

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

4 OCTOBER 2022

Title: Carbon Neutrality Action Plan Annual update 2022

Portfolio Holder: Cllr Steve Williams

Head of Service: Richard Homewood

Key decision: No

Access: Public

1. Purpose and summary

- 1.1 This reports provides the second annual update of the Carbon Neutrality Action Plan (CNAP) since its adoption in 2020. This is 8 months since the previous update presented in February 2022. The date has been brought forward in order for it to be aligned with the budget setting period. The outcomes of the work to date are set out in the revised CNAP and the spreadsheet with updates on individual actions.

Action plan progress update

- 1.2 In July 2021, APSE Energy begun a review of Waverley's baseline data and trajectory as set out in the CNAP. This work has helped identify errors in the data recording process, provided a financial projection in terms or the cost of delivering the Councils net zero carbon target, and helped prioritise and quantify certain initiatives. Some of the main recommendations of this work were around the need for further feasibility work in some of the areas of high impact in order to identify costed deliverable actions.
- 1.3 A number of feasibility reports and energy audits have been commissioned and are now underway to help develop additional projects that support the delivery of the CNAP. The action plan is a continually evolving document. Annexe 1 of this report presents an update of each individual action, since the previous update presented in February 2022, including a RAG rating for quick reference of progress. The annual review has been focussed on the high level and short-term targets.
- 1.4 Councils are required to monitor their non-domestic organisational GHG emissions and publish an annual progress report. This process will remain the method of monitoring progress against Waverley's net zero carbon by 2030 target. The GHG report for 2021/22 is attached as Annexe 2.

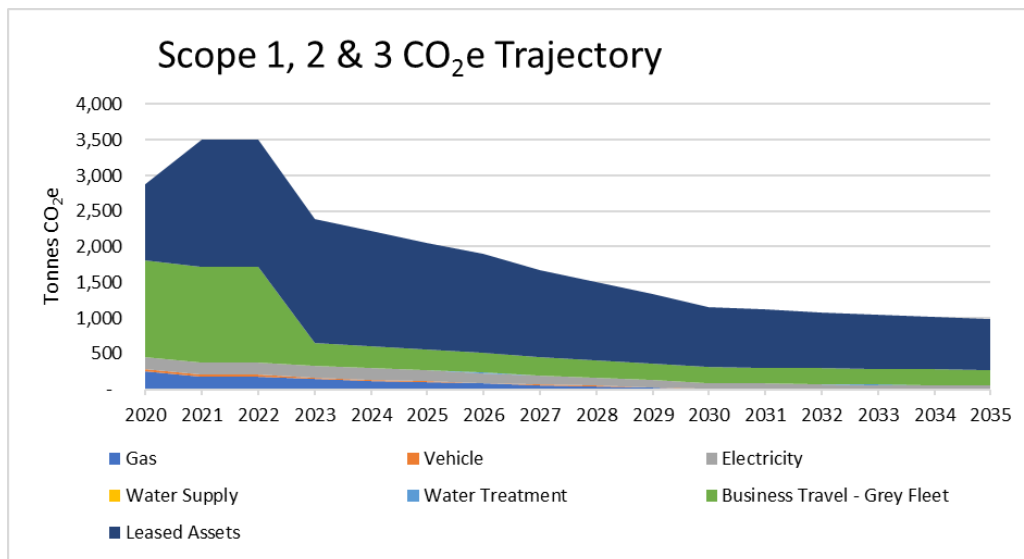
- 1.5 **Waverley’s organisational GHG emissions in 2021/22 were 3,500 tonnes CO₂e. The overall emissions compared to the baseline year 2015/16 have dropped by 34%.**
- 1.6 Organisational emissions is only one theme amongst the seven contained within the CNAP. Some of the key achievements from each priority area are summarised in Table 1 below.

Organisational Emissions	Active Travel and Air Quality	Energy Generation	
<p>Memorial Hall decarb project – installation of an ASHP and PV.</p> <p>Woolmer Hill pavilion – installation of solar PV and new insulated roof</p> <p>50% reductions in business mileage in 2021/21 from pre Covid levels. A saving of 36t CO₂e per year.</p> <p>Completed a number of high level energy audits for some of Waverley assets (Bourne Mill Depot, Pavilions, rangers offices).</p>	<p>Guildford and Godalming Gateway project acquired CIL funding for approx. 50% of the total cost. Route has been selected and will be designing and procuring the project by the end of 2022.</p> <p>Installed 9 EV charges in car parks and 2 on-street through Housing. 5 further installed as part of a SCC project. A further 5 chargers at 2 sites are expected to be installed by August 2022. 9 public chargers are due to be installed at Brightwells before the end of the year.</p>	<p>Solar feasibility assessment completed, and options currently considered for funding</p> <p>Continual engagement with Places Leisure to explore energy saving and renewable projects on leisure centres.</p>	
Built Environment	Waste and Resources	Land Use and Adaptation	
<p>First phase of the Energy study work (part of the Asset Management Strategy) completed.</p> <p>New Housing Delivery Strategy adopted in April 2022.</p> <p>Climate change SPD consultation has been conducted, on track to adopt before the end of 2022.</p> <p>Dunsfold Garden Village SPD with sustainability considerations adopted February 2022.</p> <p>GREEN Jump and Green Homes Local Delivery 2 funds for Waverley Residents on low income and in fuel poverty in 2021-2022: 67 measures have been installed in Waverley properties to date.</p> <p>Sustainable Warmth Fund and Home Upgrade Grant: Successful bid and currently awaiting the Managing Agent to be appointed by SCC and details on the level of funding available for Waverley residents.</p>	<p>Kerbside collection of textiles and WEE has commenced.</p> <p>Engagement with the waste contractor has begun exploring low carbon vehicle options.</p> <th data-bbox="663 1451 1062 1534">Green Economy</th> <p>45 local businesses attended a Carbon Literacy training.</p> <p>Promote the EM3 LEP low carbon business support function and one to one consultancy advice with a new green specialist associate.</p>	Green Economy	<p>Implemented and reviewed “No Mow May” initiative.</p> <p>Tree and Woodland Management policy adopted in 2022.</p> <p>Biodiversity Policy adopted in September 2022.</p>

Table 1. Key achievements

Revised Carbon Neutrality Action Plan

- 1.7 The CNAP was always intended to be a live document that continually evolves in terms of its delivery path while still retaining the vision of becoming a net zero carbon authority by 2030. Taking into account the work that has taken place to date a revised action plan has been produced and presented as part of this report. Annexe 3 presents the 2022 version of the CNAP that includes an updated trajectory for the councils own, non-domestic emissions. The latest CNAP version also includes a table that outlines all the completed actions to date.
- 1.8 The biggest impact to Waverley's path to net zero carbon will be from decarbonising heat in council assets, by replacing gas boilers with heat pumps. In combination with other electricity reducing interventions and the gradual switch to electric vehicles for Waverley's own fleet a trajectory has been produced using the APSE tool to indicate a more specific pathway to net zero carbon. The graph below provides a trajectory should a programme be introduced to replace gas boilers with heat pumps on the higher emitting buildings in Waverley's non domestic portfolio, the leisure centres. The trajectory also includes the impact of switching the waste fleet to using biodiesel until technology development enables the switch to electric or hydrogen fuelled refuse vehicles. This accounts for 80% of the non-domestic baseline.



Forecast capital cost for delivering the action plan

- 1.9 According to the trajectory report produced by APSE Energy, the forecast capital cost to achieve net zero carbon for corporate assets, including Waverley owned vehicles but excluding leisure centres and contractor vehicle emissions, is of the region of £2.96million. A further estimated £3.8 million will be required to reduce emissions of leisure centres. The majority of this cost is associated with replacing gas boilers with heat pumps.

- 1.10 The above costs are indicative and are based on certain assumptions in order to demonstrate the scale of the investment required however it does exclude a major area of emissions which is contractor vehicles.
- 1.11 The waste contractor (Biffa) indicated that to switch all of their smaller vehicles to electric would cost the council around £450k capital (vehicles and charging infrastructure) To convert the refuse freighters to biofuel mid contract would cost approximately £100k per annum for higher biofuel costs.

Finance and Budget updates

- 1.12 The climate emergency work has an allocated reserve fund of £200k which was approved in 2020. A further £100k was committed during the 2022/23 budget setting. The fund is mainly intended to pump prime and help develop projects. £199k of this fund has been earmarked /committed to date. A breakdown of the funding allocation is provided in Annexe 4.
- 1.13 In addition, there is a £100k ongoing budget that supports the delivery of the CNAP. The majority of this budget is allocated to staffing.
- 1.14 Where possible, other sources of funding are being explored to support the delivery of the CNAP. Annexe 4 also provides a summary of additional sources of funding that have been secured to deliver projects that directly contribute to Waverley's climate emergency commitments.
- 1.15 External funding options are continually explored to maximise delivery. The Public Sector Decarbonisation Scheme (PSDS) is the main government source of funding available at present. A sum of £63k was secured in 2021 to decarbonise the Memorial Hall in Farnham. An additional funding bid to decarbonise Farnham Leisure Centre was submitted in November 2021 but was unfortunately unsuccessful. A further funding bid to bring in technical expertise to develop heat decarbonisation plans for 4 of our buildings to the value of £39k was submitted in June 2022 and awaiting announcements in August. The next round of the PSDS is due to open in September 2022 and bids are being prepared for this round.

Conclusions

- 1.16 Meeting the net zero carbon by 2030 target is an ambitious and challenging task and heavily relies on government support and technological development. It also requires significant financial commitment from Waverley.
- 1.17 It is essential that we plan the switch from carbon intensive gas for heating buildings to electricity. Hydrogen technology is not mature yet so heat decarbonisation will heavily rely on the use of Air Source Heat Pumps and renewables. They can be costly and technically complicated to achieve for retrofit projects.
- 1.18 A whole building approach is the most efficient way of addressing energy reduction of individual buildings. We have now prioritised energy audits on our own buildings and will be working through the findings of these audits over the

next year. These will provide the true costs and possibilities for decarbonising Waverley's estate. Most importantly they will provide project proposals that are ready to be put forward for external funding.

- 1.19 Energy generation is critical to achieving our net zero carbon target, either directly connected to Waverley assets or sold through a Power Purchase Agreement to a private recipient. Energy generated and sold can be claimed to offset Waverley's unavoidable emissions. Various solar options have been considered and a feasibility study was completed earlier in the year to identify opportunities. A discussion paper on solar generation has been prepared to be shared with members in September and agree next steps.
- 1.20 The waste contract emissions accounted for 30% of the councils' emissions in 2015/16. Converting the fleet to using high grade biodiesel could be a relatively straightforward option that would have a significant impact to our carbon emissions at a cost of approximately £100k per year. The emissions reduction from this action would be approximately 1,000 tonnes of CO₂e
- 1.21 Each project that requires funding will be brought forward individually with a business case to support it. Government funding is available but limited in terms of the total value available in relation to the number of local authorities bidding for it. Funding pots are often oversubscribed within hours of the bidding platforms opening. Therefore, significant council investment will also be required to fulfil this ambition.
- 1.22 Even if Waverley follows the proposed trajectory there will be a shortfall of emission that cannot be eliminated. Offsetting will be an essential element of achieving carbon neutrality and these options need to be considered in parallel to decarbonisation. Renewable energy generation (ie solar) provides a way of offsetting unavoidable emissions while at the same time provide reduction in energy costs and energy security. These opportunities should be maximised and planed as early as possible.

2. **Recommendation**

It is recommended that the Executive:

- a. Notes the progress made on the CNAP during 2022 attached in Annexe 1
- b. Note the GHG report attached in Annexe 2 and agree that it is published on the Waverley Borough Council website
- c. Endorses the updated content of version 3 of the CNAP as presented in Annexe 3

3. **Reason for the recommendation**

To ensure that the Executive is up to date with the council's progress on its response to the Climate Emergency and to request support on the direction of travel over the next year.

4. Background

In December 2020 the Council adopted the Carbon Neutrality Action Plan (CNAP) 2020-2030 which contained a collection of actions that sets us on the path to deliver Waverley's net zero carbon by 2030 target. This report provides the first annual progress update against the priority areas within the plan.

The plan was adopted as a "live document" that will continually evolve to reflect further funding, policy and technological changes as well as opportunities for new projects. A year on, there has been progress in a number of areas that this report aims to celebrate. But also highlights the scale of work that is still required.

5. Relationship to the Corporate Strategy and Service Plan

- 5.1 This report is directly linked to the delivery of the aims of the Climate Emergency, one of the Councils key priorities, which is also part of the service plan.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

The approved 2022/23 budget includes £100k for ongoing costs of delivery of the action plan. In the 2022/23 approved budget a further £200k contribution to the climate change project reserve for one-off project costs was provided which continues to be drawn down from.

Currently, any further funding needs will require a supplementary estimate or Waverley will need to achieve external funding such as grants, S106 or CIL funding. The team continue to bid for external funding to support the CNAP delivery.

Some projects may offer savings to Waverley, therefore improving the financial situation of the council; the financial impacts of each project will be considered on a case-by-case basis.

Staff resource to support projects will be met within current staffing levels at this stage. Any additional requirements will be met from the project budgets. (Rosie Plaistowe)

6.2 Risk management

Not directly relevant in this instance as the report is primarily for information. However, lack of progress in this area of work will have significant reputational consequences.

6.3 Legal

The action plan is not a formal Council policy, although meeting the Councils policy direction enshrined in the Climate Emergency Declaration. Whilst the plan is a valuable enabling and monitoring tool it does not approve specific projects or actions, accordingly there are no direct legal implications arising from the plan.

Any specific projects arising from the plan will have to meet the Councils legal and governance frameworks to ensure that all relevant material factors are considered, in light of appropriate professional and technical information.

6.4 Equality, diversity, and inclusion

There are no direct equality, diversity, or inclusion implications in this report. Equality impact assessments are carried out when necessary, across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

6.5 Climate emergency declaration

This report is directly related to the delivery of Climate Emergency declaration. The Carbon Neutrality Action Plan is the proposed path to achieving its target.

7. Consultation and engagement

The report will be shared with O&S on the 20th September 2022

8. Other options considered

8.1 Not applicable to this report.

9. Governance journey

9.1 The formal annual update will follow the indicative timetable below:

- MB – 9TH August 2022
- Executive Briefing – 23rd August 2022
- O&S services – 20th September 2022
- Executive committee – 4th October 2022
- Full Council –

Annexes:

Annexe 1 – CNAP working spreadsheet

Annexe 2 – GHG report

Annexe 3 - CNAP Version 2022

Annexe 4 - Expenditure summary

Background Papers

There are / are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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Agreed and signed off by:
Legal Services: 22/7/22 Ian Hunt
Finance: 18/8/22 Rosie Plaistow
Strategic Director: 10/8/22 CMB
Portfolio Holder: 30/7/22 Steve Williams

ANNEXE 4

EXPENDITURE SUMMARY

CURRENT COMMITMENT OF CLIMATE EMERGENCY RESERVE

<i>Project</i>	<i>Amount</i>	
<i>Bike Shelters -active transport</i>	£70,000	Partially completed
<i>Woolmer Hill pavilion works</i>	£20,000	Partially completed
<i>Memorial hall</i>	£30,000	Completed
<i>SPD work</i>	£10,000	Partially completed
<i>LCWIP contribution</i>	£20,000	Underway
<i>APSE Energy</i>	£12,600	Completed
<i>Solar projects (Pre planning and DNO work)</i>	£35,000	
<i>Bourne Mill Depot Energy Audit</i>	£1,000	Completed
	£198,600	

ADDITIONAL FUNDING ACQUIRED

<i>Project</i>	<i>Amount</i>	<i>Funding source</i>
<i>Memorial Hall Decarbonisation - ASHP and PV</i>	£63,000	Public Sector Decarbonisation fund
<i>Memorial Hall Decarbonisation - ASHP and PV</i>	£52,000	Empty Homes Grant 2019/20 & 2020/21
<i>Bike shelter pilot expansion</i>	£10,500	Empty Homes Grant 2019/20
<i>Hale Trail cycle path feasibility</i>	£25,000	Empty Homes Grant 2019/20
<i>Solar Feasibility</i>	£20,000	Empty Homes Grant 2019/20
<i>EV charges in 4 car parks</i>	£57,000	Capital budget
<i>Godalming gateway</i>	£200,000	CIL contributions
<i>Hale Trail cycle path in farnham Park</i>	£170,000	CIL contributions
<i>Solar canopy feasibility - 4 car parks</i>	£15,000	Empty Homes Grant 2020/21
<i>EV chargers additional funding to expand existing project</i>	£25,000	Empty Homes Grant 2020/21
<i>PV system on Farnham LC roof</i>	£100,000	Empty Homes Grant 2020/21
<i>Pool covers at Farnham LC</i>	£45,000	Empty Homes Grant 2020/21
<i>LED lighting at the Edge LC</i>	£14,500	Empty Homes Grant 2020/21
<i>Motor replacements in LC's</i>	£30,000	Empty Homes Grant 2020/21
<i>EV charger at HLC</i>	£30,000	Empty Homes Grant 2020/21
<i>Fixed term officer role for 2 years</i>	£77,464	Empty Homes Grant 2020/21
	£934,464	