

Environment and Housing Programme Board and Association of Greater Manchester Authorities Policy Briefing 2 February 2011



LG Offer on Climate Change

The LG Group submitted the LG Offer on Climate Change to the Department of Energy and Climate Change (DECC) in September 2010. The Offer set out 15 proposals on how DECC, the LG Group and councils could work together to address climate change. An executive summary of the [Offer](#) is available online and the full document is available on request. The LG Group is negotiating on an agreement between the Group and DECC on how this agenda will be taken forward, to be finalised for early Spring 2011.

Local Carbon Frameworks

These were launched in [January 2010](#) and have been continued under the new Government. Nine pilot areas are trialing new ways of working to enable councils to do more to reduce carbon in their geographical areas. The projects include mapping opportunities for renewable energy, the council role in the Green Deal, community renewable energy programmes, etc. DECC have awarded 30 local authorities in the 9 pilot areas £2.5million to develop the frameworks. The LG Group have appointed consultants to evaluate the pilots, extract the learning, and formulate a framework for councils on climate change.

The Green Deal

The [Green Deal](#) is a new mechanism whereby energy efficiency and renewable energy improvements to homes and businesses can be repaid by adding a charge to the energy bill of the property. The charge has to be less than the financial savings the measures achieve, resulting in an overall reduction in energy bills. The charge stays with the property, not the person. Government has introduced the legislation for this in the [Energy Bill 2010](#). A Local Authority Panel on the Green Deal is working with DECC to set out potential roles for councils in the Green Deal.

Carbon Reduction Commitment Energy Efficiency Scheme (CRC EES)

The 2010 Comprehensive Spending Review (CSR10) has redesigned the [CRC EES](#), which includes many councils. Proceeds from the sale of carbon allowances will be retained by HMT instead of recycled back to participants, generating Government around £1bn a year. The LG Group estimates this will increase costs for local authority participants an average £612,037 for 2011/12.

The LG Group has submitted a full [consultation response](#) on these changes, calling for Government to: conduct a full impact assessment for public sector participants; work with councils to ensure that the funds collected from the scheme actually help fund improvements in energy efficiency; and to re-evaluate the justification for linking schools directly with the local authority within the scheme.

Briefing