

REPORT TO STRATEGIC SCRUTINY COMMITTEE

Date of Meeting: 21 September 2023

Report of: Director for Net Zero Exeter & City Management

Title: Working Towards Net Zero - Exeter City Council's Corporate Carbon Reduction Plan

Is this a Key Decision?

No

Is this an Executive or Council Function?

No

1. What is the report about?

- 1.1 The report is a six monthly update on the work of the Net Zero Team and delivery of the City Council's Carbon Reduction Plan. An update on city wide net zero, will be the subject of a report to Executive autumn 2023.
- 1.2 The updated Carbon Reduction Plan (v3.0) contains a combination of actions set out in the City Council's Achieving Net Zero Report (2022), and further corporate decarbonisation measures in progress across the Council.
- 1.3 An update of the City Council's latest Carbon Footprint and GHG Inventory results for 2021/22.

2. Recommendations:

- 2.1 That members acknowledge progress made in the Carbon Reduction Plan, the results of the most recent carbon footprint report and the scale of the challenge ahead.
- 2.2 That the Carbon Reduction Plan is an evolving 'live' document, and continues to be reviewed on a six monthly basis to monitor progress, and evaluate actions needed to deliver net zero in what is a fast changing environment.
- 2.3 Members acknowledge the priority ranking of high, moderate and low that has been added to the Reduction Plan to reflect the greatest potential reduction towards the Net Zero goal.
- 2.4 To deliver Net Zero for the City Council by 2030 will require a significant increase in financial investment and operational capacity internally, from government at a regional and national level and potentially from private investment. From current resources available, members debate the City Council's 2030 net zero target.

3. Reasons for the recommendation:

- 3.1 Exeter City Council declared a Climate Emergency in 2019 and as part of this commitment, it aims to achieve net zero Green House Gas (GHG) emissions for its own corporate activities by 2030. The target year is 20 years in advance of the 2050 national net zero target required under the Climate Change Act and reported on in the Sixth Carbon Budget.
- 3.2 Members have an appreciation of the work being carried out to deliver the Carbon Reduction Plan, throughout all City Council services and the resources, both financial and non-financial, needed to deliver net zero by 2030.
- 3.3 The organisational GHG inventory for 2021/22 follows the production of the previous Carbon Footprint Baseline Report 2020/21, both completed by the Centre for Energy and the Environment, at the University of Exeter. The 2020/21 footprint included a detailed evaluation of the City Council's emissions across seven sectors and sets out a range of carbon reduction measures, projections and offsetting options to deliver net zero.
- 3.4 Members debate the City Council's 2030 net zero target and whether its achievable with current resources.

4. What are the resource implications including non-financial resources

- 4.1 Achieving net zero, whether nationally, locally or organisationally, requires broad action across all emission scopes and across every City Council service. Reducing City Council carbon emissions is very challenging in such a tight time frame and with the resources currently available.
- 4.2 Additional resources will be required to enable the Net Zero Team to strategically plan the required organisation change and investment budget needed to deliver activity across services to support one of the main City Council's corporate priorities. Financial and non-financial resources currently in place were detailed in a report to Executive July 2022.
- 4.3 Investment and a clear policy change will be required to support the City Council to achieve net zero by 2030. Furthermore, capacity (financial and non-financial) to deliver the measures set out across services in the Carbon Reduction Plan should be addressed with some urgency.

5. What are the legal aspects?

- 5.1 Section 1 of the Climate Change Act 2008 states that '[i]t is the duty of the Secretary of State to ensure that the net UK carbon account for the year 2050 is at least 100% lower than the 1990 baseline. The target was originally 80% and was increased to 100% by the Climate Change Act 2008 (2050 Target Amendment) Order 2019.
- 5.2 Exeter City Council has declared a climate emergency and set the target of achieving net zero by 2030.

6. Carbon Reduction Plan Update

- 6.1 The Carbon Reduction Plan demonstrates huge progress made and commitment to reducing the City Council's Carbon Footprint. The Reduction Plan is a summary of current and proposed projects, and is reviewed with service leads across the City Council on a six monthly basis to update, and provide for an authority wide commitment to Net Zero. A selection of projects undertaken are listed below, the Reduction Plan is in Appendix A.
- 6.2 The City Council carbon emissions overall reduction can be attributed to a number of factors, including the evolving and improved way in which procurement based emissions are calculated and reduced spend. The Net Zero Team have applied a lot of effort allocating suppliers to sectors, to make Scope 3 emission recording more accurate. In addition, emission factors have been inflation adjusted and aligned with UK Carbon Footprint factors, which are newer. The figures also look a little different because construction based emissions have been separated into either to non-residential (corporate buildings) or social housing.
- 6.3 The City Council has been awarded £6.4M to deliver heat decarbonisation projects at the Royal Albert Memorial Museum (RAMM) and the Riverside Leisure Centre (Riverside). At RAMM, a new air source heat pump system is proposed, replacing existing gas fired boilers that are at the end of their life. The Riverside project looks to replace an end of life boiler and heating plant with air source heat pumps, integrate a heat recovery system and upgrade its roof to improve thermal efficiency and accommodate the roof mounted air source heat pumps. This project is currently undergoing a full feasibility and design assessment.
- 6.4 RAMM secured MEND funding (£498,000). The grant from the Museum Estate & Development Fund (MEND) is matched by an existing capital programme budget, which will provide vital funds to address the maintenance backlog at RAMM, which will include installation of a permanent access system to the roof, upgrading the roofs' insulation and the re-decoration of damaged ceilings.
- 6.5 The City Council's Green Accord Scheme has been re-launched. Green Accord is an environmental accreditation scheme for businesses to evidence carbon reduction, it is also a supply chain tool for organisations to ensure their suppliers operate sustainable business practices and are working towards net zero. The scheme relaunched April 2023 at an Exeter Chamber of Commerce event, the Net Zero team are also working with District Council's across Devon for wider adoption. The Net Zero Team are in discussions with a number of South West organisations to promote the Green Accord across the region. Furthermore the scheme has received endorsement from the Government's new UK Business Climate Hub.
- 6.6 Officers from the Net Zero Team have delivered Carbon Literacy training to 165 members of staff, including members of the Strategic Management Board, Organisational Management Board and City Councillors. 71 Councillors and staff are certified as being Carbon Literate, which secures Carbon Literate Organisational Bronze Status for the City Council.

- 6.7 Housing services are continuing the retrofit programme across the City Council's social housing stock, financed through the Housing Revenue Account and Government funding. A delivery timescale is currently being developed.

A Government grant of £1.49M via the Social Housing Decarbonisation Fund has been secured for 2023 through to 2025. The funding award represents 43% of the estimated retrofit costs, with the remaining 57% of £1.998m funded by the City Council.

- 6.8 The City Council has become a full member of the South West Energy and Environment Group (SWEEG). SWEEG is a collaborative research partnership of South West public organisations and provides the City Council access to detailed technical work by academics from the University of Exeter's Centre for Energy and Environment. Studies include the Water Lane Smart Grid and Storage Project and A Case for Electrification of Fleet. In addition, SWEEG has supported City Development in developing emerging policies for the Exeter Plan.
- 6.9 The City Council is currently working with Devon County Council and other District Councils to secure Local Electric Vehicle Infrastructure (LEVI) funding. The fund from government will be allocated to Tier 1 authorities (DCC), to support expansion of charging infrastructure across the County. The City Council will seek funding to implement new charging facilities in line with a City EV strategy, which be to be reported to Executive for adoption.
- 6.10 The pioneering Water Lane Smart grid and Storage Project completed in January, has received national recognition, securing a RTPI award and the shortlist for this year's APSE and edie Awards. The project (part funded by ERDF) includes a ground mounted 1.2 MW Solar Farm at Water Lane co-located with energy storage technology (2MWh battery store). A connecting private wire providing a renewable energy supply to the Council's Operations Depot at Exton Road and installation of EV charging infrastructure to support the electrification all operational fleet. The project also included a 120kw solar PV array on the Riverside Sports hall roof and battery store. Battery storage at the Matford Centre and John Lewis Car Park to optimise power generation from existing PV installed at both sites.
- 6.11 Unfortunately the City Council's bid to the Governments Low Carbon Skills Fund, for Decarbonisation Surveys, was not successful. However, essential building surveys to establish decarbonisation measures and costs to secure potential Sport England grant at two Leisure sites will be supported by the Net Zero budget. Further studies will be needed to understand the carbon benefit and funding requirements of retrofitting City Council owned and occupied properties
- 6.12 The Net Zero team will be commissioning a study to determine the full financial cost of achieving net zero by 2030. A report will be presented to Strategic Scrutiny on the resources required to achieve net zero by 2030. The likely timeframe is Spring 2024.
- 6.13 The Net Zero team continue to support the Devon Climate Emergency in attending and contributing to the Tactical Group, Resource Group and Climate Impact Group meetings. The Devon Carbon Plan has recently turned a corner, with delivery now being a focus of the above group meetings.
- 6.14 A solar survey has been commissioned to assess suitable City Council buildings for further installation of solar PV to support the decarbonisation of City Council owned buildings, which can take in a greater electricity demand.

6.15 As of Q1, £238,435 has been spent from the £1m one off net zero budget. Budget has been committed for City Council net zero, which includes temporary staffing (2 officers), SWEEG membership for an additional 3 years, feasibility studies, Carbon Literacy training and solar infrastructure maintenance.

City Wide Net Zero	Total budget £200,000
Staffing & Overheads	£0
Room Hire	£0
Project Activity	£0
Total	c/f £44,487
Total remaining	£155,513*
City Council Net Zero	Total budget £800,00
Staffing	£93,640
SWEEG Membership	£51,273
Carbon Literacy Training	£2,072
Green Accord website	£14,830
Feasibility Studies	£12,300
Solar PV	£19,833
Total	£193,948
Total remaining	£606,052

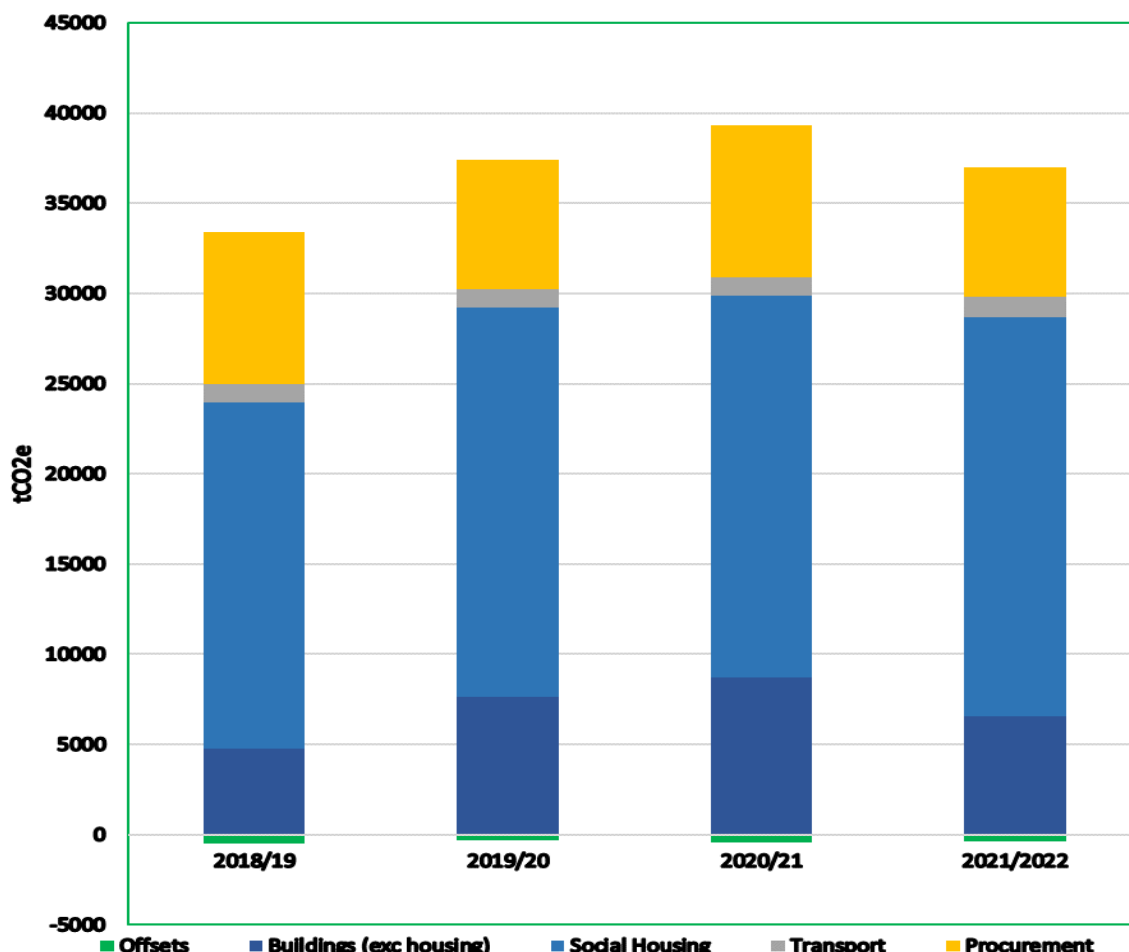
*To be combined with the City Net Zero Budget

7. Carbon Footprint report for 2021/22.

- 7.1 The City Council began monitoring its carbon footprint in line with the Devon CO2 Baseline Commission, set up in 2020 (baseline year). This progress report updates the City Council's carbon footprint, highlighting any changes from the baseline and previous year's inventory. The latest report is included in Appendix B.
- 7.2 Emissions for 2021/22 were 36,631 tCO₂e, which represents a reduction of 2,293 tCO₂e (6%) on the previous year. Emissions had been rising year on year prior to this. The cost for the City Council to achieve net zero will be determined as part of a wide ranging report, as detailed in 6.12.
- 7.3 **Non-Domestic Buildings 18% of our footprint (22% in 2020/21)** Overall, emissions from non-domestic buildings dropped in 21/22 mainly driven by spend on St Sidwells Point (which is converted to construction emissions) coming to an end. This is the first time construction emissions have been reported alongside operational emissions within the building categories (this categorisation has been retrospectively applied to previous footprint years). Operational emissions from the corporate estate increased, likely due to a bounce back from Covid, whilst leisure centres were still at a lower level, which could be attributed to the impact of Covid, and the closure of Pyramids at that time.
- 7.4 **Social Housing 60% of our footprint (54.5% in 2020/21)** Emissions in this category stayed broadly similar to previous years, as the majority of the housing

stock has remained unchanged. The slight increase was mainly driven by an increased spend on maintenance of the dwelling stock.

- 7.5 **Transport 3% of our footprint (2.5% in 2020/21)** Emissions increased by around 10% in this category, however it remains a comparatively small part of the overall footprint. The main source of emissions are from refuse collection vehicles. More recently three refuse collection vehicles have been replaced with electric type.
- 7.6 **Procurement 20% of our footprint (22% in 2020/21)** Emissions from this category decreased by 15%, driven by a reduction in City Council spend.
- 7.7 **Offsets (offsets -1% of our footprint (unchanged form 2020/21):** whilst generation remained similar to previous years, the amount of carbon offset by PV panels fell over the year as a result of the wider national electricity grid decarbonising. PV has the potential to offset less fossil based generation.
- 7.8 The table below illustrates GHG emissions by main operational category, as opposed to carbon scope, which better identifies outputs from Council activities.



Category	2018/19	2019/20	2020/21	2021/2022	tCO2e	% difference from 2020/21	Overall % of 2021/22 Carbon Footprint
Offsets	-468	-333	-423	-365	58	-14%	-1%
Buildings (exc housing)	4772	7609	8706	6556	-2150	-25%	18%
Social Housing	19192	21594	21183	22147	964	5%	60%
Transport	1009	1013	994	1094	100	10%	3%
Procurement	8430	7213	8445	7181	-1264	-15%	20%
TOTAL	32935	37096	38905	36613	-2292	-6%	

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

- 8.1 This report and the work of the Net Zero team links directly to the Exeter Vision and a number of corporate priorities. Projects will have to be delivered in partnership with all City Council service areas to reduce our corporate carbon emissions.

Exeter Vision	Innovative & Analytical City	The team has developed a range of data sets to monitor City Council carbon emissions
	Healthy & Inclusive	Ensure City Council owned homes are energy efficient
	The Most active city in the UK	Projects developed to support active travel for employees
	Accessible world class education	N/A
	Liveable & connected	Commercial and residential properties are energy efficient and built to the best possible standard
	A leading sustainable city	The City Council is a role model for other organisations in Exeter

Corporate Plan	Net Zero Carbon City	Net Zero team focuses on reducing City Council carbon emissions to deliver Net Zero by 2030.
	Prosperous Local Economy	City Council are supporting the new Innovation Hub, led by U of E
	Leading a Well Run Council	Solar projects to reduce energy and to provide an income to the City Council. Net Zero projects help to reduce service delivery costs
	Providing value for money services	Carbon reducing actions will be commercially viable and will reduce service delivery costs
	Housing & Building Great Neighbourhoods & Communities	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
	Healthy & Active City	Working in partnership with Live & Move in developing sustainable travel options and low traffic neighbourhoods for staff active travel. Supporting Leisure to become cost neutral through better energy management and procurement
	Thriving Culture & Heritage	Decarbonisation of City Council owned cultural and heritage facilities

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

- 9.1 The development of the City Council's carbon footprint report, supporting Carbon Reduction Plan and Net Zero Risk Register will inform the work programme of the Net Zero team and that of other services for the foreseeable future. The Carbon Reduction Plan will be presented to Strategic Scrutiny every six months for ongoing monitoring and evaluation.
- 9.2 Ownership, understanding and a lack of some emissions data is constantly being addressed by the Net Zero Team, with initiatives undertaken such as the Net Zero Ambassadors and Carbon Literacy Training Programme, as listed in the Carbon Reduction Plan.
- 9.3 The financial cost to deliver net zero within the City Council will be significant. This report provides detailed carbon reduction projections, and measures that can be taken to deliver those projections. At present, the team is unable to provide accurate financial costs for the measures needed at present, this will require investment plans and accurate cost proposals. The Net Zero team will work with SWEEG to determine the full cost of achieving net zero by 2030. A report will be presented to Strategic Scrutiny on the resources required to achieve net zero by 2030. If additional resources are not forthcoming, net zero will not be achieved by 2030.

10. Equality Act 2010 (The Act)

10.1 In delivering the action plan, the Net Zero team will take into account the potential impact of actions 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. A separate EQIA is developed for each project.

11. Carbon Footprint (Environmental) Implications:

11.1 The City Council declared a Climate Emergency in 2019 and as part of this commitment, it aims to achieve net zero emissions for its corporate activities by 2030. The Carbon Reduction Plan provides a clear roadmap of actions to reduce Council GHG emissions.

11.2 Strategic decisions made, either have a positive or negative effect on City Council carbon emissions. Additional work needs to be undertaken prior to decisions being made, to determine the impact on City Council emissions.

11.3 The Net Zero Risk Register will consider the carbon reduction measures required to achieve net zero and measures needed to address the impact of extreme weather events to reduce financial risk and protect City Council services.

12. Are there any other options?

12.1 There is the option of not committing existing or additional financial and non-financial resources to work towards Net Zero within the City Council. This would result in a lack of co-ordination, strategic direction and delivery in reducing our carbon emissions and to realise the Council's Net Zero 2030 target. On a regular basis, the Net Zero team are sourcing and applying for external funding to support the delivery of the City Council's own carbon reduction plan, working with services to identify capacity and match funding within the City Council.

Director Net Zero & City Management, David Bartram

Author: Net Zero Project Manager

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

Background papers used in compiling this report:-

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275