | £20,259.03 |
| St Edmund Campion Catholic Primary School | £21,808.95 |
| Eton Wick CE First School | £22,104.72 |
| Oldfield Primary School | £22,228.93 |
| Courthouse Junior School | £22,499.03 |
| St Peter's CE Middle School (ACADEMY Nov 2014) | £24,152.46 |
| All Saints CE Junior School | £25,196.64 |
| Wessex Primary School | £25,749.64 |
| Holyport CE Primary School (ACADEMY June 2016) | £26,125.63 |
| Furze Platt Junior School | £26,898.45 |
| Oakfield First School | £27,176.42 |
| Riverside Primary & Nursery School | £29,283.86 |
| Dedworth Middle (ACADEMY May 2016) | £48,518.28 |
| St Edward's Royal Free Ecumenical Middle School | £50,028.93 |
| Trevelyan Middle School (ACADEMY Nov 2016) | £65,714.22 |
| Churchmead Church of England Voluntary Aided School | £68,499.02 |
| Manor Green School | £69,086.68 |
| Windsor Girls' School (ACADEMY March 2015) | £72,506.52 |
| Altwood CE Secondary School (ACADEMY July 2012) | £86,457.61 |
| Cox Green School (ACADEMY Dec 2011) | £88,825.74 |
| The Windsor Boys' School (ACADEMY March 2015) | £97,295.33 |
| Newlands Girls School (ACADEMY October 2015) | £98,955.25 |
| Desborough College (ACADEMY Oct 2012) | £99,705.21 |
| Furze Platt Senior School (ACADEMY Dec 2011) | £120,368.37 |
| Charters School (ACADEMY Oct 2012) | £162,968.66 |
| | £1,903,118.65 |

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Appendix 2 - Display Energy certificate breakdown by school building

| Name | Grade |
|---|-------|
| Newlands Girls Pool | A |
| Woodlands Park Primary School | A |
| All Saints Junior School | B |
| Altwood C of E School Sport Hall | B |
| Charters School - Academy Sports Hall | B |
| Charters School - Maths Block | B |
| Charters School - Dining | B |
| Courthouse Junior School | B |
| Larchfield Primary and Nursery School | B |
| Newlands Girl's School Sports Hall | B |
| Trevelyan School Sports Hall | B |
| Windsor Girls Academy Sports Hall | B |
| Altwood C of E School Main Bldg | C |
| Brocket PRU | C |
| Churchmead School - Main Bldg | C |
| Churchmead School - Maths | C |
| Churchmead School - Compass | C |
| Cox Green School Lower Sch | C |
| Cox Green School | C |
| Dedworth Green First School | C |
| Dedworth Middle School - DT/Science Block | C |
| Eton Wick C of E Combined School | C |
| St Edmund Campion RC Primary School | C |
| St Edmund Campion RC Primary School Early Years | C |
| The Windsor Boys School - Admin Block | C |
| Alexander First | D |
| Alwyn Infant School Main Bldg | D |
| Alwyn Infant School Nursery Bldg | D |
| Boyne Hill | D |
| Charters School Main Bldg | D |
| Clewer Green CE First - Hall | D |
| Churchmead School - Science/Tech Block | D |
| Churchmead School - Sixth Form | D |
| Cookham Rise Primary | D |
| Cox Green School Main Bldg | D |
| Cox Green School Science/Maths | D |
| Cox Green School Music | D |
| Cox Green School English | D |
| Dedworth Middle School - Central Block | D |
| Eton Wick C of E School | D |
| Forest Bridge | D |
| Furze Platt Infant School | D |
| Hilltop First | D |
| Holyport C of E Primary School | D |
| Homer First School | D |
| Kings Court First School | D |
| Newlands Girl's School Main Bldg | D |

| | |
|---|---|
| Newlands Girl's School Art/Drama | D |
| Newlands Girl's School Technology | D |
| Oldfield Primary School Main building | D |
| Riverside Primary School | D |
| South Ascot Village Nursery | D |
| St Edmund House PRU | D |
| St Francis RC | D |
| St Marys RC Primary School | D |
| St Michaels School | D |
| The Windsor Boys - Sports/Drama/Sixth Form Block | D |
| Trevelyan School Main Block | D |
| Trevelyan School Technology Block | D |
| Trevelyan School | D |
| Trinity St Stephen CE First | D |
| Waltham St Lawrence CE Primary | D |
| Wessex Primary School - Infants & Nursery | D |
| Wessex Primary School - Junior | D |
| Windsor Girls Main Bldg | D |
| Windsor Girls Sixth Form Block | D |
| Charters School Sixth Form/Art | E |
| Charters School Science Block | E |
| Clewer Green CE First - Main Bldg | E |
| Dedworth Middle School - Main Block | E |
| Eton Porny | E |
| Holy Trinity School Sunningdale | E |
| Knowl Hill Primary | E |
| Maidenhead Nursery | E |
| Oakfield First School | E |
| South Ascot Village School | E |
| St Peters C of E Academy Main Bldg | E |
| The Windsor Boys Hall & CDT Block | E |
| The Windsor Boys - Science/Eng/Maths Block | E |
| Wraysbury Primary School | E |
| Wraysbury Primary School | E |
| Altwood C of E School Sixth Form/Science/Hall Block | F |
| Bisham CE Primary | F |
| Braywood Primary | F |
| Cheapside Primary | F |
| Furze Platt Junior School | F |
| White Waltham School | F |
| Newlands Girls L Block | G |
| Newlands Girls Mod Sci | G |
| Newlands Girls Music | G |
| Newlands Girls B Block | G |
| Newlands Girls 6th form | G |

Waste and recycling update for sustainability panel

www.rbwm.gov.uk



Food waste

Food waste collected in 2016 had increased 35% on tonnages increased in 2015, when looking at tonnages for the whole year. In January 2017 the increases had started to drop off slightly, although waste tonnages for the month had also decreased, alongside the reduction in food waste collected.

In 2017 a campaign will be running focussing on those residents who are not using the food waste collection service. Research from WRAP indicates that the most effective method to encourage residents to use food waste collections is to provide information about the collections and food waste bin liners.

During March and April 2017 Veolia crews will be recording those residents not using the food waste collections on in cab technology. An information pack including a leaflet about how to use the food waste collections and food waste liners will be provided to all households not using the collection service at all during the month where participation is recorded. This will provide further encouragement to those residents not using the service to start recycling their food waste.

Distribution of recycling guides with Around the Royal Borough

WRAP have produced new recycling guidelines following wide consultation with the recycling industry. This has resulted in a definitive list of items that can and cannot be recycled. Consumer testing revealed a low level of awareness & much confusion among members of the public about what they can recycle. The key barrier to recycling is a lack of knowledge.

This has led to national agreement on what can and cannot be accepted for recycling which should lead to:

- Consistent communications
- Improved quality of materials
- Increased capture of target materials
- Increased revenue for both waste contractors and local authorities

The WRAP survey found that:

- There is too much information to communicate
- The focus should be on things that cannot be recycled rather than those that can be
- An explanation of why something is not recyclable is considered supplementary to most people but critical to some people (28%).

The research highlighted the most common incorrect items included in the recycling:

- Laminated foil pouches
- Drinking glasses e.g. wine glass
- Dirty/stained paper
- Glass cookware e.g. pyrex
- Greetings cards with glitter on them

- Sticky papers
- Nail varnish bottles
- Window glass
- Crisp packets

The new recycling guide currently being delivered follows the guidelines that WRAP have issued. It includes basic information on what can be recycled in the blue bin, with more detailed information about what cannot be recycled so that residents are given more guidance on what they should not include with their recycling. All residents will receive a copy of the guide delivered with Around the Royal Borough over the next three weeks.

This should help to reduce recycling confusion and improve the quality of recycling collected.

| |
|---|
| Title: Energy Reduction Manager Update |
| Contains Confidential or Exempt Information?: <i>NO - Part I</i> |
| Member reporting: Councillor Coppinger, Lead Member for Sustainability |
| Meeting and Date: Sustainability Panel - 21 March 2017 |
| Responsible Officer(s): Andy Jeffs, Interim Strategic Director of Operations Craig Miller, Head of Community Protection & Enforcement Services |
| Wards affected: All |

REPORT SUMMARY

1. This report provides an overview of the progress being made to deliver the Council's energy and water reduction strategy.
2. This update report recommends that Members note progress and comment on the proposed work plan for the next period. It is also recommended that Reading Borough Council is contacted to discuss the possibility and practicalities of using ERDF funding for the schools RE:FIT project.
3. Recommendations are being made because it is important that Members provide comment and direction on the work being carried out and that the sustainability strategy targets are met.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Sustainability Panel notes the report, the progress made and comments on the proposed work plan over the next period as detailed in paragraph 11.18.

RECOMMENDATION: That the Sustainability Panel approves contacting Reading Borough Council to discuss the possibility of ERDF funding for the schools RE:FIT programme.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

2.1 The Council is currently working towards a four year Sustainability Strategy running from April 2014 to March 2018. The strategy focuses on 6 workstreams including: Sustainability, Energy, Water, Waste, Transport and Renewable Generation. The strategy has three key targets over the four year period which are:

1. Reduce energy use in the Council building estate by 15% in 2017/18 compared to a 2013/2014 baseline.
2. Reduce water usage in the Council's corporate office buildings by 3% in 2017/18 compared to a 2013/2014 baseline.
3. Recycling rates increased to 55% in 2017/18.

2.2 Each year an action plan is drawn up to enable the Council to meet these targets as well as other goals presented in the strategy documents. This update provides a progress report for the energy workstream.

2.3 After the first two years of the strategy the 2013/2014 energy baseline has been reduced by 12.5%. This equates to the Council avoiding just under £130,000 of energy costs over these two years.

2.4 Table 1: Report options

| Option | Comments |
|---|---|
| (a) The Council does not work towards the sustainability strategy. This is not recommended | (a) Failing to work towards the sustainability strategy would mean the Council would not be able to meet its legislative commitments, would not be able to continually drive down energy costs and therefore would not be offering value for money for its residents. |
| (b) The Council works according to the current and any future sustainability strategy. This is the recommended option | (b) The Council will be able to meet all its legal requirements whilst improving the local environment and providing value for money for its residents. |

3. KEY IMPLICATIONS

3.1 Table 2: Target outcome following report

| Outcome | Unmet | Met | Exceeded | Significantly Exceeded | Date of delivery |
|---|-------|--------|----------|------------------------|-----------------------------|
| Overall reduction of annual gas and electricity consumption in Council buildings in 2016/17 compared to the 2013/14 baseline. | <11% | 11-12% | 12.1-13% | >13% | 31 st March 2017 |

4. FINANCIAL DETAILS / VALUE FOR MONEY

4.1 No new funds are being sought through this paper.

5. LEGAL IMPLICATIONS

5.1 None.

6. RISK MANAGEMENT

6.1 Table 4: Risks for Sustainability Strategy actions.

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|---|-------------------|---|-----------------|
| Targets for overall energy and water reduction are not met. | High | By providing updates at each panel meeting, Members are able to keep track of overall progress to ensure the Council meets its annual projected reductions and savings commitments. | Low |
| Increasing energy and water costs for the council puts additional pressures on budgets. | High | By providing updates at Panel meetings on progress to reduce energy and water usage and progress on securing the best | Low |

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|--------------|--------------------------|--|------------------------|
| | | available energy contracts, Members will be able to assess the work that is taking place to ensure that cost increases are minimised as far as possible. | |

7. **POTENTIAL IMPACTS**

7.1 This update contains content relating to the sustainable improvement of the Council's buildings and the information collated about them.

7.2 No equality impact assessment has been carried out.

8. **CONSULTATION**

8.1 None

9. **TIMETABLE FOR IMPLEMENTATION**

9.1 **Table 5: Timetable**

| Date | Details |
|-------------|------------------------------------|
| 31/03/2017 | Completion of current annual plan. |

10. **APPENDICES**

10.1 Appendix 1 - ESIF Priority Axis 4: Supporting the shift towards a low carbon economy in all sectors - Objectives and Activities

Appendix 2 – Annual Plan 2016/17 progress update

11. **BACKGROUND DOCUMENTS**

European Regional Development Low Carbon Funding

11.1. Early February saw the launch of a new European Regional Development Funding (ERDF) programme. The Thames Valley Local Enterprise Partnership will be overseeing applications for Berkshire and Reading Borough Council will be providing technical assistance.

11.2. In total there is €14.6m of European Regional Development Funding (ERDF) available for the region. One of the regional ERDF priorities is called: 'Supporting the shift to a Low Carbon economy in all sectors'. £2.5m has been made available for this funding priority. In the Local Enterprise Partnership

(LEP) European Structural and Investment Funding (ESIF) Strategy the priority is broken down to three objective areas:

- Promoting the production and distribution of energy derived from renewable sources– target delivery of 1MW of local renewable capacity.
- Promoting energy efficiency and renewable energy use in enterprises– target support of 84 businesses
- Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector– target to improve at least 40 houses and to reduce public building carbon emissions by 640 tCO₂.

11.3. The objectives were designed to stimulate local research & development, innovation and to build the skills to enhance growth in the green economy in the region. For a more in depth look at the objectives and activities for the low carbon priority area please see Appendix 1.

11.4. Reading Borough Council will be providing technical assistance for funding applications. The funding will be available for two years although DCLG are looking for applications throughout 2017 over a number of application windows.

11.5. The application process is multistep and requires input and/or support from Reading Borough Council, the Local Enterprise Partnership (LEP) and the Department of Communities and Local Government (DCLG). The application must both align with the programme guidance (DCLG) and the LEP European Structural and Investment Funds (ESIF) strategy. It has been that standard retrofit projects would not be suitable for the funding and that an element of innovation will be required in order to secure funding. Interestingly energy performance contracting such as the RE:FIT framework has been highlighted as an activity that might be supported under the public building objective.

11.6. Making an application and delivering according to the rules set out by the EU may prove to be very resource intensive and this presents a risk to the Council if the rules are not strictly followed. Another concern is the practicality of applying for funding and linking it to a project such as the schools RE:FIT due to the potential number of parties involved and the funding/ project timescales. At this stage it is recommended that Reading Borough Council is contacted to discuss the possibility of funding for the schools RE:FIT programme and how the funding might be delivered in reality. Further opportunities will also be investigated with relevant officers.

Annual plan 2016/17

11.7. The current annual plan and the progress against the objectives can be found in appendix 2. The key implication for energy savings is currently showing a 13.8% reduction (cumulative) against the baseline to the end of January 2017. The target for the year was 11% and so this has already been met. Projects such as the LED lighting phase 2 and the Town Hall Building Management System are in progress with a view to implementation in 2017/18. There is a

new solar panel installation also being considered as part of the York House development. Work on energy awareness has been implemented/ investigated this year with the implementation of the Schools Energy Saving Competition and initial development of a staff energy awareness programme. A water reduction project is being implemented at the Town Hall as an initial start to water reduction in the Council's buildings. The wider sustainability actions of the LED streetlighting upgrade programme and recycling in the borough have also been progressing well.

Close the door campaign

- 11.8. The Council received a request from a resident via Cllr Wilson to look into what could be done about shops leaving their doors wide open whilst also having the heating on/ air conditioning on. This practice can waste about 50% of a shop's heating and can deteriorate the shop environment due to both hot/cold areas and the influx of air borne pollutants. This waste of energy is directly contrary to UK legislation such as the Climate Change Act 2008 which legislates an 80% reduction in greenhouse gases by 2050 compared to 1990 levels. Many shops have an open door policy because it is believed that by closing a door footfall will reduce.
- 11.9. The resident picked out two shops in Windsor which were heating with their doors open. Both stores were contacted to find out why their doors were open when they were heating. Both shops stated that their head office dictated an open door policy. Therefore in both instances the relevant head office has been contacted to find out if they would change their open door policy.
- 11.10. There is a national close the door campaign which has had some success in getting some large chains to shut their doors. It was highlighted by this campaign that Cambridge University conducted a study on shops closing their doors and how that related to footfall and transactions. It was found to have no affect. The campaign also highlights studies showing a 50% waste of energy by stores that keep their doors open all through trading hours and that stores reduced the levels of air borne pollution by a third by closing their doors. Perhaps the Council should be supporting this campaign and it should be promoted in the autumn with local businesses.

Energy Switch to Save Scheme

- 11.11. The latest Energy Switch to save scheme has been running since the beginning of January. The auction was on the 14th February and First Utility has won the auction for all tariff types except prepayment meters. Suppliers didn't wish to bid on prepayment meter tariffs due to the impending prepayment meter price caps that are being implemented by Ofgem on the 1st April 2017. It is thought that once the cap has been introduced suppliers will commence bidding for the prepayment meter business once again. The Council doesn't have any registrants in this category this time.
- 11.12. In terms of numbers there were 129 registrants at the time of the auction (at the last auction we had 71 registrants). This number has risen slightly post auction to 132. 116 of these registrants provided realistic registration information and they could save on average £110.12 per household by switching. 64% of registrants could save by switching supplier. Post auction

registration is still open at the auction prices and will be running until 20th March.

11.13. The average saving has reduced considerably since the last auction (£280). This is due to market prices increasing and therefore making it harder to make a saving against your current tariff. Even so £110.12 is still a great saving for the registrants to take should they wish to.

11.14. The issue raised at the last Sustainability Panel regarding the incumbent supplier contacting the switcher to try and persuade them to stay was raised with the energy switching scheme providers Ichoosr. Their response was that if residents have particular issues with any supplier harassing them that they should raise them with OFGEM. They also said that even if people are persuaded to stay that they will be able to quote the auction price and get it matched or bettered. This means that the resident will be making the saving but just with their existing supplier rather than a new supplier. Making a saving for our residents is the goal of the switching scheme and therefore if some residents take this route we are still achieving this.

Building Management System, LED lighting tenders and Town Hall water reduction project

11.15. Both the Building Management System (BMS) and LED lighting tenders have both been returned. Work assessing the tenders is currently underway and the winning bidders will be notified shortly.

11.16. The LED lighting project is looking to commence mid April starting with Maidenhead Library. The BMS installation programme will be finalised once the winning bidder has been appointed.

11.17. The Town Hall urinal controls works have been appointed to one of the Council's Term contractors. Parts have been ordered with a view to the works happening towards the end of March.

Proposed work plan over the next period

11.18. The work being carried out between now and the next Sustainability Panel will be:

- LED lighting upgrade programming
- Building Management System upgrade programming
- Contacting Reading Borough Council about the ERDF funding
- Managing water reduction project installations
- Working up an action plan for 2017/18

12. CONSULTATION (MANDATORY)

| Name of consultee | Post held | Date sent | Commented & returned |
|--------------------------|--------------------------------------|------------------|---------------------------------|
| Cllr Coppinger | Lead Member for Sustainability | | |
| Cllr Mills | Chairman of the Sustainability Panel | | |
| Lisa Pigeon | Environmental Health Lead | | |
| | | | |

| Name of consultee | Post held | Date sent | Commented & returned |
|-------------------|-----------|-----------|----------------------|
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REPORT HISTORY

| | |
|---|----------------------------|
| Decision type: Non-key decision | Urgency item? No |
| Report Author: Michael Potter, Energy Reduction Manager, 01628 682949 | |

ESIF Priority Axis 4: Supporting the shift towards a low carbon economy in all sectors - Objectives and Activities

Objectives

The objectives are to stimulate local research & development, innovation and to build the skills to enhance growth in the green economy in TVB. The development of local infrastructure and a strong performance in energy efficiency and renewable energy will boost the local economy in this respect. This will be achieved by creating exemplar facilities, and local centres of expertise which could dramatically accelerate the deployment of new, innovative technologies and the market share for Thames Valley Berkshire companies within the successful UK green economy.

The key objectives are to:

- Promote the production and distribution of energy derived from renewable sources
- Promote energy efficiency and renewable energy use in enterprises
- Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector.

Activities

The types of activities that could be supported under our objectives are:

- **Promote the production and distribution of energy derived from renewable sources**
 - Measures to support increased production of renewable fuels and energy, in particular wind energy, solar and biomass;
 - Support to build capability and capacity for supply chains in renewable energy;
 - Demonstration and deployment of renewable energy technologies;
 - Measures to support the wider deployment of renewable heat, including microgeneration, geothermal, renewable heat networks or district heating, ground source and air source heat pumps, and biomass systems with associated heat off-take and heat distribution networks along with recycling processing reprocessing and remanufacturing facilities; and
 - Anaerobic digestion plants and other biomass or landfill gas schemes.

- **Promote energy efficiency and renewable use in enterprise:**
 - Enhanced advice, support, information and action to promote innovation in businesses and how they operate, in order to deliver best practice in energy management. This will include innovation in energy efficiency and energy cost reduction to improve businesses' competitiveness and resilience;
 - Support to businesses to undertake 'green' diagnostics or audits of energy efficiency and potential for renewable generation and energy use, which will be followed by provision of energy efficiency information and guidance, tailored energy action plans and of support to implement them;
 - Investing in energy efficiency measures, processes and renewable generation capacity to improve a business' or building's environmental performance or its resilience to the impacts of climate change;
 - Investing in measures to stimulate cost-effective deep renovations of buildings, including staged deep renovations;
 - Supporting an increase in energy efficiency in enterprises including an emphasis on "whole place" especially through improving industrial processes, designing out waste, recovery of "waste" heat energy and CHP;
 - Supporting increased SME access to national and local government procured contracts for energy efficient goods and services;
 - Developing low carbon innovation in relation to energy efficiency within enterprises, including through technologies and engagement practices;
 - Building retrofit and energy efficiency measures, especially whole building solutions to exemplify, and support the commercialisation of, next phase technologies which are near to market and low carbon construction techniques to improve the energy efficiency of buildings.

- **Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector:**
 - Provision of advice and support to increase the use and take up of low carbon technologies, energy efficiency measures, renewable energy technologies and smart energy systems in housing stock and public buildings
 - Supporting low carbon innovation in relation to the integrated 'whole place' energy management approach including energy waste and re-use
 - Investing in building retrofit, energy efficiency measures, renewable and smart energy systems deployment, especially whole building or place solutions exemplifying next phase technologies which are near to markets
 - Investing in domestic energy efficiency, renewable energy and smart construction techniques;
 - Investment in the development and wider use of Energy Performance Contracting in the public buildings and housing sectors.

Appendix 2 - Action plan 2016/17 progress update

| Code | Work theme | Action | Result | Responsibility | Target Completion Date | Current progress | RAG Status |
|--------|---|--|---|--|------------------------|---|------------|
| E1 | Energy Reduction in Council buildings | Reduce energy usage by 11% compared to 2013/14 baseline | 11% energy reduction on 2013/14 baseline | Energy Reduction Manager | 31/03/2017 | 13.8% to the end of Jan 2017 | A |
| E1 | Energy Reduction in Council buildings | Tender and replace building mangement system at Maidenhead Town Hall. | Works tendered and work completed before next heating season. | Energy Reduction Manager | 30/09/2016 | Works tendered and work to be completed summer 2017. | R |
| E1 | Energy Reduction in Council buildings | Investigate any further LED lighting upgrades. | Project investigated and proposal brought to Sustainability Panel. | Energy Reduction Manager | 31/03/2017 | Sustainability Panel agreed a second phase of LED lighting. Works to commence April 2017. | G |
| E2 | Street lighting Energy Efficiency | Implement streetlighting LED upgrade programme. | LED replacement and savings plan agreed with contractor and implementation commenced by 31/08/16. | Contracts & Commissioning Service Lead | 31/08/2016 | LED lighting upgrade programme in progress. | G |
| R1 | Council Renewable Energy | Investigate potential for further solar installations on corporate buildings. | Potential installations financially modelled and presented to the Sustainability Panel. | Energy Reduction Manager | 30/11/2016 | Proposal for Solar Panels on York House investigated. Proposal taken to Property Manager for inclusion in works at York House. | G |
| S1 | Council sustainability awareness | Investigate ways to educate staff on sustainability matters and propose scheme to Sustainability Panel. | Sustainability Awareness scheme presented to Sustainability Panel. | Energy Reduction Manager | 31/03/2017 | Method of drip feeding information through bulletins and screensavers discussed during November 2016 meeting. List of messages developed for delivery through 2017. | G |
| S2 | Schools sustainability awareness | Investigate ways to help schools to become more sustainable with a focus on reducing energy consumption. | Proposals for schools energy scheme presented to Sustainability Panel. | Energy Reduction Manager | 31/03/2017 | Schools Energy Saving Competition delivered Jan/ Feb 2017. Proposal for Schools RE:FIT programme investigated and presented to panel. | G |
| W1/ W2 | Borough wide recycling and use of waste | Percentage of household waste sent for reuse and recycling | 50% | Head of Community Protection and Enforcement | 31/03/2017 | 49.8% to end of Q3 | A |
| WAT1 | Water reduction in Council buildings | Use meter data to determine sites with high water usage and continous flow (where known). Act to reduce water consumption. | High water usage is highlighted and reduced at 1 site. | Energy Reduction Manager | 31/03/2017 | High water usage highlighted at the Town Hall. Programme of works to control urinals and restrict tap flow speeds approved and instructed. | A |

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