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**Manchester City Council  
Report for Information**

**Report to:** Communities and Neighbourhoods Overview and Scrutiny  
Committee – 14 December 2010

**Subject:** *Manchester – A Certain Future* Progress Report 2010

**Report of:** Director of Neighbourhood Services

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**Summary**

The city's stakeholder climate change action plan, Manchester – A Certain Future(MACF) was approved in November 2009 and there has been a considerable amount of activity in the year to November 2010. In addition, consideration has begun to be given to another, related, global issue on peak oil that will also impact on Manchester's long term future. This report provides a background to both these issues, summarising progress since November 2009 and outlining the peak oil issue.

The paper outlines how developments have taken place in co-ordinating the MACF plan, in the city as a whole, in the Council and across Greater Manchester. It indicates where programmes and activity are likely to develop in 2011 and provides a summary of the ways in which activity at the Greater Manchester scale is linked to the city and the City Council.

The report also outlines the background to the peak oil concept, the positions adopted by other Councils in the UK and the discussion that has taken place to date in the Environmental Strategy Programme Board (ESPB) and the Environmental Advisory Panel (EAP).

**Recommendations**

The Committee is invited to note the contents of the report and to provide comments on how a future strategy for peak oil might be developed.

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**Wards Affected:** All

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**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Manchester – A Certain Future, 2009
- Greater Manchester Low Carbon Economic Area – Delivery Plan, 2010
- Manchester City Council - Climate Change Delivery Plan, 2010

**1. Purpose**

To provide a progress report on the implementation of *Manchester – A Certain Future*, since its launch in December 2009 and to provide an update in relation to the issue of Peak Oil.

**2. Introduction and Background**

*Manchester – A Certain Future* (MACF) is the city's stakeholder climate change action plan, setting out our vision to be a low carbon city by 2020. The plan's content was developed by over 100 organisations and 250 individuals who contributed to a dynamic drafting process, coordinated by the City Council in 2009.

As a stakeholder plan, no single organisation has central ownership of MACF nor overall responsibility for its delivery – meeting its headline objectives can only be achieved through collective, collaborative action by all organisations and individuals in the city. The headline objectives are to:

- Reduce the city's carbon emissions by 41% by 2020, from 2005 levels
- Engage all individuals, neighbourhoods and organisations in a process of cultural change that embeds 'low carbon thinking' into the lifestyles and operations of the city

The Council was the first organisation to approve MACF. Together with the Manchester Board, the Council agreed to establish a Stakeholder Steering Group, which would represent the city's stakeholders and provide overall co-ordination and direction for the plan's delivery. It also committed to deliver specific early actions for 2010, including the production of a detailed MCC Delivery Plan setting out what the City Council's contribution to the plan's delivery would be. An update on each of the key commitments for 2010 is provided in the sections below.

**3. The Stakeholder Steering Group and the Annual Conference**

The Steering Group was established in mid-2010, to deliver a number of objectives, including representation of stakeholders from across the city, steering the plan's delivery, and organisation of an annual stakeholder

conference. The group currently has 12 members and is chaired by Steve Connor, Chief Executive, Creative Concern.

To date the Steering Group has focussed on three of the key early priorities for 2010: education and training; communications and engagement and; management of the plan. Particular highlights include the launch of phase 2 of the MACF website, and the first annual stakeholder conference.

The new website, [www.manchesterclimate.com](http://www.manchesterclimate.com), was launched in early-November, as a tool to support the delivery of MACF. As well as providing a platform for promoting the plan and access to further information and support, the website provides stakeholders with the ability to endorse the plan, committing them to play their part in its delivery. The intention is for organisations to share their own plans, select actions from MACF and to start uploading carbon reductions, live, to the site.

The annual conference is a commitment designed to deliver three key objectives: celebrate progress over the past year; consider changes and improvements to MACF, and; to establish priorities for the coming 12 months.

The first annual conference was held at Museum of Science and Industry on November 30<sup>th</sup> and was focussed on organisations, a mixture of those who are already taking action, and those who are at the start of their low carbon journey. A diverse programme designed to maximise interaction between stakeholders and to help create a platform for collaborative, collective action on climate change, was positively welcomed by some 200 delegates, representing a wide range of Manchester organisations. Further information on the conference outputs and priorities for 2011 will be available in early-2011 at [www.manchesterclimate.com](http://www.manchesterclimate.com)

In 2011, the Steering Group will be planning a full calendar of events and activities, concentrating on 'education and training' and 'communications and engagement' as well as further development and management of the plan.

#### **4. Manchester City Council's Delivery Plan**

The City Council was the first organisation in the city to endorse MACF, and to commit to produce its own Delivery Plan. The '*Manchester – A Certain Future*, Manchester City Council Delivery Plan 2010 – 2020' was approved at the Council's Executive in October 2010, and sets out how the Council will contribute to the delivery of MACF.

The Council's Delivery Plan has two aims:

- To set out the how the Council will provide leadership and example in the process of Manchester's transformation into an internationally recognised low carbon city, and contribute to the implementation of *Manchester – A Certain Future*.

- To transform the Council into a leading example and champion deliverer of environmental sustainability in Greater Manchester by embedding low carbon thinking, behaviour in its culture, processes and the operation of all its services.

Specific details of how these aims will be delivered is set out in the Delivery Plan itself, including the following six priorities for action for the three years to 2013/14:-

- To develop the Council's leadership in creating and supporting a suite of demonstrator projects, investment models, information and delivery pathways that creates a public platform of business confidence in mainstreaming low carbon technologies and creating employment in the context of the GM Strategy.
- To undertake a lead role in delivering a distributive heating and cooling network in the city centre, in retrofitting programmes for public and commercial buildings and housing and, by 2013/14, completing the Town Hall complex refurbishment project to create a flagship retrofit project in the heart of the city.
- To integrate actions on climate change with programmes of transformation and regeneration by incorporating 'low carbon decision-making' in business processes and developing the use of annual Carbon Reduction Plans for the Council and 'carbon budgeting' for Directorates so that direct emissions from the Council's own operations are reduced by 20% by the end of 2013/14.
- To promote a rapid transition to a low carbon economy, the integration of activity being taken across the city and Greater Manchester and the use of partnerships with business, investors and national government to exert influence on partners to play their parts in realising a low carbon future
- To complete consultation and secure final approval of the Core Strategy by 2012, integrating a suite of low carbon drivers and plans into future planning policy and to undertake detailed 'carbon proofing' all of the Council's policies, regulations and systems by 2012/13,
- To continue to provide resource and support for the co-ordination of the stakeholder processes necessary to maintain and develop and promote the collective approach of *Manchester – a Certain Future*, enabling residents, local groups and organisations to play their part in developing low carbon neighbourhoods through local environmental activity.

The Delivery Plan makes provision for implementation by establishing Directorate/Service Plans and initiating Carbon Budgets, both of which will be integrated with business planning by April 2011. Provision is also made for the coordination, monitoring, reporting and review of the Delivery Plan by the Environmental Strategy Programme Board (ESPB), Strategic Management Team and Executive Committee.

## **5. Greater Manchester Context and Developments Since 2009**

The Greater Manchester Strategy was published in August 2009. It sets out a vision for a greener city region, known for its pioneering low carbon economy. This, along with other aspects of the vision, is the context for Manchester and in the case of this report, the context for MACF.

Since the launch of the Greater Manchester Strategy (GMS) and MACF in 2009, a Delivery Plan has been agreed for the Greater Manchester Low Carbon Economic Area for the Built Environment (GM LCEA). The LCEA contains several key workstreams that are key strands in MACF, particularly: residential building retrofit; public and commercial building retrofit; energy planning and infrastructure. A fourth work area is defined geographically and is focussed on the Manchester Corridor, which will act as a test-bed for integrating interventions in each of the above three areas

More recently, in October 2010, the GM Environment Commission agreed to produce a Greater Manchester Climate Change Strategy to underpin the low carbon objectives of the GM Strategy and create one climate change framework for the whole of GM. The Strategy will provide the basis for joint agreement and collaborative action on climate change across Greater Manchester and is scheduled for completion by mid-2011.

Steps to integrate MACF with the forthcoming Greater Manchester Climate Change Strategy (GMCCS) have begun to be considered. All Greater Manchester districts are involved in the production of the Strategy, particularly to ensure integration and consistency with any existing plans. MACF will be further considered in the context of the GMCCS by the Stakeholder Steering Group and at the 2011 annual conference.

When it was written, MACF was clear about the role of Manchester in relation to the wider Greater Manchester conurbation, as both a partner and as a leader. This aspect of the plan is likely to develop further with changes initiated by the new Government. With the recent confirmation of Combined Authority status, implementation of the Low Carbon Economic Area delivery plan and the forthcoming development of the Greater Manchester LEP and funding schemes such as Regional Growth Fund, Evergreen, Green Investment Bank and Green Deal, the MACF projects and programmes we deliver in Manchester will increasingly influence and be influenced by activity across Greater Manchester as a whole. MACF's position in this wider context will be under periodic review by the Stakeholder Steering Group.

## **6. Key Early Actions for 2010**

MACF set a number of key early actions for 2010. They were established based on an assessment of:

- a) Which individual MACF actions could be addressed collectively through the establishment of programmes of activity,

- b) Which activities will deliver the most significant direct carbon reductions, by 2020, and
- c) Which activities will underpin longer term carbon reduction activity, post-2020

A broad range of activity was planned for 2010, with significant progress made in a number of areas. There has been an enthusiastic response to MACF with over 130 organisations committing to play their part in its delivery. These commitments are from a mixture of organisations who are already delivering carbon reduction activities and those who are at the start of their journey.

There are however, some areas where the planned milestones have not been met. This is due to a range of factors, including the availability of City Council resources to provide a central coordination and support function. This is being addressed through the creation of a new Environmental Strategy service. Also, the development of some programmes has been challenging owing to difficulties in engaging key stakeholders whose ability to commit staff and financial resources has been limited in the context of the recession and the Comprehensive Spending Review.

A full summary of progress on MACF is annexed to this report at Appendix 1. This information will be considered by the Stakeholder Steering Group alongside outputs from this year's conference to establish the priorities for 2011.

## **7. Peak Oil**

At their meetings in October 2010, the Environmental Strategy Programme Board (ESPB) and the Environmental Advisory Panel (EAP) held preliminary discussions about the concept of peak oil, with a view to considering whether – and how – both the city and the City Council should take future depletion of the world's oil and natural gas resources into account.

Peak oil is the term used to describe the point at which the amount of oil produced globally in a single year reaches its absolute maximum. From this point onwards oil will still be produced but at a lesser volume. After peaking, oil and natural gas production will go into decline, with a significant and increasing impact on cost and price.

There is collective agreement that the world will eventually enter the era of peak oil. However, there is debate on when peak oil will be reached. Optimistic projections suggest that there could be another 10yrs+ before peak oil begins, while some commentators believe that the era of peak oil has already begun. There is also general agreement that several of the key implications of peak oil are similar to those for climate change: others, however, particularly those related to energy costs and energy security, raise other, slightly separate challenges for cities and communities.

It was on this basis, that peak oil was recently discussed by both ESPB and EAP. In summary, three options were presented to the Panel, based on the approach taken by other Core Cities:

1. No specific approach to peak oil to be developed at this stage. We should continue with the delivery of our climate change action plan and await Government guidance on the issue.
2. Follow the Nottingham City Council approach and acknowledge peak oil through a formal Manchester City Council policy, but take no further action.
3. Follow the Bristol City Council approach in adopting a policy, but then undertake an assessment of the expected impacts of peak oil on the city and use these to drive further policy and activity.

No consensus was reached at the meeting on how best to take forward peak oil in Manchester, rather that further discussion is required. Members of EAP indicated that they thought that issue of peak oil did need to be heeded by the city and the Council and there was support for the view that any policy consideration could be integrated with those on climate change and that – perhaps – MACF might be adapted at a future date to incorporate this issue. The Council has committed to continue the discussion with both bodies.

A copy of the report prepared for ESPB and EAP is attached at Appendix 2

## **8. Key Milestones for 2011**

The following key milestones are in place for 2011:-

- Priorities for 2011 – Stakeholder Steering Group – January 2011
- Phase 3 of [www.manchestercimate.com](http://www.manchestercimate.com) launched – mid-2011
- Greater Manchester Climate Change Strategy – publication – mid-2011
- MACF Annual Conference 2011 – November/December 2011

**Appendix 1 – Key Early Actions for 2010: progress report**

Activity	Milestone 2011	Leaders & Partners	Progress to Date
<b>EARLY ACTIONS FOR INDIVIDUALS</b>			
<p>Save energy around your home.</p> <p>Reduce your car journeys, walk or cycle more.</p> <p>Complete the first of an annual home energy/carbon check that will help monitor progress against this plan.</p> <p>Take part in a city-wide programme to support consumers in choosing low-carbon goods and services.</p> <p>Support your family, friends, neighbours and workplace to do the same.</p>	<p>Make a start. If you've already started, find out more, set yourself some targets and make saving carbon so routine it is automatic</p>	<p>Everybody in the city.</p>	<p>Estimates indicate that more than 500 events that include messages about personal action on climate change have taken place in 2010.</p> <p>The CIF programme funded 40 projects that measured more than 18,000 participants, including the REEL Manchester Climate Change Film "The Green Wave" which has had continued showings in neighbourhoods all year.</p> <p>MCC Campaigns programmes has included Manchester A Certain Future information throughout the year.</p> <p>Organisations that have included climate change messaging in information provided to all employees in 2010 includes the NHS, MMU and the Council.</p> <p>The latest version of <a href="http://www.manchesterclimate.com">www.manchesterclimate.com</a>, which launched early-November, provides the opportunity to undertake an on-line sign-up campaign for individuals in 2011.</p>
<b>EARLY ACTIONS FOR ORGANISATIONS</b>			
<p>Endorse the approach of this plan, identifying actions appropriate to your</p>	<p>1000 organisations in</p>	<p>Organisations in all sectors</p>	<p>Campaigns to raise awareness has contacted more than 2000 organisations across the city, with more</p>

<b>Activity</b>	<b>Milestone 2011</b>	<b>Leaders &amp; Partners</b>	<b>Progress to Date</b>
<p>organisation.</p> <p>Develop an organisation’s delivery plan &amp; set short and long term targets - ensuring it is consistent with the approach/template all Manchester's organisations will be using so we can monitor progress against the plan.</p> <p>Start saving energy on your buildings and transport.</p> <p>Consider the carbon impacts of goods and services your organisation uses.</p> <p>Assist your employees, members, suppliers or consumers to do the same.</p>	<p>Manchester endorsing the plan and actively reducing their carbon impacts.</p>	<p>throughout the city.</p>	<p>than 500 engaged through the CIF project programme.</p> <p>Over 130 organisations have now publicly endorsed MACF, though to date only 2 (Manchester City Council; Northwards Housing) have completed and submitted Delivery Plans.</p> <p>The Manchester Environmental Business Pledge now has 1,400 organisations registered on the scheme and affiliation of all these to M-ACF is now accessible through the latest version of <a href="http://www.manchesterclimate.com">www.manchesterclimate.com</a>, which launched early-November, provides organisations with the ability to endorse MACF online.</p> <p>The November 30<sup>th</sup> MACF Stakeholder Conference attracted 200 delegates from more than 100 organisations, many of them new to MACF since the launch in November 2009.</p> <p>An MACF linked ‘Green Events Charter’ has been launched that promotes emissions reduction for organisations operating visitor events and facilities. Workshops to promote this with Marketing Manchester and Arts Organisations are in plan for 2011.</p>
<p><b>DEVELOPING DELIVERY PLANS FOR CONCERTED ACTION</b></p>			

Activity	Milestone 2011	Leaders & Partners	Progress to Date
Retrofitting programme – domestic housing	<p>Delivery groups established.</p> <p>Initial work plans drawn up.</p> <p>Baselines established.</p> <p>First phase resources identified.</p> <p>Links to website in place</p>	<p>RSLs, landlords, construction industry, colleges MCC, AGMA</p>	<p>Led by the Council on behalf of AGMA, a GM-wide housing retrofit partnership has been formed including Councils and 25 RSLs and a five year outline programme included in the GM LCEA.</p> <p>A £10m ERDF programme for 3,000 homes will commence in 2011 and systems and data have been assembled to develop further schemes as investment is secured. In Manchester, the 5,000 hardest to treat homes in the social housing sector are the priority target for these schemes.</p> <p>This work has been developed in conjunction with strategies to support the local supply chain and for skills and training in readiness for the larger market opportunity to be targeted by the Government's Green Deal programmes in 2012.</p> <p>Several independent neighbourhood initiatives have begun to develop proposals for local community schemes, partly on retrofit, partly on micro-generation.</p> <p>The GM ESTAC has continued to provide responsive information on home retrofits and is preparing a pro-active campaign to include all of Manchester's 230,000 homes in 2011/12.</p>

<b>Activity</b>	<b>Milestone 2011</b>	<b>Leaders &amp; Partners</b>	<b>Progress to Date</b>
<p>Retrofitting programme – public &amp; commercial buildings</p>	<p>Delivery groups established.</p> <p>Initial work plans drawn up.</p> <p>Baselines established.</p> <p>First phase resources identified.</p> <p>Links to website in place</p>	<p>Developers; chamber of commerce; property partnerships; construction industry, MCC, AGMA</p>	<p>Plans to develop retrofitting expertise and plans have been progressed by a number of large organisations including Bruntwood, the Universities, the NHS and the Council. Wythenshaw Hospital has won a national public service award for retrofitting and energy programme.</p> <p>The focus has been on organisational rather than collective programmes, though a workstream has been created in the GM LCEA and links made through the Core Cities group with the international Clinton Climate Initiative.</p> <p>In the Council, detailed plans for the retrofitted Town Hall Extension and Library are nearing completion and trials are under way on the Art Gallery complex. Retrofitting energy efficiency measures has been incorporated into the review of the estate and some proposals in some buildings are being put in place to contribute to the 10% by 2010 campaign by April 2011.</p> <p>Baselining for the establishment of a collective programme has been initiated including with partners in the Corridor. More work will be required in 2011 to complete this phase, and is being considered in the context of GM wide opportunities..</p>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
Decentralised Energy Programme	Delivery groups established.  Initial work plans drawn up.  Baselines established.  First phase resources identified.  Links to website in place	Corridor partners, businesses, MCC, Utilities, universities	<p>Energy Planning Groups have been established at both GM and Manchester levels to develop and coordinate the delivery of a programme of decentralised energy projects.</p> <p>In the city, a programme that builds upon the evidence base of the Greater Manchester Decentralised Energy Study, is developing the framework for a series of potential decentralised energy projects, supported by the Energy Planning Policy Framework contained within the draft Core Strategy.</p> <p>Progress on major projects in 2010 can be summarised as follows :-</p> <ul style="list-style-type: none"> <li>- City centre district heating network: a draft business case will be produced by the end of 2010, identifying several ‘clusters’ around the Town Hall, the Corridor, the Co-op and East Manchester. Next steps to create the framework for the network will be considered by the Council in early 2011.</li> <li>- New East Manchester regeneration project: an ‘energy proposals plan’ to look at specific opportunities for low and zero carbon energy technologies is being prepared.</li> <li>- Smart grid: two Smart Grid pilot projects have been drafted by Electricity North West (ENW) in Corridor and north city centre locations.</li> </ul>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
			<p>Though not successful in securing substantial OFGEM funding in 2010, these commended schemes may secure investment in a second round in 2011.</p> <ul style="list-style-type: none"> <li>- Initiatives to deliver new photo-voltaic installations using the feed-in-tariff are in preparation including by the Council, MMU and others.</li> <li>- Dublin-based geothermal company GTE have developed a scheme to research the viability of this energy source in south Manchester and sought support from DECC.</li> </ul>
Adaptation programme, including Eco-Cities	<p>Delivery groups established.</p> <p>Initial work plans drawn up.</p> <p>Baselines established.</p> <p>First phase resources identified.</p> <p>Links to website in place</p>	Universities, business, MCC, AGMA	<p>An adaptation programme built around the framework for National Indicator 188 – Adapting to Climate Change, the Eco-Cities project and GM planning activity on Flood Risk Management has made progress on plans, research and awareness raising through workshops and scenario planning.</p> <p>Whilst National Indicators are likely to disappear, NI 188 provides the city with a structured approach to adaptation and consistency across AGMA. The Council is currently working towards level 2, running projects to share expertise with LSP and AGMA partners and developing links with the work on Flood Risk Management and Civil Contingencies.</p> <p>During 2010, the Eco-Cities project, a joint initiative between the University of Manchester and</p>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
			<p>Bruntwood, has progressed research on future climate change baselines and scenarios at GM level and begun to create a blueprint for impacts, interventions and responses. Events staged by Eco-Cities have raised understanding of adaptation issues and this work is to be incorporated into a GM-wide Climate Change Strategy to be agreed in the first half of 2011.</p>
Local Transport Plan (LTP3)	<p>Delivery groups established.</p> <p>Initial work plans drawn up.</p> <p>Baselines established.</p> <p>First phase resources identified.</p> <p>Links to website in place</p>	GMTU, GMITA MCC	<p>GMITA are working on a new transport plan for GM, and LTP3 is currently out to consultation. It is expected that, going forward, GMITA will liaise with AGMA Environment Commission to ensure that CO<sub>2</sub> reduction targets within LTP3 are aligned with those within the forthcoming GM Climate Change Strategy.</p> <p>MCC will drafting a Manchester Implementation Plan which is the City Council's contribution to the production of LTP3, and sets out how Manchester will help deliver the core strategy over the current funding period. LTP3 will be signed off by the Greater Manchester Integrated Transport Authority and in place by 31/03/11.</p> <p>Ongoing information will be made publicly available through the next phase of <a href="http://www.manchesterclimate.com">www.manchesterclimate.com</a>, from mid-2011.</p>

<b>Activity</b>	<b>Milestone 2011</b>	<b>Leaders &amp; Partners</b>	<b>Progress to Date</b>
Work on land and food	Delivery groups established.  Initial work plans drawn up.  Baselines established.  First phase resources identified.  Links to website in place	Food Futures partners, businesses, landowners, MCC	<p>Work on a ‘green infrastructure’ programme has progressed at GM, Manchester and local levels, with reports, events and activity being taken forward in the year.</p> <p>Several initiatives have begun to lead to a more cohesive approach across GM, particularly a research project under the international GRABS scheme that links with the Eco-Cities Blueprint to create a potential high level green infrastructure plan for GM. Linking food growing, biodiversity, biomass production and amenity landscape, this work will feed into the GM Climate Change Strategy in development.</p> <p>Under the Food Futures Board, a sustainable food delivery group was established early in 2010 and a delivery plan has been developed with focus on key areas including supporting existing projects both in the community and commercially, developing food growing training and looking at food procurement processes within large organisations.</p> <p>The CIF programme supported a number of growing projects and first phase resources have been identified to extend the successful Growing Manchester programme, continue work on a wider baseline research project and to run a feasibility study to develop an exemplar food project aimed at</p>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
			<p>diverting food waste back into the food chain for Manchester residents facing food insecurity and poverty.</p> <p>Red Rose Forest and Groundwork have begun work on establishing biomass capacity across the city and both have continued to be involved with the Council in a range of green infrastructure delivery projects that have created a number of green roofs and contributed to the 20,000 trees planted across the city over the last year.</p> <p>The Council has worked with partners to review the city’s biodiversity strategy and plans to create a new LNR by the year end will bring the city close to Natural England’s national target for a healthy ratio of accessible natural landscape per 1000 population.</p>
Education & training	Delivery groups established.  Initial work plans drawn up.  Baselines established.  First phase resources identified.	Universities & colleges, training organizations, MCC, Chamber of Commerce, employers	<p>A stakeholder working group has been established to steer an initial phase of a Manchester Carbon Literacy project and a business plan will be completed in January 2011.</p> <p>MACF set a target to provide all residents, students and workers with access to one days-worth of ‘climate change training’ by 2013. The working group includes training providers, academics and environmental communications professionals and has established a conceptual baseline study for the establishment of a carbon literacy programme</p>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
	Links to website in place		<p>delivered across the city by a wide range of providers.</p> <p>Resources are in place to deliver the next stage of the project, the establishment of a business plan, with resources for the implementation of its first phase currently being secured.</p>
<b>DEVELOPING KNOWLEDGE AND MEASUREMENT</b>			
<p>Develop financial measures that release resources.</p> <p>Start work on Total Carbon Footprint (TCF) framework</p> <p>Create CO<sub>2</sub> reduction targets for all key actions</p> <p>Identify and Develop key research projects</p>	<p>Identify key financial issues, develop a programme to progress.</p> <p>Establish a plan identifying and prioritising research.</p> <p>Start work on TCF and complete action-specific targets</p>	<p>MCC, AGMA, universities, delivery plan partners</p>	<p>A range of initiatives has been progressed to develop knowledge, increase resource availability and improve mechanisms for carbon measurement. The GM LCEA and its workstreams has provided both framework and stimulus and this work has begun to be adapted and applied to new Government policy and structures as well as new and proposed investment streams such as Evergreen, the Regional Growth Fund, the Green Investment Bank and the Green Deal. Work to develop investment-ready projects will be a priority in 2011, as resources from these funding sources are set to grow in 2012.</p> <p>Work at GM and Corridor levels has been combined to provide the basis for a submission in early 2011 to the ELENA fund for technical assistance for a range of climate change interventions that can be replicated across GM. A proposal to develop the Corridor as a 'low carbon laboratory' has also been</p>

Activity	Milestone 2011	Leaders & Partners	Progress to Date
			<p>initiated.</p> <p>Likely changes to National Indicators has challenged the commitment to developing more consistent accessible carbon metrics. Approval to produce a GM-wide Climate Change Strategy including a common carbon metrics framework has progressed this and the recent award of national DECC Low Carbon Framework funding will drive this and a total Carbon Footprint pilot in early 2011.</p> <p>The Council has made some progress towards establishing internal carbon metrics that, when complete, will enable all Services to measure performance on energy efficiency, consumption of natural resources and travel in line with CO2 reduction targets. Indicative targets have been set in the Council's Delivery Plan for each Directorate to 2014.</p>
<b>COMMUNICATIONS, ENGAGEMENT AND LEARNING</b>			
<p>Identify and develop alignment with other plans and strategies.</p> <p>Develop plan website to maximize shared good practice, ideas &amp; contributions.</p> <p>Develop communication plans for stakeholder groups and annual events</p>	<p>Communications group set up</p> <p>Communications plan and website in operation</p>	<p>MCC, press &amp; media groups, universities, chamber of commerce, AGMA</p>	<p>A range of initiatives has been progressed to communicate climate change and MACF across the city, to engage organisations and individuals and to develop learning programmes.</p> <p><a href="http://www.manchesterclimate.com">www.manchesterclimate.com</a> has been developed as a key resource to support the delivery of MACF. Phase 2 was launched in November 2010 and</p>

<b>Activity</b>	<b>Milestone 2011</b>	<b>Leaders &amp; Partners</b>	<b>Progress to Date</b>
<p>programme.</p> <p>Create templates for individuals and organizations to show how their plans contribute to this plan.</p> <p>Create visible public promotions so people can follow progress on carbon reduction</p>	<p>Templates in place and in use</p>		<p>enables organisations to endorse MACF online. The Stakeholder Steering Group has committed to put in place a citywide stakeholder communications plan and planning group for MACF in 2011.</p> <p>542 organisations were engaged as part of the CIF projects, including 57 schools through the Sustainable Schools and Eco-Schools groups, a network of new volunteers through AfSL's programmes now extended throughout more than half the wards in the city, a Carbon Literacy project being designed for launch in 2011 and an autumn programme of promotional events run by MERCi, MEEN, AfSL and others.</p> <p>Within the Council, the Delivery Plan has been developed interactively with all Directorates and Services identifying 'low carbon leads' and teams engaged in individual Service Plans. A core team of 'active' Green Champions has been identified to assist informal learning and networking, a series of campaigns to save energy and resources is in place for the winter and a staff internal recognition scheme will be launched in early 2011.</p>
<b>MANAGEMENT OF THE PLAN</b>			

Activity	Milestone 2011	Leaders & Partners	Progress to Date
Establish Steering Group  Develop Plan Co-ordination & Support Team  Hold 2010 Stakeholder conference to review & develop plan	In place  In place  Completed	MCC, Manchester Board, partners	<p>A Stakeholder Steering Group has been established, the support for plan co-ordination from the Council's Environmental Strategy Service has been put in place and a successful first Stakeholder Conference was held with 200 delegates on November 30<sup>th</sup> 2010.</p> <p>The Steering Group, composed of representatives from the Manchester Board, the Council, the NHS and business, community and academic organisations in the city, has taken 'ownership' of MACF as a plan. The conference, associated 'fringe' events and the extended interactive website at <a href="http://www.manchesterclimate.com">www.manchesterclimate.com</a> are early successes. The Group plans a major drive on communications and engagement in 2011.</p>

**REPORT TO:** Environmental Advisory Panel

**DATE:** 19<sup>th</sup> October 2010

**REPORT OF:** Richard Sharland, Head of Environmental Strategy

**TITLE:** Peak Oil: discussion paper

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### 1. Purpose

To facilitate discussion on the topic of peak oil ahead of the Council making any considerations on future policy.

### 2. Recommendations

At this stage this paper is for discussion only. That the Panel note the contents of the report and discuss the options proposed.

### 3. Background

In 2007 over a quarter of the world's oil production came from the twenty largest fields. 17 of which were discovered before 1970<sup>1</sup>. The International World Energy's (IEA) report *World Energy Outlook 2008* suggested that for every 1 barrel of oil discovered, the world consumes 3<sup>2</sup>.

Peak oil describes the point at which the amount of oil produced globally in a single year reaches its absolute maximum. From this point onwards, oil will still be produced but at a lesser volume. After peaking, oil production will ultimately go into decline. When we consider oil, we usually focus on petrol and diesel but we also rely on oil for a number of products such as; plastics, petroleum based chemicals, medicines, packaging, fabrics and other synthetics.

There is collective agreement that the world will eventually enter the era of peak oil. However there is debate on when peak oil will be reached. Optimistic projections suggest that there could be another 10yrs+ before peak oil starts, while some commentators believe that the era of peak oil has already begun.

Due to the reluctance of oil producing nations to release information on their oil reserves, advances in technology and economical viability of reopening old wells or extraction from "difficult" areas (such as the Canadian tar sands), a definitive answer cannot be given. However it is generally accepted by most commentators that regardless of when it starts, the world will be experiencing peak oil within the next 30yrs.

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<sup>1</sup> Page 225-226, International Energy Agency World Energy Outlook, 2008

<sup>2</sup> Page 4, Building a positive future for Bristol after Peak Oil, The Green Momentum Group & Bristol Council, 2009

#### **4. Why is a policy needed?**

Discussions are ongoing at national and local government levels over the impact of peak oil on goods, services and societies. As outlined later in this report a number of publications and policy statements have been issued (both internationally and within the UK) detailing the impacts of peak oil and steps to minimise its effects.

While the onset of peak oil will not see a sudden drop in oil produced/available on the global market, it is likely to increase the volatility of oil prices and consumer exposure to oil shocks. Exposure to oil shocks and price volatility are likely to impact on the (but not contained to) following areas:

- Petrol/diesel price increases
- Energy price increases
- Food price increases (through raised transportation costs)
- Agriculture price increases (through raised pesticide/fertiliser etc costs, feed costs)
- Public Transport fare increases

Due to this uncertainty and potential for disruption and aligned with other impacts such as climate change, it would be prudent to minimise cities, communities and organisations exposure to such risks through reducing dependency on oil and increasing reliance on other energy sources. Many of the actions that can be taken to reduce oil dependency (such as energy efficiency/low carbon energy) also fit into wider climate change/low carbon actions.

#### **5. International Position**

Several USA cities have policy positions on peak oil, recognising that US supplies have already peaked and therefore reliant on imports. Examples include: Portland (Task Force reported in 2007, aim to reduce oil and natural gas dependency by 50% by 2030) and San Francisco (Task Force reported in 2009).

#### **6. European Position**

There is no official policy on the issue of peak oil from the EU, however the EU Climate and Energy Package includes work on improving energy security. The annual Berlin Forum on Fossil Fuels is part of the European Commission's structured dialogue on the outlook for fossil fuels.

#### **7. National Position**

The UK does not have a policy on peak oil, however Government is committed to keep the issue under review. Historically the UK has been in a strong position regarding energy security due to the oil supply in the North Sea fields, but production is now in decline. Since becoming a net importer of both oil and gas between 2004 and 2006, the UK has become highly vulnerable to the global energy market. With

UK oil production predicted to decline by 5-7% a year imports will need to rise to make up the gap.

A number of UK councils and regions as well as industry groups have started to address the implications of peak oil including the Welsh assembly, Somerset County Council and Leicester County Council. A few examples of the work undergoing are detailed below.

### 7.1 Bristol: Building a Positive Future after Peak Oil

*'Building a Positive Future for Bristol after Peak Oil'* was a report jointly published by Bristol Green Momentum Group (BGMG) and Bristol Council to address the issue of both peak oil and climate change together and identify possible courses of action to safeguard the city's prosperity

The report covers six categories that are dependent on oil (transport, food, health, economy, public services, and utilities) and examines the direct/secondary/cross sector impacts of peak oil to them. It outlines a number of actions that can be taken to reduce Bristol's vulnerability to peak oil and to establish Bristol as a low carbon city

### 7.2 Nottingham Peak Oil Resolution

In December 2008, Nottingham City Council passed a resolution acknowledging the forthcoming impact of peak oil. The Council resolved to help the city and its residents adapt to a shrinking oil supply while maintaining the City's prosperity.

It intends to do this by:

- **Develop** an understanding of the impact of peak oil on the local economy and the local community
- **Encouraging** a move across the city towards sustainable transport, cycling and walking throughout the city
- **Pursue** a rigorous energy efficiency and conservation programme through its carbon management plan, the work towards EMAS accreditation and on leading on raising energy awareness across all sectors to reduce dependency on oil based energy in the city
- **Support** research and production within the city which helps develop local effective alternative energy supplies and energy saving products in order to encourage a move away from oil based fuels and also in order to create local 'green collar jobs'
- **Co-ordinate** policy and action on reducing our city's carbon dependency and in response to the need to mitigate and adapt to climate change and peak oil.

In this way Nottingham City Council will not only be helping the city to rise to the challenge of peak oil but also encourage the city to grasp the opportunities which peak oil offers.

### 7.3 Industry Report

The second report of the UK Industry Taskforce on Peak Oil and Energy Security (ITPOES) was published in February 2010. ITPOES' membership includes Arup, Foster + Partners, Scottish and Southern Energy, Stagecoach Group, Virgin Group and Solarcentury. The report entitled "*The Oil Crunch – A Wake Up Call for the UK Economy*" updates the view of a number of cross sector businesses on peak oil first outlined in their 2008 report "*The Oil Crunch: Securing the UK's Energy Future*". The 2010 report details two expert opinions on peak oil occurring within the next 10yrs and the repercussions the UK will face in a number of sectors (General policies, transport, retail and agriculture, power generation and distribution and heating)

The report concludes with a clear message to the incoming UK government that future policies must explicitly recognise the potential for world oil prices to rise and for the possibility of oil supply interruptions. Recommendations are put forward for policy consideration in the areas of transport; retail and agriculture; electricity generation and distribution; and commercial/domestic heating.

### 8. Local Position

Manchester does not have a specific policy on peak oil however actions contained within *Manchester: A Certain Future* do share many peak oil policy themes<sup>3</sup>. See appendix 1 for further information).

### 9. Options

The Council is limited to what it can achieve by itself and a wider stakeholder supported plan will be required to deliver some of the options outlined below. With this in mind the panel is invited to discuss the following options.

1. Peak Oil policies are adequately covered by the *Manchester: A Certain Future*. The City should continue to pursue the delivery of these aims and take guidance on peak oil from Government as and when it is released.
2. The Council should explore the approach taken by Nottingham City Council and acknowledge the existence of peak oil. The Council will support research into alternative solutions while continuing to deliver actions from *Manchester: A Certain Future*.
3. The Council adopts a similar approach to the Bristol report. MCC will undertake a scoping exercise to determine its own exposure to peak oil and will work with stakeholders to develop a city wide peak oil plan.

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<sup>3</sup> Peak Oil themes taken from *Bristol: Building a Positive Future after Peak Oil*