



Report to:	Environment and Neighbourhood Committee	Date:	18 June 2015
Report title:	Sustainability Service Review		
Report from:	Mary Morrissey, Strategic Director of Environment, Housing and Regeneration		
Ward/Areas affected:	Borough Wide		
Chair of Committee/Lead Member:	Councillor Jill Whitehead		
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Corporate Plan Priorities:	<ul style="list-style-type: none"> • A Green Council • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	22 May 2015

1. Summary

- 1.1 The administration has a strong and enduring commitment to proactive action on advancing the sustainability agenda. This is manifest in the council's Corporate Plan 2014/15 – 2017/18 which includes the objective for Sutton to be London's most sustainable suburb, and includes the delivery of the One Planet Sutton targets as a priority action. The council nonetheless needs to review its sustainability strategy in light of the requirement to save £40m over the next 4 years.
- 1.2 This report provides a review of the current offer and options for the future scope and strategic direction of the council's sustainability approach. The recommended option ensures the council can re-endorse its sustainability vision to deliver a sustainable Sutton where:
- Community owned renewable energy schemes are commonplace,
 - A district heating network provides cheaper, cleaner heat,
 - Energy saving behavioural change is driven by grass roots action
 - Sustainable transport is at the heart of our growth aspirations
 - Waste sent to landfill is drastically reduced
 - Communities are involved in food growing and a locally grown food brand is available in shops
 - Improvements to habitats and green spaces mean an improved environment for residents and nature
 - The council will be open and accountable for action on environmental performance and will demonstrate leadership amongst its peers.
- 1.3 To support this the paper sets out organisational recommendations which streamlines the One Planet Sutton targets to focus limited budgets where they can achieve innovation and cost saving benefits to the Council, its partners and residents e.g. community owned renewable



energy schemes. It recommends that resourcing for environmental risk management is focused on the areas of greatest legal and compliance risk rather than through the Eco-Management and Audit Scheme (EMAS) audit regime.

2. Recommendations

- 2.1 Endorsement of Option A as delivery model for the future structure and strategic direction of the sustainability team and the One Planet Sutton (OPS) programme.
- 2.2 Endorsement of the technical amendments to the OPS targets.
- 2.3 Agree priority OPS targets which will receive proactive monitoring and support from the sustainability team.
- 2.4 Delegation of future minor amendments to OPS targets to the OPS board, in consultation with the Chair of the Environment and Neighbourhoods Committee.
- 2.5 Endorsement of the withdrawal from EMAS by Sutton council, and subsequent replacement by service-led responsibility for environmental risk management.

3. Background

- 3.1 The council committed to One Planet Living in 2009, creating a set of challenging sustainability targets up to 2050. One Planet Living is an approach developed by Bioregional which aims to enable people to live happy, healthy lives within the natural limits of the planet. Sutton council's commitment to adopt the ten principles of One Planet Living for the borough is known as One Planet Sutton. As an accredited partner the council must commit to a set of Common International Targets (CITs) and make continual progress across all themes, but the number of local targets adopted is discretionary.
- 3.2 In October 2013 a revised set of over 70 targets across 5 core themes were adopted following approval by Environment and Neighbourhoods Committee. The targets identify 2017, 2025 and 2050 ambitions. It was noted that a number of targets were dependent on resources. OPS targets were integrated into the Eco-Management and Audit Scheme (EMAS) so that all targets were monitored through an annual audit by external assessors.
- 3.3 Interim progress on targets is overseen by the Sustainability Team and monitored by an OPS board which comprises senior officers from across the Council.
- 3.4 The annual budget of the Sustainability Team in 2014/15 was £180,700 (excluding central support costs). A summary of current service provision is provided in Appendix A.
- 3.5 Progress towards targets during 2013-14 was published within the OPS Progress Report (http://www.sutton.gov.uk/downloads/file/1163/ops_progress_report_141201) in December 2014. Key achievements include a 10% reduction in CO₂ from council buildings since 2010-11, a 5.3% reduction in household waste since 2009-10, the completion of a £1.6m flood alleviation scheme, an 11% reduction of CO₂ from council fleet emissions. Sutton is rated 7th in country, and first in London for commitment to Eco schools. To date 6 OPS 2017 targets have already



been achieved, and progress towards OPS targets have saved the council a minimum of £2.5m including over £1.9m from energy bills, and £17,000 from simple water saving measures. Work towards One Planet Sutton targets has also levered in funding of over £8.5m external funding since 2010.

4. Issues

- 4.1 Over the past year the council has worked with a wide range of stakeholders to draft action plans for OPS 2017 targets. This process identified technical amendments to targets which were required for a number of reasons e.g. government policy changes, improved baseline data, or review of Council resources. This review has recommended a consolidated set of 71 targets (Appendix B). The amendments were endorsed by the OPS Board subject to approval by Committee and Bioregional have confirmed that they continue to address all the CITs.
- 4.2 The process also confirmed the requirement for substantial funding to achieve a number of the targets. OPS is a whole borough approach to sustainability and in order to meet all the targets action is needed across all sectors of the borough. However analysis has shown that over one third of the sustainability team's time is required to monitor performance of OPS targets within the EMAS framework rather than deliver projects or act as an advocate of change.
- 4.3 In the current financial environment, the council will need to prioritise key areas where focused action can bring about the biggest benefits and empower residents and partner organisations to change behaviours to deliver sustainability. The approach should also recognise that the holistic approach to sustainability e.g. the focus on well-being has now been mainstreamed within Council policy, and collaboration across council teams (e.g. planning) has ensured sustainability aspirations are embedded within business as usual.

5. Options Considered

5.1 Appendix C sets out four options for a revised sustainability service. These are:

- Option A: Streamlined One Planet Sutton Strategy, Delivery and Monitoring Service
2 FTE
Delivers OPS programme through key projects, monitoring and reporting progress
Facilitates delivery through external partners, support for internal teams and sourcing additional funding
- Option B: CO2 emissions reduction service
1 FTE
Delivers borough wide CO2 reduction projects
Provides policy, and support on non corporate CO2 matters only
- Option C: Sustainability policy and monitoring service
1 FTE
Provides council strategy and policy on council environmental issues
Monitors corporate environmental performance



- Option D: No sustainability service

- 5.2 To provide further context for the options review, a comparison of Sutton's sustainability team and other London Borough sustainability teams is provided in Appendix D.
- 5.3 The options were presented to OPS Board on 5 March 2015 which agreed to support the recommendation to E&N Committee that Option A be taken forward.
- 5.4 All options include removal of the council's EMAS. EMAS is a framework for performance monitoring and environmental risk management. The council has been accredited since 1996, but a review has shown that only 4 other UK councils still hold accreditation. A review of how this function could be replaced by the council has been undertaken in partnership with internal audit and heads of service for relevant areas. It concluded that ownership of environmental risk issues can be taken on by the relevant service areas (Appendix E).
- 5.5 All options include removal of the Eco schools budget, as the objectives of the Eco school officer post have been successfully achieved.
- 5.6 Option A provides continuation of overarching sustainability strategy, monitoring and commissioning/delivery of projects by the sustainability team, and continuation of One Planet Sutton. Key focus areas are detailed in Appendix F and would include proactive management of 32 targets relating to borough wide energy reduction, corporate waste, local food, sustainable commissioning and procurement, and support to other teams on issues such as waste, transport, flooding, water reduction. These have been identified for their environmental importance, the potential to save resources and costs, and the added value which the council can deliver. The detailed rationale for each target is provided in Appendix F.
- 5.7 Other targets will be maintained as aspirations should additional funding become available but will not be actively supported by the Sustainability Team, including improving biodiversity at SHP estates and assisting households with adaptation to climate change.
- 5.8 Under Option A there would be a reduction in officer time spent on target monitoring and an increased focus on delivery of innovative environmental improvements, partnership working, and identification of funding opportunities. Indicative projects include an online reuse system for council and partners, a community renewable energy scheme, a project to assist in greening the supply chain, and improvements to recycling in council buildings. Communications to ensure residents are informed of progress against OPS targets, and to motivate further behavioural change will form an important part of the service.
- 5.9 The framework at Appendix F includes several new targets to ensure monitoring of key environmental areas that were previously monitored via EMAS, or which provide improved insight into direction of travel against 2025 targets. An annual progress report will be published, independently reviewed by Bioregional, which will also refer to projects more broadly which contribute to OPS objectives but which are monitored by other means. Bioregional would also benchmark Sutton's progress against key sustainability indicators such as local authority CO2 emissions. Other OPS targets not included in Appendix F would remain, but without active monitoring and they would be reviewed in 2017.



- 5.10 Bioregional have indicated this approach would enable the council to continue to be an endorsed One Planet Sutton Borough.
- 5.11 Under option A no staff redundancies are envisaged. Implementation of the new staff structure is anticipated from 1 January 2016.
- 5.12 Option B is not recommended because its focus on CO₂ monitoring would not support an overarching sustainability programme nor endorsement as One Planet Living partner.
- 5.13 Option C is not recommended as it would only provide support and advice to other teams within the council on sustainability issues and it is unlikely to provide the momentum and leadership needed to support the Council's sustainability ambitions.
- 5.14 Option D is not recommended because it would result in the removal of specialist environmental support within the council and the ability to deliver One Planet Sutton targets.
- 5.15 Further future revisions may be required to OPS targets (e.g. for changes to government policy). It is therefore also recommended the OPS Board is given delegated powers to approve minor amendments to sustainability targets in consultation with the Chair of Environment and Neighbourhoods Committee.

6. Impacts and Implications

6.1 Financial

- 6.2 The direct financial savings of the service review options are detailed in appendix C, and summarised below, this excludes central support costs.

Option	Total budget (£)	Total saving from 2014/15 budget (£)
A	96,000	84,700
B	63,330	117,040
C	33,660	147,040
D	0	180,700

- 6.3 The savings are estimates, and will not be finalised until consultation on a proposed restructure and subsequent role evaluation has been undertaken in accordance with the council's reorganisation policy. It will also be subject to changes set out in the People Plan.
- 6.4 The savings projected do not include other cost savings to the council which the sustainability team provides e.g. the previous installation of a new recycling system in buildings saved the council an estimated £16,500. Corporate energy behaviour change schemes run by the team save a minimum of £4,000 a year. A reuse scheme for equipment could save the council at least £50,000.



6.5 Legal

6.6 The cessation of EMAS will remove the current system which assures that teams across the council are complying with environmental legislation. Discussion with internal audit, and relevant service heads has illustrated that environmental risk can be managed without EMAS. An alternative approach will be implemented and service heads will take ownership for legal compliance, and where there is a higher risk for the council, internal audit will continue to conduct spot checks to monitor compliance (Appendix E).

6.7 Other issues

6.8 The options set out in this paper rely on data inputs from other teams. The sustainability team acts as a hub, driving sustainability performance across the council. Monitoring and delivery requires input from all teams across the council but in particular: asset management, sustainable transport, waste, facilities management, biodiversity, flood risk, strategic planning, procurement, environmental health, and commissioning support teams. Loss of staff as part of wider changes in such teams may impact the sustainability team’s ability to deliver. This will need to be monitored through the sustainability impact assessment within all committee reports and through the OPS Board.

7. Appendices and Background Documents

Appendix Letter	Title
A	Current Sustainability Service Provision
B	OPS 2017 targets requiring technical amendments
C	Options for Future Sustainability Service Provision
D	Comparable London Borough Sustainability Services
E	Eco-Management and Audit Scheme Review
F	Summary of Key OPS and Sustainability Team Priorities and Targets to 2017/18

Background Documents
None.

Audit Trail		
Version	Final	Date: 22 May 2015
Consultation with other officers		
Officer	Comments Sought	Comments checked by
Finance	Yes	Christine Little
Legal	Yes	Chris Warner