



How local authorities can reduce emissions and manage climate risk

Committee on Climate Change | May 2012

Summary Report



Preface

The Committee on Climate Change (the Committee) is an independent statutory body which was established under the Climate Change Act (2008) to advise UK and Devolved Administration governments on setting and meeting carbon budgets, and preparing for climate change.

Setting carbon budgets

In December 2008 we published our first report, *'Building a low-carbon economy – the UK's contribution to tackling climate change'*, containing our advice on the level of the first three carbon budgets and the 2050 target; this advice was accepted by the Government and legislated by Parliament. In December 2010, we set out our advice on the fourth carbon budget, covering the period 2023-27, as required under Section 4 of the Climate Change Act; the fourth carbon budget was legislated in June 2011 at the level that we recommended.

Progress meeting carbon budgets

The Climate Change Act requires that we report annually to Parliament on progress meeting carbon budgets; we have published three progress reports in October 2009, June 2010 and June 2011.

Advice requested by Government

We provide ad hoc advice in response to requests by the Government and the Devolved Administrations. Under a process set out in the Climate Change Act, we have advised on reducing UK aviation emissions, Scottish emissions reduction targets, UK support for low-carbon technology innovation, design of the Carbon Reduction Commitment and renewable energy ambition. In September 2010 and July 2011, we published advice on adaptation, assessing how well prepared the UK is to deal with the impacts of climate change.

Foreword

In October 2011 Greg Barker confirmed a request to us to provide advice on the role of local authorities in delivering emissions reductions required to meet carbon budgets. This followed discussion in Parliament of whether it would be appropriate to set local carbon budgets, in the context of the legislation for the Green Deal and the Energy Company Obligation.

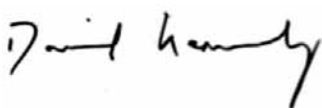
We have previously highlighted the need for a step change in the pace of emissions reductions and we are increasingly focusing on the implementation arrangements required to drive this change. The request is therefore very timely, given that local authorities have a potentially important role in implementation.

Our approach in the report is first to summarise our assessment of national abatement potential and then to translate this to the local level, in order to identify where and to what extent local authorities can influence emissions reductions given the policy levers that they have available.

This analysis highlights the crucial role for local authorities in meeting national carbon budgets, showing that emissions reductions without local action will be insufficient. But we stop short of recommending local carbon budgets, suggesting instead that local authorities should develop carbon plans concentrating on the emissions drivers over which they have some control.

We have also considered the question of whether local authorities are sufficiently incentivised to act on climate change, given the removal of the national indicator framework and the highly constrained fiscal situation. Drawing on survey evidence and our own interviews with local authorities, we conclude that there is a significant risk that there will be limited activity. We therefore recommend that the Government should strengthen incentives, given the need for local authorities to act.

Each of our reports entails a very significant effort on the part of the Secretariat. I would like to thank the team who worked very hard on this report over the last six months.



David Kennedy, Chief Executive

The Committee



Lord Adair Turner, Chair

Lord Turner of Ecchinswell is the Chair of the Committee on Climate Change and Chair of the Financial Services Authority. He has previously been Chair at the Low Pay Commission, Chair at the Pension Commission, and Director-general of the Confederation of British Industry (CBI).



David Kennedy, Chief Executive

David Kennedy is the Chief Executive of the Committee on Climate Change. Previously he worked on energy strategy and investment at the World Bank, and the design of infrastructure investment projects at the European Bank for Reconstruction and Development. He has a PhD in economics from the London School of Economics.



Professor Samuel Fankhauser

Professor Samuel Fankhauser is acting Co-Director of the Grantham Research Institute on Climate Change at the London School of Economics and a Director at Vivid Economics. He is a former Deputy Chief Economist of the European Bank for Reconstruction and Development.



Sir Brian Hoskins

Professor Sir Brian Hoskins, CBE, FRS is the Director of the Grantham Institute for Climate Change at Imperial College and Professor of Meteorology at the University of Reading. He is a Royal Society Research Professor and is also a member of the National Science Academies of the USA and China.



Professor Julia King

Professor Julia King CBE FEng is Vice-Chancellor of Aston University. She led the 'King Review' for HM Treasury in 2007/8 on decarbonising road transport. She was formerly Director of Advanced Engineering for the Rolls-Royce industrial businesses. Julia is one of the UK's Business Ambassadors, supporting UK companies and inward investment in low-carbon technologies.



Lord John Krebs

Professor Lord Krebs Kt FRS, is currently Principal of Jesus College Oxford. Previously, he held posts at the University of British Columbia, the University of Wales, and Oxford, where he was lecturer in Zoology, 1976-88, and Royal Society Research Professor, 1988-2005. From 1994-1999, he was Chief Executive of the Natural Environment Research Council and, from 2000-2005, Chairman of the Food Standards Agency. He is a member of the U.S. National Academy of Sciences. He is chairman of the House of Lords Science & Technology Select Committee.



Lord Robert May

Professor Lord May of Oxford, OM AC FRS holds a Professorship jointly at Oxford University and Imperial College. He is a Fellow of Merton College, Oxford. He was until recently President of The Royal Society, and before that Chief Scientific Adviser to the UK Government and Head of its Office of Science & Technology.



Professor Jim Skea

Professor Jim Skea is Research Director at UK Energy Research Centre (UKERC) having previously been Director of the Policy Studies Institute (PSI). He led the launch of the Low Carbon Vehicle Partnership and was Director of the Economic and Social Research Council's Global Environmental Change Programme.

Executive summary

This report responds to a June 2011 request, confirmed in October 2011, from Greg Barker, Minister of State for Energy and Climate Change, asking the Committee on Climate Change (CCC) to provide advice on:

- How local authorities can be encouraged to show strong leadership and responsibility in cutting carbon emissions both from their own estates and operations and those arising within their areas; and
- Benchmark levels for the scale of ambition that local authorities might appropriately set themselves, possible approaches to deliver that ambition and how this would contribute to the national carbon budgets.

Local authorities are well placed to drive and influence emissions reductions in their wider areas through the services they deliver, their role as social landlords, trusted community leaders and major employers, and their regulatory and strategic functions.

Our approach is to first consider where local authorities have the potential to reduce emissions given the policy levers available, and then to quantify the magnitude of the emissions reduction opportunity. We then consider approaches and incentives for local authorities to act, and how national government can support local action. Recognising that some climate change is inevitable, we also consider the role of local authorities in preparing for this (i.e. adapting to a range of potential climate change impacts across the country).

Although the terms of reference relate to England, reflecting the fact that local government is a devolved matter, much of our analysis is relevant at the UK level.

The key messages in the report are:

- There is a crucial role for local authorities in reducing emissions to meet national carbon budgets:
 - Local authorities have significant scope to influence emissions in buildings, surface transport, and waste, which together account for 40% of UK greenhouse gas emissions. There is an opportunity to reduce emissions in these sectors by 20% in 2020 from 2010 levels (30% on 1990 levels).
 - Within this, the largest opportunity for local authorities is supporting energy efficiency improvement in residential buildings, but opportunities also exist in non-residential buildings, sustainable transport and waste management.

-
- There is also an important role for local authorities in supporting power sector decarbonisation through granting planning approval for onshore wind projects and ensuring that these are designed to benefit local communities. In addition, local authorities can play a part through supporting investment in electric vehicle charging infrastructure, which will result in longer term emissions benefits.
 - Reducing local authority own estate emissions is important in the context of carbon budgets, both directly and to underpin the wider leadership role of local authorities.
 - A failure to secure reductions across the areas where local authorities have significant influence would leave emissions above levels required to meet carbon budgets.
- Local authorities should draw up low-carbon plans which include a high level ambition for emissions reduction (e.g. 20% reduction across buildings, surface transport and waste by 2020 relative to 2010 levels) but focus on drivers of emissions over which they have influence (e.g. number of homes insulated, car miles travelled). Ambition should be set for these drivers, policies developed to encourage action, and monitoring undertaken to ensure that ambition is achieved in practice. It would not be appropriate for local authorities to set (or be set) binding carbon budgets given the multiple drivers of emissions, many of which are beyond their control.
 - There is currently a significant risk that local authorities will not develop and implement sufficiently ambitious low-carbon plans, following the removal of the national indicator framework and given the highly constrained fiscal situation. In order to mitigate this, and the associated risk for meeting national carbon budgets, the Government should seriously consider providing additional funding (e.g. for local authorities to be Green Deal providers/ partners, and to roll out sustainable travel programmes) and/or introducing a statutory duty for local authorities to develop and implement low-carbon plans.
 - There is an important role for local authorities in preparing for climate change, using planning and other policy levers to ensure that buildings and infrastructure are resilient to increased risk of flooding and heat stress. Previous assessments of the Adaptation Sub-Committee question whether adaptation is adequately resourced and whether climate risk has been given sufficient weight in local authority decision making, and suggest the need for increased focus by local authorities in order that climate risk is managed appropriately.

Key messages for local authorities:

- 1. Local authorities play an important role in delivering national carbon targets.** They can drive and influence emissions reductions in their wider areas through the services they deliver, their role as social landlords, community leaders and major employers, and their regulatory and strategic functions.
- 2. Action on climate change has many local benefits.** As well as contributing to national carbon budgets, carbon reduction programmes can bring a range of benefits such as lower energy bills, economic regeneration and creation of local jobs, and improved health. Increasing resilience to climate change risks can result in avoided costs from flood damage to buildings, infrastructure and services, enhanced green spaces and improved health.
- 3. Improving energy efficiency in buildings is a key area for action.** The most important role local authorities can play in the residential buildings sector is through implementing home insulation measures in the context of national energy efficiency programmes. The Green Deal and ECO are the key programmes for local authorities to engage with as providers or partners. A number of barriers however may need to be overcome to ensure the benefits for local authorities from this engagement are realised.
- 4. Planning.** Local authorities' planning functions are a key lever in reducing emissions and adapting localities to a changing climate. It is particularly important that local authorities use their plan making and development management/building control functions to: enforce energy efficiency standards in new buildings and extensions; reduce transport emissions by concentrating new developments in existing cities and large towns and/or ensuring they are well served by public transport; work with developers to make renewable energy projects acceptable to local communities; plan for infrastructure such as low-carbon district heating networks, green infrastructure and sustainable drainage systems; and avoid increasing the area's risk to climate change impacts by locating new development in areas of lowest flood risk.
- 5. District heating.** Although local authorities have a unique role in developing and making district heating schemes commercially viable, only low-carbon district heating (e.g. supplied by waste-to-energy plants or low-carbon power stations) should be pursued in the longer term as gas-fired combined heat and power (CHP) will eventually become incompatible with national carbon budgets.
- 6. Transport.** The most important role local authorities can play in reducing transport emissions is through implementing sustainable travel programmes (e.g. encouraging 'Smarter Choices' through car clubs, travel plans, cycling infrastructure etc., and providing better public transport) and promoting low-carbon vehicles by rolling out electric vehicle charging infrastructure, providing incentives for drivers of low-carbon vehicles, and purchasing low-carbon buses.
- 7. Waste.** Local authorities have an important role in waste prevention and sustainable waste management through awareness-raising campaigns, providing separate collection for recycling and food waste, and implementing waste-to-energy schemes.
- 8. Low-carbon plans.** All local authority areas should develop a low-carbon plan that includes a high level of ambition for emissions reductions and focuses on emissions drivers over which local authorities have influence in buildings, transport, waste, renewable power generation and their own estates.
- 9. Own estate.** Reducing emissions from local authorities' own estate and operations is important as it makes a useful contribution to meeting carbon budgets and legitimises a wider role in reducing emissions in the area by demonstrating leadership. The main opportunities are in own buildings, street lighting, transport and procurement.
- 10. Adaptation.** Local authorities have a crucial role in increasing the resilience of buildings and infrastructure in their localities, managing and extending natural resources to promote biodiversity and reduce the risk of flooding, as well as protecting their populations from the health impacts of a changing climate.