

## **REPORT TO STRATEGIC SCRUTINY COMMITTEE**

Date of Meeting: 5 December 2024

Report of: Strategic Director of Place

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 of the progress made towards reducing the Council's own carbon emissions and work facilitated by the Net Zero Team.
- 1.2 An update of the Corporate Carbon Reduction Plan (November 2024 v5.0), following the six monthly review of all measures and in-person service review completed with officers and the University of Exeter to inform the upcoming Costed Organisational Carbon Descent Report.

## **2. Recommendations:**

- 2.1 That members acknowledge progress made and challenges to achieving measures set out in the Corporate Carbon Reduction Plan to deliver Net Zero by 2030.
- 2.2 To ensure activity can continue, and the City Council is able to fulfil the priorities set out in the Council's Corporate Plan, additional resources will need to be secured for years following 2025/26.

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

- 3.1 Members understand the level and range of work being carried out to support City Council services and deliver the Corporate Carbon Reduction Plan to, the risks and challenges faced, together with resources needed to deliver Net Zero by 2030.

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

- 4.1 Exeter City Council declared a Climate Emergency in 2019 and as part of this declaration, the City Council set a target to achieve net zero Greenhouse Gas emissions for its own corporate activities by 2030. The target year is 20 years in advance of the national net zero target of 2050, required under the Climate Change Act and reported on in the Sixth Carbon Budget.

- 4.2 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 will be very challenging in such a tight time frame and with the resources currently available at our disposal.
- 4.3 Additional resources will be required to enable the Net Zero Team to continue to drive forward the required organisation change, and the investment needed to deliver activity across services to support one of the main City Council's Strategic priorities. One-off financial and non-financial resources currently in place will need to be addressed next financial year if temporary roles are to be extended or made permanent.
- 4.4 To deliver Net Zero by 2030 will require an increase in financial investment and operational capacity, both internally and from government at a national level. The Carbon Descent Report to be presented at Scrutiny Committee on 23 January 2025 will provide a detailed costed assessment of carbon reduction measures required.
- 4.5 £1million was committed from earmarked reserves for net zero activity, of which £800,000 was allocated for City Council Activity and £200,000 for City Wide activity. To ensure activity can continue, and the City Council is able to fulfil the priorities set out in the Council's Corporate Plan, additional resources will need to be secured for years following 2025/26.
- 4.6 £155,513 remains from City Wide Net Zero and has been committed to the Programme Manager City Wide Net Zero officer and supporting project activity.

<b>City Wide Net Zero</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
Project costs				£10,000	£40,096	£0
Associated salary costs				£20,990	£63,323	£21,104
				£30,990	£103,419	£21,104
<b>TOTAL</b>						<b>£155,513</b>

- 4.7 £754,116 has been spent and committed from the £800,000 City Council net zero budget. The table below highlights previous, current, and some of the future spend.

<b>Corporate Net Zero</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Staffing 2 temp staff	£0	£75,995	£84,106	£88,199	£91,989 est
SWEEG	£31,610	£19,663	£20,031	£20,031	£20,031
Carbon Literacy		£2,936	£2,977	£2,300	£2,000
Public Transport		£162	£661	£44	
Solar PV		£42,083	£71,870	£29,633	£25,000
Green Accord		£14,880	£1,676	£725	£1,000
EV Charge Points				£4,750	
Feasibility Studies / Research		£8,300	£58,822	£0	
Membership / subscriptions		£1,495	£1,666	£11,632	£10,000
Staff Training	£175	£460	£0	£19	
Conferences & Events		£0	£738	£120	
Mobile Phone		£0	£47	£0	£50
Devon Climate Emergency		£140		£2,000	£2,000
Other		£48		£2,052	
<b>TOTAL</b>	<b>£31,785</b>	<b>£166,162</b>	<b>£242,594</b>	<b>£161,505</b>	<b>£152,070</b>
<b>TOTAL</b>					<b>£754,116</b>

## 5. What are the legal aspects?

- 5.1 Section 1 of the Climate Change Act 2008 states that it 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. Corporate Carbon Reduction Plan Update

- 6.1 The Corporate Carbon Reduction Plan demonstrates progress made and our commitment to reducing the City Council's Carbon Footprint. The Carbon Reduction Plan is a 'live' document of proposed measures, from straightforward energy efficiency

to far more challenging solutions. The Plan is reviewed with service leads across the City Council on a six monthly basis, to provide for an authority wide commitment to Net Zero. Listed below are key updates taken from the Corporate Carbon Reduction Plan, with a full breakdown of activity within Appendix A.

- 6.2 The results of the most recent carbon footprint inventory report (2022/23), are broken down and the percentage of the overall Carbon Footprint for each sector inserted into the Reduction Plan update. This allows each service to understand carbon emissions attributed to their function and service area. The carbon footprint inventory report (2022/23) was reported to Scrutiny on 14 March 2024.
- 6.3. Emissions from City Council owned nondomestic buildings (commercial property) account for 42% of the Council's carbon footprint. Opportunities are constantly sought for financing decarbonisation and energy efficiency measures of our commercial property assets, with building decarbonisation plans being developed where possible. The Public Sector Decarbonisation Scheme (PSDS) 3b funding grant secured in 2023 for heat decarbonisation projects at both the Royal Albert Memorial Museum (RAMM) and the Riverside Leisure Centre proved unviable. Due to challenges at both sites and the immovable grant funding spend deadline, the project overall could not proceed. PSDS Phase 4 is currently open for bids with changes made to the grant criteria and application process, presenting significant differences to previous rounds. As a result of these changes, there is only opportunity to submit a viable PSDS funding application for the Riverside Leisure Centre. The installation of an individual heat pump scheme at Riverside, would present a strong grant application, allowing the Council to utilise information and understanding gained during the PSDS 3b exercise and deliver a revised project meeting all essential criteria, including having a DNO connection offer and design to RIBA stage 3. If successful, in what will be a highly competitive funding round, the project will be presented at Executive Committee for approval before proceeding.
- 6.4 A fully costed Decarbonisation Plant for RAMM was completed in November to support further all funding bids to support decarbonisation measures at the museum.
- 6.5 The City Council's Green Accord Scheme continues to be promoted following a relaunch in April 2023. The Green Accord is an environmental accreditation scheme for businesses to evidence carbon reduction within their business. 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 was softly relaunched last year and will be used to secure improved supplier engagement for high spend City Council services, and is to be rolled out to all Housing suppliers. On 28<sup>th</sup> November, a Sustainable Supplier event will be hosted by the Net Zero team. This event is for current and prospective suppliers to the City Council to learn about how to be a sustainable supplier, and 1:1 advice on how to become accredited with the Green Accord.
- 6.6 The Net Zero Team have delivered Carbon Literacy training to 256 members of staff, including members of the Strategic Management Board, Organisational Management Board, Councillors and officers from across the organisation. 132 Councillors and staff are certified as being Carbon Literate, which secures Carbon Literate Organisational Bronze Status for the City Council. The team have a programme of additional training

courses planned for the remainder of 2024 and early 2025, including working with the Waste & Recycling team to deliver training to all MRF staff.

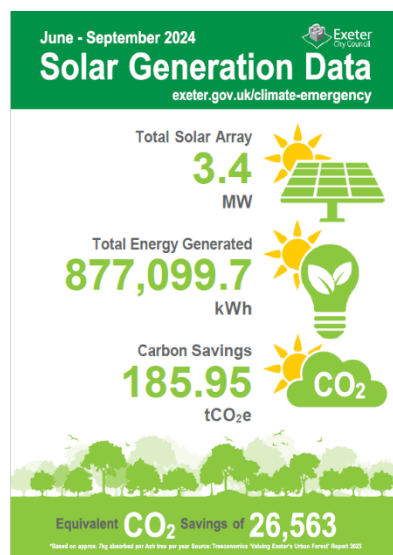
- 6.7 Housing services are continuing the retrofit programme across the City Council's social housing stock, financed through the Housing Revenue Account and Government funding. A delivery timescale is currently being developed. Government grant of £1.49M has been secured from the Social Housing Decarbonisation Fund for 2023 through to 2025. The funding award represents 43% of the estimated retrofit costs, with a further £1.998m co-funded contribution from the Council, representing 57% and a total expenditure of £3.493M. 773 properties have been fully retrofitted so far, with a further 153 to be completed by end of March 2025. On average, the SAP score of retrofitted properties is increasing by 32 (from 63 to 95), with an annual energy bill saving of £445 per property, and a carbon reduction of 93.7% for completed properties.
- 6.8 The City Council continues to be a full member of the South West Energy and Environment Group (SWEED). SWEED 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, SWEED has supported City Development in developing emerging policies for the Exeter Plan. SWEED have recently provided the first draft of the revised Carbon Footprint report for 2023/24 and associated study to establish the full financial cost carbon descent to achieve Net Zero for the City Council by 2030. The report will be reported at January's Scrutiny Committee, including a detailed presentation by Dr Dan Lash, a Senior Research Fellow at SWEED.
- 6.9 The City Council is currently working with Devon County Council and other Devon District Councils to secure Local Electric Vehicle Infrastructure (LEVI) funding. The fund from government will be allocated to Tier 1 authorities (DCC), to support the expansion of on-street residential electric vehicle (EV) charging infrastructure across the County. The City Council will seek funding from LEVI to install new EV charging facilities in City Council owned car parks (off-street) in line with our City EV strategy, to be reported at a future Executive.
- 6.10 The pioneering Water Lane Smart Grid and Storage Project completed last year, has received national recognition, securing a RTPI, APSE and EDIE commendation, and was shortlisted for the REGEN Clean Energy Scheme Award. The ERDF part funded project 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 provides a renewable energy supply to the City Council's Operations Depot at Exton Road to support the installation and roll-out of EV charging infrastructure for the electrification of our operational fleet. The project also includes a 120kw solar PV array on the Riverside Sports Hall roof and battery storage at both the Matford Centre and John Lewis Car Park, to optimise power generation from the existing PV. The City Council currently lease 3 eRCV's and a case for full fleet electrification is a compelling one, providing for a Net Zero Fleet operation, but this ambition is hampered by the increased cost of leasing electric vehicles. The project is a demonstrator to all and recently site visits have been hosted at the solar farm for outside organisations and members to share learning about EV charging, eRVC's, self-supply and storage.

- 6.11 The City Council has secured £100k from the new South West Net Zero Hub Local Net Zero Fund (£1 million fund). The fund has been created to support South West Local Authorities to deliver on net zero to investigate opportunities, unlock barriers and get stalled projects moving. The City Council is using the funding to evaluate solar opportunities across City Council's assets and develop a business case for new solar sites. A solar survey has been completed, as well as structural surveys and DNO feasibility to bring together a business case in the new year, to install solar PV on a number of City Council assets. This will support the decarbonisation of City Council owned buildings, provide energy independence and to reduce energy bills.
- 6.12 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.
- 6.13 Members of the Net Zero team attend the quarterly the City Council's Transport Working Group, chaired by Cllr Vizard. The Transport Working Group will use the levers available to the Council to support a positive change across the city, including planning, City Council Green Travel Plan, influencing Devon County Council as the Transport & Highway Authority, lobby public transport providers and government, apply for relevant funding where appropriate. Part of the work of the group will be to develop Bike Hubs across the city for City Council employees, HRA residents, commuters, and residents of the city.
- 6.14 Ownership of the City Council's Green Travel Plan is currently being reviewed by the Director for People. A revised Green Travel Plan and Implementation Plan will be discussed at a future Transport Working Group.
- 6.15 The Net Zero Ambassadors will be reassessed following the staff restructure, and a number of the Ambassadors leaving the organisation. The Ambassadors role has been reviewed to provide them with more focus and a direct opportunity to reduce carbon emissions within their own service.
- 6.16 The team are developing a new Environmental Policy for the City Council, which is required for contracts we bid for, but to also provide some consistency across the organisation. The Environmental Policy will be brought to Executive for future sign off.
- 6.17 The Net Zero team are determining the financial and carbon impact of the City Council connecting to the Exeter Energy Network (delivered by 1Energy). Separate work is ongoing to assist 1Energy to support the skills agenda and to procure goods and services locally, to ensure the project has significant positive impacts within the city.
- 6.18 The Net Zero team will be reviewing the "*Carbon Footprint (Environmental) Implications*" section of the committee report template, to understand how this section can be completed consistency, similar to completing an EQIA for carbon. Discussion with the LGA and Net Zero Go <https://www.netzerogo.org.uk/s/> are being held, to learn best practice from Local Authorities across the UK.
- 6.19 Planning has acquired the EXACOM add-on, which will enable us to manage and report on BNG across the city, from initial planning through to long-term monitoring. However, full utilisation of the system is contingent on filling the vacant Ecologist position, as this role will be essential in managing and interpreting the data. We

anticipate this capacity will support the reporting requirements leading up to 2026 and beyond.

In the interim, project officers have been instructed to mark relevant BNG applications in our Uniform system to ensure that data is collected consistently, providing a foundational dataset for future analysis. For clarity, the software does not support BNG requests on retrospective applications, as regulations currently exclude these.

- 6.20 In October 2023, the Climate Emergency UK charity's Council Climate Action Scorecards ranked Exeter City Council as the second-best performing district council in the UK for taking action towards becoming Net Zero. This was later changed to third, as another Council's score was adjusted. Climate Emergency UK will soon be announcing new scorecard results for 2025. Prior to this, there is a 5-week Right of Reply (opened on 11<sup>th</sup> November). Officers in the Net Zero team are currently reviewing the first mark for the Council with the opportunity to question the scores given so far.
- 6.21 In addition, work continues at Northbrook where 950 whips and 50 standards have been planted, extending the potential annual sequestration levels further. Less considered, but nonetheless valuable, is the sequestration value provided by the meadow grass programme city wide. Whilst currently less measurable, studies indicate that a change in intensive grass management could see carbon soil retention worldwide increase in excess of 2.3 billion tonnes through reduced compaction and reduced carbon release. Whilst more work needs to be done to fully understand the sequestration potential of Exeter Meadow areas, the sequestration value they offer is not in question. TO UPDATE
- 6.22 The team are working with the City Council's Communications team in informing members of the public in how much solar is generated from our 3.4mw solar estate. The image below show how much solar was generated in June – September 2024. The Climate Emergency webpages are routinely updated with solar generation data.



- 6.23 Strata have their own carbon reduction plan and produce their own annual footprint. This is calculated and then split between the Local Authorities they serve. The City Council's share of this is reported in our GHG inventory. Strata is committed to

reducing their carbon footprint to net zero and have made progress, primarily through reductions associated with the two datacentres, and reductions in staff travel largely. The continuation of Strata's cloud journey will include a business case to be presented in December to the Architecture board as committed in the business plan – with a view to start to implement in 25/26. As systems and servers move towards the cloud, and Global Desktop numbers reduce, the energy usage within the Strata datacentres will reduce. This will enable Strata to leverage the multi-billion-dollar investment companies such as Microsoft and Amazon have made in carbon reduction.

- 6.24 Amy Brett-Schneider was appointed as City Wide Net Zero Programme Manager August 2024, to lead on reviewing and delivering the Net Zero Exeter 2030 Plan.

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

- 7.1 This report and the work of the Net Zero team links directly to the Exeter Vision and a number of strategic priorities. All measures will need to be delivered in partnership, with all City Council services to be supported by the Net Zero Team to secure investment and reduce 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 to be developed to support active travel for employees
	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	Value for money services	Carbon reducing actions will be commercially viable and will reduce service delivery costs Solar projects to reduce energy and to provide an income to the City Council. Net Zero projects reduce energy consumption and help to reduce service delivery costs
	Prosperous Local Economy	City Council are supporting the new Innovation Hub, led by the University of Exeter
	Net Zero Carbon City	Net Zero team focuses on reducing City Council carbon emissions to deliver Net Zero by 2030.
	Housing & Building Great Neighbourhoods & Communities	Working with Building Greater Exeter, Liveable Exeter, 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 travel. Supporting Leisure to become cost neutral through better energy management and procurement. Review of the City Council Green Travel Plan
	Thriving Culture & Heritage	Decarbonisation of City Council owned cultural and heritage facilities

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

- 8.1 The development of the City Council's carbon footprint report, supporting Corporate 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 Corporate Carbon Reduction Plan is presented to Strategic Scrutiny every six months for ongoing monitoring and evaluation.
- 8.2 Ownership, understanding and a lack of some emissions data is constantly reviewed and addressed by the Net Zero Team, with initiatives undertaken such as the Net Zero Ambassadors and Carbon Literacy Training Programme, as listed in the Corporate Carbon Reduction Plan.
- 8.3 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. 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 are working with SWEEG to determine the full cost of achieving net zero by 2030 for the City Council. As soon as the report is completed, it will be presented to Strategic Scrutiny on the resources required to achieve net zero by 2030.
- 8.4 A regular agenda item has been added to OMB for Heads of Service to discuss Net Zero, to address Council wide projects, barriers to reducing carbon emissions and lessons learnt.

## **9. Equality Act 2010 (The Act):**

- 9.1 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.

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

- 10.1 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 Corporate Carbon Reduction Plan provides a clear roadmap of actions to reduce City Council GHG emissions.
- 10.2 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 carbon emissions.
- 10.3 The Net Zero Risk Register considers 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. This is reported to Audit & Governance every six months.

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

- 11.1 There is the option of not committing existing or additional financial and non-financial resources in working 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 City 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 Corporate Carbon Reduction Plan, working with services to identify capacity and match funding within the City Council.

### **Strategic Director Place**

**Author: Net Zero Project Manager**

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

Background papers used in compiling this report:-

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