

Cabinet

15 June 2023

Sustainable Futures Strategy

Recommendations

That Cabinet:

- 1) Acknowledges the progress made since the approval for engagement of the draft Sustainable Futures Strategy in October 2022 and the stakeholder feedback summarised in Section 2 and Appendix 1;
- 2) Supports the establishment of theme based expert panels drawn from industry and Warwickshire communities to enable production of a final strategy and action plan; and
- 3) Requests that the draft strategy be considered by Overview and Scrutiny Committees in September, and the Members' Climate Emergency Group on 20th September for comment and any recommendations before consideration of the final Sustainable Futures Strategy and supporting action plan by Cabinet.

1. Executive Summary

- 1.1 This report summarises the stakeholder feedback gathered as part of our commitment to engage widely on the draft Sustainable Futures Strategy. The report contains recommendations for approval, provides updates on progress in meeting the stated goals of the strategy and sets out the proposed steps towards producing a final draft Strategy for Cabinet approval in Autumn 2023.

Work continues in developing the draft Sustainable Futures Strategy and action plan, presented to Cabinet on 13th October 2022, as part of our climate change commitments in the Council Plan. The Council has engaged widely on the draft Sustainable Futures Strategy between November 2022 and February 2023 through a combination of public surveys, independently facilitated focus groups, and written submissions which have contributed to our stakeholder feedback. The key messages arising from that feedback are to be found in Section 2 with further detail in **Appendix 1** to this report.

- 1.2 There is strong interest and engagement in the Strategy across Warwickshire, which has led to a substantial amount of feedback. Work is ongoing to take account, agree a position on, and respond to all levels of feedback. This includes engaging with the Council's service areas to disseminate the findings, establish an expert view and promote awareness.

- 1.3 Multiple offers to support the Council were made by experts, practitioners, academics and community volunteers. This creates an opportunity for a more joined up and ambitious approach, and to deepen partnership and engagement around the Council's Sustainable Futures priorities. It provides an opportunity to establish several theme-based expert panels (e.g. transport, energy, biodiversity) with the specific aim of deriving shared solutions, understanding barriers and initiating collaboration. Taking advantage of these offers would also have the benefit of resulting in a strategy with improved stakeholder buy-in to the strategic aims and partnership actions and a strategy that has been subject to external scrutiny.
- 1.4 The input of expert panels and an extended focused stakeholder campaign between June and September 2023, will deliver a robust strategy and an action plan that will inform the final draft strategy, which we aim to present to Cabinet in Autumn 2023. The timeframe will also enable the ongoing alignment of strategies and collective actions between the County Council and the Borough and District Councils.
- 1.5 Further engagement will continue to seek representation from all of Warwickshire's diverse communities. These will feed into the Equality Impact Assessment for the overall Sustainable Futures Programme.
- 1.6 Delivering the Sustainable Futures Strategy action plan, when approved, will require significant investment. The initial requirement will be to secure seed funding to advance actions across a range of themes and to support various sectors. Progress so far has identified a range of schemes with costs estimated at around £482k. It is anticipated that a proportion of this (potentially circa £265k) could be sourced through applications to the Council's Revenue Investment Fund to be spent over the next two years. The balance is expected to be sourced by applying for a combination of external funding and capital funding. The currently anticipated schemes are at various stages of design and fully costed proposals and business cases will be brought to Cabinet for approval in due course as necessary or to be noted by Cabinet if approved by the Chief Executive under delegated authority where the cost is less than £100k.

2. Engagement Feedback

- 2.1 This section summarises the key messages from stakeholder feedback. Further detail on feedback and our response is contained in **Appendices 1, 2 and 3**.
 - i. The strategy, vision and ambitions for each theme were accepted by most stakeholders with some refinements suggested.
 - ii. There is strong willingness to work with the Council to share expertise, knowledge and project experience and ultimately support the Council on the journey of the Strategy. We have an established working relationship with District & Borough Councils, and this should be built on to form greater links to industry, business and communities to progress our influencing role.

- iii. There was widespread comment on the lack of an action plan to achieve our objectives for Warwickshire including our 2050 target. Actions to deliver our 2050 net zero carbon emissions commitment for Warwickshire has been produced and we are in the final stages of developing a public-facing version to be published alongside the strategy. Plan development would benefit from further stakeholder engagement.
- iv. Distinct from the vision and theme-based ambitions, the ambition for decarbonisation was criticised by some, linked to the degree of offsetting projected, and in addition, the lack of targets and timelines, a clear focus and proper resourcing.
- v. Stakeholders voiced concerns over the lack of detail on financial arrangements to fund the activity.
- vi. Governance and monitoring needed to be more clearly explained in the Strategy. We are currently reviewing the need for revisions to the governance section of the strategy.
- vii. Feedback on the themes was generally positive but we will need to incorporate climate change adaptation, and following feedback, consider how we can best communicate the theme 'sustainable communities and green economy'.
- viii. There is work to be done to improve awareness of the Strategy and engage with the seldom heard groups such as young people, those with young families, students and those early in their careers. A priority within our climate change communications plan in 2023/24 is to increase the focus in using our partner and community networks and be present at events or spaces managed by other groups. This is considered to be the most effective route to reaching young people, the seldom heard and those who are less engaged.
- ix. There are some considerations we need to make to address points in tone and language and also recent policy developments such as the Mission Zero report, UN Biodiversity Conference, and the March 2023 International Panel on Climate Change report.

3. Progress Update

- 3.1 In the November 2022 Sustainability West Midlands Local Authority Benchmark report, the Council ranked 7th out of 21 participating authorities, improving on the prior year's overall score. Of 10 themes, resource efficiency, natural environment, social equity and health were ranked 2nd, 4th, and 5th respectively.
- 3.2 With regards to progress towards achieving our 2030 net zero target, the period to 2021/22 has seen an 8% reduction in carbon emissions expressed as tonnes of carbon dioxide equivalence (CO₂e) against our 2019/20 baseline. A reduced mileage from vehicles used by staff for business purposes and reductions in emissions associated with electricity for streetlighting and powering buildings have delivered the greatest reductions. This performance is in line with the trajectory required to meet our 2030 target. This has been aided by the impact of Covid-19 and it should be noted that reductions will become increasingly challenging over time. The largest

single source of emissions is from the use of gas for heating buildings. Lower carbon technologies to either displace gas or improve efficiencies where gas is continued to be used will need large-scale capital investment and may present operational challenges. Solutions will need to begin to be rolled out over the next two years to meet an interim target of a 29% reduction in emissions against our 2019/20 baseline by 2026. The Council is developing a pipeline of projects designed to maintain progress against this target. It is proposed to publish progress against the Strategy and action plan on the Council's climate emergency website.

- 3.3 Actions to meet the Council's climate change commitment for net zero carbon emissions by 2030 has been published. Actions associated with delivering on our 2030 net zero commitment, alongside further actions to deliver on the Council's 2050 commitment and those in support of the delivery of the six strategy themes have been embedded into the Council's 2023-2025 Integrated Delivery Plan, agreed at Cabinet in May 2023. Direct staffing resourcing has also increased to support delivery.
- 3.4 **Transport.** Our work on the proposed New Local Transport Plan for Warwickshire (LTP4) (also on this Cabinet agenda) has reached final draft stage. With environment as a central theme, LTP4 is intended to provide travel options that will reduce reliance on private car usage and increase take-up of active travel, safe and convenient public transport and encourage a switch to electric vehicles. In addition to the health and air quality benefits this will bring, this plan will be critically important in setting Warwickshire on the path to net zero carbon.
- 3.5 **Electric vehicle charging.** The Council has been allocated £3.295m capital to deliver electric vehicle charge points primarily for residents who do not have off-street parking. A dedicated strategy is in place and a policy officer has now been recruited to fully secure the grant. Subject to securing the grant, tranche 1 of the award will allow the Council to proceed to procurement in 2023/24 and delivery early in 2024/25. Numbers will depend on several factors with the current expectation being 300-350 charge points funded through the grant.
- 3.6 **Energy and renewables.** Work on developing a new Council energy strategy is well underway and will be presented to Cabinet for approval later this year. This is detailed in paragraph 4.3 (i). A part grant funded large scale solar installation at Eliot Park Innovation Centre started generating solar power in December 2021. When averaged over a year, 23% of the building's electricity demand is now from roof mounted solar which will continue to contribute to reductions in the Council's carbon footprint. A total of 42.8 tCO₂e from the date of installation to May 2023 has now been saved.
- 3.7 **Green shoots phase 2:** 38 projects were allocated funding in November 2022 bringing the total to 107 funded projects across two phases utilising £1m fund after operating costs. There is a roughly even distribution of funding across all Districts and Boroughs in the County per head of population for Phase 1 & 2 combined (£1.50 - £1.60) except in Stratford which received a

considerable amount in Phase 1. As of May 2023, there are 27 case studies on the Council's Climate Emergency website designed to inspire and engage.

- 3.8 **Tree planting.** More than 2,000 trees have been planted using the Local Authority Treescape Fund. These supplement the trees planted by community groups using the Green Shoots grant, not least the Leasowe Farm Children's Forest project which has planted 2,600 trees on 4 ha of land. During 2023/24 the target is to plant 60,000 trees (30 ha) as part of the Council's commitment to plant one tree for every Warwickshire resident by 2030. Support will be provided by two newly recruited officers until March 2025 using a grant secured from the Woodland Creation Acceleration Fund.
- 3.9 **Tree nursery.** 20,000 acorns have been collected from trees on the nearby highway and planted at the recently established tree nursery demonstrating minimal carbon impact. The project will provide the trees at a sustainable cost and availability with a reduced carbon footprint and expand on the genetic stock to support the tree planting project and provide climate resilient trees for the future. Over time, the nursery will be self-sustaining with income from tree sales.
- 3.10 **Waste and recycling.** The recycling rate for 2022/23 was 36.7%, rising to 45.6% when confidential waste is included. This exceeds the corporate target set in March 2020 to reduce residual waste by 30% by March 2023. A new waste target for 2023 onwards is currently being developed.
- 3.11 **Climate change adaptation.** Work has completed on two major reports which are published on the Council's Climate Emergency website. Warwickshire Fire and Rescue Service, Flood Risk Management, and Public Health have all now benefited from a process to assess climate change risk, establish new risk registers and develop action plans to better prepare these sensitive service areas to the impacts of climate change. This process will be rolled out to further service areas in 2023/24. Officers are engaging locally and regionally to discuss our priorities and to determine ways in which partners could help in accelerating adaptation.
- 3.12 **Marketing and Communications.** Since January 2023, the Council has produced a series of Sustainable Warwickshire podcasts to bring together an internal offer and external expert to discuss a topic related to the Sustainable Futures Strategy. Four have been produced and published to date.
- 3.13 **Climate Action Group.** Work continues to increase in-house engagement in sustainability. An established group of officers drawn from all parts and levels of the organisation meet and collaborate to help drive the Council to meet the Council and County net-zero targets. We are developing a proposal to take this to the next level by implementing carbon literacy training as detailed in paragraph 4.1 (vii).

4. Projects in development

- 4.1 A first phase of projects has been identified and it is planned to make applications to the Revenue Investment Fund in 2023/24 as follows;
- i. **Low carbon fuel.** A phased 5-year rollout of a certified waste derived low carbon biofuel across our vehicle fleet. A small-scale trial has been successfully completed in the fire service. This provides the basis for moving forward with a larger trial on a range of core fleet vehicle types, initially costing £37k of project support over two years and £58k of revenue and £30k of capital costs in 2024/25. Early estimates suggest this fuel could be applied to 160 of our 200 vehicle core fleet. When fully adopted, this initiative alone could allow us to deliver a third of our estate carbon target ahead of 2030. Officers are in discussions with District and Borough counterparts to establish how a collaboration of this type will support them to meet their targets.
 - ii. It is acknowledged that biofuels present only a temporary solution. Additional work is ongoing to define, cost and establish a time-bound **plan to fully decarbonise our vehicle fleet** and funding of around £50k will be needed to develop a strategy and action plan to move our Council fleet to sustainable energy for delivery during 2023/24.
 - iii. **Detailed building retrofit surveys.** An application for revenue grant funding of £187k with a focus on decarbonising high consuming buildings with boilers over 10 years old has been made. Grants will be awarded in June 2023 with work to be completed by March 2024.
 - iv. Some project management support, costing an estimated £20k, for developing a **plan to remove inefficient, high consuming boilers** from our building stock and replacing with cleaner alternatives.
 - v. **Support for schools to participate in eco-schools:** To further school engagement in climate change we are planning to fund 200 schools at the rate of 50 per year for them to participate in eco-schools and in parallel leverage a free first year subscription to take up a platform to score and act on sustainability. The tailored offer would seek to ensure even distribution of take-up across the County in support of our Countywide Approach to Levelling Up. This is estimated to cost in the region of £30k.
 - vi. **An offer to local SMEs** to take up a platform to score and act on sustainability. Sustainability actions are scored providing the potential for SME's to demonstrate performance and engagement to customers and clients. As per the schools offer, tailoring would seek to ensure even distribution of take-up across the County. Our first-year cost is £25k which covers 100 subscriptions, with an additional 100 added by each of the supplier and the sponsor taking the total to 300. Should this prove successful we propose to invest a further £20k in year 2.
 - vii. We have now introduced an introductory **carbon literacy** e-learning module which is being promoted for existing staff and all new starters. We are

reviewing in person training. A range of options are being considered, one of which is an accredited offer to 250 officers and members costing circa £25k. We are also reviewing more substantive options which would involve employing a small team to deliver across the organisation at pace and provide training for our communities and as a traded service to businesses requiring an investment of an estimated £250k in year one.

4.2 The next phase of projects due for development in 2023/24 are;

- i. **Renewable energy plan.** To invest in exploring the installation of further renewables/energy technologies within buildings and land across the County estate.
- ii. **Offsetting and insetting plan.** A review of options, viability and costs to close the gap between decarbonised emissions and residual emissions to reach net zero. Example options include insetting initiatives which take place within the boundaries of Warwickshire, a prime example being the tree planting project. The plan will also review offsetting options, initiatives outside of Warwickshire, which need to be considered within an overall plan.
- iii. **A review of hydrogen for transport** to assess market opportunities, applications, barriers, costs and time horizons. This would link with the Council's fleet decarbonisation plan as well as delivering insight for Warwickshire-wide development opportunities.

4.3 Additional work planned or being delivered using internal resource is as follows;

- i. We are in the final stages of developing an **Energy Strategy** using existing internal resource. The strategy will establish a clear direction and action plan for sustainable energy management, how we plan to reduce, use, measure, and generate energy to support the council's net zero targets and ensure we meet all applicable energy legislation requirements. We intend the strategy will be brought forward for approval at Cabinet in July 2023.
- ii. We plan to explore opportunities to **target private domestic properties for energy efficiency improvements**, initially through a data driven work package delivered by Business Intelligence to determine clusters of poor energy performing properties and homeowners to work with.
- iii. **Greenshoots phase 3 or similar scheme.** Following on from the success of prior rounds of Greenshoots, we are considering options to run a further round in a financially sustainable way. One option to explore is the potential to leverage external funding and partner with a suitable organisation to assist in delivery and engagement.

5. Financial Implications

- 5.1 At the start of 2023/24 the Council's Revenue Investment Fund contains over £10 million revenue funding which will be topped up during the five-year period as our finances allow. The allocation of this funding is deliberately flexible and may be varied as bids emerge and are prioritised. The February 2023 budget resolution states that it is expected a minimum of £2 million will be allocated against each of the Best Lives, Sustainable Futures and Thriving Economy and Places blocks. In addition, the Capital Investment Fund currently has £90 million to invest in the Council's assets/infrastructure over the next five years. The revenue and capital funding for the delivery of the Sustainable Futures strategy will need to be sourced from these Funds or from accessing external third party funding.
- 5.2 The initial actions set out in paragraph 4.1 (Phase 1 projects in development) have an estimated revenue cost of £265k over the next two years plus £30k capital investment and £187k revenue from third party funding. Applications to the Revenue Investment Fund totalling £265k are expected to come forward for approval during Q2 once the work on the costs and expected benefits have been finalised. This demand will grow as new opportunities arise. In addition, several further schemes have been identified and it is expected that business cases for these will be prepared and brought forward for approval over the course of this financial year.
- 5.3 There will be significant capital and revenue implications in delivering the full action plan when it is brought forward for approval, which will inevitably and significantly exceed the Council's resources. There will also be savings which in the long term may outweigh the initial costs. A variety of internal, public, and private funding sources are expected to be required to finance these actions and seeking external funding will always be prioritised where it makes sense to do so minimising as far as possible the direct financial impact on the Council resources. We have created a Sustainable Futures Finance officer role from within existing resources with a specific remit to identify live and upcoming funding streams and assist in applications including co-ordinating joint partner funding bids. Potential funding sources have been established and mapped within the draft Strategy, but the full cost and likelihood of receiving that funding is not known. This will be understood progressively as the Strategy actions are developed in detail.

6. Environmental Implications

- 6.1 This Strategy and associated action plan will define our strategic direction in meeting the aims of our sustainable futures strategic priorities and establish what actions need to take place to accelerate progress towards our linked targets.
- 6.2 Delivering the associated actions to meet our 2030 net zero carbon estate target would result in emission reductions of 46% totalling 8,430 tCO₂e and additionally require the removal of 9,816 tCO₂e from the atmosphere through inseting and offsetting measures from 2030 and beyond calculated from our

2019 baseline. Refer paragraph 4.2 (ii) (Projects in development) for an example of the difference between inseting and offsetting.

- 6.3 Delivering our net zero Warwickshire target in partnership with the public sector, residents, communities, and business, will result in emission reductions of close to 5,509,000 tCO₂e in 2050 from our 2019 baseline following adoption of the fully inclusive greenhouse gas approach. Current national policy measures and technological assumptions project a gap of approximately 3,000,000 tCO₂e. Closing this gap is reliant on large scale behavioural change, partnering, technological developments, and change in all sectors accelerated by government, regional and local policy and significant additional funding. The need for a joined-up approach is illustrated by the 18% contribution that emissions from motorway travel has to Warwickshire's carbon footprint (2019 figures), a network that is the responsibility of National Highways. The need to deliver inseting and offsetting measures may also play a part as full decarbonisation will not be realised in all sectors.

7. Timescales associated with the decision and next steps

- 7.1 We propose to proceed with further stakeholder engagement work through theme-based panels with experts drawn from industry and Warwickshire communities' panels over the period June to September 2023.
- 7.2 We will also continue to identify and detail investment cases in support of the Sustainable Futures action plan. We expect to be in the position to submit applications totalling £265k and above to the Revenue Investment Fund during Q2 once the work on the costs and expected benefits have been finalised. At the same time, we will support and deliver those actions linked to sustainability within the 2023 – 2025 Integrated Delivery Plan.
- 7.3 It is proposed that the draft final Sustainable Futures Strategy and 2030/2050 action plan will be presented to the Overview and Scrutiny Committee's and the Members' Climate Emergency Group in September 2023.
- 7.4 The timeframe envisages that a final draft of the Sustainable Futures Strategy and 2030/2050 action plan be brought back to Cabinet for approval in Autumn 2023

Appendices

1. **Appendix 1:** Summary feedback and reasoning - May 2023.
2. **Appendix 2:** Focus Group Qualitative Research Conclusions and recommendations - 10 March 2023
3. **Appendix 3:** Sustainable Futures Strategy Engagement - Executive Summary

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The report was circulated to the following members prior to publication:

Local Member(s): not applicable as this is a county wide report

Other members: Members of the Cross-Party Climate Emergency members group:
Councillors Birdi, Chilvers, Falp, Fradgley, Humphreys, Millar, Redford, Sinclair.

Chairs of the Overview and Scrutiny Committees. Councillors: Clarke, Warwick, Humphreys, Barker.