

Divisions Affected - ALL

CABINET 18 JULY 2023

CLIMATE ACTION PROGRAMME SIX MONTH UPDATE

Report by Corporate Director for Environment and Place

RECOMMENDATION

1. The Cabinet is RECOMMENDED to
 - a. Note the biannual update on the delivery of the Climate Action Programme (Annex 1).
 - b. Approve adjustments to the programme for 2023/24 (Annex 2).
 - c. Approve the Council's Carbon Management Plan through to 2030 (Annex 3).

Executive Summary

2. This report is a six-monthly update to Cabinet on work to address the Climate Emergency, including updating Cabinet on the delivery of the 22/23 Climate Action Programme workstreams.
3. An updated programme for 2023/24 (Annex 2) includes actions from an internal audit on integration of climate action, and a number of new joint workstreams agreed with the Future Oxfordshire Partnership.
4. The report includes a revised Carbon Management Plan for the Council's own estate and operations. £47.5 million of capital investment has been agreed (within the pipeline and confirmed capital programme) to support the decarbonisation and resilience of the Council's fleet and property. This investment, in tandem with the completion of the street lighting LED retrofit programme in 2023/24 will reduce emissions by a further 58% compared to 2019/20 over the next three years.
5. A second phase of property investment, not yet reflected in the capital programme, is predicted to reduce emissions by a further 18% compared to 2025/26. It was identified that further focus was needed on reducing emissions from staff business travel in private vehicles and a paper taken to SLT with proposals to address this area was supported.

6. Our emissions reduction profile shows that whilst our forecast programmes deliver significant emissions reduction, an 'innovation and inset' programme is needed to reach net zero. This gap is likely to be narrowed following decisions on property disposals. A focus on securing a zero-carbon electricity supply will be needed, as well as looking at options for credible 'inset' (routes to address remaining emissions through investment within the county).

Climate Action Programme Update 2022/23

Programme Overview

7. The Council's Climate Action Programme (CAP) delivery programme for 2022/23 was agreed at Cabinet on 21 June 2022.
8. In November 2022, Cabinet agreed the [Environment Principles](#) expanding the Council's focus on climate adaptation and nature alongside the already established focus on climate mitigation in our climate action framework.
9. The 2023/24 delivery plan includes the Council's priority actions across three pillars as set out in figure 3 below:

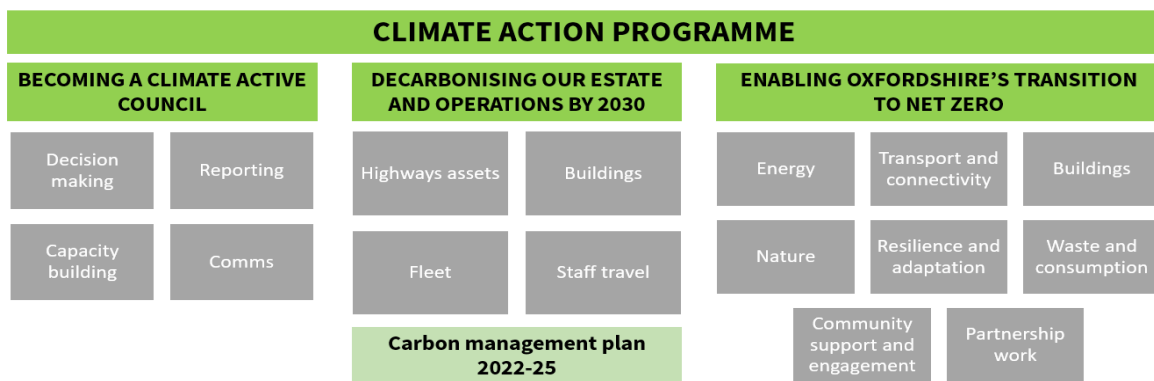


Figure 1 - Three pillars of the Climate Action Programme

Programme Delivery

10. Programme delivery against the priority actions for 2022/23 is set out in Annex 1. A summary of all the Council's activity on climate action in 2022/23 is available on the [Council's website](#), and summary highlights in Annex 4.
11. Some highlights in the previous six months have included: -
 - (a) Following adoption of the Local Transport and Connectivity Plan (LTCP), work to implement the policies has included progress on Local Cycling and Walking Infrastructure Plans and delivery, engagement on Vision Zero and development of a strategy, development of a transport hub strategy, and ongoing work to develop and deliver school streets and 20mph zones.
 - (b) LTCP targets, KPI's and work that's taken place this last year will be contained in the annual monitoring report, which we will be proposing is agreed by cabinet for publication alongside the Council's LTCP. We are

targeting September 2023 Cabinet, but this is subject to internal sign-off and agreement regarding content and timing.

- (c) Completion of business cases for own estate, fleet and grey fleet decarbonisation alongside the property strategy and agreement of £47.5 million into the capital programme and pipeline.
- (d) Delivery of 'Park and Charge' completed rolling out 250 charge points across 20 car parks. The council is now partnering to pilot EV car clubs in those locations. £3.655 million of capital together with £259,000 of capability funding has been allocated to Oxfordshire to continue the delivery of the Oxfordshire Electric Vehicle Infrastructure Strategy under the Government Local EV Infrastructure programme.
- (e) Following delivery of the nationally recognised Carbon Literacy training to staff and leaders, the council has reached bronze accreditation as a Carbon Literate Organisation; an organisation that is making a substantial commitment to integrating climate action across its business operations.
- (f) Success in a range of new innovation funding with partners to address a range of decarbonisation challenges including development of prototype hydrogen fuelled specialist vehicles (fire engine, road sweeper and ambulance), and two Net Zero Pathfinder places bids focussed on scaling up delivery of quality retrofit particularly addressing supply chain issues.
- (g) Completion of the nationally leading energy systems demonstrator project Local Energy Oxfordshire (LEO), successfully demonstrating the role flexible use of energy (through storage, trading) can play in reducing constraints on the grid, benefiting communities and improving the business case for investment in technologies supporting net zero. The LEO partners, led by SSEN, including University of Oxford, Low Carbon Hub, and the council have now been successful in a Strategic Infrastructure Funding bid to continue this groundbreaking work programme.
- (h) Following the Council's launch of Oxfordshire ACES (Action on Carbon and Energy in Schools) in September, more than 40 schools supported through energy assessments, thermal imaging visits, one-on-one sessions and webinars. The Council has approved an £800,000 pilot invest-to-save loan scheme to support maintained schools to invest in low carbon technology.
- (i) In anticipation of appointment as Responsible Authority for the Oxfordshire Local Nature Recovery Strategy (LNRS), a LNRS steering group has been set up within the Local Nature Partnership (LNP) and recruitment is underway for a LNRS Project Manager. Work is underway with the Oxfordshire LNP to gather supporting evidence for planning policies to deliver greater than 10% biodiversity net gain, and to agree a set of guiding principles for biodiversity net gain in Oxfordshire.
- (j) DEFRA funding secured for two roles (2yr Fixed Term) focused on defining tree and woodland opportunities across the county through community

engagement. £3 million Capital for planting standard trees and creation of two in-house teams to deliver this over four years. This is to ensure adherence to replacing individual trees with two new standard trees in line with the Tree Policy approved in April 2022. Separate Capital investment secured to deliver tree planting in every parish across the county, which has enabled 450 trees being planted by end of March 2023.

- (k) Additional funding has been provided to the Community Action Group (CAG) network starting on 1 December 2022. Alongside increased support to groups the increased funding has enabled the CAG project to support the opening of three new libraries of things across the county helping us move to a circular economy; expand the community wealth building work into new areas of Oxfordshire, developing green skills in local communities; and continue and expand projects connecting communities with nature.
- (l) Creation of a countywide working group on climate adaptation and commencement of a climate vulnerabilities risk assessment for Oxfordshire.

12. Exceptions to delivery have included:

- (a) The creation of a circular economy strategy for Oxfordshire, originally due to complete in 2022/2023, has been reprofiled to 2023/2024 due to resource constraints and the need for stakeholder engagement.
- (b) Delivery for the Home Upgrade Grant Phase 1 (HUG1 - one of the Council's four successful bids for funding to retrofit homes) has experienced significant supply chain challenges. This has been a persistent national problem under HUG1 as the industry adapts to the new certification regime now required for government funded retrofit schemes. Other challenges included the very limited timescale available under HUG1 to deliver complex retrofit schemes to eligible off gas properties. Of the £1.9m capital funding awarded under HUG1 approximately £1.2m was spend on retrofit measures to 121 properties. Oxfordshire along with many other areas will be returning unspent funding as delivery is not allowed to overlap with subsequent allocations of funding for HUG2 (which Oxfordshire was successful in securing £6m over 2 years) which started in June. Despite declaring an underspend on HUG1, The Department of Energy Security and Net Zero has confirmed that Oxfordshire is in the upper quartile for performance under HUG1. Delivery for residents will move into Oxfordshire's HUG2 funding allocation running from June 2023 to March 2025. The 2 year HUG 2 programme allows for a more strategic approach to reaching eligible grant beneficiaries and building a more consistent flow of work for contractors on the ground. The County is also in the process of concluding its £1m Local Authority Delivery (LAD3) programme for on gas properties where all the funding has been spent on retrofit measures to 120 properties.

Climate Action Programme 2023/24

13. Annex 2 shows an updated programme for 2023/24.

Climate Action Audit

14. In late 2022 the Council carried out an audit on integration of climate action across its business processes and governance.
15. The audit recognised the significant work the Council has already conducted in areas such as climate strategy, climate impact assessment and training for staff.
16. The audit identified areas to improve integration including: developing financing strategies for the Council's internal and external net zero targets, a clearer trajectory to 2030 for its own estate target, and integration of climate action within a larger number of services business plans through the Service and Resource Planning process. Actions will be completed across 2023/24.

Joint Workstreams with Future Oxfordshire Partnership

17. Work has been taking place with the Future Oxfordshire Partnership (FOP) on net zero route mapping based on the Pathways to a Zero Carbon Oxfordshire report. Five areas have been agreed as joint workstreams to take forward jointly with FOP to accelerate the Pathways to a Zero Carbon Oxfordshire outcomes:
 - (a) Electric Vehicle Charging workstream to deliver Oxfordshire Electric Vehicle Infrastructure Strategy particularly focussing on parish councils and enabling car clubs. This work will be led by the Council in line with the recent DFT funding announcement.
 - (b) Retrofit workstream bringing together work on skills, the active innovation projects such as the Net Zero Pathfinder Places Programme and LEO2 looking at scaled up delivery models for retrofit, and capital delivery.
 - (c) Local Area Energy Planning – In conjunction with the Distribution Network Operators and Oxfordshire councils creating a plan and pipeline of net zero infrastructure required across Oxfordshire.
 - (d) Offset investment model – In partnership with the Local Nature Partnership Capital working group developing a private sector investment model into tree planting.
 - (e) Green financing – Exploration of green financing options.
18. Proposals for improved performance monitoring and programme reporting via increased use of key performance indicators are being developed, in line with corporate best practice.

Carbon Management Plan 2022-30 Annual Update

19. The Carbon Management Plan 2022-30 (Annex 3) is the Council's detailed approach to reducing the emissions from our own buildings, highways electrical assets, fleet, and staff business travel. It has been updated through to 2030.
20. The actions (2022-25) set out in this plan, combined with the decarbonisation of the electricity supply, are forecast to reduce emissions to about 5,630 t CO₂ by

2025/26. This is equivalent to a 79% reduction from our 2010/11 baseline. The most significant reductions will come from:

- a. completion of the street lighting LED conversion programme
- b. delivery of Public Sector Decarbonisation Scheme building energy efficiency measures
- c. delivery of phase 1 property energy efficiency projects (properties planned for 2023/24 in capital programme, 2024/25 in capital pipeline)
- d. initiation of the fleet replacement programme (pending capital programme funding)
- e. implementation of the essential user electric vehicles for high-mileage business travel users (pending capital programme funding)

21. Figure 2 shows our emissions trajectories to 2030/31 as currently modelled. The CMP – capital programme line shows the trajectory based on projects already in the capital programme and any additional secured grant funding. The CMP – capital programme & pipeline line shows the trajectory of all the projects listed in the Carbon Management Plan i.e. assumes all the projects currently in the capital pipeline will be approved for funding.

22. The Further Interventions line models activities that could further reduce our carbon emissions (figure 2). Further carbon reductions may be delivered in this line following decisions on building disposals in the property strategy. This is a critical interdependency to the delivery of this programme.

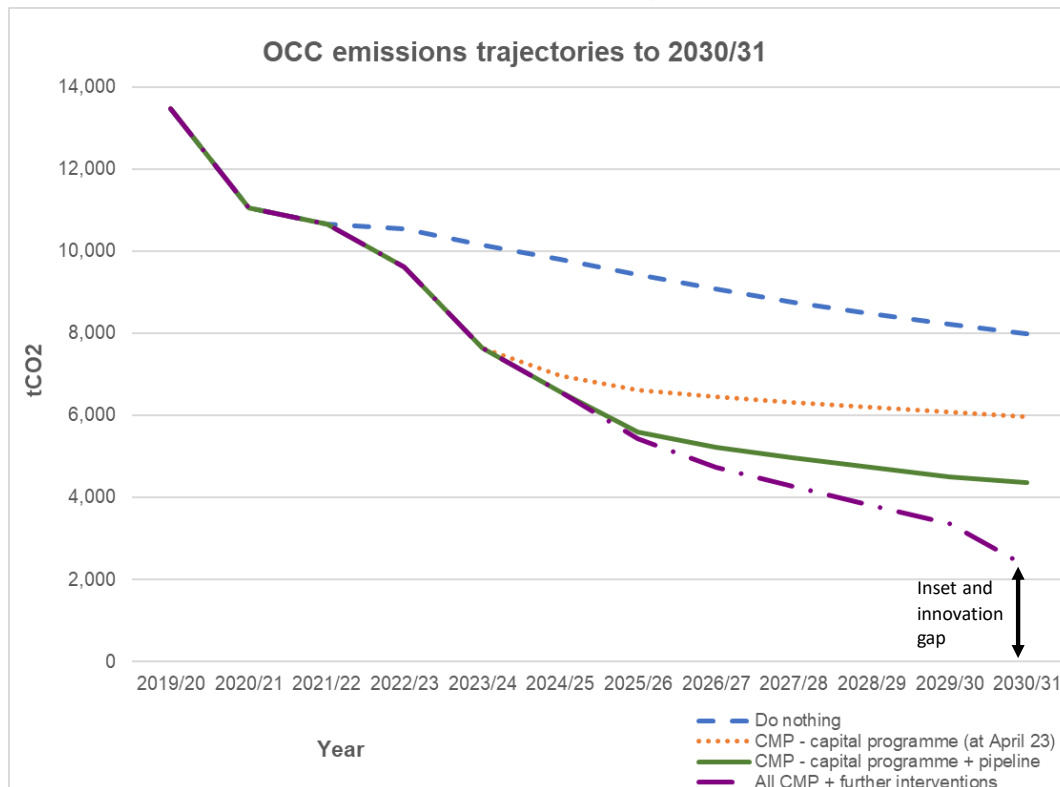


Figure 2 – emissions trajectories to 2030/31 (CMP = Carbon Management Plan)

Figure 2: Modelled 'Further Interventions'

- Further retrofit works in remaining property (note if decisions are made on property disposals this line will become steeper)
- Electrification of the remaining diesel fleet vehicles not included in the current three-year programme due to long-term leases.
- Implementation of the new Street Lighting and Illuminated Assets policy.
- LED conversion of heritage street lighting columns; LED conversion of the residual 77 traffic signal; and LED conversion or de-illumination of the remaining halogen illuminated bollards & signs.
- Reductions in emissions from business travel through for example systems, governance, car sharing, service-specific electric vehicles and location-based electric pool vehicles.

23. A paper was taken to the Strategic Leadership Team on a programme of work focussed on tackling emissions from staff business travel. The proposals were supported, and work will begin in 2023/24 to initiate a programme of activities to assess opportunities to reduce carbon emissions with smarter, lower-carbon solutions.

24. As the Council's net-zero target is 20 years ahead of national legislation, our model recognises an 'Innovation/inset' gap as the grid will not be fully decarbonised and options particularly for large fleet are unlikely to be commercially viable. To address this we will:

- Seek innovation partnerships for 'hard to decarbonise' areas that are unlikely to have viable commercial solutions by 2030 e.g., Fire and Rescue Service Fleet through our work with ULEMCo funded by Advanced Propulsion Centre¹.
- Assess opportunities to directly source zero carbon electricity (e.g., private wire, or renewable generation at other sites such as Park and Ride) to offset residual emissions in grid electricity.
- Work with the Local Nature Partnership on developing credible inset models which attract private finance into sequestration in Oxfordshire. Whilst the council's own offset needs and approach are not yet agreed, this may provide an option for future consideration.

Carbon Insetting

- Carbon offsetting refers to the purchase of a tradeable unit, representing emissions reductions, to balance the climate impact of an organisation, activity or individual, and could be applied to address any emissions not tackled through the measures outlined. This may include nature-based solutions or other technologies such as carbon capture and storage (CCS).
- Carbon insetting is a form of offsetting where carbon mitigation projects are run

¹ [Pioneering scheme to develop hydrogen powered fire engines awarded £3.9m \(oxfordshire.gov.uk\)](https://www.oxfordshire.gov.uk/news/pioneering-scheme-to-develop-hydrogen-powered-fire-engines-awarded-£3.9m)

inside the authority's geographic boundary. Insetting demonstrates action against a council's own organisational targets while reducing county wide emissions. It will be preferable to adopt carbon insetting approach to deal with our residual emissions over market-based carbon credits.

- It should be noted that even after reducing energy demand, carrying out energy saving activities and implementing suitable innovative opportunities, there will be a residual amount of carbon (around 2,726 tCO₂e²) that will need to be offset/inset for Oxfordshire County Council to reach its net zero 2030 target for its operational emissions.

Corporate Policies and Priorities

25. The Climate Action Programme supports the Council's commitments to tackle the climate emergency and create a climate resilient county, as identified in the Climate Action Framework, and is the first of the nine council priorities as expressed in the Strategic Plan 2022-25.

Financial Implications

26. The Pathways to a Zero Carbon Oxfordshire report identified the need for £3.5 billion of investment by public, private sector and civil society to lead to a halving of emissions by 2030 in Oxfordshire. A combination of government and Oxfordshire County Council investment (grants, capital and revenue) will only be able to fund part of this investment. A significantly greater share will be required to come from private investment, particularly the green and private sector markets.
27. The Climate Action Programme Board is overseeing the development of the financing strategy for both the 2030 internal carbon reduction and 2050 Oxfordshire-wide ambitions led by Corporate Finance. The aim is to develop the strategy over the next six months.
28. Any new activity around Property plans will incur additional costs including the costs of any retro fitting, retro fitting costs were not agreed as part of the 2023/24 capital bidding process.
29. In respect of the authority's current plan the table below provides a breakdown of the Climate related capital budget in the MTFP which totals over £122m million.

Investment Programme	Budget to 2023/24 £'m	Status
Climate Change	1.044	Revenue - Management & Oversight
Highway Street Lighting	40.000	In Progress
Green Homes	4.900	In Progress
Agile Working	4.700	In Progress

² NOTE: The residual emissions is based on a model and might vary as we deliver our carbon management programme.

Active Travel	11.500	In Progress
School Energy Efficiency Loan	0.800	Approved by Cabinet in May 2023
Tree Planting Programme	2.700	Awaiting Cabinet Approval
One Fleet - Transform Vehicle Fleet	18.000	Awaiting Cabinet Approval
One Fleet Charging Point	0.374	In progress
Electric Vehicle Charging Infrastructure	0.700	Government Grant Funded
Household Waste Recycling	35.500	Pipeline - Strategy currently being developed
Partial phase 1 property decarbonisation works	1.809	Initial business case approved, moving into design
Total	122.027	

Comments checked by: Danny.Doherty@Oxfordshire.gov.uk

Legal Implications

30. This report does not raise legal implications. In May 2019 the Government committed to achieving net zero carbon emissions by 2050, recognising much of this reduction must happen before 2030. Local councils play a vital role in making sure the UK is prepared for the impacts of climate change at a local level and are able to decide how best to address these challenges. The taking of such action is lawful under the general power of competence in Section 1 of the Localism Act 2011.

Comments checked by: Jennifer.Crouch@Oxfordshire.gov.uk

Staff Implications

31. Staff involvement in current programme delivery is funded by agreed resource allocation and grant funding.
32. Investment has been agreed within the Medium-Term Financial Plan to expand the Council's Climate Action Service staffing and recruitment is taking place.

Equality & Inclusion Implications

33. This report does not raise any specific equalities implications. The Council's Climate Action Framework aims to ensure a fair sharing of costs and benefits and avoiding energy inequality.

Sustainability Implications

34. The Climate Action Programme is at the centre of the Council's commitment to tackle the climate challenge.

Risk Management

35. Risks are managed through central climate risk registers, split between the 2030 target and the 2050 county-wide target, and reviewed as a standing item at each programme board.

36. Following the best practice audit recommendation, the consideration of climate related risks at an operational level will be developed and managed through inclusion of climate risks in departmental risk registers, with support, training and processes from Insight and Corporate Programmes, and the Climate Action Service.

Partnership

35. The council is working jointly in a number of formal and informal forums on activity to tackle the climate emergency, including through the Greater South East Net Zero Hub, Local Nature Partnership, Future Oxfordshire Partnership, LEO and actively leading a number a workstreams under the Zero Carbon Oxford partnership.
36. A recent paper to the Zero Carbon Oxford partnership from both the county and city councils agreed the possibility of district councils joining the working groups sat under that partnership.

Communications

37. A new communications strategy for Climate Action is being developed including reviewing improvements to web presence.

Key Dates

38. October – Following publication of national emissions data sets and internal carbon data report on Greenhouse Gas Performance, and key performance indicator agreement linked to the Pathways to a Zero Carbon Oxfordshire.

Annex:

- 1 – Climate Action Programme delivery plan 2022/23 update
- 2 – Climate Action Programme delivery plan for 2023/24
- 3 – Carbon Management Plan 2022-30
- 4 – Climate Action summary highlights

Bill Cotton, Corporate Director for Environment and Place

Contact Officer:
Sarah Gilbert,
Head of Climate Action,
sarah.gilbert@oxfordshire.gov.uk,
07867467797

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