

## **REPORT TO EXECUTIVE**

5 July 2022

## **REPORT TO COUNCIL**

19 July 2022

Report of: Director Net Zero Exeter & City Management

Title: Allocation of the one off Net Zero budget

### **Is this a Key Decision?**

No

### **Is this an Executive or Council Function?**

Council

### **1. What is the report about?**

1.1 To confirm and approve the planned spend of the £1m earmarked reserve to support the delivery of Net Zero for the City Council and delivery of the Net Zero Exeter 2030 plan, covering the next 4 years.

### **2. Recommendations:**

That Executive recommends and Council approves:

2.1 The allocation of the £1m earmarked reserve to support the delivery of Net Zero for the City Council and the Net Zero Exeter 2030 plan, covering the next 4 years;

2.2 Of the £1m earmarked reserve, £800,000 is allocated to delivering net zero for the City Council and £200,000 is allocated to the delivery of the Net Zero Exeter 2030 Plan;

2.3 An additional £50,000 from the underspent supplementary budget in 2021/22 is allocated to support the delivery of the Net Zero Exeter 20230 Plan.

### **3. Reasons for the recommendation:**

3.1 To provide a revenue budget to deliver activity to support net zero projects and initiatives, to reduce City Council carbon emissions.

3.2 To support with the delivery of the goals and actions within the Net Zero Exeter 2030 Plan.

3.3 To enable delivery and progress of one of the main City Council's corporate priorities, supporting the Portfolio Holder for Climate Change.

### **4. What are the resource implications including non financial resources.**

4.1 The following two temporary posts were added to the structure at Executive and Council July 2021, to support the delivery of Net zero within the City Council:

- Sustainability Project Officer

- Net Zero Data & Support Officer

4.2 Through Delegated Powers, these two posts were extended for a further two years, resulting in each role being within the structure for four years in total, funded by the one off temporary budget.

4.3 The temporary Net Zero budget will be used to deliver activity internally within the City Council to deliver net zero. It will also be used to support the delivery of the Net Zero Exeter 2030 Plan.

4.4 The type of activity and projects this budget will be used to deliver are listed within the main body of this report, below is a high level overview of spend:

	New temporary budget
Net Zero City Council Salary and on-costs: <ul style="list-style-type: none"> <li>• Sustainability Project Officer</li> <li>• Net Zero Data &amp; Support Officer</li> </ul>	£300,000 (costs for 4 years)
Net Zero City Council revenue budget (led by Victoria Hatfield & Jo Pearce)	£500,000
Net Zero Exeter revenue budget (led by Karime Hassan & Jo Yelland)	£200,000
<b>TOTAL</b>	<b>£1,000,000</b>

4.5 Activity listed within this report is from earmarked reserves and will be spread over 4 years, as a minimum.

4.6 The Net Zero & Business team will be seeking external funding to deliver activity and to expand the team, to enable the temporary one off budget to continue past 4 years.

## 5. Section 151 Officer comments:

5.1 The report sets out clearly the breakdown of spend in respect of the £1m allocated for net zero. Members should note that the first £32k has been spent in 2021-22. The request for a supplementary budget in 2022-23 has been built into the General Fund supplementary budget requests appearing elsewhere on this agenda. As Members have seen in recent scrutiny reports, this amount is insufficient to address the whole challenge associated with net zero.

## 6. What are the legal aspects?

6.1 On the basis that Members approve the recommendations set out above Officers must ensure that any allocation of funds to third parties follows a legally compliant procurement process in accordance the Council's Procurement and Contract Procedures, the Public Contracts Regulations 2015 and the Subsidy Control regime.

## 7. Monitoring Officer's comments:

7.1 Save for the legal aspects above, the Deputy Monitoring Officer has no additional comments.

Simon Copper (Deputy Monitoring Officer)

## 8. Background:

8.1 The setting up a new Net Zero & Business team and allocating a one-off temporary budget of £1m was agreed by Executive and Council July 2021, which resulted in the following 4 existing permanent posts being amended:

- Growth & Commercialisation Manager, to Service Lead - Net Zero & Business
- Skills & Business Manager, to Senior Officer - Skills & City Inclusivity
- Corporate Energy Manager, to Senior Officer - Net Zero Project Lead
- Energy Officer, to Energy Manager

The following two new posts have been temporarily added to the Net Zero & Business Team for 4 years:

- Sustainability Project Officer
- Net Zero Data & Support Officer

8.2 The new team will focus on supporting the Corporate Priority of 'Delivery of Net Zero Exeter 2030' and will cover the following service areas:

Net Zero & decarbonisation programme	Inclusive Growth	Social Mobility	Skills Development (incl. Low Carbon)
Business Support	Building Greater Exeter	Green Economy	Commercialisation
Exeter City Council Carbon Plan	Corporate Energy	Green Accord	City Centre

## 9. Temporary budget to deliver Net Zero

9.1 As permanent positions have been Job Evaluated and the two temporary positions are being recruited to, it's time to plan activity to deliver net zero.

9.2 Activity and projects listed within the table below are being recommended, to support the delivery of net zero with the City Council, as well as supporting the delivery of the Net Zero Exeter 2030 Plan. The City Council's Carbon Plan and risk register is due to be presented to Strategic Scrutiny, Executive and Council Autumn 2022, this will inform the majority of the work programme for the team for the foreseeable future. The table below covers the temporary budget of £1m, for both streams of work.

**Delivering Net Zero within Exeter City Council - £800,000**

£300,000	<b>Four year contract for two temporary positions:</b> to enable medium to long term projects to progress, with all Council services supported in the delivery of net zero
£7,000	<b>Training:</b> Carbon Literacy training for staff, ambassadors and elected members
£393,000	<b>Delivery of the City Council's carbon plan:</b> a wide range of projects to assist with the transition to reduce the carbon output of City Council assets and services – action plan from the Carbon Baseline report
£90,000 (five years' worth of membership)	<b>Full SWEEG Membership:</b> to access expertise from the Centre for Energy & Environment to complete individual studies and understanding of actions needed from the Carbon Plan
£10,000	<b>Green Accord redesign and launch:</b> to provide for a sustainable supply chain and to generate income opportunities

### Delivering the Net Zero Exeter 2030 Plan - £200,000

£40,000	<b>Specialist consultants:</b> to buy-in expertise on a specialist or technical matter
£10,000	<b>Conferences &amp; training:</b> to ensure the team are kept up to date with progress in net zero & climate change
£20,000	<b>Research &amp; evaluation:</b> to understand into individual behaviours & local ethnography
£30,000	<b>Build a carbon model for Exeter, with annual updates:</b> to understand the carbon baseline for the city and actions needed to be undertaken to reduce city wide carbon emissions
£50,000	<b>Office, IT, finance, legal and HR advice:</b> to support the work of delivering the Net Zero Exeter 2030 plan
£50,000	<b>Technical studies in support of programmes:</b> to support the work of delivering the Net Zero Exeter 2030 plan
<b>£1,000,000</b>	<b>TOTAL</b>

9.3 All of the above activity will be programmed in for the next four years and will be procured through the City Council's Procurement and Contract Procedures.

9.4 £181,000 is already allocated within the budget for 2022/23, an additional £50,000 for 2022/23 is required from the one off temporary budget of £1m, which will be allocated to the delivery of the Net Zero Exeter 2030 Plan. The table below shows the full budget breakdown to deliver net zero for both streams of work for the current financial year:

	<b>2022 / 2023</b>	<b>Spend breakdown</b>	<b>Activity</b>	<b>Output</b>
Temporary Salaries	£75,000	£75,000	Two temporary positions	Additional capacity to deliver the City Council's carbon reduction plan to achieve net zero.
Revenue Budget Delivering Net Zero within Exeter City Council	£106,000	£60,000	Delivery of the City Council's carbon reduction plan	Action plan produced to reduce carbon from each service area. Annual monitoring & evaluating of City Council carbon emissions.
		£16,000	Full SWEEG membership	Specialist advice (40 days) provided by SWEEG on reducing carbon.
		£10,000	Green Accord redesign and launch	Increase in businesses being accredited. Improved supply chain. Reduction in Scope 3 emissions.
		£20,000	Decarbonisation study of the City Council's Leisure sites & RAMM	Study produced to provide road map to reduce carbon emissions within City Council Leisure sites & RAMM.
Revenue Budget Delivering the Net Zero Exeter 2030 Plan	£50,000	£10,000	Specialist Consultants	Specialist advice provided on reducing carbon across Exeter.
		£20,000	Build carbon model for Exeter	Digital model produced to demonstrate changes required to reduce carbon across Exeter.
		£10,000	Office, IT, legal and HR advice	Bought in specialist advice related to public & private sector partnerships in reducing carbon.
		£10,000	Technical studies	Study on infrastructure changes required to reduce carbon.
<b>TOTAL</b>	<b>£232,000</b>	<b>£231,000</b>		

## 10. How does the decision contribute to the Council's Corporate Plan?

10.1 This report and its recommendations links directly to the Exeter Vision and a number of corporate priorities. Work has to be delivered in partnership with a number of City Council service areas, as well as working externally with other public sector bodies and the business community across the city:

Exeter Vision	Innovative & Analytical City	The team will work with anchor institutions within the city to deliver Net Zero, using data to inform decisions and project delivery
	Healthy & Inclusive	Ensure homes can access clean and affordable energy and that neighbourhoods are connected through active/sustainable transport options
	The Most active city in the UK	Delivery of new and improved routes for active travel
	Accessible world class educations	Collaborating with educational institutions in delivering world class education to residents and businesses, giving opportunities to all
	Liveable & connected	Development of a clean and inclusive growth agenda
	A leading sustainable city	Developing a team to deliver net zero for the city Council, as a business, and to deliver the Net Zero Exeter Plan 2030
Corporate Plan	Delivering Net Zero Exeter 2030	Developing a team to deliver net zero for the city Council, as a business, and to deliver the Net Zero Exeter Plan 2030
	Promoting active & healthy lifestyles	Working in partnership with Live & Move in developing sustainable travel options and low traffic neighbourhoods
	Building Great Neighbourhoods	Working with Building Greater Exeter, Liveable Exeter, Exeter City Living and other developers in developing sustainable and accessible neighbourhoods and new homes, using sustainable constructions methods

## 11. What risks are there and how can they be reduced?

11.1 The development of the City Council Carbon Plan, risk register, and supporting action plan, is being finalised and will be presented to Strategic Scrutiny, Executive and Council Autumn 2022. The Carbon Plan will inform the ongoing work programme of the net zero team and subsequent budget spend.

11.2 The development of the new Net Zero & Business team and Net Zero Champions will speed up progress of engaging with all services in the delivery of net zero within the City Council. This will also be the same, with the Chief Executive & Growth Director and Director supporting and working with Exeter City Futures on delivering the Net Zero Exeter 2030 Plan for the city.

## **12. Equality Act 2010 (The Act)**

12.1 When making decisions on future net zero projects and initiatives, the Net Zero & Business team will take into account the potential impact of the project in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision. An EQIA will be undertaken for each project and initiative being developed.

12.2 An EQIA was undertaken in developing the new Net Zero & Business team and remains the same for this report.

## **13. Carbon Footprint (Environmental) Implications:**

13.1 The development of the new Net Zero team will make a positive impact on the City Council's carbon footprint, with a team focused on leading projects to reduce our carbon emissions. The new team will work with service leads and officers to change how we work and how we deliver services, through the Net Zero Ambassadors and OMB.

13.2 The new Carbon Plan for the City Council, will be our own road map to net zero. An action plan will be developed as part of this work, and will be used with service leads and Portfolio Holders to work on carbon reducing projects within each service area.

## **14. Are there any other options?**

14.1 There is the option of not committing budget to the delivering Net Zero, which is not possible, if the City Council and the city want to work to and achieve net zero. On a regular basis, the Net Zero & Business team will be sourcing and applying for external funding to enable delivery of the City Council's own carbon plan, working towards net zero within the City Council.

**Director Net Zero & City Management, David Bartram**

Author: Service Lead – Net Zero, Commercialisation, Skills, Business and City Centre

## **Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report:-

Delivery of Net Zero Executive, July 2021

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