

Pre-Scrutiny questions and answers on reports being considered on the Overview & Scrutiny Agenda 6 December 2022

5. Climate Change Action Programme Update

(Report author(s): Dave Barber – Director for Climate Change)

Question(s) from Councillor Grey :

Dear Dave,

Thank you for providing the Climate Action Programme Update, Item 5 on the O&S agenda. I noted that in Appendix 5 - WDC Priorities 22-23, there is reference under Ambition 2 to deliver projects to a cycle path through Abbey Fields and the K2L cycle link, but there is no reference to the critical project to deliver cycle access from the new Europa Way spine road, Auxiliary Way to the rear of both the Myton School and Warwick School Foundation and then on to Myton Road.

This project which Cllr Day confirmed has the full support of the Executive at our last full Council, has the ability to reduce traffic on the Myton Road (mainly queuing) by 30%, deliver a 34% increase in the number of children travelling actively to school due to a shorter and safer route, as well as providing access for the new development residents of all ages to Warwick's community infrastructure.

I would therefore be grateful if you would confirm that the above project will be added to the priority list or clarify why the project has not been prioritised along with the other cycle path projects.

Response:

You are correct that the work on the Myton Path footpath and cycleway is continuing. Paddy Herlihy and his team are progressing this work at the moment. They have commissioned the necessary ecology survey and are now in the process of arranging archaeology, drainage, topography and land ownership surveys. They have instructed the legal team. The project is part funded and the team are seeking additional funding sources in order to complete the work.

The team are working with stakeholders including Myton and Warwick Schools, County Education, County Highways and the DfE to progress this work.

I am happy to confirm that this work forms an important part of the capital programme for the Council. The only reason it is not referenced as a priority project for the CCAP is that it forms part of a different programme of work. Nevertheless, the potential for carbon reduction and air quality improvements are still important considerations in bringing forward that scheme

Question(s) from Councillor J Dearing:

1.3.1 Ambition 1

“Net Zero Carbon Council 2025: ensure the new South Warwickshire Council is net zero carbon within a year of its first Elections”. In light of no merger, reference to SW council needs correcting here and in appendices. By how much have emissions reduced from South Warwickshire councils since May 2019? How close will South Warwickshire be to net zero by May 2023?

Response:

As you say, the wording needs to be updated to reflect the decision not to merge with SDC. Instead we are aiming for a Net Zero Carbon WDC by 2025 (but still excluding contractor emissions – for which the target remains 2030). So looking at Appendix 2, scope 1 and scope 2 emissions have reduced from 2.57tCO₂e to 2.13tCO₂e a reduction of 17%. For scope 1 and 2 emission, gas and electricity consumption account for the vast majority emissions. Setting aside housing facilities (which have been accounted for within Ambition 2), the main buildings responsible for consuming gas and electricity are:

- Royal Pump Rooms
- Riverside House
- Temperate House
- Jubilee House
- The Town Hall

There are plans in place to address all of these over the next three years (e.g. replacement of Pump rooms roof and associated works; move away from Riverside House; heat pumps and potential replanting for temperate house; Future of the High Street Fund investment in the Town Hall; and current proposed measures for Jubilee House). Bearing in mind that these larger schemes take time to plan and deliver, these measures will enable us to take significant strides towards the target. Combining these with a variety of smaller and opportunistic measures allows us to keep the Net Zero Organisation by 2025 target as a realistic (albeit challenging) prospect. It should be noted that the Council continues to use a green electricity tariff. Although the carbon emissions shown in appendix 2 do not account for this, if that was taken in to account, the Council’s scope 1 and scope 2 emissions would be down to 1.22tCO₂e.

Can we have timetable for the Jubilee House and Althorpe Enterprise Hub decarbonisation and estimates for carbon saved at completion?

Response:

We have planning consent for both schemes and currently we are arranging for a detailed DEC energy certificate to be prepared by our external adviser. This will give indications of likely energy and carbon savings from the work. At that stage we will finalise investment business case before completing procurement and consultation with business tenants. We don't yet have a timetable for works to start on site but would expect it to be mid-2023.

1.3.2 Ambition 2

1.1 How realistic is it for SW councils to have a strategy for minimising the need for travel when most progress demands policy change by WCC, bus and train operators?

Response:

As a District Council we can directly influence how far people need to travel through the planning system and one of the new documents will be the new South Warwickshire Local Plan. We need to co-locate retail, cultural and community places with good public transport and active travel options. Local planning decisions need to be taken in accordance with our own policies and that should be consistent with National policies. We can (and have) influence the Local Transport Plan, especially around accessibility. We can develop policies that promote the viability of town centres and at the same time promote sustainable travel, i.e. Leamington Transformation Board. Where people do need to commute, we can offer them alternatives, like car clubs, car share schemes, active travel options (cycle hire; cycling in parks etc).

1.2 What are the ways we able to increase the percentages of non-car journeys? The 'Betterpoints' scheme is an incentive approach: are there others?

Response:

Better points is important and has the potential to be expanded over the coming year. In addition we can work closely with WCC to for example: -

- Through local planning process, introduce 20 minute neighbourhoods
- Can introduce local car share schemes into communities.
- Review parking policies for planning schemes, introduce park and rides and review parking charges
- With WCC introduce Low Traffic Neighbourhoods i.e. alter roads, such as removing through roads
- With WCC, reallocate road usage to prioritise bus lanes
- Introduce bike hire/share scheme, alongside cycling skills courses

1.4 There seem to be a number of 'stages' in the hydrogen feasibility study. Is there a laid down maximum WDC investment in this – or is it financially open-ended?

Response:

You are correct that we have a number of stages to go through to deliver the hydrogen hub. At present we are working on boosting demand for hydrogen to "underwrite" any investment. In parallel we are starting a procurement process to bring a private sector investor on board with us. And also in parallel we are establishing the renewable electricity source. Once we have a clear understanding of all those elements a further report will be brought to Cabinet for a decision whether to proceed and if so on what basis. At present there is not no maximum amount agreed for WDC's investment in to this. That will be dependent on the overall financial context at the time, as well as an assessment of the private sector investment potential, grants and the level of risk associated with the proposals.

3.3 What does implementation of just under 700 measures for improving energy performance mean?

Response:

This refers to the £5.6m Sustainable Warmth (Green Homes Grants) funding received from BEIS to implement home energy efficiency 'measures' which will be a combination of air source heat pumps, solar photovoltaic panels, external wall insulation, smart heating controls and cavity wall and loft insulation. The funding is largely for private owner occupier and private rented households that are low income and target the least energy efficient properties that have an Energy Performance Certificate of D to G.

1.3.3. Ambition 3

1.1. This paragraph indicates that adaptation policies will only be incorporated through the SWLP and not through conventional council business. If we assume that the SWLP will come into force end of 2025 this implies that it has taken over four years since the approval of the CAP to develop policies for adaptation - and this is not their implementation. The climate is moving quicker than this.

Response:

1.1 does refer to the SWLP, but other elements of the Action Plan under Ambition 3 relate to other aspects of the Council's business. Agree that things need to move much quicker than the local plan timescales and that there is much that we can be getting on with ahead of that. We are currently doing a team by team review of climate change impacts and adaptation requirements to feed in to risk registers and service plans. Partnership work will also be vital. As a footnote, we recognise that section 3 will need an update (potentially ahead of other elements of the plan) to reflect the work that the new Climate Adaptation officer is now beginning to bring forward

1.9 Risk Register Review

General point: there seems to be a mismatch between RAG ratings for progress under each Ambition and Generic Risk review which means (as far as I can tell) the risks of failing to achieve the Ambitions 1, 2 and 3 – which are the main aims of the CAP - are not evaluated.

Response:

The RAG rating for progress is set against each individual action, and is just that, an indication on progress. The RISK rating is something different and covers each specific area rather than the individual actions within them. The only work around here is that we give a broad RAG rating for each action but then that doesn't get into the details of where we are on each action within them.

In this respect, for Ambition 1, achieving a net zero council by 2025 looks highly unlikely. Carbon emissions are down in 2021/22 compared to 2018/19 by only 10% (Scope 1 down by 7%, Scope 2 down by 28%, Scope 3 down by 4%). At these rates it's unlikely a zero council will be achieved until after 2025, possibly not until the 2030s or even 2040s. A red risk rating should be given for the whole Ambition 1.

Response:

I have provided a partial answer to this above. There are clearly risks that Ambition 1 won't be achieved. However, in the context of the risk register it is worth adding that the risks are structured in a slightly different way to the action plan and there are a number of risks that could impact on our ability to meet the ambitions including ambition 1. However, by structuring the risks around things like costs and resources, political priorities, partners and so allows us to manage those risks in a cross cutting way rather than ambition by ambition. So risks 1, 2, 4, 5 and 6 all potentially impact on ambition 1 if they come to pass.

For Ambition 3 there is only one red RAG rating on progress yet with 1) many required actions not within WDC/SDC remit or powers, 2) the lack of actions beyond assessing risk (see Generic Risk 3), 3) the delays in setting out policy through the SWLP, and 4) the huge costs of implementation (see Generic Risk 2), the whole of Ambition 3 is also probably at red risk now - with severe consequences for failure.

Response:

This again is partly down to the way the risk register is structured. However, I do also recognise that we may want to review risks around policies/SWLP; timescales and lack of WDC powers. The work we are currently doing with each Council service will allow us to improve service risks registers along the lines you suggest, and this in turn will allow us to review the Programme risk register.

Some elements of Ambition 3 look out of line with reality. For example, Appendix 1c 7.2 We will retrofit existing housing to ensure all-year-round affordable comfort - by 2030. Really? Even if this is 'just' referring to the 5000 council homes and low income homes this implies hundreds of retrofits per year, which at the current time is dictated by bidding success and total value of central government grants. Few homes compared with the total have been retrofitted to date yet is has an amber RAG rating for progress.

Response:

As stated above, the actions for Ambition 3 need to be reviewed, potentially ahead of other ambitions. The work that is currently under way will allow us to do this.

1.9.6. In the Risk Register I think it's incorrect to imply that Risk 3 is dependent on international action: only the climate impacts (i.e. the weather events) are. Costs for supporting adaptation through enhanced healthcare, retrofitting for overheating, ensuring water and food supplies, increasing renewable energy technologies, forest/biodiversity enhancement and protection, flood protection, natural flood management etc) are all in the hands of UK plc.

Response:

The reference to international action is referring to mitigation – and it is in the main that this is dependent on international action (e.g. what happens in USA, China, India and future COP meetings. The point being made here is that we can and should stay focused on local actions to adapt (and you identify excellent examples), whilst recognising the higher global temperatures rise, the greater the cost of adaptation will be.

Suggestion: I suggest that a new Generic Risk should be added to the effect that “The severity and frequency of extreme weather events and their impacts are increasing faster than our attempts to implement adaptations”. The speeding up of climate change relative to adaptations has consequences for businesses and land owners, all communities, infrastructure, supporting services and emergency services. It requires widespread communication, and detailed contingency and emergency planning.

Response:

I am happy to incorporate this risk if the portfolio holder and Committee are supportive

Appendix 6 The communications plan and programme looks interesting and lively. But it could be strengthened by listing and promoting relevant community groups across SW. For example, Kenilworth residents are active in at least 16 groups devoted to climate, environmental or ecological actions in addition to wider groups such as Low Carbon Warwickshire Network. It’s vitally important to network across communities in order to raise awareness. Criteria for successful networking might include how often WDC actions/policies are included in local group activities.

Response:

WDC are building new relationships and strengthening existing ones with regard to groups that are active on climate and environmental issues across the district. This was recently demonstrated by our Mini COP27 event. Within the Local Climate Engagement project we are mapping key groups across the communities (this is not limited to just specific environmental groups either, but flood groups, gardening groups etc where there may be some common interest), with the specific intention of engaging with them through this project, which aims ultimately to both strengthen their own actions but also to give them the opportunity to feed into our own climate change action plan.

WDC are in regular contact with LCWN and aim to contribute to their regular newsletter in 2023. Additionally, on the back of our Mini COP27 we are building our own database of contacts which will aim to cut across these groups, and individual members of the public. We are also exploring periodic communication with Parish and Town councils recognising their grassroots position in bringing about positive change.

Appendix 7 Funding plan is comprehensive but it would be good to see high level funding/spending totals given for each financial year (e.g. decarbonisation grants received and spent). Update on funding streams is inconsistent i.e. WDC spending commitment is shown but no figures given for receipts from/spending on LAD18/LAD 2 grants, LCE grant, section 106, Trees Call to Action etc.

Response:

We can pull something together on this, but there are complexities with some of this information. I will try to do this for the O&S meeting, but may need to respond with this further information at a later date

Question(s) from Councillor Syson:

Under 1.4.2 page Ambition 2

Commitment 3.3 – Action: Review building conservation policies to ensure an appropriate balance is achieved between protecting the significance of heritage assets whilst enabling retrofitting of homes to reduce carbon emissions (such as rooftop solar or cavity wall insulation).

Is there any timescale attached to this? This is a significant issue in many areas of the district, and one appeal allowed in Sherbourne against refusal to allow replacement UPVC windows.

Response:

A small officers/members working group has been established to review our approach to this. This has already resulted in to changes to the website including better signposting to national guidance about this issue. The conservation officer has now also produced draft energy efficiency guide for historic buildings. This is currently being reviewed and checked. Once agreed, it will be added to a new subpage under the conservation section of the website, with signposting from the main planning page. Looking further ahead, it is intended that the policy framework will be further clarified and strengthen through the SWLP.

Appendix 1c pages 3 and 4 2. Soil Health

2.1 Use Met Office data to plan investment in planting and infrastructure in flood defences, drainage and soil protection.

I note this includes "Work with EA and other partners to identify priority infrastructure investments." Would this include Severn Trent? I ask because the Chief Executive of Severn Trent recently said that for a while they responded to all requests for responses to planning applications but their comments were always ignored, so they no longer respond unless specifically asked.

Response:

I can't comment on the view from Severn Trent about their responses to planning applications. However WCC's Lead Local Flood Authority (LLFA) do provide comments on all relevant planning applications and as far as I know these comments are given full consideration in planning decisions. More widely, the Council's approach to climate adaptation includes a review as to how flooding is incorporated in to our decision making – particularly as there is a significant risk of more frequent flooding events. On that basis the Climate Adaptation officer has already begun to establish working relationships with the EA and WCC's LLFA. To date no work has been done with STW, although more widely we are working closely with STW on the "Bathing Waters" project which we expect to significantly improve natural flood defences.

Question(s) from Councillor R Dickson:

One small but significant point: it says in Appendix 1 Section 4 that WDC has completed its divestment of cash held in funds involved in the extraction of fossil fuels. This is true at least for equity funds but not yet for cash funds.

At the last Audit & Standards Committee, councillors were told of recent cash deposits held in certain Middle East banks involved in financing fossil-fuel extraction and that a policy to review will be presented un Q1 2023. So it seems that complete divestment has not yet been formally and irrevocably achieved.

Response:

I have taken advice from our finance team on this. They have clarified as follows "It would be more accurate to say that the Council has divested from any funds that have elements *directly* attributable to the extraction of fossil fuels, but that it is not possible for the Council to know indirectly where banks and other financial institutions may utilise any investments made by WDC.

It is true that the Council is going to review which countries may wish to exclude from its approved investment list, and that reasons for such exclusions could include fossil fuels and human rights, amongst other 'ESG' (Ethical, Social and

Governance) criteria that will be considered as part of the Annual Treasury Management Strategy Statement for 2023/24, to be considered on 21 February 2023.”

6 Report for the cost increases in the Castle Farm Leisure Centre and Abbey Fields Swimming Pool projects

(Report author(s): Paddy Herlihy – Programme Manager

Question from Councillor Cullinan:

I believe this is merely a note for information as the decisions have been taken under delegated authority and with the support of Group leaders.

However, this is a substantial increase in capital commitments by any measure. It is not clear if its impact on the Council's medium term financial strategy has been assessed, scrutinised, and decided. Has there been an independent audit undertaken of the financial risk, for example by WDC's outside auditors?

Response:

The financial implications of the increase in costs were considered by Council in February as part of the report of the Director of Finance. The risks involved in the situation were spelt out at that time.

It would not be the role of External Audit to review this decision.