



Belfast City Council

Report to: Health and Environmental Services Committee

Subject: **Sustainable Carbon Reward Card**

Date: 18th January, 2010

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Relevant Background Information

Since 2004, the Waste Management Service has been considering proposals to develop a reward card system to encourage changes in attitude and behaviour in the city's public. Progress with these proposals was limited however by the need to prioritise operational issues, such as the roll-out of new waste collection arrangements.

In 2008, however, the EC INTERREG IV:B North West Europe region programme Priority 4 Strong and Prosperous Communities was identified as providing a possible source of funding for the development of a reward card, and two reports were prepared and the proposals approved by the Committee to consider the development of an application.

The Committee may recall that, at its April meeting last year, approval was granted for the Waste Management Service to lead the preparation of an application under the INTERREG programme for a Sustainable Carbon Reward Card, in conjunction with partners from Dublin Regional Authority, Liverpool City Council and Brussels IBGE. The Committee was informed that 50% of the cost of developing the reward card would be directly funded by INTERREG.

The Committee agreed that, if the application was successful, a further report would be submitted to a future Committee meeting providing details of the project, the organisations involved and the costs involved to enable a decision to be taken regarding the Council participating in the programme.

In accordance with the Committee's decision, an application was submitted to INTERREG in October detailing the partners' plans for a Sustainable Carbon Reward Card which would seek to encourage users in each of the cities to become more aware of the impact of their personal choices and to alter their lifestyles. The aim of the card is to reward positive personal behaviour by issuing points which will save the user money, impact positively on the environment and improve the use of Council resources.

In December, the application for a five year project was conditionally approved by INTERREG, subject to several conditions being met (see Appendix 1). These have been clarified at a meeting with the INTERREG management team last week. The partners also met last week to address the conditions and to finalise the application form by 26 February in line with the INTERREG timetable.

In each of the partner cities the card will seek to promote change in particular areas of public behaviour. The different areas and how they can be targeted by rewarding behaviour are due to be scoped fully in the first year of the project but the Service is proposing that Belfast should consider issues such as sustainable consumption and how to reward users for

- Increasing their recycling rates
- Minimising their production of waste
- Increasing their use of the Council's leisure centres and
- Increasing their use of public transport

Other areas which it may prove possible to include in the card scheme include (i) increasing donations to and use of charity shops (ii) buying local produce/supporting the St George's Market (iii) restaurants that source local supplies and (iv) shops and businesses which have achieved environmental accreditation such as offered by the Council's BITES (Business Improvement through Environmental Solutions) programme.

Another key focus in the first year of the project will be to determine how users can redeem the points they have gathered.

The aim is to reward users' choices which have a more beneficial environmental impact and to stimulate businesses to improve their environmental performance by increasing their customer base.

By promoting these particular areas, the Council will benefit because recycling is costing increasingly less than waste disposal, especially as it is not subject to the annual increases in landfill tax. There are also further savings for the Council in that recycling and waste prevention have lower financial and energy costs than other waste treatment and disposal options.

In addition, the reward card could help demonstrate the Council's commitment to taking the necessary steps to maximise the amount of wastes diverted from landfill under the NI Landfill Allowances Scheme, and thereby avoid being financially penalised.

By the end of 2012, the UK will also have to increase its focus on waste prevention in line with the EC Waste Framework Directive and this card could prove instrumental in helping the Council deliver upon this locally by encouraging new behaviours and attitudes amongst the city's public.

Other Council services can also be included where points can be earned and redeemed, thereby increasing footfall in our facilities. A similar situation exists for other stakeholders, such as Translink, and reducing congestion and improving air quality, where changes in behaviour could have a positive impact for the city.

The Service will seek to establish a local partnership comprising of both internal and external members to help implement the project. A brief summary of the card has been included in Appendix 2.

Key Issues

In its Corporate Plan, the Council has made a commitment to addressing climate change and improving air quality; in November 2009, it also signed the Eurocities Declaration on Climate Change. The introduction of the Sustainable Carbon Reward Card could be a key action in delivering these commitments.

In terms of the Sustainable Carbon Reward Card, the final revised application form must be submitted to INTERREG IV:B, with all relevant approvals by each of the partners, by 26 February. The other partners have the appropriate decisions in place and, in line with the April 2009 report, the Committee is now being asked to consider the Council's involvement in the reward card.

The development of a reward card provides an opportunity for the Council to develop a scheme which will encourage positive changes in users' attitudes and behaviours with regards to a number of services the Council provides directly, and could also deliver other benefits for the city. The costs associated with the development of the reward card would be 50% funded if the INTERREG application is successful.

The total cost of the Sustainable Carbon Reward Card is estimated to be €5,609,408 before INTERREG support. This is split between the different partners depending on what they propose to undertake. The costs of implementing the scheme are also not incurred evenly between 2010/11 and 2015/16 and are profiled in each of the partnering councils.

If the application is successful, it is anticipated that Belfast will issue 50,000 Sustainable Carbon Reward Cards for use in around 250 premises across the city.

At the end of the project term, the partners believe they will have successfully trialed the reward card and it should be economically viable to continue without further support.

Resource Implications

The total cost of the project is estimated to be €5,609,408, with 50% funding being provided by INTERREG. The remaining costs will be split between the partners in relation to the number of cards they seek to issue and premises they seek to authorise. The Council will be eligible to draw down some €1,310,000 for its elements of the scheme. Additionally, as lead partner, three staff (including the Reward Card Manager) will be based in Belfast and funded out of the total cost of the project.

It is estimated that the cost to the Council will be around €655,000 profiled over the project term. Match funding will be provided by INTERREG and there are further "in-kind" indirect costs. These are accrued by the Council through officer time in supporting, overseeing and managing the reward card, and account for €10,000 per annum approx during the term of the project. The net additional cost will therefore be around €600,000 over the five year period of the project.

The first year of the project (2010) will incur lower costs than the years following as it primarily involves research, and setting up the appropriate structures to administer the reward card. Costs already incurred in preparation of the INTERREG application can also be redeemed, which is shown by the 2009 figure.

Years two and three will record the highest levels of expenditure as the cards and terminal infrastructure are issued. An approximation of the profiled budget in Euros can be seen below.

Year	2009	2010	2011	2012	2013	2014	2015
Cost	9000	100,000	200,000	150,000	130,000	25,000	0

Provision for the 2010/11 costs have been included in the Revenue Estimates and future years' costs have been included in the Medium Term Financial Plan.

Recommendation

In order to meet the INTERREG timetable, the Committee is asked to approve the Council's participation and expenditure in relation to Sustainable Carbon Reward Card.

Key to Abbreviations

Brussels IBGE - The Brussels Institute for Management of the Environment

BITES – Business Improvement through Environmental Solutions

Documents Attached

Appendix 1 – INTERREG IV:B Letter of Conditional Approval

Appendix 2 – Carbon Reward Card Summary

Decision Tracking

Following Members consideration, the Head of Service will act upon the decision accordingly.