Minute Item 37

APPENDIX 1

Questions for City Executive Board 31st July 2013.

From: Mr Nigel Gibson

Question 1: Agenda Item 6, Low Emission Strategy.

A large amount of carbon emissions are generated during building activities. These 'capital' carbon emissions are not required to be reported by Central Government, only annual building emissions. Can you please explain why the City Council that is supposed to be so committed to lowering emissions is not prepared to report these total carbon emissions?

<u>Reply</u>: The City Council takes carbon management very seriously and has already achieved many firsts in this field. It is working hard to be one of the first, Low Carbon cities in the country. In an ideal world, the Council would have comprehensive and fully complete data for all carbon related operations, irrespective of their origin within the City. However, this is not practicable at this point. Carbon accounting is still a developing field and the Council must have regard to proportionality – the extra cost of deriving complete data has to be weighed against any additional benefits arising. For this reason, the additional dataset are not part of the national reporting framework and therefore, this is outside of the reporting regime.

The LES will focus upon the measures and policies the City Council can carry out or influence, rather than actions from all actors in the City. As regards to the construction sector, there is a separate voluntary strategy prepared on behalf of the Strategic Forum for Construction and the Carbon Trust in 2010. This forms part of a series of outputs aimed at supporting the delivery of the targets within the Strategy for Sustainable Construction, a joint industry and Government strategy published in June 2008. An action plan aims to reduce construction process emissions in England, by 15% by 2012. As this is a voluntary target and not all construction is covered, data may be incomplete and the results are not combined with any other carbon reporting outputs.

The City Council is committed to promoting low carbon developments and since 2006 has put in place a requirement for 20% on site renewable, low-carbon energy for new developments.

Question 2. Agenda Item 6, Low Emission Strategy.

It has long been recognised that approximately 18% of global carbon emissions are due to the meat industry. There are more recent figures indicating that this percentage may be low, and that the meat industry is responsible for nearer 50% of global carbon emissions. For a strategy to be of any real value and demonstrate full commitment, it should surely consider how we can affect all types of carbon emission – why is the impact of food not considered in this council strategy?

<u>Reply</u>: The City Council has looked previously at carbon foot printing for food and is most conscious of the role that food plays in the overall carbon picture. This earlier work, carried out as part of the Low Carbon Oxford programme in conjunction with Oxford University, has helped demonstrate typical footprints from food operations, good local practice and a way forward.

Separately, food manufacturers in the UK have been subjected to climate change agreements since 2001. These impose annual carbon reduction targets for individual manufacturers which are administered by the trade body (the Food and Drink Federation). In exchange for meeting these targets, manufacturers can claim a discount on the climate change levy, imposed on every unit of energy that they buy. To avoid double counting, emissions reported under climate change agreements are exempt from the Government's Carbon Reduction Commitment. Also, most food manufacturing sites are regulated under the Integrated Pollution Prevention and Control Legislation, which imposes conditions around Energy Efficiency and provides obligations to report on all emissions to the Environment Agency.

The City Council LES will cover emissions associated with food in relation to the transportation of foodstuffs in the City, just as the Council's Procurement Strategy (which aims to increase the spend with local businesses), will reduce the emissions related to the transportation of food by reducing food journeys.

Question 3: Agenda Item 7.

Which process is being followed for this procurement – is it fully open like OJEU, qualified as in a framework, a private arrangement or some other mechanism?

<u>Reply:</u> The opportunity was available to any organisation who wished to express an interest

Question 4: Agenda Item 7.

What is the approximate cost of this bid to the Council?

<u>Reply:</u> The cost of putting together the initial expression on interest and submitting the bid is probably best expressed in the total amount of officer time used. We don't have an exact record of this but a reasonable estimate is that the aggregate amount was less than two days' work for one person.

Question 5: Agenda Item 7.

You mention that you are looking for only a minimal return from this contract, which prompts three questions:

- a. Why are you setting your fees so low? Surely you should be seeking to offset the cost of the current resources as much as possible to be able to address any budget cuts?
- b. How far through the life of the contract do you anticipate recouping the cost of bidding?
- c. What is the current utilisation of the workforce that you are intending to deploy with this contract, and how much overall do you expect to increase that utilisation by?

<u>Reply:</u> Part A – The prices we are charging are commercially confidential. The intention is to provide a service which is good value and low risk to both the Council and procuring organisation. It is the Council's policy to set tenders and prices so that all prime costs are recovered along with a contribution to departmental and central overheads.

Part B – The cost of bidding is trivial compared to the value of the contract

Part C – To provide a single figure for workforce utilisation without any context is not helpful as there are various definitions and other factors such as the total hours worked may be more significant in determining competitiveness. In servicing this contract, however, we will utilise the increase in productivity of between 12% and 22% negotiated with trades unions earlier in the year.

This page is intentionally left blank