

Enabling Net Zero Phase One Programme Update

To: Environment and Green Investment Committee

Meeting Date: 19th January 2023

From: Steve Cox, Executive Director of Place and Sustainability

Electoral division(s): All

Key decision: No

Forward Plan ref: n/a

Outcome: Monitor the implementation and impact of the Enabling Net Zero Phase 1 Programme.

Recommendation: Committee is asked to:

- a) Note progress implementing the Enabling Net Zero, Phase One, Programme approved in July 2022.
- b) Note and support the programme changes as set out in paragraphs 2.1 to 2.3
- c) Update the delegations for green investment and loan approvals for schools as set out in paragraph 2.1.1

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1. Background

- 1.1 The Council's Climate Change and Environment Strategy (CCES) and Action Plan was updated and approved at Full Council in February 2022 along with a £14 million Just Transition Fund to support key council priorities, including climate change.
- 1.2 To mobilise delivery of the CCES, a series of eight workshops were held with internal stakeholders and partners. The aim was to align services and resources to deliver the Council's climate ambitions and to align constructively with the Cambridgeshire and Peterborough Combined Authority (CPCA) in the delivery of the recommendations of the Cambridgeshire and Peterborough Independent Commission for Climate (CPICC). The result of these workshops led to the development of the Phase 1, Enabling Net Zero Programme business case and resourcing plan.
- 1.3 In June 2022, Strategy and Resources Committee approved the allocation of funding from the Just Transition Fund (JTF) of up to £2.175M for the Enabling Net Zero, Phase 1 Programme. The business case and programme were subsequently approved by the Environment and Green Investment Committee (E&GI) in July 22.
- 1.4 The Phase One programme is focussed on mobilising and upskilling the whole organisation and all services to deliver the Council's Climate and Net Zero ambitions at scale and to enable subsequent phases to be developed as set out below:
 - **Phase One: 'Enabling Net Zero'**: the emphasis is on addressing the barriers, to delivery and creating the right organisational structures to drive the pace of delivery for 2030 and 2045 targets. This includes upskilling, building capacities, aligning resources and policies; and implementing key actions already underway
 - **Phase Two: 'Action Net Zero'**: implementation of key Action Plans to achieve 2030 Net Zero
 - **Phase Three: 'Benefiting locally from Net Zero'**: realising the wider social, environmental, and economic benefits and finding solutions for 'hard to treat' carbon for Net Zero by 2045
- 1.5 This report provides the E&GI Committee with an update on the progress of the phase one Programme during its first 6 months.

2. Enabling Net Zero – Phase One – Progress update and key changes

Overall Programme Management – Please see Appendix A for programme governance and structure

- 2.1 **Governance.** The programme is operational, and the governance is driving forward the eight workstreams. Scoping documents have been produced for each workstream setting out the ambition of key projects, their benefits and impacts. A first Pilot *Climate Design Lab*

was run with the Programme Board to test the lab concept and to map key interdependencies between workstreams to drive forward cross organisational change through the whole system. As a result, the following activities below have been added into the Enabling net Zero Programme. Please see appendix A for an update on the workstreams.

- **Locally Determined Contributions:** Research undertaken by Hughes Hall, University of Cambridge in collaboration with the Council, South Cambridgeshire District Council and Local Government Association to inform COP27 negotiations. The opportunity for 'Locally Determined Contributions' to drive local action as part of the National Net Zero Framework has been scoped and shared with MP Chris Skidmore, leading the Government's Net Zero Review. This research complements the CUSPE 2022 research project on carbon budgets coming to the March committee.
- **NHS Green Plan.** As the Council's care services now form part of the Integrated Care System with the NHS, stronger alignment with its green plan is needed. The inclusion of the NHS Green Plan into the ENZ programme provides opportunity to analyse and identify what this means for Council services including the reporting and governance oversight.
- **Financing Framework to support Net Zero places by 2045.** An Innovate UK, Pioneer Places partnership bid was submitted to secure £75,000 to scope whole-system challenges to financing the transition to net zero. If successful, this project will identify the structural and other changes needed to unlock investment. This will complement and inform the work being developed on Local Area Energy Planning and fits with the CPICC recommendation to fund the low carbon transition.

2.1.1 Due to committee and role changes, delegations for key retrofit and energy efficiency projects on schools require updating. The following is the proposed update to delegations for green investments and loan approvals to schools:

"the delegation of individual green investment and contract decisions for schools to the Executive Director Finance and Resources in consultation with the Assistant Director for Education & Place Planning, Executive Director Place & Sustainability and Chair/Vice Chair of Environment and Green Investment Committee."

- 2.2 **Recruitment.** Seven of the fourteen new roles funded via the Programme have been appointed. Four roles have started, three begin January/February 2023 whilst the remaining roles are either in recruitment or on hold pending internal restructures. Please see Appendix B.
- 2.3 **Budget.** There are several changes to the budget as set out in Appendix C. Broadly, the overall budget has been re-profiled to reflect actual and forecast expenditure to consider the recruitment and procurement timelines and detailed scoping of projects. A small

pressure of £10K has been identified but this will be managed across the programme to be on budget.

Workstream Updates

Progress update

2.4 Technical Competence (Workstream 1)

Heat Decarbonisation Plans for 40 Council buildings totalling £109,000 are due in February 2023. Further tenders will be launched for waste, highways, rural estate, and schools totalling £300K in January 2023. A budget of £75K has been earmarked for fleet decarbonisation when there is greater clarity on this work.

2.5 Data and Intelligence (Workstream 2)

- The Annual Carbon Footprint report for 2021-22 was approved December 2022 and is now published on the Council's website.
- The CUSPE 22 Project on climate data has focussed on systems thinking and carbon budgeting. A presentation was shared at an all-member briefing session held on 12th December 2022 on the draft findings. Approximately 20 members attended. It provides insights on methodologies for carbon budgeting, forecasting and how this can inform future decision making.

2.6 Financing Net Zero delivery (Workstream 3)

An Innovate UK funding bid was developed in partnership with Cambridgeshire Local Authorities, the CPCA, City Science and Collaborate CiC. It was submitted on 30th November and the outcome is due by the 13th of January 2023. Its focus is on funding the transition to Net Zero by 2045 for Cambridgeshire.

2.7 Forward Strategy (Workstream 5).

- The Council's Corporate Risk Register now includes Climate Risk. Further refinement of the risk approach is ongoing, and the development of a climate risk strategy will follow.
- An evidence base of best practice has been collated and reviewed to inform travel options for staff travelling on Council business, to shift staff travel to lower carbon options and develop a *Sustainable Travel Policy*.
- A first Steering Group on Local Area Energy Planning was held in December 2022. An 18-month, data driven, whole energy system approach to determine a costed, spatial plan that identifies the change to the local energy system and built environment to deliver net zero is now underway. It is a collaboration between the Council, CPCA, District Councils, UK Power Networks, and the Universities.

2.8 Supply Chain development and Procurement (Workstream 6).

- A Climate Change Charter for suppliers was launched in September for suppliers to sign up to. The purpose of the charter is to encourage the Council's supply chain to be as committed to Net Zero as the Council is. The aim is that all large suppliers with contract values over £100,000 sign up to the charter.
- Low Carbon Purchasing Policy/Guidance is under development to enable the Council's Commissioners and Procurers to embed net zero in procurements and the supply chain. It is expected this will be approved for use from April 2023.

2.9 Workforce/Communications (Workstream 7)

Carbon Literacy Training: To date, 16 Members and 105 officers have been trained on a 1 day course. This includes Corporate Leadership Team, Place and Sustainability Management Team, Procurement, Connecting Cambridgeshire, Highways and County Planning Mineral and Waste. In October 2022, the "open programme" was launched on Our Development for staff and courses are fully booked through to April 2023. A review of carbon pledges and qualitative feedback from those attending the course, will provide initial impact evaluation in 3-6 months. A new Climate and Environment e-Learning module was launched in mid-October 2022 and 34 staff have completed the module. This training will support the whole workforce to understand the basic science of the climate crisis, where Council carbon emissions come from in Cambridgeshire, the Council's Climate and Environment Policies and gives people ideas on how staff can take action in their teams.

2.10 Low Carbon and Energy Projects and Programme (Workstream 8).

- Two Smart Energy Grids are under construction on the St. Ives and Babraham park and ride sites. Solar car ports, EV charging for cars, buses and taxis, battery storage and selling clean electricity to local customers. Green electricity and carbon emissions reductions available from October 2023.
- First 12 businesses signed up and going through the Council's low carbon business support programme building on the learning from the St. Ives Park and ride project.
- £2+m capital investment into low carbon heating systems and other energy measures for eight schools starting January 2023.
- 852 household solar and/or battery installations have been completed up to December 2022 under the Solar Together Cambridgeshire scheme in this year's programme, with over 6,000 panels and over £5m of private resident investment in solar and storage so far.
- First five homes connected to the Swaffham Prior Community Heat Project, receiving heat and testing the system. Further homes will be connected from January- May 2023.

3.0 Next Steps - the focus in the next 6 months will be on:

- Decarbonisation measures installed in 8 schools for heating, hot water, and energy efficiency
- 37MW of solar electricity generating capacity coming on-line from the North Angle Solar Farm
- 100 homes connected to the Swaffham Prior Community Heat Network receiving 99% decarbonised heating and hot water.
- 1500 Cambridgeshire homes installed with solar and battery solutions by the end of May 2023 to add to last year's figures.
- Work started on retrofitting a further 5 Council buildings (to add to the 22 already complete/completing) to decarbonise heating and hot water.
- 30 businesses receiving low carbon business support to start their Net Zero journey
- Decarbonisation plans for the Council's high emitting carbon sectors are in place.
- Roadmap for the roll out of County wide EV Infrastructure in partnership with the CPCA and district partners
- Audit of trees and significant hedgerows that exist on the Councils assets starts February 2023 to inform the Corporate Tree and Woodland Strategy and wider Biodiversity Strategy
- Launch of a new People's Strategy to help bring the right skills and resources to the organisation for climate change and biodiversity crises.
- Best practice and case studies are developed and shared as part of the implementation of the Council's Climate Communications Strategy
- Agreeing 'Net Zero by Design Principles' for all projects and services
- Publishing Net Zero procurement guidance for commissioners of Council services
- A further 30 Officers receiving Carbon Literacy training
- A new corporate outcome for the Council starting April 2023 focussed on responding to the climate crisis and achieving carbon net zero

4. Alignment with corporate priorities

4.1 Environment and Sustainability

This report is a progress update on the approved Phase 1 Enabling Net Zero programme.

4.2 Health and Care

Investing in measures and interventions that tackle climate change can also bring health benefits to our communities. The Enabling Net Zero programme is looking to identify and quantify these benefits to inform its Triple Bottom Line approach.

4.3 Places and Communities

Decarbonisation plans for the Council's high emission sectors include construction, waste, buildings, rural estate and highways. These will seek to cut carbon emissions and build greater community resilience to the impacts of climate change. Work on Local Area Energy Planning, funding a transition to Net Zero and the delivery of schools retrofit and other energy projects will accelerate carbon reductions early.

4.4 Children and Young People

Young people will live with the legacy of our actions today on climate. To achieve a Just Transition, the pace and scale of carbon emissions reductions must increase significantly and climate resilience, or costs will fall disproportionately on future generations increasing poverty and inequalities. Upskilling all services and the 4300 staff through this programme will look to accelerate change and create a more sustainable future for young people.

4.5 Transport

The CPICC identified cutting car miles and improving active travel as important areas of work for the decarbonisation of transport. These are captured in the Enabling Net Zero Programme in a number of ways including the decarbonisation plans for the construction and maintenance of highways, sustainable travel policy for staff, and supporting EV charge point delivery.

5. Significant Implications

5.1 Resource Implications

The report above sets out details of significant implications in section 2.2 and 2.3 and appendices B and C.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The tender specification for procurement of decarbonisation plans for the Council's high emitting sectors have fully engaged with the procurement and legal team and will be fully compliant with the Council's Contract Procedure Rules.

Procurement plays a key role in delivering the Net Zero ambitions as set out in work package 6 - see Appendix A and progress highlighted in 2.8.

5.3 Statutory, Legal and Risk Implications

The Enabling Net Zero Programme could highlight tensions between statutory service delivery and the ambitions for Net Zero.

Climate litigation is increasing globally. More organisations are being held to account for their decision making where this is seen to conflict with climate ambitions.

The Council will need to value climate risk impacts, in particular where insufficient action is taken to reduce carbon emissions and build community resilience.

5.4 Equality and Diversity Implications

The impacts of climate change could fall disproportionately on those that can least help themselves. This programme along with other funded programmes from the Just Transition Fund on flood risk, community wealth building will seek to manage the risks, support the most vulnerable and a fair transition, including for young people.

5.5 Engagement and Communications Implications

A Communications Strategy has been developed which will engage staff, members, partners and businesses to share best practice, develop case studies and build awareness and participation across the Council, its services, partners and communities.

5.6 Localism and Local Member Involvement

There are no significant implications.

5.7 Public Health Implications

Public Health colleagues sit on the Programme Board and have helped to identify the interdependencies with health and wellbeing. A key part of the Phase 1 programme is mapping and monitoring these benefits.

5.8 Environment and Climate Change Implications on Priority Areas

The Net Zero Programme will support the delivery of a range of actions that will deliver benefits across these implications.

5.8.1 Implication 1: Energy efficient, low carbon buildings.

Positive/neutral/negative Status: Positive

Explanation: Decarbonisation Plans for all CCC buildings will be developed in 12-18 months, subject to funding.

5.8.2 Implication 2: Low carbon transport.

Positive/neutral/negative Status: Positive

Explanation: Electrification of the Council's fleet to reduce scope 1 emissions is in the programme.

5.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Positive/neutral/negative Status: Positive

Explanation: Resources to support the implementation of the Trees and Woodland Strategy have been included along with resourcing to support decarbonisation planning on the rural estate.

5.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Positive/neutral/negative Status: Positive

Explanation: Working with Recap and the waste contract to minimise waste and emissions.

5.8.5 Implication 5: Water use, availability and management:

Positive/neutral/negative Status: Neutral

Explanation: Flood Risk Management is subject to a separate Just Transition Fund and management/oversight.

5.8.6 Implication 6: Air Pollution.

Positive/neutral/negative Status: Positive

Explanation: Reducing carbon emissions improves air quality.

5.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.

Positive/neutral/negative Status: Positive

Explanation: Upskilling colleagues will help inform service re-designs and plan for risk mitigation to minimise impacts of climate change on vulnerable people.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Ellie Todd/Mike Falconer

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement? Yes

Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or Pathfinder? Yes

Name of Legal Officer: Linda Walker

Have the equality and diversity implications been cleared by your EqIA Super User? Yes

Name of Officer: Sheryl French

Have any engagement and communication implications been cleared by Communications? Yes

Name of Officer: Christine Birchall

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Sheryl French

Have any Public Health implications been cleared by Public Health?

Yes

Name of Officer: Iain Green

If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer?

Yes

Name of Officer: Emily Bolton

6. Source documents

[Cambridgeshire County Council Joint Administration Agreement](#)

Enabling Net Zero Business Case and Programme 7 July 2022 Environment and Green Investment [Committee report.](#)

[Enabling Net Zero: Phase One Business Case](#) approved by the Environment and Green Investment Committee on 7 July 2022.

The Climate Change and Environment Strategy is made up of 3 documents:

[Part 1 – Climate Change & Environment Strategy](#)

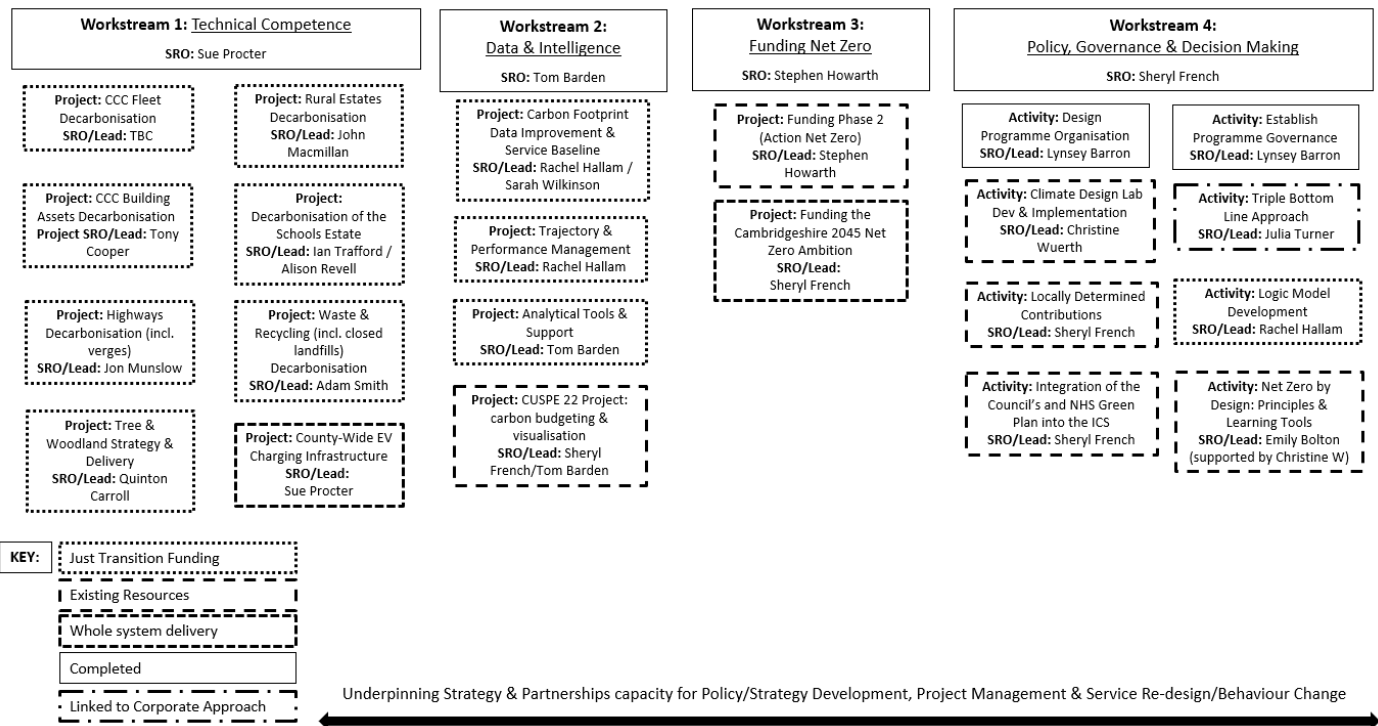
[Part 2 – CCES Technical Report](#)

[Part 3 – CCES Action Plan](#)

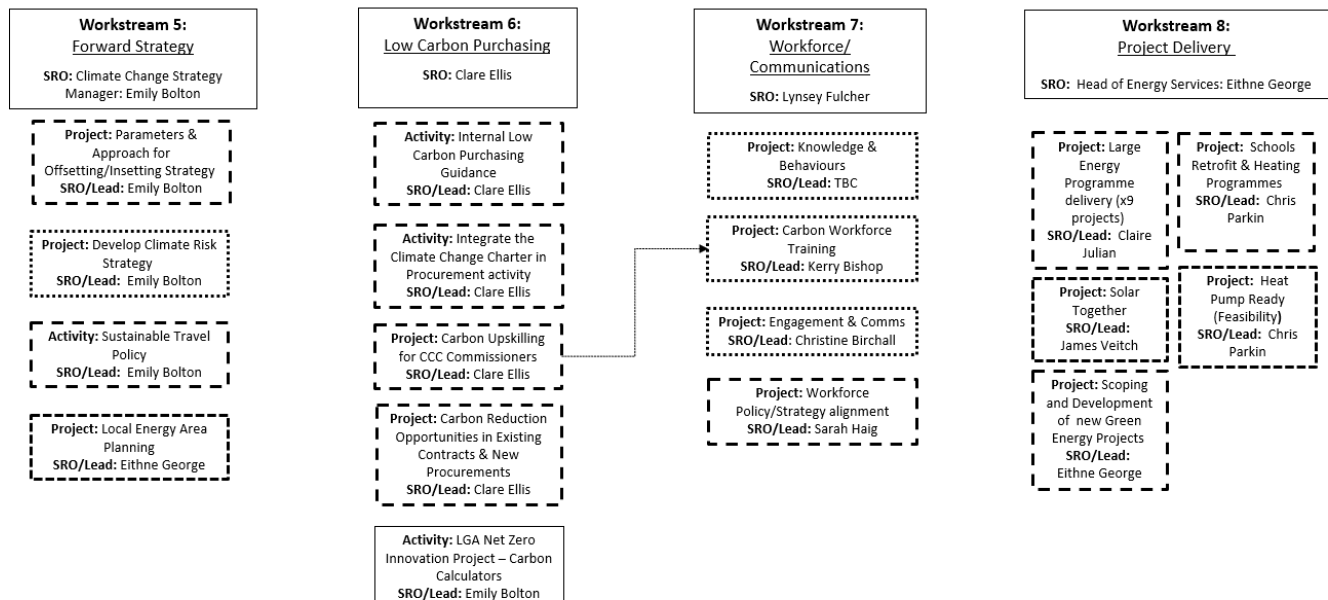
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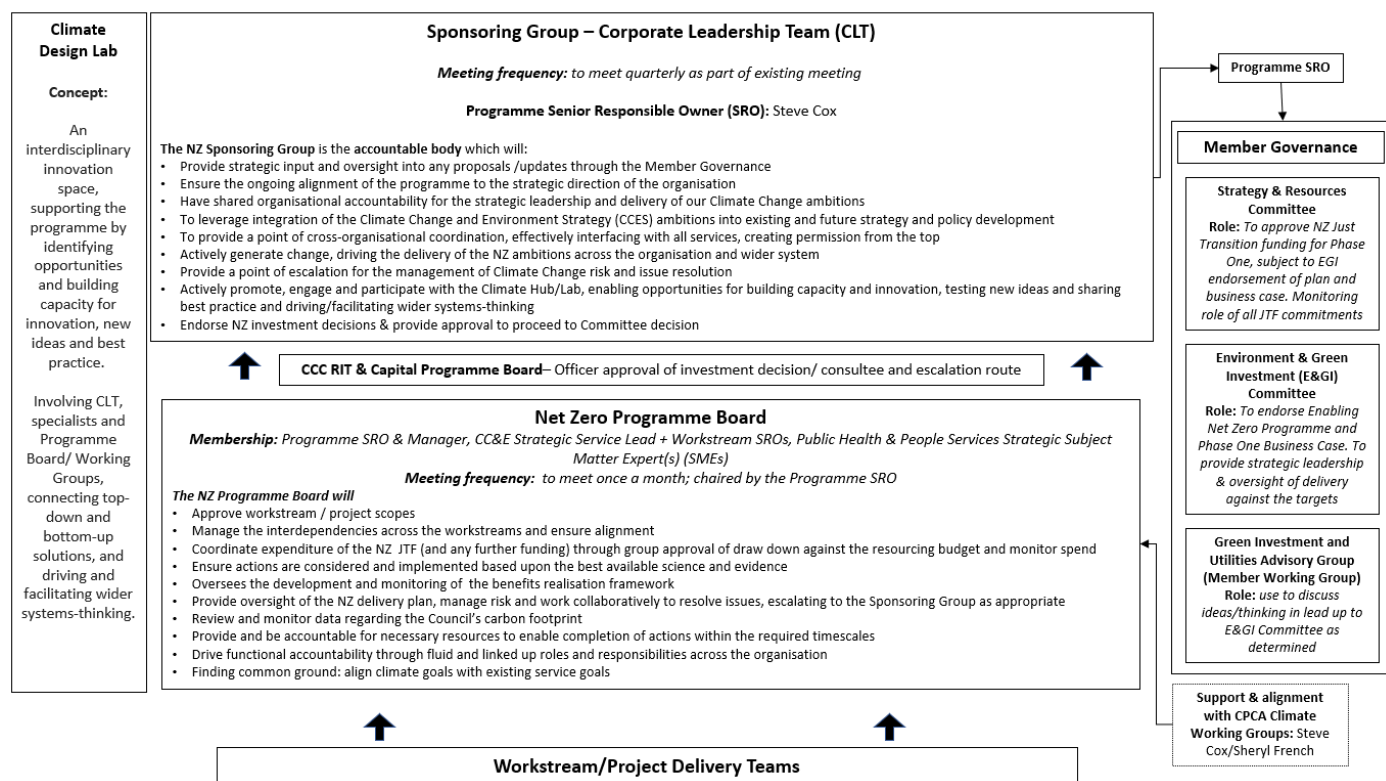
Appendix A: Enabling Net Zero Programme Organisation and Governance

NZ Programme Workstream Organisation (Phase One) – 1 of 2



NZ Programme Workstream Organisation (Phase One) – 2 of 2





Appendix B: Recruitment and procurement of additional skills and capacity is underway as set out below in the Table below

Workstream/Role	Current Recruitment Status
WP1: Tree Project Officer	Grant funding secured for most of the costs. Recruitment process is getting underway.
WP2: Data Analyst roles x 3	Recruitment currently paused.
WP4: Programme Management roles X3	Programme Manager seconded into programme. Programme support role appointed and started. Project Manager appointed, starts January 23.
WP4: Climate Change Officer	Recruitment started January 2023, via Just Transition Funding in current business plan and savings from the Behavioural Insights role.
WP5: Carbon and Energy Analyst X1	Recruitment complete and appointment to start 9 th February 2023.
WP5: Local Area Energy Planning (LAEP)	Head of Energy Services appointed and starting 3 rd February 2023. This role is part funded through Just Transition Funding approved at Full Council February 2022 to support Local Area Energy Planning for Cambridgeshire.
WP6: Procurement Officer/specialist knowledge in Climate Change	Recruitment underway.
WP7: Communications Manager	This role has been appointed and starts January 23.
WP7: Learning and Development officer	Appointed and already started.

Appendix C: Budget and rationale for re-profiling

Table 1 below shows the Programme budget re-profiled based on the factors outlined below

Table 1: Net Zero Programme Phase 1 Budget re-profiled by financial year

Financial Year	Estimated costs (as identified in the July 22 approved Business Case)	Revised forecast costs	Variance
2022-23	£969,500.00	£302,516.67	£666,983.33
2023-24	£521,000.00	£1,084,025.00	-£563,025.00
2024-25	£379,000.00	£424,791.67	-£45,791.67
2025-26	£212,000.00	£230,333.34	-£18,333.34
2026-27	£93,500.00	£143,333.33	-£49,833.33
Total Budget	£2,175,000.000	£2,185,000.01	-£10,000.01

- Re-profiling:
 - Recruitment challenges have resulted in expenditure forecast for staffing in 22/23 being pushed back across the programme into 23/24 and subsequent years for longer-term roles (three and four years).
 - Workstream 1 (Technical Competence) To date, £109,000 has been awarded towards decarbonisation plans for approximately forty Council office buildings. Procurement specifications for the other high emitting service areas are being finalised with tender launch now planned for January 2023 and contract award likely from May 2023. The majority of the costs will now fall into the 23/24 financial year.
- Savings:
 - Workstream 1 budget included funding for a two-year fixed term Tree Project Officer role. However, a successful application to the government's Woodland Creation Accelerator Tree Fund has resulted in funding for two Project Managers to deliver specific tree projects in partnership with all local authorities in Cambridgeshire. The application saves the

Enabling Net Zero Programme £42k out of £90k and is being re-directed to support roles identified in the business plan but which were unfunded at that time.

- Workstream 7 (Workforce and Communications). The business case includes for a two year fixed term behavioural insights role. A small element of the budget will be retained for behavioural insights but other mechanisms such as working with academic researchers is being explored to provide the insights to the programme.
- Across the programme, small savings on staff budgets will come forward as part of the recruitment process.
- Additional budget requirements:
 - An uplift to the salary costs of the Senior Communications Officer role to a Communications Manager role
 - Two year funding towards the role of the Climate Change Officer, to supplement one year Just Transition Funding approved February 2022.
 - Contribution of one third of the salary costs of a Procurement Policy and Systems Manager (where a third of the role is dedicated to Net Zero).