



## LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE

**DECISIONS** to be made by the Lead Member for Resources and Climate Change,  
Councillor Nick Bennett

**TUESDAY, 12 DECEMBER 2023 AT 1.30 PM OR AT THE CONCLUSION OF CABINET,  
WHICHEVER IS THE LATER**

### **REMOTE MEETING VIA MICROSOFT TEAMS**

#### **AGENDA**

1. Decisions made by the Lead Cabinet Member on 17 October 2023 (*Pages 3 - 4*)
2. Disclosure of Interests  
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct
3. Urgent items  
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
4. Corporate Carbon Offset Framework (*Pages 5 - 18*)  
Report by the Director of Communities, Economy and Transport and the Chief Operating Officer
5. Updated corporate Environment Policy (*Pages 19 - 22*)  
Report by the Chief Operating Officer
6. Rother District Council: Council Tax reduction scheme consultation response (*To Follow*)  
Report by the Chief Finance Officer
7. Any urgent items previously notified under agenda item 3

PHILIP BAKER  
Assistant Chief Executive  
County Hall, St Anne's Crescent  
LEWES BN7 1UE

4 December 2023

Contact Sophie Webb, Governance and Democracy Officer,  
01273 337495  
Email: [sophie.webb@eastsussex.gov.uk](mailto:sophie.webb@eastsussex.gov.uk)

NOTE: As part of the County Council's drive to increase accessibility to its public meetings, this meeting will be broadcast live on its website. The live broadcast is accessible at:  
[www.eastsussex.gov.uk/yourcouncil/webcasts/default](http://www.eastsussex.gov.uk/yourcouncil/webcasts/default)

This page is intentionally left blank

## LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE

DECISIONS made by the Lead Member for Resources and Climate Change, Councillor Nick Bennett, on 17 October 2023 at a Remote Meeting via Microsoft Teams

---

Councillor Abul Azad spoke on item 4 (see minute 42)

### 38. DECISIONS MADE BY THE LEAD CABINET MEMBER ON 18 SEPTEMBER 2023

38.1 The Lead Member approved as a correct record the minutes of the meeting held on 18 September 2023.

### 39. DISCLOSURE OF INTERESTS

39.1 There were none.

### 40. URGENT ITEMS

40.1 There were none.

### 41. REPORTS

41.1 Reports referred to in the minutes below are contained in the minute book.

### 42. FORMER SIDLEY DEPOT, ELVA WAY, BEXHILL-ON-SEA - DISPOSAL OF FREEHOLD

42.1 The Lead Member considered a report by the Chief Operating Officer.

## DECISIONS

42.2 The Lead Member RESOLVED to:

- 1) Declare the Former Sidley Depot, Bexhill-on-Sea shown in Appendix 1 of the report (“the Site”) to be surplus to the requirements of the Council;
- 2) Approve the disposal of the Site in accordance with s123 of the Local Government Act 1972;
- 3) Delegate authority to the Chief Operating Officer to agree the terms of the sale to achieve best value for the Site in accordance with s123 of the Local Government Act 1972, including proceeding with the next best offer(s) in the event of the transaction(s) not completing within the expected timelines; and
- 4) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the recommendations in the report.

## REASONS

42.3 The Council has no ongoing operational use for the Site. It is therefore surplus to the Council’s requirements. The disposal of the Site will reduce revenue liabilities relating to the management and holding costs of this surplus asset, as well as providing the Council with a capital receipt.

# Agenda Item 4

<b>Report to:</b>	<b>Lead Member for Resources and Climate Change</b>
<b>Date of meeting:</b>	<b>12 December 2023</b>
<b>By:</b>	<b>Director of Communities, Economy and Transport and Chief Operating Officer</b>
<b>Title:</b>	<b>Corporate Carbon Offset Framework</b>
<b>Purpose:</b>	<b>To seek approval for the County Council to adopt the Carbon Offset Framework and delegate authority to the Chief Operating Officer to implement the Framework.</b>

---

## **RECOMMENDATIONS:**

**The Lead Member for Resources and Climate Change is recommended to:**

- 1) Approve the Carbon Offset Framework set out in Appendix 1 of this report and agree that it shall be adopted by the Council;**
  - 2) Agree the first stages of implementation, as set out in paragraph 2.11 of this report; and**
  - 3) Delegate authority to the Chief Operating Officer to take all subsequent actions necessary to implement the Carbon Offset Framework.**
- 

## **1 Background**

1.1 In October 2019 the Council declared a climate emergency and in February 2023 approved an updated Climate Emergency Plan, covering 2023-25. The Plan includes a commitment to develop a framework that will guide the Council's investment in carbon offsetting and to review the framework as both best practice and markets evolve. The purpose of this report is to recommend the adoption of the carbon offset framework set out in Appendix 1 (the 'Framework') and the implementation steps set out in paragraph 2.11. The Framework has been developed with considerable input from a cross-party working group of the Place Scrutiny Committee.

## **2 Supporting Information**

2.1 Offsetting is a way for an organisation or individual to offset their carbon emissions that are unavoidable by virtue of cost or technology by paying others to reduce their carbon emissions or deliver projects that absorb carbon emissions. Greenhouse gases, such as carbon dioxide, mix in the atmosphere, which means that emissions anywhere in the world have the same effect and, therefore, carbon offset projects have the same benefit wherever they occur. The key objective of carbon offsetting is to contribute to lowering global carbon emissions overall as quickly as possible. Offsetting does not replace the need to reduce emissions, and so organisations should only offset emissions that are hard to abate by virtue of technical or financial capability to mitigate them at source or that face barriers beyond their control, such as supply chain constraints.

2.2 In 2022 the Council commissioned modelling work to determine how it could meet its science-based target of cutting scope 1 and 2 carbon emissions in half every 5 years. The modelling indicated that, if no offsetting was considered, the Council would need approximately £200m up to 2050 to pay for capital intensive interventions to stay on target. Over 90% of this cost would be to decarbonise heat in buildings, notably by installing air source heat pumps. These usually require associated building fabric improvements to function correctly due to the age and condition of most Council buildings, as well as renewable energy and storage systems to achieve a small reduction in energy bills. Most of the £200m would be required over the next 15 years, at an estimated annual rate of about £14m, because it requires cuts to carbon emissions early on to keep within a science-based carbon budget. It will take a number of years to gradually replace boilers with heat pumps across the Council's buildings, because it does not

make either financial or carbon sense to remove oil or gas boilers that have not reached the end of their operational life. Consequently, carbon emissions from heating are hard to abate, by virtue of the timescale over which boilers can sensibly be replaced and by virtue of the cost to do so. Long-term funding for climate change is challenging, particularly with the growing pressures on local authority budgets and in the absence of clarity from central government on future funding to support public sector decarbonisation. Consequently, there is a need for the Council to use offsetting, in a measured and quality-controlled manner, to help contribute to bridging the gap between the pace and scale at which it can decarbonise heating and the need to keep within a science-based carbon budget.

2.3 There are three types of carbon offsetting, from the least effective to the most effective:

- 1) Emissions avoidance – these projects avoid carbon emissions that would otherwise be released into the atmosphere, for example investment in renewable energy to avoid the use of fossil fuel energy.
- 2) Emissions removal – these projects actively remove (sequester) carbon, for example through the planting of trees. A key consideration is how long the removal lasts for (e.g., with tree planting this will be decades).
- 3) Emissions capture – Similar to emissions removal, although not nature-based, for example carbon removal technologies with storage that could be for millennia. These technologies are mostly still in development.

2.4 There are two main types of carbon offset markets: a mandatory (or compliance) market, such as the UK's Emissions Trading Scheme, and voluntary programmes. The compliance market is where organisations purchase carbon credits to comply with legally binding emissions reduction obligations. This market aims to drive down emissions over time from energy intensive sectors. Voluntary Carbon Markets operate separately to mandatory markets and enable companies and individuals to purchase carbon offsets on a voluntary basis with no intended use for formal compliance purposes. Both markets are designed to facilitate the development and exchange of carbon offsets between buyers and sellers. Voluntary markets are international, in that buyers can purchase carbon offsets delivered in other countries. Currently, there is no government oversight of the international or national voluntary carbon markets. This creates potential financial, reputational and political risks, which are summarised in paragraph 2.5 below.

2.5 There are two main criticisms of offsetting, which create potential financial and reputational risks for buyers or investors:

- 1) Offsets may be considered as undermining an organisation's investment in cutting its own carbon emissions, as it is usually cheaper and simpler to pay to offset emissions than it is to invest in carbon reduction equipment and processes that drive down emissions.
- 2) Low prices and inaccurate claims mean that some offsets may not be meaningfully reducing emissions. For example, an independent investigative report in 2022 on Verra, which currently approves about three quarters of all voluntary offsets globally, claimed that over 90% of its rainforest offsets are 'worthless'.

2.6 Despite the criticisms above, all credible international, national and organisational scenarios to get to net zero include a degree of offsetting. For example, the UK's Environment Agency plan for net zero includes a target to offset 55% of its emissions and recent research of the UK's Financial Times Stock Exchange (FTSE) 350 companies indicates that the average offset rate is about 36% of scope 1 and 2 emissions. Many high-profile organisations have purchased, or have committed to purchasing, carbon offsets (e.g., Microsoft, Google, Unilever, Netflix, Ikea, Disney, Gucci, Shell, UNESCO, Waitrose etc). The two main ways to address the criticisms outlined above are to:

- 1) Limit the extent to which carbon offsets can be used to contribute to the Council's decarbonisation, in order to ensure that the majority of investment remains focused on measures that drive down emissions, such as low energy lighting and solar photovoltaic (PV).

- 2) Invest only in offsets that meet recognised and independently verified quality standards.

2.7 In the corporate Climate Emergency Plan, which was adopted by Full Council in February 2023, the Council committed to 'establish and implement a carbon offset framework and plan', and to only purchase high quality and verifiable offsets. The theoretical options available to the Council to take this forward, together with their main practical pros and cons, are summarised in table 1 below. The two main practical challenges currently are:

- 1) There are no high-quality carbon offsets available to buy today in the UK, due to demand significantly outstripping supply.
- 2) Purchasing cheaper and lower quality offsets from the international market presents relatively high reputational and financial risks.

No.	Options	Pros	Cons
1	Do nothing	Avoids costs that provide no return and potential reputational risks about greenwashing	Fail to meet the carbon reduction target
2	Purchase the cheapest available offsets	Helps to meet the carbon target now at least cost. Mostly emissions avoidance or removal schemes in developing countries.	Reputational risk from greenwashing and does not reduce county area or UK carbon footprint as there are no affordable local or UK offset schemes available
3	Purchase high-integrity UK-based offsets	Helps to meet the carbon target and minimises reputational and political risks	Higher cost of UK-based offsets and there are no high integrity carbon credits currently available for purchase from the UK market
4	Invest in informal carbon offsets on ESCC land	Helps to meet the carbon target in the longer term at low cost, retains the investment in the Council's value chain and may deliver co-benefits	The scale of opportunity on ESCC land is very limited due to a small land holding, offsets may not be formally accredited so lack credibility, lead-in times to carbon being offset can be about a decade and nature-based carbon offsets are short-lived (decades, not millennia)
5	Invest in developing formal carbon offsets in East Sussex on 3 <sup>rd</sup> party land	Helps to meet the carbon target in the longer term and can deliver co-benefits (e.g., local job creation)	Requires up-front investment and in-house capacity and expertise, and lead-in times to carbon being offset can be about a decade
6	Require offsets from suppliers and/or developers	Helps to fund corporate and area wide carbon offsets and deliver co-benefits (e.g., for fuel poverty, biodiversity, jobs)	Requires in-house capacity and possible expertise, and suppliers and developers would face some of the same challenges as the Council

Table 1. Offset Options for the Council.

2.8 The Framework is designed to guide Officer engagement in carbon offsetting. It was developed in 2023 with input from a cross-party working group of Members from the Place Scrutiny Committee, who support the Framework. The Framework seeks to achieve a balance between the following:

- 1) The need for offsetting to make a contribution to the Council reaching net zero.

- 2) Minimising the risk that offsetting undermines investment in carbon reduction, by limiting the amount that offsetting can contribute to decarbonisation to no more than 10% of the annual science-based reduction target. The estimated cost of this is shown in Appendix 2.
- 3) Only investing in offset schemes that meet recognised quality standards.
- 4) Only investing in offset schemes based in East Sussex, to ensure the benefits of the Council's spend are retained in the county.
- 5) The need to invest as soon as possible in order to unlock carbon offsets in the longer term.

This will enable the Council to use all means at its disposal today to get to net zero as quickly as possible, in line with the original climate emergency declaration.

2.9 If the proposed framework is approved by the Lead Member and adopted on behalf of the Council, there will then be the practical challenge of implementing it. To date, only a small number of local authorities appear to have engaged with the offset market, either as a buyer or investor (e.g., Hampshire County Council have purchased a small amount of carbon offsets). The Local Government Association has produced a case study of Devon County Council ('DCC'), which tried to purchase formally accredited carbon offsets from nature-based projects in the UK. DCC have been unsuccessful, as there is so little available in the market due to the length of time it takes to yield carbon offsets. DCC have therefore resolved to buy land and plant their own trees, as well as buying future carbon credits from third parties, which will only begin to deliver offsets from 2032 onwards.

2.10 In view of this challenging market, the recommendation is to take a flexible and gradual approach to implementing the framework. It is proposed to consider a portfolio approach to spread risk, increase the likelihood of obtaining offsets at an acceptable price and retain the ability to respond quickly to changes in this emerging market.

2.11 If approved and adopted, the following steps are recommended to begin the implementation of the Framework as a gradual and small-scale start to engaging with carbon offsetting:

- 1) Investigate whether there are carbon offset schemes in development in East Sussex that are planning to meet recognised high-quality standards and deliver local co-benefits and, if so, discuss terms and conditions with potential suppliers.
- 2) If available in the market, and subject to available funding, begin to invest from 2024/25 in offsetting up to 10% of the annual carbon reduction target, recognising that this may not deliver a measurable carbon reduction benefit for the Council for up to 10 years. Figure 3 and Table 4 in Appendix 2 illustrate that offsetting 10% of the annual carbon reduction target between now and 2050 could lead to the capture and storage of about 1,200 tonnes of carbon, at a cost of approximately £1.87m. This cost is based on an assumed £77 per tonne of carbon, which is the price currently being recommended by the consultancy firm Ernest & Young and including an inflationary increase of 3% per year.
- 3) Continue to work with partners to investigate opportunities to develop high quality nature-based carbon offset schemes on third party land in East Sussex (e.g., the South Downs National Park Authority).

These steps will enable lessons to be learned with limited financial and reputational risk and avoid being locked in early on to any particular pathway.

### **3 Conclusion and reasons for recommendations**

3.1 Carbon offsetting has an essential part to play in the journey to net zero. The proposed Framework set out in Appendix 1 seeks to ensure that the Council, if and when it procures offsets, does so in a way that does not undermine its investment in carbon reduction measures, that meets existing recognised standards for high quality offsets and delivers local co-benefits.



3.2 The Lead Member for Resources and Climate Change is therefore recommended to approve the Framework, as set out in Appendix 1, and agree that it is adopted by the Council.

3.3 The Lead Member for Resources and Climate Change is also recommended to agree the implementation steps set out in paragraph 2.11 and to delegate authority to the Chief Operating Officer to take any other actions necessary to implement the Framework.

**ROS PARKER**  
**Chief Operating Officer**

**RUPERT CLUBB**  
**Director of Communities, Economy and Transport**

Contact Officer: Andy Arnold. Tel. 01273 481606.  
Email: [Andy.arnold@eastsussex.gov.uk](mailto:Andy.arnold@eastsussex.gov.uk)

LOCAL MEMBERS: ALL

BACKGROUND PAPERS: None

This page is intentionally left blank

## Appendix 1: East Sussex County Council Draft Carbon offset Framework (July 2023)

This carbon offset framework:

- Describes what carbon offsetting is.
- Explains why the County Council needs a carbon offset framework.
- Sets out the County Council's offsetting Framework.

### What is Carbon offsetting?

The carbon mitigation hierarchy, illustrated in figure 1, sets out a structured approach for prioritising actions that reduce carbon emissions. Offsetting, which is generally considered the least favoured action, is a way for an organisation or individual to offset their unavoidable carbon emissions by paying others to reduce their carbon emissions or deliver projects that absorb carbon emissions. Greenhouse gases, such as carbon dioxide (CO<sub>2</sub>) mix in the atmosphere, which means that emissions anywhere in the world have the same effect and, therefore, carbon offset projects have the same benefit wherever they occur. The main purpose of carbon offsetting is to contribute to lowering global carbon emissions overall as quickly as possible.

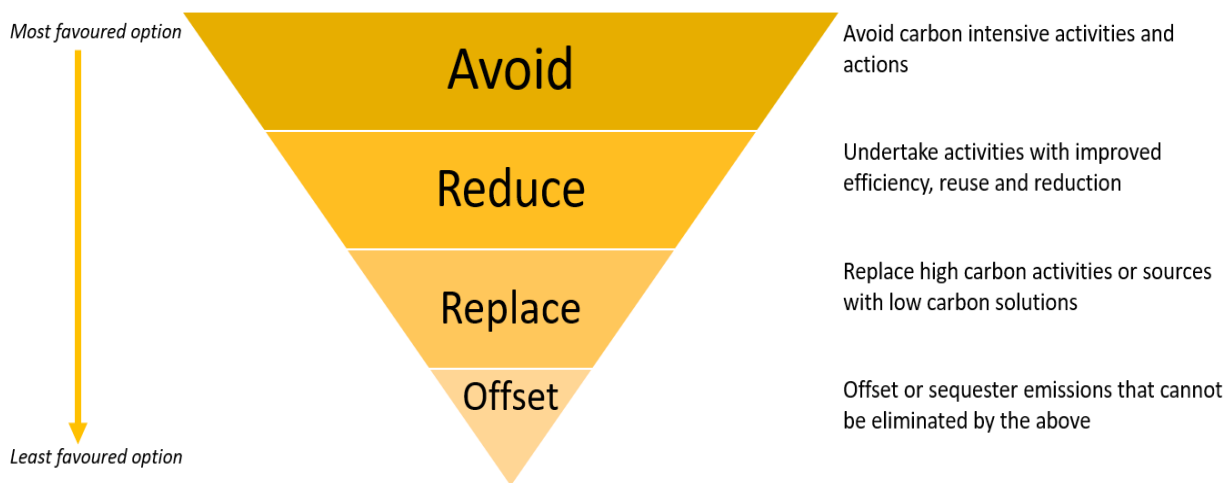


Figure 1. The carbon mitigation hierarchy.

Figure 1 shows an inverted pyramid, with the best option for addressing climate change, which is to avoid carbon emissions in the first place, being at the top of the pyramid. This is followed further down the pyramid by reducing emissions, for example by improving energy efficiency which, in turn, is followed by replacing high carbon activities with low carbon solutions, and at the bottom of the pyramid is offsetting carbon emissions that cannot be eliminated by steps further up the pyramid.

There are broadly three types of carbon offsetting:

- 1) Emissions avoidance – these projects avoid carbon emissions that would otherwise be released into the atmosphere, for example investment in renewable energy or the distribution of energy efficient cooking stoves in developing countries.
- 2) Emissions removal – these projects actively remove (sequester) carbon, for example through the planting of trees. A key consideration is how long the removal lasts for (eg. with tree planting this will be decades).
- 3) Emissions capture – Similar to emissions removal, although not nature-based, for example carbon removal technologies with storage that could be for millennia. These technologies are mostly still in development.

There are two main types of carbon offset markets: a mandatory (or compliance) market, such as the UK's Emissions Trading Scheme, and voluntary programmes. The compliance market is where organisations purchase carbon credits in order to comply with legally binding emissions reduction obligations. This market aims to drive down emissions over time from energy intensive sectors. Voluntary Carbon Markets operate separately to mandatory markets and enable companies and individuals to purchase carbon offsets on a voluntary basis with no intended use for formal compliance purposes. Both markets are designed to facilitate the development and exchange of carbon offsets between buyers and sellers. Voluntary markets are international, in that buyers can purchase carbon offsets delivered in other countries. Currently, there is no government oversight of the international or national voluntary carbon markets. This creates potential financial and reputational risks, for example if offsets are purchased that do not deliver what they claim. The County Council considers that the government has an important part to play in ensuring that the voluntary carbon offset market functions well, by ensuring market rules are in place and are underpinned by robust science.

The need for a County Council Carbon Offset Framework

All credible international, national and organisational scenarios to get to net zero include carbon offsetting. Used responsibly, offsets are an essential part of the solution to get to net zero as quickly as possible.

The main reason why the County Council needs to include carbon offsets as one of its many actions to get to net zero is because of the time and the cost to decarbonise heat in its buildings: modelling work commissioned in 2022 by the County Council to determine how it could meet its target of cutting its scope 1 and 2 carbon emissions by half every 5 years indicated that, if no offsetting was considered, it would need approximately £200m up to 2050 to pay for capital intensive interventions. In addition, most of this £200m would need to be spent early on, as illustrated in figure 2, in order to keep within a science-based carbon budget. Over 90% of this cost would be needed to decarbonise heat in buildings, notably to replace oil and gas boilers with air source heat pumps. Yet it will take a number of years to gradually replace boilers with heat pumps across the Council's buildings, because it does not make either financial or carbon sense to remove oil or gas boilers that have not reached the end of their operational life. Consequently, carbon emissions from heating are hard to abate by virtue of both the timescale over which boilers can sensibly be replaced and by virtue of the cost to do so.

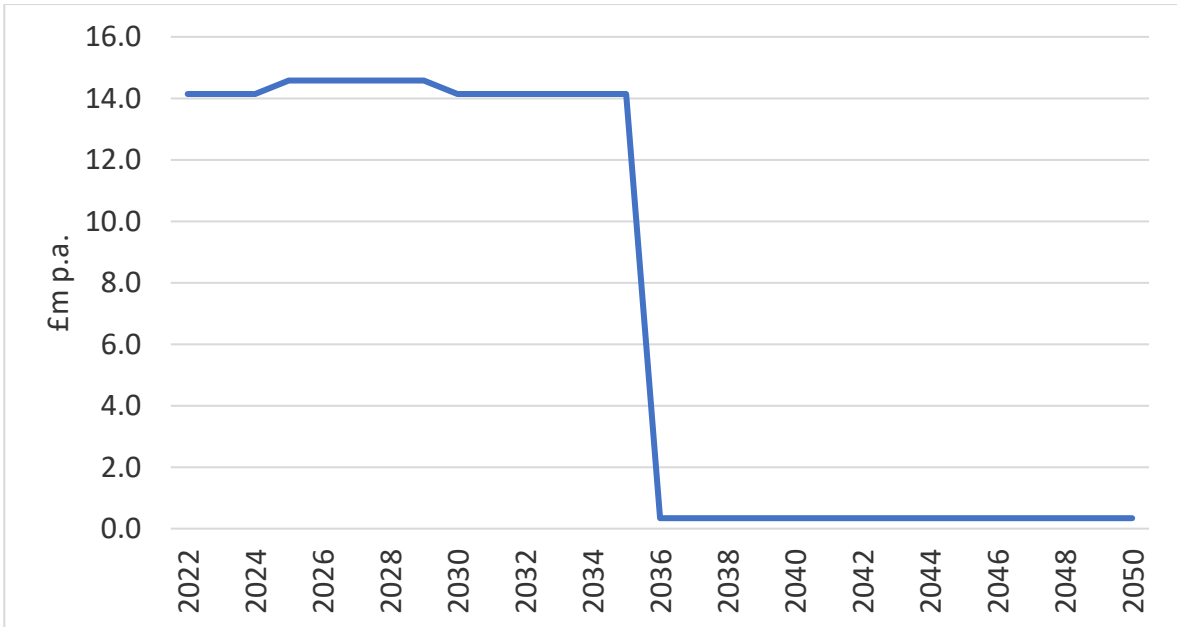


Figure 2. The annual spend required to remain within the Council's carbon budget (Currie & Brown, 2022).

Figure 2 shows how much would need to be spent per year between 2022 and 2050 to remain within the Council's carbon budget. The spend would need to be about £14m per year between 2022 and 2036 and then reduce to about £300,000 per year from 2036 to 2050.

Using carbon offsets would enable the Council to use all means at its disposal, concurrently, to try to keep within its carbon budget. The Framework set out below provides a means to guide how the County Council will engage with the voluntary carbon offset market, as it develops and evolves, to enable offsetting to contribute to bridging the gap between current resources and staying on track to get to net zero, and to deliver co-benefits where possible. The co-benefits of carbon offset schemes depend on the type of offset scheme. For example, investing in planting the right type of trees in suitable locations can increase biodiversity by increasing habitats, it can increase timber for construction and fuel, improve local air quality by removing some pollutants, provide shade and increase property values.

The County Council's Framework draws on the recommendations from leading organisations that have set out good practice principles to follow when offsetting carbon emissions, including:

- 1) The Oxford Offsetting Principles: [The Oxford Offsetting Principles | Smith School of Enterprise and the Environment](#)
- 2) The Integrity Council for the Voluntary Carbon Market, which is an independent governance body for the global voluntary carbon market that has developed a draft set of "Core Carbon Principles": [The Core Carbon Principles - ICVCM](#).
- 3) The Voluntary Carbon Markets Integrity Initiative, which has set out a Provisional Claims Code of Practice for offsets: [VCMI Claims Code of Practice – VCMI \(vcmintegrity.org\)](#).
- 4) The UK's Committee on Climate Change, which provides independent advice to government on how to get to net zero by 2050, which defines high quality carbon offsets as those that are additional, accurately estimated, not claimed by another entity, measurable and verifiable, and have long lasting benefits: [Voluntary Carbon Markets and Offsetting - Climate Change Committee \(theccc.org.uk\)](#)
- 5) The British Standards Institute has developed Publicly Available Specification (PAS) 2060, which is a standard that details how an organisation can demonstrate that it is carbon neutral: [PAS 2060 - Carbon Neutrality Standard and Certification | BSI \(bsigroup.com\)](#).
- 6) The International Standards Organisation's Net Zero Guidelines (IWA 42:2022), which serve a similar purpose to PAS 2060: [IWA 42:2022 - Net zero guidelines \(iso.org\)](#)

### The County Council's Carbon Offset Framework

The scope of this Framework covers the County Council's corporate carbon emissions. The aim of the framework is to support the County Council to get to net zero from its own activities as soon as possible, and by 2050 at the latest, following a science-based carbon reduction pathway. To achieve this, the County Council will:

- 1) Follow the carbon hierarchy in a pragmatic way, prioritising measures higher up the hierarchy but aiming to cut carbon rapidly and at an acceptable cost. Used responsibly, offsets are an additional part of the solution to get to net zero as quickly as possible.
- 2) Ensure that carbon offsets contribute no more than 10% of the annual carbon reduction target, as the priority is to achieve a reduction in corporate carbon emissions at pace and at scale. Offsetting will help bridge the gap between what we are able to deliver within existing resources and the Council's ambitious, science-based carbon reduction target.

3) Restrict the County Council’s approach to the use of carbon offsets to the following options, to ensure that its investment is in high integrity offsets, delivers local co-benefits where possible and is in addition to any statutory obligations, such as being the Responsible Authority for developing a Local Nature Recovery Strategy. These options are not in order of priority and may be taken forward concurrently to maximise benefits:

- a. Invest in measures on the County Council’s own land, where available, that meet the requirements set out in table 1 for high integrity offset, to ensure that the investment in carbon offsetting is retained within its own value chain (termed ‘insetting’).
- b. Invest in measures on third party land within East Sussex that meet the requirements set out in table 1 for high integrity offsets, to ensure that the investment and benefits are retained within the county.
- c. Work with partners to explore opportunities for carbon offsetting within East Sussex that meet the requirements set out in table 1 for high integrity offsets.

The Council recognises that it’s possible that none of these options may deliver carbon offsets now or in the short term. In recognition of this, it will monitor developments in the market to explore new options, as they come forward, to see which would meet this Framework and could be taken forward.

4) Regularly review this carbon offset framework as offsetting markets, technologies and good practice develop.

Term	Definition
Not overestimated	The reported emissions reduction or removal does not exceed what the carbon project has claimed. There is greater certainty with projects that have a robust scientific evidence base (e.g. woodland creation, peatland restoration).
Not claimed by another entity	The credit must be for buyer’s exclusive use and not double counted.
Additional	The project or activity would not have happened without the voluntary carbon market. This has three elements: judicial (the project would not have taken place as a legal /regulatory requirement); financial (the project would not be financially viable in the absence of the revenue generated through sale of carbon credits); common place (the activity funded by offsetting in not already common practice in an area).
Long lived or permanent	The project must ensure carbon removed by the project remains out of the atmosphere for a long time (e.g., for woodland creation project this could be for approximately 100 years)
Measurable and verifiable	The emissions reduction can be accurately quantified using established methodologies. These must be checked by independent third-party verifiers.
Transparent	The emissions reduction should be supported by publicly available information on a registry that sets out the projects, the quantification methodology used, independent validation and verification procedures, proof of ownership and date of retirement of credits.
Avoids leakage	It does not lead to an increase in carbon elsewhere.
Avoid environmental or social harm	Measures are in place to ensure no harm to communities or ecosystem services. Where possible, projects support wider social and environmental [co-]benefits.

Table 2. Requirements that will be met by the County Council when purchasing carbon offsets.

## Appendix 2: Indicative Cost of Implementing the Carbon Offset Framework

This appendix sets out:

- 1) Examples of different types of carbon offsets in the voluntary offset market, the cost per tonne of carbon and examples of recent customers (table 2).
- 2) The possible cost to the Council of purchasing carbon offsets from the UK's voluntary carbon market, based on the assumptions set out within figure 3.

This appendix is for information only and does not form part of the carbon offset framework.

Type of scheme	Example of schemes	Example of customers	£ per tonne of carbon
<b>Emissions avoidance</b>			
Methane abatement	'Mootral ruminant', natural feed supplement to reduce ruminants burping, Europe	Fungi Perfecti, 89up	£65
Wind farm	Salkhit wind farm, Mongolia	UNESCO, Southampton Airport	£4
<b>Emissions reduction with short-lived storage</b>			
Woodland creation	Woodland Carbon Code, UK	PwC, Basingstoke Borough Council	£50
Rainforest protection	Ecologi, Brazil	Vodafone, BBC	£13
<b>Emissions capture with long-lived storage</b>			
Carbon capture & storage	Low Carbon Fuel Standard, US	Regulated industries	£125
	Orca, Iceland	Microsoft, Swiss Re	£1,100

Table 3. Examples of carbon offset schemes.

Voluntary carbon markets are based on trading "units" of carbon, where 1 'unit' represents 1 tonne of CO<sub>2</sub> removed from the atmosphere. Currently, there are only 2 standards that the Council could purchase through that would meet the requirements set out in the carbon offset framework above, namely the Woodland Carbon Code and the Peatland Code, although a handful of other standards are in development. There are two types of carbon units typically available for sale under these two codes, which indicate whether the carbon removal is either *promised* or *achieved*. Units which represent *promised* removals are issued to a project developer once a project has started and the quantity of carbon it is expected to remove has been calculated. In UK carbon codes these are known varyingly as "estimated issuance units (EIUs)" or "pending issuance units (PIUs)". Carbon units which have been achieved are known to sell at approximately double the price of PIUs, most likely because the carbon removal is certain, and they can be used immediately. Once used, credits are then retired and cannot be traded or used to offset any other emissions, to avoid the risk of double-counting.

Figure 3 and table 4 below provide a simple illustration of the potential annual cost up to 2050 of offsetting 10% of the Council's scope 1 and 2 carbon emissions, assuming the County Council keeps within its carbon budget trajectory. The assumptions are:

- 1) The cost of offsetting a tonne of CO<sub>2</sub>e is £77 and remains fixed up to 2050. This price is based on recent advice from the consultancy EY, in the absence of actual market rates because there are no carbon credits available from either the Woodland Carbon Code or the Peatland Code.
- 2) An inflation rate of 3% has been applied to the cost of £77/tonne.

At £77/tonne and an inflation rate of 3% p.a. the total cost to offset 10% of scope 1 and 2 emissions up to 2050 would be approximately £1.87m.

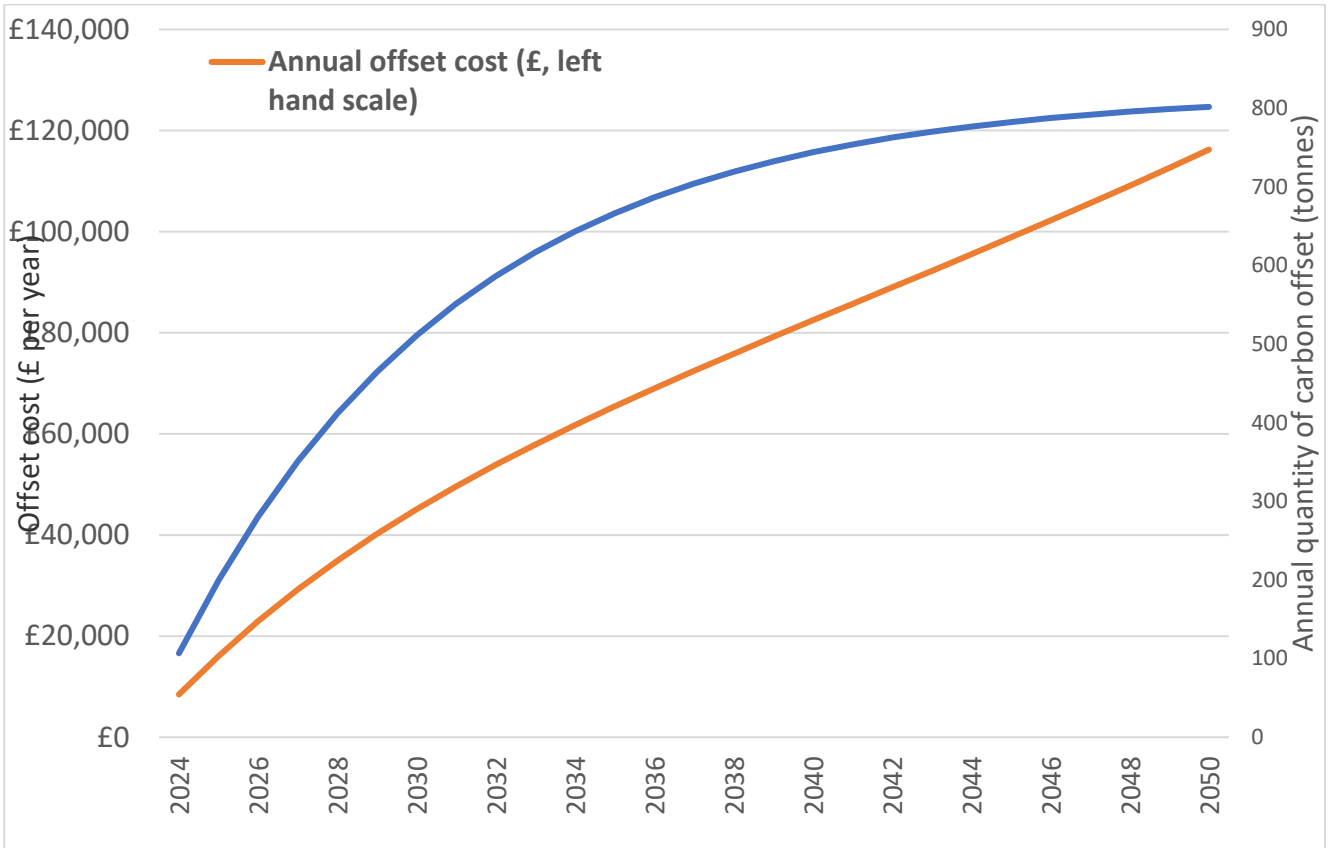


Figure 3. The cost of purchasing 10% of each year's scope 1 & 2 carbon reduction target at 77/tonne and 3% inflation p.a.

Figure 1 is a graph which shows the cumulative cost of purchasing 10% of each year's scope 1 and 2 carbon reduction target emissions between 2024 and 2050, if the cost of each tonne of carbon is assumed to be £77, and the cumulative tonnes of carbon that would be offset during this period.



Year	Current Annual Carbon Budget	13% Carbon Reduction p.a.	10% Maximum Offset p.a.	£77 per Tonne of Carbon
2024	7139	1,067	107	8460
2025	6211	928	93	16074
2026	5403	807	81	22960
2027	4701	702	70	29220
2028	4090	611	61	34944
2029	3558	532	53	40209
2030	3096	463	46	45083
2031	2693	402	40	49628
2032	2343	350	35	53893
2033	2038	305	30	57926
2034	1773	265	27	61765
2035	1543	231	23	65447
2036	1342	201	20	69001
2037	1168	175	17	72455
2038	1016	152	15	75833
2039	884	132	13	79155
2040	769	115	11	82441
2041	669	100	10	85707
2042	582	87	9	88968
2043	506	76	8	92237
2044	441	66	7	95527
2045	383	57	6	98847
2046	333	50	5	102207
2047	290	43	4	105617
2048	252	38	4	109085
2049	220	33	3	112618
2050	191	29	3	116223
		<b>Totals:</b>	<b>1,227</b>	<b>1,871,530</b>

Table 4. Data table to support figure 3.

Table 4 provides the numbers that are used in figure 3.

This page is intentionally left blank

<b>Report to:</b>	<b>Lead Member for Resources and Climate Change</b>
<b>Date of meeting:</b>	<b>12 December 2023</b>
<b>By:</b>	<b>Chief Operating Officer</b>
<b>Title:</b>	<b>Updated corporate Environment Policy</b>
<b>Purpose:</b>	<b>To seek approval for the proposed updated corporate Environment Policy</b>

---

**RECOMMENDATION:** The Lead Member for Resources and Climate Change is recommended to approve the updated corporate Environment Policy set out in Appendix 1 of this report.

---

## **1 Background**

1.1 The County Council's corporate Environment Policy was adopted in 2001. This report proposes an updated corporate Environment Policy, which has been revised to take account of related new policies and programmes the County Council has adopted since 2001. In addition, the updated policy will enable the County Council to meet the requirements of some external funders and suppliers. The draft updated corporate Environment Policy is set out in Appendix 1.

## **2 Supporting information**

2.1 Most medium-to-large sized organisations in the UK have a corporate Environment Policy, or similar, which sets out what they will do to reduce their corporate environmental impacts. The scope of the Environment Policy in Appendix 1 covers the County Council's direct corporate environmental impacts. The draft Policy was developed following a review of the County Council's current corporate environmental policies and programmes as well as a sample of environmental policies from other organisations (including neighbouring local authorities). In addition, a cross-party working group of the Place Scrutiny Committee has inputted into the proposed updated policy. If approved, the policy will be periodically reviewed by Officers to ensure that it reflects any key changes to legislation, standards, technology or understanding of environmental impacts. Any substantive changes required to the Policy will be brought back to the Lead Member for approval.

2.2 For clarity, the hierarchy of policies is as follows:

- 1) County wide: the East Sussex Climate Change Road Map is a subset of the East Sussex Environment Strategy.
- 2) Corporate: the Environment Policy is the overarching framework, under which sit more detailed policies (e.g., on sustainable procurement) and plans (e.g., the climate emergency plan).

## **3. Conclusion and reason for recommendations**

3.1 The Lead Member for Resources and Climate Change is recommended to approve the updated corporate Environment Policy set out in appendix 1, which has been revised to take account of related new policies and programmes the County Council has adopted since 2001.

**ROS PARKER**  
**Chief Operating Officer**

Contact Officer: Andy Arnold. Email: [andy.arnold@eastsussex.gov.uk](mailto:andy.arnold@eastsussex.gov.uk)

LOCAL MEMBERS: All.

BACKGROUND DOCUMENTS: None.

This page is intentionally left blank

## Appendix 1 – Environment Policy at East Sussex County Council

### Statement of Aims

East Sussex County Council provides services used by all residents in East Sussex, including providing care and support to children, families and the elderly; maintaining the roads and providing library services; and working to boost the local economy. The four overarching priority outcomes for the Council, set out in the Council Plan ([link](#)), are to: drive sustainable economic growth, keep vulnerable people safe, help people help themselves, and make best use of resources now and for the future. The County Council uses its Reconciling Policy, Performance and Resources process to identify its key priorities.

The County Council recognises that, in order to deliver this wide range of services and achieve its priority outcomes, it has an impact on the environment through the goods, works and services that it procures and its use of energy, water and materials. The County Council also recognises that it has an important role in raising awareness about the environment and setting an example within the wider community.

This Environment Policy covers the full range of the County Council's corporate environmental footprint and sets out what it does, and will do, to continuously improve its corporate environmental performance. The Policy provides a framework for bringing together existing policies and plans that cover the County Council's corporate environmental footprint. This includes the Sustainable Buildings Policy, the Environmentally Sustainable Procurement Policy and the corporate Climate Emergency Plan, which have been approved by Members. The Environment Policy has been developed following consideration of similar policies developed by other organisations, including neighbouring County Councils.

The Council will do the following:

#### **1 General**

- 1.1 Comply with all environmental legislation applicable to the Council.
- 1.2 Influence other organisations to improve their environmental performance by managing our supply chain via the Council's Environmentally Sustainable Procurement Policy ([link](#)), applying relevant contract conditions and by displaying good practice.
- 1.3 Review this policy regularly to ensure it remains up-to-date.

#### **2 Climate Change**

- 2.1 Reduce greenhouse gas emissions from the Council's own activities, following a science-based target, as set out in the Council's corporate Climate Emergency Plan ([link](#)) and the Council's Carbon Offset Framework (if agreed by the Lead Member for Resources and Climate Change at the meeting on 12 December 2023 a link will be added).
- 2.2 Ensure adaptation to a changing climate is integrated into the Council's long-term planning, by developing and implementing a climate-adaptation plan, as also set out in the Council's corporate Climate Emergency Plan ([link](#)).

#### **3 Energy**

- 3.1 Minimise energy use in County Council buildings and operations, by encouraging energy saving behaviours and optimising the use of assets such as buildings and vehicles, as set out in the Council's corporate Climate Emergency Plan ([link](#)).

3.2 Increase renewable energy generation from Council assets and purchase electricity that is produced by accredited renewable sources, as set out in the Council's corporate Climate Emergency Plan ([link](#)).

3.3 Improve energy efficiency in the lifecycle of County Council buildings by implementing the Council's Sustainable Building Policy ([link](#)).

#### **4 Water**

4.1 Minimise water consumption in Council buildings and operations.

4.2 Reduce water consumption in the design, construction and refurbishment of Council buildings by implementing the Council's Sustainable Building Policy ([link](#)).

#### **5 Transport**

5.1 Reduce carbon and local air pollutant emissions from staff commuting and business travel by implementing a staff travel plan, as set out in the Council's corporate Climate Emergency Plan ([link](#)).

5.2 Minimise the environmental impact from the Council's own fleet, as also set out in the Council's corporate Climate Emergency Plan ([link](#)).

#### **6 Resource Efficiency**

6.1 Capitalize on the full value of resources by keeping them in use for as long as possible, extracting the maximum value from them whilst in use, then recycling or disposing of them in a useful way.

#### **7 Land**

7.1 Achieve a growing and resilient stock of natural capital on land owned by the County Council, for example as set out in our Countryside Access Strategy ([link](#)).

#### **8 Procurement**

8.1 Minimise the environmental impact of Council procurement of works, goods and services by implementing the Council's Environmentally Sustainable Procurement Policy ([link](#)).

8.2 Continue to increase the Council's relative spend with local suppliers.

#### **9 Staff and Councillor Involvement**

9.1 Encourage staff and Councillor involvement in improving the County Council's environmental performance through communication, engagement and behavioural change activities, for example as set out in the Council's corporate Climate Emergency Plan ([link](#)).