

Climate Impact Statement

Southwark Council declared a climate emergency in 2019 and since then has committed to doing all it can to make Southwark a net zero borough by 2030. In July 2021, Cabinet agreed the council's climate strategy and action plan which set out the council's approach and priorities to meet this challenge and reduce the borough's emissions.

As part of developing our climate strategy and action plan, the council commissioned experts from Carbon Descent and Anthesis to carry out work to assess the scale of the challenge and the cost of meeting our ambition. This work demonstrates that as well as investing our own resources, Southwark will require considerable government investment and will need to find ways to leverage money into the borough to support not just the council, but businesses, institutions and residents. The scale of the challenge is huge. We estimate that the cost will be around £3.92bn in capital expenditure, supported by additional revenue funding.

Potential investment or funding streams include, but are not limited to, the council's carbon offset fund, HRA funding, central government grants, revenue and capital funding from the GLA or TfL and various funding bids across the public, private and charity sectors. There is currently no core grant, revenue or capital, provided by central government to local authorities to work addressing the climate emergency.

Since publishing its action plan and strategy the council has established a climate change citizens' jury to work with our residents to better understand their priorities and approach to meeting the challenge. This work built on extensive public consultation we did as part of the initial development of the action plan and strategy. The strategy has been ranked by Climate Emergency UK as the second best in London. The work of the jury enabled us to improve it further and publish an updated action plan and annual report in July 2022. Our update recognises the ongoing financial challenge that we face to meet our commitment by 2030.

Since publishing our action plan we have made considerable progress. Our commitment to greener buildings is being delivered through a range of measures. The council's Green Buildings Fund has been established using money from carbon offset to improve buildings in the borough with a focus on decarbonising community buildings, schools and social housing. The first grants from that have now been awarded and we plan to open the fund for public bids in 2023.

The council has successfully bid for and received funding from the Government's Public Sector Decarbonisation Fund which is improving the energy efficiencies and reducing carbon emissions in council buildings. Work is underway to make improvements to Tooley Street, and other council buildings. This is central to our commitment to half the council's operational emissions by 2026.

As well as money from the Public Sector Decarbonisation Fund, the council has committed £25m capital to projects to reduce emissions. £21m of the £25m has now been committed and in the coming year, we will continue to look further opportunities within the action plan to reduce emissions by using this capital fund.

We are making buildings greener, and more energy efficient including supporting low carbon and renewable energy. We are investing in a range of projects to reduce emissions including air source heat pumps at Burgess Park Sports Centre and pilot projects to retrofit schools starting with Brunswick Park and Crampton primaries. We are also investing in retrofitting work of some of social care centres, and have allocated money to launch a new Library of Things. The council has continued to make capital investment in LED replacements moving to lower energy, more efficient lighting.

The council has made significant investment in retrofitting council owned buildings such as offices, libraries and youth centres, including LED installation, solar PV on nine new sites, air-source heat pumps, glazing improvements and insulation upgrades.

We have also secured £16 million of funding to bring a low-carbon heat network to a new area of Southwark, expected to deliver on average 11,100 tonnes of carbon savings each year. Money allocated through the council's climate change capital fund includes an additional £2.18 million of funding to accelerate plans to switch all street lighting to LED, cutting carbon emissions in half.

The climate action plan commits the council to supporting a circular economy with green jobs. We have secured funding with adjacent boroughs to establish a Green Skills Hub at London South Bank University. The budget provides resources to support the council in the creation of more green jobs and supporting our local economy.

The council is leading the way in divesting its pension fund from fossil fuels. In September 2022, we had reduced the carbon emissions from our pension fund by 56% compared with those at March 2017. This is part of our overall aim of reaching net zero carbon in our pension fund by 2030.

In addition to investment in projects such as those outlines, the council will use its resources to find new ways to secure funding. Work is underway on scoping the Southwark Green Finance initiative, which is a key commitment in the Council Delivery Plan and which will aim to maximise the resources available for climate action. Services such as the new Green Homes Advice Service will help residents to invest in energy reduction in their own homes and access funding that may be available to do this.

The climate action plan commits the council to promoting active and sustainable travel. Budgets have been prepared in order to deliver this commitment including more routes for walking and cycling and more cycle storage. The council is developing a new EV strategy to ensure that the charging infrastructure is in place to facilitate the move away from petrol and diesel vehicles. While the council is resourcing these initiatives, there remains a reliance on TfL funding in order to deliver most of the strategic improvements required, and the lack of a current long-term funding settlement for TfL does mean that we continue to operate in a challenging environment. In a bid to address this the council has made a £1m commitment within the climate capital fund to new walking projects, in line with a priority recommendation from the citizens' jury.

While the council is using its budgets to tackle the climate emergency, without considerable government investment it will not be possible to become carbon neutral and so lobbying is a central part of our response to the climate emergency. The council will call on the government for the required financial and political resource to achieve our target including for a Green Homes Investment Fund at the required scale. The Social Housing Decarbonisation Fund, whilst welcome, does not come close to what is required, especially for a council such as Southwark which is the largest social landlord in London. Government funding too is often short term, making planning and long term strategic investment challenging.

The council is open to all opportunities to increase investment into initiatives that promote climate neutrality and ecological protection. The council is collaborating with London Councils, and will collaborate with the GLA and others to cost share and find innovative green solutions to challenges we face.

The council's decision to amend the constitution to require decision makers to consider the climate impact of decisions in the council is now fully implemented and decision makers now need to be satisfied of the climate impact of a particular decision. Council procurement is one of the largest contributors to the council's emissions. Understanding the climate implications of decisions is therefore important if we are to reduce this impact. The council will review its procurement policy to see what more we can do to reduce the climate impact of our procurement.

Last year's budget introduced a baseline for the council's climate change team. This budget again supports the work of this team, which has a central role in coordinating and leading the council's response to the climate emergency.