

REPORT TITLE: ADOPTION OF THE CARBON NEUTRALITY ACTION PLAN

13 SEPTEMBER 2023

REPORT OF CABINET MEMBER: Cllr Kelsie Learney

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WARD(S): ALL

PURPOSE

This report provides an update to the Carbon Neutrality Action Plan (CNAP), adopted by Cabinet in December 2019 following the declaration of a Climate Emergency by the council. It puts forward a revised and updated CNAP incorporating the recommendations of the Carbon Neutrality Roadmap, adopted in January 2023

In its Climate Emergency Declaration, the council committed to bring forward a Climate Neutrality Action Plan (CNAP) within 6 months containing proposed actions to achieve the council's targets of being carbon neutral as a council by 2024 and as a district by 2030. In adopting the CNAP in December 2019, the Cabinet also approved that the Strategic Director - Services be given delegated authority to develop a detailed Implementation Plan. This was in recognition that the actions contained in the CNAP required external review to ensure they are sufficient to achieve the ambitious carbon neutrality targets that council had set. Each year the council has reviewed and refreshed the CNAP setting out what had been achieved and the priorities for the year ahead.

In recognition of the need to have a quantified forward trajectory of interventions needed, a Roadmap to Carbon Neutrality for Winchester District by 2030 (referred to as Carbon Neutrality Roadmap) was developed by consultants WSP during 2022. The Roadmap is an extensive and comprehensive piece of work that has demonstrated the need to go greener faster and to prioritise high impact actions, scale up actions and increase the pace of delivery. This has now been incorporated into the revised Carbon Neutrality Action Plan to provide a new trajectory and revised focus on the council 2024 and district 2030 carbon neutral targets (see Appendix 1).

RECOMMENDATIONS:

1. That Cabinet adopts the revised Carbon Neutrality Action Plan for 2023-2030.
2. That the Corporate Head of Service: Economy & Community be given delegated authority to make minor changes to the Carbon Neutrality Action Plan with regard to design and to up-date data prior to publication.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

1.1 Tackling the Climate Emergency and Creating a Greener District

1.2 The revised Carbon Neutrality Action Plan has been produced in direct support of the council's focus to be Greener Faster and to set a path to achieve the carbon neutrality targets. It supports the vision for a climate resilient district and in particular:

- a) Changed lifestyles with local people, organisations and businesses enabled to share their ideas and work together to create a carbon neutral future.
- b) The natural and built environment is protected, maintained, sustained and enhanced.
- c) The district is broadly self-sufficient in renewable energy.

1.3 Homes for all

1.4 The need to reduce energy use from domestic properties it identified as a key focus within the revised CNAP as highlighted in the CN Roadmap. This directly contributes to achieving the council priority that "all homes (are) to be energy efficient and affordable to run". This will include working towards home retrofit that will reduce energy costs and increase comfort of living across the district. The CNAP has driven a commitment within the Local Plan for the LETI low energy standard for housing to be mandatory. The CNAP takes forward the commitment to ensure the council's own housing stock is built to the highest low energy standards.

1.5 Vibrant Local Economy

1.6 The revised Carbon Neutrality Action Plan also supports the priority for "a stronger, greener, more sustainable local economy". This is through the opportunities it presents to increase business investment in, and costs savings from, energy efficiency and generation, supply chain improvements, and sustainable transport including freight. Deployment of new technology, processes and products to meet the climate emergency challenges and consumer demand will create job and skills opportunities, business investment and research collaboration. These activities and outcomes align with the council's Green Economic Development Strategy objectives and outcomes.

1.7 Living Well

Addressing the climate emergency and reducing carbon emissions contributes to people's health and wellbeing in a number of ways including:

- a) Access to affordable and reliable energy

- b) Reduced extreme weather events - both heat and flooding
- c) Access to green open spaces
- d) More attractive to use active travel and cycling and walking

1.8 The outcomes from CNAP will help to reduced health inequalities by tackling the environmental factors that most affect those with the biggest health challenges.

1.9 Your Services, Your Voice

1.10 It will be essential for close working with residents, businesses, public sector bodies, regulators and stakeholders in implementing the measures within the revised Carbon Neutrality Action Plan. Communication, engagement and consultation will take place through a number opportunity such as the Carbon Neutrality Open Forum, a Carbon Neutrality Steering Group, though existing networks and groups with sector specific meetings as required.

2 FINANCIAL IMPLICATIONS

2.1 The council has invested significantly, both in terms of finance and staff resources, to become a carbon neutral authority and district. It has also attracted grant funding from government and external agencies to help invest in carbon reduction measures. It was known that, in order to make the transformational change needed to reach carbon neutrality, large scale investment would be needed and not just by the council.

2.2 For context a 2020 report by government advisory group, the Committee on Climate Change found:

“that effectively eliminating all emissions by 2050 would require investment of 1 to 2 per cent of GDP per year – with the switch to renewable energy and better insulation for buildings costing between £20 and £40 billion a year.”

2.3 The Carbon Neutrality Roadmap, published in January 2023, estimated the capital cost for the interventions to reach the 2030 targets to be in the order of £350m-£650m. This investment would need to be made by a range of stakeholders over the next eight years.

2.4 Whilst a considerable capital investment from stakeholders is required, some interventions such as renewable energy generation also present an opportunity to generate income and/or to make savings. Furthermore, some actions that require a change in behaviour, or adopting new ways of working, may be at little or no cost.

2.5 In 2019/20 the Council made available a one-off revenue budget of £840,000 to support delivery of the carbon neutrality programme. By the end of 2022/23 a total of £456,000 had been spent, leaving £384,000 of the one-off budget remaining to be spent.

- 2.6 In 2023/24 a base revenue budget of £200,000 was established in the General Fund to accelerate the pace of work, in line with the Council Plan commitment to be Greener Faster.
- 2.7 The Council also has a programme of interventions and initiatives that contribute to the achievement of carbon reduction both as an organisation and as a district. These are subject to their own budget requirements and allocations and include:
- a) The Winchester Movement Strategy
 - b) Green Economic Development Strategy
 - c) Asset Management Strategy including retrofit of the corporate estate
 - d) The New Homes Delivery programme, including the Retrofit Ready initiative for bringing council housing to EPC C or above
 - e) Air Quality Strategy
 - f) Tree Survey and Replacement Programme
- 2.8 A budget of £1,000,000, funded by prudential borrowing, has been set aside in the capital programme (£250,000 per annum over 4 years) for projects to be identified, such as renewable energy and energy efficiency projects, that generate sufficient income and/or savings to cover the cost of borrowing.
- 2.9 Projects have included spend of £155,000 on the new leisure centre to increase the solar array and provide grey water recycling provision. Successful applications to the Government's Public Sector Decarbonisation Fund, overseen by Salix, have secured £252 for replacement windows last year in City Offices and to install solar panels and £64.2k for an ASHP later this year at Meadowside Leisure Centre.
- 2.10 Where projects will provide a sufficient return on investment, it will be possible to finance from borrowing. Where projects don't make sufficient return other funding sources will be explored (e.g. government grants) and an assessment will need to be made of the cost versus the benefit. Feasibility work will be required on new actions identified within the action plan and as individual projects come forward, they will follow the usual council approval process including the production of a business case.
- 2.11 The CNAP includes a section on the Investment and Funding Approach has been developed to accompany the Carbon Neutrality Action Plan which aims to identify who has responsibility for making investments, the availability of finance and routes to grants and who can access these.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The interventions identified within the revised CNAP for which the council has potentially a direct delivery or investment role will be subject to legal and procurement review at their time of implementation, and in particular where

they require consideration of the council's Financial Procedure Rules, Contract Procedure Rules and Public Contracts Regulations 2015 (PCR2015).

- 3.2 In setting specifications for procurement and as part of the contract management where possible measures of carbon impact (positive or negative) should be included, particularly in activities that are implemented to directly contribute to the carbon reduction of the council and or the district.
- 3.3 Climate Action however, is a new and developing area for many suppliers and the maturity levels in this area varies considerably. Therefore our approach will be proportionate.

4 WORKFORCE IMPLICATIONS

- 4.1 Delivery of the Carbon Neutrality Action Plan is the responsibility of all council employees. Many projects are cross cutting and require delivery by departments across the council. The Sustainability Team which comprises the Sustainability Manager, Sustainability Programme Manager and Sustainability Project Officer will take a lead in overseeing the delivery of the CNAP. However, staff resources will be required from officers across all teams to support the delivery of the Carbon Neutrality Action Plan and ongoing monitoring of progress towards targets. In particular this resource will be needed in Housing, Place (environmental services and transport teams), Economy & Tourism and Asset Management.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 To reduce its energy use, the council will be intensifying its programme of energy reduction across all assets, both corporate and housing. Opportunities, the approach and required resources will be assessed under each of the relevant strategies and work programmes that include New Homes delivery programme, the Retrofit Ready programme and the Asset Management Strategy.

6 CONSULTATION AND COMMUNICATION

- 6.1 The revised CNAP has been considered and reviewed by the council's (internal) Carbon Programme Board which comprises senior officers and the Leader of the Council, Cabinet Member for Climate Emergency and Cabinet Member for Housing.
- 6.2 To develop the Carbon Neutrality Roadmap, the consultants WSP held a series of stakeholder workshops. This included a workshop with Winchester Action on Climate Crisis (WinACC), in-depth interviews with Hampshire County Council officers and Wessex Green Hub and a session with a wide range of stakeholders including Cycle Winchester, Friends of the Earth, Sustrans, Hampshire & IoW Wildlife Trust, Winchester BID and many more. A questionnaire was also used to engage with officers across the council to build knowledge of specific initiatives already happening or planned.

Feedback from stakeholders is summarised in Chapter 2 (Table 2.1) of the CN Roadmap.

- 6.3 When the Health & Environment Policy Committee considered the CN Roadmap in recognition of the need to be greener faster to meet carbon neutrality targets by 2030, it recommended that the council should:
- a) Prioritise and seek funding for highest impact actions within our scope.
 - b) Identify ways to use developer (Community Infrastructure Levy) and other funding to drive or unlock change.
 - c) Put carbon at the heart of relationship with key partners to accelerate delivery.
 - d) Scale up actions and increase pace of delivery.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The Carbon Neutrality Action Plan provides the framework for the council and the district's stakeholders, residents and businesses on the interventions required to achieve a carbon neutral district by 2030. This includes matters of energy reduction and generation; waste management, habitat creation for carbon sequestration and climate mitigation; active travel and sustainable transport impacting air quality.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 The Public Sector Equality Duty (PSED), at section 149 of the Equality Act 2010, requires public bodies, including the council to have due regard to the aims of the general equality duty when making decisions and when setting policies.
- 8.2 Having due regard to the need to advance equality of opportunity involves considering the need to remove or minimise disadvantages suffered by people due to their protected characteristics.
- 8.3 The interventions identified within the Roadmap may have impacts which will need to be assessed at implementation stage, for example electric vehicle charging points and changes to public transport, changes to heating systems in people's homes, and changes to recycling. The action owners will be responsible for completing the necessary assessments when project and interventions are designed.
- 8.4 The Equality Impact Assessment (EqIA) for the revised CNAP is at appendix 2.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None

10 RISK MANAGEMENT

- 10.1 The development of the Carbon Neutrality Action Plan is in line with the council's current risk appetite which is moderate as this does mean the council remains open to innovative ways of working.

Risk	Mitigation	Opportunities
<p>Financial Exposure</p> <p>Insufficient finance and investment is secured to deliver the required interventions</p> <p>External investment and funding cannot be secured to enable implementation of the action plan.</p>	<p>An investment strategy has been created that will consider who the delivery agency is and therefore has responsibility for making investments, the availability of finance and routes to grants and who can access these.</p> <p>Development of strong partnerships and collaborations for projects supported by robustly developed business cases to stand the best chance of attracting external funding and investment.</p>	<p>Supporting innovation in the deployment of carbon reduction/elimination measures can attract business investment and research & development grants from government.</p> <p>Some interventions, such as renewable energy generation, present opportunities to make ongoing income and/or savings.</p>
<p>Exposure to challenge</p> <p>The council is challenged over how it will achieve the carbon neutrality targets</p>	<p>The Roadmap and the updateable tool to review and report progress provides the details on how the target can be met.</p>	<p>New opportunities may emerge as technology develops that may present lower cost solutions.</p>
<p>Innovation</p> <p>New technologies and innovation in carbon reduction/elimination do not come forward in the required timeframe or cost.</p> <p>New technology / novel approaches create delay</p>	<p>A balanced approach will be adopted to the implementation of known and trusted versus new and untested technologies.</p> <p>A pilot, test and learn approach can be adopted</p>	<p>New technologies may also create an acceleration to the achievement of carbon emissions reduction / elimination.</p> <p>Deployment of new technology may create</p>

<p>in implementation due to their complexity, lack of market testing, low confidence and unwillingness to adopt.</p>	<p>for appropriate projects before investment at scale.</p>	<p>job opportunities, business investment and research collaboration. These activities and outcomes support the council Green Economic Development Strategy objectives.</p>
<p>Reputation See exposure to challenge</p>		
<p>Achievement of outcome</p> <p>The interventions in the Carbon Neutrality Action Plan are not fully implemented and the carbon neutrality target is not achieved.</p>	<p>The Carbon Neutrality Roadmap tool will be used for scenario testing and recording of progress. These regular reviews enable prioritisation of actions, so that different levels of effort can be directed at those outcomes that most need addressing.</p> <p>The funding strategy will setting out to secure investment and grant funding will identify how and when intervention can be implemented.</p>	<p>Innovative ways of deploying carbon reduction/elimination measures can be shared so that other can adopt these approaches.</p> <p>Fully embedding Greener Faster actions and those in the Carbon Neutrality Action Plan in all the council's activities, and training all our staff in Carbon Literacy, mean staff will be fully committed and come forward with their own carbon cutting suggestions.</p>
<p>Property</p> <p>Investment in property energy efficiency / generation installations fail to achieve the planned savings and carbon reductions.</p>	<p>As investments are identified, the business case will need to quantify the expected carbon impact so that monitoring can improve future decision making.</p>	<p>The council may make energy savings from reduced operational costs and even profit from renewable energy schemes linked to buildings.</p>
<p>Community Support</p> <p>Stakeholders do not participate in the delivery of interventions. Targets</p>	<p>Numerous stakeholders and local groups are already engaged in</p>	<p>Further developed approaches to engagement will ensure</p>

for other organisations are not aligned to ours.	carbon reduction / climate emergency activities across the district. Continuing engagement with these individuals and groups will mitigate against lack of support.	that a comprehensive cross section of stakeholders is engaged bringing forward new and different voices and opinions to further facilitate action.
Project capacity Lack of council staff resources reduces capacity to deliver the projects. Lack of intervention owners and delivery partner resources delays or prevents delivery of projects.	The council has committed some staff resources across the organisation to the implement of the Carbon Neutrality Action Plan. Working closely with partners and engaging them in the delivery will enable early warning of issues regarding ability to deliver.	Fully embedding Greener Faster actions and those in the Carbon Neutrality Action Plan in all the council's activities, and training all our staff in Carbon Literacy, mean staff understand the urgency of the CNAP and are encouraged to come forward with their own carbon cutting suggestions.

11 SUPPORTING INFORMATION:

- 11.1 Since declaring a climate emergency in 2019 the council has remained committed to achieving the targets it set at the time to be a carbon neutral council by 2024 and district by 2030. It has reported annually on the carbon reduction actions delivered under the CNAP adopted in December 2019, carbon emission data and priority interventions. Significant budget has been allocated to support this commitment and is central to the Council Plan 2023-25.
- 11.2 In order to provide a clear, evidence-based and quantified trajectory that demonstrates how the district target was to achieve carbon neutrality by 2023, a detailed piece of research was commissioned from consultant WSP to create A Roadmap to Carbon Neutrality for Winchester District by 2030. This extensive and comprehensive analysis presents the most effective and impactful interventions has been used to revise the CNAP with a new set of actions and focus on five clear pathways.
- 11.3 The work to revise the CNAP included collation of currently available carbon emissions data for the council and the district, several engagement exercises with stakeholders, staff, and residents; and a review of international to local policy on the climate emergency challenges, impacts and responses.

11.4 A New Pathways Approach - How the revised CNAP has changed

11.5 To maximise the impact of available resources, the revised CNAP proposes a set of new pathways that focus on the top interventions by impact identified in the CN Roadmap. This also aligns with the council’s Carbon Offsetting Policy and proposes a focus on the following 5 areas:

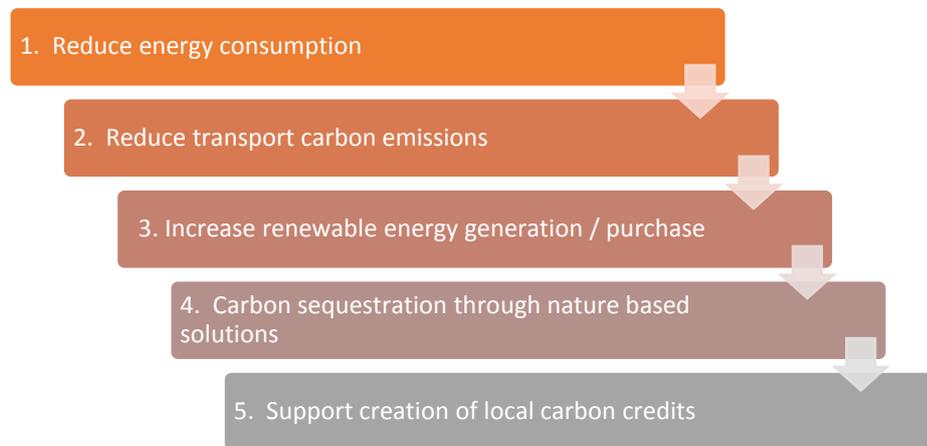
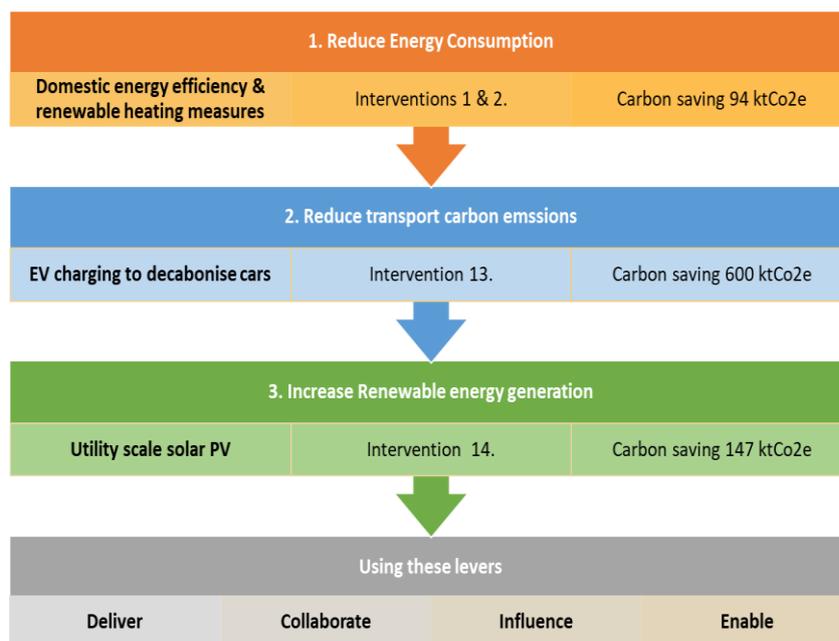


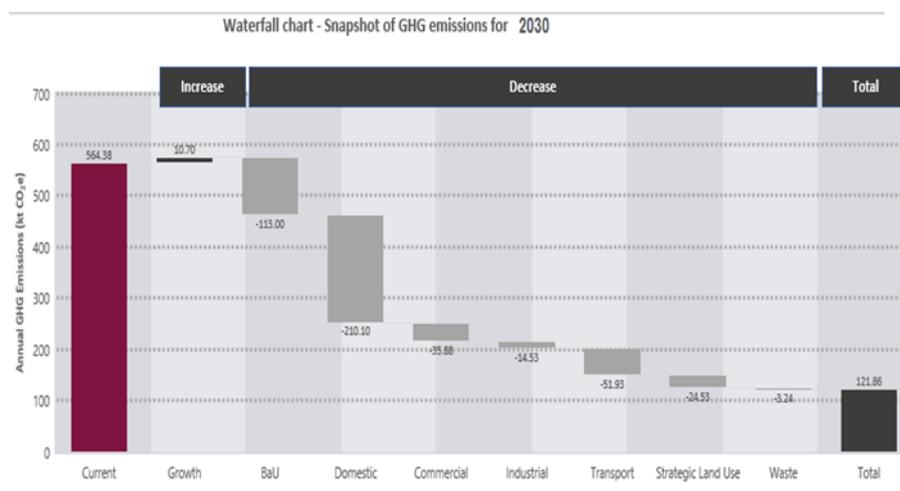
Fig. 3: The Five Pathways proposed in the revised CNAP.

11.6 District Priorities

11.7 To provide focus for delivery three priority interventions have been identified as contributing nearly 75% of the district emissions reduction modelled. These are:

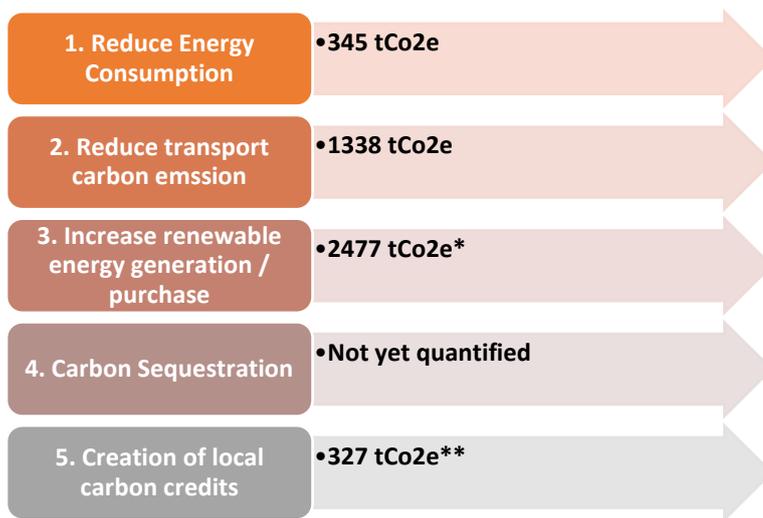


- 11.8 To support these three priority interventions and to address the key issues for the district, supporting and complementary activity are already being, and will continue to be, progressed. This includes work on transport measures (in addition to the EV charging priority) such as improving active travel and public transport options, decarbonise passenger fleet (buses & taxis) and decarbonise freight vehicles.
- 11.9 There will be an increased effort on transitioning the economy to a green economy through work planned under the Winchester District Green Economic Development Strategy. This will support in particular the commercial and industrial sector to reduce energy consumption and increase energy generation. With work to develop green skills in the workforce to meet demand for services arising from these opportunities.
- 11.10 The impacts of implementing the interventions modelled at medium rate leaves a residual 377 ktCO₂e with a 36% reduction achieved from current emission levels. At a very high rate of delivery, the level of residual emissions is 121 ktCO₂e by 2030 or a 78% reduction.



11.11 Council Priorities

- 11.12 A detailed trajectory of projects to be delivered by the council to meet the 2024 carbon neutrality target as a council is also included. This is based on the annual Council Carbon Footprint report for 2021-22. The projects are grouped under the five pathways and will achieve the following carbon savings.



Location Based Scenario

* equates to 37 tCO₂e additional solar energy from council operations, 2,445 tCO₂e from large scale renewable energy generation.

**Offset will comprise purchase of 'Green Gas' RGGO equating to gas use. Under this scenario, no carbon credits will be required.

11.13 Baseline data, monitoring & carbon emissions reporting

11.14 To avoid confusion, the baseline year for the council's carbon neutrality targets will remain the 2017-18 dataset as set out in the original Carbon Neutrality Action Plan.

11.15 To monitor the impact of the revised CN Action Plan in achieving carbon neutrality, for both the council and the district, data on carbon emissions will be reported annually through the publication of carbon footprint reports. WinACC also produce an annual report on the district emission based on DESNZ data. The delivery of projects will be reported quarterly through the council's performance monitoring system alongside progress towards their earmarked carbon target where possible.

11.16 Governance

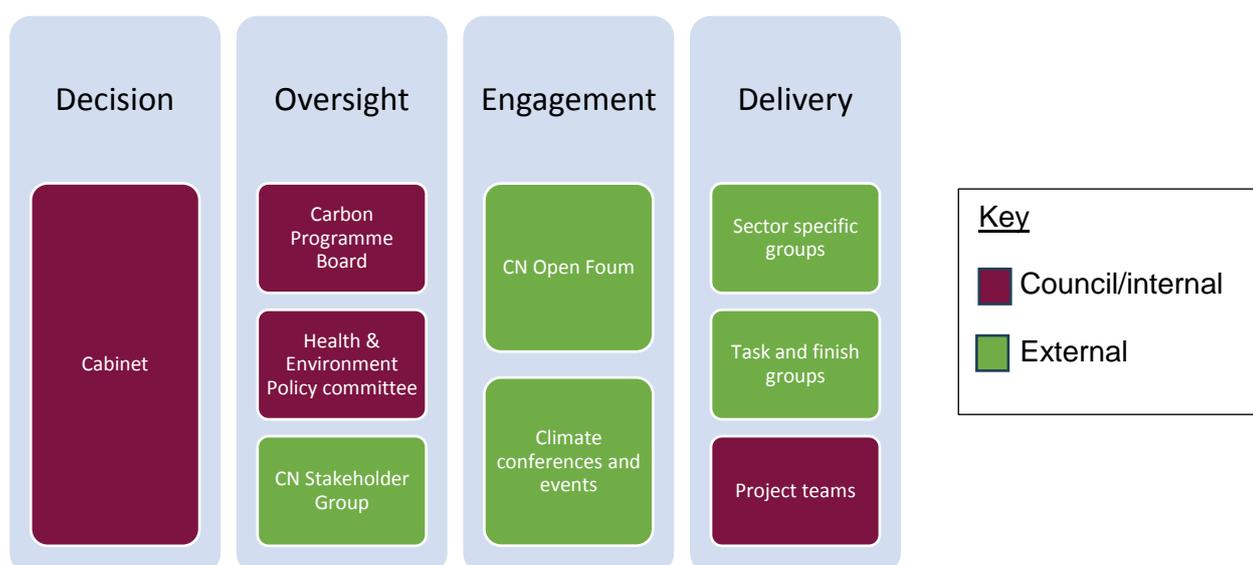
11.17 The Carbon Neutrality Programme is a Tier 1 Programme under the Projects and Capital (PAC) Board. The Carbon Neutrality Board is the internal meeting tasked with oversight of the programme. It has responsibility to ensure progress towards targets is appropriately measured, projects are kept on track and to budget.

11.18 Engagement and collaboration with external stakeholders will largely come through the Carbon Neutrality Steering Group whose membership will comprise representative of local businesses, residents, environmental pressure groups, regulators and other public bodies.

11.19 Public Open Forums will be held regularly to keep residents and interested parties informed and up-to-date. Periodically, Climate Conferences may be

held bringing together a range of agencies and stakeholders to share information and seek to develop collaborations to work in partnership across the district on carbon reduction projects.

- 11.20 The council will continue to support grass roots climate engagement such as the Winchester Citizen's Climate Assembly held in October 2022 which saw around 70 people come together to debate "*what changes would they support to enable a fair transition to a cleaner, greener, more affordable District?*" Topics discussed included energy, transport, reversing our throwaway culture.
- 11.21 Internal collaborative working will continue under the CN Delivery group. Officers delivering carbon neutral projects are asked to consult regularly with the Sustainability Team.



12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Not to adopt the revised Carbon Neutrality Action Plan to incorporate the Carbon Neutrality Roadmap recommendations. This is rejected as without the identification and quantification of the interventions required to become a carbon neutral district this will not be achieved.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

CAB 3203 [Carbon Neutrality Action Plan](#) 23rd December 2019.

DD56 Carbon Neutrality Roadmap and Report of the Winchester District Climate Assembly 2022 16th January 2023.

[DD56 - Carbon Roadmap.pdf \(winchester.gov.uk\)](#)

CAB33386 Winchester City Council Carbon Offsetting Policy

<https://democracy.winchester.gov.uk/documents/s23854/CAB3386%20Strategy%20or%20offsetting%20of%20council%20carbon%20emissions.dotx>

Previous Committee Reports:-

[Carbon Roadmap and Actions \(HEP030\) 6 December 2022](#)

[Carbon Neutrality Annual Report and Action Plan 2021/22 \(HEP027\); 5 July, 2022](#)

[Carbon Neutrality Annual Report 2020 - 21](#)

Other Background Documents:-

[Carbon Neutrality Roadmap](#)

The report of the Winchester District Climate Assembly 2022 (WinACC/Winchester Together for our Planet, October 2022) (DD56)

APPENDICES:

Appendix 1: Winchester District Carbon Neutrality Action Plan 2023-2030

Appendix 2: Public Sector Equality Duty – Equality Impact Assessment