

**REPORT TO: POLICY & RESOURCES COMMITTEE - 20TH OCTOBER 2003**  
**REPORT ON: DUNDEE CITY COUNCIL ENERGY POLICY**  
**REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT**  
**REPORT NO.: 665-2003**

**1. PURPOSE OF REPORT**

- 1.1. Adoption of the revised Dundee City Council Energy Policy.

**2. RECOMMENDATIONS**

- 2.1. It is recommended that the Committee approve the Council's revised Energy Policy.

**3. FINANCIAL IMPLICATIONS**

- 3.1. There are no immediate capital implications from the adoption of the Energy Policy and any expenditure on energy efficiency measures recommended in the energy management Action Plan, referred to in the Policy, have received approval by the Depute Chief Executive (Finance).

**4. LOCAL AGENDA 21 IMPLICATIONS**

- 4.1. Energy efficiency measures and other initiatives referred to within the Policy document will, once fully implemented, have a beneficial effect on the environment by reducing the emissions of carbon dioxide.

**5. EQUAL OPPORTUNITIES IMPLICATIONS**

- 5.1. None.

**6. REPORT**

- 6.1. The Energy Policy has been prepared using the Bressu Best Practice Programme Guide (No 186), "Developing an Effective Energy Policy". The draft Energy Policy is attached as an Appendix to this document.
- 6.2. The Chief Executive has also endorsed the need to publish and promote a new Council Energy Policy as part of the Council's commitment to reducing energy consumption following last year's Best Value Review on Energy Management.

**7. CONSULTATIONS**

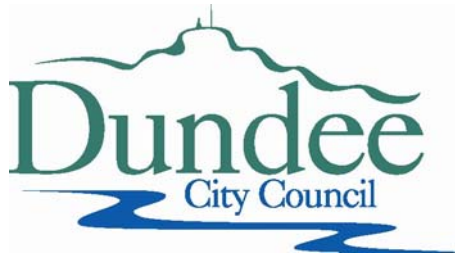
- 7.1. All Council Directors/Chief Officers have been consulted on a draft version of the Policy and revisions/additions incorporated as appropriate in the final Policy document.

**8. BACKGROUND PAPERS**

- 8.1. No background papers, as defined in Section 50D of the Local Government (Scotland) Act were relied on to any in preparing this report.

**DOUGLAS A A GRIMMOND**  
**DIRECTOR OF ECONOMIC DEVELOPMENT**

**DATE: 9TH OCTOBER 2003**



# **DUNDEE CITY COUNCIL**

# **ENERGY POLICY**



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### **Appendix**

## **1. Introduction**

Dundee City Council's metered electricity and gas consumption, together with deliveries of gas-oil, for the year ending December 2002, totals 128million kWh at a cost of £3.35 million. The current consumption levels represent an increase in usage over the last 5 years, to the period ending 31<sup>st</sup> December 2002, of 4.8% (using 1998 as a base year).

The increase in energy usage can be attributed to various factors including:-

- i. Increased use of properties, e.g. Use of schools for Community groups and clubs outwith normal hours.
- ii. Implementation of Central Government policies, e.g. Computer provision in schools and libraries.
- iii. Additional properties to our estate.

Dundee City Council's Energy Policy is intended to address this trend with Corporate support to reduce our dependence on the future use of fossil fuels and electricity and to incorporate the necessary strategy to support those goals.

## **1.2. Mission Statement**

The need for Local Authorities to effectively manage their use of energy has never been greater.

Increasing public concerns on environmental issues and Government legislation on reducing the impact of burning fossil fuels impose responsibilities on Dundee City Council to respond and react to such changes, including the Council's commitment to supporting the Local Agenda 21 policy.

Dundee City Council will seek to reduce its energy consumption through the introduction of energy efficiency measures and effective energy managements as outlined in this Energy Policy to reduce the harmful impact of burning fossil fuels on the environment.

**Signed:** ..... **Chief Executive**

## **2. Objectives**

Dundee City Council's commitment to reduce its energy consumption and the environmental impact of the use of fossil fuels will in practice be delivered by meeting long and medium term corporate policy goals, identifying energy saving targets, implementing strategic energy efficiency best practice plans, adopting low cost, energy saving good house-keeping measures and monitoring and reporting results.

The action plans will also identify in-house management responsibilities and promote energy awareness at all levels within the Council.

## **3. Corporate Policy**

### **3.1. Longer Term Goals**

Our long-term corporate goals are to:-

- a) Ensure Dundee City Council continues the effective energy management of its estate.
- b) Promote energy efficiency in all major new build and refurbishment projects.
- c) Reduce consumption of finite fossil fuels.
- d) Increase the use of renewable energy.
- e) Reduce environmental impact of burning fossil fuels through good design practice.
- f) Promote energy sustainability in joint projects with other organisations.

### **3.2. Medium Term Goals**

Our medium term corporate goals are to:-

- a) Reduce our energy consumption by 10% over the next 5 years [base year - 2002].
- b) Increase energy awareness through all Council departments.
- c) Promote energy efficiency initiatives through our Energy Champion's Group - with all departmental representation.
- d) Fully implement the Council's Energy Action Plan developed following the Best Value Review on Energy management (2002).
- e) Ensure adequate maintenance of energy related plant and control and ensure the monitoring of energy efficiency is specified on the re-tendering of contracts.

## **4. Strategic Action Plan**

### **4.1. Commitment**

Delivering the medium and long-term Corporate aims of the Dundee City Council energy policy requires the continuous commitment of all staff including departmental Director/Chief Officers.

## **4.2. Monitoring & Targeting**

It is the intention to progress the aims/goals of the policy through the following routes:-

- a) Reporting of energy trends on a quarterly basis by the Energy Efficiency Officer to the Management Team - These trends will be reported using data from the Council's energy database, currently using STARK software, on a departmental basis.
- b) Quarterly review of the Best Value Energy Management Action Plan by the working party set up specifically for this purpose. It is essential that co-operation be actively provided from all relevant departments for projects identified within the Action Plan.
- c) Energy Champion Group Initiatives - Each department will nominate an Energy Champion and the Group, meeting on a monthly basis, will promote good house-keeping measures, general energy awareness among Council staff using, where appropriate, energy saving posters/stickers and also arranging energy efficient training courses and other trials of energy saving plant/controls.

## **5. Communications**

Minutes of the meetings of the Best Value Energy Management Working Party and the Energy Champions Group are to be made available to representatives of each group and all departmental Directors. Similarly, any initiatives on energy related matters raised/implemented by the Council's Management Team to be relayed to the Energy Efficiency Officer in order that action and monitoring where appropriate, can be initiated.

## **6. Responsibilities**

Each department Director/Chief Officer will be responsible for supporting and promoting the corporate goals of this policy. The Director of Economic Development Department will bear overall responsibility for liaising with other departments/outside organisations on energy related matters, and for carrying out any reviews as required of this policy. This will not preclude other departments following their own energy/water saving initiatives.

The Economic Development Department will continue to be responsible for the continuing centralisation of energy invoicing and for maintaining the monitoring of Council wide costs and consumption (with the exception of energy costs for unmetered electricity usage where responsibilities will continue to remain with Planning & Transportation and Housing departments).

## **7. Other Energy Related Matters**

### **7.1. Fuel Purchasing**

Dundee City Council currently purchases energy using approved tendering procedures through a consortium of neighbouring Local Authorities/Organisations/ comprising: -

- Perth & Kinross Council
- Dundee City Council
- Angus Council
- Tayside Police & Fire Departments
- Tayside Contracts

Currently Perth & Kinross Council carries out the legal work associated with energy tendering through a Service Level Agreement with the other main representatives of this Energy Consortium.

### **7.2. Other Fuel Purchasing Arrangements**

Our energy-buying consortium also purchases electricity and gas at special rates on behalf of other organisations closely affiliated to Dundee City Council such as the Dundee Ice Arena, Dovetail Enterprises and the Tayside Chamber of Commerce.

These procedures for the purchase of energy to be monitored by the Energy Efficiency Officer/ Director of Economic Development.

The Energy Efficiency Officer will also continue to liaise with other Scottish Local Authorities on energy matters and trends such as Electronic Billing (in place within some Scottish Councils) and on any other Government initiatives relevant to Dundee City Council.

### **7.3. Energy Contracts**

Energy contracts were renewed on 1st April 2003 and 5-year contracts for electricity and gas are in place with prices fixed for years 1 & 2 and subject to negotiation for years 3,4 & 5.

Energy contracts, following the tendering procedure, were awarded to : -

- Electricity Scottish & Southern Energy plc.( formerly known as Scottish HE).
- Gas V-is-on Gas (a subsidiary of Quantum Energy).

### **7.4. Renewables**

It should be noted that our electricity supplier provides 30% of our load as electricity derived from renewable sources----- currently allocated to Tayside House, Olympia Leisure Centre, Caird Hall/offices, Baldragon Academy and Happyhillock Housing Office---such supplies being exempt (by definition) from the Government's Climate Change Levy.

## **7.5. Oil Supplies**

Oil supplies continue to be purchased through the Office of Government Commerce (OGC) with oil prices determined by the on going 'spot market' - in practice following the market with price fluctuations notified to the council on a fortnightly basis.

It is the Council's intention to reduce our consumption of gas-oil as an energy source for boiler plant by converting to natural gas when appropriate as per our Best Value Action Plan.

The major users of gas-oil are Braeview Academy and Menzieshill High School, sites remote from adequately sized gas supply mains.

## **8. Water Issues**

Scottish Water has recently been formed from the merger of the 3 previous Scottish regional water authorities and Scottish Water is still presently carrying out a rationalisation of its charging and billing arrangements.

In recent years Scottish Water has imposed significant cost increases to all customers to comply with European legislation and it is important that our Council contains its water and waste water costs through good management and the introduction where possible, of measures to reduce water consumption.

Dundee City Council's invoicing arrangements for water and waste water are not currently centralised. It will be the Council's policy to centralise a water charges database using the current Stark software system. Economic Development department will liaise with other departments to achieve this outcome. It is intended that in the future the system will be able to compare water usage/cost trends on the same basis as energy

## **9. Summary**

The publication of this Energy Policy is in effect a full review of a previous document, incorporating a best practice approach, and commits Dundee City Council to managing and reducing its use of energy in the medium and long term.

The recent HM Government Energy White Paper makes clear that the promotion of energy efficiency is the most cost effective way to tackle our energy goals and reduce the production of greenhouse gases which have now almost universally been agreed as inevitably linked to climate change.

It should also be noted that the UK government has signed up to reductions in greenhouse gases under the KYOTO PROTOCOL and to a UK commitment to reduce CO<sub>2</sub> emissions by 20% by 2010 (compared to 1990 levels).

To achieve these aims, all energy users need to become more pro-active in cutting waste and improving energy efficiency.

It is thus essential for all Dundee City Council staff at all levels to support the aims of the Energy Policy and to practice an "energy efficient" approach to their day to day work activities. Continuing commitment to these goals will ensure Dundee City Council reduces its use of fossil fuels to the benefit of the Council, the wider community and the environment to ensure a legacy of good practice is passed on to our successors.



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