

**ANGUS COUNCIL**

**COMMUNITIES COMMITTEE – 18 AUGUST 2015**

**ENERGY ANNUAL REPORT 2014/15**

**REPORT BY HEAD OF TECHNICAL AND PROPERTY SERVICES**

**ABSTRACT**

This report presents the end of year status of the energy consumption, carbon emissions and expenditure on energy supplies for the Council non-housing properties for 2014/15. Compared to the 2013/14 outcome it shows a 5.8% reduction in energy consumption, a 5.5% reduction in carbon emissions and a £178,382 reduction in expenditure.

**1. RECOMMENDATIONS**

1.1 It is recommended that the Committee:

- (i) notes this annual report is required to be accessible to members of the public
- (ii) notes the content of this end of year report.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN**

2.1 This report contributes to the following local outcome contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Communities that are sustainable:
  - Our natural built environment is protected and enjoyed
  - Our carbon footprint is reduced

**3. BACKGROUND**

3.1 Report No: 668/10, THE ESTABLISHMENT OF MANAGEMENT ARRANGEMENTS TO FULFIL THE REQUIREMENTS OF THE CARBON REDUCTION COMMITMENT ORDER 2010. Noted and approved by the Strategic Policy Committee at its meeting of 07 September 2010. Recommended management arrangements for establishing and implementing continuing appropriate carbon reduction strategies.

3.2 Report No: 611/11, CORPORATE ENERGY CONSUMPTION AND CARBON EMISSIONS REDUCTION TARGETS, noted and approved by the Strategic Policy Committee at its meeting of 06 September 2011 adopted the following Council uncorrected weather based reduction targets:

- 22.5% carbon dioxide emissions reduction by 2020 compared to the 2010/11 base
- 13.5% energy consumption reduction by 2020 compared to the 2010/11 base

3.3 Service Directorates have provision within their budgets for energy costs. However responsibility for the overall management of these budgets and the provision of budget monitoring information rests with the Head of Technical and Property Services.

3.4 Technical and Property Services currently manages the fuel contracts for all non-housing properties within the Council and maintains an overview, in conjunction with the Corporate Improvement & Finance Services, of the rate of expenditure on the associated budgets.

#### 4. CURRENT POSITION

##### Energy Consumption

- 4.1 The energy consumption status, as at 31 March 2015 is detailed in Table 1 and **Appendix A**, these figures reflect only the consumption made against presented invoices.

<b>Table 1</b>	Total Budget Consumption kWh	Total Actual Consumption kWh	Difference kWh	Percentage Consumption to Budget
2013/14	73,131,049	72,470,181	660,868	99%
<b>2014/15</b>	<b>73,438,726</b>	<b>68,270,033</b>	<b>5,168,963</b>	<b>93%</b>
Reduction between years		-4,200,148	-5.8%	

See **Appendix A** for the directorate breakdown of Table 1.

- 4.2 Table 1 shows an excellent 4,200,148 kWh reduction in energy consumption compared with the previous financial year. This equates to a 5.8% reduction.
- 4.3 The performance by individual directorates is detailed in **Appendix A**, where there are significant differences between budgeted and the metered consumption, notes have been added.

##### Carbon Emissions

- 4.4 The carbon emissions status, as at 31 March 2015 is detailed in Table 2 and **Appendix B**, these figures reflect only the carbon emissions associated with the consumption made against presented invoices.

<b>Table 2</b>	Total Budget Emissions kg	Total Actual Emissions kg	Difference kg	Percentage Emissions to Budget
2013/14	23,704,309	23,427,990	276,319	99%
<b>2014/15</b>	<b>24,185,145</b>	<b>22,147,886</b>	<b>2,037,259</b>	<b>92%</b>
Reduction between years		-1,280,104	-5.5%	

See **Appendix B** for the directorate breakdown of Table 2.

- 4.5 Table 2 shows a very encouraging 1,280,104kg reduction in carbon emissions compared to the previous financial year. This equates to a 5.5% reduction.
- 4.6 The performance by individual directorates, is detailed in **Appendix B**, where there are significant differences between budgeted and actual emissions, notes have been added.

##### Expenditure on Energy

- 4.7 The expenditure status, as at 31 March 2015 is detailed in Table 3 and **Appendix C**, these figures reflect only the payments made against presented invoices and end of year accruals

<b>Table 3</b>	Budget Volume £	Total Spend £	Difference £	Percentage Spend to Budget
2013/14	£5,516,000	£4,956,348	£559,652	90%
<b>2014/15</b>	<b>£6,055,000</b>	<b>£4,777,966</b>	<b>£1,277,034</b>	<b>79%</b>
Reduction between years		-£178,382	-3.6%	

See **Appendix C** for the directorate breakdown of Table 3.

- 4.8 Table 3 shows a reduction of £178,382 in energy expenditure compared to the previous financial year which can be attributed to a combination of a reduction in consumption by street lighting, through the introduction of new energy efficient light fittings and various energy conservation projects. This equates to a 3.6% reduction.
- 4.9 The performance by individual directorates is detailed in **Appendix C**, where there are significant differences between the budgeted and spend amounts, notes have been added.
- 4.10 A graph showing the overall progress made towards achieving the Council's 2020 carbon reduction target is detailed in **Appendix D**. It shows the outturn position for 2014/15 was slightly above the reduction profile but never the less is showing a continued reduction.

## 5. PROPOSALS

- 5.1 The Council is about to begin the process of re-accredited to the Carbon Trust Standard which covers the carbon emissions from buildings, transport and waste. The accreditation process for the standard ensures the Council creates and implements policies and procedures to ensure it continues to reduce its carbon emissions year on year. As part of the accreditation the Council is required to make the annual energy consumption and subsequent carbon emissions information available to the public and this is met through the submission of a formal report to Committee.
- 5.2 The Committee is asked to note the contents of the report and recognise the progress being made to meet the Council's consumption and carbon emissions targets.

## 6. FINANCIAL IMPLICATIONS

- 6.1 Table 3 and **Appendix C** shows an underspend of £1,277,034 for 2014/15 and a reduction in energy expenditure of £178,382 compared to financial year 2013/14, across the various energy cost headings. This underspend has been progressed on a managed basis and absorbed within the cash limited budgets available to Council directorates.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

Appendix A	2014/15 Energy Consumption Status
Appendix B	2014/15 Carbon Emissions Status
Appendix C	2014/14 Expenditure on Energy Status
Appendix D	Overall Carbon Emissions Graph

## Appendix A 2014/15 Energy Consumption Status

	Actual Consumption per Fuel in kWh						Budget (kWh)	% to Budget
	Electricity	Gas	Oil	LPG	Biomass	Total (kWh)		
<b>People Directorate</b>	11,267,704	21,553,568	1,302,252		1,086,913	35,210,437	35,319,247	100%
<b>Chief Executive</b>	330,217	368,329		43,646		742,192	862,039	86%
<b>Resources Directorate</b>	915,936	686,974				1,602,910	1,921,097	83%
<b>Communities Directorate</b>	5,975,452	10,408,895	178,952	39,130	1,083,986	17,686,415	19,842,896	89%
<b>Other Services</b>	5,328					5,328	41,753	13%
<b>Sub Totals</b>	<b>18,494,637</b>	<b>33,017,766</b>	<b>1,481,204</b>	<b>82,776</b>	<b>2,170,899</b>	<b>55,247,282</b>	<b>57,987,032</b>	<b>95%</b>
<b>Common Good</b>	14,357					14,357	16,731	86%
<b>Communities Directorate - HRA</b>	1,679,361	3,647,318			204,784	5,531,463	6,065,963	91%
<b>Communities Directorate - Street Lighting</b>	7,476,932					7,476,932	9,369,000	80%
<b>Sub Totals</b>	<b>9,170,650</b>	<b>3,647,318</b>			<b>204,784</b>	<b>13,022,752</b>	<b>15,451,694</b>	<b>84%</b>
<b>Totals</b>	<b>27,665,287</b>	<b>36,665,084</b>	<b>1,481,204</b>	<b>82,776</b>	<b>2,375,683</b>	<b>68,270,034</b>	<b>73,438,726</b>	<b>93%</b>

Notes:

Generally there has been a small reduction on consumption which was due to a combination of a warmer winter and the completion of various energy conservation projects.

- a** The lower than anticipated energy consumptions is due to a provision for Christmas lighting in Arbroath not being utilised. This will be removed for the 2016/17 budget.
- b** The reduction is mainly due to the installation of energy efficient light fittings.

## Appendix B 2014/15 Carbon Emissions Status

### Actual Consumption per Fuel in kg

	Electricity	Gas	Oil	LPG	Biomass	Total (kg)	Budget (kg)	% to Budget	
<b>People Directorate</b>	6,095,828	3,957,235	325,982		28,260	10,407,305	10,428,894	100%	
<b>Chief Executive</b>	178,647	67,625		9,348		255,620	319,555	80%	
<b>Resources Directorate</b>	495,521	126,128				621,649	812,917	76%	
<b>Communities Directorate</b>	3,232,720	1,911,073	43,778	8,381	28,184	5,224,136	5,701,677	92%	
<b>Other Services</b>	2,882					2,882	22,588	13%	<b>a</b>
<b>Sub Totals</b>	<b>10,005,598</b>	<b>6,062,061</b>	<b>369,760</b>	<b>17,729</b>	<b>56,444</b>	<b>16,511,592</b>	<b>17,285,631</b>	<b>96%</b>	
<b>Common Good</b>	7,767					7,767	9,051	86%	
<b>Communities Directorate - HRA</b>	908,534	669,648			5,324	1,583,506	1,821,834	87%	
<b>Communities Directorate - Street Lighting</b>	4,045,020					4,045,020	5,068,629	80%	<b>b</b>
<b>Sub Totals</b>	<b>4,961,321</b>	<b>669,648</b>			<b>5,324</b>	<b>5,636,293</b>	<b>6,899,514</b>	<b>82%</b>	
<b>Totals</b>	<b>14,966,919</b>	<b>6,731,709</b>	<b>369,760</b>	<b>17,729</b>	<b>61,768</b>	<b>22,147,885</b>	<b>24,185,145</b>	<b>92%</b>	

Notes:

Generally there has been a small reduction in carbon emissions which was due to a combination of a warmer winter and the completion of various energy conservation projects.

- a** The lower than anticipated carbon emissions is due to a provision for Christmas lighting in Arbroath not being utilised. This will be removed for the 2016/17 budget.
- b** The reduction in carbon emissions is due to the installation of energy efficient light fittings.

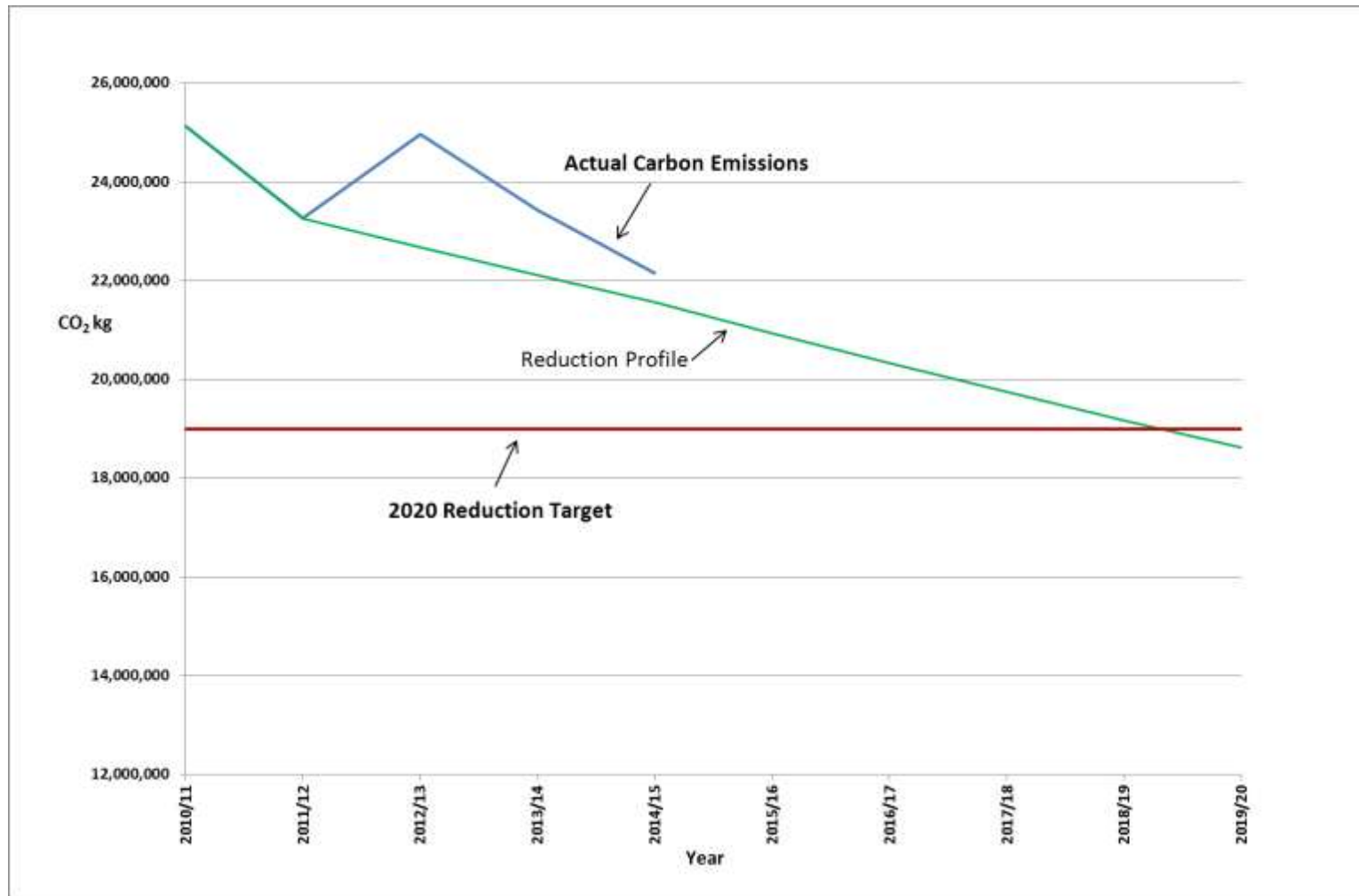
## Appendix C 2014/15 Expenditure on Energy Status

	Actual Consumption per Fuel in £					Total (£)	Budget (£)	% to Budget	
	Electricity	Gas	Oil	LPG	Biomass				
<b>Centralised Energy Management</b>						76,195	142,000	54%	a
<b>Central Energy Efficiency Fund</b>	65,289	11,454	2,166	42		78,951	78,000	101%	
<b>People Directorate</b>	1,355,628	689,548	54,984		70,050	2,170,210	2,485,000	87%	
<b>Chief Executive</b>	54,067	12,104	567	3,794		70,532	78,000	90%	
<b>Resources Directorate</b>	123,245	16,922				140,167	185,000	76%	
<b>Communities Directorate</b>	723,498	321,685	7,293	3,442	42,989	1,098,907	1,391,000	79%	
<b>Other Services</b>	2,123	1,397				3,520	7,000	50%	b
<b>Sub Totals</b>	<b>2,323,850</b>	<b>1,053,110</b>	<b>65,010</b>	<b>7,278</b>	<b>113,039</b>	<b>3,638,482</b>	<b>4,366,000</b>	<b>83%</b>	
<b>Common Good</b>	2,470	62				2,532	4,000	63%	c
<b>Communities Directorate - HRA</b>	211,079	109,445			9,891	330,415	419,000	79%	
<b>Communities Directorate - Street Lighting</b>	806,537					806,537	1,266,000	64%	d
<b>Sub Totals</b>	<b>1,020,086</b>	<b>109,507</b>			<b>9,891</b>	<b>1,139,484</b>	<b>1,689,000</b>	<b>67%</b>	
<b>Totals</b>	<b>3,343,936</b>	<b>1,162,617</b>	<b>65,010</b>	<b>7,278</b>	<b>122,930</b>	<b>4,777,966</b>	<b>6,055,000</b>	<b>79%</b>	

### Notes:

- a The Centralised Energy Management overall budget is £142,000 of which £54,000 was allocated to cover possible in year increases in the fuel rates. Taking this into account the percentage spend on the remaining budget was 87%.
- b The lower than anticipated expenditure is due to a provision for Christmas lighting in Arbroath not being utilised. This will be removed for the 2016/17 budget.
- c The lower than anticipated expenditure for 50a High Street Brechin.
- d The reduction in expenditure is mainly due to the installation of energy efficient light fittings.

## Appendix D Overall Carbon Emissions Graph



The graph shows good progress is being made towards achieving the 2020 carbon reduction target.