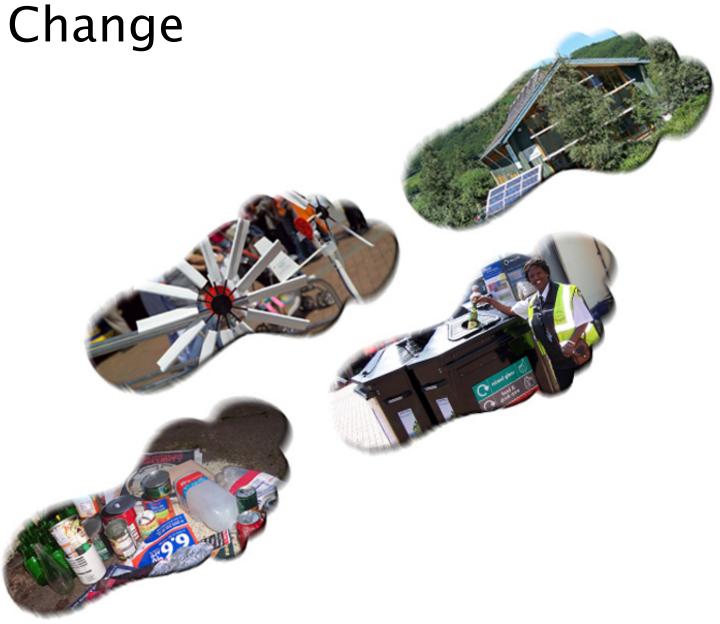


Sustainability and Climate



A report from Overview & Scrutiny





Contents

Prefa	Preface	
Sum	mary	5
1.2	Leadership	5
1.3	Young People	6
1.4	The Council's Estates and Practices	7
2	Summary of Recommendations	11
3	Introduction	15
3.2	Our Interim Report	15
4	Leadership	18
4.1	Introduction	18
4.2	Current Strategic Approach	19
4.3	Corporate Leadership	20
4.4	Conclusions	23
5	The Opinions of Young People	25
5.1	Introduction	25
5.2	Feedback	26
5.3	Let's Talk Proposals	28
6	Procurement	30
6.1	Introduction	30
6.2	Procurement Outside of CPS	31
6.3	Legal Issues	32
6.4	Business Transformation	33
6.5	BCC Procurement Strategy	34
6.6	BSP Sustainable Procurement Review	35
6.7	BSP Draft Climate Change Strategy	37
6.8	UK Sustainable Procurement Task Force	38
6.9	Conclusions	40



Estates Management	42
Property Services	42
Urban Design	43
Energy	46
Bioenergy	49
Conclusions	51
Sustainable Development	53
Regeneration	53
Planning / Development Control	56
City Centre Masterplan	57
Conclusions	58
Conclusions and Recommendations	61
Conclusions	61
Recommendations	62
ndix 1: About the Committee and Review	75
Appendix 2: Background Information	
Appendix 3: Lets Talk: Climate Change	
	Property Services Urban Design Energy Bioenergy Conclusions Sustainable Development Regeneration Planning / Development Control City Centre Masterplan Conclusions Conclusions Conclusions Recommendations Recommendations Recommendations ndix 1: About the Committee and Review ndix 2: Background Information

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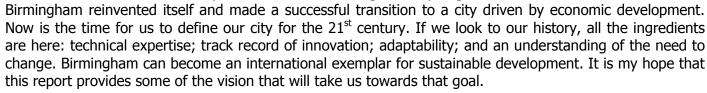


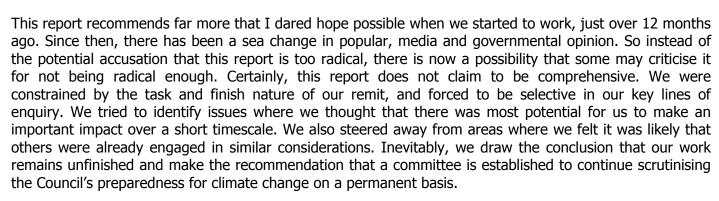
Preface

By Councillor Steve Bedser

Chair of the Sustainability and Climate Change Task and Finish Overview and Scrutiny Committee

Birmingham is a city with a proud tradition. It was born of the industrial revolution and thrived on industrial development. As manufacturing industry began to decline,





This report represents the outcome of a considered process where there have been high levels of cross-party consensus. I am grateful to the other members of my committee for their proactive and thoughtful contribution to our deliberations. I would also like to highlight the contribution of officers who have, in the way we have pleasingly become accustomed to expect from the scrutiny secretariat, been exceptional. We have also benefited from substantial contributions from a number of external partners, including Birmingham Friends of the Earth, TIDE~ and Birmingham Strategic Partnership. It would be unduly onerous to list every individual and organisation that were generous with their time and experience, but I would like to record my personal thanks to everyone who has been involved in this report.

There will be some who read this, avidly scouring the pages of this document to find implied criticism of individuals or Council departments. I hope they will be disappointed. Nothing in this report is intended to pillory individuals; it is written from a viewpoint that Overview and Scrutiny should operate as a critical friend, holding up a mirror for a Local Authority to learn from. We did intend to construct a sober reality check, to be candid about current and historic performance and to be clear about the fundamental culture change that is now necessary in order to make even just satisfactory progress to mitigate against climate change. The challenge is immense. We will not achieve anything if we engage in hysterical scapegoating; those that do, condemn themselves to be part of the problem.

In the course of our work, we identified many people who want to be part of the solution. We believe it is the job of the City Council to empower these people and afford them the leadership and resources they deserve. We are convinced there is an appetite to make fundamental change and there is an eagerness to transform the policy framework of the Council accordingly.





Steve Bedsen

Sustainability and Climate Change

An international exemplar city for sustainable development is a bold ambition and requires radical transformation if it is going to be achieved. I am, however, convinced that it is the right thing to do and the sane thing to do. In adopting this report, the Council has the opportunity to begin the process of creating an enduring legacy for citizens of our city as yet unborn.



Summary

- 1.1.1 This report represents the culmination of a year-long review by the Sustainability and Climate Change Overview and Scrutiny Committee which, at the request of the Co-ordinating Overview and Scrutiny Committee, was convened in June 2006. Our remit was to investigate the issues surrounding sustainability and climate change, and how they relate to the Council's priorities, what it does and how it does it.
- 1.1.2 We started with a broad remit, with the initial aim to scope the issues that Birmingham and the City Council face. During the past year, we have taken evidence on a plethora of issues which relate to the sustainability and climate change agenda. We do, however, recognise that we have not covered every facet of the issue due to time restraints and the incredibly broad nature of sustainability and climate change.
- 1.1.3 In December 2006, we produced an Interim Report which outlined our key findings from the first six months of evidence gathering. The Interim Report highlighted a number of key messages, whilst also outlining our future programme of work. One of the key outcomes from our initial evidence gathering was a general consensus that the Council must address its behaviour as a corporate entity and demonstrate the ability to embed sustainability and climate change policy within everything that it does.
- 1.1.4 As our Interim Report noted, the Council needs to review the sustainability and climate change actions within its own estates and practices as a matter of urgency. Simply put, we need to get our own house in order before we can expect others to do the same. Although this issue is pertinent to all Council departments and the services they provide, we were keen to place a specific emphasis upon three areas:
 - leadership;
 - the Council's estates and practices; and
 - sustainable development.
- 1.1.5 Since the beginning of 2007 we have therefore taken evidence from a range of Council departments whose services significantly contribute to these three areas. A further area we focused upon was the opinions of young people, gathered through active engagement with a group of students from schools across the city.

1.2 Leadership

1.2.1 Perhaps the most significant message to arise from the Interim Report was the need for clear and committed leadership. We noted that leadership, through vision and actions, can drive forward the



- sustainability and climate change agenda. It can also promote and encourage everyone to take ownership and responsibility for their actions, both individually and corporately.
- 1.2.2 However, we found that people are looking for stronger leadership from the City Council, both corporately and politically. This, it must be acknowledged, is not an issue specific to Birmingham; indeed, the public are dissatisfied with leadership at all levels of government.
- 1.2.3 When we embarked upon our second stage of evidence gathering, we held concerns that within the Council there was an absence of both high-level corporate (officer) leadership and cross-Council coordination. We felt there was an urgent need for the development of more cross-cutting leadership which is transparent across the whole organisation. This has now in part been addressed through the appointment of a new Climate Change and Sustainability Team, which is anticipated to take a strong corporate lead. However, we feel there is much more to be done:
 - addressing the allocation of corporate resources to those departments/individuals delivering on sustainability and climate change;
 - mainstreaming sustainability and climate change within all departments;
 - co-ordinating ongoing work and existing expertise;
 - raising understanding of sustainability and awareness amongst all staff of the actions they can take.
- 1.2.4 Essentially, leadership is fundamental for the Council to realistically make any achievements in tackling sustainability and climate change.

1.3 Young People

- 1.3.1 In our Interim Report, we reported on initial discussions with the Teachers in Development Education (TIDE~) network about the range of initiatives which aim to get sustainability and climate change issues onto the curriculum in Birmingham Schools. One particular ongoing initiative has been the 'Let's Talk' project facilitated by TIDE~ which supports a core group of students in planning workshops and events to enable discussion and debate about global issues.
- 1.3.2 During the course of the year, the Let's Talk group has aimed to increase the awareness of climate change and talk about its implications. Following on from our original evidence gathering with TIDE~, we were approached by the Let's Talk group to participate in an event which would enable students and Councillors to engage in discussions around:
 - the implications of climate change for Birmingham; and
 - the city's draft strategy on climate change.
- 1.3.3 The event attracted around 100 students from schools across Birmingham, the feedback from which is detailed later in this report. Aside from the feedback however, we feel that the most important outcomes from our involvement with the Let's Talk group is that it has illustrated the



sheer value of engaging with young people within the city. Such engagement goes beyond the boundaries of the more formalised Council consultation processes, and we strongly encourage other Scrutiny Committees (and indeed the Council as a whole) to undertake similar ventures where appropriate.

1.4 The Council's Estates and Practices

Procurement

- 1.4.1 The City Council spends, on average, £900 million per year. Through its huge procurement influence on the local and regional economy, this offers significant potential for the Council to shape a 'green economy' locally, whilst also committing itself to procuring environmentally friendly, sustainably and ethically-sourced products and services.
- 1.4.2 However, we found that whilst there have been attempts to address sustainability within contract evaluation criteria, there were a number of fundamental concerns with regards to the lack of overarching policy and the often separate procurement processes between different areas of the Council. We also had concerns with regards to what we felt was a particularly cautious and self censored approach to procurement, particularly with regards to legal barriers.
- 1.4.3 With this in mind, we took evidence on three key issues:
 - the legal barriers to sustainable procurement;
 - the procurement activities outside of Corporate Procurement; and
 - the role of Business Transformation.
- 1.4.4 Our evidence gathering was supplemented by information from other ongoing work, both within Birmingham, and at the nation level:
 - the Birmingham Strategic Partnership Draft Climate Change Strategy and Action Plan;
 - the Birmingham Strategic Partnership Sustainable Procurement Review; and
 - The UK Sustainable Procurement Task Force and Action Plan.
- 1.4.5 Given the wealth of information available, and given the fact that Business Transformation and the Corporate Procurement Strategy are now under development, it is clear that we have a window of opportunity to ensure that the Council procures sustainably. However, it is also apparent that an awful lot needs consideration.
- 1.4.6 Whilst we now possess a better understanding of the legalities involved in procurement, we have heard independent evidence which suggests the legal aspects can be overcome and should not represent serious barriers. The contrasting opinions and continued lack of clarity are of some concern, and we are keen to ensure that the Council clearly defines the situation as soon as possible. This should be in accordance with the procurement theme within the forthcoming BSP Climate Change Strategy.



- 1.4.7 The ongoing Business Transformation process and its links with procurement is very complex and is most certainly a challenge to deliver. We do, however, feel a need to be confident that there is a sustainability champion at the business end of transformation. Furthermore, we feel it crucial that the staff taking procurement decisions across the Council understand what sustainability means. To this end, we feel there is a clear need for some form of awareness raising/training across the organisation to ensure sustainable choices are a reality within procurement processes.
- 1.4.8 One key concern we have expressed it that the concept of 'whole life value' is not subscribed to corporately. This has to change. We accept that adhering to this concept within all Council procurement will undoubtedly difficult decisions and unpopular choices. Nevertheless, it is a fundamental approach to sustainable procurement and one which the Council must embrace.

Property and estates management

- 1.4.9 We heard evidence from two key estates management functions within the Council: Property Services and Urban Design. The Council's Property Services combines in-house consultancy and contractors to look at the way in which the Council manages its property and associated issues such as asset disposals. Urban Design meanwhile, is a wholly trading department providing all design, maintenance, construction procurement and energy management/sustainability services to all directorates and departments of the Council, schools, colleges and external organisations.
- 1.4.10 From the evidence we have heard, we believe that Urban Design is spearheading the Council' activities in tackling energy efficiency and management. We were encouraged to see evidence of a Council function which fully understands and embraces the principles of sustainability; setting an example of its own accord.
- 1.4.11 We were concerned over what we believe is a lack of co-ordination between other Council departments and Urban Design. This is particularly the case in relation to Property Services, and we feel there is a need for clarity over who has responsibility for management of public buildings in relation to energy.
- 1.4.12 We also question the levels of awareness and consistency in understanding with regards to responses to sustainability and climate change within Property Services, particularly in comparison with Urban Design. We question whether or not the sustainability message is particularly prevalent.

Energy

- 1.4.13 One area in which the Council is visibly making significant progress is through its work to tackle energy, energy supply and renewable energy. The progression made on the new Energy Services Company is testament to the Council's commitment to mitigating against climate change.
- 1.4.14 However, as we have expressed previously, we are particularly concerned that the Council and city as a whole does not have data on it carbon footprint. Surely this is essential so that we can



- effectively monitor our progress? Without such data, the good efforts made to date are at risk of being meaningless.
- 1.4.15 The implementation of the two City Centre Combined Heat and Power (CHP) schemes clearly indicates the progress the city is making in tackling its CO2 emissions. However, we feel it crucial to stress that such schemes must be implemented across the city if we are to make tangible progress towards our target of a 20% reduction in emissions by 2010.
- 1.4.16 Bioenergy is also a clearly growing agenda. Whilst it is a technological area which is somewhat in its infancy, we do have some concerns that to date, Birmingham does not appear to have embraced it.
- 1.4.17 There are many ways in which the Council can make good sustainable use of bioenergy. For example, in previous evidence gathering from regulatory services we heard of historical attempts to encourage the city's licensed taxis to operate on biodiesel. Whilst this scheme had some success, it ceased some time ago. We believe that there is potential for similar schemes using waste oils from food outlets across the city.
- 1.4.18 A further way in which Council can embrace the bioenergy agenda and at little extra effort is in relation to its wood waste from parks and municipal open spaces. We are unaware of any schemes where this by-product is used for bioenergy purposes, despite the wood-fuel supply chain being the predominant activity in the Region. This is an area which we feel the Council should be addressing.

Sustainable Development

- 1.4.19 In our Interim Report we stated the belief that Birmingham should be pursuing a culture of 'sustainable development' rather than simply one of economic development. We recognised that embedding sustainability within the development and regeneration culture would likely be a challenge. However, this is not a reason for the Council not to do so.
- 1.4.20 We define sustainable development as the process by which the city's regeneration efforts, planning regime, economic policies etc. recognise and place a significant emphasis upon the principles of sustainability. During evidence gathering however, we focused upon three particular areas:
 - attracting development;
 - planning policies and practices;
 - using land holdings to enable sustainable development.
- 1.4.21 From our evidence gathering, the biggest message we came away with was that Birmingham must be clear about what it wants to achieve. If it wants to become a sustainable city, then it needs to clearly demonstrate how it will become one. It needs to comprehensively tackle a number of issues which we believe are currently a barrier to moving towards sustainability:



- How will it deliver a zero-carbon footprint when developments are not always required to adhere to sustainable design and construction?
- How can the planning processes as they currently stand truly support sustainable development?
- 1.4.22 We believe the City Council could achieve much more if it is prepared to stand up and 'be brave', following and surpassing the example asset by numerous other Local Authorities. We do not subscribe to the view that such a stance would frighten off developers, inward investors, or reduce the benefits to the city.
- 1.4.23 We have heard that adopting a 'Merton Rule' for Birmingham would perhaps be the single most effective policy initiative to stimulate and promote bioenergy and a wider renewables sector in the city. We wholeheartedly endorse this statement and feel that the Council should be thinking of its own approach to a similar kind of policy; perhaps even raising the bar by setting higher minimum standards.
- 1.4.24 The most notable regeneration initiative in the context of sustainable development has been Eastside. We were told that draft sustainability guidance has already been produced for Eastside as a means of encouraging sustainable development. It is hoped that by working in partnership with developers it will be possible to raise the standard of sustainable development in Eastside as a pilot area for a wider application across the city.
- 1.4.25 Whilst we were encouraged to learn that it is possible to work with developers towards more sustainable development, there is a concern as to why the same standards are not applied to other regeneration initiatives. One of the key issues raised during our evidence gathering has been the need to encourage developers to include an environmental offer. We feel that there must be a Council-wide, mandatory approach to this issue.
- 1.4.26 All of the above findings will play an important part in Birmingham moving forward as a sustainable city. We believe the Council, and the city as a whole, must start to think about the actions it takes now and in the future; that doing nothing is not an option. More needs to be done, with heightened ambition and a more determined, coherent plan of action.
- 1.4.27 Our vision is simple. We want to see Birmingham leading the way as an exemplar sustainable city; one where actions speak far clearer than words, where the standards we set are aspired to and emulated across the world.



2 Summary of Recommendations

	Recommendation	Responsibility	Completion Date
R1	That the City Council adopts a clear definition of sustainability and carbon neutrality which will underpin key decisions, corporate processes and procedures.	Deputy Leader	No later than November 2007
R2	That subsequent to the Cabinet's Sustainability Statement, an Action Plan for the next three years is developed, with clear and considered targets for the city. This should be developed as quickly as feasible.	Deputy Leader	The Cabinet has already set a completion date of Autumn 2007; if not achieved then no later than January 2008
R3	That an annual report to full Council be produced assessing the progress made across the Council on sustainability and climate change issues. This will include an assessment of the Council's and the city's carbon footprint, in line with the anticipated BSP Climate Change Strategy. It is the view of the Committee that to compare the performance of directorates and constituencies would drive up performance.	Deputy Leader	July 2008
R4	(a) That a sustainability impact appraisal framework is developed.(b) That reports to support key decisions include a sustainability impact appraisal, so as to ensure that strategic policy decisions and major projects are sustainable.		March 2008 No later than July 2008
R5	That a programme of internal awareness raising and training around sustainability and climate change be introduced for Council staff at <u>all</u> levels. A parallel programme of training should be offered for Elected Members.	Deputy Leader	January 2008
R6	(a) That the City Council continually reviews its methods used to communicate with young people, especially about sustainability and climate change issues, taking into consideration the use of more	Deputy Leader	January 2008



	Recommendation	Responsibility	Completion Date
	contemporary communication media in order to engage more effectively; and (b) That evidence is provided as to how children and young people are engaged on sustainability and climate change issues in light of (a), including how these issues are dealt with in the city's schools and youth services. There are particular opportunities in the building of new schools, school transport and the provision of school meals.	Deputy Leader Cabinet Member for Children, Young People and Families	January 2008
R7	In reference to R6, that the Council develop future work and engagement with young people on public transport and recycling.		January 2008
R8	 (a) That the City Council adopts a clear definition of whole life value. (b) That the forthcoming revised Procurement Strategy, and the associated processes and training, re-emphasise the importance of making a whole-life assessment of costs and value – in accordance with (a) - in all procurement exercises. This recommendation extends beyond the procurement of Corporate Procurement Services and needs to be adhered to by all major procurement departments within the Council. 	Deputy Leader	January 2008
R9	That a system of performance indicators which explicitly include sustainability indicators, be developed and introduced for the management of the Council's own buildings.		July 2008
R10	That given R15 states that Birmingham should become an international exemplar city for sustainable development, sustainability is given suitable consideration in relation to the design and maintenance of both new and existing Council buildings, through the Business Transformation Working for the Future initiative in particular.	Deputy Leader	July 2008
R11	That the Council investigate and implement	Deputy Leader	January 2008



	Recommendation	Responsibility	Completion Date
	appropriate ways in which sustainable criteria can be specified in the disposal of Council assets. We strongly urge the consideration and implementation of positive covenants with retained bonds to ensure compliance and delivery of sustainability.		
R12	That the City Council establishes appropriate ways of providing incentives, support and advice on the use of new sustainable technologies in buildings.	Deputy Leader	March 2008
R13	That the Council continue to develop the role of the Birmingham District Energy Company (BDEC) to ensure the maximum potential benefit to Birmingham, with specific emphasis on the use of city wide Combined Heat and Power and Cooling, and other technologies where appropriate.	. ,	July 2008
R14	That the Council develop a sustainable bioenergy strategy for Birmingham which includes the sustainable use of wood waste from parks and other open spaces.	Deputy Leader	July 2008
R15	Birmingham should become an international exemplar city for sustainable development. Local Planning Policy must be urgently reviewed so that the most challenging sustainability requirements are clearly set out for developers. It is our strong belief that this will add substance to the branding and positioning of Birmingham on the global stage.	Cabinet Member for Regeneration	July 2008
R16	That the revised planning policy for Birmingham formalises the government's renewable energy targets by: (a) ensuring energy efficient design of buildings; (b) ensuring energy efficiency during construction; (c) incorporating a requirement for new developments in the city to provide a minimum of 15% of future energy needs from on-site renewable energy sources. This target should be subject to regular re-appraisal and increase	Cabinet Member for Regeneration	July 2008



	Recommendation	Responsibility	Completion Date
	in line with cutting edge international, contemporary best practice.		
	This policy should also include a framework for enforcement.		
R17	That consideration is given to appropriate ways in which the Council, with its partners, can encourage the development of green technologies and stimulate the green economy.	Cabinet Member for Regeneration	March 2008
R18	That consideration is given to either the creation of a Cabinet Member for Sustainability and Climate Change, or the re-allocation of duties between Cabinet Members so that there continues to be prominent and clearly identified leadership of sustainability issues in Birmingham through a member of the Council Executive, including through any reform of portfolios that may take place.	Leader of the Council	January 2008
R19	The Co-ordinating Overview and Scrutiny Committee consider recommending to the Council Business Management Committee the creation of a standing O&S Committee for Sustainability and Climate Change.	Chair, Co-ordinating O&S Committee	January 2008
R20	Progress towards achievement of these recommendations should be reported to a reconvened Sustainability and Climate Change Scrutiny Members Panel – until such time as a new standing O&S Committee for Sustainability and Climate Change is appointed - and to the Chair of the Co-ordinating Overview and Scrutiny Committee.	Deputy Leader	February 2008
	Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.		



3 Introduction

"If Birmingham is serious about finding a role to play following the downsizing of its reputation as a major manufacturing centre, it would be well advised to concentrate on becoming a Sustainable City. The moment is here to be grasped, with a growing recognition of the need to tackle climate change racing up the political agenda. But...there is a very long way to go."

Birmingham Post, 18 April 2007

- 3.1.1 Increased CO_2 emissions; energy waste; risks to energy supply; landfill mountains; congestion; air pollution; droughts; flooding; water scarcity and hosepipe bans. These are all issues which we will all have a certain familiarity with: and they are just a few examples of the problems we currently face as a direct result of both our changing climate and the throw-away society of the 21^{st} Century.
- 3.1.2 Birmingham has the opportunity to become an international leader in its approach to sustainability and climate change. But to do this we need to recognise our responsibility in tackling issues that we, as both individuals and as a city, have played a role in creating.
- 3.1.3 We do not have to reduce our standard of living in order to do this, but we do all have to change the way in which we, as organisations and individuals, behave. We need to make a decisive move towards embracing sustainability and tackling climate change both because it is the right thing to do, and because it is in our long-term interests.
- 3.1.4 These issues touch every person who lives and works in Birmingham, in some form. It is essential therefore to take responsibility, and make a serious commitment to tackling them we have to recognize that unless we do this, we all face a future that is less certain and less secure than we have previously enjoyed.
- 3.1.5 We believe that the Council, and the city as a whole, must start to think about the actions it takes now and in the future; that doing nothing is not an option. More needs to be done, with heightened ambition and a more determined, coherent plan of action.
- 3.1.6 Our vision is simple. We want to see Birmingham leading the way as an exemplar sustainable city; one where actions speak far clearer than words, where the standards we set are aspired to and emulated across the world.

3.2 Our Interim Report

3.2.1 In December 2006, we produced an Interim Report which outlined our key findings from the first six months of evidence gathering. The Interim Report highlighted a number of key messages,



- whilst also outlining our future programme of work. We feel it is important to re-iterate these key findings, not least because they are still crucial issues and ones which have been consistently reflected in our continued work.
- 3.2.2 One of the key outcomes from our initial evidence gathering was a general consensus that the Council must address its behaviour as a corporate entity and demonstrate the ability to embed sustainability and climate change policy within everything that it does. As our Interim Report noted, the Council needs to review the sustainability and climate change actions within its own estates and practices as a matter of urgency. Simply put, we need to get our own house in order before we can expect others to do the same.
- 3.2.3 Although this issue is pertinent to all Council directorates and the services they provide, we were keen to place a specific emphasis upon three areas:
 - Leadership;
 - The Council's Estates and Practices; and
 - Sustainable Development.
- 3.2.4 We were particularly keen to understand how the Council can manage its resources more sustainably, in particular:
 - Using its £900 million annual purchasing power to buy more sustainable goods and services;
 - Improving the management of Council property and reducing energy consumption; and
 - Encouraging staff to act more sustainably.
- 3.2.5 A further issue we wished to learn more about was the Council's plans for future energy generation in Birmingham. We understood that energy generation will play a key part in delivering Birmingham's CO₂ targets over the next 20 years, and that housing, communities, economy and business will all benefit from a joined-up approach. This was an issue which our initial evidence gathering had only touched upon briefly and we felt it important to investigate further.
- 3.2.6 Our evidence gathering since the Interim Report has covered all of these issues, the outcomes of which are discussed in the following sections. However, one particular area our people provided very little information; a reflection, perhaps, of the importance placed upon it corporately.
- 3.2.7 Perhaps the most significant message to arise from the Interim Report was the need for clear and committed leadership. We noted that leadership, through vision and actions, can drive forward the sustainability and climate change agenda. It can also promote and encourage everyone to take ownership and responsibility for their actions, both individually and corporately.
- 3.2.8 However, we found that people are looking for stronger leadership from the City Council, both corporately and politically. We were made aware of best practice in other Local Authorities, where



- the key issue for success has been strong leadership through political will and senior-level champions.
- 3.2.9 We accepted that in the context of sustainability and climate change, leadership issues were not specific to Birmingham; indeed, the public are dissatisfied with political leadership at all levels of government.
- 3.2.10 We feel however, that this should be viewed as an opportunity for the Council to rise to the challenge so that it is indeed recognised as a sustainable city of excellence it is an opportunity for Birmingham to lead the way and put itself in the national spotlight.



4 Leadership

4.1 Introduction

- 4.1.1 Leadership, in the context of our work, is the influence of key individuals throughout the organisation on others to achieve a common goal. It is also where, through setting an example, stakeholders desire to achieve particular goals rather than simply being forced to do so. It is about embedding beliefs and values within organisational culture.
- 4.1.2 To reiterate comments in our Interim Report, we believe that leadership is a process which involves:
 - Offering a vision;
 - Developing a sense of responsibility;
 - Setting, and leading by example;
 - · Following through on commitments;
 - Effective communication;
 - Making sound and timely decisions; and
 - Embedding beliefs and values within organisational culture.
- 4.1.3 Leadership has been a prevalent theme throughout the course of our entire evidence gathering. As identified in our Interim Report, the city's Sustainability Forum placed leadership, at 49%, as the biggest barrier to a sustainable Birmingham.
- 4.1.4 We recognise and accept that leadership issues are not specific to Birmingham, or indeed only the City Council. A recent evaluation of sustainability within the BSP by the Warwick Local Government Centre¹ identified leadership as a crucial facet. It suggests the partnership's distinctive role is:
 - To raise commitment to sustainable development; and
 - To create a sustainable vision for Birmingham.
- 4.1.5 As a key partner to the BSP, the Council must support and contribute to this vision. Our question, on the basis of our evidence, is how.
- 4.1.6 In our Interim Report, we found that:
 - Much of the good work has not been rigorously promoted;
 - There is an ad hoc nature in the work, requiring strong co-ordination;

¹ An Evaluation of Sustainability Within Birmingham Strategic Partnership. A report from the Local Government Centre, Warwick Business School, in association with Joan Bennett. March 2007.



- A historical lack of co-ordination and management has seen the internal promotion of sustainability suffer; and
- An absence of the necessary strategic drive across the Council to ensure a sustainable organizational culture.
- 4.1.7 When we embarked upon our second stage of evidence gathering, we held concerns that within the Council there was an absence of both high-level corporate (officer) leadership, and cross-Council co-ordination. We felt there was an urgent need for the development of more cross-cutting leadership which is transparent across the whole organisation. As noted in section 2.3, this has now in part been addressed through the appointment of a new Climate Change and Sustainability Team, which is anticipated to take a strong corporate lead.

4.2 Current Strategic Approach

- 4.2.1 Cabinet Statement on Sustainability adopted in October 2006 identified a number of key actions for the City Council, including:
 - To mainstream its commitment to sustainability;
 - To investigate re-allocation of existing resources across the Council;
 - To develop a Communication Plan to raise awareness of sustainability;
 - The promotion of the economic benefits of sustainable development and the job creation potential of a low carbon economy;
 - To measure and systematically reduce the Council's ecological footprint and greenhouse gas emissions;
 - To develop the City Council's capacity for delivering more sustainable services by improving current practices;
 - To ensure leadership and implement proposals for the establishment of a network of sustainable champions;
 - To implement an Energy Service Company (ESCo) to deliver localised energy generation; and
 - Proposals that the City Council should spend £1.5million on energy saving measures in Council buildings.
- 4.2.2 These actions were underpinned by the commitment to develop and adopt a revised Sustainability Action Plan by summer 2007. The Statement also outlined the objective to:

"review organisational arrangements consistent with the outcomes of the indepth Scrutiny Review on Sustainability and Climate Change"



- 4.2.3 Whilst we recognise that the findings within our final report have the potential to inform the ongoing development of the Statement, we are concerned to learn that little progress in the development of the Action Plan has been made.
- 4.2.4 We are aware that some of the highlighted actions have been achieved, with some work underway (e.g. the establishment of an Energy Service Company). It does also appear that some of the actions have been undertaken by other partners (e.g. Sustainability Champions network is led by the BSP).
- 4.2.5 However, many of these actions cannot realize their full potential unless they are part of a wider corporate drive towards sustainability. We are concerned that these actions could prove tokenistic unless they are embedded within a wholesale culture change across the Council, and cemented within organizational values and procedures. For this to occur it will be necessary that the concept of sustainability and the issues surrounding climate change are not only accepted, but fully understood at senior levels and embedded into management and auditing systems.
- 4.2.6 Performance management/measurement will also be crucial to the success of the actions outlined in the Statement; they must be consistent, robust and, most of all, adhered to across the Council. We are not aware of details as to how the progress of these actions will be monitored. Indeed, as outlined in previous chapters, we have become aware that there is a distinct lack of baseline information in some areas of the Council's environmental performance which would make monitoring particularly difficult.
- 4.2.7 We are concerned that if and when it comes to reviewing the progress and performance of these actions, difficulties will be faced when trying to report on these actions because they are rather intangible and do not, to our knowledge, have deadlines attached. We believe that there is a risk that some of these actions will fall by the wayside, unless they are driven by performance monitoring timescales.
- 4.2.8 Drawing on the experience of the Council's 2000-05 Sustainability Strategy, it is evidence that without time-limited targets, supported by robust performance monitoring, many of the actions may not be realized. Furthermore, without a more detailed Action Plan, a fundamental concern for us is that many of these actions may not be outcome based. As we have commented elsewhere, it is essential that a distinction is made between input/output and outcomes. We believe that it is elemental that these actions have performance indicators which will convey whether or not they are achieving the Council's priorities. Critical to this is the need to ensure that sustainability and climate change is explicitly recognised as a corporate priority.

4.3 Corporate Leadership

4.3.1 A particular area identified in our Interim Report for further investigation was 'Our People'. As previously mentioned, during our evidence gathering, we came across very little information; a reflection, perhaps, of the importance placed upon it corporately.



- 4.3.2 When we refer to 'our people' we are expressly concerned with the way in which sustainability and climate change is:
 - Promoted internally;
 - The subject of awareness raising for all Council employees; and
 - Recognised and championed as an important consideration within day-to-day jobs and service delivery.
- 4.3.3 The way in which such issues can be tackled often involves internal campaigns, training and even inclusion in performance objectives. It also requires strong, high-level corporate leadership.

Promotion and Awareness Raising

- 4.3.4 With regards to internal promotion and awareness raising, we have heard previously of other Local Authorities' initiatives which have involved large-scale training programmes aimed at ensuring all members of staff fully understand sustainability. One notable initiative (Worcestershire County Council) involves:
 - Encouraging staff to think of ways in which they can protect the environment and people;
 - One-day courses;
 - Tailored courses for specific jobs;
 - Opportunities for staff to see sustainability projects in action;
 - Instruction provided by training and environmental experts;
 - Plans for refresher courses.
- 4.3.5 From our initial evidence gathering, we understand that some departments within the City Council do undertake to encourage staff to think and act sustainably. Previous evidence from Regulatory Services indicated as such. However, we believe this is the direct result of the actions of key motivated individuals, and certainly not a process recognised at the corporate level.
- 4.3.6 We are also aware of some very good work carried out by Urban Design to raise awareness and promote energy efficiency. The Energy Smart campaign asked individuals to focus on what they can personally contribute to the Council's energy efficiency drive. Using posters, a DVD and virtual promotion via the Council's intranet, the campaign offered tips on how to save energy within four key areas: lighting, heating, electricity and water.
- 4.3.7 Awareness campaigns have the potential to stimulate behavioural change. For example in Central Government an office switch-off campaign was conducted in three Headquarters buildings of the former Department for Transport, Local Government and the Regions after an initial survey had



- revealed a 40% failure to turn off PC monitors and printers. A follow-up survey showed a 19% improvement after three months².
- 4.3.8 The Energy Smart campaign is ongoing, and has been received well. We believe, however, that it is the only recent example of sustainability and climate change awareness-raising aimed at Council employees. Furthermore, we understand that it has not reached all Council staff. Launched at the Managers Network event in October 2006, the campaign materials were passed to managers in order to be cascaded down through all staff levels. There is some indication that this has not happened in all areas of the Council. Without proper investigation, we cannot comment as to why this has been the case. However, it is perhaps yet another indication of the level of corporate commitment and importance placed upon sustainability and climate change across the organisation.

Corporate Leadership

- 4.3.9 At the time of publishing our Interim Report, we were particularly concerned that there was an apparent lack of high-level, corporate leadership to champion and progress sustainability and climate change across the Council. Our continued evidence gathering has strengthened this notion.
- 4.3.10 Too often we have heard of perceived barriers towards more sustainable practices, with blame often apportioned to other parts of the Council. Too often, we have heard that some aspects of the corporate agenda get in the way of, and conflict with, sustainability and climate change actions. This has to stop. What is needed is a joined-up and holistic approach, underpinned by a robust policy framework and supported by strong leadership at a senior level.
- 4.3.11 In particular, we have on numerous occasions expressed concerns in relation to three key issues:
 - Co-ordination;
 - Resourcing; and
 - Strategic place and accountabilities.
- 4.3.12 We are aware that much of the good work within the organisation to date has been the direct result of the involvement of motivated and talented people a happy accident. Whilst we applaud the efforts by such individuals, we are concerned that without them, nothing would have been achieved. We feel it crucial that the Council recognises that it cannot rely on individual interests alone; it must have a corporate vision which all sign up to.
- 4.3.13 The co-ordination and resourcing issues are key reasons why it is important to look at how the sustainability function sits across the Council in order to understand the synergies at work, and to ensure that strategy is more closely linked to delivery. It is also essential that an appropriate Officer is identifiable and accountable for carrying out this role.

² www.sustainable-development.gov.uk/publications/report2002/part1/042.htm



- 4.3.14 Since the inception of the Committee, the Council has seen the departure of two Senior Officers who held strategic responsibility for sustainability. Until recently it has been very unclear to us where this responsibility should lie.
- 4.3.15 We therefore welcome the fact that at the 30th April Cabinet meeting, in order to enhance the Council's capacity and capability in progressing sustainability and to facilitate co-ordination in this area the Cabinet approved the appointment of a new Climate Change and Sustainability Team. Lead by an accountable senior officer, the team is anticipated to take a strong corporate lead.
- 4.3.16 At the time of writing, the details concerning the remit of this team are still to be finalised. However, we feel it important to highlight some key areas which urgently need addressing if the Council is to realistically tackle its sustainability and climate change responsibilities. These are:
 - Current levels of awareness and understanding across the organisation;
 - Poor co-ordination of activities and capabilities across the organisation;
 - Clarity on the importance of sustainability and climate change within key decisions and strategic policy, in particular the place of sustainability and climate change within:
 - o Birmingham's Local Area Agreement;
 - Community Strategy and the new Sustainable Communities' Strategy;
 - o Birmingham's Local Development Framework (including the Core Strategy); and
 - ∘ The Council Plan 2007+.

4.4 Conclusions

- 4.4.1 We do not doubt there is political commitment to tackling sustainability and climate change. However, we believe that the political lead must be underpinned by stronger corporate (officer) leadership across the Council. This is essential, not only to ensure that ongoing activities are joined-up, but also to ensure a strong sustainable culture across the organisation.
- 4.4.2 Leadership is fundamental for the Council to realistically make any achievements in tackling sustainability and climate change. However, we have previously expressed concerns that this is singularly lacking; concerns which have only been partially allayed. In making this statement, it is our ambition that clear and unambiguous proposals will be forthcoming in the immediate future.
- 4.4.3 We are therefore keen to ensure that:
 - There is a clear, high level agenda for climate change which is owned by the whole of the corporate management team and allows flexibility for officers to gain clarity on key priorities;
 - The existing expertise within the Council is valued and appreciated;
 - Existing work and achievements are promoted; and



- Innovative and creative thinking is actively encouraged in order to gain quick wins and longerterm benefits.
- 4.4.4 We have consistently found however:
 - A lack of support for and co-ordination of sustainability actions/initiatives across the Council;
 - A lack of awareness of what different parts of the Council are doing, with a risk of duplication;
 - A need for more joined-up working between departments, co-ordinated centrally; and
 - A lack of understanding and clarity as to what sustainability actually means (e.g. short-term economic considerations are often a barrier to long-term sustainable actions within the Council).
- 4.4.5 In our Interim Report we suggested that the Council's approach to sustainability and climate change should be given consideration in terms of:
 - The place of sustainability and climate change within corporate management arrangements;
 - The allocation of adequate resources to support sustainability and climate change in the 2007/08 budget.
- 4.4.6 As we have noted, since our Interim Report, these two issues have been considered with the appointment of a corporate lead on sustainability and climate change, and the allocation of a greater budget to support this. However, we feel there is much more to be done:
 - Addressing the allocation of corporate resources to those departments/individuals delivering on sustainability and climate change.
 - Mainstreaming sustainability and climate change within all departments.
 - Co-ordinating ongoing work and existing expertise.
 - Raising understanding of sustainability and awareness amongst all staff of the actions they can take.
- 4.4.7 We appreciate that the new corporate arrangements are in their infancy and will require some time to be fully implemented. We are keen to ensure however that our concerns are heeded and given due consideration.



5 The Opinions of Young People

5.1 Introduction

- 5.1.1 In our Interim Report, we reported on initial discussions with Tide~³ about the range of initiatives which aim to get sustainability and climate change issues on to the curriculum in Birmingham Schools. One particular ongoing initiative has been the 'Let's Talk' project, facilitated by Tide~, which supports a core group in planning workshops and events to enable discussion and debate about global issues.
- 5.1.2 During the course of this academic year, the Let's Talk group has aimed to increase the awareness of climate change and talk about its implications. The project is largely administered by the student's themselves.
- 5.1.3 Following on from our original evidence gathering with Tide~, we were approached by the Let's Talk group to participate in an event which would enable students and Councillors to engage in discussions around:
 - The implications of climate change for Birmingham;
 - The city's draft strategy on climate change.
- 5.1.4 Taking place in the Council Chamber, the event attracted numerous Councillors and around 100 students from schools across Birmingham. Discussions ranged from the issues surrounding climate change to the sharing of ideas and responses for a sustainable city. Perhaps the most notable aspect of this event was that it was entirely organised and facilitated by the Let's Talk students.
- 5.1.5 The event was followed up with an informal meeting to discuss the feedback with the students. Many important messages have arisen from this feedback, and we feel that it makes an important contribution to both our work and the wider sustainability and climate change agenda in Birmingham.
- 5.1.6 Aside from the feedback, we feel that the most important outcome from our involvement with the Let's Talk group is that it has illustrated the sheer value of engaging with young people within the city. The students we engaged with offered sound, articulate opinions, often placing a whole new perspective on issues. Such engagement goes beyond the boundaries of the more formalised Council consultation processes, and we strongly encourage other Scrutiny Committees (and indeed the Council as a whole) to undertake similar ventures where appropriate.

³ Based at Millennium Point, Tide~ (Teachers in Development Education) is a teachers' network. This partnership supports creative work to meet young people's educational entitlement to understand the global dimensions, development perspectives and human rights principles which will shape their lives. It provides new opportunities, projects and publications.



5.2 Feedback

- 5.2.1 Feedback from the Council Chamber event was broadly based upon the themes within the BSP Climate Change Strategy. It was further supplemented by comments forms returned by students after the event, and wider outcomes from subsequent discussion by the Let's Talk group (included in Appendix 3).
- 5.2.2 Broadly, the feedback coalesces around three key themes:
 - Transport;
 - · Curriculum and Campus; and
 - Communication.

Transport

- 5.2.3 This was clearly a big concern and one which generated significant feedback from the event. It was readily apparent that young people are concerned with cost and reliability of public transport particularly in the context of encouraging use of public transport to address climate change.
- 5.2.4 A particular issue, from a carbon emissions perspective, is that on a person-by-person level, buses in Birmingham are just as polluting as cars, because they're not full. The Let's Talk group felt that public transport must be made a viable option if people are to be dissuaded from using their own vehicles. Some suggestions included:
 - Making public transport cheap and efficient;
 - Making the city centre a car free area;
 - The introduction of congestion charging;
 - Subsidising bus/train companies;
 - · Provision of school bus services; and
 - Encouraging cycling to school/work.
- 5.2.5 One particular area for concern was the way in which the Council works with its transportation partners to tackle these issues. Questions were raised as to how 'joined-up' the thinking was between partner organisations. The Committee is aware that transport representation is, by-and-large, absent from the BSP, and that there is a distinct need for a transport strategic partnership.

Curriculum and Campus

5.2.6 In terms of education, schools and colleges are the biggest outlet for raising awareness – an opportunity which, in the main, is currently being missed. The Let's Talk group felt that one of the fundamental ways in which to tackle this is through the curriculum.



- 5.2.7 However, it was felt that the school itself must set an example through sustainable measures and standards. Indeed there could even be links between curriculum and campus: we are aware of schemes elsewhere in the UK where schools have invested in on-site renewable energy systems, generating data which is then used within the science curriculum.
- 5.2.8 A particular concern of the students was with regards to recycling, stating that 'people don't have the feeling that Birmingham is a recycling city'. It was felt that there is a distinct need for more communication of where recycling goes and how it is used, alongside better facilities to enable people to recycle. And where better to kick-start this, but in schools?
- 5.2.9 The strong need for awareness raising and communication could be appropriately tackled in the classroom, and it is recognised that such learning could extend the message to families and the wider community. However, learning must be accompanied by practical application and significant concerns were raised by the Lets Talk students over the recycling facilities within schools and indeed the ability to secure such facilities. One example was given whereby a student-driven attempt to set up a recycling scheme at school was unsuccessful because of the barriers encountered with the City Council.
- 5.2.10 There is now a Sustainable Schools Framework where both curriculum and campus can be accredited. This is a government initiative on the back of its 2006 Sustainable Schools Consultation. A key benefit is that it can address the issue of sustainability in schools only being an optional extra an issue which Let's Talk feel is readily apparent in schools across Birmingham.
- 5.2.11 The Let's Talk group also raised other issues which, although possessing less tangible links to campus and curriculum, do have a strong relationship with more general education. One particular issue relates to business. There appears to be less emphasis on the role of businesses in the city's efforts to address climate change. Powerful messages need to reach local businesses and there are ways in which the Council and the BSP are currently doing this.
- 5.2.12 It is, however, important to remember that tomorrow's entrepreneurs are today's students, and there are obvious links between raising awareness amongst young people now, as a means to safeguard the future.

Communication

- 5.2.13 One of the key messages from the Let's Talk group was the importance of utilising appropriate media channels to engage with young people. Key to this was the use of alternatives to standard forms of media, such as local newspapers. We heard of advertising examples such as posters on school litter bins, and internet advertising through channels such as MySpace and YouTube.
- 5.2.14 We were told that in order effectively engage with young people, Elected Members and Council Officers need to understand new media and the ways in which to reach the younger generation. We wholeheartedly agree, recognising that it is everyone's best interests to do so.
- 5.2.15 However, it is important that we as a Council understand that involving young people within the sustainability and climate change agenda is more than simply leafleting and advertising it is



more than asking for simple pledges to change behaviours. We need to engage properly and learn to be less didactic – it is essential we actively seek feedback. This may be best achieved through less formal, smaller-scale processes; processes which encourage young people to 'buy-in' to the cause and then communicate it with amongst their peers.

- 5.2.16 A further issue raised was with regards to the way in which the Council communicates with the people of Birmingham as a whole. The Let's Talk group felt that in order for successful communication to occur, it is essential that the information is made both meaningful and relevant to people's own situations. As an example, the group cited the BSP Climate Change Strategy consultation as quite inaccessible mainly due to the lengthy, technical nature of the document, but also the way in which it was communicated at various presentations.
- 5.2.17 It was suggested to us that a particularly good place to start would be to tackle the Council's external website, in order to:
 - Make it more user friendly and easier to navigate;
 - Place a visible emphasis upon climate change and sustainability;
 - Increase accessibility to key documents, consultations etc; and
 - Provide accessible, signposted methods for members of the public to submit feedback.

5.3 Let's Talk Proposals

- 5.3.1 As a conclusion to our engagement with the Let's Talk students, we were presented with a formal response including seven proposals. We list these below and, where appropriate, have formulated our own recommendations which are detailed in chapter 7.
- Proposal 1: The transport debate raised many issues and ideas. We are concerned that it would be very difficult to 'change the feel' of public transport (quality, reliability and safety) and a sense of contribution to sustainability without basic dialogue between TWM, Centro and the Council addressing the long term issues and thinking. We would like to see such structures being given urgent priority.
- Proposal 2: The debate about education clarified the potential role of schools in terms of curriculum, the sustainable outlook of the school and sustainable practices of the school (energy, transport, procurement etc). We feel that there should be clear recognition that these aspects are important and that all contribute to what young people learn. We propose the outcomes from the Scrutiny [Review] and Climate Change Strategy Consultation should be used as a focus for new dialogue with those responsible for education in the city.
- Proposal 3: We were interested in the range of initiatives that the city is already taking relating to businesses and support to businesses. We feel that through the planning process and the Council's own buildings that good practice should be overtly demonstrated. We noted for example that at Millennium Point, the panels for shading could quite easily have been solar



panels. This could have transformed the image of the building and contributed significantly to the 'sustainable fee' of Birmingham.

Proposal 4: The media is also the focus for considerable debate. We would like to make a strong case for the Council to use existing communications more effectively (e.g. Forward, website) to engage people in understanding what is being proposed and the thinking behind it.

There is also a need for the Council to be more aware of, and use, contemporary communications such as MySpace, YouTube etc. as this is an effective way of engaging people.

There is potential for the Council to support more groups that bring students together from across the city for substantive debate on key issues.

Proposal 5: Recycling is very important, but we feel that Birmingham does not 'feel like a recycling city'.

There needs to be a strategy built on valuing recycling at all levels – 'to value it, people need to understand it and know what goes on....and how the recycled matter is used'.

We express considerable concern about how difficult it is to set up recycling schemes in schools. In particular there is concern about the Council's capacity to organise effective collection. This, and the range of recyclable matter, needs detailed consideration and proposals to minimise the frustration of those attempting to set up schemes.

Proposal 6: Renewable energy is yet another big issue. Our concern focuses on the extent to which schools are encouraged to invest in renewable energy schemes. We feel that this should be a priority because it has an awareness and educational value, as well as making a direct contribution to sustainability.

We were pleased to learn that the Council now sources its electricity from 100% renewable energy sources. However, we have a number of concerns:

What does this mean for Birmingham's overall contribution to sustainability?

Will this reduce the Council's motivation to take opportunities to generate electricity from its own buildings?

Will the Council take a lead by investing to encourage technical innovation for renewable energy generation in the city?

Proposal 7: Communication style is vital. If most of the proposals in the BSP Climate Change Strategy are to work in the long term, there needs to be more effort to engage a wide range of people in Birmingham, and in particular young people.

For example, as part of the Let's Talk project we chose to produce a summary of the draft Climate Change Strategy because it was the only way to engage other young people in a meaningful way. We were surprised that such a document was not already available.



6 Procurement

6.1 Introduction

"By 2004, every council should build sustainability into its procurement strategy, processes and contracts."

Section 6, National Procurement Strategy for Local Government, 2003

- 6.1.1 Birmingham City Council spends, on average, £900 million per year. In our Interim Report we noted that the way in which the Council specifies its procurement requirements will in turn shape and boost the local economy. Through its huge procurement influence on the local and regional economy, this offers significant potential for the Council to shape a 'green economy' locally.
- 6.1.2 However, we found that whilst Corporate Procurement Services (CPS) has attempted to address sustainability within its contract evaluation criteria, there were a number of fundamental concerns:
 - Separate areas within the Council also administer large contracts and spending, which CPS can not immediately influence;
 - The Council does not have a Sustainable Procurement Strategy, nor an Ethical Purchasing or Corporate Social Responsibility Policy;
 - The Council is not EMAS, ISO14001 or BS8555 accredited; and
 - The Council's Fair Trade policy is not compulsory.
- 6.1.3 We also had concerns with regards to what we felt was a particularly cautious and self-censored approach to procurement by CPS, with imagined legal barriers. This was particularly in relation to the procurement of local goods essential not only for the promotion of sustainable communities, but also addressing the issue of 'food miles'. We felt that there was an urgent need for bold decision-making.
- 6.1.4 Since then, sustainable procurement has increased in importance at both a national and a local level. Primarily, this has been a result of the UK Sustainable Procurement Task Force and the Government's response to it. More locally, the BSP has commissioned a review of the procurement practices of its member organisations in the context of sustainability.
- 6.1.5 Within the City Council itself, there have been a number of key influences on the ability to procure sustainably. These include:
 - Sustainability Strategy and Action Plan 2000-05 (now expired);
 - Procurement Strategy 2004-05 (now expired);
 - Cabinet Statement on Sustainability and Climate Change 2006 (Action Plan forthcoming);



- BSP Draft Climate Change Strategy and Action Plan 2006-10;
- UK Sustainable Procurement Task Force, Action Plan and the government's response; and
- Birmingham City Council's Business Transformation.
- 6.1.6 Our continued evidence gathering looked to address the issues raised in the Interim Report (highlighted previously). As such our initial evidence with regards to CPS still stands. We are aware that the situation has not changed dramatically since the Interim Report indeed, we understand that CPS are awaiting this final report and its recommendations to inform their ongoing work.
- 6.1.7 With this in mind we took evidence on three key issues:
 - The legal barriers to sustainable procurement;
 - The procurement activities outside of CPS; and
 - The role of Business Transformation.
- 6.1.8 Our evidence was supplemented by information from other ongoing work, both within Birmingham and at the national level:
 - The BSP Draft Climate Change Strategy and Action Plan;
 - The BSP Sustainable Procurement Review; and
 - The UK Sustainable Procurement Task Force and Action Plan.

6.2 Procurement Outside of CPS

- 6.2.1 In our Interim Report, we noted that whilst CPS continues to address sustainability criteria in procurement, separate areas within the Council also administer large contracts and spending for example, Housing and Social Care carry out construction related work which CPS can not immediately influence. Currently, CPS only get involved with tender processes over £100,000. This means that individual directorates/departments make their own decisions for contracts under this amount, and do not have to adhere to CPS guidelines.
- 6.2.2 This does not in itself mean that sustainability is not dealt with. For example the fact that Urban Design both design and manage contracts means that the City Council have a large influence in addressing sustainability issues both in the design and construction processes, but it raises the risk of inconsistency in the level of importance attached to sustainability criteria across procurement.
- 6.2.3 We recognise that such procurement processes are undeniably necessary so as to ensure that directorates and departments can pursue best practice according to their own priorities and circumstances. However, we strongly feel that in doing so, they should be contributing to a wider corporate drive towards sustainable procurement.
- 6.2.4 Perhaps the most pertinent point to note here is that in the absence of a corporate sustainability policy, let alone a corporate sustainable procurement policy, it is understandable that individual

- directorates and departments might not actively pursue sustainable criteria within contract specifications.
- 6.2.5 However, whilst taking evidence on regeneration we heard that in fact some areas of the Council do wish to include sustainability in their tenders/contracts, but believe that central procurement criteria hinders the ability to do so. This is particularly felt in relation to the corporate emphasis upon driving down costs. Officers involved in regeneration pointed out that across the Council, there are very different perceptions on 'value for money', with central procurement criteria very much concerned with short-term savings. We believe that there is, perhaps, a lack of recognition corporately that more sustainable options can not only make economic savings over the mediumlong term, but also offer wider socio-environmental benefits.
- 6.2.6 Thus, there appears to be an impasse. On the one hand, CPS does not have immediate influence over large contracts within directorates, whilst on the other hand, some directorates feel that corporate procurement criteria hinders any move towards sustainability.
- 6.2.7 This is not a clear-cut issue, and we suspect that there are two fundamental issues that need to be addressed initially:
 - An overarching, corporate strategy on sustainable procurement; and
 - The legalities surrounding contract specifications.

6.3 Legal Issues

- 6.3.1 EU Procurement Rules are such that the City Council, when putting contracts out to tender, must ensure that it specifies community benefits which can be achieved from anywhere in Europe. Practically, this means that local labour clauses cannot be used.
- 6.3.2 At a first glance, this would appear to be a significant barrier to achieving sustainable procurement through contract specifications. However, a new single directive was brought into UK law in 2006 (The Public Contracts Regulations, 2006) which included a statement that contract performance conditions relating to social and environmental criterion can be used provided:
 - They are linked/relevant to the subject matter or objective of the contract;
 - They do not confer an unrestricted freedom of choice on the authority;
 - They are expressly mentioned in the contract document of tender notice; and
 - They comply with all fundamental principles of community law, in particular the principle of non-discrimination.
- 6.3.3 During evidence gathering, we were provided with a summary of the current position for the City Council. At the first stage of contract evaluation, the Council must consider on the basis of:
 - Economic and financing standing; or



- Technical or professional ability.
- 6.3.4 A second stage of evaluation then follows where the Council must select the offer on the basis of either:
 - The lowest price; or
 - The offer which is 'most economically advantageous' to the Council.
- 6.3.5 If the Council makes a contract offer on the basis of being most economically advantageous, it is at this stage that it must state the criteria on which it intends to base its decision. Social and environmental criteria can be used in this instance on the proviso that they are not directly or indirectly discriminatory.
- 6.3.6 Essentially, the Council cannot restrict invites to tender to local suppliers only. Neither can it require locally based products when it issues tender documents. This is because such conditions would exclude others and would be inconsistent with the principles of the free market.
- 6.3.7 However, the Council can set criteria which offer social or environmental benefits as long as there is no reference to locality. Thus, the Council can specify benefits which may indirectly have local impacts, but these must also enable any bidder to comply. Whilst this does not always make sustainable procurement particularly easy, it does allow for creativity and intelligent thinking to enable suitable solutions. It also means that contract specifications can be linked to Council objectives.
- 6.3.8 We heard evidence to the effect that legal barriers can be overcome. Indeed, we have been told that under the Local Government Act 2000, the Council has socio-economic and well-being powers which enable it to address contractual requirements and include expectations for local supply-chains. The key is how we specify requirements.

6.4 Business Transformation

- 6.4.1 Business Transformation aims to enable the Council to achieve a major improvement in its performance, delivering better services more efficiently and meeting the ambitious goals of the Council Plan.
- 6.4.2 Business Transformation recognises that procurement fits into wider corporate services, and the emergent thinking is to address a number of key objectives, including:
 - Stronger links between procurement, Council policy and planning so that procurement is not just about buying, but a strategic tool to underpin Council objectives; and
 - That procurement is very much a corporate approach.
- 6.4.3 It is recognised that one of the challenges in the context of sustainable procurement is that EU regulations hinder many efforts to encourage local supply. One way in which the Business Transformation process may be able to address this is through a 'category management' approach,

- whereby there is a move to a smaller number of strategic suppliers with criteria in their contracts specifying that they meet Council objectives.
- 6.4.4 During our evidence gathering, we heard that to address the issue of sustainable procurement a number of concepts and practices would need to be built into the transition process. These include:
 - Developing a strong culture of compliance within the Council;
 - Placing emphasis on supply performance;
 - Significant changes within CPS contract management proactive management through the life
 of a contract, ensuring flexibility in accordance with Council policy;
 - Offering greater transparency to SME's; and
 - Possibly bringing in a sustainability assessment into the procurement process, whilst ensuring flexibility.
- 6.4.5 Whilst we are encouraged by this, we are very much aware that this approach is very much at the corporate procurement level. We are aware from our previous evidence gathering that significant procurement occurs outside of Corporate Procurement Services. We heard that it wouldn't necessarily add value to bring all procurement within CPS. The Business Transformation process would therefore need to ensure that individual directorates or departments take the lead within their area of procurement and, importantly, use the same framework as CPS.

6.5 BCC Procurement Strategy

- 6.5.1 In the Interim Report in December, the Committee noted that the Council's Procurement Strategy 2004-06 would expire at the end of the financial year, and that work had begun on revising the document and its objectives.
- 6.5.2 The issue of sustainable procurement has already been taken up through the Scrutiny process, through the Efficiency and Procurement Scrutiny review. The review made a number of recommendations pertinent to sustainable procurement in the context of the revised Procurement Strategy:
 - That the updated strategy contains clear and robust policy statements as to how the City Council will use the procurement of supplies and services to achieve:
 - its sustainability goals for Birmingham;
 - a greater proportion of spend with local businesses, particularly small and medium sized enterprises;
 - greater use of social enterprises and voluntary and community organisations in providing services to Birmingham people.



- 6.5.3 The revised Procurement Strategy is expected to be available later this year. As there is no documentation currently available, we can only put forward our thoughts as a way of informing the process.
- 6.5.4 Whilst we fully support the recommendations made by the Efficiency and Procurement Scrutiny review, we feel that it is important to attach some further considerations, namely:
 - The value in undertaking EMAS / ISO14001 accreditation;
 - Enabling intelligent decision-making based on sound knowledge of the socio-economic and environmental impacts of the Council's procurement choices;
 - Supporting staff across the City Council to make sustainable choices in procurement; and
 - Addressing the issue of 'short-termism', through the whole-life value approach.

6.6 BSP Sustainable Procurement Review

- 6.6.1 During our evidence gathering, we became aware that the BSP had commissioned Localise West Midlands⁴ to deliver a project looking at ways of improving the sustainable procurement practices of its members.
- 6.6.2 The project involved research with procurement staff within the BSP member organisations, culminating in a number of workshops. Taking into account the requirements of efficiency savings in procurement practices, the workshops covered a range of pertinent issues:
 - Understanding what constitutes sustainable procurement, including the importance of local, community benefits and how this relates to issues such as climate change;
 - Information on tools for achieving sustainable procurement;
 - Clarifying the legal situation, particularly with regard to EU procurement law;
 - Establishing when procurement contracts are the most appropriate vehicle for achieving community/sustainability benefits;
 - Developing recommendations for improving advice and guidance for procuring bodies and staff;
 - Sharing local and national experience and best practice;
 - Identifying barriers to pursuing sustainable procurement policies;
 - Drawing up recommendations for the BSP to help overcome these barriers;

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⁴ Localise West Midlands is a not for profit organization which promotes the environmental, social and economic benefits of localisation across the Region. Based in Birmingham, it advocates building social capital, targeting regeneration to meet local needs, maximizing local job creation and reductions in transport and CO₂ emissions.



- Mapping the procurement chains of member organisations, clarifying organisational structures and facilitating joint working within and between the BSP's members;
- Establishing a network of staff across the partnership with an interest in sustainable procurement.
- 6.6.3 We are aware that at the time of writing, Localise West Midlands was working on a full set of recommendations for systematic incorporation of sustainability into procurement for all BSP partners. However, a number of key points and recommendations have direct reference to the City Council itself. These are highlighted in Table 1.

Table 1: Sustainable procurement recommendations to the BSP in reference to the role of the City Council.

Issue	Recommendations
Problems with short-term costs (especially when sustainable procurement more expensive Awareness, accountability and education	 Council-wide funds to enable procurement of sustainable options to save longer-term costs and achieve added benefits to make cross-departmental savings. Investigate potential for implementing this as policy as at a local government level, both within the Council and between the Council and its funding agencies. Use of locally raised bonds as a 'spend to save' measure in the longer-term, particularly for example in energy and housing. Sustainability activities should be built into HR process – personal reviews and job descriptions – like diversity and equal opportunities. Mapping procurement relationships – identifying who is and who should be involved in sustainable procurement. Provide a contacts directory. Greater sustainable procurement policy development. Provide information on who should be targeted for training, forum membership etc. In particular, identify senior executives accountable for sustainable procurement.
Partnership work	 Communicating Urban Design case study and research. Co-ordination across BSP organisations in procurement. Possible sustainable procurement champion post. Setting up of an e-group. Joint work on relevant LAA indicators. Develop a sustainable procurement section within the Community Strategy with actions and targets.
Measurement and technicalities	 Development and adoption of relevant KPI's which are reported to the responsible senior manager and linked to top-down targets. Use of National Task Force materials/toolkit. Ensure right scale of procurement is used to achieve benefits: sometimes economies of scale, sometimes economies of small-scale. Whole-life and whole-system costing. Identification and adoption of ecological and carbon footprint-related procurement mechanisms (may need external assistance). Research into efficiency of 'just-in-time' delivery patterns with the aim of reducing journey numbers/mileage. Ensure challenge mechanisms in place to integrate sustainability into Transformation process. Economic development to identify future growth areas for spend, and existing areas where there are supply problems, and link to support for local business development and developing forward investment intelligence.



6.7 BSP Draft Climate Change Strategy

- 6.7.1 The BSP's draft Climate Change Strategy and Action Plan was released for consultation earlier this year. Birmingham is now the first core city to develop a climate change strategy that incorporates all partners, not just simply the Council. The draft strategy identifies seven key themes, supported by proposed targets and actions, and one of these is sustainable procurement.
- 6.7.2 The draft strategy recognises that the total buying power of the BSP has a huge potential to encourage resource efficiency and reductions in waste and greenhouse gases through adopting a sustainable procurement approach. It further notes that significant savings could be made through sustainable purchasing.
- 6.7.3 Some BSP member organisations have sustainable procurement frameworks in place, accompanied by staff training so that the implications of their purchasing decisions are understood and the design of their procurement specifications encourage more sustainable products and services. A key aim for the BSP is to therefore build on these and share best practice so that all member organisations are working towards sustainable procurement within legislative guidelines.
- 6.7.4 Such a move will place a requirement upon the Council to address its sustainable procurement practices. Indeed, as the lead member of the BSP, the Council will need to give serious consideration to the three targets for sustainable procurement, as identified within the draft strategy:
 - BSP members to have sustainable procurement strategies and agree reporting mechanisms by 2010, with baselines developed by 2008. The sustainable procurement strategies will:
 - Consider devolved budgets and commissioning where appropriate, and arrangements with major suppliers;
 - Link to waste reduction targets and actions;
 - BSP members, who are also members of networks, to produce a guide on sustainable procurement for network members by 2008; and
 - A 20% reduction in procured 'product miles' by 2010 using a standard basket sample.
- 6.7.5 The draft strategy targets are underpinned by a range of actions, many of which will be undertaken through partnership arrangements and collaborative working. However, a few will have direct implications for individual member organisations, including the Council:
 - BSP member organisations to consider the sustainable procurement training needs of their staff and develop training programmes accordingly;
 - Ensure a senior person is appointed in each BSP member organisation that is responsible for the delivery and reporting of the sustainable procurement strategy;



- Use local procurement to develop the local economy and promote the growth of sustainable products and services.
- 6.7.6 Whilst the draft strategy has only recently undergone consultation and is currently being redrafted, the essence of these targets and actions cannot be underestimated. At the very least, the Council will be expected to be addressing sustainable procurement strategically by 2010. We feel that we should be addressing it much sooner.

6.8 UK Sustainable Procurement Task Force

- 6.8.1 The recognition that government has a crucial role in furthering sustainable development through its procurement of goods, services and buildings led to the Sustainable Procurement Task Force being established in May 2005.
- 6.8.2 Being business-led, the Task Force was charged with drawing up an action plan to bring about a step-change in sustainable public procurement so that the UK is among the leaders in the EU by 2009. It asked a fundamental question: 'What right does government have to buy unsustainably?'
- 6.8.3 The Task Force's action plan was launched in June 2006⁵ and included the following recommendations as to how government can successfully meet this target:
 - Lead by example: make sustainable procurement a leadership priority and clarify ownership within government.
 - Set clear priorities: streamline the framework and provide clarity on policy priorities.
 - Raise the bar: meet minimum standards now and set demanding goals for the future.
 - Build capacity: develop capabilities to deliver sustainable procurement.
 - Remove barriers: ensure budgetary mechanisms to enable and support sustainable procurement.
 - Capture opportunities: smarter engagement with the market to stimulate innovation.
- 6.8.4 A key belief of the Task Force was that a much more systematic approach to sustainable procurement will allow the UK to move into a leadership position. It goes on to portray its 'vision of a leader' in public sector procurement, which can be summarised as:
 - Having effective professional procurement practices embedded within the organisation;
 - Ensuring that procurement is recognised as being vital to the delivery of the organisation's objectives;

⁵ The full action plan can be accessed at: http://www.sustainable-development.gov.uk/publications/procurement-action-plan/index.htm



- Having an overarching strategy for sustainable public procurement within a wider strategy for sustainable development, a strategy which has 'the endorsement of senior managers and political leaders, with a clear delivery plan that will outline responsibilities, resources and monitoring and evaluation procedures';
- Ensuring that the sustainable procurement strategy is outcome-focused with well-defined deliverables that cover environmental, social and economic issues, and provides clear guidance and direction by setting a minimum level of specifications for a list of products and services;
- Making procurement decisions that are made based on whole-life costs;
- Supporting others in achieving sustainable procurement; and
- Having a vision of the desired long-term outcomes, together with a clear plan for prioritised continuous improvement.
- 6.8.5 The Task Force believes that government is uniquely placed to demonstrate leadership to businesses and the individual customer. It further believes that sustainable procurement is a fundamental aspect of public sector spend. Most importantly however, it also believes that many public sector organisations have not yet "cottoned on" to this (Sir Neville Sims, December 2006⁶).
- 6.8.6 Understandably, we are keen to see the national Action Plan for Sustainable Procurement taken into account both within Corporate procurement practices as well as the development of Business Transformation. During evidence gathering we heard that due to the delay in the government's official response to the Task Force report, it remained unclear how this should be done.
- 6.8.7 However, the UK Government Sustainable Procurement Action Plan⁷ allied to the Treasury's recent 'Transforming Government Procurement'⁸ report has now been published and forms the key response to the Task Force report.
- 6.8.8 The Action Plan puts in place clear lines of accountabilities and reporting, and develops plans to raise the standards and status of procurement practice to support the delivery of targets. Alongside the Action Plan, the Government is also publishing an updated set of mandatory environmental product standards to ensure the procurement of sustainable commodities.
- 6.8.9 On publishing the response, the government outlines a range of key actions and outcomes to be achieved by 2009. Some of those now in force set good examples for the wider public sector, for instance:
 - Embedding agreed procurement policy priorities into routine procurement practice, raising capacity to deliver and strengthening engagement on sustainability issues with key suppliers;

⁶ Reference the SDC Conference

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⁷ UK Government Sustainable Procurement Action Plan. Incorporating the Government response to the report of the Sustainable Procurement Task Force. Securing the future: delivering UK sustainable development strategy. HM Government, 2007.



- From 2007-08, key staff to have performance objectives and incentives that drive the implementation of the Action Plan, linked to performance objectives for delivering efficiency savings;
- Departments to implement the sustainable procurement policy framework;
- Departments to comply with existing mandatory policies and pursue best practice according to their own priorities and circumstances in making progress towards the sustainable operations targets;
- New government contracts, where relevant, will include appropriate requirements for suppliers
 and sub-contractors to provide products and services that comply with agreed mandatory
 standards and assist in the delivery of departmental sustainable operations targets.
- 6.8.10 The Government's response is set in the context of Central Government procurement, and the Local Government sector is expected to publish its own response to both the Task Force and the Action Plan by summer 2007. However, we feel there is a need for the Council to take the Action Plan into account now, using it as a standard to work to and even better.

6.9 Conclusions

- 6.9.1 Given the wealth of information available, and given the fact that Business Transformation and the corporate procurement strategy are under development, it is clear that we have a window of opportunity to ensure that the Council procures sustainably. However, it is also apparent that an awful lot needs consideration.
- 6.9.2 Whilst we now possess a better understanding of the legalities involved in procurement, we have heard independent evidence which suggests the legal aspects can be overcome and should not represent serious barriers. The contrasting opinions and continued lack of clarity are of some concern, and we are keen to ensure that the Council clearly defines the situation as soon as possible. This should be in accordance with the procurement theme included within the forthcoming BSP Climate Change Strategy.
- 6.9.3 We were told that procurement is just one aspect of embedding sustainability across the Council. Whilst this is undeniably the case, it must be said that procurement is a particularly significant and visible way of leading by example. It is important to recognise that procurement has a much wider impact than simple transactions between customer and client, and can be used to achieve broader socio-economic and environmental aims. We believe that the Council has a strong opportunity to deliver sustainable regeneration and economic development through procurement, but it must be achieved through a joined-up approach.
- 6.9.4 Moreover, through procurement the Council has the opportunity to focus its buying power in particular sectors and shape local markets. One key area is the green economy; a particular example being the market for recycled materials, which could be stimulated through construction



- and office supplies procurement. This is one area where quick wins can be made, not least because specifying recycled can deliver on sustainability at no extra cost⁹.
- 6.9.5 Birmingham and the wider region has a strong history in manufacturing, and we feel it makes good economic and sustainable sense to use this to develop a market in environmental manufacturing. There are, perhaps, opportunities to divert the decline in the car manufacturing industry towards renewables manufacturing, as many of the technologies employed are the same. Our own procurement can play a vital role in this, through the stimulation of a local 'green' market.
- 6.9.6 The ongoing Business Transformation process and its links with procurement is very complex and is most certainly challenging to deliver. We do, however, feel a need to be confident that there is a sustainability champion at the business end of transformation. Furthermore, we feel it crucial that the staff taking procurement decisions across the council understand what sustainability means. To this end, we feel there is a clear need for some form of awareness raising/training across the organisation to ensure sustainable choices are a reality within procurement processes.
- 6.9.7 One tool which we feel should be developed to support and enable personnel to make such choices is a Sustainable Impact Assessment. There are many toolkits available to assist in the development of this, and if employed correctly, this should enable reasonable and sustainable procurement choices to be made.
- 6.9.8 Finally, one key concern we have expressed is that the concept of 'whole-life value' is not subscribed to corporately. This has to change. We accept that adhering to this concept within all Council procurement will undoubtedly involve difficult decisions and unpopular choices. Nevertheless, it is a fundamental approach to sustainable procurement and one which the Council must embrace.

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⁹ Good Practice in Procurement and the efficient use of material resources. Waste Resources Action Programme (WRAP), 2005



7 Estates Management

7.1 Property Services

- 7.1.1 The Council's Property Services (BPS) combines in-house consultancy and contractors to provide property management and disposal services and to address property strategy issues. It is formalised within the Executive through the Property Board and Cabinet Property Committee.
- 7.1.2 Three key issues emerged from the evidence presented:
 - the way in which our current properties operate, sustainably or otherwise;
 - Central Administration Buildings (CAB) project;
 - Asset disposals.
- 7.1.3 We understand that BPS does not give strategic advice on use of buildings this rests with Urban Design. However, it does tackle how properties are broadly managed, particularly with regards to operational aspects of property management.
- 7.1.4 In the context of sustainability, it is necessary to have baseline knowledge of how the Council's properties currently perform for example, heating systems, energy requirements and usage. Whilst these issues do fall within the domain of Urban Design, we were concerned to learn that BPS does not currently have (nor are they required to hold information relating to) key performance indicators for individual buildings owned by the Council. We question how the Council can feasibly introduce sustainability measures within its own buildings in the absence of a performance management system and a baseline to compare progress against.
- 7.1.5 The CAB project aims to reduce number of buildings from 55 to 9 or 10, and this would include the building of one new office building this would be an example of sustainability at an excellent standard. However, it has yet to be determined whether there are likely to be clear specifications (e.g. installation of solar panels or rainwater collection) or whether the building will be procured as a Design Build project, whereby overall standards would be set, but specific criteria would not. We are concerned that such good intentions could be lost without specific criteria.
- 7.1.6 There is also an issue of ensuring sustainability considerations are embedded in the entire CAB project for example when re-allocating staff, some level of refurbishment will be required. Would it not make sense to tackle any sustainability issues (e.g. retrofitting) at the same time? This requires a high level of awareness of the issues and perhaps some form of champion to ensure this happens.
- 7.1.7 We heard that no one person is responsible for sustainability within BPS, rather it was driven through the team as a whole. Sustainability is recognised within the team as there are many drivers (e.g. low running costs and efficiency/whole life costs) which make it the obvious direction



- to take. Whilst we agree with this to an extent, our evidence gathering has often pointed to the fact that the sustainability message often gets lost in translation unless it is a specific corporate priority with appropriate levels of accountability.
- 7.1.8 An important part of BPS' role is its disposal functions of both property and land. The disposal of Council assets is an area which we feel has great potential in promoting the Council's commitment to sustainability through practical application, as well as demonstrating the Council's ethos and leading by example.
- 7.1.9 Throughout our evidence gathering, this has been an issue which we have constantly picked up on; if we are committed to sustainability then surely it is right that we ensure that the disposal of our assets guarantees ongoing sustainability through positive convenance? So for example, if the Council sells a building or land to developers, should we not be specifying as part of the terms and conditions that any development must meet sustainable criteria? We are aware of the common perception that developers are often resistant to such conditions, and we believe that there is a general feeling that making such demands will put developers off, to the detriment of the city.
- 7.1.10 We heard from BPS that it was legally not possible to enforce positive covenants. Rather, it was suggested that a better approach would be to work co-operatively with developers. Furthermore, the disposal process is such that the highest bidder does not necessarily win; an evaluation matrix is used which includes a range of factors in addition to price. We did not hear that sustainability criteria were explicitly used in these matrices. However, subsequently we have been told that for certain projects sustainability criteria have been explicitly used in these matrices and it is hoped to roll this out to include more projects in the future.
- 7.1.11 We have been told that there has been a shift in outlook within the development industry, with the commercial market behind a drive towards sustainability. We are even aware that public and private sector markets are now demanding eco-status office space. This is good news, but we wish to see the Council keeping pace with this through its asset disposals.

7.2 Urban Design

- 7.2.1 Urban Design is a wholly trading department of the City Council providing all design, maintenance, construction procurement and energy management/sustainability services to all directorates and departments of the Council, schools, colleges and external organisations (e.g. housing associations, other Local Authorities). It provides professional and technical advice in a wide range of areas, including:
 - architecture;
 - building surveying;
 - quantity surveying;
 - electrical and mechanical engineering;



- structural and geotechnical engineering;
- sustainability and environmental design;
- risk management.
- 7.2.2 Urban Design managed centrally the Building Energy Management systems (BEMS) for approximately 300 Council buildings (this may include schools through an 'opt-in' process). As well as managing and monitoring the systems, UD also provides technical support where necessary.
- 7.2.3 We heard that being a wholly trading organisation, UD receives no direct revenue funding for sustainability, but we understand that sustainability is viewed as an essential element of its work. The department's work in relation to sustainability is funded by income generated on project and maintenance work, however we heard that the funding available does limit UD's capacity, impact and innovation.
- 7.2.4 We were surprised to learn that UD has 8 members of staff working on sustainability and energy efficiency this is a resource we were previously unaware of. It is all the more surprising given that the roles do not attract corporate resources, and yet collectively contribute significantly to the Council's strategic response to sustainability.
- 7.2.5 Indeed, we are aware that UD contributes through offering strategic advice on all sustainability matters relating to both construction and maintenance of buildings. In addition to leading on research, UD also plays and active role in a range of sustainability fora, either being a member of or contributing to:
 - Birmingham Strategic Partnership
 - Birmingham Environment Partnership
 - Climate Change Core Priority Group
 - Cutting Waste Core Priority Group
 - Birmingham Sustainable Energy Partnership
 - Birmingham Science City (low carbon working group)
- 7.2.6 In our Interim Report, we noted that a lot of good work and best practice was being carried out both within the Council and across the BSP. Much of this work has been in relation to energy management and Urban Design, through its Energy Management team, has played an important role in the Council's response to tackling energy issues. At a practical level, UD is:
 - Leading on the major City Centre and Eastside CHP schemes;
 - · Leading on and managing the energy savings fund;
 - Delivering BCC construction projects, utilising in-house and partner design specialists and partnership contractors: this approach offers significant sustainable benefits through the provision of local jobs and training, influence over materials and suppliers etc;



- Carrying out the Part L Building Regulations calculations;
- Leading on a range of initiatives such as the trial use of renewables;
- Leading on promotional activities to save energy e.g. the Council's Energy Smart campaign;
- Managing the Decent Homes programme: a significant contribution has been made through the installation of high efficiency condensing boilers, double glazing and other energy saving measures, producing very significant reductions in CO₂ emissions.
- 7.2.7 From our evidence gathering, we believe that Urban Design is single-handedly spearheading the Council's activities to tackle energy efficiency and management. The range of initiatives that UD has undertaken in this respect are all the more surprising given that we were, by-and-large, unaware of them. These include:
 - Launching and championing the Energy Savings Fund (£1.5m), plus a Salix grant of £0.5m, allowing investment in energy savings measures in Council buildings around the city. Savings made will help repay the capital as well as fund further energy saving measures;
 - Launching the Energy Smart campaign to inspire all Council employees to play their part in reducing energy/CO₂, plus other promotional material and work in schools;
 - Working with clients to encourage them to look at alternative technologies, building designs, material options, procurement methods, construction methods, whole-life value, energy-use and sourcing;
 - Design projects to comply with Part L (thermal modelling) and looking to engage on moving towards zero-carbon, based on a business case;
 - Introducing a sustainability checklist to assist designers in the selection of sustainable materials;
 - Introducing intelligent metering to offer significant long-term opportunities so as to encourage better energy management across the Council by allowing real time monitoring of energy consumption in Council buildings.
- 7.2.8 However, as we noted earlier, funding can present a significant barrier to UD projects. In our Interim Report, we cited an example from our initial evidence gathering with UD, whereby government funding of £120,000 had to be returned because match funding of £80,000 from the Council could not be secured.
- 7.2.9 During our more recent evidence gathering, we further heard that innovative sustainable practices are often cut out of projects due to a lack of funding. A particular example was given in relation to the installation of photovoltaics at Alexander Stadium. We heard that the Council would not put sufficient money into the scheme, despite having a sizable grant. The scheme only became possible through sponsorship and innovative financing with an energy company; it was until recently the largest array in Europe and attracted national and international sustainability interest.



- 7.2.10 We are encouraged to see evidence of a Council function embracing sustainability of its own accord it is certainly setting an example within the energy context at least. We feel that this is an example which should be replicated within other areas of sustainability planning, waste management and recycling for example.
- 7.2.11 We feel that the Council is wasting a huge opportunity through its current programme of land disposals to demonstrate its commitment to sustainability. Whilst we are aware that the absence of supplementary planning guidance has a role to play here, we are concerned that there is a prevailing perception that by taking a stance on sustainability we will put developers off and lessen the investment in the city. We feel that this demonstrates a lack of ambition indeed, the Council has stated its commitment to sustainability through its vision for a sustainable city. If this is the case, then it should be concerned with creating a reputation which developers want to be part of. We need to send out the signals, we need to be more assertive and step outside of the mindset of being grateful for any interest shown by developers.

7.3 Energy

- 7.3.1 Energy use and supply is perhaps the issue most visibly associated with sustainability and climate change, and is also one area where there are clear targets set by central government. There are numerous facets to the issue, but two key areas stand out:
 - Energy efficiency; and
 - Renewable energy generation.
- 7.3.2 The West Midlands Regional Energy Strategy (RES) reports that in terms of energy use, renewable energy sources within the region account for just 1% of the West Midlands total energy consumption. It sets a regional target for renewable energy generation to account for 5% of energy consumption by 2010, and 10% by 2020. This is significantly lower than the central government target of 10% by 2010, and 20% by 2020.
- 7.3.3 In Birmingham however, the BSP proposes to set citywide targets to generate 15% of energy from renewable sources (30% overall from local sources) by 2020, to support and exceed the targets set out in the RES.
- 7.3.4 In terms of energy efficiency targets, the Council has committed to reducing its energy consumption by 30% by 2010. This is being achieved through initiatives such as the Broad Street CHP scheme, which supplies energy to Council buildings as well as commercial properties.
- 7.3.5 We are also aware that the Council now sources all of its electricity supply from renewable sources. Simply put, this means that even the street lighting is powered from green energy. However, the city is increasingly dependent on imported energy and from a supply perspective alone, it is crucial to tackle this issue, to de-centralise and release the city from its reliance on the National Grid. Doing this sustainably is a must.



Birmingham District Energy Company

- 7.3.6 In our Interim Report, we expressed an interest in learning more about the development of two CHP¹⁰ District Heating and Cooling Schemes which the Councils would be investing in. Shortly after the Interim Report was published, the City Council signed an agreement for the delivery of the new district energy scheme for the Broad Street area of the City Centre.
- 7.3.7 The Broad Street District Energy Scheme will serve a number of key buildings in the City Centre, including the:
 - International Conference Centre (ICC);
 - National Indoor Arena (NIA);
 - Town Hall;
 - Council House;
 - Hyatt Regency Hotel;
 - Paradise Circus; and
 - REP Theatre.
- 7.3.8 Under the agreement, Utilicom will design, build, finance and operate the scheme supplying energy (electricity, hot water for heating and chilled water for air conditioning) to the various consumers for the next 25 years. The service is planned to commence in October 2007, with part of the project involving the installation of a large CHP engine at the ICC.
- 7.3.9 We understand that the scheme is expected to result in cost savings for those linked to it and to reduce the City Centre's CO₂ emissions by 20% over the next four years¹¹. A similar project is planned for Eastside.
- 7.3.10 To support these two schemes, an Energy Services Company (ESCo) facilitated by Urban Design and known as the Birmingham District Energy Company (BDEC) has been established to deliver the City Centre and Eastside CHP schemes.
- 7.3.11 We have been told that the potential of both these schemes is very significant, with daily interest from developers looking to connect into the schemes. Furthermore, we believe the City Council could play a vital role in marketing and developing local generation and district heating/cooling schemes. We are aware that at present there are no resources to carry out such a role, but as BDEC grows it would be expected to become a self-funding role.
- 7.3.12 Key to this is the significant role that Birmingham could play in leading the agenda for decentralised energy¹². In a recent study published by Localise West Midlands¹³, it was suggested

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¹⁰ CHP – Combined Heat and Power

¹¹ Birmingham Sustainable Energy Newsletter, Issue 18



that the widespread adoption of decentralised energy technology is the only way that Birmingham is likely to stay on track to meet the government's target of a 60% reduction in CO² emissions by 2050.

- 7.3.13 Clearly, there is potential for the development of decentralised energy generation in the city, given the development of BDEC and the two district energy schemes. We believe that this would also offer many benefits to Birmingham, in addition to the direct reduction of CO₂ emissions, such as energy supply security, stimulating the local economy and contributing to the wider sustainability agenda.
- 7.3.14 Indeed, we believe that CHP should be a clear priority for the Council; that citywide implementation is central to reducing the City's CO₂ emissions in the short to medium term. It has been suggested that the CHP scheme serving the Broad Street area alone may reduce emissions by 17,000 tonnes per year − this equates to a carbon reduction equivalent to planting 2million trees.
- 7.3.15 Moreover, there are broader benefits to be made from such a scheme:
 - By 2020, the UK will be importing around 75% of its energy; at the end of 2006, gas was used to generate 40% of the UK's energy supply¹⁴. There is a concern as to the likely costs of energy as imports increase, and also security of supply issues. The CHP scheme enables the City to, in part, address these risks.
 - Securing savings from purchasing energy at a discount below the market rate.
 - Investing in improvement by providing a system of energy production and distribution that will produce financial savings in energy costs and reduce the long-term cost liability of plant replacement for Council owned buildings.
 - Support for the regeneration of areas in the City Centre, Eastside and beyond through the reduction of CO₂ emissions and reduced energy rates, thus making buildings more attractive to potential tenants.¹⁵

 $^{^{12}}$ Decentralised energy is energy generated close to the point of use, using technologies such as CHP and other renewables. The aim is to replace wholesale importation of energy that results in losses in transmission and high CO_2 emissions.

¹³ Report available at http://www.localisewestmidlands.org.uk/de birmingham.htm

¹⁴ Provision of Energy Services Company to deliver CHP for Birmingham. Private report to the Deputy Leader, 23/10/06.

¹⁵ Provision of a CHP energy supply contract to the NEC and Hyatt Hotel. Public Report to the Deputy Leader, 27/11/06.



7.4 Bioenergy

- 7.4.1 Bioenergy is essentially fuel generated by biomass; in other words, energy which can be derived from bio-degradable products, wastes and residues resulting from agriculture, forestry, industry and municipal waste. Because of the way in which biomass is produced and used, the resultant bioenergy can address a range of issues across a number of disciplines:
 - · Energy management;
 - Emissions reduction;
 - Waste management; and
 - Regeneration and economic development.
- 7.4.2 During our evidence gathering, we were presented with information generated by a two-year project being carried out by the Sustainability and Energy Management Section of Urban Design investigating the potential role bioenergy to contribute to Birmingham's sustainability objectives, in particular climate change mitigation. We heard that bioenergy offers opportunities for the Council to meet key climate change objectives in the Birmingham LAA. Furthermore, it can also offer and opportunity to help developments meet Part L of Building Regulations, and would be an important renewables option if Birmingham adopted the 'Merton Rule'¹⁶.
- 7.4.3 We feel it is important to note the project's clarification that no bio-energy source is entirely carbon neutral a fact which must be considered if we wish to become a carbon neutral city. However, we understand that it can offer worthwhile carbon savings as part of a package of measures.
- 7.4.4 The main bioenergy industries considered within the project were:
 - Wood fuel;
 - Energy crops (Miscanthus, Short Rotation Coppice);
 - Biofuels (from waste oil and energy crops); and
 - Energy from waste (including anaerobic digestion of food and other bio-wastes).
- 7.4.5 We understand from the project that the majority of activity in the West Midlands has been towards developing a wood-fuel supply chain. We were told that Birmingham however, has many resources favourable to developing the bioenergy sector:
 - A history of manufacturing;
 - Good transport infrastructure;

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¹⁶ In October 2003, Merton LBC became the first local authority in the UK to include a policy in its UDP that requires new non-residential developments to generate at least 10% of their energy needs from renewable energy technologies.



- Concentrated waste production and energy demand;
- Citywide CHP scheme that could develop new phases on bioenergy; and
- The new Energy Services Company, which could become a vehicle for financing larger schemes.
- 7.4.6 Evidently, there are significant potential opportunities for Birmingham to stimulate the bioenergy sector. However, we have heard that this potential has so far been unrealised. In an overview of the relative importance of bioenergy in the region, the project found that there is comparatively little activity in Birmingham, and none by the City Council. We are slightly disappointed that this should be the case, given the good work that the Council does in other areas, such as energy management.
- 7.4.7 We are aware however, that some discussions are now underway for particular projects. Furthermore, a biofuels working group has now been set up within the Council and is currently writing a draft biofuels strategy for the city. Two particular considerations will be ensuring that supply chains are sustainable and supporting local economic development.
- 7.4.8 We are also particularly keen that the strategy addresses the issue of wood waste from the city's parks and open spaces; given that wood fuel is the most widely developed bioenergy technology in the region, we see no reason why the Council cannot therefore put its wood arisings to a more sustainable use.
- 7.4.9 A further initiative that we feel is worthy of investigation is that of waste oils from the wide variety of restaurants and food outlets across the city. We are aware of initiatives undertaken elsewhere using waste oils to power local authority fleet vehicles. The Biodiesel Initiative for Sustainable Transport from Recycled Oil (BISTRO), hosted by the London Borough of Bromley is a pilot scheme offering a free service to collect used cooking oil from restaurants, canteens, fast-food outlets and takeaways. The oil that is collected is turned into biodiesel, which can be used in most diesel vehicles without modification to the engine. Whilst we recognise that the use of waste oil as a biofuel may not lessen vehicle emissions, it does have the potential to play an important role within a wider range of measures to promote a more sustainable fleet.
- 7.4.10 The project does, however pick up on a number of significant challenges to the bioenergy agenda in the city all of which we have already noted elsewhere, and must be considered by the draft biofuels strategy:
 - The project found that the main barrier has been the lack of co-ordination of sustainability
 across the city and within the Council; it notes that there are several teams across the Council
 working on aspects of sustainability and the good work notwithstanding there is a distinct
 lack of communication and co-ordination between them.
 - A further challenge is a general lack of awareness of sustainability issues amongst staff. The project particularly notes a degree of ignorance about energy efficiency, low/zero carbon



- technologies and related legislation/policy amongst staff who might be expected to be more well-informed given the nature of their roles.
- Investment has also been identified as an issue, whereby short-term economic considerations often outweigh longer-term economic and sustainable solutions. The project suggests this may in part be an effect of the lack of co-ordination.
- A lack of joined-up working across the Council was also identified as a barrier to holistic consideration of many sustainability issues including bioenergy. Key to this was a lack of corporate commitment to sustainability as an overarching agenda.

7.5 Conclusions

- 7.5.1 From the evidence we have heard, we believe that Urban Design is spearheading the Council's activities in tackling energy efficiency and management. We were encouraged to see evidence of a Council function which fully understands and embraces the principles of sustainability; setting an example of its own accord.
- 7.5.2 However, we were particularly concerned to learn that the expertise within Urban Design's Sustainability and Energy Efficiency Team does not attract corporate resources. This is in spite of the fact that this team makes a significant collective contribution to the Council's strategic response to sustainability and climate change.
- 7.5.3 We were further concerned over what we believe is a lack of coordination between other Council departments and Urban Design. This is particularly the case in relation to Property Services, and we feel there is a need for clarity over who has responsibility for management of public buildings in relation to energy.
- 7.5.4 For example, Urban Design manages the Building Energy Management System for around 300 Council buildings, whilst Property Services is accountable for other operational aspects of property management. It is important to note however, that aside from energy management, there are many other facets to the way in which buildings are managed sustainably, particularly under a changing climate. Whilst we have been reassured that the officers concerned are making the current system work, the obvious question is whether there is an element of duplication here.
- 7.5.5 We also question the levels of awareness and consistency in understanding with regards to responses to sustainability and climate change within Property Services, particularly in comparison with Urban Design. We question whether or not the sustainability message is particularly prevalent. This is particularly important given that there are a number of challenges that need to be met:
 - Addressing the way in which Council properties operate. We are expressly concerned with the lack of baseline data and energy performance monitoring in Council buildings;



- The Business Transformation project which is currently looking at reducing the number of Council administrative buildings. We need to ensure that this explicitly tackles sustainability in both new and existing buildings.
- The disposal Council assets in particular land disposals must accommodate sustainable principles. We need more clarity and innovative thinking on how this can be done. We do feel that there is significant opportunity through the use of positive covenants in land disposals.
- 7.5.6 One area in which the Council is visibly making significant progress is through its work to tackle energy, energy supply and renewable energy. The progression made on the new Energy Services Company is testament to the Council's commitment to mitigating against climate change. However, as we have expressed previously, we are particularly concerned that the Council and city as a whole does not have data on it carbon footprint. Surely this is essential so that we can effectively monitor our progress? Without such data, the good efforts made to date are at risk of being meaningless.
- 7.5.7 The implementation of the two City Centre CHP schemes clearly indicates the progress the city is making in tackling its CO_2 emissions. However, we feel it crucial to stress that such schemes must be implemented across the city if we are to make tangible progress towards our target of a 20% reduction in emissions by 2010.
- 7.5.8 Bioenergy is also a clearly growing agenda. Whilst it is a technological area which is somewhat in its infancy, we do have some concerns that to date, Birmingham does not appear to have embraced it.
- 7.5.9 There are many ways in which the Council can make good sustainable use of bioenergy. For example, in previous evidence gathering from regulatory services we heard of historical attempts to encourage the city's licensed taxis to operate on bio-diesel. Whilst this scheme had some success, it ceased some time ago. We believe that there is potential for similar schemes using waste-oils from food outlets across the city.
- 7.5.10 We are also aware that the Council has recently been approached by the Energy Savings Trust, offering a free 'green-fleet' review. As yet, we are unaware that this offer has been accepted.
- 7.5.11 A further way in which Council can embrace the bioenergy agenda and at little extra effort is in relation to its wood waste from parks and municipal open spaces. We are unaware of any schemes where this by-product is used for bioenergy purposes, despite the wood-fuel supply chain being the predominant activity in the Region. This is an area which we feel the Council should be addressing.



8 Sustainable Development

- 8.1.1 In our Interim Report, we stated the belief that Birmingham should be pursuing a culture of 'sustainable development' rather than simply one of economic development. We recognised that embedding sustainability within the development and regeneration culture would likely be a challenge. However, this is not a reason for the Council not to do so.
- 8.1.2 We define sustainable development as the process by which the city's regeneration efforts, planning regime, economic policies etc recognise and place a significant emphasis upon the principles of sustainability. This of course has different interpretations in different areas. So, for example, the planning regime may emphasise the use of specific sustainable criteria in granting planning applications, whereas economic policies may be looking to stimulate the green economy. Similarly, regeneration may seek to place a specific emphasis upon criteria for sustainable communities.
- 8.1.3 Our Interim Report highlighted our wish to investigate further the Council's role in sustainable development, and in particular:
 - Attracting development;
 - Planning policies and practices;
 - Using land holdings to enable sustainable development.

8.2 Regeneration

- 8.2.1 Regeneration describes "the huge range of actions taking place to turn around areas in which neglect and decline have left communities blighted by unemployment, poverty, poor housing, ill health and crime, and lacking access to shops, transport, skills, education, leisure and other services. The creation of secure and appropriate employment for local people often forms the core of such projects, alongside improvements to provision of health, housing, education, community safety, leisure services, business support, transport and the physical environment" ¹⁷.
- 8.2.2 By its very nature therefore, we believe that sustainability should be an implicit facet of any regeneration initiative because it aims to improve and sustain over the long-term:
 - · Communities;

• Local economies; and

Social and environmental quality.

¹⁷ http://www.london.gov.uk/assembly/reports/econsd/rebuild.rtf accessed 24 April 2006, pg 6.



- 8.2.3 Birmingham has undergone an intense period of transition a renaissance of the city's economy over the last 20 years. However, areas of the city do suffer from deprivation, low employment and poor housing. Birmingham, however, has a wide range of regeneration and renewal programmes and initiatives, all of which aim to aim to close the gap between the most deprived areas and communities, and the city, regional and national averages, working to ensure that all residents benefit from the city's economic prosperity.
- 8.2.4 During our evidence gathering, we were particularly keen to learn how the city's regeneration initiatives embrace sustainability. Whilst we are aware of the many definitions of 'sustainability' we focused our inquiries around the environmental aspects of sustainability, including:
 - Sustainable procurement within regeneration programmes;
 - The use of sustainable practices in regeneration developments; and
 - Stimulating an environmental economy.
- 8.2.5 From the evidence we heard, two pertinent issues became readily apparent:
 - The potential conflict between whole-life, long-term savings from sustainability and short-term investment planning; and
 - Making sustainable choices in procurement.
- 8.2.6 These issues have been discussed earlier in this report. However, it is important to note that given the nature of regeneration initiatives particularly their longevity the apparent conflict with short-term corporate priorities is of particular concern to us.
- 8.2.7 Procurement choices must reflect the whole-life value and long-term savings that a sustainable approach demands. To this end, Regeneration officers have lobbied to be able to promote the use of local businesses. As we have illustrated previously, the legalities surrounding contract specifications make this difficult, but not impossible. Indeed we heard that regeneration have been quite creative in including criteria in their contracts that benefited local people and businesses. However, there is still a sense that corporate procurement processes act as a barrier, and it was felt that corporately, changes needed to be made to encourage the same type of creativity across the board.

Eastside

8.2.8 The most notable regeneration initiative in the context of sustainable development has been Eastside. Designated in 2000, the Eastside project aimed to develop a new Quarter for the city, based upon the themes of Learning, Technology and Heritage. One of its key priorities was to work in partnership to achieve a massive regeneration programme that was sustainable in its outcome.



- 8.2.9 Eastside was proposed as an exemplar of sustainable development and sustainable buildings¹⁸, and is ongoing. Two of the project's early outcomes demonstrated a commitment to sustainability:
 - The secondment of Sustainability Advisers to the Eastside Team in 2002. A programme of workshops has been developed to advocate sustainable development and to support the development process. Advisers have met with each of the Eastside developers to encourage the integration of energy efficiency and environmental mitigation measures within emerging development proposals.
 - The clearance of Masshouse Circus involved on-site concrete recycling for the development of the new surface road infrastructure. The new scheme design gave priority to pedestrians and created a public transport corridor, through the Bus Mall, which 50% of the city's buses use. Provision was also made for a future Metro route.
- 8.2.10 As a result of the Masshouse Circus clearance, three major schemes have been implemented as part of a major City Centre extension:
 - Masshouse Developments: comprises 120,000m² of mixed-use development, utilising a formerly redundant urban site to create a vibrant community at the heart of the city with good public transport and pedestrian links seen as the foundation of sustainable development. The first residential building has been completed and is being considered for Ecohomes¹⁹ assessment. Future development phases will be designed to achieve an 'excellent' BREEAM rating, requiring the use of renewable energy sources.
 - City Park Gate: developers submitted a planning application in 2006 for a mixed-use, residential led regeneration scheme, comprising 107,700m². The initiative aims to achieve 'very good' BREEAM²⁰ rating and 'good' Ecohomes standard. The development has its own environmental strategy which aims to balance the energy consumed over its entire life, considering energy in construction, energy in lifestyle choices and energy in building use.
 - Martineau Galleries: outline planning consent was granted in 2006 for mixed-use, retail led development and associated highway works over 266,000m². The proposed development seeks to achieve best practice for sustainability through appropriate development methods such as:
 - Integration of affordable housing;
 - Use of locally-sourced materials;

¹⁸ The defining feature of a sustainable building is its ability to reduce significantly its environmental impacts. This can include measures to reduce energy consumption and CO2 emissions; minimise the use of resources such as water; reduce the release of pollutants; maximise the use of reclaimed and recycled materials; and promote sustainable travel choices through proximity to amenities as well as public transport networks.

¹⁹ Ecohomes is an environmental assessment method for homes which considers the broad environmental concerns of climate change, resource use and impact on wildlife. It balances these against the need for a high quality, safe and healthy internal environment.

²⁰ BREEAM (the Building Research Establishment Environmental Assessment Method) was launched in 1990 and has been formally adopted by the Government as the benchmark to measure the environmental performance of buildings. BREEAM provides guidance on ways of minimizing the adverse effects of buildings on the environment. It aims to achieve this by reducing energy usage both in the construction and management of a building as well as promoting a healthy and comfortable indoor environment for the end users.



- Introduction of cycling facilities and improved pedestrian environment;
- Use of grey water recycling and rainwater collection;
- Re-use of building waste where possible; and
- Achieving at least 'good' EcoHomes/BREEAM rating with aspirations for 'very good'.

The outline planning application was approved subject to a number of conditions which included sustainability.

- 8.2.11 We are encouraged to learn that it is possible to influence and work with developers in sustainable development. We are aware that further schemes will be encouraged to achieve or exceed the high standards already being set. However, a particular concern is why, when it is evidently possible to promote and encourage sustainable development, the same standards are not applied to other regeneration initiatives Longbridge for example.
- 8.2.12 During evidence gathering, we were told that draft sustainability guidance has already been produced for Eastside, embracing planning, building regulations and policy as a means of further encouraging sustainable development. It is hoped that by working in partnership with the development industry it will be possible to raise the standard of sustainable development in Eastside as a pilot area for a wider city application. This, we feel, is something that should be addressed as a matter of urgency.

8.3 Planning / Development Control

- 8.3.1 Planning is a crucial tool in the Council's response to sustainability and climate change. It is also increasingly being recognised by Central Government as having a key role in delivering the UK's strategy for dealing with climate change. For example, the government's Draft Climate Change Bill²¹ sets out for the first time legally binding targets for the reduction of greenhouse gases; meanwhile the new (at the time of writing) Planning White Paper²² may set out proposals to remove the barriers to low-carbon energy.
- 8.3.2 On the basis of available information, it appears that central government is promoting the planning system reform to enable large-scale renewable energy projects, whilst Defra has published a climate change strategic framework which highlights the importance of the move to zero carbon development. This is thought to be underpinned by a planning framework that will support the move to zero-carbon development through location, design and planning, including the greater use of renewable energy.

²¹ http://www.official-documents.gov.uk/document/cm70/7040/7040.pdf accessed 12/04/07

²² Planning for a Sustainable Future. Planning White Paper, May 2007 http://www.communities.gov.uk/index.asp?id=1510503 accessed 22/05/07.



- 8.3.3 Whether or not national planning reform will ultimately enable a zero-carbon era, we do believe that this is a pertinent issue for consideration in Birmingham one which perhaps, as yet, has not received the attention it deserves. Indeed, irrespective of any progress made nationally, we believe that Birmingham should be leading and driving forward the zero-carbon agenda.
- 8.3.4 In our Interim Report, we noted that to some extent Birmingham's planning is limited by regional planning frameworks and national planning policy guidance. We had heard previously that there are problems with the interpretation of planning guidance which could hamper innovation and good design practice. It now appears however, that there is a distinct move nationally to address the way in which the planning system tackles sustainability and climate change. Moreover, from the range of evidence we have heard particularly Eastside it would appear that planning issues are not always the significant barrier to sustainable development that would be initially assumed.
- 8.3.5 One of the key issues that we have raised during our evidence gathering has been the need to encourage developers to include an environmental offer. At Eastside we heard that developers had been keen to engage on environmental issues. However, we have also heard that not all sites are equally attractive to developers, and that where there are risks on returns they are less willing to make such offers. We feel that there must be a Council-wide, mandatory approach to this issue so that we can set an example.

8.4 City Centre Masterplan

- 8.4.1 The City Centre is viewed as the cornerstone of the City Council's commitment to raise Birmingham's national and international profile. In the last decade it has undergone enormous physical and structural change. The main priorities for the City Centre are:
 - To maintain and improve access to the City Centre by both public and private transport; and
 - Improve the quality of the environment, particularly for pedestrians.
- 8.4.2 Both of these priorities are fundamental aspects of sustainability, and it is important that ongoing development of the City Centre has sustainability embedded within it. A new vision for the City Centre, published in 2006, outlines the next phase of the city's development which can be translated into a physical Masterplan for the wider city centre.
- 8.4.3 In his report 'Visioning the Birmingham City Centre Masterplan', Professor Michael Parkinson makes the following statement:

"Many partners have argued that the city has a great opportunity to become a leading exemplar of a sustainable city which would play well to international and national policy concerns at the moment. There are opportunities to work for effective international leadership in this field. For example, it should work towards the reduction of its carbon footprint each year. Rotterdam has just made a major commitment in this field which has attracted significant international attention and got it a place in the top 20 club for sustainable cities.



Birmingham should build sustainability into its planning system so that buildings are designed for low energy use and sustainable energy sources, recycling facilities are inbuilt, materials and construction waste is minimised. It should seek intelligent methods of waste disposal, sustainable electricity sources for street lighting, easy movement by foot and by public transport. It should reach for a sophisticated integrated transport system where public transport is the preferred choice. It should strive to become a city of choice for businesses with green credentials and try to develop a thriving economic sector in sustainable goods, services and expertise. The council should: have planning policies which require high eco-standards in new development; use its land holding as a lever to obtain zero carbon developments; use its purchasing power to source sustainable goods locally; try to cut its own energy use and use renewable energy sources."

8.4.4 We believe that Professors Parkinson's comments echo our own sentiments. We wish to see a city which attracts investment and development because of its sustainable credentials. This requires commitment, partnership working and a true appreciation of the value of sustainability. Above all, it requires leadership.

8.5 Conclusions

- 8.5.1 During evidence gathering, the biggest message we came away with was that Birmingham must be clear about what it wants to achieve. If it wants to become a sustainable city, then it needs to clearly demonstrate how it will become one. It needs to comprehensively tackle a number of issues which we believe are currently a barrier to the city moving towards sustainability:
 - How will it deliver a zero-carbon footprint, when developments are not always required to adhere to sustainable design and construction?
 - How can the planning processes as they currently stand truly support sustainable development?
- 8.5.2 We believe the City Council could achieve much more if it is prepared to stand up and 'be brave', following the example set by numerous other Local Authorities. We do not subscribe to the view that such a stance would frighten off developers, inward investors, or reduce the benefits to the city.
- 8.5.3 We believe it should be possible to build for zero carbon in both public and private sector development. We also believe that current regeneration initiatives must adopt sustainability principles and embed them. Projects, such as the redevelopment of the former M.G. Rover site, offer an excellent opportunity but unless tackled soon will end up as another 'missed opportunity'.
- 8.5.4 We have heard that adopting a 'Merton Rule' for Birmingham would perhaps be the single-most effective policy initiative to stimulate and promote bioenergy and a wider renewables sector in the city. Having considered the Merton Rule during our evidence gathering, we would wholeheartedly endorse this statement.



8.5.5 Around 160 Local Authorities have now adopted, drafted, or made progress towards Merton-type policies. Indeed in the West Midlands Region, many of Birmingham's neighbours have made good progress, whilst a number of major cities have adopted, or are considering adopting, prescriptive Merton-style policies — as illustrated in Table 3. Clearly, we should be thinking of our own approach to a similar kind of policy; perhaps we can even raise the bar by setting higher minimum standards.

Table 3: Major cities adopting, or considering adopting, prescriptive Merton Rule-like policies²³

Fully Adopted	Included in Draft UDP/SPD	Actively Progressing
Southampton City Council	Manchester City Council	Liverpool City Council
Leicester City Council	Sheffield City Council	Leeds City Council

- 8.5.6 What is also particularly pertinent to note is that Birmingham's sustainable development is not simply concerned with sustainability and climate change. We also need to consider the city's image and competitiveness both nationally and internationally. As Professor Parkinson's Visioning Study notes, Rotterdam has just made a major commitment to sustainability which has attracted significant international attention and got it a place in the top 20 club for sustainable cities. However, to improve its image and competitiveness, we have to change mindsets and think creatively.
- 8.5.7 There are simple things that the city can do to signal to inward investors and developers that it is committed to sustainable development. For example:
 - Have planning policies which require high eco-standards in new development;
 - Use land holdings as a lever for sustainable development;
 - Ensuring the Birmingham Prospectus portrays a genuine sense of a city that has 'started to grapple with the huge and complex question of how to achieve the proposed level of growth while retaining sustainable communities that are living within environmental limits²⁴.
- 8.5.8 We have constantly been given the impression that there are many barriers to sustainable development which are particularly challenging to overcome. We do not believe this to be the case.
- 8.5.9 For example, we understand that the 'Very Good' EcoHomes standard can be met on virtually any site at no additional cost if it was built in at an early stage in the development. Furthermore, there are plenty of examples of other Local Authorities which have overcome the supposed barriers the case study included below presents an excellent example of a city which is demonstrating its commitment and ambition in a simple and effective manner.

²³ Source: http://themertonrule.org/list-of-boroughs, accessed 08/05/07.

An Evaluation of Sustainability within Birmingham Strategic Partnership. Commissioned by Sustainability West Midlands in partnership with Environment Agency and Birmingham Strategic Partnership. March, 2007.



8.5.10 We believe that now is the time to stop prevaricating and to simply get on with the job.

Figure 1: Sustainable Design and Construction Case Study: Reading Borough Council Supplementary Planning Document.

Reading Borough Council adopted its Sustainable Design and Construction Supplementary Planning Documents (SPD) on 19th March 2007.

The SPD documents sets out Reading's commitment to achieving sustainable development through the planning process. It provides details on how to interpret the Development Plan policies contained within the Berkshire Structure Plan (2005) and the Reading Borough Local Plan (1998), brings together relevant national and regional guidance and provides clear and practical advice on sustainable design and construction.

The SPD focuses on the key areas of:

- Energy efficiency
- Renewable energy
- Water resources and flooding
- Waste and recycling
- Pollution
- Materials
- Biodiversity

It expects that proposals for development provide a 'sustainable design statement' to accompany an application.

In relation to energy efficiency, renewable energy and water resources, the SPD expects that:

- All new housing meet EcoHomes 'Very Good' as minimum standard and all new commercial developments meet BREEAM 'Very Good' as a minimum standard.
- On larger developments of more than 10 dwellings or 1,000m² floor space, it is expected that 50% of the provision meets 'Excellent' standards for EcoHomes and BREEAM.
- Ratings through the Code for Sustainable Homes will also be considered where the rating achieved will
 provide similar results to the relevant EcoHomes standards.
- Major developments, defined as those of 10 or more units, or if non-residential, 1000m², incorporate renewable energy production equipment to off-set at least 20% of predicted carbon emissions. This percentage figure will be adjusted (if necessary) to align with the requirements of Government guidance contained within the Supplement to PPS1 (Planning and Climate Change) once finalised.
- Development proposals achieve a predicted average per capita water consumption rate that does not exceed 125litres/head/day.

The SPD is now a material consideration in the assessment and determination of planning applications.



9 Conclusions and Recommendations

9.1 Conclusions

- 9.1.1 There is now an unparalleled clarity about the causes, pace and extent of climate change. As we drafted this report, the Intergovernmental Panel on Climate Change made another important contribution by demonstrating that the technologies already exist to mitigate the effects of the changing climate. The degree of consensus between governments across the world is remarkable.
- 9.1.2 Locally there needs to be equal clarity about the City Council's intentions to achieve a more sustainable Birmingham, to help mitigate the effects of climate change, and, where necessary, to adapt to it.
- 9.1.3 Birmingham City Council has been committed to increasing the focus on sustainability for some years as evidenced by the Council's Sustainability Strategy and Action Plan 2000-2005 which has now expired. During our investigation, we found many examples of good practice amongst the work of officers of the City Council, but were often equally struck by the disjointed way in which the agenda, all too often, was being taken forward.
- 9.1.4 This concern that the pace of progress has been too slow for too many years is shared widely across the City Council, amongst Members of all parties, acting in Executive and Scrutiny roles. This consensus forms a strong springboard for further action. As the Deputy Leader has said:
 - 'I don't see that there is any conflict between the work of scrutiny and what we are doing as an administration. They are urging us to do more, and that is quite right. We are trying to respond to the demands of the people of Birmingham.'

Deputy Leader, Birmingham Post 18th April 2007

- 9.1.5 The Executive has taken some potentially significant steps in the year since we started this scrutiny, including:
 - the Cabinet Statement on Sustainability has been adopted;
 - the Cabinet has approved for consultation through the BSP a draft Birmingham Climate Change Strategy. The consultation has now ended (on 31st March) and a final Strategy and Action Plan will be completed by Autumn 2007;
 - the Birmingham District Energy Company has been established to support the development of Combined Heat and Power plants on Broad Street and Eastside and
 - £100,000 was put aside in the City Council's budget to fund a new Climate Change and Sustainability Team, and the establishment of that team (which is intended to take a strong corporate role) has been approved by Cabinet.



- 9.1.6 We welcome what has been put in place, particularly the increase in capacity. However, as the Deputy Leader has said, we do wish to see more done, with heightened ambition, a more determined and coherent plan of action, and much clearer feedback to the people and businesses of Birmingham on what is being achieved.
- 9.1.7 Based on our evidence gathering and the findings of other pieces of work, our recommendations fall into various categories. In some areas, such as procurement, where work is already in progress in other areas of the Council, we have put forward our thoughts as a way of informing the process which has already started, instead of making recommendations to be taken forward separately.
- 9.1.8 Our aims are simple. We want to see:
 - Birmingham and the City Council reducing their carbon footprint;
 - the use of fewer non-sustainable resources generally;
 - the city applying its knowledge and expertise to develop a strong economic sector specialising in technologies which mitigate climate change; and
 - Birmingham forging a reputation as a sustainable city.

9.2 Recommendations

Leadership

- 9.2.1 We repeat that we do not doubt the political commitment to tackling sustainability and climate change. But the political example must be underpinned by stronger corporate leadership across the Council. This is essential, not just to join up the ongoing activities, but also to develop and reinforce a strong sustainable culture across the organisation.
- 9.2.2 Leadership has been a recurring theme throughout the course of our evidence gathering. We identified it as a key issue in our interim report, and the evidence we have taken subsequently has only served to strengthen this conclusion.
- 9.2.3 "Organisational culture" can be a vague term, but we have some clear outcomes in mind. As previously set out, we are keen to ensure that the City Council becomes an organisation in which:
 - there is a clear, high level agenda for climate change which is owned by the whole of the senior management and allows flexibility for officers to gain clarity on key priorities;
 - the existing expertise within the Council is valued and appreciated;
 - existing work and achievements are promoted; and
 - innovative and creative thinking is actively encouraged in order to gain quick wins and longerterm benefits.



- 9.2.4 Stronger and broader leadership is also needed to help the City Council demonstrably react to requirements from outside. Now that this unprecedented consensus has been reached around the need to mitigate climate change, more numerous and more specific initiatives can be expected from central Government. For example, the Department for Environment, Food and Rural Affairs has already conducted a consultation exercise on the best ways to encourage large organisations (including the City Council) to reduce their carbon emissions and energy use. The Audit Commission, as another example, is considering incorporating a sustainability criterion into its assessment of authorities' Use of Resources.
- 9.2.5 But much closer to home, and arguably more important, is the demand for leadership from the people of Birmingham and their insistence that the City Council "practice what it preaches" when it comes to sustainability and climate change.
- 9.2.6 Since our Interim Report the Cabinet has approved the setting up of the new Climate Change and Sustainability Team which is intended to take a strong corporate role. We welcome and strongly endorse this development. However, we feel that there is more to be done.
- 9.2.7 The Cabinet report which set up the new team identified a very wide remit for the work:
 - Establish an agreed vision, leadership and raising commitment.
 - Ensure sustainable choices are made in the way the Council manages its business and delivers services.
 - Develop and sustain a robust policy framework, e.g. delivery of the agreed Cabinet Statement on Sustainability and Action Plan; including the establishment of Environmental Management Systems (EMS).
 - Provide a corporate focus for Sustainability.
 - Establish corporate co-ordination arrangements.
 - Maintain and develop the key relationship with the BSP and District Partnerships; a relationship that will increase in importance over time.
 - Establish consistent performance management arrangements that are 'fit for purpose' and in particular fully utilise the Business Transformation Programme to achieve change.
 - Enhance and lead communication and capacity building across the organisation and elsewhere.
 - Proactively respond to and lead local, regional, national and international issues and actions in a co-ordinated way.
 - Development and Implementation of policy and projects; locally, nationally and internationally.
 - Respond to the current Scrutiny review on Sustainability and Climate Change.
 - Work closely with other partner organisations such as Core Cities, Government, the private, research and voluntary sectors.



- Establish the city's reputation as actively moving towards carbon neutrality through effective action.
- Set clear targets for actions on an annual basis and reporting on achievement.
- Achieve leading edge standards towards "zero carbon" approaches across all appropriate
 developments; and secure appropriate involvement in key profile raising networks and secured
 appropriate Awards/Recognitions nationally and internationally.
- 9.2.8 We do not disagree with any of the items on this list. But its length, coupled with the general expectations of improvement in this policy area, could well be counter-productive by leading to the new team being overloaded.
- 9.2.9 The way to strengthen the leadership role of the City Council is to be clear about priorities; to communicate those priorities; and to report openly and publicly on achievements, whether or not those achievements meet expectations. Above all, the over-riding lesson which needs to be learnt from the Sustainability Strategy of 2000-2005 is the importance of designing, and keeping to, robust performance management arrangements.
- 9.2.10 When the Cabinet agreed its Sustainability Statement in September 2006, it also decided to follow up with Action Plans by the middle of this year. Whilst this is undoubtedly necessary, it would be understandable if the Deputy Leader wished first to take the considered advice of the new team leader, with the timescales for approving the action plans consequently slipping a little.

	Recommendation	Responsibility	Completion Date
R1	That the City Council adopts a clear definition of sustainability and carbon neutrality which will underpin key decisions, corporate processes and procedures.	Deputy Leader	No later than November 2007
R2	That subsequent to the Cabinet's Sustainability Statement, an Action Plan for the next three years is developed, with clear and considered targets for the city. This should be developed as quickly as feasible.	Deputy Leader	The Cabinet has already set a completion date of Autumn 2007; if not achieved then no later than January 2008
R3	That an annual report to full Council be produced assessing the progress made across the Council on sustainability and climate change issues.	Deputy Leader	July 2008
	This will include an assessment of the Council's and the city's carbon footprint in line with the anticipated BSP Climate Change Strategy.		
	It is the view of the Committee that to compare the performance of directorates and		



	Recommendation	Responsibility	Completion Date
	constituencies would drive up performance.		
R4	(a) That a sustainability impact appraisal framework is developed.	Deputy Leader	March 2008
	(b) That reports to support key decisions include a sustainability impact appraisal, so as to ensure that strategic policy decisions and major projects are sustainable.	The Leader	No later than July 2008
R5	That a programme of internal awareness raising and training around sustainability and climate change be introduced for Council staff at <u>all</u> levels. A parallel programme of training should be offered for Elected Members.	Deputy Leader	January 2008

Young People

- 9.2.11 We feel that our involvement with the Let's Talk group, as described in section 8.9, demonstrated the value of engaging with young people within the city. The students offered cogent, articulate opinions often with a new perspective on issues.
- 9.2.12 The feedback from the students broadly concerned three key themes of transport, raising awareness through the school curriculum and the links between the curriculum and what can be done on the school campus and most importantly communication. The students presented us with a formal response including seven proposals which are included in Chapter 3 and Appendix 3.
- 9.2.13 We recognise that transportation is a major concern but since we have not taken evidence in this area and are aware that the Transportation and Street Services Overview and Scrutiny Committee has covered aspects of these issues in recent months we feel that the most important recommendations emerging are based around communication.
- 9.2.14 We would therefore recommend that the Council review the methods used to communicate with young people. We need to use existing methods such as the website more effectively and also need to be more aware of and use contemporary communication media such as MySpace, YouTube etc as these are potentially more effective ways of engaging with young people.

	Recommendation	Responsibility	Completion Date
R6	(a) That the City Council continually reviews its methods used to communicate with young people, especially about sustainability and climate change issues, taking into	. ,	January 2008



	Recommendation	Responsibility	Completion Date
	consideration the use of more contemporary communication media in order to engage more effectively; and (b) That evidence is provided as to how children and young people are engaged on sustainability and climate change issues in light of (a), including how these issues are dealt with in the city's schools and youth services. There are particular opportunities in the building of new schools, school transport and the provision of school meals.	Children, Young People	January 2008
R7	In reference to R6, that the Council develop future work and engagement with young people on public transport and recycling.	Cabinet Member for Transportation and Street Services Chair, Transportation and Street Services Overview and Scrutiny Committee.	January 2008

Procurement

- 9.2.15 Whilst it is undeniably true to say that procurement is just one aspect of embedding sustainability across the Council, it is also true to say that procurement is a particularly significant and visible way of leading by example.
- 9.2.16 The Council has a good opportunity to deliver sustainable regeneration and economic development through procurement, but it must be achieved through a joined up approach.
- 9.2.17 The Council's Procurement Strategy 2004-06 expired at the end of the financial year and work has begun on revising the document and its objectives. The revised Procurement Strategy is expected to be available later this year, and will respond to the request from the Co-ordinating Overview and Scrutiny Committee that the updated strategy contain clear and robust policy statements as to how the City Council will use the procurement of supplies and services to achieve its sustainability goals. As there is no documentation currently available, we are putting forward our thoughts as a way of informing this revision process.
- 9.2.18 There is a need for a strong, overall corporate procurement strategy which all directorates should adhere to. However, this must be supplemented by directorate plans so as to tailor to specific needs and make it relevant. The Procurement Strategy should consider:
 - the introduction of a sustainability assessment into the procurement process;



- the development of training for staff across the Council responsible for procurement in terms
 of developing understanding at all levels (from whole life value at a strategic level down to the
 support staff in charge of office supplies);
- embedding the concept of whole-life value within in all procurement choices;
- the potential value of working towards EMAS / ISO14001 accreditation;
- ensuring that there is an organisation-wide policy as part of the Procurement Strategy relating to the use of recycled content. This should ensure:
 - Outcome-based requirements in contract specifications where appropriate (e.g. a % of the materials value of the project should derive from recycled content).
 - Materials based requirements in contract specifications where appropriate (e.g. the use of compost derived from garden and landscaping waste arisings).
 - State upfront that the Council will maximise the use of recycled paper and set specifications for recycled content in tender invitations (either through minimum % recycled content or outcome requirement for suppliers to contribute to Council objective).
- Investigating ways in which to consolidate buying power with BSP member organisations through consortium or framework agreements to secure cost savings on sustainable choices.
- Assessing the feasibility of the Council's purchasing catalogue setting more environmentally friendly items as default options.
- 9.2.19 Of all of these, the most pivotal action would be to reinforce the importance of making a whole-life assessment of cost and value in all procurement exercises.

	Recommendation	Responsibility	Completion Date
R8	(a) That the City Council adopts a clear definition of whole life value.	Deputy Leader	January 2008
	(b) That the forthcoming revised Procurement Strategy, and the associated processes and training, re-emphasise the importance of making a whole-life assessment of costs and value — in accordance with (a) - in all procurement exercises.		
	This recommendation extends beyond the procurement of Corporate Procurement Services and needs to be adhered to by all major procurement departments within the Council.		



Estates Management

- 9.2.20 This aspect of our evidence gathering focussed largely around the Council's Property Services (BPS) and Urban Design operations.
- 9.2.21 BPS provides a service which looks at the way the Council manages its property and associated issues such as disposals. Urban Design is a wholly trading department of the City Council providing professional and technical advice across a wide range of areas. It provides design, maintenance, construction procurement and energy management/sustainability services to all directorates and departments of the Council, schools, colleges and external organisations.
- 9.2.22 A lot of good work and best practice is being carried out both within the Council and across the BSP. Much of this work relates to energy management and Urban Design, through its Energy Management team, has played an important role in the Council's response to tackling energy issues.
- 9.2.23 From the evidence presented to us, we believe that Urban Design is spearheading the Council's activities to tackle energy efficiency and management through a range of initiatives. We were encouraged to see evidence of a Council function embracing sustainability and setting an example of its own accord.
- 9.2.24 However four main issues emerged which we believe need to be addressed:
 - The first is about the way in which our current properties operate. We believe there is a need
 to urgently put in place a performance monitoring system for the Council's own buildings,
 which includes explicit sustainability performance indicators. We understand that the setting up
 of a performance monitoring system is already being investigated.
 - The second related to the Business Transformation project which is currently looking at reducing the number of Council administrative buildings. We need to ensure that this project explicitly tackles sustainability by embedding it, by ensuring it is considered in existing buildings and by ensuring the new build is truly sustainable.
 - The third concerns disposals of Council assets. The City Council needs to investigate and implement ways in which it can not only specify sustainable criteria in the disposal of its assets but be sure that those criteria will subsequently be achieved. A range of methods in which to influence developers should be available and in particular this should include the use of positive covenants, possibly enforceable by the use of returnable bonds, in land disposals. This would supplement other approaches, for example the partnership approach adopted at Eastside where the City Council has requested that developers provide a Sustainability Framework as part of their tender, which can be carried forward and would supplement any legal agreement and planning permission for a particular site. We are aware of the fashionable mantra which suggests that partnership delivers change on the part of private sector developers but would like to see the evidence. But the essential point is that the City Council needs to have available a variety of approaches, including ways of ensuring compliance.



• Fourthly, the Council should investigate providing incentives, support and advice to promote the use of new technology in buildings. Public buildings should be the first starting point and used as examples for the use of appropriate technology.

	Recommendation	Responsibility	Completion Date
R9	That a system of performance indicators which explicitly include sustainability indicators, be developed and introduced for the management of the Council's own buildings.	Deputy Leader	July 2008
R10	That given R15 states that Birmingham should become and international exemplar city for sustainable development, sustainability is given suitable consideration in relation to the design and maintenance of both new and existing Council buildings, through the Business Transformation Working for the Future initiative in particular.	Deputy Leader	July 2008
R11	That the Council investigate and implement appropriate ways in which sustainable criteria can be specified in the disposal of Council assets. We strongly urge the consideration and implementation of positive covenants with retained bonds to ensure compliance and	Deputy Leader	January 2008
	delivery of sustainability.		
R12	That the City Council establishes appropriate ways of providing incentives, support and advice on the use of new sustainable technologies in buildings.	Deputy Leader	March 2008

Energy

- 9.2.25 Energy use and supply is probably the issue most visibly associated with sustainability and climate change.
- 9.2.26 The Council is involved in the development of two Combined Heat and Power District Heating Schemes in Broad Street and in Eastside. To support these two schemes, an Energy Services Company (BDEC) has been established to deliver the Broad Street and Eastside CHP schemes.



- 9.2.27 We consider that the potential of both these schemes is very significant and that the City Council could play a vital role in marketing and developing local generation and district heating/cooling schemes.
- 9.2.28 The development of BDEC and the two district energy schemes present a clear opportunity for the development of decentralised energy generation in the City and potential for Birmingham to play a role in leading the agenda for decentralised energy.
- 9.2.29 The Council needs to ensure that it adequately resourced and continue to develop the role of the BDEC to ensure that we maximise the potential benefits to Birmingham which include direct reduction of CO₂ emissions, energy supply security, stimulating the local economy as well as contributing to the wider sustainability agenda. This needs to be taken forward with whoever turns out to be the City Council's ESCO strategic partner.
- 9.2.30 The implementation of the two City Centre CHP schemes clearly indicates the progress the city is making in tackling its CO_2 emissions. However, we feel it crucial to stress that such schemes must be implemented across the city if we are to make tangible progress towards our target of a 20% reduction in emissions by 2010.
- 9.2.31 The Council also needs to consider what opportunities and resources exist to promote appropriate development of the bioenergy sector in Birmingham. We would support the development of a sustainable biofuels strategy for the city which would include addressing the issue of wood waste from parks and other open spaces.

	Recommendation	Responsibility	Completion Date
R13	That the Council continue to develop the role of the Birmingham District Energy Company (BDEC) to ensure the maximum potential benefit to Birmingham, with specific emphasis on the use of citywide Combined Heat and Power and Cooling, and other technologies where appropriate.	Deputy Leader	July 2008
R14	That the Council develop a sustainable bioenergy strategy for Birmingham which includes the sustainable use of wood waste from parks and other open spaces.	Deputy Leader	July 2008

Sustainable Development

9.2.32 We have always recognised that embedding sustainability within the development and regeneration culture is likely to be a challenge and that placing emphasis on the principles of sustainability will have different implications for different areas.



- 9.2.33 For example, the planning regime may emphasise the use of sustainable criteria in granting planning applications whereas regeneration may seek to place emphasis on criteria for sustainable communities.
- 9.2.34 Birmingham and the wider region also has a strong history in manufacturing, and we feel it makes good economic and sustainable sense to use this to develop a market in environmental manufacturing. There are, perhaps, opportunities to divert the decline in the car manufacturing industry towards renewables manufacturing, as many of the technologies employed are the same. Our own procurement and regeneration policies can play a vital role in this, through the stimulation of a local 'green' market.
- 9.2.35 The most notable regeneration initiative in the context of sustainable development has been Eastside. We were told that draft sustainability guidance has already been produced for Eastside as a means of encouraging sustainable development. It is hoped that by working in partnership with developers it will be possible to raise the standard of sustainable development in Eastside as a pilot area for a wider application across the city.
- 9.2.36 Whilst we were encouraged to learn that it is possible to work with developers towards more sustainable development, there is a concern as to why the same standards are not applied to other regeneration initiatives.
- 9.2.37 One of the key issues raised in evidence has been the need to encourage developers to include an environmental offer. We feel that there must be a Council-wide, mandatory approach to this issue.
- 9.2.38 The City Council needs to be clear about what it wants to achieve. Its planning policies need to reflect to the greatest degree possible our ambitions for sustainable development. In this report we have already referred to the 160 local authorities who have followed the London Borough of Merton in introducing a local planning policy governing the use of renewable energy in new developments. It has been put to us that introducing the Merton rule for Birmingham would perhaps be the single-most effective policy initiative to stimulate and promote bio-energy and a wider renewables sector in the city. We would wholeheartedly endorse this.

	Recommendation	Responsibility	Completion Date
R15	Birmingham should become an international exemplar city for sustainable development. Local Planning Policy must be urgently reviewed so that the most challenging sustainability requirements are clearly set out for developers. It is our strong belief that this will add substance to the branding and positioning of Birmingham as an international sustainable city.	Cabinet Member for Regeneration	July 2008



	Recommendation	Responsibility	Completion Date
R16	That revised planning policy for Birmingham formalises the government's renewable energy targets by: (a) ensuring energy efficient design of buildings; (b) ensuring energy efficiency during construction; (c) incorporating a requirement for new developments in the city to provide a minimum of 15% of future energy needs from on-site renewable energy sources. This target should be subject to regular re-appraisal and increase in line with cutting edge international, contemporary best practice. This policy should also include a framework for enforcement.	Cabinet Member for Regeneration	July 2008
R17	That consideration is given to appropriate ways in which the Council, with its partners, can encourage the development of green technologies and stimulate the green economy.	Cabinet Member for Regeneration	March 2008

Governance

- 9.2.39 We strongly believe that our recommendations will support the Executive in driving forward a step change in the city's approach to sustainability and climate change. We have concentrated on ensuring clarity and ambition, and that is the thrust of the bulk of our recommendations. But for completeness, this refreshed approach would be enhanced by a small number of changes to the governance arrangements in the City Council.
- 9.2.40 Sustainability and climate change, as overarching issues, may impact on everything that the City Council does, and as such constitute an enormous workload for those in leadership positions. We understand that there will be some significant challenges ahead, and the following recommendations are therefore intended to ensure that no individual or group of Elected Members face an unmanageable burden.

	Recommendation	Responsibility	Completion Date
R18	That consideration is given to either the creation of a Cabinet Member for Sustainability and Climate Change, or the re-allocation of duties between Cabinet Members so that there continues to be prominent and clearly defined		January 2008



	Recommendation	Responsibility	Completion Date
	leadership of sustainability issues in Birmingham through a member of the Council Executive, including through any reform of portfolios that may take place.		
R19	The Co-ordinating Overview and Scrutiny Committee consider recommending to the Council Business Management Committee the creation of a standing O&S Committee for Sustainability and Climate Change.	Chair, Co-ordinating O&S Committee	January 2008
R20	Progress towards achievement of these recommendations should be reported to a reconvened Sustainability and Climate Change Scrutiny Members Panel – until such a time as a new standing O&S Committee for Sustainability and Climate Change is appointed - and to the Chair of the Co-ordinating Overview and Scrutiny Committee. Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.	Deputy Leader	February 2008



Appendix 1: About the Committee and Review

The Committee and its Terms of Reference

The Review was undertaken by the Sustainability and Climate Change Task and Finish Overview and Scrutiny Committee. Membership of the Committee comprised:

- Councillor Steve Bedser (Chair)
- Councillor Robert Alden
- Councillor Mark Hill (Vice Chairman)
- Councillor Timothy Huxtable
- Councillor Jan Drinkwater
- Councillor Jerry Evans
- Councillor Ann Holtom
- Councillor Chauhdry Rashid

The officer team comprised Nick Partridge as the Lead Review Officer, with Bethan Clemence and Rose Kiely. Committee Management support was provided by Sue Whitehead.

We have also been grateful to a number of individuals and organisations who have a particular interest and expertise in environmental issues and who have attended and contributed throughout the course of the review namely:

- Keith Budden, Head of Sustainability, Birmingham Strategic Partnership
- Chris Williams, Birmingham Friends of the Earth
- David Ward, Interim Manager, Sustainable Development
- Sandy Taylor, Strategic Regional Advisor

Conduct of the Review

The conduct of this review has involved a very considerable amount of evidence gathering. We have received briefings, visited and taken evidence from a wide range of internal and external witnesses and organisations and we would like to thank witnesses for their willingness to attend meetings and make a very positive contribution to the evidence gathering process.

We have heard evidence from a number of City Council departments and teams including:

Urban Design



- Corporate Procurement Services
- Individual Client Services, Children, Young People and Families
- Regulatory Services
- Housing Strategy
- Planning Management and Planning Strategy
- Legal Services
- Regeneration
- Property Services
- Development Strategy.

We have also heard from and the Deputy Leader as the portfolio holder on sustainability.

Whilst we recognise that we have not heard from all areas of the Council, we have been encouraged to hear that there are various actions being undertaken by Council departments which offer examples of good practice within the context of sustainability and climate change.

It was also important to us to hear from key partners and local stakeholders, as we recognise that achieving a sustainable Birmingham requires partnership working and commitment from local organisations, businesses and the public in general. We have met with numerous people and external organisations working in this area. These have included organisations such as:

- Teachers in Development Education (TIDE)
- Forum for the Future
- Midlands Environment Business Company
- Birmingham Friends of the Earth
- Localise West Midlands
- Sustainability West Midlands
- The Birmingham Strategic Partnership
- The Birmingham Sustainable Energy Partnership
- Sustainable Eastside

The breadth of evidence gathering is also demonstrated by the following, by no means exhaustive list, of Central Government, Regional, sub-regional, city level and local area level strategies and plans which on which we have received evidence.

- DfES Sustainable Development Action Plan 2005/06
- Securing the Future: The UK Government Sustainable Development Strategy (March 2005)



- The Regional Sustainable Development Framework
- Birmingham Climate Change Strategy and Action Plan
- Cabinet Statement on Sustainability
- Council's Sustainability Strategy and Action Plan 2000 2005
- Municipal Waste Strategy 2006 2026
- The Birmingham City Centre Masterplan: The Visioning Study
- The Birmingham Prospectus
- The Stern Report
- Local Government White Paper extract relating to sustainability issues

We have looked at examples of local authority best practice by receiving briefings giving examples of sustainability initiatives from other Local Authorities, in particular Bristol City Council and Leeds City Council.

We have been made aware of the Centro/WMPTA Environmental Scrutiny review.

We have received a presentation on the 'Bioenergy for Birmingham' report which derives from a 2-year project investigating the potential role of bioenergy to contribute to the city's sustainability objectives.

In addition we have also engaged in various 'extra curricular' activities:

- A visit to the Centre for Alternative Technology at Machynlleth which demonstrated clear innovation and holistic approaches to best achievable environmental practices.
- We have actively engaged with members of the public through the Birmingham Sustainability
 Forum whereby members of the Committee teamed up with the Sustainability Forum to
 promote ways in which everyone can play a role in helping to protect future resources in
 Birmingham.
- Attendance of members at events such as the West Midlands Regional Assembly 2006 Conference on Climate Change and the Sustainability Challenge and the Sustainable Development Commission's Annual National Conference.
- Drafting a consultation response on behalf of the Committee to The Birmingham Climate Change Strategy and Action Plan consultation.
- Active engagement with young people through the TIDE~ 'Let's Talk' project see section 8.9 for more detail.



Appendix 2: Background Information

"Local government has a pivotal role in achieving sustainable development and mitigating and adapting to climate change".

Strong and Prosperous Communities, Local Government White Paper 2006.

Defining Sustainability and Climate Change

Climate change involves complex interactions between climatic, environmental, economic, political, institutional, social and technological processes²⁵. However, its cannot be addressed in isolation of broader societal goals such as sustainable development.

'Sustainable development and climate change are two vitally important and interrelated challenges facing us in the 21st century. Our ability to develop more sustainably will determine the speed and degree of climate change we experience. And as the climate changes the choices available to us to develop sustainably will change.'

UK Sustainable Development Strategy

We must recognise however, that sustainability is broader than simply climate change. In our view it is overarching; encompassing every service that the City Council delivers and many, if not all, aspects of our lives as individuals. It is inextricably linked with the key issues of economic growth and social needs.

There may be many definitions of sustainability, but all have to do with:

- Living within the limits
- Understanding the interconnections among economy, society and environment
- Equitable distribution of resources and opportunities

It is also important to recognise that there are a number of initiatives which refer to sustainability in some form, but that they do not hold the same meaning. Sustainable communities for example, does embody the principles of sustainable development by:

- Balancing and integrating the social, economic and environmental components of their community;
- Meeting the needs of existing and future generations;

²⁵ Intergovernmental Panel on Climate Change 2001, http://www.ipcc.ch/



However, the concept of sustainable communities more widely refers to broader societal issues, for example:

- Respecting the needs of other communities in the wider region or internationally also to make their communities sustainable.
- Sustainable communities are diverse, reflecting local circumstances²⁶.

Delivering on sustainability will require the Council to "integrate the delivery of social, economic and environmental goals, to take a coordinated approach to delivering public services that work for everyone, including the most disadvantaged, and to think strategically for the long-term"²⁷. This must take place within four shared priorities, as set out by central government:

- Sustainable Consumption and Production
- Climate Change and Energy
- Natural Resource Protection and Environmental Enhancement
- Sustainable Communities

Guiding principles in the government's UK Sustainable Development Strategy form the basis for policy in the UK - for a policy to be sustainable, it must respect all five of these principles:

- Living within environmental limits;
- Ensuring a strong, healthy and just society;
- Achieving a sustainable economy;
- Promoting good governance;
- Using sound science responsibly.

Climate Change

The seriousness with which climate change is now being treated was demonstrated when government published its new Climate Change Programme in March 2006, which builds on the targets set out in 2000 for:

- a 20% cut in CO₂ emissions by 2010 from the 1990 baseline;
- a 60% cut in CO₂ emissions by 2050 from the 1990 baseline.

However, the energy review projections have highlighted that by 2010, the UK will have reduced its CO₂ emissions by about 15-18% below 1990 levels - achieving the Kyoto target of 12.5%, but failing to meet the UK's domestic target. To tackle this in part, a range of new measures including policies to encourage

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²⁶ Definition and Components of Sustainable Communities. *Annexe A, Securing the Future – UK Government Sustainable Development Strategy, 2005.*

²⁷ UK Sustainable Development Strategy 2005



energy efficiency, the wide use of biofuels and the decentralisation of power supply through microgeneration and renewables were announced in the Climate Change and Sustainable Energy Act 2006^{28} .

The Government has driven the climate change agenda forward through its Draft Climate Change $Bill^{29}$, which sets out to make the 60% reduction in CO_2 emissions by 2050 a legally binding target. With broad, cross-party support, and in addition to the measures contained within the Chancellor's Budget to encourage individuals and business to reduce CO_2 emissions, it sets out legislation around 'four pillars':

- placing the 60% target onto the statute books;
- establishing an independent Carbon Committee to work with ministers to deliver reductions;
- creating new powers to ensure the target is achieved;
- improving the way CO₂ reductions are monitored and reported.

Whilst this is set at a national level, we believe that this will undoubtedly translate into targets for Local Authorities in the future. However, local government does not currently have an explicit performance framework for climate change. Indeed, we feel that the role of local authorities has been previously overlooked, when in fact Local Authorities, through their service delivery, are on the frontline in addressing climate change.

However, the Secretary of State for the Environment has recently made clear the government's belief that councils have a crucial role to play. The formation of an independent Climate Change Commission to look at ways in which Councils can tackle carbon emissions in their own buildings and facilities, in the services they provide and decisions they take in housing, transport and social services, suggests this is a challenge local authorities are ready to deliver on.

At the West Midlands Regional Assembly Conference in October 2006^{30} , climate change was accepted as the most significant challenge to the future development of the region. It was agreed that the region should work together under the leadership of the Regional Assembly to reduce CO_2 emissions significantly and adapt to the changing climate.

Whilst regional policy has started to place an emphasis on climate change actions through spatial strategies, as noted by the LGA 'Local Government is the level that is closest to the people ... and the reality is that without their inclusion and buy-in, any environmental policies risk failure'³¹. Many Local Authorities – including Birmingham - are already tackling the issue by setting strategies and implementing programmes where resources have allowed. Furthermore, Birmingham City Council is one of over 140 Local

²⁹ Draft Climate Change Bill, March 2007. Consultation document available at http://www.defra.gov.uk/corporate/consult/climatechange-bill/

³⁰ Climate Change: The Sustainability Challenge. West Midlands Regional Assembly 2006 Conference, Lichfield Garrick October 2006.

²⁸ http://www.opsi.gov.uk/ACTS/acts2006/20060019.htm accessed 12/05/07

³¹ http://international.lga.gov.uk/news/2007/31-Jan-2007.html access 12/05/07



Authorities that have now signed up to the Nottingham Declaration. These actions are supported through a range of national programmes including:

- LGA Climate Change Commission;
- LGA/Environment Agency Protocol on Climate Change;
- UKCIP Local Authority sectoral research;
- Carbon Trust public sector programme;
- Energy Savings Trust; and
- IDeA.

This activity and the pivotal role of local government has now been recognised in the 2006 Local Authority White Paper³². It states that 'all Local Authorities can, and should be taking action to combat climate change and, if best practice were followed, UK emissions would drop significantly'. The White Paper also places an important emphasis upon adaptation – an issue which we feel has taken a back seat in the development of UK policy.

There are currently no legal requirements on the Government to report on or monitor the risks of climate change and the progress the Government is making in adapting to these risks – critically, this is also reflected at the Local Government level, where many climate change actions have been in relation to mitigation.

There is, however, a growing recognition of the need for this to be addressed - the Draft Climate Change Bill³³ acknowledges that the government still needs to do more with regards to adaptation and is looking to enshrine its Adaptation Reporting Framework within legislation. The Stern Review has also demonstrated that the economic benefits of strong, early action on climate change outweigh the costs - crucially for both mitigation and adaptation.

Local government is now expected to interpret national policy and drive forward the climate change agenda through a range of mechanisms, and assessed through a new national performance framework. Primarily, these include:

- Sustainable Community Strategy;
- Local Area Agreements;
- Local Strategic Partnerships;
- Local Development Frameworks.

Essentially, the Local Government climate change agenda is now gaining pace rapidly. In Birmingham, we believe that the City Council – with its partners - should be embracing opportunities to make climate change a priority and to lead on actions to both mitigate against, and adapt to climate change.

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³² Strong and Prosperous Communities. Local Government White Paper, December 2006.

³³ http://www.official-documents.gov.uk/document/cm70/7040/7040.pdf

Appendix 3: Lets Talk: Climate Change

Meeting with Scrutiny Committee

Monday 26th March 2007

The discussions about climate change in general and the draft Birmingham 'Climate Change Strategy' in particular has raised a wide-range of issues.

We have chosen to focus on those highlighted by the feedback.

Key issues are:

- 1. Transport
- 2. Education [in schools]
- 3. Business
- 4. Media
- 5. Recycling
- 6. Renewal energy
- 7. Communication with young people
- 8. Communication & consultation process

Each of these issues requires a lot more debate and discussion.

In particular we are proposing that there ought to be opportunities for young people to be creative about such issues.

The following notes offer background to the issues we wish to discuss

Transport

From the meeting on the 12th Transport was a topic brought up several times, our thoughts as well as the thoughts of those from the meeting are below.



- In what ways can the council/partnerships work with organisations like Centro to make public transport cheaper/more accessible?
- Public transport must be made a viable option if people are to be dissuaded from using their own vehicles. It must be cheap and efficient.
- Making the city centre a car free area would dissuade people from using their cars and encourage the
 use of public transport.
- Introducing congestion charging would also dissuade people from using their own vehicles and encourage people to use public transport.
- Subsidising bus/train companies to make travelling by an alternate method to car easier.
- Encourage cycling to school and work by providing more cycle routes around Birmingham making cycling safer.

Acknowledged in the report as the largest fuel consumer, **the car is the centre of much debate.** Is just encouraging alternative means of transport enough? How effective would a congestion charge or other similar traffic-associated schemes be in Birmingham?

Education

 Bringing a section into the curriculum, possibly into PHSE or Citizenship lessons encouraging discussion about climate change and environmental issues.

Businesses

In what ways can businesses be encouraged to commit to combating climate change? .

- Making businesses more aware of the options available to them, e.g. telling businesses about the
 council being able to subsidise part of the cost of installing a solar panel or the payback time of a solar
 panel.
- Consider more when building new buildings or renovating old buildings. E.g. shades on millennium point
 could have solar panels, as shades are closed when it's sunny this would be ideal as the panels would
 be directly facing the sun.

Media

By making people aware of the amount of energy that can be saved through various things. For
example; using energy saving light bulbs as well as recycling etc and what this amount of energy is
equivalent to making it easier for people to relate, this may encourage people to become more proactive if they are aware of the difference they are making.

Recycling



- Ensure that all schools and colleges have paper recycling facilities with regular collections.
- Ensure that Birmingham has the capacity to process the recycling of Birmingham before publicising recycling itself.

Renewable Energy

- Encourage schools to be more environmentally friendly by making schools more aware of the incentives
 that are available to make being environmentally friendly more affordable, such as the availability of
 money to help buy solar panels for schools providing renewable energy.
- Encourage schools to promote environmental projects and voice the projects that they are participating
 in, for example; the rainwater harvesting system in place at Plantsbrook School, as these can be used
 as selling points for the school and would encourage other schools to also install such systems.

Taxes

• The power the council has to make Birmingham a world leader in sustainability e.g. could they introduce green taxes in Birmingham without the permission of parliament.

Communication with young people

Communication is acknowledged in the report as a crucial aspect of the reduction of CO2 emissions though it is likely, however, that you, like us, would not have encountered this 66-page report without this kind of event.

As teenagers what do you consider good practice in terms of the council generating **awareness amongst Birmingham's youth?**

- One thing that was mentioned several times on the feedback sheet was that the atmosphere in the
 council chamber was too intimidating. Putting on debates in the city centre and inviting people from all
 across Birmingham to debate climate change and discuss environmental issues, in a less intimidating
 environment may encourage more young people to voice their opinions and ideas.
- Providing a group which goes into schools and colleges and supports students to set up environmental projects such as recycling, planting new trees, composting, reducing electricity wastage etc.
- Putting on workshops by going into schools and colleges etc and educating people about what they can
 do to reduce climate change and address environmental issues in their local area and within their
 school or college.

Communication overall

• There is an issue with communication as whilst Keith Budden was very eager to spread the word did this help our involvement? Clearly it can be hard communicating to young people who might not



necessarily consider discussing Climate Change an important issue and would therefore be reluctant to attend such events as Let's Talk's.

- In communicating it should be more of a consultation rather than speaking about the document as if all the answers are already there.
- Deadlines for the proposals outlined in the BSP report were given but there was not much information about how these deadlines were going to be achieved.
- It also seems that there is a need for a summary document such as the one that we produced for the meeting on the 12th as few people will be willing to read the whole document.

Is setting **targets** like reducing carbon emissions from domestic and public buildings by 30% by 2010 realistic? How can this be done?

How should the **responsibility** for changing attitudes and getting results be distributed?

Does the Council have more of an obligation to promote programmes and initiatives than business and organisations, where much of the CO2 is generated?