

APPENDIX 1

Reminder of Cllr David Jenkins' Motion to Council

- The motion passed by Council at its July 2019 meeting in which it recognised the Climate Emergency and committed itself to actions to address it; and
- The Council's obligation to deliver a balanced budget for 2020/21 which enables it to deliver its statutory obligations and which is consistent with its policies and strategic objectives.

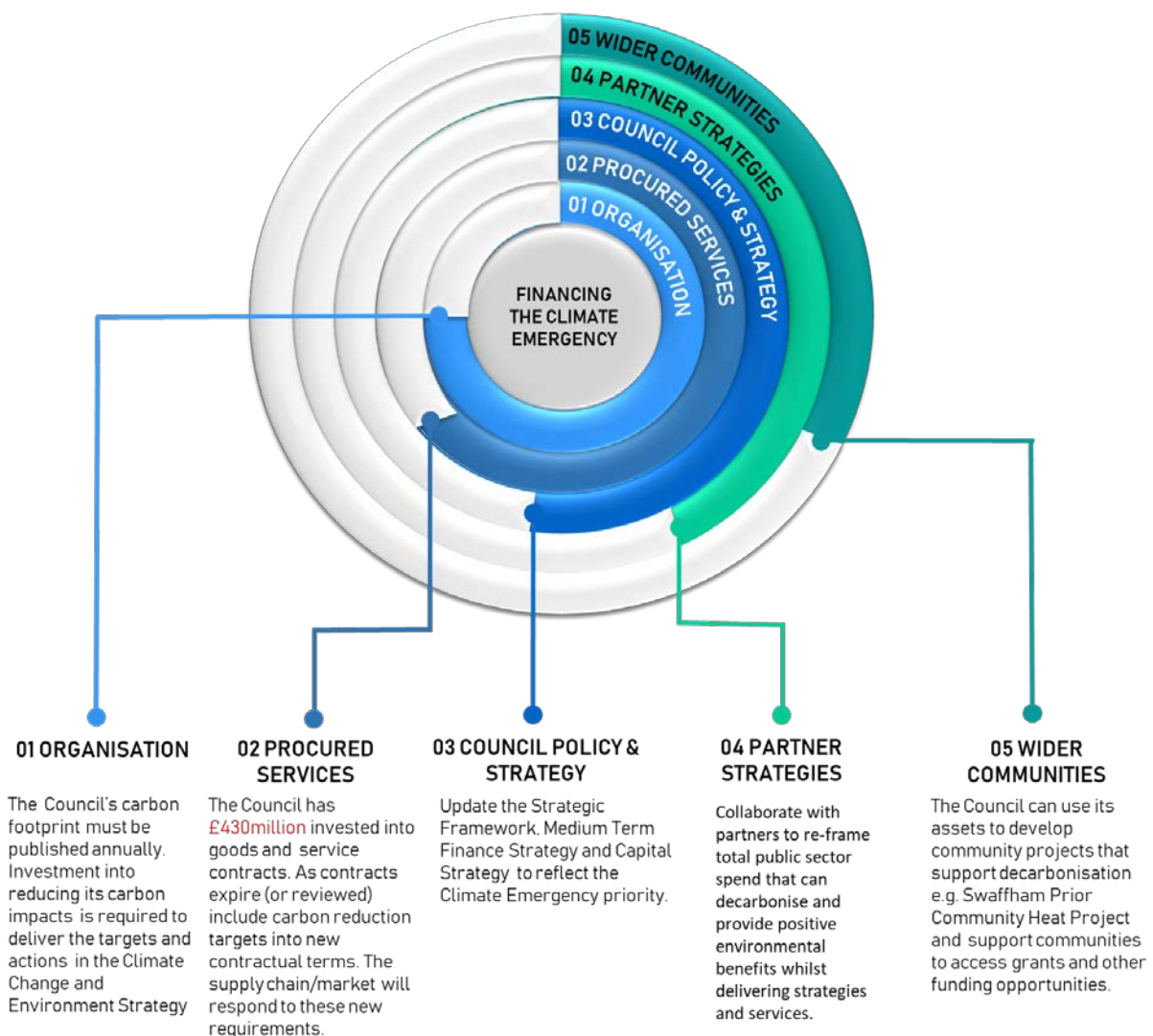
The Council therefore asked the Chief Executive, within the budget setting process, to:

- Deliver a commentary which explains how the 2020/21 budget addresses its Climate Emergency commitment.
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How does the 2020/21 budget address the Council's Climate Emergency commitment?

1. BACKGROUND AND CONTEXT

- 1.1 The Draft Climate Change and Environment Strategy focusses both on the services which are directly under the Council's control and those provided by the wider public sector which the Council can influence through its strategies and policies. To address the Climate Emergency, the Council must consider how its budget can deliver carbon reductions on its organisational carbon footprint and how it interacts with other organisations to facilitate the delivery of decarbonised public services across the County, to provide a framework that over time delivers the Climate Change and Environment Strategy and government's net-zero carbon target for 2050.



2. PROPOSED METHODOLOGY FOR TACKLING THE CLIMATE EMERGENCY

2.1 ORGANISATION

The Council has direct control over its organisational carbon footprint (Scope 1 and 2). This has been calculated as 7,711 tonnes of CO₂ equivalent (CO₂e) emissions per annum and is 8% of the total emissions calculated for the Council's carbon footprint. Scope 1 and 2 covers direct emissions from buildings and transport and for purchased electricity. The target is to reduce this by 50% by 2023 and the intention is to take all buildings owned and occupied by the Council off fossil fuels (currently listed as 69) and to replace all fleet cars and vans with electric vehicles by 2025. The investment estimate for shifting our buildings off fossil fuels and improving energy efficiency is currently being quantified.

During 2021 it is expected that the investment model will be 'invest to save' and funding allocations will be included in the MTFS to support reductions in the Council's carbon footprint. Currently the Council has a £1million fund to invest in

improving the energy efficiency of Council buildings which is in its fourth year of operation. 2020/21 will be the final year for the fund and the balance to be invested is £336,430. At this stage further work needs to be done to quantify any new fund and the level of funding required.

Further collaboration with CUSPE researchers is needed to develop and test new business case templates for revenue and capital projects. These will need to explicitly include carbon and whole life cycle costings and be tested on a range of different projects to understand the approach and any unintended consequences before launching the templates more widely.

2.2 PROCURED SERVICES

Approximately 66% of the Council's 2020/21 gross budget, a total of over £430m, will be spent on procured goods and services to fulfil statutory duties and other responsibilities. This expenditure is currently estimated to account for 92% of the Council's carbon footprint (or 95,186 tonnes gross per annum) and this proportion is likely to increase as unknown CO₂e data from purchased goods and services is scoped and calculated to add to the carbon footprint. This additional CO₂e is estimated to be up to 200,000 tonnes per annum and it is therefore crucial that the Council gathers further data in order to accurately assess and manage down its carbon footprint.

The Council's suppliers also have a role to play in designing their service offers to minimise their carbon footprints. It is suggested that the Council requires all new procurements or contracts (e.g. farming tenancies) to set a baseline carbon footprint using the Government's GHG protocol, and describe measures to reduce carbon emissions by 50.4% by 2030. This policy will incentivise the Council's suppliers to mobilise and invest in these changes. It is anticipated that some of the change measures will include switching from petrol to electric cars and that the initial upfront capital cost for this will be offset by cheaper ongoing operational costs. There may be other aspects of service delivery such as care home provision or electricity purchasing that suppliers will need to adapt to address emissions but carbon reduction may also be prompted by stronger environmental regulations.

Examples of work currently ongoing to address our carbon footprint is our work on the schools energy programme. £11million has been invested across 55 schools to date, both maintained and academy schools, reducing carbon emissions by 3,314 tonnes of CO₂e per annum. A loan facility for schools up to £20million has been agreed and more work with schools planned. In addition, the County Council has supported the development of a £56million pipeline of projects between now and 2023/24 to tackle carbon emissions from buildings, generate renewable energy for local consumption and to support electric vehicle charging.

Moving forward further collaborations are needed with CUSPE researchers to develop the carbon footprint methodology for purchased goods and services to improve data quality for scope 3 emissions. Further work will also be required around the Council's procurement practices to identify how to include carbon targets as a

criteria for new procurements and contracts to deliver a 50.4% reduction in carbon emissions from the supply chain by 2030.

2.3 THE COUNCIL'S POLICIES AND STRATEGIES

The business plan comprises the Strategic Framework, Medium Term Financial Strategy, Treasury Management Strategy and the Capital Strategy. All of these documents have been updated for 2020/21 to provide detail of the Council's approach to tackling the Climate Emergency and to drive future investment to reduce carbon emissions, adapt to climate change and protect our environment.

2.4 PARTNER STRATEGIES

The Council has the opportunity to lead efforts to decarbonise by collaborating with partners and re-framing and aligning public sector spend – this could have the biggest impact on Climate Change and our environment quickly. For example, “Think Communities” is joining up services across partner organisations to focus on specific places and communities that we serve. Re-framing the total public sector spend across all partners to also deliver decarbonisation or environmental benefits, will promote more powerful change than simply one organisation refocussing its spend in isolation. Think Communities is working with partners to align budgets, procurements and spend across different public services to provide a joined up approach to service provision – this model could be extended to include decarbonisation, providing a faster and deeper response to the Climate Emergency.

Moving forward, consideration will be given as how to align the Climate Change and Environment Emergency priorities with the ‘Think Communities framework’ to achieve net zero carbon by 2050 across our communities.

2.5 WIDER COMMUNITIES

The Council has a significant portfolio of land assets. It is identified in the Council's Corporate Energy Strategy how the Council can use its land assets to benefit the community either through attracting investment into clean energy infrastructure or its land, or using its land to support community energy projects that will reduce Cambridgeshire's carbon footprint. For example, Swaffham Prior Community Heat Project aims to take the village off oil using County land to host and invest in an energy centre. A joint venture company owned by the Community Land Trust and the County Council is being scoped and the investment grade proposal for the design, construction and operation of the scheme is under development. With 10,000 homes dependent on oil in the County, we are keen to develop a blueprint for replication with and by other villages. The County is supporting this process through accessing grants for the community, using its networks to convene professional teams and, where land is available, co-invest in projects. To date, the Council has committed £95,700 match funding to the Swaffham Prior project and drawn down £382,300 in grants to support its development from Government and the CPCA.

Another example of innovation is the St.Ives Park and Ride project. This is a new business model developed as a result of high connection costs to the local distribution network making small and medium sized projects unviable in Cambridgeshire. The Council has invested £182k into the project development to date, is seeking a £1.8million grant from MHCLG, and will invest a total of £1.8million into a project that offers EV charging, generates clean energy, battery storage and clean energy for the local economy.