

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	16 September 2024
<b>Report title:</b>	Climate Change Strategy Annual Report and progress on the Climate Action Plan for 2023-24
<b>Cabinet Member:</b>	Councillor John Batteson, Climate Emergency, Jobs and Business
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/a

## **FOREWORD - COUNCILLOR BATESON, CABINET MEMBER FOR CLIMATE EMERGENCY, JOBS AND BUSINESS**

Since declaring a climate emergency in 2019, we have taken significant steps as we seek to make our borough net zero by 2030. As we reach the half-way point on that journey, the current climate reality become starker – natural disasters, food and water insecurity and more extreme weather conditions. Climate change does not respect borders; we are not immune to its impact in Southwark and we need to confront these challenges head-on. That is why we stand by our commitment to do all we can to reduce emissions across our borough and make it more resilient to the effects of climate change.

There has been good progress in reducing emissions through our climate strategy over the last 12 months. However, despite the excellent work taking place across the council, we now recognise that we will not meet our goal of making Southwark a carbon neutral borough by 2030. Back when we declared a climate emergency, there appeared to be environmental commitments from central government and an indication that local authorities would be provided with the necessary support and resources to deliver climate strategies in their areas. This has sadly regressed over the last few years while at the same time the challenges we face as a borough in reaching net zero, most notably a lack of sufficient funding and resources, have become even more significant. This report references those challenges, but sets out plans for how we can overcome them while we continue to prioritise work in this area and have conversations with central government about getting the necessary support.

This report also sets out how we have and will continue working with different stakeholders across the borough. The council cannot make the borough net zero alone. It is only through ongoing collaboration with local people, businesses and the

wider community that everyone can feel confident playing their part in tackling the climate emergency and make our borough and the planet a better place for future generations.

## **RECOMMENDATIONS**

1. The Cabinet is asked to:
  - Note the progress that Southwark has made in tackling the climate emergency over the last financial year, as detailed within the Annual Report, and the specific project updates contained within the Climate Action Plan.
  - Note the adoption of the Climate Resilience and Adaptation Strategy and that officers to work collaboratively to implement its actions to adapt the borough and make it more resilient to the effects of climate change.
  - Note the priorities for the next twelve months and the subsequent preparation of an updated Climate Change Strategy and Action Plan in 2025 that supports the goals and principles of the Southwark 2030 strategy.
  - Welcome the new investment secured by officers to support tackling climate change in the borough, but note the significant cost of addressing climate change, and the lack of resources which have been made available by central government in recent years to reduce carbon emissions and expand climate adaptation.

## **BACKGROUND INFORMATION**

2. The Council's climate declaration of 2019 commits the Council to doing all it can to make the borough net zero by 2030 and ensure it is adapted and resilient to the effects of changing climate. The subsequent Climate Change Strategy and Climate Action Plan (2021) sets out how we will do this. It is important to note that addressing the climate emergency is a significant challenge, which requires the strategy and action plan to be intentionally ambitious, setting out the scale of the challenge and ways in which the Council will take action, and will also support Southwark's residents and partners to do the same.
3. The strategy provides the vision and framework through which the Council will address the climate challenge, in a way that is socially just, fair and effective. The action plan provides the detail to the strategy with 118 actions identified, setting out how the Council will tackle the climate emergency. Each action is SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) to ensure transparency and accountability and to enable progress to be tracked. There are six key areas of focus in the action plan: buildings, transport, energy, a circular economy, biodiversity and climate resilience.

4. The sixth area was added to the action plan, following adoption of the Climate Resilience and Adaptation Strategy in February 2024. 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 and work. These actions support the existing adaptation work the council delivers to make the borough safer, greener and a better place to live.
5. Although the strategy and plan primarily focus on the actions that we can directly take as a council, we will only meet our ambitions if we 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 are committed to delivering a more sustainable and greener future where the benefits of climate action also deliver improvement to people's lives by reducing fuel poverty, improving air quality and delivering new jobs.
6. As part of our commitment to tackle the climate emergency, we publish an annual report on our progress. This provides an easily accessible overview of what has been achieved over the previous year and what still needs to happen to meet our net zero and adaptation ambitions. This report is contained within Appendix 1.
7. We will continue to embed our climate ambitions across all Council services, and to align new and emerging council plans and strategies with the themes and policies in our climate change strategy and action plan. This will ensure that all opportunities to reduce emissions and make the borough more adapted are identified and captured. A good example of this is our Streets for People Strategy that went out to consultation thorough 2023/24 which has a strong climate focus in aiming to improve our streets and how we move around the borough.

## **KEY ISSUES FOR CONSIDERATION**

8. This report includes our annual progress report (Appendix 1) highlighting the progress, opportunities and challenges that have faced the borough between April 2023 and March 2024, and looking ahead to what we plan to achieve over the next year thorough to March 2025.
9. Alongside our annual report, we have updated the climate action plan (Appendix 2), capturing both work that has progressed over the last year, and setting new targets. The plan now includes the actions from the adopted Climate Resilience and Adaptation Strategy that will make the borough more resilient to the effects of climate change.

## **Climate Change Strategy Annual Report**

10. The effects of climate change continue to impact our borough and are having profound effects on the ecosystems and societies around the world. The threat from increasing global temperatures means that we need to adapt the borough so that our residents, businesses and visitors are shielded from the worst

outcomes. Reducing emissions and delivering adaptation is a huge opportunity to help us improve the borough through the co-benefits of action while delivering the councils key priorities.

11. Our annual report provides an update on the work we are undertaking and the progress we have made over the past financial year in tackling the climate emergency. It celebrates key projects and actions we have achieved and the partners that we have worked with.
12. In addition to Council actions, there is also further important and inspiring work being delivered by our residents, businesses, schools and partners across the borough that combines to create a groundswell of positive climate action. But there are still significant challenges ahead of us all.
13. Our climate projects and programmes have had a direct impact on emissions within the borough and we have also focused on upcoming actions which will lead to future emission reductions through enabling works and securing new funding. This includes both borough wide emissions and those directly related to the council's buildings, vehicles and procurement.
14. The annual report also looks forward to the priorities we have set as a council to reduce emissions, adapt the borough and continue our engagement with the community.
15. The report recognises the major challenges that we continue face in meeting our ambition and delivering our plan. For example, we need to secure significant additional funding and investment for the projects and resourcing that is needed to retrofit our borough; while also ensuring we have the right expertise and resource in place to deliver these complex programmes of work. As such, the scale of the challenge we face is greater than ever, with our net zero target of 2030 now being only six years away. We remain ambitious and focused on this target but recognise the need to act with urgency across the council and in partnership with our residents, suppliers and stakeholders.
16. The annual report presents the most recently available data to demonstrate how emissions have reduced over the past year. Data for the council has been processed for the 2023/23 financial year, covering the period from April 2023 to March 2024. Borough wide emissions have also been calculated using the latest available data from 2021, published by central government.
17. The council continues to develop its data capacity so that we can monitor our emissions and inform our decision making so that we invest our resources where it will be most effective. This is particularly important for developing our understanding on how we will adapt the borough so that we focus on the most vulnerable areas and residents.
18. We are developing our knowledge and expertise on emissions monitoring and carbon reporting, and we will continue to embed this within our processes to ensure there is even greater individual and team ownership and understanding

of emissions reduction opportunities as we deliver our services and programmes of work.

19. The Council is seeking to lead by example, by tackling its own emissions first, while working across the borough with all partners to tackle the climate emergency.

#### **Climate Action Plan update for 2023/24**

20. Our climate action plan clearly defines the ownership and milestones for each action in the plan so that we can track progress throughout the year as we deliver programmes of work. The proposed update to the climate action plan is included in Appendix 2 of this report.
21. The plan is updated to provide commentary on the work the council has achieved over the past year, agreeing new milestones and key performance indicators where they are required. We also provide an updated risk assessment for each action; how the risk to delivery has been addressed and how this relates to funding, resources, time or technical expertise.
22. Tackling climate change continues to be an iterative process as we learn and better understand what climate action will work best for us. It is also everyone's business, so we continue to work to embed a keen focus on climate throughout the Council. We also actively seek best practice from within Southwark, from across London and beyond, so that we identify the best and most appropriate action to take.
23. The action points in the climate resilience and adaptation strategy have been included in the action plan for the first time since its adoption in February 2024. As limited time has passed between the adoption of these action points and end of the reporting year in March 2024, the updates for these action points provide detail on the next steps we will take in the year ahead.
24. Our action plan remains ambitious, but we recognise that delivery remains a significant challenge in some areas, while we have made considerable progress in others. We recognise that we must continue to work smarter, more efficiently and deliver wider co-benefits through our actions if we are to do all we can to meet our targets. A major step change from the Government would significantly assist in providing the funding, ambition and commitment to tackling the climate emergency, and to ensure our borough is adapted to the effects of climate change.
25. We will continue to develop the online reporting of the action plan using new tools and dashboards. This will take place alongside using our emissions data to better to move from high level data modelling to using specific emissions savings attributed to individual projects and services. This will enable us to develop a more detailed approach to our borough's emissions pathways over the year ahead.

## Next 12 months

26. We have ambitious plans for the forthcoming year which will see the delivery of direct and enabling emissions reduction programmes from buildings and transport alongside workstreams to adapt the borough and make it more resilient while delivering the council's key priorities. Key focus will include:
- Southwark 2030 – We will align our climate work to support the six goals of the Southwark 2030 strategy. Each Southwark 2030 goal has a direct link to tackling the climate emergency and adapting our borough in a just and fair way.
  - Retrofitting the borough - Preparing building decarbonisation strategies and plans for retrofitting will focus on our operational buildings. The highest emitting council buildings in the borough will be prioritised for action and we will deliver change through significant maintenance programmes, which will make our buildings safe and fit for purpose. This work is essential if we are to meet our target of reducing operational emissions by 50% by 2026.
  - Southwark Green Finance - The delivery of our programme of capital projects that reduce emissions and adapt the borough will continue with aspiration of raising significant additional funding through the Southwark Green Investment route. The Council will explore moving to two rounds of funding per year, to increase the regularity of the investment opportunity. We will scope further green finance initiatives through the year.
  - Staff training and policy – We will begin delivery of updated staff carbon and climate adaptation literacy training to build individual and organisational expertise. This is a significant piece of work and will take the allocation of dedicated resource to drive forward. Training will emphasise that tackling the climate emergency is a council wide responsibility and help to improve understanding of its importance across all departments. This will include additional training for councillors and council staff. Council policy will seek to reflect the council's climate goals and be ambitious in driving us towards our climate goals.
  - External partners and networks – We continue to collaborate with our community, schools, businesses and institutions through our external partner networks and seek opportunities for collaboration and shared action and learning.
  - 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 our work. Working closely with key stakeholders including Public Health will also be crucial to tackling climate hazards like heat risk and flooding, and will continue co-leading the London Councils Resilient & Green workstream to develop our

knowledge and skills on how to climate resilience and adaptation for the benefit of the borough,

- 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 like walking and cycling. There are also a series of climate adaptation measures encouraged that will provide opportunities for new street trees, urban greening and rain gardens that will reduce the urban heat island effect and improve local flood risk.
- Council procurement and supply chain decarbonisation – We will focus on the development of a new strategic approach to ensure the contracts and services the council buys reduce our scope 3 carbon emissions, including taking best practice from commercial sector when appropriate.
- Southwark Community Energy Fund - The delivery of the Southwark Community Energy Fund projects has commenced 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. Work is underway to launch a second round of the fund.
- Climate and Environment and Householder Supplementary Planning Documents (SPDs) – The Council has commenced public consultation on a two new SPDs that will guide new development to be more sustainable and reduce emissions through the planning process.
- 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, striving for sustainability and value.
- Biodiversity – A new public-facing capital project fund will launch this year to fund community biodiversity projects. This will take place alongside the deliver our new statutory biodiversity duty to protect and enhance habitat in the borough.
- Funding and resources – We will seek to maximise 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 and to deliver the goals of Southwark 2030. We will explore opportunities to partner with other boroughs to make joint bids for funding.
- Strategy and action plan update - We will prepare an updated Climate Change Strategy and Action Plan that reflects our 2030 ambition and the work we will need to deliver over the next five years. This will include an updated assessment of what funding is needed to meet our ambitions and improved way of reporting on our progress through the climate action plan. We will align this workstream with the Southwark 2030 strategy and the learning and recommendations from the Southwark Land Commission and our Climate Change Citizens' Jury.

- 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.

### **Policy framework implications**

27. Following public consultation in autumn 2023 and subsequent revisions to its scope and action points, the council's first Climate Resilience and Adaptation Strategy was adopted by the council in February 2024. The strategy is now an appendix to the borough's main Climate Change Strategy, with a view to combining the two documents in 2025, when the council is committed to an update of our Climate Change Strategy. Resilience and adaptation actions are consistent with the SMART format to match those contained within the existing Climate Action Plan.

### **Community impact statement**

28. 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.
29. 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 update, through our external networks and community consultation.

### **Equalities (including socio-economic) impact statement**

30. 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 significant risk than others. Climate change continues to have the biggest impact on those who are most vulnerable, particularly for those who are on lower incomes 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.
31. 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**

32. Tackling climate change through mitigation and adaptation measures will promote improvements in our 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**

33. 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**

34. 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. However, the scale of commitments within the action plan is significant, and requires a recognition that climate action should be a council wide priority, and not one that can be held by the Climate Change Team alone.

## **Legal implications**

35. No direct legal implications arise from this report. However, any necessary legal advice should be sought in relation to individual decisions resulting from the ongoing implementation of the Climate Change Strategy and Action Plan.

## **Financial implications**

36. The council has invested over £100m in its capital programme since it declared a climate emergency and an ambition to work towards being carbon neutral by 2030. A capital budget of £25m was agreed in 2021 as part of the council's capital programme to fund climate projects and deliver against the council's long term strategy. £23m of the £25m has now been allocated to mitigation and adaptation projects. Of this £23m, £5.8m has been spent on projects to date, with a further £6.5m of spending planned through to the end of 2026/27.
37. The £25m climate change capital budget is supporting a wide range of mitigation and adaptation programmes across the council, such as the work underway to upgrade Building Management System (BMS) at six council operated leisure centres to reduce energy use and funding allocated to rain gardens in Camberwell and Dulwich to minimise localised flooding. Further

recent work undertaken includes the launch of the Southwark Community Energy Fund, which will see £400k allocated to expanding renewable energy generation in the borough, alongside building skills and capacity within the community for further energy saving. LED Street Lighting and cycle hanger and programmes have also seen their delivery rapidly increased through this funding.

38. The appointment of the External Opportunities Manager has expanded the team's capacity to coordinate and bid for external and central government funding to contribute our climate programmes of work. However, as noted in the annual report, significant funding pressures remain within the council, particularly with regards the increased cost of retrofitting council homes and Housing Revenue Account. This has a direct impact on the council's opportunity to retrofit our housing stock.
39. Staffing and any other costs connected with this report are contained within existing departmental revenue budgets.
40. The climate change strategy sets estimates that the cost for the borough to be carbon neutral by 2030 is £3.92bn. While the council will continue to use its resources as efficiently as it can, this scale of funding requires government or other private investment and is likely to have significantly increased over the last 3 years due to the level of inflationary increase over recent years.

## **Consultation**

41. Full consultation was carried out prior to the publication of the initial Climate Change Strategy and Action Plan in July 2021, with a subsequent citizens' jury undertaken to inform a further update to the Action Plan in 2022. Additional consultation was also then carried out on Climate Resilience and Adaptation Strategy in August and September 2023. This strategy was subsequently updated and adopted in February 2024.
42. We will continue to enhance engagement with our key stakeholder groups and community as we deliver our programmes of work. Our annual report is also part of our commitment to transparency so that our residents and others can see the action that is being taken and the progress that is being made.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive - Governance & Assurance (DRAFT - SB270824)**

43. There are no specific legal implications arising from this report. However, it is confirmed that the implementation, review and development of the Action Plan and Strategies referenced above is consistent with the powers of general competence conferred upon the council by section 1 of the Localism Act 2011, and is an executive function of the council which can be considered by Cabinet in accordance with the Local Government Act 2000 and Part 3B of the council's Constitution.

44. Cabinet must be mindful of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010, which requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity, and to foster good relations between people with a “protected characteristic” and others.
45. The equalities impact statement set out within paragraphs 30 and 31 recognises and acknowledges the unequal and potentially disproportionate effects and impact of climate change on those with protected characteristics, and note that future projects and programmes will be designed to implement preventive measures which are designed to reduce the impact on and generate positive benefits for vulnerable and disproportionately affected individuals in the community, as well as to maintain engagement with groups representing these protected characteristics. Paragraph 31 confirms that the development and implementation of those projects and programmes will be informed by the findings of equality impact assessments.
46. Paragraphs 41 and 42 describe the nature and extent of consultation that has taken place to date and confirm that this will continue as part of the development of future programmes of work.
47. Legal advice will be provided to officers in relation to the governance, contractual and procurement issues affecting individual decisions which arise from the ongoing implementation of the Climate Change Strategy and Action Plan.

#### **Strategic Director, Resources (FC24/011)**

48. This report is requesting the cabinet to note the annual progress the council has made in tackling the climate emergency; the adoption of the Climate Resilience and Adaptation Strategy and the priorities for the next twelve months and the subsequent preparation of an updated Climate Change Strategy and Action Plan in 2025 that supports the goals and principles of the Southwark 2030 strategy as detailed in Appendices 1 and 2.
49. The SDF notes the recommendation to the cabinet to welcome the new investment secured by officers to support tackling climate change in the borough.
50. The strategic director of resources notes the investments made to date to help tackle the Climate Change Emergency and the significant investment (best estimates of £3.92 billion as set out in the Climate Change strategy in 2021, potentially higher with high inflation rates over the last two years) required for the borough to be carbon neutral by 2030.
51. The SDF also notes the appointment of an External Opportunities Manager to coordinate and bid for external and central government funding to contribute to the Council's climate programmes of work. The SDF expects that financial appraisals will be carried out in partnership with finance colleagues as any new

plans are developed and will be subject to future reports, including identifying the revenue or capital resources for any new commitments.

52. Officers' time and any other costs associated with this recommendation will be contained within existing departmental revenue budgets.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Climate Change Strategy	Climate Change Team	Tom Sharland
<b>Link:</b> <a href="https://www.southwark.gov.uk/assets/attach/48607/Climate-Change-Strategy-July-2021-.pdf">https://www.southwark.gov.uk/assets/attach/48607/Climate-Change-Strategy-July-2021-.pdf</a>		
Climate Resilience and Adaptation Strategy	Climate Change Team	Tom Sharland
<b>Link:</b> <a href="https://www.southwark.gov.uk/assets/attach/254863/Climate-Resilience-and-Adaptation-Strategy-Feb-2024.pdf">https://www.southwark.gov.uk/assets/attach/254863/Climate-Resilience-and-Adaptation-Strategy-Feb-2024.pdf</a>		

## APPENDICES

No.	Title
Appendix 1	Climate Change Annual Report 2024
Appendix 2	Climate Change Action Plan Tracker

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor John Batteson, Cabinet Member for Climate Emergency, Jobs and Business	
<b>Lead Officer</b>	Toni Ainge, Acting Strategic Director of Environment, Sustainability and Leisure	
<b>Report Author</b>	Tom Sharland, Climate Change Programme Director, Environment and Neighbourhoods	
<b>Version</b>	Final	
<b>Dated</b>	4 September 2024	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Assistant Chief Executive, Governance and Assurance	Yes	Yes
Strategic Director of Resources	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	4 September 2024	