

AUDIT COMMITTEE

5 October 2023

REPORT OF CORPORATE DIRECTOR, PLACE AND ECONOMY

A.2 AUDIT COMMITTEE – PROGRESS ON CLIMATE ACTION

(Report prepared by Lee Heley)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee:

- To present to Members a two-year progress report on the Council's Climate Change Action Plan.

EXECUTIVE SUMMARY

The role of the Audit committee is to

- Consider the arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice; and
- Consider the Council's compliance with its own and other published standards and controls (other than those covered by the Standards Committee).

The Audit Programme requires the Corporate Director, Place and Economy to attend a future scheduled meeting of the Committee in 2023 to present to Members a two-year progress report on the Council's Climate Change Action Plan.

The Council declared a climate emergency on 6 August 2019. A resolution submitted by former Cllr Neil Stock was backed by Councillors from all parties during a full Council meeting. The resolution committed the Council to preparing an action plan for consideration by councillors with the aim of making its activities net zero carbon by 2030.

In November 2020, the Council set out its plan to achieve this goal, initially covering the period to 2023. [Action plan](#).

The Council has committed to become net zero by 2030 in its direct emissions (so called 'scope one' emissions) and the production of its electricity ('scope two' emissions). The Council is also committed to working towards reducing emissions in its supply chain ('scope three'), which includes the services we deliver via business contracts rather than directly employed staff, such as waste collection. This aspect of the plan does not have a defined target for emissions reduction.

A final element of the action plan encourages businesses and residents in the district to play their part in reducing carbon emissions.

The current Action Plan ends in December 2023. A new plan is under development, building on the work of the first plan.

Current position

The Council emitted 2,797 tonnes of carbon for scope one (internal) and scope two (electricity) emissions in the baseline year, 2018/19.

In 2021/22 this had fallen to 2,245 tonnes of carbon emitted. As a result the Council has saved 552 tonnes of carbon since the baseline year in direct emissions made up from 144 tonnes of scope one (internal) emissions, and 376 tonnes from scope two, electricity.

We are currently converting the energy records into Carbon emission equivalent to provide data for 2022/23.

In addition, we recorded 2,317 tonnes of carbon emissions in the baseline year of 2018/19 through our supply chain, called scope three emissions. This had fallen to 2,052 by 2021/22. The majority of these emissions come from the Veolia fleet of waste vehicles, although that element slightly increased their contribution to emissions in the period (1.404 to 1.435 tonnes).

RECOMMENDATION(S)

It is recommended that:

1. **The Committee notes and considers the progress against the Climate Action Plan set out in Appendix A.**
2. **The Portfolio Holder for Environment requires the development of a Climate Action plan from 2024 with ambitions and actions set in the context of current national policy.**

REASON(S) FOR THE RECOMMENDATION(S)

To provide an update to the Committee on progress with the Climate Action Plan, noting with opportunities and challenges associated with its implementation.

The current Climate Action Plan ends in 2023 and so requires updating for future years. The Council has a number of years' experience implementing changes and monitoring emissions to inform future plans.

ALTERNATIVE OPTIONS CONSIDERED

Not completing updating the action plan. However, this would make oversight difficult of the actions required to make progress towards the current 2030 carbon neutral ambition.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Council's corporate plan 2020-2024 includes the ambition to be carbon neutral by 2030, which is set in Council policy. The Action Plan to 2023 sets out how the Council will make progress towards that goal. The councils draft corporate priorities from 2024 are out to

consultation:

- Pride in our area and services to residents
- Raising aspirations and creating opportunities
- Championing our local environment
- Working with partners to improve quality of life
- Financial sustainability and openness

The Climate Action Plan helps the Council to champion the local environment, and to deliver financial sustainability and openness, as reducing carbon emissions is based on reducing energy use, which will save on going revenue costs for the Council.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

The Council has adopted the ambition to become carbon neutral by 2030 within its corporate policy framework.

The Government has passed a number of Acts which set out the national framework regulating different aspects of Council business that impact on the levels of carbon emissions. The overarching legislation is the Climate Change Act 2008 which commits the UK government by law to reducing greenhouse gas emissions by at least 100 percent of 1990 levels (net zero) by 2050. The 100 percent target was based on advice from the Climate Change Committee's 2019 report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

There is an existing reserve of £1.019m to support general asset refurbishment / replacement with an earlier decision acknowledging that this reserve is also available to support climate change activities. This is over and above an initial draw down from this reserve of £0.250m in 2022/23 to support the associated climate change action plan that includes activities such as the installation of LEDs and pools covers, and helping to plan for replacement heating systems in the council's estate.

The Action Plan from 2024 will need to propose actions which are affordable within budget limits or which receive external funding that can be delivered to cover the full costs of project delivery, including internal resources.

The approach is to mainstream climate action so that it is part of the planning for the whole organisation, for example within the forward plans of Assets, Fleet management and the re-contracting of waste.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	Reducing carbon emissions will reduce energy use, which will reduce long term revenue costs, although they require short term capital investment.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	A Cabinet Member is responsible to oversee the development and delivery of the action plan against the 2030 ambition. A project board oversees delivery at the officer level which

	meets regularly, to track progress across the organisation.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	The actions are designed to reduce carbon, for example the building surveys informed investment decisions on which action would give the quickest payback by reducing energy consumption (pool covers).
MILESTONES AND DELIVERY	
Progress against actions to date is included in Annex A.	
The next key milestone is the development of the next Action Plan, which is expected to come to Cabinet for decision in 2024.	
ASSOCIATED RISKS AND MITIGATION	
There is a significant risk the Council does not reach its 2030 ambition to become carbon neutral. This is due to the costs associated with implementation, and the Council's ambition coming two decades ahead of the national target.	
Cost of implementation at a time of extreme financial pressure. The original plan was estimated at a cost of £7.3m. Currently the Council is facing significant budget pressures over the next three years. Some carbon reduction measures will save money over time as they reduce energy costs from the estate, for example, they have an upfront capital cost. Some actions, such as Electric Vehicles in the waste fleet, would have a significant cost.	
We take an invest to save approach, focusing on investment where we will see a return on reduced energy costs, and seek external funding.	
The Council is committed to achieving net zero greenhouse gas emissions for our own estate, vehicles and electricity by 2030, twenty years ahead of the national target. National policies are not yet in place to help achieve the Council's goal.	
OUTCOME OF CONSULTATION AND ENGAGEMENT	
There is no requirement to seek consultation on this report.	
EQUALITIES	
The actions in the report seek to put in place	
SOCIAL VALUE CONSIDERATIONS	
Carbon emission reductions are part of the environmental action associated with social value. Our work to reduce carbon emissions within our own services and working with our supply chain delivers social value.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The update on the Action Plan shows the progress the Council has made against the aim to be net zero by 2030, as set out in Annex A, and as such is fundamental to the delivery of this ambition. The presence of this section in the report template is itself a result of the action plan.	

OTHER RELEVANT IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	Not applicable
Health Inequalities	Not applicable
Area or Ward affected	All Wards could be affected
ANY OTHER RELEVANT INFORMATION	
None	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>The Council declared a climate emergency on 6 August 2019. A resolution submitted by former Cllr Neil Stock was backed by Councillors from all parties during a full Council meeting. The motion committed the Council to preparing an action plan for consideration by councillors with the aim of making its activities net zero carbon by 2030.</p> <p>In November 2020, the Council set out its plan to achieve this goal, initially covering the period to 2023.</p> <p>To explain in detail:</p> <p>Scope 1 (direct) emissions are from activities owned or controlled by the Council. Examples of Scope 1 emissions include emissions from combustion in council owned or controlled boilers, furnaces and vehicles.</p> <p>Scope 2 (indirect) emissions are associated with purchased electricity, heat, steam and cooling. These indirect emissions are a consequence of the Council's energy use, but occur at sources that the Council do not own or control. Examples include grid supplied electricity and heat provided through a heat network.</p> <p>Scope 3 (other indirect) emissions are a consequence of the Council's actions that occur at sources the Council do not own or control and are not classed as Scope 2 emissions. Examples of Scope 3 emissions include business travel by means not owned or controlled by the Council, such as Waste Collection vehicles and purchased goods in the supply chain.</p> <p>The Council is a member of the Association of Public Service Excellence (APSE) who use the data we collate to work out our annual carbon emissions. The Council has complete emissions data up to March 2022 set out below in Annex B. The Council has collated the data for 2022/23 and engaged with APSE, and will receive the updated Carbon Emissions in the new year. We do not measure emissions for the entire district.</p> <p>The Council is in the process of developing the next Climate Action Plan, which is expected to go to Cabinet in 2024.</p>
PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
November 2020 Cabinet Paper on the Climate Action Plan

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A – Progress report

Appendix B – Emissions Reporting

REPORT CONTACT OFFICER(S)

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