

Low Cost Low Carbon Energy Programme Strategy

PART 1: The Strategy – Aims, scope, measures and priorities

1. Introduction

- 1.1. The Low Cost Low Carbon Energy Programme is one of three corporate priorities as set out by Warwick District Council in the Corporate Strategy adopted in 2023. While the Corporate Strategy sets out the key strands of work within this priority, this Low Cost Low Carbon Energy Strategy seeks to provide greater focus and clarity on the scope of the programme, its priorities and ambitions, to help monitor the progress of projects that fall under this programme.
- 1.2. This Low Cost Low Carbon Energy Strategy draws on elements of the Corporate Strategy, but also aligns with the key ambitions of the Climate Change Action Programme. Care has been taken in the preparation of this strategy to avoid adding new additional measures and expected outcomes, as these have already been defined in existing WDC documents.
- 1.3. As set out in the Corporate Strategy, the Low Cost Low Carbon Energy Programme and its key strands of work can be defined as follows:

“The Council will look to find ways to reduce energy consumption and bills in Council civic buildings, Council housing, and help others to do the same, such as privately owned homes, businesses and other public and voluntary sector organisations. Support programmes and initiatives will be developed that meet national standards of accreditation to ensure performance in use is optimised. A performance measurement approach will be developed to assess the long-term benefits of the improvements made.”

2. Programme: Aims, Method and Scope

- 2.1. As the name suggests, the programme will focus on both the costs and the carbon emissions associated with energy use in buildings, giving equal weight to both cost and carbon.
- 2.2. The programme seeks to:
 - a) address the carbon emissions associated with the use of energy in buildings and the consequent impacts on climate change
 - b) tackle energy costs, recognising the impact that higher energy costs have had for the cost of living for residents, the impacts on business and the impact on the Council’s own costs
- 2.3. Encouraging low cost, low carbon energy in other areas such as travel (e.g. EV infrastructure) or the decarbonisation of the Council’s vehicle fleets, is still a priority for the Council but this area of work falls under a

different priority within the Corporate Strategy and is therefore monitored separately.

- 2.4. For clarity, the five strategic goals that fall under the Low Cost, Low Carbon Energy Programme are set out below, with the specific aims, method and scope relating to that goal set out beneath them:

A) Reduce energy consumption and carbon emissions from the Council's public buildings.

Our aims:

- Less CO2 emitted from the Council's public buildings.
- Lower energy bills for the Council.
- Increase in the renewable energy generation capacity for Council buildings.
- An established investment fund for energy conservation and renewable energy

Method and Scope:

The Programme Board will oversee the decarbonisation of a number of the Council's public buildings with the highest carbon emissions, adopting a fabric-first approach through retrofit measures, and where appropriate, the installation of solar panels to generate our own renewable electricity. Action plans have been and continue to be developed for individual buildings and the funding source for each project will vary, ranging from grants, borrowing or the Council's own budgets.

B) Reduce energy consumption and carbon emissions from existing Council housing

Our aims:

- For there to be lower energy bills for Council tenants.
- Council homes to be EPC C and where resources allow consider plans to go further
- Council homes to be responsible for emitting less CO2
- A toolkit to be in place to measure and assess the impact of measures that are introduced

Method and Scope:

A Housing Decarbonisation Strategy will detail how to reach EPC C across all of Warwick District Council's housing stock by 2030. The Programme Board will oversee the implementation of this strategy, monitoring progress against key milestones as set out in the strategy.

C) Provide homes which are safe and meet the Decent Homes standard for all our tenants, including improving the energy efficiency of their homes.

Method and Scope:

The Programme Board recognises the importance of this element of the Corporate Strategy in achieving the outcomes of the Low Cost, Low Carbon Energy Strategy. However, it has also recognised that the scope of the Decent Homes Standard is much greater than low cost, low carbon energy, and that therefore actions directly linked to this goal should be managed by the Housing Service in conjunction with the Housing Portfolio Holder, whilst linking with this strategy wherever necessary.

D) Ensure new housing developments led by the Council are exemplars of planning and construction to meet the climate emergency and other challenges.**Our aims:**

- New Council homes to be net-zero carbon in operation.
- New Council homes to provide an example of what can be achieved and as a result support better energy performance in private-sector led developments.
- Quality homes for residents of our district that are energy efficient and have lower running costs

Method and Scope:

When new housing developments led by the Council come forward, it falls within the scope of this Programme Board to ensure where viable, that these developments are seen as exemplars in terms of planning and construction and are used to influence developers to meet the climate emergency. This Programme Board will ensure that WDC is leading by example in its housing developments, in turn encouraging private developers to follow suit. The Programme will use the UK Green Building Council's definition of Net Zero buildings in operation "When the amount of carbon emissions associated with the building's operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset." Whilst embodied carbon and unregulated energy are important considerations and will be considered in the Programme's work, the focus will be on achieving net zero in relation to operational, regulated energy in new buildings.

E) Explore multiple, innovative approaches to make it easier for others in the district to reduce their energy needs**Our aims:**

- The Council to be helping residents and businesses in the district reduce carbon emissions and energy costs.

- Reducing carbon emissions across the district.

Method and Scope:

In addition to building on the existing work taking place in the domestic retrofit sector through government grant schemes, this Programme Board will also oversee the development of a scheme or schemes to upscale this work to reach more residents and businesses in the district. As well as the capital projects around retrofit and renewable energy installation, the Programme Board will also consider the need to increase green skills in the district and beyond.

- 2.5. The approach will be to achieve synergies between these 5 goals wherever possible so that projects can deliver multiple benefits. However, where choices need to be made between the different goals, a balance will be struck taking account of the potential “size of the prize” and our confidence in being able to deliver that “prize”. It is also acknowledged that there could be relationships and tensions with other Council goals, such as the need to deliver more affordable housing. In these circumstances it will be necessary to link to other strategies such as how we use HRA funding to best effect to deliver new Council housing, net zero ambitions, retrofit and statutory requirements around housing standards and compliance.

3. Measuring Progress

- 3.1. While a more detailed set of operational measures will be monitored by the Programme Board on a project-by-project basis to ensure all projects set out in the Low Cost Low Carbon Energy Programme action plan are delivering as expected, the six annual measures below are the key indicators that will be used to monitor the progress of the Low Cost Low Carbon Energy Programme as a whole.
- 3.2. For the purposes of measuring progress at a strategic level, the programme has been separated into three key strands ‘Public Buildings’, ‘Council Housing’ and ‘Helping Others with Retrofit’, and the measures set out clearly following the key corporate priorities of ‘low cost’ and ‘low carbon’ energy across the district. Where possible, the actual statistics will be used to measure progress, but estimates will be used when necessary, as set out in the table below:

	‘Low Cost’	‘Low Carbon’
Public Buildings	Actual cost of energy used in the Council’s public buildings	Actual total CO2 emissions from the Council’s public buildings

Existing Council Housing	Predicted savings on energy bills for residents who have been supported by WDC through retrofit advice/implementation.	Predicted CO2 reductions from Council Housing as a result of WDC retrofit interventions
New housing developments led by the Council	Indicator to be developed potentially drawing on data from the newly adopted NZC DPD	Indicator to be developed potentially drawing on data from the newly adopted NZC DPD
Helping Others with Retrofit	Predicted savings on energy bills for residents who have been supported by WDC through retrofit advice/implementation.	Predicted total CO2 emission savings for residents who have been supported by WDC through retrofit advice/implementation.

- 3.3. As well as the six primary key indicators set out in the table above, the following five measures will also form part of the strategic progress monitoring at programme level as they are deemed to be secondary key indicators of progress:
- (1) Percentage of electricity used in the Council’s public buildings generated from renewable electricity produced onsite.
 - (2) Percentage of Council homes reaching EPC C or above
 - (3) For new WDC homes, the average percentage reduction in pre-offset CO2 emissions compared with other houses built in the district (as measured through the calculations of residual carbon emissions required to comply with the Net Zero Carbon DPD)
 - (4) Number of retrofit measures implemented by WDC residents or businesses as a result of the Council’s retrofit support scheme
 - (5) Estimated overall District-wide carbon emissions from buildings as assessed through “Scatter” or similar data.
- 3.4. A Programme Dashboard will be developed to enable the Programme Board and others to track progress on these measures in the table and listed above.
- 3.5. As stated previously, more detailed measures will be monitored by the Programme Board on a project-by-project basis.
- 4. Headline Priorities for 2025/26**
- 4.1. The Low Cost, Low Carbon Energy Programme spans a broad range of projects at various scales, some of which are new and some of which are a continuation of work that is already underway. The Programme will include projects which can deliver benefits early and others that will deliver benefits over several years.
- 4.2. Phase 1: The following projects have been identified as the priorities for 2024/25 as these are practical steps that we can start work on

immediately, albeit the projects will not be completed within 2024/45 due to their scale:

- a. Deliver rooftop solar / low energy lighting in key WDC assets, alongside other decarbonisation works for WDC assets with the greatest potential to benefit from decarbonisation measures.
 - b. establish and agree a decarbonisation and energy reduction programme for the WDC housing stock to enable WDC housing to achieve EPC C (or beyond) by 2030
 - c. bring forward proposals to deliver high quality, net zero carbon affordable housing on the Council owned sites.
 - d. undertake feasibility and pilot work to establish a programme to enable householders and businesses to reduce carbon emissions and energy costs.
- 4.3. Phase 2: A review of priority projects for the coming year will be undertaken by the Programme Board annually. While the projects are not yet defined, major workstreams are likely to be around:
- e. Further retrofit works to our own public buildings, including more complex measures like replacement heating systems
 - f. The development and adoption of our own Net Zero definition for use in new housing developments, enabling the Council to lead by example.
 - g. The formation of development principles, building on the work undertaken at the Council-owned sites of Leyes Lane and Rouncil Lane to set out aspirations for the energy performance of new developments brought forward by the Council.
 - h. Increasing public awareness and accessibility of home energy support available to residents in the area through a more advanced communication strategy.
 - i. Exploring energy collaboration at a wider geographical scale, including looking at the development of a Local Area Energy Plan or some form of Strategic Energy Partnership.
- 4.4. While the above is by no means an exhaustive nor concrete list of the projects that the Low Cost, Low Carbon Energy Programme will look to bring forward to achieve its ambitions, it should give a flavour of some of the major projects currently set out in its action plan, that will be reviewed and updated on a regular basis by the Programme Board.

PART 2: Delivering the Strategy

5. Critical Success Factors

5.1. The Programme will focus on the delivery of this Strategy. It will do this by

- a) Developing a Programme Plan which sets out the key workstreams and projects and ensures these are phased appropriately.
- b) Ensuring each project within the Programme has a clear business case, is allocated the necessary resources and that risks are carefully managed.

5.2. In addition the following success factors will be reviewed by the Programmed Board

- **Leadership** – political leadership to set a clear strategy and ensure focus is maintained; officer leadership to ensure resources are in place, opportunities are exploited and barriers addressed; partnerships are developed and maintained; and good quality data is available and is used to learn and improve.
- **Commitment** – this will be complicated and will involve significant funding. Unwavering commitment will be important.
- **Gaining momentum** – ensure that tangible, measurable progress is made in the early stages of the programme to ensure momentum carries through to future years.
- **Understanding customers** – design projects and interventions which work from the point of view of customers. This will require market research, scheme pilots, feasibility assessments and learning by doing.
- **Innovation and risk taking** – WDC have a limited track record in this area and indeed across the public sector there are limited examples of successful interventions. It will therefore be necessary to be innovative in the approaches we take, with experimentation and learning key. As a result, proportionate risks may need to be taken.
- **Using data and evidence** – ensuring interventions are designed to deliver data on their impact and that ongoing reviews of the data and evidence are used to achieve improvements. This is particularly important in the context of the need to innovate and experiment.
- **Partnerships and collaboration** – the scale of the tasks, particularly around renewable energy, home energy and businesses is such that WDC will not be able to do it all alone. It is reasonable to expect that the Council will need to collaborate and to establish partnerships to deliver the programme. Identifying appropriate partners whose geography and aims align with the Council's will be critical.
- **Resources** – ensuring the programme is properly resourced in terms of funding, skills and staffing will be important. This will be the overall responsibility of the Programme Board supported by clear business cases which identify resource requirements as early as possible.

6. Risks within LCLC Energy Programme

6.1. A full risk register will be developed and will be regularly overseen by the Programme Board. Once the Strategy has been approved, the risks will be fully assessed, and risk scores will be applied. The following risks and mitigations will be included:

- Risk 1: Cost of delivering low cost, low carbon energy and the potential that insufficient funding available to deliver the priorities.

Mitigation: the funding strategy will be utilised to establish applicable funding opportunities

- Risk 2: Poor data or difficulty in measuring impacts
Mitigation: include data collection processes and resources within projects

- Risk 3: Changing national priorities and funding
Mitigation: include horizon scanning on Programme Board agendas to ensure we are aware as early as possible of any changes or opportunities.

- Risk 4: Constraints associated with grant funds
Mitigation: apply for grants that align with our aims; establish a pipeline of projects where regular grant schemes are in place

- Risk 5: Ineffective partnerships
Mitigation: ensure strategic alignment when developing partnerships

- Risk 6: Changing technology and lack of examples and benchmarks from elsewhere to learn from
Mitigation: as far as possible, learn from examples elsewhere and be prepared to experiment and learn from our own experiences.

- Risk 7: Increasing costs
Mitigation: Building in reasonable and justified contingencies in to project costs

- Risk 8: Access to technical expertise in a fast-changing world
Mitigation: Seek to recruit and retain internal expertise where we can, work with partners and use consultancies where other options are not available.

- Risk 9: ineffective programme governance resulting in the aims of the programme not being achieved.
Mitigation: the Programme Board has been established with clear terms of reference

- Risk 10: Staff resources and organisational capacity to deliver the strategy
Mitigation: identify staff resource requirements for each workstream or project within the Programme Plan

7. Funding Strategy

7.1. The Council has three established sources of funding for 2024/25 to support the delivery of the Strategy.

Source of Fund	Quantity	Timescales	Focus	Comment
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Climate Change Reserve	£320k	One off 2024/25	Retrofit of public buildings; feasibility and pilot work for large scale housing retrofit programme	Potential to supplement this in future years through the annual Climate Change Budget and or the Corporate Assets Reserve
Renewable Energy Generation Reserve	£500k	One off 2024/25	Rooftop solar and LED lighting in Council and Community buildings	Future additions to the reserve to be considered as part of annual budget setting. Potential to continually top up the reserve through savings and income achieved.
HRA Business Plan	£5m	Over 5 years	Council Housing Decarbonisation and Energy Efficiency Strategy	

7.2. Future Funding Opportunities

Sources of Funding	Proposed Focus	Comments
(Internal) WDC Climate Change Budget	WDC corporate assets; match funding for grants; communications, promotions; small scale contracts with partners such as Act on Energy.	Annual budget of £500k. Has significant "other" commitments including biodiversity, staffing, and other elements of the CCAP. However, still incorporates potential for some funding energy related projects
Other WDC budgets such as Corporate Assets Reserve; HRA	Decarbonisation of WDC corporate assets; and Council housing Development low carbon new housing	Where projects are building-related being planned, these budgets can support this strategy (e.g roofing work, door and windows replacement, replacement of end-of-life heating systems etc
WMIZ Growth Initiative Funding	Upscale of Retrofit Scheme (alongside borrowing) New Net Zero Housing	This is subject to agreement of the MOU with WMCA and will require a feasibility study and spending profile to be established
Partnerships with Energy Companies	Support households to introduce energy measures	May require formal partnership(s) to maximise benefit. Energy company obligations can be promoted by WDC
Future UKSPF	Green skills	Future UKSPF may be managed by WCC. Encourage WCC and

		education providers the extend the local green skills offer
Grant Funding (PSDS; Green Homes Grants, Swimming Pool Fund etc.)	Continuation of existing schemes helping residents retrofit. Newbold Comyn Leisure Centre rooftop solar installation Potential district heating scheme	Timing, criteria and extent of future grant schemes is unknown. Developing and maintaining a pipeline of potential projects is therefore important.
Borrowing from a range of sources (UKIB; PWLB; Community Bonds; Community Energy)	Upscale of Retrofit Scheme (alongside WMIZ Growth Funding) Rooftop solar on WDC Public Buildings (if appropriate) Rooftop solar and fabric measures for private buildings (privately owned homes and businesses) District heating	
Carbon offsetting and S106	Decarbonisation of Council Homes	As set out the Net Zero Carbon DPD, this should only be used as a last resort where Net Zero cannot be achieved on site.

8. Communication Strategy

- 8.1. The actions of the Low Cost, Low Carbon Energy Programme are not entirely new and many already form part of the Climate Change Action Plan which has an already developed Climate Change Communications and Community Engagement Strategy.
- 8.2. Communicating 'Low Cost Low Carbon Energy' as a programme in itself may not be entirely relatable to residents, however the achievements and case studies from the work stream will be and therefore, it is the intention to focus on promoting the work through the wider climate change communications already underway.
- 8.3. In relation to business engagement and community partnership work which includes external stakeholders, there will be the opportunity to promote the programme in line with the wider Business Strategy of the authority.

Low Cost, Low Carbon Energy Programme Board & Governance

1) Programme Board

Purpose

The purpose of the Programme Board is to:

- Demonstrate ownership for the work programme.
- Work as a team to provide collective and unified direction.
- Provide effective delegation with appropriate project tolerances and exception management processes.
- Facilitate cross functional working to support delivery of projects and actions, where required.
- Ensure where possible all of the resources required are in place, to successfully complete the projects.
- Undertake effective decision-making including risk, issue and change management.
- Undertake project assurance and quality control where required.
- Ensure timely and effective communication of within the project and including with external stakeholders.
- Ensure that the project deliverables are reliable, sustainable and can be maintained efficiently.

Membership

The Members of the Programme Board are as follows: The Portfolio Holder for Climate Change (Chair); the Portfolio Holder for Housing and Assets; the Leader of the Council; Head of Housing, Health and Communities; Head of Neighbourhood and Assets; Programme Director for Climate Change

The Programme Board will meet on at least a Quarterly basis

2) Programme Advisory Group

Purpose

The purpose of this advisory group is to provide advice and guidance on the approach and proposals to be taken in delivering the programme.

Membership

The Programme Advisory Board will be made up of one Councillor from each of the five political groups as well as the Portfolio Holder for Climate Change. The current membership is Councillors Kohler, Noonan, Margrave, King and Kennedy as well as Councillor Williams.

The Group is supported by the Programme Director for Climate Change and other officers as required.