

# Carbon Assessment and Budgeting

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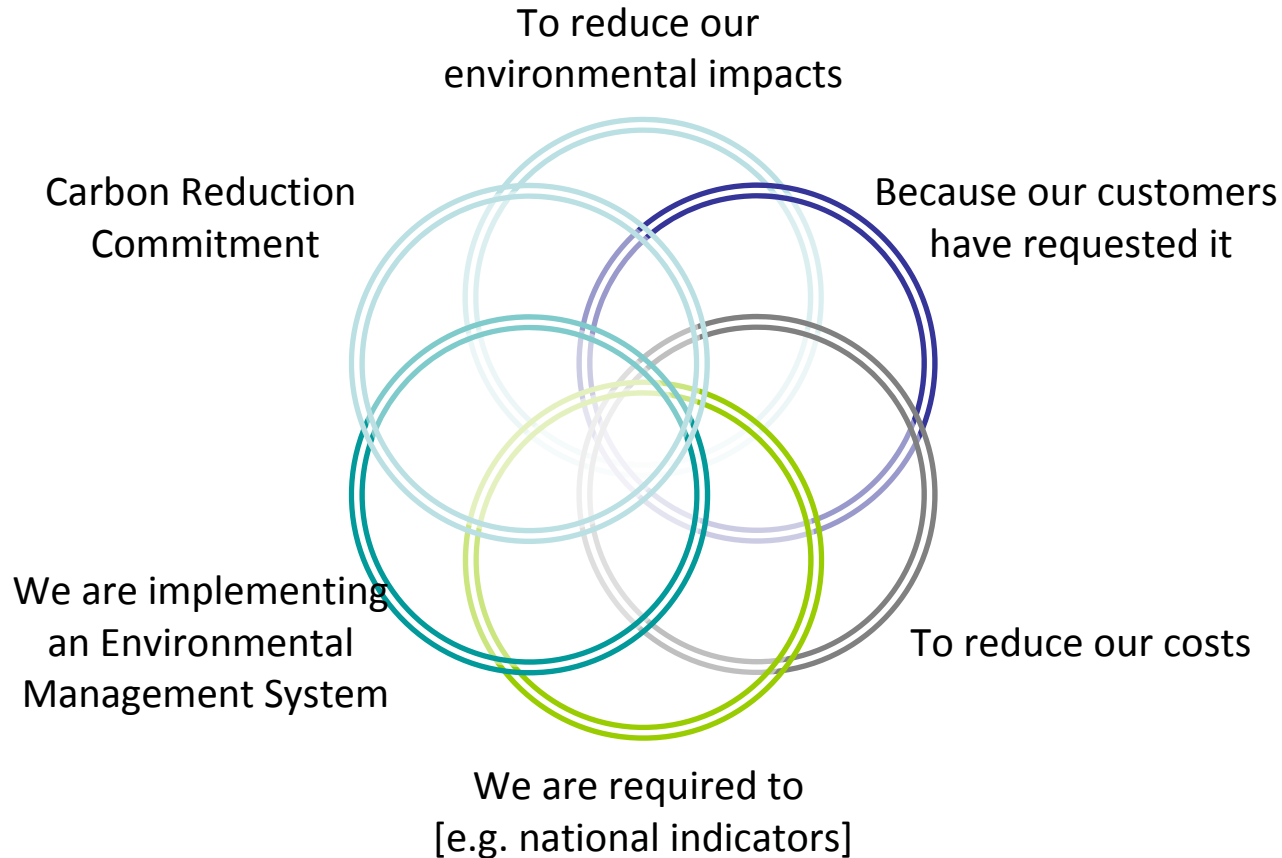
# Who are you?

- Please put you hand up if you work in...
  - local government
  - national government
  - the private sector
  - the third sector
  - a non-departmental government body

# A couple of quick questions...

- Please put your hand up if....
  - your organisation has **publicly** reported CO<sub>2</sub> emissions before?
  - your organisation qualifies for the Carbon Reduction Commitment?
  - you're confident you know the full scope the activities your organisation undertakes?
  - your monitoring system is robust and needs no improvements?
  - you're not bothered about the monitoring; get on with the carbon budgets!

# What is driving your organisation to calculate and manage your CO<sub>2</sub> Emissions?



# Relevance of 1 tonne of CO<sub>2</sub>

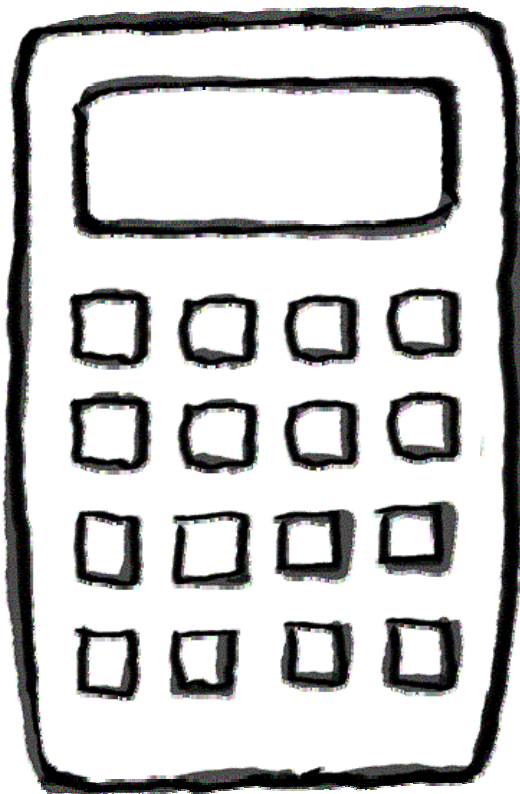
- 1 tonne CO<sub>2</sub> = 1,860 kWh of grid electricity
- 1 tonne CO<sub>2</sub> = £251 of electricity purchased
- 1 tonne CO<sub>2</sub> = £12 stake in CRC
- 1 tonne CO<sub>2</sub> = £419 in ROCs & Savings

# Financial Implications

Activity	Expenditure
Business Mileage (car mileage only)	£2.70 million
Operating the fleet (fuel only)	£2.75 million
Electricity	£6.05 million
Gas	£3.90 million
Oil	£97,000
<b>Total</b>	<b>£15.5 million</b>

All figures 2007/08 financial year and include Kirklees Council, Kirklees Active Leisure and Kirklees Neighbourhood Housing

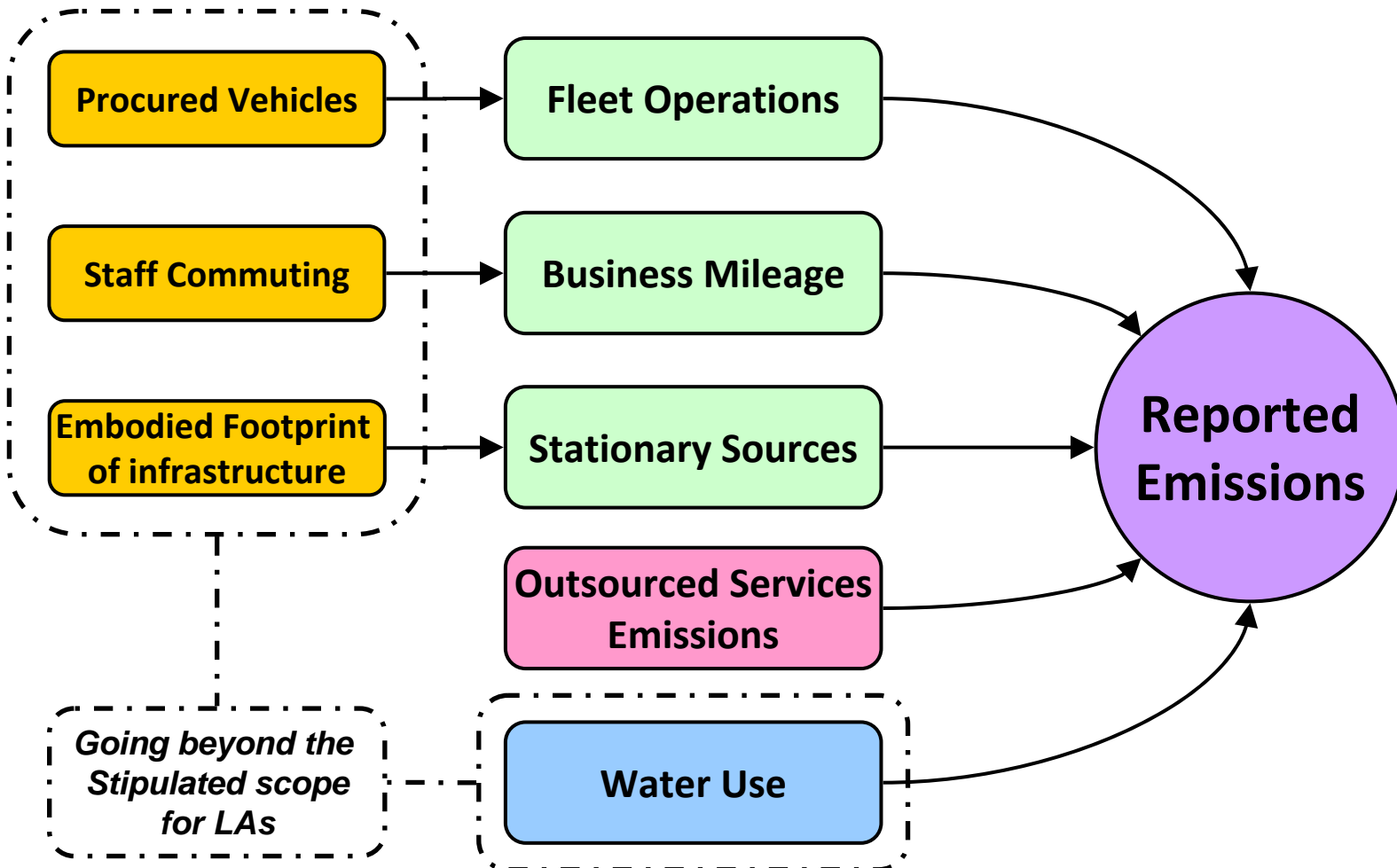
# Carbon Assessment



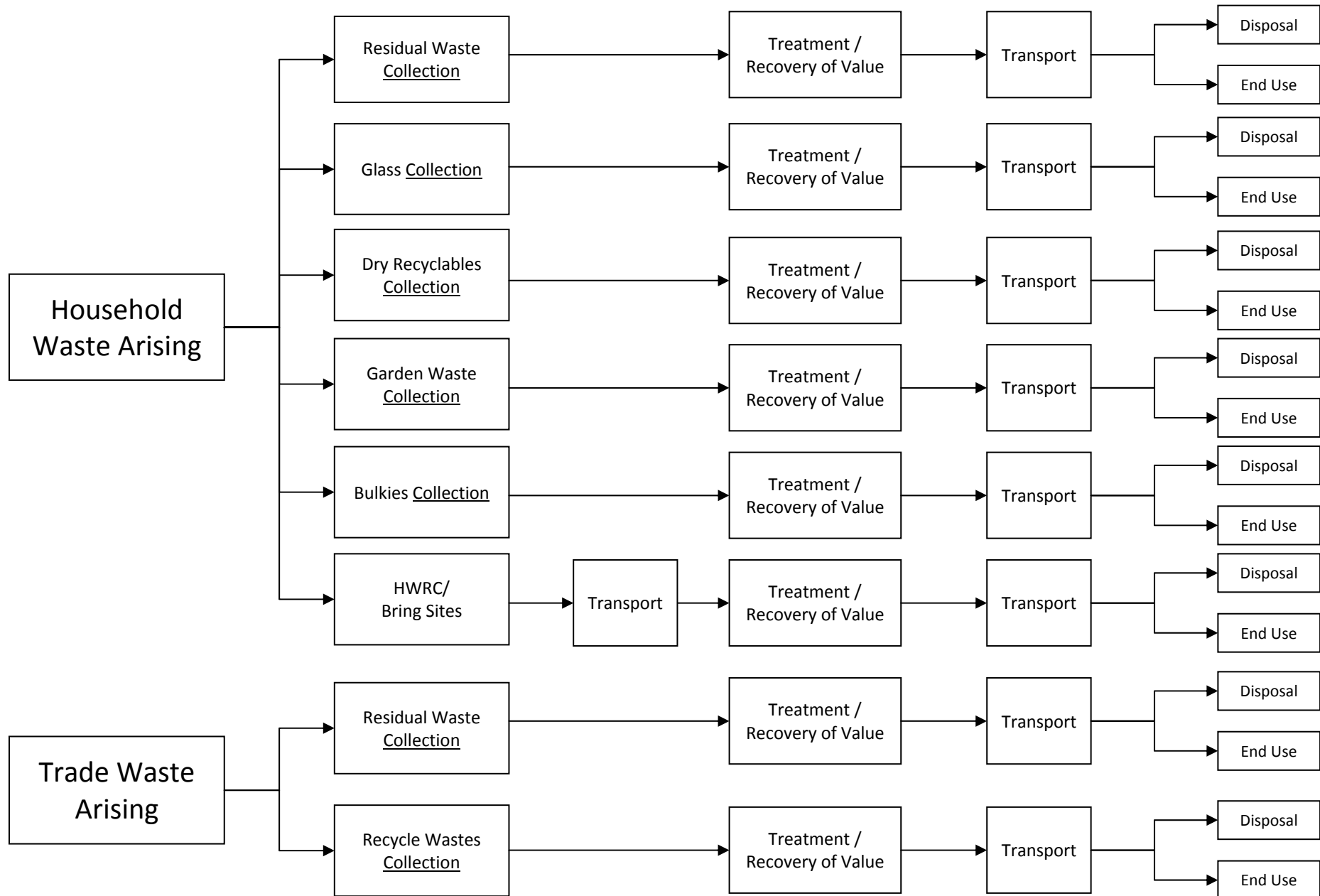
Remember...

Carbon Dioxide is a by-product of your activities undertaken, emitted either directly or in-directly

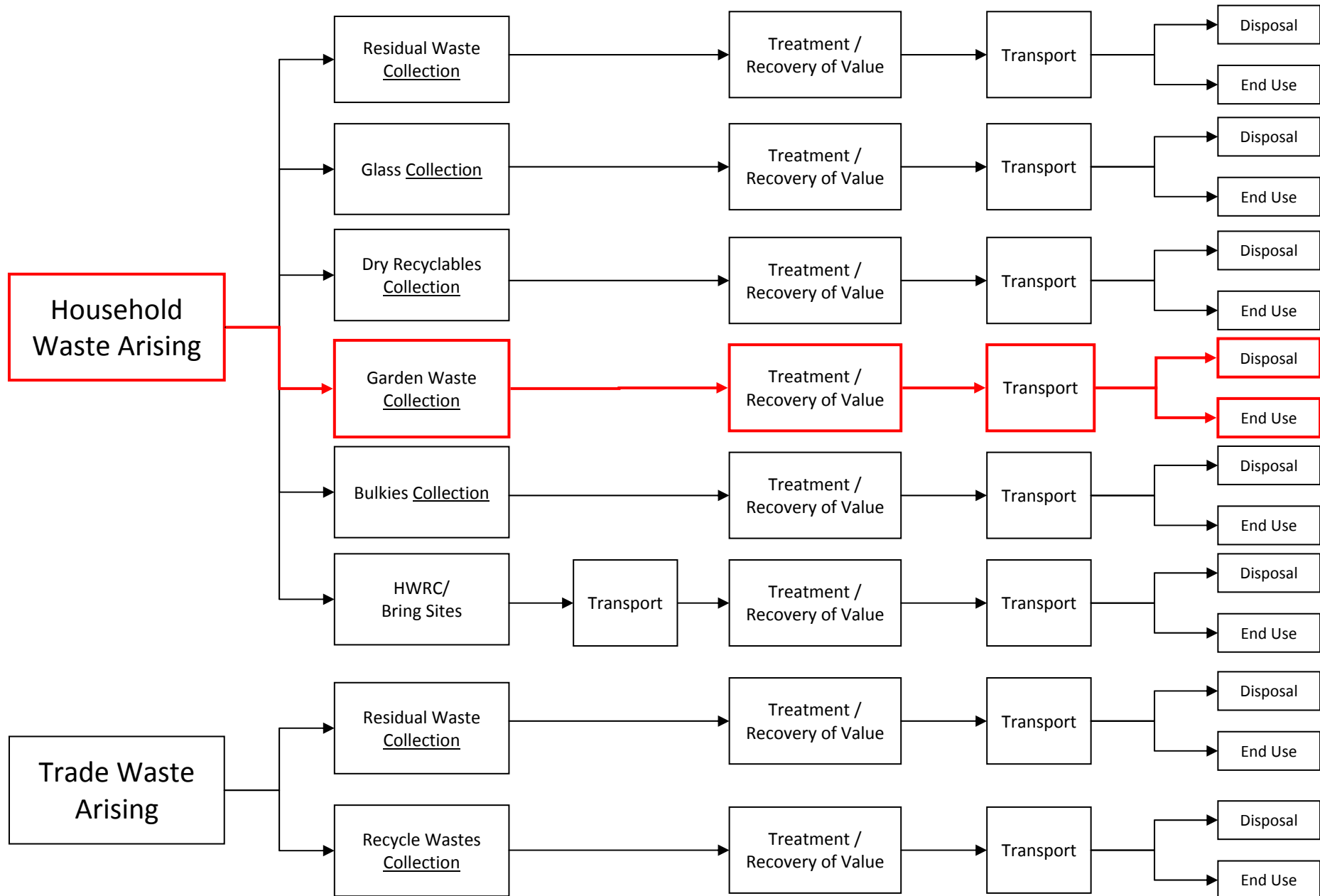
# Scoping your operations/activities



# Example of Scoping your activities : Waste operations



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# Sources of data

- Energy Consumption
  - Bills
  - Meters
  - Half-hourly meters
- Transport
  - Fuel Bills
  - Mileage claims
  - Maintenance logs
- Suppliers & Contractors

# The importance of auditing

- Providing validity before public statement
- Identifying strengths and weaknesses in the system
- Ensuring repeatability in the system
- Providing support for any assumptions required in calculating emissions

# Types of audit

- Internal Audit
- Peer Review (2<sup>nd</sup> Party)
- External Audit (3<sup>rd</sup> Party)

# Carbon Budgets



# Why have we implemented Carbon Budgets?

- Breaking down a corporate target to constituent services
- Aim to reduce emissions whilst increasing service delivery
- To incorporate CO<sub>2</sub> emissions management into service level decision making
- Preparation for the Carbon Reduction Commitment
- Help to achieve National Indicator 185 (& 194) targets

# Background to the Carbon Budget

- 2025 Environment Vision Corporate Target  
*“to reduce carbon CO<sub>2</sub> emissions by greater than 30% from a 2005 baseline by 2020”*
- Environmental impacts incorporated into 2008/09 financial budget planning
- Climate change mitigation plans incorporated into corporate EMAS system
- First “Carbon Star Chamber” held in June 2008 with a follow up in October

# How the Carbon Budget works

The carbon budget will:

- be set from 2008/09 for the 2009/10 budget year and beyond
- work in parallel with the monetary budget
- place a cap on corporate emissions
- provide services with their own carbon budget to work with split between fleet, buildings and business mileage
- default = 3% reduction in CO<sub>2</sub> p.a.
- 8.7% over a three year budget cycle

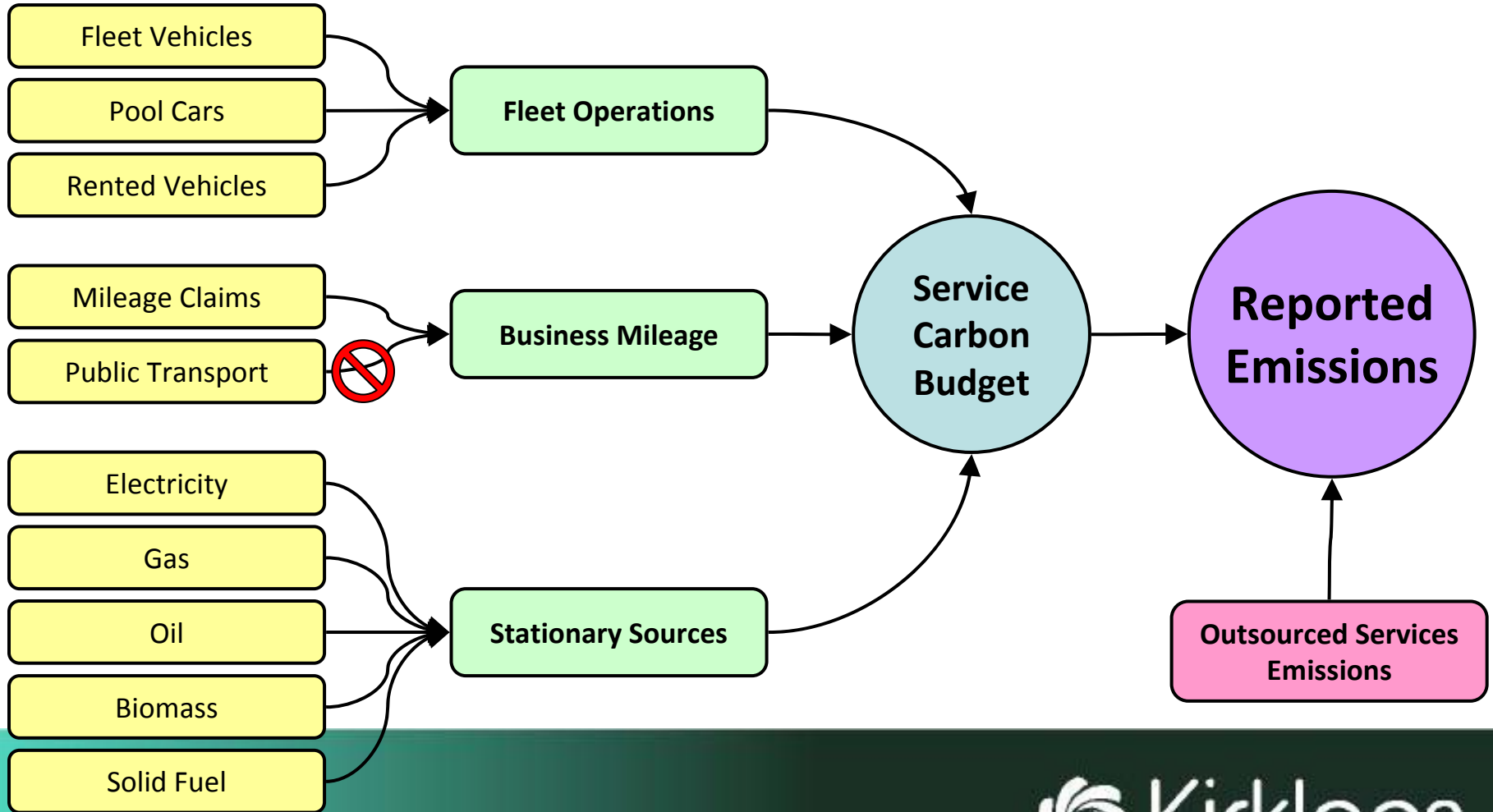
# How the Carbon Budget works

- Services must complete a mitigation plan under EMAS
- The top three actions identified for each service will be included in the councils budget book in an Impact Statement Addendum
- Services must provide exemptions where they know they will not meet the budget during the three year cycle
- Services must justify their Carbon budget at the same Star Chamber sessions as they will justify their financial budgets in December and January
- They must include carbon management in their Service Plans; how they aim to operate within their carbon budget

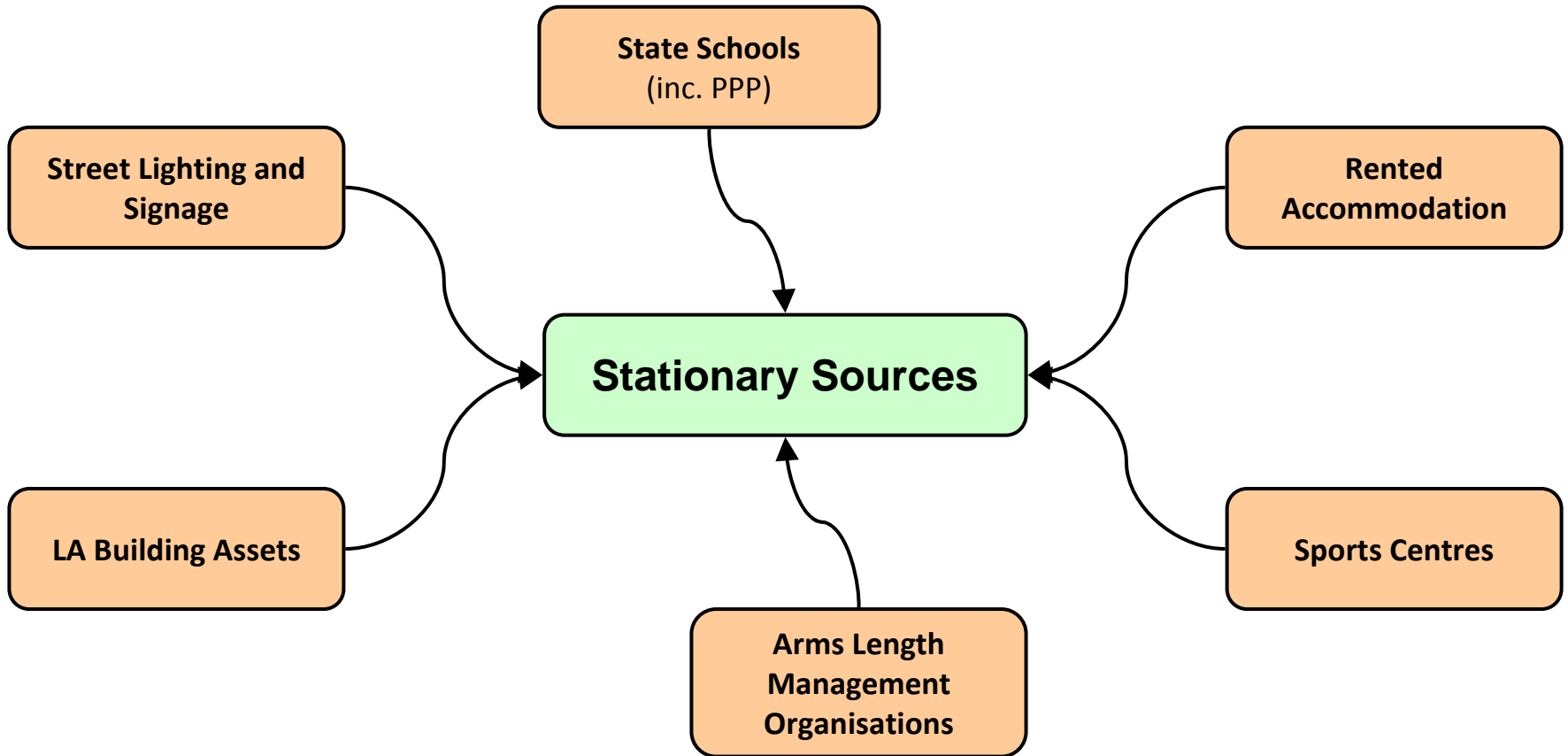
# Documentation

Description of Service Changes	Savings/Cost of Service Change (£)			Risks	Impacts: <ul style="list-style-type: none"> <li>• service delivery</li> <li>• performance and PIs</li> <li>• CO<sub>2</sub> emissions (use this for non quantified carbon impacts)</li> <li>• Say whether the impact is positive or negative.</li> </ul>
	09/10	10/11	11/12		
1.	£k	£k	£k		
Addendum (Service level only) (See note in process book – pg.11)	Key Actions and Issues Reductions/increases Carbon budget (tonnes)			Risks	Impacts: <ul style="list-style-type: none"> <li>• service delivery</li> <li>• performance and PIs</li> <li>• CO<sub>2</sub> emissions (use this for non quantified carbon impacts)</li> <li>• Say whether the impact is positive or negative.</li> </ul>
	09/10	10/11	11/12		

# What's included in the Carbon Budget



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# What we've learnt so far...

- Good buy in from most services
- Strong support from Cabinet and Senior managers
- An opportunity to learn more about our organisation
- Brings CO<sub>2</sub> a lot higher up the agenda

# What we've learnt so far...

- Some reluctance to accept responsibility for emissions by some services
- We implemented within a very short timeframe; difficult to learn the budget system and integrate new processes
- Projects implemented at a corporate level by services such as IT and HR will make great savings: “Who gets the credit?”

# Biggest question raised so far...

- How can we motivate our services to reduce their CO<sub>2</sub> emissions?
  - Financial savings?
  - Efficiency of service delivery?
  - Improving the Corporate Image?
  - Because they are told they have to do it?

# What's next?

- A “Discovery” year; getting to the bottom of what is already happening and learning from it
- Refining the system based upon what we have learnt so far
- Incentives for services based upon performance? (+ / -)

# Any Questions?

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