



BOROUGH OF DOUGLAS

Briefing Note

Ref: 23/02-01

All Council Members

REPORTING OFFICER	Director of Environment and Regeneration
SUBJECT	2020/21 Carbon Footprint
REASON FOR BRIEFING NOTE	To update Members on the Council's progress toward reducing its carbon footprint from the baseline year of 2018/19.
BRIEFING NOTE	<p>In July 2019, the Council embarked upon a journey to reduce its carbon footprint and align itself with the Government's Net Zero by 2050 agenda. This was formalised in the adoption of a Net Zero Strategy and Action Plan at Council in February 2022.</p> <p>In the same July 2019 report, the Council agreed to engage the services of the Carbon Trust to calculate the Council's carbon footprint for the 2018/19 financial year, which would be the baseline year from which all carbon emissions would be measured. The report from the Carbon Trust also highlighted those areas with the highest emissions for future action. The final presentation from the Carbon Trust was received by the Executive Committee and Council in February 2021 and April 2021 respectively.</p> <p>In calculating the emissions data for 2020/21, updated emissions indices for 2020 were applied from the United Kingdom Government's Greenhouse Gas Reporting Conversation Factors (full set), which are used by all United Kingdom based organisations of all sizes and for international organisations reporting on United Kingdom operations. The 2018 indices were applied by the Carbon Trust in calculating the Council's carbon footprint in 2018/19.</p> <p>During the process of compiling the data needed to calculate the 2020/21 data, the Council was advised by the Government's Climate Change Transformation Team that while they would be using the same indice set as the United Kingdom Government for calculating most carbon emissions, an Isle of Man specific indice had been derived for electricity. This specific indice has been used for the carbon calculators for 2020/21 and also for 2019/20 and 2018/19 (the baseline year) to ensure that comparisons are based on the same calculations.</p> <p>The Council's carbon footprint for 2018/19 (the baseline year) and 2019/20 have therefore been recalculated. The Council's carbon footprint for</p>

2020/21 has been calculated as being **15,348.6** tCO_{2e} which is a 13% reduction on the (recalculated) baseline year. (See the attached Appendix 1).

Members should note that 2020/21 was a 'Covid year' and therefore some of the reduction will be attributable to less travel than in a normal year.

Reductions in Fleet will be due to newer more efficient vehicles. The reductions in Electricity can be attributed to the rollout of LED's within public lighting.

As exact consumption data is not known for buildings, assumptions were applied by the Carbon Trust for the likely energy usage for these buildings based on size, type of energy and typical use, and based on average retail prices for gas and electricity. The same assumptions were applied in 2020/21 and will continue to be applied unless actual consumption data can be obtained.

The figures for contracts, which accounts for the majority of Scope 3 emissions, which in turn account for 87% of the Council's overall emissions, are based on proprietary indices provided by the Carbon Trust which cannot be obtained from the United Kingdom indice set. Although the same indices have been used for 2020/21 the overall calculation is based on assumptions that are not tested in terms of actual emissions.

As Scope 3 emissions are calculated based upon expenditure, the Net Zero Officer Working Group has identified a risk of the impact that high inflation rises will have on the Council's carbon emission calculations. For instance, higher prices will automatically lead to greater 'spend'. The Council is not procuring any more services than it was previously but the cost of those services has risen. This will result in a higher carbon emissions calculation even though the Council is not procuring more services and therefore producing more carbon. Therefore, an inflation adjustment was applied to the procurement figures to normalise the spend.

The approach taken was to assign an inflation category to each Environmentally-Extended Input-Output (EEIO) Category from the Carbon Footprint spreadsheet, and adjust the kgCO₂/£ factors by the relevant detailed Manx CPI rate for September, being the mid-point of the year concerned. For example, the Carbon Trust advised that the kgCO₂/£ for procurement category #28 "Motor vehicle bodies" was 0.5868 in 18/19. The detailed Manx CPI rate for September 2019 for "Purchase of motor vehicles" was 0.7%. The factor has therefore been reduced by 0.7% to 0.5827 because emissions in respect of that category of expenditure has become more expensive since the Carbon Trust did their calculations.

This adjustment should help ensure future year calculations are not significantly distorted, however, the Net Zero Officer Working Group will be commissioning more detailed analysis of Scope 3 to determine a means by which these calculations can be more scientific. The minor costs incurred can be met by means of a virement.

It also remains the view of the Net Zero Officer Working Group that the Council's carbon footprint should be externally calculated every five years to ensure assumptions being used continue to be valid and reasonable. The next external calculation is therefore due for the financial year 2023/24, which is programmed to be calculated by the end of August 2024.

For 2021/22 and going forward, the business travel element will only be calculated every five years. There is minimal activity for the Council in this category, there is little the Council can do to reduce its impact and therefore the time-consuming exercise to calculate this emission annually will not be undertaken. At most, the carbon emissions from this activity represents less than 1% of the Council's overall carbon emissions.

Finally, as the Council matures in its understanding of its carbon emissions, Members may wish to consider adopting a Carbon Budget. Carbon Budgets are a method of assessing the annual level of emissions reduction required in order to meet the target of net zero emissions by the target year. Carbon budgeting is likely to be a useful monitoring tool for the Council to use in order to measure its success in reducing emissions and keeping track of future reduction required in order to achieve net zero by 2050. The Net Zero Officer Working Group has adopted a simple Carbon Budget tool which, on inputting each year's carbon footprint, calculates the ongoing reductions required to reach net zero by 2050. This work is in its infancy as the Council's carbon sequestration is currently unknown. A copy of the carbon budget tool will be shared with Members once more information is available.

Since the last Briefing Note, the Climate Change (Public Bodies' Reporting Requirements) Regulations 2022 were approved by Tynwald in July 2022. Under these Regulations the Council, as a Category A public body has to submit an annual report to the Isle of Man Government, the first due in September 2023 covering the period 1st April 2022 to 31st March 2023. An online reporting portal is being developed which will calculate emissions automatically using consumption data. However, the online tool will only consider Scope 1 and Scope 2 emissions so the Council will need to continue to calculate its Scope 3 emissions independently of its legal duty to report to the Isle of Man Government, especially given the large contribution Scope 3 makes toward the Council's

	<p>overall Carbon Footprint.</p> <p>The reporting portal will also calculate the carbon sequestration of the Council's habitats which can be used to offset its Carbon emissions.</p> <p>The reporting portal will ask the Council how it has incorporated climate change into its decision-making and how it has aligned its strategies and policies to its legal duties under the Climate Change Act 2021. On the former, the Government is deriving a climate change impact assessment tool which the Council can adopt for major projects or policy decisions. Further information on this will be brought to Members once the tool has been completed.</p>
APPENDICES	Appendix 1 – Carbon Footprint Analysis for 2020/21

AUTHOR OF BRIEFING NOTE	Director of Environment and Regeneration
RESPONSIBLE CHIEF OFFICER	Chief Executive
APPROVED BY CHIEF EXECUTIVE	
DATE	1 st February 2023

Circulation List	<p>All Council Members</p> <p>Chief Executive</p> <p>Director of Environment and Regeneration</p> <p>Director of Finance</p> <p>Director of Housing and Property</p> <p>Extended Chief Officers</p> <p>Head of Digital & Information</p> <p>Council Advocate</p> <p>Democratic Services</p>
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