

Item No.	Classification: Open	Date: 29/07/03	MEETING NAME Executive
Report title:		<i>Making the Council a Greener Organisation</i>	
Ward(s) or groups affected:		All	
From:		Gill Davies Strategic Director Environment & Leisure	

1. RECOMMENDATIONS

- 1.1. That the Executive approves the specific recommendations for immediate action outlined in section 4.0
- 1.2. That the Executive approves that the officers identified in section 3.0 to bring reports back to the Executive outlining further action
- 1.3. The Executive approves a publicly available report to be produced arising from the Environmental Audit, which will give details of the findings of the audit, any new strategy and policy processes arising from it, together with environmental impacts and targets. This report to be available by September 2003.

2. BACKGROUND

2.1 Southwark has a strategic priority to make the borough cleaner and greener. In addition, and in order to lead by example, a corporate priority was developed to make the Council a greener organisation. The current administration made a commitment to commission an early in-house environmental audit starting with Strategic Services and Chief Officers received a report on options for undertaking the audit at their meeting on 25th September 2002. It was decided that some Housing Department buildings and also the impacts of the policies of the Housing Department would be included in this initial audit.

2.2 Sustainable Energy Action, (SEA), a locally based environmental organisation were appointed to conduct the audit.

2.3 Audit Specification

It was proposed that an Environmental Management Auditing Scheme model be followed as far as possible, covering five key areas:

- To audit the legislative, regulatory and other requirements to which the organisation is subject or subscribes;
- To audit the identification of all environmental aspects with a significant environmental impact, qualified and quantified, as appropriate and the register of those identified as significant;
- To audit the organisation's description of their criteria for assessing the significance of the environmental impact;
- To examine all existing environmental management practices and procedures;
- To produce an audit report based on the findings.

2.4 The audit therefore fell into two main categories:

- Building management – establishing environmental impacts in terms of building fabric, energy and water consumption, waste management (including recycling) IT, office equipment and procurement.
- Policy – looking at current environmental policy. /strategy, examining processes that have an environmental impact including transport, the purpose of an environmental management programme, stakeholder involvement etc. It is important to stress that the recommendations arising from this report need to link in with the Council's accommodation strategy review.

2.5 The buildings audited were the Town hall complex, Larcom Street, Crown House NHO, Rodney Road NHO, Denmark Hill NHO and Abbeyfield NHO.

2.6 The audit took place through March and early April. The results and recommendations arising from the audit are given further in this report. A range of methods were used to quantify and assess environmental impact including ecological footprint, BREEAM (Building Research Establishment Environmental Assessment Method) energy benchmarking and CO2 analysis

2.7 SEA's draft report examines the major environmental impacts resulting from the operations of those departments and also the impacts of the policies of the Housing Department. Recommendations are made as to how to reduce those impacts. In the case of the Housing Department not all of its offices were audited - five offices were selected by Housing SMT to provide a sample upon to base the report.

2.8 The Executive summary of the SEA report concludes that Southwark Council has a very significant environmental impact in the borough which could be relatively easily reduced by implementing the recommendations outlined in their report. In some cases this will require additional resources but in many cases this will result in savings to the Council's running costs.

2.9 This report will suggest ways forward for the Council, both in terms of implementing recommendations and taking forward environmental audits across the rest of the Council. The ultimate aim is achieve the strategic priority of making the Council a greener organisation

3. KEY ISSUES FOR CONSIDERATION

SEA Report recommendations

A copy of the draft SEA report is available as background papers and has already been circulated to Members. The main recommendations from the report are outlined below with a short analysis of the implications of meeting that recommendation and a way forward:

3.1 A Green Procurement Code.

The report highlighted the devolved nature of the Council's organisational structure and the way that individual business units approach purchasing decisions. Despite Contract Standing Orders many business units buy outside the corporate contracts making it impossible for the Council to have a unified approach to green procurement. For example about one third of all paper used by the Council is not purchased from the corporate supplier. The SEA report recommends the Council adopt a green procurement code to cover all office related purchases from stationery to lighting systems within the offices. The Council's Procurement Strategy, which is due to be agreed by the Executive in July, incorporates a green procurement requirement for all procurement, not just office based purchasing.

Adopting this policy is therefore in hand and the new administration have expanded staffing resources in this area to create the capacity to initiate green procurement. The procurement policy also sets an objective of expanding the number of corporate contracts. This needs to be complemented with full compliance across the Council. If current levels of compliance across the Council with current corporate contracts were to continue a green procurement code would have only limited value. It is proposed that the Assistant Chief Executive, (Performance & Strategy), bring a report to the Executive on progress on implementing green procurement by December 2003.

3.2 Better resourced and co-ordinated programme of energy management.

SEA highlighted that the Housing Department alone has energy bills of £6m with the Council as a whole having energy bills of £9.5m. A standard industry rule of thumb is that there should be one member of staff engaged in energy management for every £1m of energy bills. SEA also recommended training for facilities managers so that they are better able to carry out energy management activities as part of their work. SEA suggest that Southwark could consider ring-fencing financial savings made through energy management to be re-invested in energy efficiency.

Currently the Council does not have a dedicated officer responsible for corporate energy management. The report to the Executive on procurement proposed that energy management be included in the corporate procurement section. A significant part of one of the new post's role should be energy management, but it is likely that the energy management role of procurement needs further enhancement, perhaps with an additional post funded on an invest to save basis, (i.e. salary covered by reductions in energy costs). However if such an additional post was agreed departments would need to ensure that enough of the savings realised were passed on to enable the salary for the post to be covered.

It is proposed that the Assistant Chief Executive (Performance & Strategy), bring a report to Executive in September 2003 on taking forward energy management with a detailed business case for establishing if it is possible to fund development in this area through savings.

3.3 Integrate the quality renewal group recommendations into housing renewal programmes.

This recommendation covers areas such as paints and finishes, heating systems and windows and insulation materials. The recommendations have been drawn up by Housing Energy and Environment in consultation with neighbourhood contract managers and currently form a voluntary code. The report recommends that the voluntary code become compulsory.

More detailed work needs to be done to assess the cost implications of this recommendation as many more environmentally friendly products initially cost more. Client departments such as Housing and Education would need to ensure that the requirement extends to all contractors and to their sub-contractors. If put in place there would be a need for contract monitoring to ensure compliance.

It is proposed that the Strategic Director of Housing further investigate this recommendation and bring a report to Executive on October 2003.

3.4 A major programme of CHP (combined heat and power) connecting both Southwark's estates and offices as well as loft and cavity wall insulation.

The report concludes that Southwark has the most extensive cost-effective potential for CHP of any borough in the UK. It has 10% of all the communally heated dwellings in the UK most of which are Southwark owned. The report describes the level of cavity wall and loft insulation in the Council's huge stock of dwellings as lamentable given the relatively short paybacks for these measures. The report also concludes that were the Council to pursue CHP it would replace the needs for programmes such as double-glazing. There would be not only environmental paybacks but also a reduction in costs of the Housing capital programme which could be spent elsewhere.

Such a major programme would require significant additional investment and further study. It is proposed that the Strategic Director of Housing produce a report to the Executive on the feasibility of this investment by December 2003.

3.5 Implement the building specific measures outlined in the report.

The report highlights a number of building specific measures some of which could be relatively easily implemented. These include fixing broken controls, better zoning of heating systems, installing loft insulation and replacing lighting systems.

These measures could be introduced easily it is recommended that they become Council policy with immediate effect. The training and working group proposed for facilities managers in section 4.1 of this report could be responsible for ensuring these measures are introduced. The Environment Development Team, of Environment & Leisure would support this working group and help facilities managers mainstream these measures.

3.6 Introduce recycling/re-use systems for other materials besides paper and toners for Southwark offices.

The report highlights that as an organisation we add a considerable amount to the waste stream and that we recycle little. Of the offices audited only 33 tonnes of a total of 79 tonnes of waste (42%) was recycled, (and of course diverted from the waste stream). Anecdotally it is likely that the overall Council figure is lower.

The Council should immediately introduce recycling and reuse schemes across every Council department. This could be done relatively easily and quickly across the Council. Environment Development Team undertakes to project manage this and would use the proposed "green champions" in each office to coordinate. An immediate payback would be a reduction in the waste stream and an increase in our recycling rates. The report details a number of measures but some key points include

- Improve the current paper-recycling scheme by providing information as to what may be recycled in the bins/bags provided
- Set up office based systems for recycling of drinks cans, bottles and other easy to recycle materials
- Investigate alternative, less wasteful, provision to the current Council wide provision of drinks machines and paper cups. With agreement from staff alternative arrangements can be implemented through the "green champions"
- Set up recycling for disposable cups where it is deemed absolutely necessary such as water dispensers in public places
- Duplexers as standard with new printers and set up as default for all possible printers, faxes etc

- Introduce an awareness raising about duplex copying and ensure all reports etc are produced double sided
- IT equipment which is deemed past its useful life should be either re-used through local charity recycling schemes, through sales to staff, or through schools
- Roll out the fluorescent tube-recycling scheme currently in place at Larcom St to all Council offices
- Set up a monitoring programme for paper consumption

The Strategic Director of Environment & Leisure will take forward this measure and aims for compliance across the Council by April 2004.

3.7 Introduce a package of measures to reduce transport impact

This recommendation has potentially the biggest impact on our staff and their terms and conditions of work. It has also the biggest impact on our environment. The report covers in some detail both the impact of travelling to work and the effect of our policies on essential and casual car use. Although the Council adopted a green travel plan in 2000, so far it has little impact on the travel habits of staff. Adopting a green travel plan is a government requirement on the Council. Over 40% of our staff use their cars to come to work and most have easy access to free parking, either at their workplace or more often on street. We currently have 340 essential car users, 214 casual car users and 237 officers who have a Council lease car. This compares to 28 officers who currently claim a cycling allowance. Those staff who do cycle and use their bikes for work receive £120 per year as opposed to a car allowance of between £627 - £906 per year. It is also true that there may be health benefits associated with walking and cycling in addition to wider health benefits for residents if car use was reduced.

The report suggests a series of measures to reduce the environmental impact of transport a range of measures which would have some practical difficulties in implementation and would potentially be unpopular with many staff. The probable measures could include

- Reducing and eventually withdrawing car allowances
- Reducing and eventually withdrawing mileage payments
- Ending the Council's lease car scheme
- Introducing subsidised loans for those using public transport
- Providing pool vehicles, (cars and bicycles), for essential journeys during working hours
- Increasing the cycling allowance to encourage more staff to switch from four wheels to two
- Favouring bicycles, motorcycles and mopeds with parking spaces as opposed to cars
- Introducing shower facilities at as many work locations as possible
- Restricting free parking for staff at all levels

Set against the obvious environmental and health benefits of radically reducing the extent of car use by our staff there are a number of other issues to consider. There are large numbers of Council officers who use their cars on the conduct of Council business because it has been seen as the most effective and efficient way to get around the borough. Arguably cycling or motor-cycling could be seen as more efficient but not all staff would feel comfortable with these forms of travel. In relation to public transport while realising that the borough has some weakness in public

transport, many of these could be overcome by more careful geographically based planning of appointments and meetings.

Any change in terms and conditions would need careful consultation with staff and possible recruitment and retention issues would need to be thought through. It is proposed that the Strategic Director of Regeneration and the Assistant Chief Executive (Improvement & Development), bring a detailed report to the Executive reviewing the operation and impact of our existing travel plan and suggesting improvements by December 2003. This report will be mindful of the requirements set out by government in relation to Green Travel Plans.

3.8 Immediately resolve wasteful working practices

The audit report highlights a number of areas where the Council currently waste both energy and resources. The single biggest area identified was office equipment being left on overnight. While computers are routinely turned usually off at night the audit concluded that the vast majority of printers, copiers and other office equipment are routinely left on. The report gives the example that a copier left on overnight wastes enough energy to make 5400 copies. Taking this example across the Council demonstrates a huge waste. The report also highlights instances of lights and other equipment being left on overnight.

This is one area where immediate management action could be taken with programme of education. It would be relatively easy and straightforward to gain the support of cleaning and security staff in ensuring that office equipment was turned off at night. While there might be a small cost this will be more than compensated for by the reduction in energy bills.

It is proposed the "green champions" proposed in section 4.1 take forward these measures. Environment Development Team who will also monitor compliance across the Council will support them.

3.9 Revamp Southwark's Environmental Policy to include specific targets and timescales and introduce independent annual monitoring to assess progress

SEA comment that the current environmental policy covers the most important ways that Southwark can have an impact in terms of the environment in a concise and understandable manner. However the report concludes that it needs to be tightened up by introducing specific targets for the measures outlined and identifying individuals responsible for achieving this.

The current environment policy could be easily reviewed and amended to include some targets.

4.0 Conclusion and recommendations for action

The report makes it clear that based on the result of the audit currently Southwark Council is not effectively managing and minimising its impact on the environment and what more can be done.

4.1 Short term measures to be introduced immediately

This report recommends that the Environment Development Team, of the Environment & Leisure Department be given the responsibility for project managing this first phase of greening the organisation. The measures contained in this section 4.1 are to be implemented in every Council workplace by April 2004.

- A working group for facilities managers to be set up with a view to ensuring consistency of decisions across the Council. This group would be facilitated through Environment Development Team. Attendance would be compulsory and first meetings to be held by the end of August
- Each workplace to appoint a “green champion”. While some buildings would only need one champion, others may require two or more. It is likely we would need between 70 and 100 green champions. This individual will be the main point of contact between Environment Development Team and the individual workplaces. A special monthly allowance of £10 could be paid to each “green champion” in recognition of the work they do for the first year. This first annual cost to the Council would be £12, 000. After one year we would review if greening the Council had become sufficiently embedded to enable this payment and green champions to be phased out. This proposal is subject the negotiation with the Head, (Acting), of Human Resources.
- Immediate training on good environmental practice should be provided for all facilities managers, attendance would be compulsory.
- Facilities managers to enter into negotiations with cleaning and or security staff/contractors to ensure that when buildings are secured at night all photocopiers, printers and lights are turned off.
- A programme of environmental audits to be rolled out across all Council departments, with each department having at least one audit by April 2004. These audits can be carried out either through Environment Development Team or via an external agency such as SEA. We recommend that an external agency be appointed to audit Environment & Leisure and that Environment Development Team be used for the rest of the Council. The cost of the SEA audit was £4, 800. Environment Development Team has two fully trained environmental auditors who could carry out audits for other departments at a cost of around £3, 000 per audit, a saving of nearly 40% on the SEA cost.
- All staff with computers to be reminded to turn their computer off at night, unless there is a technical reason for not doing so. Staff should also turn off their computer when leaving their desk for a considerable period of time. Management will have a responsibility to encourage staff to do this and remind those who forget.
- With the support of departmental IT all staff with computers to activate and utilise the power down function for their monitors as opposed to screen savers
- All Council printers should immediately be set to double-sided printing where this is technically possible. IT staff to support staff and report on the numbers of printers affected. Managers will again need to remind staff to ensure that reports and documents are double sided wherever possible.
- All Council reports and documents should be copied double sided. It will be the responsibility of elected members and senior managers to constantly challenge anyone producing single sided reports or documents.
- Each department to offer staff a number of pool bicycles to use for journeys between Council buildings or for those staff who move around during the day.
- Current cycling allowances to be immediately doubled, which would currently cost the Council an additional £3, 360 per year.
- Environment Development Team to produce a range of promotional material, (stickers, posters etc), to promote “greening the Council” and distribute across the Council by the end of September 2003.

4.2 medium term measures to be introduced by April 2004

- The Environment Development Team of Environment & Leisure to be charged with reviewing the current environmental policy and presenting a draft to Executive for approval by October 2003
- Increase in cycling allowance for business related activities to show Southwark Council's commitment to cycling and to recognise that cycling does cost. The report of the Strategic Director of Regeneration and the Assistant Chief Executive (Performance & Development), going to Executive in December 2003 will include options on green travel allowances.
- Where provided improve cycle parking facilities at all Southwark Council offices through the "green champion".
- Improve existing shower facilities in all Southwark Council offices through the "green champion".
- Once in place the new procurement team should bring a report to -executive detailing a range of green procurement options, in December 2003.
- New procurement team to draw up a compulsory code of conduct concerning more environmental options. This code of conduct should be in place by January 2004. Typically these would include
 - a. All new PCs to have flat LCD screens
 - b. All new PCs to have power management features set correctly prior as part of commissioning
 - c. All new copiers to have 0W standby energy consumption with below 10 second warm up time and to have power management set as part of commissioning.
 - d. All new printers to have duplexers fitted as standard and double-sided/low toner consumption set as default as part of commissioning.
 - e. All new fridges to have the lowest available energy consumption per unit volume
 - f. All new office lighting systems to have T5 high frequency fittings with reflective louvres and automatic dimming.
 - g. Non-recycled paper products should only be purchased where there are no alternative functional recycled version is available.
 - h. Remanufactured toner cartridges should be purchased as standard
- Housing should commission a feasibility study on the recommendations of the quality renewal group, (section 3.3) and report by October 2003.
- Facilities managers to insulate all pipework, valve bodies and other fittings where they are not currently insulated. Pipes, valves and other fittings in many of the boiler rooms are uninsulated. Pipe insulation and insulating jackets should be fitted to reduce the heat loss from these items. Facilities managers to report back on this through Environment Development Team in October 2003.
 - a. Facilities managers must take on board less environmental damaging options when replacing and repairing. These guidelines would be issued to all facilities managers and adherence monitored by Environment Development Team.

CONCURRENT REPORT OF THE BOROUGH SOLICITOR AND SECRETARY – LEGAL ISSUES

CONCURRENT REPORT OF THE DIRECTOR OF EDUCATION

RESOURCE IMPLICATIONS

The range of options suggested in this report have various resource implications. Some, such as the feasibility study into CHP and the report on travel allowances will have significant resource implications and this is why this report recommends they are subject to additional, detailed reports. However many of the options presented in this report will have no major resource implications. For example replacing the Flavia machines will save money which managers can spend on providing kettles and tea/coffee supplies in staff areas. Reducing the amount of paper we use and measures such as doubled sided photocopying will reduce our annual paper bill. Currently the Council spends £115, 000 annually on paper through the corporate contract with perhaps another £50, 000 spent outside the corporate contract. Reducing our consumption by even 20%, (easily achievable), results in a net saving across the Council of over £30, 000.

The cost of rolling environmental audits out across the Council will be less than £20, 000 and should be easily contained by departments within existing budgets. Equally the bonus for green champions at £12, 000 across the entire Council could easily be contained within existing budgets.

EQUAL OPPORTUNITIES CONSIDERATIONS

This issues contained in this report have, in the main, no specific equal opportunities considerations. Making Southwark Cleaner and Greener applies equally to all of our communities while greening the Council will impact equally on all sections of our workforce.

Appendix A

Audit Trail

Background Papers	Held At	Contact
<i>SEA report into environmental audit of Southwark Council</i>	<i>186 Walworth Rd SE17 or available electornically</i>	<i>Sean Connolly 020 7525 0700</i>

Lead Officer	<i>Gill Davies</i>	
Report Author	<i>Sean Connolly</i>	
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Key Decision?	<i>Yes/No</i>	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	Yes/No	Yes/No
Chief Finance Officer	Yes/No	Yes/No
<i>List other Officers here</i>	Chief Officer Team Head (Acting) of Human Resources	Yes
Executive Member	Yes	Yes
Date final report sent to Constitutional Support Services		Monday 21 July 2003