

Committee: Sustainable Communities Overview and Scrutiny Committee

Date: 16 September 2014

Wards: all

Subject: Executive Response and Action Plan -Climate Change and Green Deal Task Group

Lead officer: Director for Environment and Regeneration, Chris Lee

Lead member: Councillor Andrew Judge, Cabinet Member for Environmental Sustainability and Regeneration,

Contact officer: Damian Hemmings, Climate Change Officer (Future Merton) – damian.hemmings@merton.gov.uk

Recommendations:

- A. That Members consider the Executive Response and accompanying action plan detailing how the agreed recommendations of the Climate Change and Green Deal Task will be implemented.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to set out the Executive Response and Action Plan to the Sustainable Communities Overview and Scrutiny Panel to demonstrate how the agreed recommendations of the Climate Change and Green Deal Task Group will be implemented, and the associated responsible officers and timescales

2 DETAILS

- 2.1. At their meeting on 30 June 2014, Cabinet considered the final report and recommendations resulting from the task group review of Climate Change and the Green Deal. Cabinet thanked councillors, Sustainable Merton and officers for their hard work on the Climate Change and Green Deal task group and welcomed the report.
- 2.2. In the light of the recommendations from the Task Group, the greatest progress towards achieving the recommendations collectively has been the adoption of Merton's Climate Change Strategy and associated action plan at full council on 09 July 2014.
- 2.3. As part of their scrutiny task group review meetings in late 2013 and early 2014, the Climate Change and Green Deal Task Group scrutinised a draft of Merton's Climate Change Strategy and action plan and made several recommendations which were incorporated into the final plan before its adoption.

Progress on Task Group's agreed recommendations

- 2.4. Since the Task Group reported to Cabinet in June 2014, and Merton's Climate Change Strategy was adopted in July 2014, officers have been tasked with delivering the agreed recommendations.
- 2.5. Appendix A to this report sets out the Task Group's recommendations and progress on each, including how any agreed recommendations that have yet to be delivered will be implemented. It should be noted that some of the recommendations must take place sequentially and have been reordered to reflect their sequential progress.
- 2.6. In the two months since the Task Group reported their 11 recommendations to Cabinet:
- One recommendation has been completed (Recommendation 3: adoption of Merton's Climate Change Strategy, at full council on 09 July 2014)
 - Progress has been made on nine out of the eleven recommendations (see Appendix A)
 - Only one recommendation has not made progress (recommendation 10 – developing a marketing and awareness campaign for residents, staff and businesses on energy efficiency measures) and that is because any campaign is dependent on the council establishing an offer to residents, businesses and staff beforehand.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purpose of this report.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. In carrying out its review, the task group engaged a range of stakeholders, council officers and Cabinet Members. In addition, two members of local sustainability charitable organisation Sustainable Merton acted as co-opted members of the scrutiny panel..
- 4.2. Internal engagement is undertaken via the council's Climate Change Steering Group, chaired by the Director of Environment and Regeneration. The quarterly meetings are organised thematically in accordance with the sustainability themes outlined in the Climate Change Strategy (2014-2017).
- 4.3. Wider engagement with community stakeholders and partners is undertaken through Merton's Environmental Sub-Group of the Merton Partnership, coordinated by Sustainable Merton.

5 TIMETABLE

- 5.1. The action plan for the Climate Change Strategy 2014-17 and the Action Plan resulting from the agreed recommendations from the task group review (Appendix A) both set out timescales for delivery.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Delivery of these recommendations can either be met within existing budgets or will be the subject of a bid for support through the council's usual financial procedures.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. None for the purposes of this report.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purposes of this report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A: Action Plan and progress to date on the agreed recommendations resulting from the Task Group review of Climate Change and the Green Deal.

12 BACKGROUND PAPERS

Report of the Climate Change and Green Deal Task Group (June 2014);
Minutes of the meeting of Cabinet held on 30 June 2014

Appendix A: Executive response to the 11 recommendations of Merton’s Climate Change and Green Deal Scrutiny Task Group (final report 30 June 2014)

It should be noted that many of the Task Group’s eleven recommendations must take place sequentially. The Task Group’s recommendations have been reordered to reflect this.

Recommendations	Stakeholder	Action / Progress	Timeline	Status
<p>Recommendation 9 – That Future Merton obtain specialist legal advice on the Council’s scope and legal limitations in generating, distributing and selling energy and advise on the development of an ESCO (paragraph 8.40)</p>	Cabinet	<p>Future Merton has been in discussions with LBM Legal. Legal have confirmed that external specialist advice will need to be procured.</p> <p>A funding bid to support this work will be submitted to the Merton 2015 board.</p>	<p>Mar 2014 (on-going)</p> <p>Sept 2014</p>	A
<p>Recommendation 7 – That Cabinet commission a feasibility study to look at establishing an Energy Services Company (ESCO) for Merton, with a view to producing a business case for the ESCO which should include a risk assessment of the proposals. A further detailed investigation into the potential for a Merton ESCO should include:</p> <ul style="list-style-type: none"> • Feasibility investigations into the potential for district heating at Morden Town Centre and Colliers Wood / South Wimbledon • Further scoping of energy efficiency retrofit potential in Merton • Identification of where existing regeneration proposals/programmes may take forward energy efficiency improvements, alone or in partnership without the need for an ESCO to be in place. (paragraph 8.40) 	Cabinet	<p><i>Progress subject to outcome of Recommendation 9 (above).</i></p> <p>Funding secured via Department of Energy and Climate Change’s (DECC) Heat Network Delivery Unit (HNDU) to explore physical/technical feasibility of heat networks in Merton.</p> <p>Invitation to tender for consultancy advice on physical/technical feasibility to be issued.</p> <p>Future Merton are actively engaging with Merton Priory Homes on their estate regeneration programme. The CC team are advising MPH and their appointed consultants (HTA) on sustainability and the energy strategy for all three estates.</p>	<p>2014</p> <p>Oct 2014</p> <p>Jul 2014 (on-going)</p>	G

<p>*Note that this recommendation being implemented will be subject to the outcomes of recommendation 9.</p>				
<p>Recommendation 8 – That Cabinet receives a report on progress on rolling out the expansion of the Merton solar PV portfolio, and on the scope for making further investment, subject to the results of a scoping exercise and a viable business case. This business case should include an appraisal of whether this should be undertaken via an ESCO or not (paragraph 8.40).</p>	Cabinet	<p><i>Progress on ESCO subject to outcome of Recommendation 9 (above).</i></p> <p>Scoping of solar PV installed potential has been undertaken across approximately 65% of Merton's operational building stock.</p> <p>Capital bid for period 2015-17 has been submitted for the optimisation of solar PV systems installed under planning requirements for school expansion sites.</p> <p>Future Merton are writing a business case for undertaking the next (5th) phase of solar PV installation. Subject to approval, a competitive tender dialogue will be undertaken to undertake an installer for the next phase of installations and continued scoping of the remaining councils operational stock.</p>	<p>May 2014</p> <p>Aug 2014</p> <p>Oct 2014</p>	G
<p>Recommendation 1 - That Cabinet, further to maximising the potential of its own sites, work with other public and private sector landowners, such as Registered Providers, private homeowners, businesses and community organisations installing solar PV (photovoltaics) on their buildings where this is supported by a business case (paragraph 4.17).</p> <p>*Note that this recommendation being implemented is dependent upon</p>	Cabinet	<p><i>Progress on ESCO subject to outcome of Recommendations 8 & 9 (above).</i></p> <p>Early stage discussions with registered providers in Merton (MPH; Moat; Wandle) regarding opportunities for utilisation of solar photovoltaics.</p> <p>A funding bid to support and engage with communities to deliver 'crowd-funded' solar PV systems has been drafted and will be submitted to the Merton 2015 board.</p>	<p>Aug 2014 (on-going)</p> <p>Sept 2014</p>	G

recommendations 8 and 9 being achieved.				
<p>Recommendation 2 - That Cabinet explore how solar PV could be made available to residents to access at cheaper rates/costs and how the council may promote or support this scheme to enable communities to purchase their own renewable technology. This may be achieved through external capital investment or the ESCO (paragraph 4.17).</p> <p>*Note that this recommendation being implemented is dependent upon recommendations 8 and 9 being achieved.</p>	Cabinet	<p><i>Progress on ESCO subject to outcome of Recommendations 8 & 9 (above).</i></p> <p>A funding bid to support and engage with communities to deliver 'crowd-funded' solar PV systems has been drafted and will be submitted to the Merton 2015 board.</p>	Sept 2014	G
<p>Recommendation 3 - That the council adopt Merton's Climate Change Strategy 2014-2017, which has been reviewed by the Task group and revised to take account of its recommendations (paragraph 5.6).</p>	Cabinet	CC Strategy 2014-2017 adopted at full council	9 Jul 2014	Complete
<p>Recommendation 4 - That Cabinet agree to build consideration of the adoption/installation of energy efficiency measures in appropriate council contracts being established or renewed by procurement, where feasible (paragraph 5.6).</p>	Cabinet / Partners	LBM Procurement currently in the process of drafting a revised PQQ. Currently being reviewed by the Legal Team prior to use.	Sept 2014	A
<p>Recommendation 5 - That representatives from each council Directorate participate in the Climate Change Steering Group, as appropriate, to consider cross cutting issues and projects relating to tackling climate change to ensure a strategic focus and leadership on climate change priorities (paragraph 5.6)</p>	Cabinet	Climate Change Steering Group meetings are structured thematically in line with the key topics detailed in the CC Strategy. Representatives from relevant directorates are invited to attend accordingly. Next meeting to be held on 9 September 2014.	On-going	G

<p>Recommendation 6 - That Cabinet commission a proposal on the feasibility of whether Merton might roll out a local Green Deal that addresses some of the issues associated with the national Green Deal scheme, as reported by residents, which has resulted in low take up (paragraph 6.16).</p> <p>*Note that this recommendation being implemented is dependent upon recommendation 8 being delivered.</p>	Cabinet	<p><i>Progress on ESCO subject to outcome of Recommendations 8 (above).</i></p> <p>Engaging with Moat Housing Association and consultancy support provided by the GLA's RENEW programme to explore opportunities for accessing Energy Company Obligation (ECO) funding to support energy efficiency improvements in social and freehold properties in Pollards Hill.</p> <p>Since the final report of the Task Group review, Government have amended the incentives for measures under the Green Deal leading to increased take-up. Future Merton to review progress on take-up and changing legislative landscape of the Green Deal.</p> <p>Exploring opportunities for funding energy efficiency retrofit funded through Allowable Solutions mechanisms.</p> <p>Funding bid to the London Enterprise Panel (LEP) to enable energy efficiency retrofit in commercial properties targeting local businesses</p>	<p>Apr 2014 (on-going)</p> <p>2015</p> <p>2016</p> <p>Sept 2015</p>	A
<p>Recommendation 10 - That the council develop a marketing and engagement strategy to ensure the widest promotion and awareness raising of energy efficiency measures and improvements that staff, residents and local businesses can access (paragraph 9.6)</p> <p>*Note that this recommendation being implemented is partially dependent upon recommendation 8 being delivered.</p>	Cabinet	To be developed.	2016	R

<p>Recommendation 11 – To be added to comment on relationship with MPH/Circle Housing. This will be finalised further to consideration of the response from MPH/Circle to the task group’s recommendations which will be tabled at the SC Panel meeting on 26th March).</p>	<p>Cabinet / Circle Housing</p>	<p><i>Progress subject to confirmation of recommendation</i></p> <p>Active engagement with MPH via housing regeneration programme (see progress on Recommendation 7)</p>	<p>On-going</p>	<p>G</p>
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