

REPORT OF THE LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE

The Lead Member for Resources and Climate Change met on 15 July 2021. Attendances:-

Councillor Nick Bennett (Lead Member)

Councillors Sam Adeniji, Chris Collier, Johnny Denis, Julia Hilton, Wendy Maples, Paul Redstone, Pat Rodohan, Georgia Taylor and David Tutt

1 Notice of Motion – Climate Change

1.1 The following Notice of Motion was submitted by Councillor Tutt, and seconded by Councillor Field:

“At the meeting of the County Council on the 15th October 2019, East Sussex County Council declared a Climate Emergency and set a target to achieve carbon neutrality by 2050.

In light of increased evidence of the impact of global warming and the urgency required in order to address this, East Sussex County Council resolves to revise that target to 2030 and will with immediate effect establish a plan of actions in order to deliver on this target. In addition, Council resolves to incorporate an environmental assessment on every Council report.”

1.2 In line with County Council practice, the matter was referred by the Chairman to the Lead Member for Resources and Climate Change for consideration to provide information and inform debate on the Motion.

1.3 In October 2019 the County Council agreed the following Motion - that the County Council:

(i) supports the aims and implementation of the UN Sustainable Development Goals.

(ii) recognises and declares a Climate Emergency.

(iii) will set a target of achieving carbon neutrality from its activities as soon as possible and in any event by 2050, in line with the new target for the UK agreed by Parliament in 2019.

(iv) will build upon the work we have undertaken to date, will commit resources where possible and will align our policies to address the Climate Emergency.

(v) will set out a clear plan of action to reduce our carbon emissions.

(vi) will report annually at the May County Council Meeting on its progress towards the target.

(vii) will investigate all possible sources of external funding and match funding to support this commitment, as well as writing to central government with respect to the emergency to request funding to implement swift appropriate actions”.

(viii) will use our Environment Strategy to provide a strong unified voice in lobbying for support to address this emergency, sharing best practice across East Sussex and more widely through other partners”.

1.4 In line with the commitment made in the Motion agreed in 2019, the County Council developed a Climate Emergency Action Plan to set out how the organisation would go about

reducing its carbon emissions. The Action Plan (attached at appendix 1) was agreed by Cabinet in June 2020 and built on work undertaken since the first Carbon Management Plan was put in place in 2009. The Action Plan set out the scale of the carbon footprint, described the carbon budget that the Council will aim to keep within, and proposed an initial two year delivery plan for 2020-22.

Assessing the Council's carbon emissions

1.5 A clear understanding of the carbon emissions generated by our activities is a key foundation for working towards carbon neutrality. The corporate Action Plan set out an initial assessment of the carbon emissions from the Council's activities using the Greenhouse Gas (GHG) Protocol, an accepted global standard for measuring and reporting on an organisation's GHG emissions. The Protocol divides GHG emissions into three categories, referred to as Scope 1, 2 and 3. Together, these represent the total GHG emissions related to an organisation and its activities. Each scope covers the following emissions:

- Scope 1 – emissions from the combustion of gas, oil, petrol, diesel, coal, or wood. For the Council this covers buildings and vehicles where the Council is responsible for paying for the fuel.
- Scope 2 – emissions from the electricity purchased by the Council.
- Scope 3 – emissions that result from all other activities of the Council. There are 15 different scope 3 categories defined in the Protocol, some of which do not apply to a local authority (e.g. emissions from manufactured goods). The categories that do apply include emissions from business travel, water usage, waste, procurement and staff commuting. In other words, the County Council's scope 3 emissions mostly comprise the scope 1 and 2 emissions of other organisations (e.g. contractors).

1.6 The County Council has measured scope 1, 2 and some scope 3 emissions since 2008-9. Data in relation to scope 1 and 2 is of higher quality, whereas data in relation to most scope 3 emissions is much more varying in detail and quality. The Action Plan highlights that scope 3 emissions are by far the largest part of the Council's estimated carbon footprint, notably through the supply chain i.e. the goods and services that are purchased by the County Council in order to deliver its functions. This is typical for a local authority, as most of the Council's revenue and capital budgets are used to procure goods, services and works from third parties. For an upper tier authority this includes major services such as highways maintenance, waste disposal, and education, as well as social care provision commissioned from a myriad of relatively small independent providers. The Action Plan also highlights that the largest proportion of scope 1 and 2 emissions is from schools. Overall, this means that the majority of carbon emissions generated by the Council's activities are from sources over which the Council has influence but limited direct control.

1.7 The County Council therefore has a large and complex carbon footprint which is larger than that of all the East Sussex District and Borough Councils combined. Further work is required to quantify most scope 3 emissions before they can begin to be integrated reliably into the Council's carbon footprint and modelled for future emission reductions, notably from procurement. Consequently, the Action Plan focusses primarily on reducing scope 1 and 2 emissions first, for example carbon emissions from buildings, and investing in more renewable energy. This is a similar approach to that adopted by all the East Sussex District and Borough Councils that have a carbon action plan in place.

Working towards carbon neutrality from our activities

1.8 The approach adopted in the Action Plan is that, in order to make its fair contribution to reducing county-wide emissions, the County Council will aim to cut its own emissions by 13% per year. This is based on a recognised methodology developed by the UK's Tyndall Centre for Climate Change Research for calculating the carbon budget by local authority area. A carbon budget

represents the total quantity of greenhouse gases which can be released to the atmosphere if we are to contain temperature rises to a given level – this can be calculated globally and then broken down into national and sub-national budgets. The Tyndall model, based on current scientific understanding, indicates that to stay within a budget based on a rise of no more than 1.5 degrees centigrade above pre-industrial levels (as set out in the UN Paris Agreement on Climate Change) requires cutting emissions from East Sussex by an average of about 13% per year. This 13% science-based annual reduction target is what the County Council is working towards, rather than a fixed end date by which it will become carbon neutral.

1.9 Achieving a reduction target of 13% per year, every year, is extremely challenging. The County Council has had a significant programme of activity in place to cut carbon emissions for a number of years, during which time it has occasionally exceeded a 13% reduction per year in its scope 1 and 2 emissions. However, it is likely to become more costly and complex to reach this target over time as the ‘quick wins’ – the more cost effective and simpler measures, and those which are within the Council’s direct control - are completed. Appendix 2 summarises some of the work that has been completed, some of the work that is planned on climate change and how we track our progress against the 13% per year reduction target.

1.10 Officers have successfully bid for additional external funding to increase the County Council’s ability to deliver greater carbon reduction (e.g. £480k in 2021-22 to deliver projects under the Public Sector Decarbonisation Fund). In addition, work is on-going to establish what further resources the County Council could allocate to meeting this ambitious target. This will include modelling of the different scenarios as to how the County Council might get to net zero, by when and the potential range of costs of each scenario. The modelling depends on a number of factors, including knowing the size of the County Council’s buildings estate, and related transport emissions, post-COVID. The work to determine this is currently in progress.

1.11 In 2020-21 the Place Scrutiny Committee undertook a Scrutiny Review of Becoming a Carbon Neutral Council. The review looked at the work underway to progress towards net zero emissions from the Council’s activities and made a number of recommendations (attached at appendix 3) which were all accepted and are being implemented in line with the agreed action plan. The review excluded the Council’s supply chain from its scope, in recognition of the lack of information at present on this category of emissions.

Timescale for achieving net zero

1.12 There are significant practical uncertainties about how the County Council can achieve net zero. These include uncertainty over the most appropriate technologies to adopt and when, through to how the scale of change required will be funded. In the absence of greater certainty the Council has adopted a good practice approach to achieving net zero by focusing on cutting its emissions, rather than counting the purchase of electricity from renewable sources towards becoming net zero or relying on carbon off-setting to deliver most of its carbon reduction. This approach increases the challenge but delivers significantly more robust carbon reduction.

1.13 There is also a significant gap in Government policy in important areas that needs to be resolved before the County Council can make evidence-based decisions on key investments, for example on how best to decarbonise heat and transport. Investing in advance of these policy areas being addressed creates a significant risk of spending on assets that might not provide the best approach to carbon reduction and may become stranded assets, effectively becoming redundant due to changes in technology. For example, the County Council could invest heavily in heat pumps, yet it is possible that, with the appropriate Government policy and technological changes in place, green hydrogen could offer a more effective means to decarbonise heat in a number of buildings at a later date.

1.14 The UK will host the COP26 summit in Glasgow in November, the United Nations climate change conference. We expect Government funds and initiatives to be launched in the run-up to the conference, which may present opportunities for ESCC. The Government has also committed to publish its comprehensive net zero strategy on how it will meet the national net zero target in advance of the conference. Any agreement reached at the conference on tackling climate change in the next decade will inform the national approach to delivering net zero and, in all likelihood, some of the Council's future plans.

1.15 Although the modelling to further inform our planning towards net zero has yet to be completed, it is clear that committing to an earlier target date of just eight and a half years from now in 2030 would have significant implications. For example, it would require the investment in capital assets, such as heat pumps and electric vehicles, at a premium because there is not yet a mass market in place with an established supply chain. This is clear from the County Council's work to install heat pumps at just one site this year, which has had to be delayed until next year due to the lack of capacity amongst suppliers. The County Council is responsible for over 255 buildings. Setting a date of 2030 would require carrying out often complex and time-consuming whole building retrofit programmes to an average of more than 30 buildings per year, in addition to the normal planned and reactive building maintenance programmes. The cost of this is not known but would be substantial and needs to be viewed in the context of the Council's Medium Term Financial Plan which envisages a budget shortfall of £18.4m over the next three years. On this basis, should such a target be pursued, the funding would likely have to come from the Council revisiting how and to whom it provides services.

1.16 In relation to our contracts with external providers, which make up the largest proportion of our carbon footprint, the Council can influence emissions generated by these organisations by requiring GHG reduction targets when renewing relevant contracts, where appropriate. This approach has been adopted, for instance, in the current highways contract. However, there will be a number of contractors and suppliers who will not have data on their emissions, or will have relatively small-scale emissions, or do not have the capital funding available to make the significant changes required in order to reduce their emissions. Consequently, the Council will focus on contractors and suppliers where the likely scale of their emissions and the ability of the Council to influence these emissions are greatest, for instance where the Council is a major client. Addressing the emissions from our large and diverse supply chain through our influence rather than direct control is therefore a complex and significant task which will take time. It may also take investment from our providers, some of whom are small and the capacity for them to make this investment is not known, for example in relation to care provision.

1.17 ESCC's science-based approach to cutting emissions by 13% year on year is in line with advice to Councils from the Local Government Association, which has stated that: "There is no science to picking an end year where emissions are zero. Setting a target year by which emissions will be zero can be symbolically important. However, what counts is the trajectory of the commitments to carbon reduction between now and the target zero emissions year. This defines the actual level of emissions reduction being promised over the budget period. This is what matters to climate change".

Assessing the environmental impact of decisions

1.18 The recommendations of the Scrutiny Review of Becoming a Carbon Neutral Council included a recommendation that "Reports that go to the Executive and Council should include an assessment or statement of the carbon emissions impact of the proposals/decision in the report where relevant and material". In response to the recommendation, as set out in the action plan, it has been agreed that "Prior to implementation of this recommendation, work will be undertaken by officers to consider whether and how potential carbon emission impacts of decisions could be assessed, and to enable Directors to decide in what circumstances this should be reflected in their reports to the Executive and Council". The outcome of this work will inform updated corporate report writing guidance to provide appropriate advice to report authors. Work is in progress in response

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to the recommendation and will be reported back to Place Scrutiny Committee as part of the monitoring of the review.

1.19 The Council has recognised the severity of the climate crisis by declaring a climate emergency and setting a clear and evidence-based trajectory towards carbon neutrality from its activities. The scale of the Council's functions and the diversity of providers the Council works with makes this a complex and substantial task. Significant work has already been undertaken to reduce emissions and this has been built upon by the Climate Emergency Action Plan which is driving the next phase and has been further informed by the recent Scrutiny Review.

1.20 However, there remain significant uncertainties and unresolved challenges which impact on our plans. These range from the further work needed to fully quantify our emissions and model in detail what is needed for the Council to achieve net zero, to understanding what investment and policy support will be available nationally and how technology and the supply chain will develop to support implementation. The specific implications and costs of committing to becoming carbon neutral from all the Council's activities within the next eight and a half years are unknown, but it is evident that they would be substantial and almost certainly unachievable.

1.21 Given the major financial and technological hurdles outlined above, there is no realistic prospect of achieving a target date of 2030. Attempting to accelerate the timescale previously agreed by the Council at a time when our Medium Term Financial Plan shows a significant deficit would have major consequences, including the likely closure of some services. Whilst the Notice of Motion sets out a welcome ambition, it is important that the targets set by the Council are evidence-based and challenging but also realistically achievable and therefore meaningful in terms creating public expectation, tracking our progress and being held to account in terms of its delivery.

1.22 Work is already underway to look at whether and how the potential carbon emission impacts of decisions could be assessed and reflected in reports where relevant and material and progress will be reported to scrutiny in the autumn.

1.23 The Lead Member for Resources and Climate Change recommends the County Council to:

✧ (1) reject the Notice of Motion for the reasons set out in the report

15 July 2021

COUNCILLOR NICK BENNETT
(Lead Member)