



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Environment Overview and Scrutiny Committee

Tuesday, 19 March 2024

Report of Councillors Patsy Ellis and
Rhys Baker Cabinet Members for
Environment and Waste

Update on Climate Change Reserve Fund

Report Author

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Purpose of Report

This report provides an update to Members on projects progressing and those planned utilising the Council's Climate Change Reserve Fund.

Recommendations

That the Committee:

1. Notes the updates and projects funded to date utilising the Climate Change Reserve Fund.
2. Considers recommending the replenishment of the Reserve balance following the review of the financial Outturn 2023/24.

Decision Information

Does the report contain any exempt or confidential information not for publication? No

What are the relevant corporate priorities? Sustainable South Kesteven

Which wards are impacted? All wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The Climate Change Reserve Fund was established for the 2023/24 financial year in order to help respond to the budgetary pressures driven by the increasing cost of energy and the Council's stated ambition of carbon reduction across the Council's property portfolio. All project proposals are reviewed for value for money in order to ensure a sound investment for the Authority.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 As part of good governance, it is important that Members are updated on the council's projects focussed on reducing energy consumption and carbon emissions, in order to contribute towards the Council's carbon reduction targets.

Completed by: James Welbourn, Democratic Services Manager and Deputy Monitoring Officer

Climate Change

- 1.3 All of the projects outlined within this report are expected to deliver an energy saving for the Council and contribute towards the authority's carbon reduction targets, while reducing utilities expenditure.

Completed by: Serena Brown, Sustainability and Climate Change Officer

2. Background to the Report

2.1 South Kesteven District Council made a formal declaration of climate emergency on 26 September 2019 with cross party support. Alongside this, the Council confirmed the political ambition to reduce the organisation's carbon footprint by at least 30% by 2030, and to endeavour to become net-zero as soon as viable before 2050.

2.2 Following this declaration of climate emergency, the Council's updated carbon footprint was established, using baseline data from 2018/19. This signalled some of the major categories of carbon emissions arising from council operations and highlighted projects to pursue to reduce carbon emissions.

2.3 Annual updates are provided to monitor the Council's carbon emissions and review emissions reduction in order to meet (or exceed) the target of at least 30% by 2030. The latest of these was discussed at Environment Overview and Scrutiny Committee on [3rd October 2023](#) for the 2022/23 financial year and saw an overall 13% reduction.

2.4 Whilst good progress has been made in reducing the Council's carbon emissions, it is evident that further investment is required across different areas in order to sustain a continued reduction. There is also a need for the Council to proactively respond to the sharp increase in utility costs, principally electricity and gas. Through making targeted upgrades, the Council both reduce ongoing utility costs and sustain a significant reduction in carbon emissions.

2.5 The table below shows the original General Fund budgets for 2023/24 when compared with the outturn for the previous financial year. Whilst the forecast outturn is significantly lower than the original budgets, the figures are still higher than previous years.

	2022/23 Outturn (£)	2023/24 Budget (£)	2023/24 forecast (£)
Electricity	651,200	1,659,200	950,600
Gas	79,700	144,400	125,600

- 2.6 A Climate Change Reserve Fund of £300,000 was established within the 2023/24 financial year, in order to respond to some of these opportunities for inward investment and enable proactive energy savings.
- 2.7 A review was also conducted of opportunities to reduce energy consumption across the leisure centre estate, which was completed in summer 2023. This identified several projects for consideration to reduce gas or electricity use and associated utilities cost.
- 2.8 An update on confirmed and planned projects to be funded is provided in the table below, with confirmed spend highlighted in green cells. All projects have been identified are expected to deliver an energy saving to the authority, helping to respond to the increase in utility costs.

				Estimated annual savings		
Proposal	Project description	Expected cost	Indicative payback (years)	£	Carbon	kWh
South Kesteven leisure centres - installation of pool covers to reduce heat loss	Upgrade existing/provide new pool covers Bourne and Stamford leisure centres	£69,672	4.2	£16,478	17.1	89,012
Grantham Meres leisure centre 3G pitch - upgrade floodlighting to energy efficient LED	Upgrade existing lamps to LED	£22,337	3.5	£6,336	2.85	12,672
Grantham Meres leisure centre - main and small sports halls - upgrade lighting to energy efficient LED	Upgrade existing lamps to LED	£36,795	1.7	£21,106	12.5	60,404
Bourne Corn Exchange - Upgrade lighting to energy efficient LED	Upgrade existing lamps to LED	£12,500	5.5	£2,237	1.9	8,423
South Kesteven District Council corporate properties - improved control of heating systems to limit waste heat	Install new heating control equipment to allow for efficiency savings	£70,000	TBC	TBC	TBC	TBC
South Kesteven District Council main offices - installation of solar PV panels	Investigate installation of solar PV on roof of SKDC main offices	£38,500	3.3	£11,838	8.6	40,820
Trial of battery electric grounds maintenance equipment	Trial battery powered grounds maintenance equipment to reduce fuel use	£10,000	TBC	TBC	TBC	TBC
TOTAL	-	£259,804	-	£65,077	50	250,010

2.9 Three projects have been fully costed and are progressing. These include:

- Installation of new motorised pool covers to pools at Bourne and Stamford leisure centres. Once in place these will reduce heat loss from pool water, as well as reduce the energy demand on air handling units in the pool halls
- Upgrade of floodlighting at Grantham Meres leisure centre 3G pitch to energy efficient LEDs
- Upgrade of lighting within the main and small sports halls at Grantham Meres leisure centre pitch to energy efficient LEDs

2.10 A further 4 projects are being reviewed by officers, including:

- Upgrade of lighting at Bourne Corn Exchange to energy efficient LEDs
- Improved control of heating systems for SKDC corporate properties to support planned boiler upgrades
- Installation of solar PV panels for SKDC main offices to offset electricity demand
- Trial of battery powered electric grounds maintenance equipment to reduce fuel consumption

2.11 Once projects are completed, energy reductions and cost savings will be carefully monitored. An update will be provided for the 2023/34 financial year regarding carbon emissions and energy efficiency initiatives later in the year.

3. Key Considerations

3.1 The report is provided to update Members on projects being considered and funded via the climate change reserve.

4. Other Options Considered

4.1 No further options are set out within this report which is provided to update Members on projects being considered and funded via the climate change reserve.

5. Reasons for the Recommendations

5.1 This report is provided as an update on the climate change reserve fund.