

Meeting Name:	Overview and Scrutiny Committee
Date:	15 July 2024
Report title:	Updating the Overview and Scrutiny Committee on delivery of the council's Climate Change Strategy and Action Plan for 2023/24
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a
From:	Toni Ainge, Acting Strategic Director, Environment, Neighbourhoods & Growth

RECOMMENDATION

1. That the Overview and Scrutiny Committee note the update on the Climate Change Strategy and Action Plan for 2023/24, and the priority workstreams for the current year 2024/25.

BACKGROUND INFORMATION

2. This paper provides a progress update on the delivery of the council's Climate Change Strategy and Action Plan in 2023/24 and an overview of the priority climate workstreams underway in 2024/25.

The council's net zero declaration

3. Since declaring a climate emergency in 2019, the council has been taking urgent action to reduce carbon emissions in the borough. Our ambition is for the whole borough to become carbon neutral by 2030. The council is directly responsible for around 12% of emissions in the borough and so while the council is showing leadership to reduce these, it is also important for us to support our residents and communities to act in their neighbourhoods. In bringing down our carbon emissions, we also have an opportunity to change our borough for the better in terms of air quality, fuel poverty, green jobs and in many other ways. Our latest annual emissions performance data will be published at September's cabinet meeting with our annual climate report, detailing the latest emissions figures from the council's activity and across the borough as a whole.

Climate Change Strategy

4. Adopted in 2021, the council's adopted Climate Change Strategy is the framework and vision to guide the direction of travel that we must take to meet our climate targets in a way that is socially just, fair and effective. Five priority themes form the framework for our strategy and action plan:
 - Priority theme 1 – Greener buildings – Defines how we will reduce emissions from the built environment by retrofitting existing buildings and guide development of new buildings. Actions support the development of new policies and the deployment of new technology and approaches to improve energy efficiency and reduce energy demand.
 - Priority Theme 2 – Active and Sustainable Transport - Seeks to reduce emissions and improve air quality from vehicular transport by encouraging walking, cycling and public transport, and enhancing the environment of our streets and public realm.
 - Priority Theme 3 – Thriving Natural Environment – Establishes our ambition to improve biodiversity and green spaces within the borough alongside our new statutory biodiversity duty.
 - Priority Theme 4 - Circular economy with green jobs - Encourages a more circular economy that reduces consumption and supports new green jobs and the skills we need to transform the borough.
 - Priority Theme 5 - Renewable Energy – Defines how we deploy, purchase and encourage renewable energy within the borough.
5. We monitor the council's annual emissions every year and publish an annual report with the latest data that is available. These emissions are categorised in three groups that we call scopes:
 - scope one, which covers direct emissions from things we own or control
 - scope two, which covers indirect emissions from energy that we have bought
 - scope three, which includes all other emissions that occur in making all the things we purchase
6. We also monitor the emissions for the whole borough, including all homes, businesses and journeys in the borough. This data is from national databases which are released by central government after two years, leading to a lag in the ability to analyse data effectively.

Climate Action Plan

7. Our Climate Action Plan provides the detail on how we will deliver our Climate Change Strategy through a range of 117 actions to tackle the climate emergency. Each action sits within one of the five priority areas and is SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) to increase transparency and accountability of their delivery. Each action has a named lead officer, sponsor, director and cabinet member to ensure clear ownership of the action within the council.
8. The actions cover a range of activities from delivering direct emissions reductions through physical changes to developing new policies or programmes of work. The actions focus on where we can take action as a council or use our range of influence, for example:
 - Where we directly manage an asset, such as the heating systems for our buildings
 - Can enable through funding, such as through grants for community energy projects
 - Can enable through policy, such as changes to planning policy or how we manage our streets and roads
 - Can influence behaviour and action locally, such as working with local businesses to reduce their emissions
 - Can influence or request at a national level, such as decarbonising our national grid at a quicker pace or for funding for public transport such as the Bakerloo Line extension.
9. We have also set the stage for future emission reductions through enabling works and securing new funding to deliver them. We will only meet our ambitions if we also work closely with residents, partners and others to ensure that everyone with a stake in our borough is part of the change that we need to see. We continue to conduct research on the various funding opportunities the council can apply to and work collaboratively to ensure departments are well placed to apply and secure funding.
10. Every year, we prepare an annual report and climate action plan update on how we have progressed in meeting our net zero target and delivering the action points in the action plan. Appendix A of this report is the Climate Action Plan update for work which presents a detailed status update of the climate work we undertook during the last financial year 2023/24. It represents the most up-to-date overview of our progress.
11. The Climate Action Plan update 2023/24 within Appendix 1 provides a line-by-line status update on each of the action points in the Climate Action Plan in the following ways:

- I. Action complete – This confirms if an action has been completed and is now closed.
 - II. Work completed through 23/24, action continues - A progress update of the work that was completed through the year in reaching the published milestone for the action.
 - III. Updated action - An updated action may have revised wording for better clarity, and/or updates to its milestone/s, the date for when the milestone is planned to be completed, or the Key Performance Indicator (KPI), which is the milestone's metric.
 - IV. New or consolidated action - This is a newly identified action, or where one or more actions have been consolidated to avoid repetition, duplication or if our understanding or processes have changed to better deliver the required outcomes.
12. The Climate Action Plan update is due to be considered at September 2024 Cabinet alongside the annual report that summarises our work over the same reporting period including our progress on reducing emissions. The annual report also looks forward to the year ahead and the priorities we have set as a council to reduce emissions further, adapt the borough and continue our engagement with the community.
 13. The Climate Action Plan is 'owned' by the council's Climate Change Team who support and monitor the delivery of the action plan throughout the year. The Climate Change Team is responsible for the delivery of a proportion of the actions, but the majority are delivered by teams from across the council who 'own' each action and deliver it through their work. This work is supported by teams' own plans and strategies that must consider climate change impacts and opportunities.

Climate Resilience and Adaptation Strategy

14. Climate resilience and adaptation is the sixth strand of our climate work and relates to how we are adapting the borough to make it more resilient to the effects of a changing climate. For example, how we tackle over-heating in our neighbourhoods or introduce new flood protection. We must adapt our borough in a way that also reduces carbon emissions and maintains the delivery of the council's key priorities such as building new homes and creating jobs.
15. We adopted the council's first Climate Resilience and Adaptation Strategy in February 2024. It included 24 new action points that are covered in five resilience themes: flooding, heat, water scarcity, supply chain and pests and diseases. These new actions will continue the process of adapting the

borough to the hazards arising from a changing climate, so that our most vulnerable residents who are most exposed are the focus of our efforts. These actions build alongside the existing adaptation work the council delivers to make the borough safer, greener and a better place to live.

Refresh of the Climate Change Strategy in 2025

16. We are committed to undertaking a refresh of the Climate Change Strategy in 2025 so that it is ready to guide the council's climate change work through to 2030 and beyond. We will also review our progress to date to inform this process. The refresh also provides us with the opportunity to combine the Climate Change Strategy and Climate Resilience and Adaptation Strategy into a single climate strategy for the borough. We will progress development of the refreshed strategy over the next 12 months.

Other council strategies, plans and programmes

17. The Climate Change Strategy and Action Plan sits alongside other important council strategies, plans and programmes that also deliver direct and indirect climate change improvements within the borough. We align these with the Climate Change Strategy to ensure we take a consistent approach, avoid duplication of effort and identify opportunities for reducing emissions and adapting the borough. Examples include:

- Council Delivery Plan
- Streets for People Strategy, which includes our walking, cycling and electric vehicle plans
- Southwark Plan
- Local Flood Risk Management Strategy
- Sustainable Food Strategy
- Waste Management Strategy
- Southwark Nature Action Plan, and the emerging Local Nature Recovery Strategy and Biodiversity Plan

KEY CONSIDERATIONS

Successes through 2023/24

18. We have delivered an array of successful projects over the past financial year, including:

Helping communities take action

- Launch of our first Library of Things in Canada Water Library

- Continued provision of the green homes advice service for residents with London South Bank University, and energy savers service through Citizen's Advice Southwark
- Launch of the Southwark Community Energy Fund for community groups, schools and faith groups. £400,000 has been awarded to 22 projects for community energy projects
- Community gardening network continues to grow by creating 211 plots, with a further nine planned.

Supporting green businesses

- Supported the launch of the Southwark Climate Collective to provide expert advice to small and medium businesses on decarbonisation for waste, freight, energy and supply chain
- Launch of the Southwark Pioneers Fund to offer support for business founders and aspiring entrepreneurs
- Open a new Green Skills Centre for Southwark residents to gain new skills and work in the growing green sector, benefitting residents and businesses alike.

Tackling our own emissions

- Preparing the strategy to deliver the halving the council's operational emissions by 2026 by retrofitting our offices and leisure centres
- A major £1.5 million refurbishment at Peckham Library with new LED lighting and low-carbon heating
- Installation of heat pumps at 11 other council buildings, including John Harvard Library and Peckham Registry Office
- New pool covers to save costs and reduce wasted energy at leisure centres
- Continued roll-out of new LED streetlights
- Divesting our pension fund's carbon footprint
- Planting the 100,000th tree in Southwark, and increasing tree canopy cover
- Continuing progress on the SELCHP District Heat Network expansion
- Consenting two new last-mile delivery hubs within the borough

The challenges we face

19. We continue to face ongoing challenges around funding and resourcing the changes we need to make with the borough. These barriers continue to affect our ability to match the action we are planning to the scale of our ambition of our climate targets.
20. For example, there continues to be a significant funding gap to fund the decarbonising and adapting of buildings, particularly the cost of retrofitting

council homes. This gap needs to be closed if we are going to realise our net zero ambition, but this remains a challenge, at a time when housing budgets are under significant pressure - an issue which has been further exacerbated by the substantial inflationary increases since 2021, when the Climate Strategy was published.

21. To help address some of the challenges, we have focused on seeking new funding sources, with green finance being a major focus. We successfully launched Southwark Green Investment, which will aim to raise up to £6 million by 2030. We are also actively applying for external funding opportunities wherever possible with an ongoing stream of applications to central government funding sources:
 - The Public Sector Decarbonisation Scheme provides grants for public sector bodies to fund heat decarbonisation and energy efficiency measures
 - Public Sector Low Carbon Skills Fund provides grants for public sector bodies to access skills and expertise to unlock heat decarbonisation
22. We are also maximising how we spend our existing funding such as the Green Buildings Fund, and actively lobbying government on council housing financing.
23. Ensuring we have the resources and expertise to continually reduce emissions within the borough, and deliver wide-ranging action at pace alongside our other key priorities, is a challenge. We have addressed some resource and expertise gaps by expanding the Climate Change Team with new roles focussed on maximising external funding opportunities and increased project management resource on energy related work. However, we recognise that this is a council-wide challenge and with that in mind will be launching climate change training across the council to ensure the ongoing change in our organisational culture continues to deliver positive action. Every council department has a role to play in reducing emissions and delivering the Climate Action Plan.

Key workstreams for the next 12 months - 2024/25

24. We have ambitious plans for the forthcoming year where we will continue to deliver direct and enabling emissions reduction programmes through buildings, transport and procurement workstreams, alongside programmes to adapt the borough and make it more resilient.
25. Retrofitting the borough - Preparing building decarbonisation strategies and plans for retrofitting will focus initially on our operational buildings. The highest emitting council buildings in the borough will be a priority to retrofit and we will also plan to deliver change through existing maintenance programmes. This work will be essential if we are to meet our target of

reducing operational emissions by 50% by 2026 that we will deliver through our operational decarbonisation strategy.

26. Southwark Green Finance - The delivery of our programme of capital projects that reduce emissions and adapt the borough will continue with additional funding raised by Southwark Green Investment. We will scope further green finance initiatives through the year.
27. Behavioural Change - We will seek to maximise the impact of positive climate-related behaviour change in the borough. We will work closely with communities and key stakeholders to do this and build on the success of our annual Climate Day.
28. External partners and networks – We continue to collaborate with our community, schools and institutions through our external partner networks and seek opportunities for collaboration and shared learning.
29. Climate resilience and adaptation - We will continue the roll out of climate resilience and adaptation workstreams with a focus on the most vulnerable areas of the borough. This will take the form of capital and pilot projects and improving our data and tools to inform how we deliver services and programmes of work. We will continue to work with the community and key stakeholders will also be crucial to tackle flooding and overheating, including our work co-leading the pan-London Resilient & Green workstream.
30. Streets for People - The implementation of our Streets for People strategy will tackle climate change by changing how we all travel and use streets in our borough. It will reduce emissions from vehicles by encouraging healthy travel options such as walking, cycling or wheeling. There are also a series of climate adaptation measures encouraged through the implementation of the strategy that will provide opportunities for new street trees, urban greening and rain gardens. This will reduce the urban heat island effect, mitigate local flood risk and improve air quality.
31. Southwark Community Energy Fund - The delivery of the Southwark Community Energy Fund projects will commence with £400k of funding distributed to the community to deliver renewable energy and energy efficiency projects, while also building additional knowledge and capacity in the borough. The second round of the fund will also be launched.
32. Climate Supplementary Planning Document (SPD) – The council will consult on a new SPD through the summer that will provide guidance for new development to be more sustainable, reduce emissions and respond to a changing climate.

33. Energy contracts - Comprehensive management of the council's energy contracts will continue, including the procurement of a new energy contract for the council through to 2030, that will strive for value for money and explore renewable options. This will include following on from initial collaborative working with a number of London councils to explore a Power Purchase Agreement, that seeks to use shared energy demand to facilitate new renewable energy technology such as wind and solar.
34. Biodiversity – A public-facing capital fund will launch this year alongside delivering our new statutory biodiversity duty to protect and enhance habitat in the borough.
35. Funding and resources - Maximising the use of internal and external funding and resources will support each programme of work to ensure climate change is addressed as a council priority.
36. Climate Change Strategy and Action Plan refresh - We will prepare a refresh of the Climate Change Strategy in 2025 so that it reflects our net zero and climate adaptation and resilience ambitions. It will build on our learning and experience, and identify the work we will need to deliver for the next five years.
37. Council decision-making - We will continue to embed climate change mitigation, adaptation and resilience through the council's decision-making, services and projects, and develop our informed understanding of the opportunities and risks the borough faces.
38. Policy and training – All council policy will reflect the council's climate target and is ambitious in driving us towards our climate goals. This will be supported by continued staff training to build expertise and capacity within the council.

Policy framework implications

39. None

Community, equalities (including socio-economic) and health impacts

Community impact statement

40. We continually recognise the need to work closely with our local community on climate mitigation and adaptation, so we deliver a just transition for the whole borough. We ensure our work is developed in partnership with residents, businesses and other important stakeholders, and we have significantly strengthened the work we do with these groups through our external networks and the workstreams we have launched over the past year including community energy, climate adaptation and green finance.

41. Our climate action plan is still primarily focused on our own work and an opportunity therefore remains for it to reflect the breadth of work that is ongoing in the borough. This will be addressed as part of the 2025 refresh, through our external networks and community consultation.

Equalities (including socio-economic) impact statement

42. We continue to recognise through our work that while everyone is affected by climate change, the extent of that impact is not equal, with communities and locations at great risk than others. Climate change continues to have the biggest impact on those who are most vulnerable, particularly for those who are poorer or have underlying health conditions that can be exacerbated by the hotter climate. Black, Asian and Minority Ethnic residents continue to be disproportionately affected, and social just transition is therefore at the centre of our approach to tackling climate change.
43. Through our public sector equality duty, we undertake full equalities impacts when we design, consult and deliver our climate projects and programmes, and ensure mitigation is in place. Our work has co-benefits to tackle fuel poverty and improve air quality and health and wellbeing.

Health impact statement

44. Tackling climate change through mitigation and adaptation measures can promote improvements in the borough residents' health. For example, reducing the burning of fossil fuel within the borough will improve air quality and encourage active travel. Health benefits are key outcomes of the new Climate Resilience and Adaptation Strategy which includes actions on overheating and flooding.

Climate change implications

45. This report addresses how the council is continuing to focus on climate change within its work, ensuring it underpins all we do as a council. The report demonstrates the progress and improvements made over the last year, sets out priorities for the year ahead and looks to strengthen our response to the changing climate that we are already experiencing.

Resource implications

46. The council has made substantial commitments to addressing the climate emergency, through the establishment of a dedicated Climate Change Team, the commitment of capital project delivery through the £25m Climate Capital Fund and the establishment of Southwark Green Investment to explore new opportunities for raising funding. These are all positive steps in addressing the resource and financial challenges of meeting the council's

climate ambition.

47. The Climate Action Plan identifies where the council has challenges in delivering its actions because of a lack of funding, resourcing or by other means. We identify these gaps through regular, ongoing engagement between the council teams who deliver the actions. Officers then seek to minimise these gaps by supporting the relevant team and/or securing funding for increased resources. The council has expanded the Climate Change Team to respond to this need and has increased the delivery of actions within the Climate Action Plan.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Climate Change Strategy	Southwark Council Website https://www.southwark.gov.uk/environment/climate-emergency/reaching-net-zero/track-our-progress	Tom Sharland, Climate Change Programme Director
Climate Resilience and Adaptation Strategy	Southwark Council Website https://www.southwark.gov.uk/environment/climate-emergency/climate-resilience-and-adaptation/key-documents	Tom Sharland, Climate Change Programme Director

APPENDICES

No.	Title
Appendix 1	Climate Action Plan Tracker for 2023/24

AUDIT TRAIL

Lead Officer	Tom Sharland, Climate Change Programme Director	
Report Author	Tom Buttrick, Climate Change Programme Manager	
Version	Final	
Dated	4 July 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive (Governance and Assurance)	No	No
Strategic Director of Finance	No	No
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team / Scrutiny Team		4 July 2024