

## Appendix 1 - Executive Response to the Overarching Scrutiny Panel Investigation into Net Zero

### Recommendation one

The Council should **report back on how progress against the objectives of the Climate Action Plan will be measured and monitored, and how oversight structures including the Audit Committee, Scrutiny Panel and Scrutiny Commissions will fit into the monitoring framework.**

A commitment was made in the October 2022 Cabinet report that approved the public consultation for the [Climate Action Plan \(CAP\)](#) to develop a monitoring and reporting framework and include it as part of the adoption of the CAP. This has been progressed, assessing both Council and borough-wide monitoring and reporting needs. Where there was certainty regarding future monitoring and reporting, this was included in the revised CAP that was adopted in May 2023.

The development of a monitoring framework will, therefore, support the need to measure the reduction in carbon emissions amongst other climate related actions, and track progress towards the 2030 goals of Hackney's borough-wide CAP, alongside an agreed reporting and review mechanism.

Internal governance and oversight structures and their relationship were set out on page 90 of the adopted CAP identifying linkages to member oversight structures. The Audit Committee, Scrutiny Panel and Scrutiny Commissions have all become increasingly involved in the climate agenda over the last year, culminating in this current net zero review.

Oversight plans need to be further developed based on the actions that were identified in the adopted CAP, but initial scoping suggests that the Scrutiny Panel should receive an update based on the progress with the [Council Implementation Plan \(CIP\)](#), with consideration of wider borough-wide progress annually tied into the established annual external progress reporting schedule.

Monitoring performance may also form part of future reviews by Commissions and the Audit Committee in respect of specific topic areas where there are significant challenges.

### Recommendation two

The Council should **explore establishing an appropriate and robust external governance framework** to reflect that the transition to net zero is not focused only on its own activities but also on those borough-wide emissions for which it is not responsible.

Establishing an appropriate and robust external governance framework is a key action now that the CAP has been adopted. There will be a key focus on progressing this to confirm proposals. Initial steps are to:

- Review approaches taken by other local authorities to meet this requirement;
- Work collaboratively with others post-adoption, to develop and agree a form of community oversight;
- Develop robust proposals for wider deliberative engagement on specific topic areas;
- Assess options for a future Hackney Net Zero Partnership to convene partners and businesses, including major landowners, public institutions, large businesses, and large housing associations who are responsible for significant borough-wide emissions, amongst others; and
- Better align existing networks whilst reviewing established key partnerships with the goals of the CAP.

### **Recommendation three**

The Council should **demonstrate how each service department will contribute in concrete terms to the management and delivery of the Climate Action Plan, and in particular the accompanying Three Year Implementation Plan**, (both in terms of implementing actions, budgeting and continuing to innovate) for those areas that relate to their remits.

The borough-wide CAP was approved in May 2023, and CIP was provided to Full Council in July 2023. These key documents form the framework of the Council's response to the climate and ecological crisis and have been steered by a Strategic Officer Climate Group (SOCG)<sup>1</sup>. SOCG spans services across the Council with oversight by the internal Environmental Sustainability Board (ESB). ESB chaired by the Group Director for Climate Homes and Economy, membership includes a wide range of senior managers from across the Council, usually at Director or Head of Service level.

The current membership of the executive structure ESB for oversight of the Council's response to net zero includes the following services at senior level: finance, procurement, area regeneration, public health, new homes, corporate property, corporate policy and strategy, public realm, social housing, housing strategy, public affairs, communications and engagement. Three key lead member portfolio holders are also formal members of the ESB.

These plans have also been considered, further shaped and approved by the Corporate Leadership Team (CLT) chaired by the Chief Executive. In addition, there have been regular items relating to CAP development at the Senior Managers Network (circa 180 members) to

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<sup>1</sup> \* SOCG: This group is the key tool for the delivery of the Council's Implementation Plan and is made up of the leads for each thematic area, as well as expertise in communications, engagement, finance, procurement, economic development and employment and skills. SOCG meets every six weeks.

ensure the wider obligations of various teams and services in respect of this agenda are well understood. Notwithstanding, this investigation by the Scrutiny Panel into net zero has heard evidence and plans from a wide range of services that are key to delivering the Council's net zero ambitions.

The CIP provides a detailed set of proposed actions for the Council to carry out over the next three years that contribute to delivering the goals and objectives under each of the five CAP themes. The CIP outlines actions that the Council has direct control over and considers where it has the most influence to maintain momentum on its own climate response. In addition to the five themes, there are actions under a cross-cutting theme of Green Economy.

The public version of the CIP identifies the lead service for each action, although many actions will require the collaborative effort of a wider grouping of services, alongside others to be able to be implemented. As part of developing information to support the future programme management of the CIP, these additional service details have been identified and will form part of the individual project management structures that may be needed to deliver individual actions. Actions will also have clear milestones and outputs to ensure delivery expectations are clear, supplemented by regular reporting by the lead services on progress to ESB, as well as CLT, where required. Furthermore, a monitoring, reviewing and reporting framework was also set out in the adopted CAP, pages 87-94.

Whilst the internal governance structures have been central to developing the framework for the Council's climate response, there is now a need for more formal programme management of what is a complex cross-cutting programme.

To further support this, an assessment of the SOCG and its working groups has been initiated. Based on its findings, there may be recommendations to maximise effectiveness. Following this, there will also be a consideration of the membership of the ESB based on these findings and recommendations.

To better embed the extent of the Council's climate response across the organisation, an internal communications programme will be starting shortly, whose first phases will involve some key communications about the CAP and the CIP to all staff. The approach that will be taken also includes communicating more tailored messages based on the key areas within the CIP that are of most relevance to individual directorates and their own responsibilities within the CIP.

#### **Recommendation four**

The Council should **explore the ways in which it can improve its engagement on net zero with harder to reach groups and those least likely to engage in formal ways**, such as those whose first language is not English, people with disabilities, young people, the elderly, people with low literacy levels and the digitally excluded.

Climate action in Hackney can reduce inequalities and create benefits, such as improved air quality, mental health, and biodiversity enhancement. By ensuring inclusive decision-making, prioritising accessible and affordable solutions, and tackling systemic issues, a fairer, more equitable, and inclusive environment will be enabled. Encouraging community engagement, raising awareness, promoting financial viability of sustainable options, and regularly monitoring progress will help ensure climate policies and initiatives remain effective and inclusive for all community members.

Key aspects based on responses received during the public consultation on the CAP are further elaborated on below.

- Involve diverse communities, including vulnerable and underrepresented groups, in the planning and implementation of climate policies and actions;
- Develop climate initiatives that cater to the needs of low-income, minority, and vulnerable populations, focusing on affordable housing, public transport, and access to green spaces;
- Address the root causes of climate change and social inequalities, such as poverty, racial and class disparities, and hold polluters accountable;
- Provide resources and assistance to vulnerable groups for climate adaptation, resilience, and mental health support to cope with climate-related stress and anxiety;
- Conduct outreach and educational programmes on climate change, its impacts, and sustainable options for diverse audiences, emphasising the importance of inclusivity;
- Encourage active participation from various social, economic, and cultural backgrounds in climate initiatives and sustainable practices;
- Ensure that sustainable options and green actions are economically feasible for everyone by offering financial incentives, subsidies, or affordable alternatives; and
- Regularly assess the effectiveness and inclusiveness of climate policies and initiatives, and adjust them as needed to ensure a fair and equitable transition for all community members.

As part of finalising the CAP, underrepresented groups were encouraged to take part in the consultation through existing networks and reference groups, taking into account the groupings that were identified in the equalities section of the Cabinet report of 24 October 2022. Four focus groups were held with groups underrepresented in survey responses, details below:

- Two focus groups with older residents, organised with the Older Citizens Committee;
- A focus group with Black and Global Majority residents, organised through the Hackney Matters Panel; and
- A focus group with Somali women including interpreters, organised in partnership with Coffee Afrique.

Eight drop-in sessions were held at each of Hackney's libraries across November and December 2022. Drop-ins were advertised through posters at libraries, alongside consultation communications, and on social media.

The percentage of consultation respondents who stated they considered they were disabled was 19.7%. This is higher than the figure for the Borough (14.3%), however, the latter figure represents those disabled within the terms of the Equality Act.

The [Equality Impact Assessment](#) was finalised post the public consultation on the draft Climate Action Plan, which provides pointers to the engagement that may be needed with a practical focus on fairness and social justice:

- Ensuring disadvantaged groups can access training and jobs in the green economy. Apprenticeships and skills programmes should target underrepresented communities;
- Protecting low-income residents from energy and food poverty. Retrofits, affordable public transport, and access to healthy diets are vital. Costs of the transition cannot unfairly fall on the most vulnerable;
- Co-designing where possible climate solutions with marginalised groups through participatory processes;
- Consulting experts on disability rights, migrant groups, etc. to mitigate unintended consequences;
- Communicating clearly how climate action delivers social benefits like health, jobs and lower bills. Link goals to tangible improvements in quality of life; and
- Ensuring voices from across all of Hackney's diverse communities are represented in decision-making through inclusive engagement.

Despite being a significant proportion of young residents in Hackney, responses from those under 25 as part of the consultation of the draft CAP were relatively small (1%) and indicate that more work will need to be done to engage this age group going forward, most likely in respect of specific topic areas. In respect of engagement to date with young people, the focus has been on very practical and active engagement with schools:

- 65 schools are participating in the [Eco-School programme](#), of which 18 have earned the Green Flag award;
- Participating schools have conducted assemblies and worked on carbon related projects to improve environmental performance at the schools;
- Five schools participated in the ['Cut Your Carbon' campaign](#), which focused on food, energy, and fashion's contributions to carbon emissions;
- Three Eco-Schools took part in ['Running Out of Time Relay'](#), Britain's largest sporting event celebrating environmental awareness;
- The Eco School Annual Event where three schools came together for a round table discussion on Hackney's CAP where 'Transform Our World' presented the ['Let's Go Zero' Campaign](#) and the Climate Action Planner toolkit;
- Rushmore School is trialling a surplus food waste redistribution project with [OLIO](#);

- 16 schools participated in the [Climate Resilient Schools](#) programme led by the Mayor of London, resulting in the creation of 12 rain gardens and comprehensive climate adaptation plans;
- Hackney currently has 49 [School Streets](#), with the goal to expand this to all feasible primary and secondary schools by 2026. This programme has led to an increase in walking and cycling amongst students and a decrease in tailpipe emissions. The Council's anti-idling campaign also continues with more workshops and signage, contributing to our commitment to a healthier, sustainable environment; and
- Plans are also underway for three Eco-Schools to initiate an eco-refill scheme by January 2024, aimed at reducing single-use plastics.

Reflecting on the past year, there has been engagement with over 5,000 students, conducting over 600 litter picks, and planting 1,000 trees. These accomplishments have been acknowledged at the [Global Action Plan Sustainable City Awards 2023](#) - Eco School programme was a finalist in the Public Sector Campaign of the Year category.

Plans are currently in development to increase the levels of engagement within work associated with the climate crisis. Once these are more advanced, they can be shared with scrutiny members.

#### **Recommendation five**

The Council should **undertake more detailed modelling on current and future spending on net zero-related policies, as well as the benefits derived from this expenditure**, to develop a fuller understanding of the finance and resourcing needs of the transition to net zero.

The [Audit Committee 'deep dive' in 2022](#) provides the context for the work that is continuing regarding more detailed modelling of current and future spending to achieve net zero.

The [Annual Update on Progress with Decarbonisation Commitments](#) presented to Council in July 2023 provided an update on the planned current and future spending noting that £61 million investment over the next three years was approved as part of budget setting for 2023/24.

The Council already has well-developed processes for managing, monitoring and reporting on this investment via the capital workstreams, alongside the existing processes for identifying and securing the funding required to enable these works. This includes processes to enable prioritisation of the finite capital funding available.

The overarching CIP allows this expenditure and funding to be viewed through the lens of the themes within that plan and for mapping the proposed investment/funding back to the themes.

Reporting and tracking the spend and funding against the themes alongside the benefits realised will enable better decision-making around prioritisation for future capital or revenue investment. It will also enable increased understanding of the true costs of existing projects to better inform project evaluation.

In respect of the benefits that are derived from this expenditure there are a number of key strategic actions within the monitoring and reporting section of the CAP that includes the development of a monitoring framework.

Monitoring will be completed through a variety of interrelated mechanisms:

- Council emissions will be initially aligned with the [UK100](#) membership scope but expanded over time, the [Local Partnerships GHG accounting tool](#) will be used.
- Borough-wide emissions will be monitored initially via The [London Energy and Greenhouse Gas Inventory \(LEGGI\)](#) and Consumption-Based Emissions Accounting Framework (CBEA).
- The CIP has a range of actions spread across the five thematic areas. A number of these projects and programmes will have their own independent evaluation requirements and for key ones, where a clear carbon impact has been estimated, the intention would be to build the outcomes into shaping future decision-making.
- Using the principle of prioritising existing reporting systems, the monitoring framework seeks to build upon and complement existing and future plans and strategies to support the overall goal of reducing emissions more effectively and efficiently. More granular monitoring of the impacts of the CAP will, therefore, largely be through:
  - Existing mechanisms, including [Air Quality Action Plan](#), [Reduction and Recycling Plan](#), [Local Nature Recovery Plan](#), [Green Infrastructure Strategy](#), [Transport Local Implementation Plan](#), [Parking and Enforcement Plan](#) and future Economic Development Plan, amongst others.
  - Key projects such as, but not limited to, [LTNs](#), [School Streets](#), street tree planting and the [Green Homes programme](#).
- A smaller number of key performance indicators will also be monitored.

### **Recommendation six**

The Council should **collaborate with other boroughs and regional authorities to lobby central government to get external funding** for the net zero agenda, and should **proactively identify and respond to new funding opportunities** as they arise.

The economic and social costs of inaction continue to grow. Local areas have a huge role to play in reaching net zero and have the ability to start implementation quickly, but they need more funding. Central government must provide certainty on its long-term funding plans for key areas, such as retrofit and energy efficiency. This is necessary for local areas to play their part in building the skills, capacity and engagement needed to meet the challenge. Therefore, the Council is part of a number of groupings working with others, including London Councils, UK100, [Cities Commission for Climate Investment](#) (3Ci) and the Greater London Authority (GLA), as part of their lobbying activities to enable more funding to be made available for the wide range of responses needed to assist with reaching net zero.

As a context, the Funding Strategy for the Council's own CAP commitments is summarised below:

1. **What's already planned for** – those allocations in the Capital Programme that can be adapted to reflect technologies/latest innovations to tackle climate change – e.g. Planned Maintenance budget, Combined Heat and Power in regeneration programmes, Fleet.
2. **Robust Business Cases** – those projects where there are savings to be made that can repay the investment over time or have alternative delivery models - e.g. Electric Vehicle charging network, cycle hangars, investment in energy technologies for the Council's non housing estate.
3. **The aspirational** – those investments that are currently unaffordable at scale – e.g. retrofit of Council properties. The Council is exploring grant funding opportunities and working with other local authorities for solutions in this space and lobbying with others for more funding.

The key area where major external funding will be required is element 3.

There are a number of options amongst others that are being undertaken or further developed including:

- Grant funding from Central Government, this is limited but will be particularly important for low-income and social housing. For example, successful funding applications have already been made by the Council to the Social Housing Decarbonisation Fund and Public Sector Decarbonisation Fund. Further applications - subject to eligibility will be submitted as new bidding rounds open;
- The Council working alongside others to continue to lobby the Government to increase funding programmes for both public and private properties. The Mayor was a key representative in the Skidmore net zero review;
- The use of policy mechanisms to deliver new income streams such as from planning obligations. The Council is working with a number of local authorities in London to review carbon pricing standards;
- Local climate bonds that can raise capital whilst allowing local people to invest in their area and directly benefit from the projects delivered; and



- Carbon offsets investment of carbon offsets in local decarbonisation and adaptation schemes.

Exploring wider private sector finance mechanisms is also underway and the Council is a key representative of the 3Ci, an innovative collaboration of local government and the private sector. Its mission is to support local authorities in securing the necessary long-term finance for achieving net zero. 3Ci is working to leverage the combined scale of cities and regions to mobilise finance and drive investment into low and net zero carbon projects across all local areas together, rather than individual ones, which is seen as the key to unlocking the investment so urgently needed. It is based on the concept of developing [Net Zero Neighbourhoods](#) (NZN).

**The key characteristics of an NZN are:**

- a place-based approach to (nation-wide) decarbonisation (greenhouse gas reductions) that promotes community and local authority buy-in and participation. It facilitates the delivery of multiple interventions in one place in order to scale up delivery, generate efficiencies and derive wider socio-economic benefits;
- a blended funding model, which combines Government and outcome-seeking funding with profit seeking private investment. It also provides cost savings to the Government, possibly reducing what could be around a 70-80% subsidy, to around 35%, by appealing to institutional investors who can offer longer payback periods than those typically seen with retail finance; and
- generating revenues that make it an investable programme, can be used to fund the programme (repayable finance) and removes the need for individual residents and asset owners to personally fund the significant up-front costs of decarbonisation, whilst providing an incentive to participate (reduced energy bills).

Over the last year, the Council has proactively responded to funding opportunities and secured funding from various external sources to progress its net zero plans. Some of these can be found in the publicly available [Annual update of progress with decarbonisation commitments 2023](#), which provides a summary of key funding applications, both successful and unsuccessful, over the last 12 months to July 2023.

The Council is also awaiting the outcome of a major funding bid to the [Green Heat Network Fund](#). A £2.9 million grant application for a District Heat Network for Colville Estate to support the £14 million cost of implementing the network.

The Council is part of a sub regional local authority grouping led by the GLA that will be developing a fully funded sub regional Local Area Energy Plan (LAEP) over the next 12 months. This involves significant collaboration between local authorities and partners. LAEPs set out the changes required to transition an area's energy system to net zero in a given timeframe. This is achieved by exploring potential pathways that consider a range of technologies and scenarios, and when combined with stakeholder engagement leads to the

identification of the most cost-effective preferred pathway and a sequenced plan of proposed actions to achieving an area's net zero goal.

### **Recommendation seven**

The Council should **ensure its tenants and leaseholders are supported as much as possible to engage in low-carbon lifestyles**, for example through welcome packs providing information and discounts at reuse and repair shops.

The Council is working on low-carbon lifestyle engagement across all its communication channels as well as participating in London-wide and national recycling campaigns. In addition to offering educational service leaflets and reusable containers to new residents in its housing estates and new development properties, there will be a focus on targeting localities with lower-performing collection rounds with promotional activities and one-on-one engagement. This effort aims to engage approximately 10,000 to 15,000 households in 2023/2024.

Implementation of waste and recycling facility upgrades on Council estates continues and demonstrates strong evidence of impact. Phase 4 of the Estate Recycling Programme successfully improved the average recycling rate across the participating estates by 41%. Over a two-year period, the recycling rate across these estates has risen from 10% to 29%. Plans for Phase 5 aim to create 36 new bin store areas, close 241 hoppers and 58 chutes, further improving fire safety, recycling rates, and the overall environment on housing estates.

Other initiatives, which are part of the Council [Circular Economy programme](#) include:

- Zero Waste Hubs, which run four times a year and are successful in helping residents repurpose and repair items. Last financial year, approximately 850 residents attended the events, with around 200 items repaired and nearly 5.5 tonnes of waste diverted from direct disposal, reducing CO2 emissions significantly;
- Free clothes swap and repair sessions, run four times a year, are well-attended, with participants exchanging nearly 3,000 pieces of clothing in 2022/2023, saving an estimated £40,000 and significantly reducing waste in the fashion industry;
- Running cooking and sustainable food shopping workshops, teaching residents about plant-based foods, food waste reduction, and healthy eating;
- Offer of plastic-free workshops, teaching residents how to make their own low-cost and plastic-free products and providing information about sustainable alternatives to single-use items;
- Promotion of Hackney shops that offer refills and packaging-free food options via the Hackney Zero Waste map, which has been viewed more than 22,812 times;
- In collaboration with the North London Waste Authority (NLWA) a reusable period products campaign will be launched that includes a digital communications campaign and a voucher scheme for discounted reusable period products. The campaign will feature outreach and engagement events; and

- NLWA also continues to pay a subsidy of £70 per baby to parents/carers in north London who use reusable nappies rather than disposable.

One of the primary focuses more widely in the borough is on behavioural change campaigns aimed at encouraging low-carbon lifestyles. A key example of this is the recent '[Eat Like a Londoner](#)' campaign, which is geared towards promoting sustainable diets and reducing food waste. This campaign combines the best recipes, hacks, tips and tricks, offering weekly inspiration that not only helps residents save money and eat healthier but also contributes positively to the planet.

These above activities will significantly help the Council tenants and leaseholders to better understand and adopt low-carbon lifestyles. Continued close liaison between the housing and sustainability teams will help to ensure effective support for tenants and leaseholders in their transition to lower-carbon lifestyles, using welcome packs to incorporate materials that raise awareness of the various offers available to achieve this objective.

#### **Recommendation eight**

The Council should **demonstrate how it will work with registered social landlords operating within the borough** to coordinate actions on retrofit and other decarbonisation measures, and share examples of good practice for mutual benefit.

The [Hackney Registered Providers \(RPs\) Compact](#) - the key document for RP activity in Hackney - has climate action, retrofitting and decarbonisation amongst its key objectives.

The Council is already working in partnership with RPs to share good practice and knowledge concerning retrofitting and decarbonisation. The larger RPs (mainly G15 members) in Hackney all have existing climate action plans which include, to varying degree, proposals for achieving net zero targets in their housing stock. For medium sized and smaller RPs the picture is more mixed, but all have declared public targets for retrofitting. Additionally, most RPs have wide ranging climate action plans which include the full range of advice and interventions, including, for example, lifestyle and behaviour changes, recycling, food and energy efficiency advice.

Plans are underway for a new launch of the Better Housing Partnership (BHP) (previously known as the Housing Association Forum) in Autumn 2023. The BHP is a formal partnership for all RPs in Hackney, facilitated by the Council but chaired and led by the RPs. The intention is for retrofitting and decarbonisation to be a standard agenda item for the BHP either at each BHP meeting or through the creation of a specific sub-group focussed solely on these issues. Actions will be reported, including to the Council, on a quarterly basis.

#### **Recommendation nine**

The Council should **explore broadening the licensing requirements for additional houses**

**in multiple occupation (HMO) and selective licensing schemes** to cover the whole borough and include energy efficiency, retrofitting and fuel poverty requirements.

The Council is one of the few local housing authorities in the UK running three licensing schemes: mandatory, additional and selective. Mandatory licensing is a permanent requirement of the Housing Act 2004. Additional and selective licensing are specific and time limited schemes, applicable where a local housing authority has reason to apply to the Secretary of State for such schemes.

The Council intends to renew both its additional and selective licensing schemes and is applying to the Secretary of State for approval to do so. Furthermore, it is applying to extend its selective licensing scheme beyond the three original pilot wards to cover the entire Borough of Hackney. In essence, selective licensing means that if a landlord wishes to let their property in Hackney, they need a licence from the Council for each property.

As part of renewal planning for the licensing schemes, the Council has already explored whether it would be able to incorporate energy efficiency, retrofitting and fuel poverty considerations into the licence scheme. For example, by stipulating that in order to achieve a licence, it would be a requirement of the landlord to achieve a successful retrofit or to demonstrate a clear pathway and plan for retrofitting within the period of the licence. Based on the received legal advice, unfortunately, this is currently not possible. Licence powers are provided through the Housing Act 2004. The Act sets out the housing conditions that are applicable to a housing licensing scheme. Adding climate action requirements to a Housing Act scheme is likely to be seen, at first challenge, as acting beyond the authority of the Council.

Despite this, the Council is lobbying for this change and will be speaking directly to the Secretary of State as part of the licence scheme application stating that the thermal performance of any property is, by definition, part of its build type and general condition and therefore must constitute a housing condition.

In addition, there is ongoing lobbying around various legislative frameworks, including Minimum Energy Efficiency Standards (MEES) and Housing Act provisions.

Most policy asks are captured in the [Housing Strategy Position Paper 2023](#) and the [Better Renting Campaign](#) and are reported to Members through a variety of meetings.

### **Recommendation ten**

The Council should **investigate and report back on the options and implications for expanding the provision of retrofitting and net zero advice to owner-occupiers and the private rented sector**, and **consider identifying retrofit champions** who are willing to talk about their experiences of retrofitting.

The Council is currently developing a new Hackney Private Sector Housing Strategy for implementation in 2024. Within the strategy, the current approach sees the Council as the statutory agency for standards and enforcement that sets the standards and requirements. Where they are not being met, there is the power to take action and enforcement, thereby providing a clear delineation between advice/choices and standards/enforcement.

Council officers may provide specific net zero and retrofit advice on occasions but, generally speaking, will seek to signpost households to specialist and independent partner organisations and advisors for particular advice. It is then up to the household to proceed. Notwithstanding, the Council will continue to investigate the option of formal advice provision as it develops the new Private Sector Housing Strategy.

In respect of identifying future retrofit champions, the impact of [Hackney Light and Power's Green Homes grants programme](#) has been assessed by reaching out to households who have had measures successfully installed in their homes to ascertain:

- the impact on their lives, including their bills, health, wellbeing and behaviours;
- the application process and the relationship with the lead delivery partner Happy Energy and its contractors;
- the experience of interacting with the technology that has been installed; and
- their understanding of the positive impact they are having on the environment and Hackney's net zero journey.

A number of case studies are being developed which indicate a positive experience regarding the impact of the improvements that have been undertaken.

### **Recommendation eleven**

The Council should **report back on its longer term plan on how it intends to bring the corporate estate in line with the net zero goal**, including its retrofitting programme and exploration of clean energy projects.

Work is ongoing to progressively survey corporate buildings for opportunities to reduce energy, lower-carbon and save money. Priority is being given to the decarbonisation of heat through electrification of heat using heat pumps, controls and other electric heat generators.

An initial batch of nine corporate buildings was brought forward as a project in 2022 and received a grant of £12.25m towards the £16.8m project to save 1,560 tCO<sub>2</sub>e per annum. This project is now in delivery. A further suite of projects (subject to eligibility) is in preparation for the next Public Sector Decarbonisation Scheme 3c grant round, estimated to open for applications in October 2024. Further projects will be brought forward as grants become available and/or sound 'Invest to Save' propositions are identified.

Notwithstanding, there are supporting actions in the CIP for the CAP which are focused on longer term plans such as:

- Develop an action plan to support maintained schools to reach net zero or the best achievable outcome by 2030; and
- Replace gas boilers with decarbonised energy generation for Council owned and operated buildings in line with the emerging Heat Network Strategy.

In addition, the recent commitment to join the UK100 membership network will bring forward the Council's net zero plans to 2030 for non-tenanted buildings. The initial scope is:

- 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.

### **Recommendation twelve**

The Council should **explore including within lease agreement requirements for its commercial property tenants to use renewable electricity, monitor usage and make energy-related information available.**

The Council routinely considers the social and economic credentials of potential tenants when marketing commercial properties, and green credentials are a fundamental component of that.

The Council can explore incorporating lease clauses that are geared towards the environmental performance of the asset, although in considering such clauses, the Council must be conscious of market expectations and commercial viability, taking into account the requirement to obtain the best consideration. While tenants are increasingly engaged with environmental and sustainable business factors, installing related obligations in leases is still a developing idea in the commercial property marketplace.

The Council's Commercial Property Portfolio is varied in many ways, including the potential to deliver income, social and/or economic benefits, alongside the levels of demand, and hence each one is treated according to its own particular circumstances.

There is, however, greater potential for environmental performance clauses in leases let under the Voluntary and Community Sector Lettings Policy, where under short leases, the Council retains control over the maintenance of the building, including mechanical and electrical installations.

### **Recommendation thirteen**

The Council and Transport for London should **review decarbonisation pathways for bus**

**services in Hackney**, particularly around the opportunities to accelerate the rollout of electrification technologies.

Responsibility for bus electrification sits with Transport for London (TfL), and TfL's current target for electrification is 2034, although they have called on the Government to support an earlier target of 2030. Electrification of bus garages is fully supported, and the Council is in dialogue with TfL on this issue.

Councils are currently not routinely consulted on proposals to electrify individual bus routes, and the decisions regarding the sequence and priority of when routes will be electrified are taken by TfL as part of the bus tendering programme. The Council, together with London Councils, has expressed concern at the lack of borough involvement in this process and will continue to do so.

In the past year, the Mayor and lead member have written to and subsequently met with senior TfL officials, including the TfL Commissioner and discussed bus electrification.

One of the major constraints to electrification is the ability of depots to provide the power and charging capabilities necessary. The Mayor and lead member have discussed how the Council can support the electrification of bus depots, for example, through supporting the regeneration of bus depots, but have also raised the need for electrification ahead of such major regeneration schemes.

#### **Recommendation fourteen**

The Council should **explore the ways in which it can improve the evidence base for increasing the uptake of active and sustainable travel choices** across the borough, with a particular focus on the links with health, education and the local economy.

The Council has a well established evidence based approach to behaviour change, public realm and transport schemes. The current [Local Implementation Plan](#), approved in January 2023, builds on the evidence base of the [Hackney Transport Strategy 2015 -2025](#), which in turn drew evidence from health, education and economics disciplines.

The Council has adopted the Healthy Streets approach, which is based on high-quality, longitudinal public health quality data and provides a framework to consider physical changes to our streets.

The well established Schools and Workplaces engagement programmes rely on guidance and evidence from over 20 years of behaviour change research in the transport sector, which also draws from academic research into public health behaviour change which uses a similar toolkit.

Several Universities specialise in this area of research, notably the Active Travel Academy at Westminster University and Hackney Council are active participants in current research and regular attendees at seminars.

The Council is now preparing an update to the Transport Strategy, working closely across the health, education, regeneration, road safety and public transport teams to look at Census and other relevant data sources to best understand current issues. These evidence bases will inform the current work of the Council as well as the future strategic goals through the Hackney Transport Strategy 2025-2035. This will be an important opportunity to develop on the progress already made in Hackney in terms of active and sustainable travel and deliver the outcomes and benefits for all Hackney residents.

### **Recommendation fifteen**

The Council should **undertake a business perceptions survey** to measure how local businesses view active travel and its impact on them, and how best to share information and engage with businesses on this agenda.

Through major schemes such as Stoke Newington [Low Traffic Neighbourhood \(LTN\)](#) and the Council's own business engagement team ([Zero Emissions Network, ZEN](#)), Council officers have engaged with local businesses on the specific issues of active and sustainable travel. With an active Network of over 1,500 businesses, the Council has helped businesses switch to more active and sustainable modes through schemes such as cargo bike hire or grants, as well as providing travel surveys and plans.

A notable example of success includes a Hackney based electrician trading in their van for an electric cargo bike. Residents and businesses can access the cargo bike hire scheme at four locations in the borough, and there are plans to expand this to 12 additional locations as well as offering active and sustainable travel advice to businesses across the borough. Some grants will also be made available to help businesses transition to more sustainable modes.

For major schemes, the Council will work directly with businesses, as has recently taken place in Hackney Central and is ongoing at Chatsworth Road. Results from this engagement will lead to local proposals and plans that can offer alternatives to existing motorised transport.

### **Recommendation sixteen**

The Council should **review current activity in promoting electric vehicles (EVs) across London and explore ways in which it can work more closely with vehicle manufacturers and operators** to deliver consistent and high-quality provision that removes all barriers to uptake.

Electric vehicles (EV) have a large role to play in the future transport system, where they will provide a lower polluting and lower-carbon option to internal combustion engine vehicles.



However, EVs on their own will not be enough to meet the Council's clean air and carbon goals. They also do not address harm that motor vehicles bring in terms of road danger, community severance and do not contribute to a healthier and active population by walking and cycling.

It is in that context that the Council has entered into a unique contract with EV providers that prioritises overall motor vehicle reduction as its top line objective. Historically, this objective has been in conflict with the business viability needs of EV charge point suppliers, who require growth in EV ownership to make their businesses viable, even if it means promoting overall growth in vehicle ownership (for instance, through second household vehicles). Alongside the Council's EV Strategy, there is a policy of reducing private car ownership and on-street parking while creating environments that make it easier to walk and cycle.

Through a comprehensive tender, the Council is now working with suppliers who share its overall vision of a low-carbon, low pollution and low private vehicle ownership future transport network. The Council's contract providers have also committed to working with large car manufacturers so that plug and charge capabilities can be introduced as quickly as possible, improving the charging experience for EV users. Options are also being explored to enable Hackney residents to take advantage of discounted rates for charging.

This will result in the installation of an additional 2,650 EV chargers across the borough's seven square miles in the next four years. This programme includes the three different types of EV charging technology: rapid, fast and slow chargers. On top of the existing 344 chargers, this will take the total number of charging points in the borough to around 3,000 by 2026, and it will be the densest network in the country. The move is part of the Council's commitment to decarbonise the transport system in Hackney - a key goal in the borough-wide CAP and further demonstrates how local councils can be at the forefront of work to tackle climate change, lead innovation and help to pave the way for wider transport decarbonisation in the UK. Installation of the first batch of new EV charge points is expected to start by the end of 2023.

In addition to further promoting the transition to less polluting vehicles and the reduction of overall car ownership and usage, the Council is expanding its car club network to over 300 and ensuring that at least 50% of the car club fleet will be electric by 2026. This will help give an alternative to owning an EV and help give equitable access to the electrification of motorised travel.

#### **Recommendation seventeen**

The Council should **embed the use of Post Occupancy Evaluation (POE) and data sharing in its planning policy, on all developments where the building has been in use for a minimum of three years** to ensure robust monitoring processes for energy performance and enable constructive dialogue with developers on energy efficiency.

Planning policy in Hackney on post occupancy evaluation is already in place through London Plan policy S1 2 Minimising greenhouse gas emissions. Policy S1 2 sets out the energy hierarchy: be lean, be clean, be green, be seen. The 'Be Seen' aspect of energy monitoring reporting is concerned with operational energy performance, and post construction monitoring for seven years is required. This is required for all GLA referable schemes and major developments.

#### **Recommendation eighteen**

The Council should **report back on the current London-wide picture of decentralised energy projects and pipeline schemes** that could provide opportunities for future programmes, and **explore collaborative procurement/investment opportunities for renewable power** with other boroughs and regional authorities such as the North London Waste Authority.

Collaborative work is progressing on Retrofit, Heat Networks and Purchasing Renewable Power. As always, the opportunities from collaboration are balanced by complications and contractual issues, and the Council needs to choose carefully which projects provide the best balance of benefit versus cost/constraint.

In respect to Heat Networks, the Council is working with City of London and GLA on ways to access waste heat from data centres in the City, with an intention that this work is shared with other councils. Areas in Hackney may also be a conduit for heat to other areas of London as well as receiving heat from Newham via Tower Hamlets. These opportunities are factored into the work on a North London Local Area Energy Plan with the preliminary stages progressed by GLA. The Council is also working on ways to access waste heat from the Edmonton Ecopark.

On Power Purchase arrangements, six to eight London Boroughs, including Hackney, are working together with a view to a collaborative procurement for a Power Purchase Agreement from 2025-2026 to 2035-2036 and 2040-2041.

#### **Recommendation nineteen**

The Council should **enhance communications around the benefits of installing solar panels and the support available to businesses and households.**

As part of updating web pages covering energy advice on the Council's website, guidance will be provided for businesses and households interested in installing solar panels, including signposting to relevant sources of funding where they are available.

#### **Recommendation twenty**

The Council should **keep the hydrogen production market under review**, and where

possible **ensure all new or replacement boilers are considered for hydrogen gas heating.**

The priority for housing services in relation to this is to optimise the efficiency of communal heating networks and move them away from gas where possible. Regular liaison is made with Cadent Gas (a British regional gas distribution company that owns, operates and maintains the largest natural gas distribution network in the United Kingdom) on plans for hydrogen as an alternative to gas. It should be noted that it's one of several non-gas alternatives being looked for heating systems associated with the Council's social housing portfolio.

### **Recommendation twenty one**

The Council should **outline the progress it has made in embedding actions to reduce carbon emissions into internal procurement and management processes, and the options it is exploring to go further.**

The Council's Sustainable Procurement Strategy that is currently undergoing a refresh, seeks to utilise a circular procurement approach, promote carbon reduction, a green economy and just transition.

The action plan within the new draft Sustainable Procurement and Insourcing Strategy sets out plans for short and medium term commitments, such as more staff development and training events, working more closely with the supply chains, introducing local measurements to standardise monitoring across contracts, celebrating the achievements of various departments and more engagement with external partners and anchor organisations. It will also increase alignment with the recently adopted CAP 2023-2030, goals and objectives, and there are actions within the three-year CIP. A key objective in the consumption theme of the CAP is to: *Embed actions to reduce consumption related emissions into internal procurement and management processes for the Council, businesses and institutions.*

A number of actions have been undertaken, including:

- Supplier selection questionnaires now request carbon commitments at all thresholds, with tracking of these commitments proposed through the new contracts management system, which would also endeavour to record and monitor wider sustainability outcomes;
- Systematically challenging the decision to go to market, but where this is unavoidable, ensuring that specifications seek to reduce CO2 emissions in supply chains, divert waste from landfill and incineration as far as possible, and ensure 'whole life 'costing where practical;
- Procurement tools, such as the Heat Map, are continuously being refreshed to ensure they capture and reflect industry best practice;
- Contract specifications being reviewed to support the priorities within the adopted CAP as the opportunities arise;

- External social value platforms are being piloted in a bid to simplify processes for suppliers and maximise outcomes for Council residents and businesses;
- Third party spend data is regularly analysed to seek opportunities for improvements;
- Updating the procurement pipeline to highlight sustainability opportunities, including carbon reduction, providing better visibility and opportunity for challenge; and
- Reviewing the contract register to ensure better data and early warning on expiring contracts so as to provide adequate time for reviewing specifications and earlier engagement with the market.

## **Recommendation twenty two**

The Council should **report back on the impact of waste management work and objectives to reduce waste arisings and improve recycling and food composting rates**, and with particular consideration given to commercial waste.

The Mayor of London's Environment Strategy requires London authorities to write a [Reduction and Recycling Plan](#) (RRP). The RRP sets out baselines for the borough's waste and recycling performance, waste and recycling targets and an action plan for reducing waste and increasing recycling. The Council's current RRP was approved by the Cabinet and the Mayor of London in May 2023 and sets out a plan for 2023-2025. This is the second RRP the Council has been required to submit to the GLA, and it builds on actions from the previous RRP 2018-2022.

Following approval of the RRP, the Council is required to report back to the GLA with the progress and impact of the planned actions and targets on a regular basis. Progress with these actions can come back to scrutiny if required.

The RRP includes:

- Ten actions to reduce waste and increase materials reuse;
- 18 actions to maximise recycling performance;
- Two actions to reduce the environmental impacts (such as greenhouse gas emissions and air pollutants) of waste activities; and
- Two actions to maximise the use of local waste sites.

The actions planned to reduce waste include plans for the Library of Things; food waste reduction initiatives; waste prevention schemes; and the Circular Economy Action Plan.

The actions planned to improve recycling and food composting include:

- Plans to enhance performance of the new fortnightly residual waste collection;
- Flats Above Shops food waste trials;
- Estates food waste services expansion;
- Resident engagement and behaviour change through waste and recycling communications and service publicity;

- Expanding the range of recyclable materials;
- Estates Recycling Programme (Hackney Housing);
- Housing Association Recycling Programme;
- General estate recycling interventions;
- Storage Provision for Estates Recycling; and
- Increasing recycling within the Commercial Waste portfolio.

Particular consideration is given to commercial waste, with plans for the Council to deliver and develop the Council's commercial waste and recycling services, including continued provision of mixed dry, glass, cardboard and food waste recycling. This will continue to be expanded to more commercial premises in the borough, maintaining a pricing structure that incentivises recycling.

### **Recommendation twenty three**

The Council **should undertake local business surveys** to identify the nature and level of support needed for local businesses to decarbonise, and to map existing green businesses in the borough.

The Council completed a research commission looking into Hackney's green economy in April 2023. This provided an estimated baseline of 301 green businesses operating in the borough and indicated specialisations within the climate change strategy and policy sector; reduce, reuse, recycle, repair sector; and power sector.

Most of the green activity within the borough is located towards the Hoxton West, Hoxton East and Shoreditch areas, reflecting the area's popularity as a headquarters location for businesses seeking a central London base. Smaller clusters are observable within the Lea Bridge, London Fields and Hackney Wick areas. The Council is undertaking further engagement with green businesses operating in key strategic sectors to understand growth requirements and how the Council could accelerate green growth in the borough.

In a wider general business survey completed in March 2023, only 4% of businesses stated they had a commitment to reach net zero by 2030, and a further 7% were working towards being net zero. The three barriers most regularly cited by local firms to transitioning to net zero were a lack of knowledge, grants and capital/finance. However, it should be noted that about half of the businesses surveyed did not provide an answer to the question of what they were doing to reduce their footprint, and about 20% of respondents said they do not need help because it was not a priority for them, especially in the current economic conditions. This indicates a continuing disconnect between the imperative for local firms to plan for a net zero future and their capacity/ambition to do so.

The extent to which the Council will be able to directly address these capacity limitations or the difficulty for local firms to access finance is inevitably limited, given the scale of the challenge and the resources available to local authorities in directly funding the private sector net zero

aspirations. The focus will, therefore, likely need to be on raising awareness amongst local firms on the steps they can take, with a particular emphasis on supporting microbusinesses (defined as having 0-9 employees), which make up 89.9% of all Hackney businesses.

To this end, the Council has allocated some [UK Share Prosperity Fund \(UKSPF\)](#) funding to establish a programme of individual diagnostic calls, on-site business audits and advice from energy experts to provide business specific recommendations (normally operations, energy use building/equipment adaptation), depending on budget, building design and other variables. This will help tackle the cited barrier of lack of awareness amongst local firms.

A small amount of GLA funding is also available to offer businesses capital grants to implement recommendations arising from the property audits. Further funding will be sought to extend the offer of capital funding to a larger number of businesses. The London-wide UKSPF programme managed by the GLA may offer further support for Hackney businesses to transition to net zero. As details of this programme are confirmed, the Council will signpost businesses to any additional opportunities where relevant.

#### **Recommendation twenty four**

The Council should work with neighbouring boroughs and partner organisations to **identify new solutions and traffic management options to reduce carbon emissions from freight and logistics.**

The Council is committed to the following freight objectives to reduce local carbon emissions:

- Develop more Low Emission Zones/Ultra Low Emission Streets in Hackney's town centres/areas of high freight deliveries/poor air quality;
- Work with neighbouring boroughs to produce new area-wide construction logistics plans in south of the borough;
- Investigate the purchase of additional electric and low-emission vehicles for the Council fleet including cargo bikes and electric HGV vehicles;
- Install more on-street and Council depot-based electric vehicle charging points suitable for different types of freight vehicles including street trader vehicles, e-bikes and at local micro consolidation centres;
- Continue and expand support for zero and low-emission last mile deliveries through ZEN; and
- Explore feasibility and delivery rollout of residential shared cargo bikes and potential need and feasibility of developing a local hydrogen refuelling station.

#### **Recommendation twenty five**

The Council should work with other boroughs, training and education partners and businesses to **map out the scale and nature of green jobs in London and in Hackney, to consider the implications this will have on education and skills training provision.**

A 2021 study by the Institute for Employment Studies and WPI Economics indicated that, as of 2020, there were 234,300 green jobs in London. These were most heavily concentrated in the Power sector (82,900), Homes and Building sector (58,200) and Green Finance sector (50,700). The same report found that the biggest growth in green jobs by 2050 was likely to be in the same sectors, with Green Finance, in particular, experiencing rapid growth, increasing to an anticipated 387,000. Combined with a significant growth in the Low Carbon Transport sector, these four sectors will account for nearly nine in ten green jobs. The employment projections from this report suggest an overall 4.5-fold increase in green jobs in London over the coming three decades.

The largest increase in green jobs, in numeric terms, is among professional workers, whose numbers are projected to increase by 68,000 to reach 124,000 in 2030, an increase of 123% and reflecting the predominant services orientation of the London economy. Skilled craft workers are projected to experience the fastest growth, of 138%, with numbers rising by 61,000.

At present, green sectors draw very few workers directly from full-time education, with most new entrants coming in from other sectors, although with the rapid projected growth over the coming decade, employers may need to draw more new workers straight from education. There is likely to be an increase in education provision in subjects and courses that are relevant for green jobs and an increase in the proportion of those taking relevant courses which progress to employment within green sectors. However, the assumption remains that the bulk of growth in employment numbers will be accounted for by inflows from other non-green sectors into green sectors, including through reskilling training. This will likely remain the case, at least in the short term, while green education and training provision increases to meet the needs of the sector.

Providing an accurate localised estimate of green jobs is difficult - the Hackney green economy research found that there were 880 jobs with specifically 'green' businesses, but this figure excludes green jobs within non primarily green businesses and will therefore be a significant undercount.

### **Recommendation twenty six**

The Council should work with schools and educational settings to **enhance the quality of climate education, create hands-on opportunities for children and young people during the development and retrofitting of council-owned properties, and encourage carbon reduction measures in play areas and grounds** such as tree planting, Sustainable Drainage Systems and natural play spaces.

The recommendation aligns well with the existing initiatives, and the Council has made significant progress. Through Hackney Light and Power's Community Energy Fund, the Council is actively supporting community-led energy projects. The Fund, launched in

collaboration with local energy groups, is especially beneficial to schools, students, and communities in Hackney. The initial round of funding was awarded in April 2023 to The Hackney Empire, Mildmay Club, and Parkwood Primary School for the installation of solar panels. Other community organisations, including a church, a gurdwara, a wellness charity, and seven schools, received funding for the development of carbon-saving projects. Through this, the Council aims to foster carbon-saving behaviours within the communities.

In terms of engagement with young people, at present, 65 schools are participating in the Eco-School programme, of which 18 have earned the Green Flag award. Reflecting on the past year, the Council can proudly report engaging with over 5,000 students, conducting over 600 litter picks, and planting 1,000 trees. These accomplishments have been acknowledged at the Global Action Plan Sustainable City Awards 2023.

Additionally, schools have been actively involved in various carbon-awareness campaigns and events, like the Eco-School 'Cut Your Carbon' Campaign and 'Running Out of Time Relay'. Students are also part of innovative projects like the Pupils Profit eco-refill scheme to combat single-use plastics.

The Council had significant representation in the Mayor of London's Climate Resilient Schools programme, with 16 schools from our borough participating. The programme, now concluded, helped these schools to improve water efficiency, reduce surface water flood risk with 12 rain gardens, and create climate adaptation plans. It also equipped students with knowledge about climate adaptation.

Through these initiatives, the Council is prioritising climate education and hands-on climate action in schools. The Council is committed to continuing and expanding this work, further enhancing students' understanding and ownership of sustainable practices and collective responsibility to protect the environment.

### **Recommendation twenty seven**

The Council should **report back on its plans to align, expand and grow its Direct Labour Organisation (DLO) to be able to undertake carbon reduction measures, such as installing low-carbon heat sources and retrofitting, as well as the progress it has made to date.**

The growth of the in-house DLO has progressed in line with the Mayoral manifesto commitment and ambitions to grow by 20% between 2022 and 2024. The Council is on track to have expanded DLO resources to 170 operatives this year, compared to 143 in 2021-2022.

Further work is required to develop the existing workforce and recruit/train additional staff to undertake carbon reduction measures, such as low-carbon heat sources and installing retrofit measures to existing homes. There are plans to develop a workforce strategy and review existing skills, and identify gaps to help develop training and development plans. For example,



alongside the ambition to phase out gas boilers, the Council will be looking at re-training the Council's gas engineers to be able to install and maintain alternative heating systems.

This work is also linked to the Council's retrofit plans for Housing, as there are key dependencies in terms of the types of skills and capabilities that will be required within the in-house service. It also requires investment and planning for the continued growth and development of the DLO, including a new depot and a cleaner, greener fleet so that the Council can operate in a sustainable and environmentally friendly way.