

**DRAFT – FOR FINALISATION AFTER BUDGET
CONSULTATION HAS CLOSED**

Annex 3b

Oxfordshire County Council

Budget and Business Planning 2025/26

**Overarching climate impact review of
2025/26 budget proposals**

Context & Background

1. This document provides an overview of the potential climate action impact of proposed changes to the budget.
2. As many schemes are in early development, further climate assessment will be undertaken as more detailed business cases are developed through the capital governance process.
3. The [strategic plan 2023 - 2025 \(pdf format, 3.6Mb\)](#) sets out the council's vision to lead positive change by working in partnership to make Oxfordshire a greener, fairer and healthier county. This commitment is strengthened further by the Councils' priority to 'put action to address the climate emergency at the heart of our work'. The council's adopted climate action framework also commits the council to:
 - Being carbon neutral in its operations by 2030
 - Enabling a zero-carbon Oxfordshire well ahead of 2050
4. The council has a cross-organisational work programme to deliver on these commitments. The latest report on this programme can be found at [Decision - Climate Action Programme Six Month Update | Oxfordshire County Council](#)
5. In July 2024 a new government took power proposing new policies for the delivery of the national Net Zero target. This includes the introduction of a new Mission on Clean Power, to be followed by a Local Power Plan putting a proportion of energy into municipal and local ownership and the announcement of Warm Homes Grant funding. This is outside the scope of this report, but central government funding will be a key factor in enabling the delivery of local climate objectives. Decisions made by central government in this context will also influence private sector investment in this area.

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Revenue Proposals Climate Impact Review

6. A number of proposals are included in the budget that impact the delivery of the council's Climate Action commitments including:

- **Increased capacity and capability of procurement Service.** Procurement is proposing to invest in 2025/26 to enhance its department's capacity and capabilities to develop a strategic approach to contract management (budget item 2025RLGFC2), this proposed investment will in turn deliver larger savings in 2025/26 (item CORPRES102). This strategic approach to procurement has synergies with the implementation of the council's supply chain sustainability actions including the implementation of its supply chain carbon emissions policy and the adoption of principles of carbon governance in procurement such as PAS2080.
- **Increase in highway assets to be maintained as a result of network growth.** Increasing population trends across Oxfordshire are driving the growth in transport networks and related assets (e.g. signals, streets lights and furniture footprint) putting pressures associated with the funding required for their maintenance. This proposal is requesting additional funding for maintenance of an increasing network (items 2025EH11, 2025EH19 and 2025EH20). To avoid climate impacts associated with increasing maintenance operations resulting from this additional budget the council needs to enhance mitigation through the continual improvement of carbon governance best practices and principles for emissions reductions such as PAS2080 standard. Work is taking place to look at how the council can progress further in embedding PAS2080 in the organisation and this may have some resource demands.

In addition, in this budget the council will continue to realise the carbon emissions reductions and economic savings derived from previous years' carbon emission reduction projects, such as the LED replacement program which will deliver in this budget further savings (item 2025EH26). The council's highways team is proposing to invest additional funding in transport policy related with highways drainage, which will contribute positively to the adaptation to the potential impacts of climate change, particularly the risks of flooding of Oxfordshire's highways (item 2025EH39).

- **Energy from waste to be included in UK's Emissions Trading Scheme.** Energy from waste incineration will be brought into the UK Emissions Trading Scheme from 2028 to incentivise decarbonisation of the sector. It is expected that the costs of carbon trading arising from the fossil carbon element of residual waste delivered to Ardley Energy Recovery Facility, such as plastic waste, will be passed to the council. The council is proposing provisions for this purpose (item 2025EH12). There remain uncertainties about how the scheme will be implemented. Ways of mitigating the additional cost by bringing down are being considered with the contractor, including working in partnership with the district councils to reduce residual waste through more recycling, the

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contribution that might be made by implementation of national waste policy changes.

- **Offsetting 2030 residual emissions.** The Carbon Management Plan is the Council's plan for reducing operational emissions from council's buildings, highway assets, fleet, and staff business travel and achieving 2030 carbon neutral target. The council anticipates there will be between 1200-3300 tCO_{2e} residual carbon emission after delivering all carbon reduction programmes. The variation is dependent on how quickly central government can move on its commitment to decarbonise electricity grid by 2030. As offsets are a key part of a credible strategy to meet carbon neutral 2030 target, making an initial investment now to minimise the costs of offsetting in early years of the targets gives the council much greater certainty of reaching the target. This reduces reputational risk and financial risk in a market where offset is constrained and assumed to rise in price towards 2030. The budget is proposing to allocate funding (item 2025EP4) for 4 years to allow forward purchasing of up to 1000 tCO_{2e} of offset through credible nationally accredited schemes such as Woodland Carbon Code (WCC).
- **Carbon removals and going beyond net zero.** The budget also proposes to include funding for early investment in carbon sequestration offset projects from 25/26 to move the council's operational emissions towards a negative net total (ie beyond 'net zero') once the council reaches 2030 (item 2025EP2) and to stimulate the market for credible offsets.
- **Council's Estate rationalisation.** The council had been utilizing Abbey House in Abingdon for office purposes. It had longstanding intentions to vacate, which were successfully realized ahead of schedule in the summer of 2024, resulting in the cost saving 2025/26 in rent (2025RLGEST7) and utility costs (2025RLGEST8). The rationalisation of the council's estates contributes to reducing the emissions through reduced energy consumption.

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Capital Proposals

7. A number of proposals are included to directly support the council's 2030 Carbon Neutrality target.

- **Energy saving measures for Property.** Provisions in budget of £10m are proposed in this budget for the two following years (2025/26 and 2026/27) to support the council's target to achieve high energy efficiency and carbon neutrality in its estate by 2030. This funding proposal leaves a gap of £10m in total funding requirements for property that will need to be found in future years to avoid having to purchase a larger volume of carbon offsets.

8. Proposals have been made within the programme that have potential to impact the council's commitment to **a net zero county by 2050**:

- **Watlington Relief Road Scheme.** The proposed scheme comprises a planned new road (inclusive of active travel infrastructure) that aims to provide an alternative route to passing through the historic and narrow town centre and, in doing so, help to reduce congestion and improve air quality within the central area. A Forecast Modelling report (dated June 2024) that was prepared by AtkinsRealis on behalf of the County Council to look at the risk of induced demand stated: *"the trip numbers are such that induced traffic effects are minimal in the model, as the percentage variation in traffic flows is negligible, with no change at all for 12-hour flows."* The proposed scheme will accommodate pedestrians and cyclists, as well as deliver a new coach drop-off and pick-up facility that will serve Icknield Community College – and, in doing so, remove twelve two-way college-generated coach movements from the local highway network within the central area of Watlington during the morning and afternoon periods. Subject to the granting of planning consent, discussions will be held with relevant bus operators at an appropriate point in time (and ahead of scheme opening) regarding the potential future operation of bus services along the route. Galliford Try, a construction contractor with a carbon management accreditation (PAS2080), is the County Council's proposed design and build contractor for the scheme. The proposed project will be making use of electric vehicle chargers during the construction phase that were used by Galliford Try on the recently completed Wantage Eastern Link Road scheme on behalf of the County Council. The electric vehicle chargers are owned by the project, and the project team will be exploring the potential to donate the electric vehicle chargers to a Parish Council and/or a different local community group at the end of the proposed project (i.e. once the scheme has been opened).
- **Revitalising Banbury's Market Place.** This project proposal aims to create a town centre that is connected, green, resilient and people-focused. It will support cycle parking and alternatives to private car use.

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- **Revitalising Wantage's Market Place:** this project proposal aims to enhance Market Place Wantage. Particular measures that promote the council's Local Transport and Connectivity Plan include reallocating parking to public space, giving bus priority in the market place. Addition of planters, cycle parking, benches and other street furniture will protect people on foot and bike from vehicles in the space.
- **St. Giles' Public Realm improvements:** this project proposal aims to improve space for socialising and greening. It proposes improved access for pedestrians and cyclists, improved arrangement for buses and tourist coaches.
- **Rural areas active travel fund:** this proposal entails a fund to specifically support schemes designed to encourage active travel in rural areas of Oxfordshire.
- **Thames to Haddenham Active travel link:** this proposal entails an active travel link including a cycle path.
- **Major infrastructure development portfolio (S106 funding).** Five out of eight infrastructure proposed projects have references to active travel and/or bus routes (Access to Carterton, Bicester SEPR western section, Banbury western active travel corridor, Banbury Hennef way, Milton Heights Bridge Design and Planning). One proposed sixth project has the potential to unlock house growth and has plans for conducting a carbon assessment/feasibility design of the structure (Witney West End Link Bridge Street). The two remaining proposed projects (Bicester Eastern Corridor, Bicester Queens avenue central corridor) have no references to active travel or any type of public transport. Potential carbon reduction contributions/impacts of the full portfolio (eight projects) will be brought forward as full business cases are developed.
- **Woodstock/Kidlington Mobility hub proposal (S106 funding).** This project proposal offers the following benefits including decreasing the need for car travel/distance travelled by car, increasing use of public transport (modal shift), improves wider movement connections. Potential carbon reduction contributions/impacts need to be evaluated further as full business cases are developed.
- **Minor infrastructure development portfolio (S106 funding):** 19 minor proposed infrastructure schemes are related with active travel and bus improvements: Bicester Churchill Road cycle improvement, Heyford Park village mitigation schemes, East Hanney signalled pedestrian crossing on A338 Crown Meadow, Wallingford pedestrian crossing on Wantage Road, Wallingford to Cholsey cycleway, Clifton Hampden contraflow cycling Forge Lane, Improvements to Windmill Road/Nelson Street/Southern Road junction Thame, Milton Heights pedestrian crossing on A4130, Crowmarsh Gifford Benson Lane/A4074 highway bus improvements, Benson crossing and traffic calming, Milton Park to Abingdon cycle route, Witney to Hanborough station cycle lane (missing gap), Witney improvements to Colwell Brook Path, Witney Witan Way zebra crossing, Witney Bishop Farm hill active travel, Eynsham

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Bitterell improvements active travel, Culham pedestrian/cycling crossing at Tollgate/Abingdon road, Witney - B4022 Oxford Hill / Jubilee Way signals, Mini Holland active travel. Potential carbon reduction contributions need to be assessed at a later stage.

9. Proposals have been made in this budget to **enabling a net zero county by 2050 and promote nature recovery:**
- **Energy efficiency measures for schools continued use of sports facilities:**
This investment proposal facilitates energy saving measures so that secondary schools can continue to access 'dryside' facilities for the delivery of the secondary PE curriculum and for primary schools to use swimming facilities.
 - **Energy efficiency recycling fund, expanding decarbonisation finance to schools:** a funding proposal has been included to extend the interest free loan scheme to schools to fund energy efficiency improvements and renewable energy installations, contributing to net zero goals and a reduction in electricity consumption and costs. The scheme contributes to green job creation.
 - **Catalysing finance to fund nature recovery in Oxfordshire.** This proposal aims to provide initial funds to attract private, corporate and social investors for supporting nature projects capable of creating self-sustaining revenues. The Oxfordshire Local Nature Partnership (OLNP) and Trust for Oxfordshire Environment (TOE) proposes the Oxfordshire Nature Catalyst Investment Facility (ONCIF) to catalyse new sources of financing to support nature recovery, bringing in new private, corporate and social investors interested in supporting nature projects capable of creating self-sustaining revenues. This is in effect a circulating pot of funding to support landowners bringing to market carbon capture and biodiversity net gain schemes.
 - **Supporting the Public Right of Way infrastructure program.** The Public Right of Way program requires the maintenance and repairs of about 3000 bridges. There is an ongoing programme of inspection, repair & replacement of the bridge stock. However, the council has an aging bridge stock which is deteriorating fast and current investment and delivery levels mean only those failing are replaced. Based on a 15-year lifecycle plan for wooden kit structures 227(15%) are overdue replacement and a further 159 (7%) are listed as unsatisfactory. This funding proposal is for the replacement of these bridges. Part of any future investment will be targeted at introducing professional inspection of larger bridge assets (non-kit structures) in partnership with the structures team. This funding proposal also has an overall positive climate impact in supporting active travel, healthier lifestyles and community resilience by keeping access to green spaces. Additional climate positive practices already in place in this program include: the main material of choice for smaller bridges is timber, usually a carbon neutral material, sourced from local suppliers and avoiding the use of materials that come from large distances (such as tropical timbers); reuse of old materials from bridges are reused/recycled. For

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larger bridges that require carbon intensive materials, the program is proposing the support of a contractor with high credentials on carbon governance which can support the selection of low carbon material choices/operations. There may be some negative carbon emission impacts from the use of better resilient materials for climate adaptation, but the program will aim to balance these trade-offs with the support of the contractor.

- **Improving the Highway network.** The main purpose of this funding proposal is to improve the conditions of Oxfordshire highways through the deployment of planned maintenance schemes. In doing so the highways team has already implemented the reduction of hazardous road waste, containing coal-tar, being sent to landfill through design, requiring less excavation and in situ road recycling. Increased investment, as detailed within this proposal, will ensure that this work may continue. The service has made a commitment to transform service delivery to having the lowest possible environmental impact, with a particular emphasis on developing the circular economy of reusing resources already abundant in the network wherever possible. They will do this by delivering environmental, carbon and sustainability improvement plans focussing on four key business areas of the service: a) Scheme design, b) Plant & Fleet, c) Materials, d) Depots and Buildings. In addition, drainage maintenance supports the resilience to flooding, an increasing risk with ongoing climate change. Without the funding required, it is likely that less sustainable and more traditional maintenance techniques would instead be opted for to ensure the limited resources were sufficient to service the minimum statutory obligations of maintenance.
- **Redevelopment of Redbridge Household Waste Recycling Centre to address increasing waste derived from population growth.** A provision is being proposed in this budget for the redevelopment of Redbridge site, this aligns with the emerging HWRC Strategy, which supports HWRC expansion to meet population growth and the associated need for an increase in reuse and recycling capacity. Redevelopment rather than building a new site will reduce embodied carbon emissions. As the HWRC is being built on a developed site, re-use of materials from the site can be incorporated as materials for the new build for example, earth, soil and other materials can be repurposed for foundations or landscaping. Having the proposed redeveloped HWRC close to the population it serves in Oxford City and surrounding areas, reduces transportation-related emissions. Shorter travel distances for residents and collection vehicles will help minimize fuel consumption and greenhouse gas emissions. The proposed redeveloped HWRC will be built to ensure energy efficiency, and subject to final design it would look to incorporate passive design elements, such as natural ventilation, daylighting, to reduce the need for heating, cooling, and artificial lighting. It also intends to incorporate solar PV systems, staff EV charging stations and other low carbon features that will be confirmed at a final design stage.

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10. Some proposals aim to deliver positive social impacts with potential positive climate impacts.
- **Funding house expansion to localise fostering in Oxfordshire.** Currently part of foster care is taking place outside the boundaries of Oxfordshire and therefore the council incurs in larger trips (increasing carbon emissions) for officers to monitor the conditions of fostering. This project proposes to finance the expansion of houses in Oxfordshire for incentivising the fostering of children locally. This proposal can potentially reduce the mileage carbon emissions of the council's children team staff. Any new construction entails emissions from the construction operations and the materials used. There is potential of these construction emissions to be offset by the reduced emissions resulting from council officers' shorter trips, however the detailed calculations and monitoring would need to be implemented to confirm such reductions.
 - **Repurposing buildings for adults with complex needs.** This proposal entails the conversion of existing buildings into flats for adults with complex needs. Repurposing one existing building rather than constructing a new one represents avoided carbon emissions from the construction phase, however these reductions would need to be confirmed.