

<b>Title of Report</b>	Annual Update on Progress with Decarbonisation Commitments
<b>For Consideration By</b>	Council
<b>Meeting Date</b>	24th July 2023
<b>Classification</b>	Open
<b>Ward(s) Affected</b>	All
<b>Group Director</b>	Rickardo Hyatt, Group Director Climate Homes and Economy

1. **Cabinet Member Introduction**

- 1.1. This is our fourth annual decarbonisation report demonstrating progress with the key goals that were outlined last year for the past 12 months. This year has seen us, alongside ongoing practical delivery, develop the Climate Action Plan (CAP) as the framework to take the increasingly urgent need for action forward, both as a Council and a borough.
- 1.2. Global and national reports over the last year though have not provided any comfort regarding progress to address the climate and ecological crisis. Those from the Intergovernmental Panel for Climate Change, the United Nations and our own Climate Change Committee confirm a narrowing window to reduce carbon emissions, protect and enhance biodiversity, alongside the very real impacts that are already happening globally.
- 1.3. Last summer saw the UK pass 40C, with problems for our infrastructure and excessive demands on services such as hospitals. Wildfires caused one of the biggest firefighter call-outs known, heat-related deaths across Europe numbered in the tens of thousands.
- 1.4. We are all experiencing this in some way, particularly the most vulnerable and whilst progress may need to be faster, the Council remains ambitious in its plans. In particular our newly adopted CAP with its 21 goals, 5 themes and related objectives provides the focus for the change needed by 2030 or sooner locally. This will need close collaboration across a wide range of partners, putting our residents and businesses at the heart.
- 1.5. Rather than just setting goals, the CAP is now underpinned by a three year Council Implementation Plan (CIP) that contains a robust set of initial actions to achieve the changes needed, with an emphasis on where we currently have most control and influence. The CIP will need to evolve over time, adding actions as they arise but fixed on the strategic direction of travel

needed. Hence, it doesn't capture everything we as a Council might be doing, noting that the levels below the CAP will contain more detailed and granular plans.

- 1.6. Whilst there is a recognition of the challenge, we are committed to trying to stay ahead where we can, providing thought leadership on various innovative initiatives such as our Community Energy Fund. A recent trip to Denmark looked at how the country has made such significant progress in delivering heat networks, with 64% of households connected compared to relatively low levels in the UK. We are now looking at participating in a longer term relationship through the Danish Embassy to be able to bring this experience to the benefit of Hackney.
- 1.7. External funding applications for building retrofit continue to have successes, with our attention aimed at our social housing portfolio and wider corporate buildings. Our plans to secure more are growing, by being well prepared when they become available and making larger sized bids. We have already committed some £61 million investment over the next three years, was approved as part of budget setting for 2023/24 for climate initiatives to underpin and provide the necessary impetus to our plans and there are ambitions to commit more as further external funding is secured.
- 1.8. Prior to adoption of the CAP in May this year we rejoined the UK100 network, committing to a 2030 net zero target for our non-tenanted buildings and fleet vehicles. In this Full Council report we clarify the initial scope of Council buildings, which goes further by including our leisure centres some of the biggest tenanted energy users. The full list will be made publicly available after the Summer.

## 2. **Summary**

- 2.1. This report and its appendices provide an update to Full Council on progress with the Council's decarbonisation commitments and covers:
  - The Council Implementation Plan (IP) for the three year period to July 2026 to support the delivery of the recently adopted Climate Action Plan, in Appendix 1;
  - Confirmation of the initial scope of Council buildings to meet the UK100 membership requirements of 'net zero' by 2030;
  - Key practical achievements from the last 12 months including specific sections of funding and awards, and a review of progress on key tasks for the Environmental Sustainability Board (ESB) set out in the report to Full Council in July 2022, in Appendix 2: and
  - An outline of the ESB outline work plan for the next 12 months to July 2024.

### 3. **Recommendations**

- 3.1. There are no formal recommendations contained within this report. This report is to provide Full Council with an annual update on progress with our decarbonisation commitments and supporting appendices.

### 4. **Background**

#### **Hackney Climate Action Plan**

- 4.1. The climate and ecological crisis is having a significant negative impact in Hackney and across the world through increased extreme weather events, such as flooding and extreme heat, putting communities, ecosystems and natural resources at risk. Without drastic reductions in emissions, and adaptation to higher rainfall and warmer temperatures, the impacts of climate change will continue to worsen – affecting our lives and those of future generations. In response, the Council declared a climate emergency in 2019, supported by an ambitious vision to rebuild a greener Hackney in the wake of the coronavirus pandemic.
- 4.2. Hackney has made progress in reducing emissions over the last decade. Nevertheless, without faster action, driven by ambitious policies and targets, we won't be able to protect communities and ecosystems from the effects of climate change.
- 4.3. The Hackney Climate Action Plan (CAP) is the first holistic borough-wide plan to address the climate and ecological crisis, bringing together the various strands into one overall document and as such, is a key marker in consolidating the journey to net zero. The CAP was formally adopted at Cabinet in May 2023.
- 4.4. The Hackney CAP sets out the ambitious, science-based changes to work towards achieving a reduction in carbon emissions by 2030. All of these changes are organised into five themes: Adaptation, Buildings, Transport, Consumption and Environmental Quality. Within each theme, are a set of ambitious 2030 goals. There are also cross-cutting themes of Green Economy and Social Justice.
- 4.5. The CAP sets out an integrated approach for tackling the climate and ecological crisis. It provides a framework for everyone to take action to reduce emissions and adapt to the climate change that is already occurring, driven by an ambitious vision for a fairer and greener Hackney in 2030. Designed to set us in the right direction, it will continue to need to be developed to keep pace with shifts across society, technology and wider policy, including the changing needs of communities, groups and organisations in Hackney.

## **Council Implementation Plan**

- 4.6. Sitting alongside the CAP is a Council Implementation Plan (IP), which provides a detailed set of proposed key actions for the Council to undertake (by theme) initially over the next three years. The IP contributes to delivering the goals and objectives, considering where the Council has direct control and most influence to maintain momentum with its own climate response. The IP is the key strategic programme delivery document for the Council's climate emergency commitments for the next three years. This document will continue to be subject to regular review and will further evolve over time.
- 4.7. A summary of the key areas of focus are set out below:
- Actions where the Council either have direct control or influence, as well as potential for wider co-benefits;
  - Developing robust funding models and funding bids to meet delivery requirements;
  - Resolving or reducing technical and legal constraints to delivery, e.g. understanding the Council's building stock better, delivering pilots;
  - Getting the organisation into the best place to meet the challenge, to include reskilling and carbon literacy, tailoring additional staff resources, as well as making better use of resources already in place and embedding accountability for net zero more widely;
  - Joining up the work more effectively both internally and with others, including consolidating partnerships to accelerate delivery - London Councils, Local Government Association (LGA), Mayor of London (MoL), and Local Authorities (LAs), amongst others;
  - Ensuring social justice and fairness are fully considered in actions such as impacts on vulnerable and/or at risk communities/groups;
  - Putting in place the right local policy and guidelines to aid delivery, e.g. informing future Local Plan review; and
  - Scaling quickly areas of high impact that are already well advanced such as 'No regrets' actions such as Low Traffic Neighbourhoods and active transport.
- 4.8. It is likely that progress may be faster in some thematic areas of the CAP than others. This is evident within the IP where actions that address the objective of retrofitting and decarbonising the Council's social housing include significant enabling actions to facilitate future scaling of delivery.
- 4.9. The Council's own ability to make carbon reductions is based on what it can control or influence. It is directly responsible for about 5% of local area territorial emissions. However, it has many levers that can be used to deliver

wider local action to reduce emissions and prepare local areas for a changing climate particularly through leadership and placemaking.

- 4.10. There are a further 25% of territorial emissions that it has strong influence over. For example, from a built environment perspective the Council would be considered to have high influence over new housing and social housing activities. There is also good influence in respect of transport and waste.
- 4.11. Non-territorial emissions associated with consumption are where the Council's leverage may be more variable. Many decisions lie with individuals and require behavioural change with consumption emissions from a diverse range of sources. Notwithstanding, the Council has prioritised areas where it has strong levers to effect change such as waste, food, procurement, the circular economy, the Council's pension fund, as well as the embodied carbon within its own future developments, amongst others.
- 4.12. The IP includes actions regarding adaptation and environmental quality that apply similar guiding principles as that for emissions, with the Council having key direct control responsibilities for its parks, green spaces and housing amenity sites, as well as emergency planning responsibilities for extreme weather events, alongside others. Key enabling actions in the IP regarding adaptation reflect the need for more focus nationally to drive progress. Furthermore, there are wide ranging influencing roles in respect of new biodiversity net gain responsibilities through planning and statutory responsibilities for air quality.
- 4.13. An initial period of three years was selected for the IP to:
- Provide a sharper focus on the key actions needed now to maintain momentum;
  - Help focus on actions that would enable the Council to scale activities for the period post the initial three year plan robustly; and
  - Recognise that the technology and costs associated with net zero actions are changing rapidly and hence deliverability may change markedly over time potentially creating shifting focuses for action in the future.
- 4.14. An earlier draft of the IP was included in the appendices for the October 2022 Cabinet approval for the draft CAP to go out to public consultation. Although this wasn't a formal part of the consultation, a number of more detailed comments and suggestions were received, generally from those with a specialist knowledge of the climate and ecological agenda. These were assessed as part of the consultation responses. Changes needed to the IP have included:
- Addressing additional and/or updated objectives plus developing related actions where needed;

- Making actions SMARTer where possible;
- Finalising indicative timings and lead responsibilities; and
- Further prioritisation and review of the actions already included for impact for both carbon and other significant co-benefits.

4.15. Original plans were that the IP should form part of the additional documents for the May 2022 Cabinet report to adopt the CAP. However, due to the more significant revisions needed to the IP noted above, it now forms a part of this annual report to Full Council. The IP is attached as Appendix 1.

#### **UK100 membership 2030 'net zero' commitment**

4.16. The Council's existing target for its own greenhouse emissions requires a 45% reduction by 2030 based on a 2010 baseline and 'net zero' by 2040. However, it has also been clear that where it can move faster it will endeavour to do so, regardless of the stated 'net zero' targets. In January 2022, the Mayor and Lead Member made a statement to Full Council outlining their ambition to rejoin the UK100 network. This followed earlier work to review 'net zero' targets set out within the original Climate Emergency declaration and to bring the Council in closer alignment with key stakeholders across London.

4.17. UK100 outline the benefits of membership of UK100 as:

- Support the Council in fulfilling our commitments to tackling the climate emergency and delivering net zero;
- Facilitating dialogue with national politicians and senior officials across Whitehall, amplifying the voices of local leaders via collective advocacy to national government;
- Enabling knowledge sharing between members including meetings, webinars, roundtables and workshops, and promoting best practice via social media (Twitter and LinkedIn) and newsletters;
- Providing tailored insights, evidence and recommendations on the challenges and solutions to local Net Zero, inviting members to inform and participate in research connecting us with world-leading business and industry to help plan and implement the solutions needed to reduce emissions in our local area; and
- Demonstrating the collective ambition, commitment and ability of democratically elected local leaders to deliver Net Zero.

4.18. The Council was previously a member of the UK100 membership network, albeit based on different membership criteria that required the Council to sign up to a commitment to 'use 100% clean energy across the full range of functions by 2050'. UK100 have since modified their membership criteria and now require the adoption of a 'net zero' target for Council territorial

emissions (within the current UK100 emission scope) by 2030 and boroughwide by 2045 (some five years later than the current Council 'net zero' commitment). In respect of the latter, committing to a boroughwide 'net zero' target wider than the Council activities will require further dialogue with external stakeholders.

- 4.19. The current UK100 2030 'net zero' membership requirements for Council 'direct control' emissions includes greenhouse gas emissions reductions for non-tenanted buildings e.g. Hackney Service Centre etc, as well as Council owned vehicle fleet e.g. light commercial vehicles etc. The Council rejoined the UK100 membership network on 17th May 2023. As such the Council now has a revised 'net zero target' of 2030 for territorial emissions that fall within the above scope.
- 4.20. It was agreed at Cabinet in May 2023 as part of adoption of the CAP that the full detail of the initial territorial emissions buildings scope to be applied in pursuance of the Council's revised 2030 'net zero' target be brought to Full Council in July 2023 as part of the annual decarbonisation report.
- 4.21. The initial territorial emissions scope is therefore summarised below. The full detailed list will be made public on the Council's website in September 2023:
- Core Council Buildings including libraries and frontline service delivery depots;
  - Housing community halls and housing depots; and
  - Leisure Centres - some of the largest energy users.
- 4.22. There is no standard scope definition provided by UK100 and it is for each local authority to choose what they want to report on as their core non-tenanted buildings list. The above list is however wider than strictly Council non-tenanted buildings.
- 4.23. Schools have not been included in the initial scope, noting they are classed as tenanted. Initial assessment has revealed some significant complexities regarding data collection based on their status - academies, maintained schools etc, as well as managing impacts on annual emissions reporting should schools that are currently supplied their energy via the Council's energy supply contract, cease to do so; note, only a proportion of schools have energy supplied through the Council's energy supply contract. Further discussions between the Energy and Carbon Management Service and the Education Service are underway regarding addressing these matters.

#### **Outline annual Environmental Sustainability Board (ESB) work plan**

- 4.24. Each year a high level summary of the 12 month work plan for the ESB is included, noting that some tasks due to their complexity may extend beyond the 12 month period. This is set out below and looks at five key focus areas:

### **(a) Monitoring, reviewing and reporting**

- Oversight of the further development of the monitoring and reporting framework for borough-wide and Council territorial emissions;
- Oversight of the development of headline performance indicators and targets to track progress on territorial emissions within the Council's direct control;
- Approval of annual progress reporting on decarbonisation to Full Council and annual review of UK100 scope;
- Oversight of the development of options with key partners to establish the headline key performance indicators for tracking progress on carbon reduction associated with the overall CAP, focusing on the relevant borough-wide goals in the CAP;
- Oversight of the development of headline key performance indicators where carbon reduction is not the focus e.g. adaptation and green economy;
- Oversight of the assessment of options to capture wider social and economic co-benefits of climate actions such as health to inform considerations of social justice and inequality, and green economy;
- Oversight of the assessment of options with key partners for public reporting of progress on the borough-wide CAP;
- Oversight of updates to the Council Implementation Plan; and
- Oversight of the updating of the current borough-wide baseline assessment where needed to establish an updated baseline and inform targets with which to track progress against.

### **(b) Governance**

- Oversight of formal programme management arrangements for the adopted CAP;
- Review of Terms of Reference of the Council's internal climate response governance structures;
- Oversight of the development of the role for the Scrutiny Panel and Commissions in the governance of climate activities;
- Oversight of the establishment of the external Hackney Net Zero Partnership; and
- Development and agreement of the community oversight structures for the CAP, working alongside others.



### **(c) Communications and Engagement**

- Oversight of the development and review of internal and external Communications Plans to support the Council's climate response; and
- Oversight of the development of the wider external deliberative engagement programme to support the delivery of CAP.

### **(d) Organisational Development**

- Oversight of the delivery of an internal Green Skills Review and its recommendations;
- Oversight of development of an internal carbon literacy programme across the organisation; and
- Oversight of the broader internal training programme to enhance engagement expertise to support the Council's climate response.

### **(e) Funding and resourcing**

- Oversight of the further development of the Funding Strategy for the Council's climate response; and
- Oversight of horizon scanning activities and approval for bids and resources in respect of external funding to aid the Council's climate response.

## **5. Annual update on progress with decarbonisation commitments**

- 5.1. The annual update on progress with decarbonisation commitments is attached as Appendix 2.

## **6. Comments of the Group Director of Finance and Corporate Resources.**

- 6.1. There are no direct financial implications arising from this report however, dealing with the Climate Emergency represents the single largest financial challenge that Local Government faces over the medium to long term. Significant capital resources need to be identified, investment in new technology is needed, new methods of delivery and collaborative ways of working both within and outside the Council are required.
- 6.2. Hackney is at the forefront of these efforts, both recognising the scale of the Climate Emergency and building in remediating action to tackle it as part of Business As Usual, as well as developing plans to tackle the big ticket items.
- 6.3. As part of the Council's existing programme of work to tackle the Climate Emergency, £61 million investment over the next three years was approved as part of budget setting for 2023/24. This investment includes programmes to decarbonise non-housing buildings, complete the switch of street lights

and estate lighting to energy efficient LED bulbs, green initiatives across our housing estates and green screens in the borough's schools, investment in fleet vehicles with greener alternatives, additional cycle hangars for residents and rolling out Electric Vehicle charging points. In addition, the Council was awarded £4.5m in Social Housing Decarbonisation Fund (SHDF) grant, in March 2023 to fund retrofit improvements to over 500 Council homes to make them more energy efficient. There is a minimum 50% match contribution required by the grant and this project will see upwards of £9m investment over the next 2 years in our hardest to heat street properties to bring them up to an energy efficiency C rating.

- 6.4. The Council continues to seek a diverse range of sources of funding, bidding for government grants, when they become available, to support the green agenda. However, the scale of funding required to deliver works to meet the Council's Net Zero ambitions is vast & far beyond what can be achieved through traditional funding mechanisms, from either local or national Government. To that end, innovative ways of delivering funding on the scale required are being explored, ranging from lobbying Government for long-term financing, to issuing municipal bonds, to leveraging in patient capital from private sector institutions such as pension funds.
- 6.5. It is expected that the delivery of Net Zero will create green job opportunities within the borough, provide an associated boost to the local economy and deliver co-benefits across the borough.

7. **VAT implications on land and property transactions**

- 7.1. Not applicable

8. **Comments of the Director of Legal, Democratic and Electoral Services**

- 8.1. The purpose of this report is to provide Full Council with an annual update on progress with the Councils decarbonisation commitments. There are no legal implications arising from this report.

**Appendices**

Appendix 1 Council Implementation Plan 2023-2026

Appendix 2 Annual update on progress with decarbonisation commitments  
July 2023

**Background documents**

[Adoption Climate Action Plan 2023-2030](#)

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