

SUBJECT:	Energy Saving Across the Council Estate	
REPORT OF:	Officer Management Team Prepared by Martin Holt	Bob Smith Director of Services Head of Health and Housing

1.0 Purpose of Report

- 1.1 To provide the Portfolio Holders and Members of the Health and Housing PAG an update on recent activity on reducing energy use and costs to the Council, and to outline the key outcomes from the fact finding Energy Audit.

2.0 Links to Council Policy Objectives

- 2.1 **Aim 2: Sustainable and Clean Environment - protecting our heritage, protecting our future**
- Support and educate residents and local businesses to achieve a reduction in carbon emissions and adapt to climate change. Lead by example.

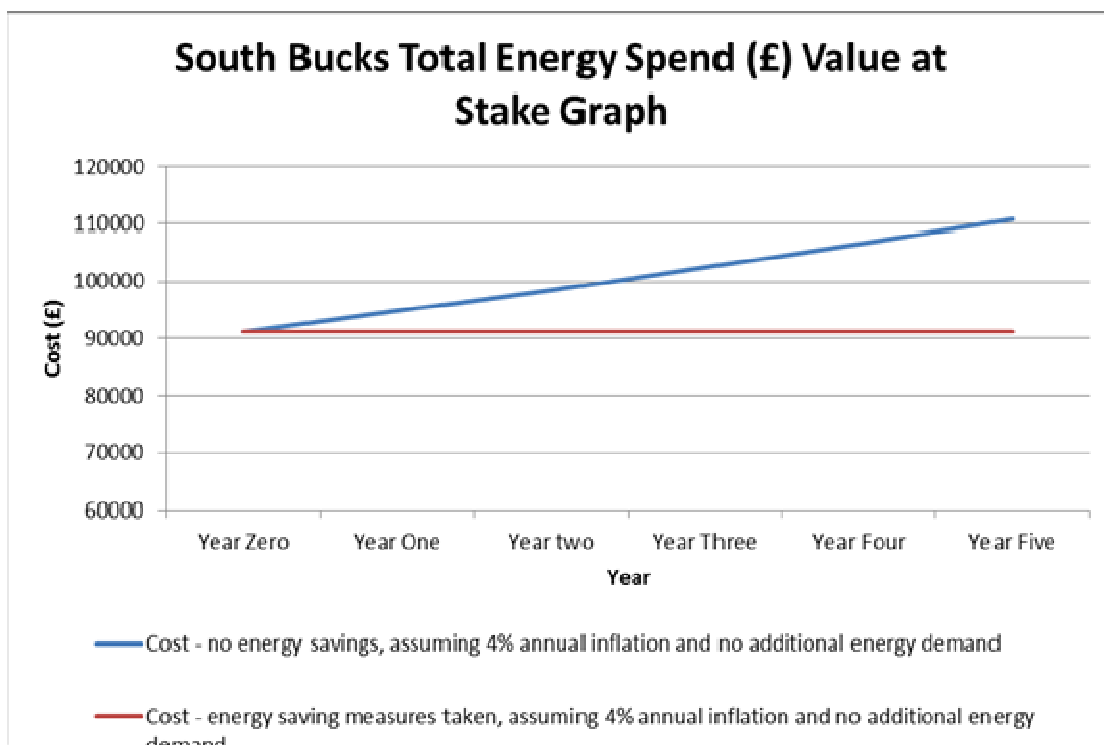
3.0 Background/Discussion

- 3.1 In spite of making energy efficiency cost savings of some £15,000, the Council's energy bill has continued to rise, with an increase of £20,261 over the past five years. This trend in increasing energy costs is likely to continue.
- 3.2 Since 2008/09, the Council has reduced its emissions by 21.6%, approximately 5% per annum.
- 3.3 Following the advice of the Portfolio Holder, Cabinet at their meeting on 16th July 2013, agreed to establish an intermediary carbon emissions reduction target of 5% until a more definitive target could be calculated and agreed.
- 3.4 In addition, and also following the advice of the portfolio holder, Cabinet agreed to spend £3,000 on an Energy Audit of the whole of the Council's estate portfolio in order to see if further cost and energy savings were possible. This has now been completed.
- 3.5 Furthermore, at Cabinet on 19th November 2013, in the paper entitled, 'Budget 2014/15 and Later Years', Cabinet agreed to spend £17,620 in 2014/15 investing in 'quick win' energy saving projects. These are projects that will provide a quick pay back from the time of installation. Please refer to Appendix A which sets out the cost saving measures to be undertaken in the financial year 2014/15. The investment would yield a saving of £16,820 in 2015/16 and thereafter.

4.0 Proposal / Discussion

- 4.1 A review of the energy consumption and costs across South Bucks District Council estate portfolio has been undertaken, with the view to identifying potential energy and cost saving opportunities.
- 4.2 As set out in Appendix B, the Energy Audit has listed numerous energy and cost saving measures, together with payback years, return on investment (ROI) etc., that could be implemented to enable the Council to reduce its energy use and costs.

- 4.3 Whilst Cabinet has agreed to the implementation of quick win energy efficiency measures, there remains longer-term energy saving investment opportunities that the Council could undertake to cut the Council’s energy bill further over the medium term, amounting to some annual average savings of up to £44,000, post payback. Once energy efficiency measures have been installed, the Council would continue to accrue such savings on an annual basis.
- 4.4 The Value at Stake graph (below) illustrates indicative potential financial savings available to the Council. The blue line indicates the cost of doing nothing to address energy consumption. The triangle formed between the red and blue lines indicates the potential for on-going losses should no action be taken.



- 4.5 A further report setting out the longer-term proposals for investment in energy efficiency/cost savings will be presented at the next Health and Housing PAG.
- 4.6 In terms of setting a target for energy reductions to furnish the annual Greenhouse Gas Report, it is suggested that the Council would need to continue working to the recently established intermediary target of 5%. Whilst this target would easily be met during 2015/16, there would be no guarantee that the Council would continue to meet that target.
- 5.0 Implications
 - 5.1 Investment in energy and cost saving measures of £17,620 in 2014/15 has been agreed in principle by Cabinet. This investment would yield a saving of £16,820 in 2015 to the Council.
 - 5.2 The Energy Audit has been completed which has clearly indicated longer-term energy/cost savings to the Council if they were to be implemented.

6.0 Summary

- 6.1 The PAG is asked to note and confirm the one year savings for the works, together with the Energy Audit produced.
- 6.2 A further PAG report will be presented which will set out the justified business case for longer-term energy and cost saving investments.

Officer Contact:	Joanna Faul, 01895 837280, joanna.faul@southbucks.gov.uk
Background Papers:	Energy Audit Report