



GREATER MANCHESTER COMBINED AUTHORITY

DATE: 29th July 2011

SUBJECT: GREATER MANCHESTER CLIMATE CHANGE STRATEGY

REPORT OF: CHIEF EXECUTIVE, OLDHAM MBC

PURPOSE OF REPORT

This report presents the Greater Manchester Climate Change Strategy for approval, outlines progress in developing an agreed methodology for measuring carbon emissions and proposes a CO2 emissions reduction target for Greater Manchester for 2020.

RECOMMENDATIONS

The Authority is recommended to:

1. Approve the Greater Manchester Climate Change Strategy attached to this report at Appendix A, and an Executive Summary of the Strategy attached at Appendix B;
2. Comment upon and agree the proposal to complete an Implementation Plan for the Strategy for the period 2012-2014;
3. Comment upon the options for a CO2 emissions target for 2020 and agree the preferred target to be incorporated into the Strategy;
4. Note and comment upon the suggested approach to measuring and monitoring GM's carbon emissions.

BACKGROUND DOCUMENTS

The Greater Manchester Strategy
Mini-Stern Report
GMS Delivery Plan
Environment Commission Work Programme

CONTACT OFFICER

Richard Sharland Acting Director, GM Environment Team

1 INTRODUCTION

The GMS Delivery Plan agreed by AGMA Executive identified the development of a GM Climate Change Strategy as a key implementing action. In October 2010, AGMA's Environment Commission approved its development approach. Taking the lead from the Greater Manchester Strategy's headline commitment to developing a low carbon economy, the Commission recognised that various climate change plans and strategies have been approved by Districts and that AGMA has numerous GM-wide thematic plans and strategies that incorporate climate change issues approved or in development.

The priority for a Greater Manchester Climate Change Strategy is therefore to create a common framework for co-ordinating existing and future plans on addressing climate change issues into an integrated approach, which reflected other developments including the creation of the Greater Manchester Combined Authority and the GM LEP. The framework would aim to set out common objectives and headline actions, identify the key themes that are most effectively developed and delivered by joint working at a Greater Manchester scale and creating opportunities for alignment between the policies and programmes which will continue to be pursued by Districts and other organisations.

The development of the Strategy also represents the opportunity for Greater Manchester to set out our intentions at a time when climate change continues to be a national and international priority. The UK Government announced its adoption of the UK Climate Change Committee's fourth carbon budget in May 2011, approving a target 50% reduction in CO₂ emissions by 2027, launched a report on Climate Resilient Infrastructure in June and has maintained its commitment to a series of low carbon initiatives including proposals to launch the national Green Deal and a Green Investment Bank in 2012.

The EU has also continued to highlight tackling climate change as a priority, announcing new initiatives with the EIB and considering proposals to increase its approved emissions targets. The EU, together with a number of international organisations and networks such as the World Bank and the C40 Cities group are providing a strong focus on the role of cities and city regions as leaders in the development of the global low carbon economy and are engaged in stimulating and responding to a steadily growing interest in investing in low carbon programmes and technologies by financial institutions and other investors. A clearly articulated GM Climate Change Strategy is an important asset in securing the financial benefits of international, European and National low carbon funding and investment, and the economic benefits of the rapid transition to a low carbon economy.

2 BACKGROUND

The Strategy has been drafted using an iterative and collaborative approach, including an assessment of the existing climate change plans and strategies in place or under development in all of Greater Manchester's Districts and the active engagement of those responsible for their development and delivery. This has included:

- a series of District-based consultation workshops aimed at developing the alignment between local priorities and programmes, those being developed at a Greater Manchester scale and the objectives and actions set out in the Strategy;
- three meetings with the Environment Commission, who have overseen the Strategy's development and commend its adoption by the Authority;
- Discussions at Wider Leadership Team, Strategy Management Group, GM Energy Group and Environment Commission Chief Officers Group;
- A number of strategy workshops, including participants from AGMA Commissions, the LEP, TfGM, GM Energy Group, GMWDA, Chamber, Business Leadership Council and other key partner organisations;
- Two GM-based discussions with representatives from DECC and CLG;
- A large number of meetings with key stakeholders from across GM;
- Discussion with other Core Cities, and C40 cities.

Input and feedback from the activities above, combined with an online strategy development and consultation process undertaken with the Environment Commission and climate change stakeholders reference group have both been incorporated in the proposed Strategy. The production of the Strategy has been welcomed by stakeholders and there has already been a commendation of the focus of the document on co-ordinating our approach both spatially and thematically. It develops the themes of sustainability and low carbon growth in the GMS and provides a framework that links a range of thematic GM strategies with District's own climate change planning.

3 THE STRATEGY

The Strategy identifies steps already being taken at different spatial levels and plans in place both across GM and in Districts. This highlights, however, that our carbon measurement, planning and targeting is inconsistent, varying widely from District to District and proposes that this another key area where we can establish a more effective way forward with common methodologies and more co-ordinated policies, programmes and services.

There are four headline objectives set out in the first part of the document:-

- A rapid transition to a low carbon economy;
- A reduction in CO₂ emissions by 30-50%; (note: this will be replaced with the Authority's agreed target in the published version)
- Better preparedness for a changing climate;
- 'Carbon literacy' embedded into our culture.

In the second part of the document, outcomes and actions are grouped under five core themes that are widely used both within GM and elsewhere: Buildings; Energy; Transport; Green & Blue Infrastructure; Sustainable Consumption. Further actions are grouped under a number of enabling and cross cutting themes.

4 IMPLEMENTATION PLAN 2012-2014

The Strategy sets out a clear range of priorities and signposts to a range of actions which will be needed in order for the objectives to be met over a period to 2020. This is a long term period over which it is not realistic to produce detail of all implementing

actions. Following agreement of the Strategy, it is proposed that work continues to develop an Implementation Plan for the period 2012 to 14 aligned with and complementary to wider GMS delivery planning. This process would include the identification of priority actions, and the alignment of funding, resources and commitments across the public and private sector with them. An Implementation Plan will help to ensure that the cross cutting actions needed are fully integrated into GM's delivery programmes.

Your agreement is sought to the development of an Implementation Plan which would be brought back to the Authority for your approval before the end of the current financial year.

5 A PROPOSED GM EMISSIONS REDUCTION TARGET

The four objectives proposed in the Strategy all seek to address different aspects of the climate change agenda, and each are supported by two performance indicators.

The current GMS delivery plan identifies metrics for understanding the value and employment levels of the low carbon economy and these are integrated into the headline indicators monitored by New Economy. Work to provide supporting metrics for adapting to a changing climate and strengthening the carbon literacy of communities will continue as part of implementation plan development.

The Greater Manchester Strategy establishes a range value for CO₂ emissions reduction of 30 to 50%. However, a more specific and overarching CO₂ emissions reduction target is core to understanding the scale of the challenge GM needs to deliver on, and is fundamental to the planning and prioritisation of key actions. Based on this, three options for a GM target have been developed, and these are outlined in the table below. All options are legitimate, and so the Authority's discretion on their preferred approach is requested, in order to finalise the Strategy and inform the development of implementing actions.

In setting a target, it is important to note that there are many issues which will influence carbon reduction within GM. The primary issues are;

- National ambition and capitalising on national programmes within GM;
- Structural socio-economic changes within Greater Manchester;
- GM's priorities and ability to accelerate activity.

The rapidly developing policy, legislation, investment and technological landscape associated with a low carbon economy means that a conventional approach to target setting based on aggregation of expected actions cannot be accurately undertaken, and is likely to disadvantage GM in asserting leadership, building market confidence and securing inward investment.

The leadership of cities like Greater Manchester, and the decision of the Authority on an appropriate target is critical to setting the agenda, and determining the sort of target others are willing to commit to. As such, it is proposed that the Authority should consider adopting an aspirational target for GM in excess of the 31% which it is estimated could be achieved via the implementation of opportunities and actions already identified. This leadership would encourage the early implementation of existing opportunities, and stimulate innovation in identifying solutions to meet the aspirational target.

The Authority’s recommendation is sought on the most appropriate target for GM to adopt.

Target Options

Options	Target	Outline	Pros and Cons
1) International best practice	48% (2005: 35%)	Level suggested as necessary for the UK / developed cities by the IPCC. Also closest to the level suggested by the Tyndall Centre as the level of cuts needed by developed areas like GM.	Clear statement of appetite for GM to adopt leadership position. Underpins a GM business case for preferential investment. Unlikely to be regularly superseded by national policy changes. However, a high profile commitment which pre-empts a detailed understanding of all actions needed. Raising GM’s profile likely to increase external scrutiny of GM’s performance
2) UK Science based	40% (2005: 27%)	The Committee for Climate Change’s recommendations based on applying scientific and economic evidence to the UK context	Lowest level at which GM could reasonably assert leadership,. Less challenging to deliver than international target. The UK has agreed to adopt a 42% target should a 30% EU wide target be secured, so there is a risk that this will be superseded between now and 2020.
3) UK’s target disaggregated	34% (2005: 21%)	This is a proportional disaggregation of the existing legally binding UK target based on GM’s existing proportion of emissions	GM unable to assert national leadership. Reasonable confidence of delivery as only slightly higher than result delivered if all known actions implemented. The current Government has committed to base future carbon budgets on Climate Change Committee advice so there is a high risk that this will be superseded between now and 2020.

6 UNDERSTANDING GM’s PROGRESS

The Environment Commission identified the advantages of a common approach to carbon metrics across GM, particularly in light of changes to national metrics requirements including National Indicators 185,186 and 188 and the introduction of new measures such as the Carbon Reduction Commitment (CRC). Since early in 2010, both MCC and AGMA have been involved with CLG and DECC’s Local Carbon Frameworks programme and we secured grant aid in December to support the development of a common carbon metrics framework for Greater Manchester that could produce annual data for Districts and all of GM in a format aligned to changing national requirements and datasets. The outcome of the work is presented in the District and GM datasets included in the Strategy and has been used as the basis for the suggested approach below .

Scope and Baseline: Due to the poor granulation of historic datasets, 2005 is the first year for which adequate GM level data is available. However, in order to align with the target range established in the Greater Manchester Strategy, and also with the internationally recognised baseline for most targets, 1990 is proposed as the

baseline on which the Strategy’s target would be set, with active monitoring of performance in place from 2005 onwards. An assumption of a 13% reduction already delivered over the period 1990 to 2005 has been based on National and NW research, and would be used to monitor progress against the target. As it complements both national programmes and the period covered by the GMS, 2020 is proposed as the target’s end date.

A large volume of existing datasets and evidence has been reviewed, and the use of two datasets is proposed to understand GM’s emissions performance and form a model that can be used at both district and GM level.

- The DECC Inventory is standardised across the UK, so its use is proposed to benchmark GM’s performance against other areas, and to report on progress in a transparent and accountable way to a range of international, national and local stakeholders.
- The GM Hybrid Inventory includes greater detail on local emission sources, and can provide more timely access regarding the performance of certain high emission sources, so its use is proposed to inform and prioritise local actions, investments and interventions.

Greater Manchester (ktCO2)	2005	2006	2007	2008	2009
GM Hybrid Inventory	19,513	19,228	n/a	18,702	
DECC Inventory	18,197	18,208	17,670	17,491	Due Sept

Both datasets are dependent on the collation, release and dissemination of data by DECC, and so it is proposed that GM uses its strong and developing relationship with Government (DECC & CLG) on the climate change agenda to secure more timely preparation and release of data to local communities.

A second piece of work which aims to develop a model that incorporates ‘embedded’ carbon emissions in our approach is underway. This will enable GM to be in the forefront of pioneering a consumption based approach to future carbon measurement. The need for this ‘Total Carbon Footprint’ has already been identified in some parts of GM, due to its potential to assist residents and organisations in making effective low carbon decisions about lifestyles and purchasing, and it has been highlighted by recent international reports demonstrating that most carbon emissions savings achieved in developed countries over the last decade have, in effect, merely been ‘outsourced’ to developing countries.

This model will be available for piloting later in 2011, and has the potential to play a larger part in the implementation of the Strategy in future years. In the interim, it is proposed that the above datasets are used to report on GM’s progress on an annual basis, accompanied by a range of supporting information relating to the progress and effectiveness of specific implementing actions.

The Authority is asked to note and comment upon the suggested approach to emissions metrics for use at District and GM level.