

## 1. Executive summary

Global oil production will almost certainly ‘peak’ and go into sustained decline within the next few years. In addition to the challenge of climate change, we will soon have to contend with a rapidly growing deficit in fuels for transport. This will cause big spikes in energy prices – including natural gas and electricity – with potentially devastating economic and social impacts. This has severe implications for the provision of services by local government.

This issue is usually described as ‘peak oil’. It is rarely acknowledged by national governments, but is rapidly gaining credibility among local authorities around the world – and on financial markets. Forecasters differ about the exact date of the peak, but there is a growing consensus that it will happen in the next ten years. To many experts the soaring price of crude suggests that we may be at peak oil now.

The purpose of this report is to summarize which local authorities are doing what, and to draw together the most promising policies for tackling peak oil, so that all British local authorities can benefit from best practices being developed both at home and abroad. Almost every area of policy is affected, from transportation to land use planning to social services. The report is especially relevant for councils affected by the planned expansion of Britain’s airports: mass air travel is likely to be an early casualty of peak oil.

The policies suggested to mitigate peak oil are usually complementary to those required to combat global warming, but there are also important distinctions that may affect the decisions made by local authorities. This is particularly true of natural gas, where supply difficulties are also expected soon. Whatever the motivation of a particular council – climate change or peak oil – many of the suggested policies can also reduce expenditure almost immediately simply by saving energy.

A review of peak oil initiatives across the United States, Canada, and Britain suggests local authorities should consider the following actions:

- Conduct a detailed energy audit of all council activities and buildings.
- Develop an emergency energy supply plan.
- Introduce rigorous energy efficiency and conservation programmes.
- Encourage a major shift from private to public transport, cycling and walking.
- Expand existing programmes such as cycle lanes and road pricing.
- Reduce overall transport demand by using planning powers to shape the built environment.
- Promote the use of locally produced, non-fossil transport fuels such as biogas and renewable electricity in both council operations and public transport.
- Launch a major public energy-awareness campaign.
- Find ways to encourage local food production and processing; facilitate reduction of energy used in refrigeration and transportation of food.
- Set up a joint peak oil task force with other councils and partner closely with existing community-led initiatives.
- Coordinate policy on peak oil and climate change.
- Adopt the Oil Depletion Protocol.

*For more details see section 18. Policy summary*

**...global oil production will almost certainly go into sustained decline within the next few years...**