

Lancashire County Council

Cabinet Committee on Climate Change and the Environment

**Minutes of the Meeting held on Wednesday, 8th December, 2010 at 2.00 pm
at the Cabinet Room 'B' - County Hall, Preston**

Present:

County Councillor Michael Green (Chair)

County Councillors

M Calvert
Mrs S Charles

Mrs J Hanson
M Perks

Co-opted members

A Selby
H Dicks

Lancashire Wildlife Trust
Environment Agency

1. Apologies for Absence

Apologies for absence were received from County Councillor Tim Ashton and Liz O'Neill (Environment Agency), Helen Dicks attended in her place.

2. Disclosure of Personal and Prejudicial Interests

No personal or prejudicial interests were declared.

3. Minutes of the Meeting held on the 13th October 2010

An update was provided on a matter arising from the previous minutes regarding queries to be raised with United Utilities. The Chairman, County Councillor Michael Green, reported that United Utilities have been invited to attend the Scrutiny Committee meeting to be held on 11 February 2011 and that he, as chair of this Committee, would be attending to raise any questions or queries the Cabinet Committee has.

The Chairman asked for Cabinet Committee members to email any questions or queries to be raised with United Utilities to the clerk, Andy Milroy, by 14 December 2010 via email: andy.milroy@lancashire.gov.uk

Resolved: The minutes of the meeting held on 13 October 2010 were agreed as an accurate record.

4. Support for Schools to Manage Impact of the Carbon Reduction Commitment Scheme

Matthew Tidmarsh presented the report. Matthew updated the Committee and explained that The Carbon Reduction Commitment (CRC) scheme came into force on 1st April 2010 requiring the County Council to register as a participant by the end of September 2010. The County is obligated to include the carbon emissions from and consequently purchase carbon allowances for, schools as well as retained buildings. The scheme does not allow the Council to pass these costs back to schools.

Matthew also informed the Committee that decisions have been taken by the Lancashire Schools' Forum with regard to supporting schools' participation in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme; namely:

- The decision to use the Directorate for Children and Young People (CYP) centrally held reserve to hedge against penalty payments arising from carbon trading and recycling of revenue, and;
- The provision of a loan fund, also supported from the CYP centrally held reserve of £600,000 in 2011/12 to help schools achieve carbon and energy savings.

Matthew explained that this centrally held loan fund of £600,000 allows schools to borrow money to invest in energy and carbon reduction measures. Any loans will be interest free but must be paid back within 5 years. Matthew summarised his report and advised the Committee that they will be kept updated on developments with the scheme.

Resolved: The Committee agreed to note the report and noted that the Committee will receive further reports in the future, as appropriate, updating on developments with the scheme.

5. Carbon Reduction Commitment - Update on Implications of Comprehensive Spending Review

Matthew Tidmarsh presented the report which followed on from the report presented to the Committee in July 2010 on the implications for Lancashire County Council of the Carbon Reduction Commitment (CRC) energy Efficiency Scheme. Matthew explained that this further report informs the Committee of the likely implications of the changes to the CRC scheme brought about as a result of the Government's recent Comprehensive Spending Review (CSR).

Matthew reported that the County Council will face a cost of approximately £1.8 million in 2012/13 for the purchase of carbon allowances although, as this relates to emissions in 2011/12 it will have to be accounted for in 2011/12. £900,000 of this will be for schools with currently no way of recharge. There is therefore, currently no incentive for schools to reduce their carbon emissions (although energy efficiency is still an effective means of reducing revenue running costs). The report proposed that this matter be raised with Government and they be urged to consider allowing participant Councils to pass the cost of purchasing carbon allowances to schools to restore the incentive element of the CRC scheme.

Matthew also explained that a league table of participants will still be published to act as a reputational driver for change, the league table may split into sections e.g. schools and private business but for now all participants are listed in one league table.

Resolved: The Committee then resolved to:

- a. Note the content of this report and the likely impact the changes to the CRC scheme will have on the County's participation.
- b. The Committee approved the proposal to respond to the current consultation by Government on the operation of the amended scheme and to directly address passing the cost of purchasing carbon allowances to schools.
- c. Noted that the Committee will receive further reports as details on the changes to the CRC scheme are made available.

6. Verbal Update on Awards

Andy Mullaney updated the Committee on three recent projects:

1. A project to loan electricity monitors.
2. A project regarding a climate change awareness raising drama project run through schools.
3. A project regarding Carbon Capture on Moorlands.

Andy reported that all three projects received excellent feedback and had all finished in second place in each of their award categories. Although it was noted that the projects had not finished first, it was also noted that the finish second from a large number of projects was a significant achievement and the Committee formally thanked all involved in the projects for their success.

Resolved: The Committee noted the update for all three projects and formally thanks all involved in the projects for their success.

7. Local Market development from the waste streams resulting from The Lancashire Waste Partnership PFI Project

Sarah Holliday gave a presentation and outlined the work taking place to recycle materials. Sarah described recycling projects such as Mechanical Biological Treatment (MBT) and In-vessel composting and Material Reclamation Facility (MRF) which are taking place through the Waste PFI Project.

Sarah also described Local Market Development and how they are looking at ways to establish a "closed loop" recycling process, e.g. Lancashire waste being used to make Lancashire products. Sarah's presentation included information about the LMD Programme, and explained all the partners involved in the Programme in addition to Lancashire County Council, and the mutual benefits for all.

Sarah also described projects that are in development including manufacture of Low Grade Mixed Plastic (MWP) Pellet to make plastic products such as kerbs and posts and other projects to manufacture / recycle bus shelters, paper products, mattresses and paving.

The Committee thanked Sarah for her presentation and for the work being undertaken to recycle Lancashire's waste. A question was raised by the Committee regarding manufacture of waste bins for households and if these could be made from recycled materials. Sarah confirmed that this was possible but one of the additional costs involved in the manufacture is that each District has different coloured waste / recycling bins and boxes and this increases the manufacturing cost.

Resolved: The Committee noted the presentation and the Chairman agreed to make representations to the District Councils about having a uniform colour system for all waste / recycling bins.

8. Carbon capture and Peat bogs

David Crawshaw gave a presentation on carbon capture and peat bogs. In his presentation David explained the process of how peat bogs are formed and how they capture carbon. David also explained how 98% of lowland mosslands in Lancashire have been lost or damaged in the last 100 years. The UK has 8% of the world's peat. David also explained how maintaining peat bogs makes a small positive contribution to removing carbon dioxide from the atmosphere, where as peat extraction makes a large negative contribution to carbon dioxide in the atmosphere.

David described some of the projects that Lancashire Wildlife Trust and other partners are doing, including the Part of Living Landscapes concept project which the objectives are to acquire, restore and maintain mosslands.

The Committee discussed the need to lobby central Government to change the policy to prevent peat extraction. The chairman confirmed that he would do this.

Resolved: The Committee agreed to note the presentation and agreed that the Chairman should lobby central Government regarding the peat extraction policy.

9. 'Our Moors our Planet Project' Update and the Peat Partnership

Elliott Lorimer presented the report which highlighted the 'Our Moors, Our Planet' project was established by the County Council (as part of its climate change agenda) to support the restoration and re-wetting of blanket bog and lowland raised bog habitats in Lancashire. These habitats are recognised internationally as vitally important carbon stores (or sinks).

At the completion of the initiative in March 2010, the County Council has supported five peatland projects across the county delivered by public, private and voluntary sector organisations. These projects have helped to:

- Restore and re-wet 94.5ha. of blanket bog and lowland raised bog habitats
- Re-profile and re-vegetate 5.2km of gully edges
- Block 3.1km of moorland grips (or ditches)

These habitat improvements will help to reduce carbon loss (in the short term) and promote carbon capture (in the longer term). In addition, these priority habitats and associated species will now be more likely to be able to adapt to future climate change. The projects will also help to reduce downstream flood risk and moorland wild fires.

Resolved: The Committee noted the report.

10. Urgent Business

None.

11. Date of Next Meeting / Schedule of Future Meetings

It was reported that the next meeting of the Committee would be held on Tuesday 15 March 2011 at 2.30pm, Cabinet Room 'B', County Hall Complex, Preston.

Ged Fitzgerald
Chief Executive

County Hall
Preston