

NOTICE OF MOTION – REDUCTION IN CARBON DIOXIDE EMISSIONS

1. INTRODUCTION

1.1 At the meeting of the council held on 18 July 2011 Cllr Tipp put forward the following Notice of Motion, which was referred to the Environment Overview and Scrutiny Panel for comment before being discussed by the Cabinet:

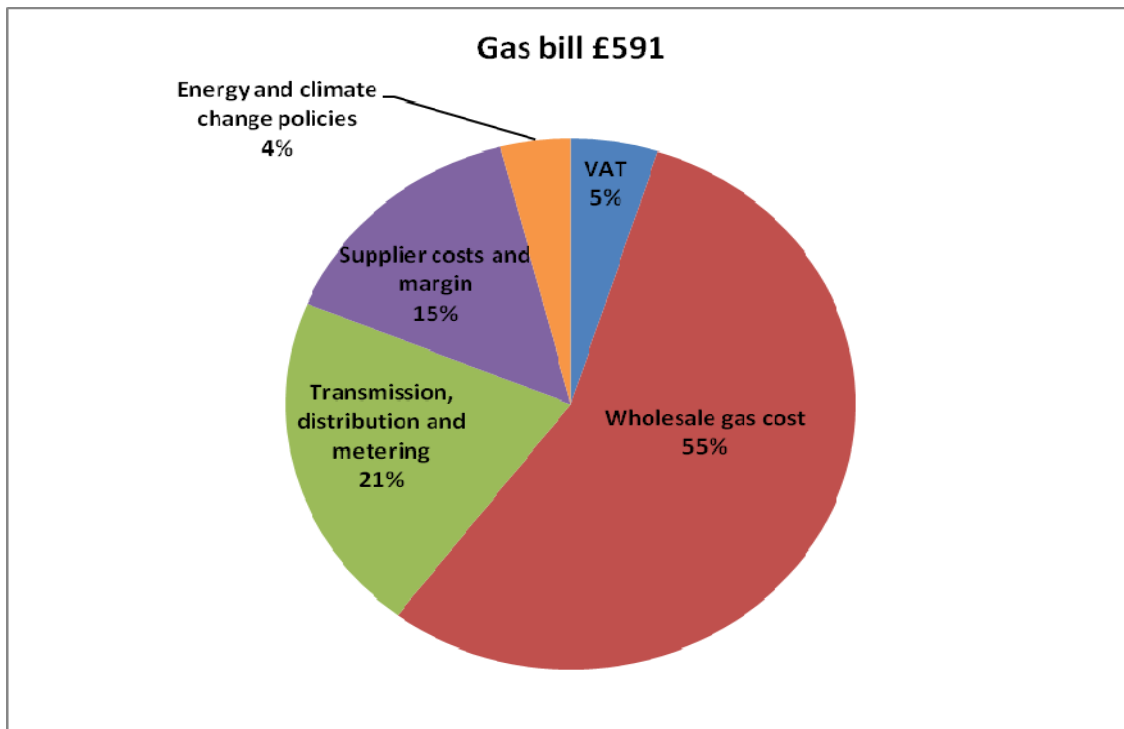
“It is widely known that energy bills have been rising at rates well above inflation in the past few years and that this is already adversely affecting businesses and causing financial hardship to many *people throughout the country on low incomes, including residents of this District.*

In light of this I propose that the Council should write to the government, urging it not to make commitments to reduce carbon dioxide emissions further or faster than other major industrial nations without a world-wide binding commitment by all those other industrial nations, as such a unilateral commitment would add further increases to UK energy prices causing increasing hardship.”

2. BACKGROUND INFORMATION

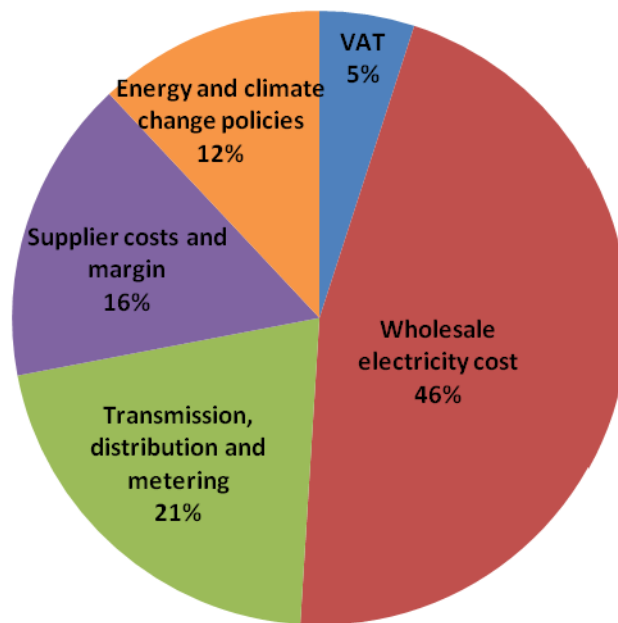
2.1 The Department of Energy and Climate Change (DECC) estimates for the breakdown of an average domestic gas bill (£591) and electricity bill (£512) for 2010 are shown below. It shows that for an average domestic electricity bill, energy and climate change policies make up approximately 12% of the bill whilst for an average domestic gas bill energy and climate change policies make up approximately 4% of the bill.

Estimated breakdown of an average annual domestic gas and electricity bill in 2010



Source: DECC 2010 (figures in real 2009 prices)

Electricity Bill £512



Source: DECC 2010 (figures in real 2009 prices)

- 2.2 The cost of energy and climate change policies is due to increase. If energy prices remain stable then DECC estimate that by 2020 energy and climate change policies will make up approximately 33% of a domestic electric bill whilst for an average domestic gas bill energy and climate change policies will make up approximately 18% of the bill.
- 2.3 However policies being introduced by the Government with regards to energy efficiency and promoting microgeneration renewable energy technologies encourage people to save considerable sums of money on their energy bills. The Government argue that the impact on bills outlined above will be lower due to these energy efficiency and microgeneration measures.
- 2.4 If the Government are correct, households will pay less as a result of implementing such measures. By 2020 DECC estimate that based upon existing energy prices, households will see a decrease in bills by an average of approximately 25% if they take up both renewable and insulation measures (compared to a bill with the impact of policies). Furthermore if wholesale energy prices were to increase in the period up to 2020 then the cost of the climate change policies would be reduced and the level of monetary savings would increase further compared to a bill excluding those policies.

3. FINANCIAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

- 3.1 There are none arising directly from this report.

4. ENVIRONMENTAL IMPLICATIONS

4.1 As detailed in the body of the report.

5. ENVIRONMENT OVERVIEW AND SCRUTINY PANEL COMMENTS

5.1 The Panel at their meeting on 15 September 2011 supported the Notice of Motion.

6. PORTFOLIO HOLDER COMMENTS

6.1 The Portfolio Holder welcomes the report.

7. RECOMMENDATION

7.1 That the Notice of Motion be noted and the matter be referred to the Council for a response.

For further information contact:

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Background Papers:

Published documents.