Partnership Council for Wales – 8th November 2023 – WLGA Climate Change Update

Purpose

1. This report provides a brief update on progress since the last Partnership Council meeting. It then makes a number of recommendations arising from the work of the four task and finish groups established by the Climate Strategy Panel (CSP).

Background

2. A report to the last Partnership Council meeting on 10th July set out details regarding the establishment of four task and finish groups to drive implementation of the local government commitments in Net Zero Wales (listed once again in Appendix 2). This report focuses on a number of specific recommendations arising from the work of these groups. Appendix 1 provides an overview of the work of each of the groups.

Key developments arising from CSP activity in this quarter:

- 3. The first round of the Welsh Government's **Low Carbon Heat Grant**, introduced as a result of the CSP's work is complete. Ten councils¹ received a total of £11.06m for 34 buildings in the first round of awards. A second round is underway.
- 4. An exercise for collaborative procurement of electric vehicles is underway, with twelve councils taking part in a combined order of 251 vehicles. Miller provided feedback to the CSP on their commissioned assessment of progress with councils' work on mitigation and adaptation. Whilst noting there is still much to be done in terms of mitigation, Miller welcomed the progress of the task and finish groups which were already taking forward some of their recommended actions.
- 5. Progress with **adaptation** work is less advanced and needs to receive greater attention. Adaptation/resilience will be the focus of the November CSP meeting which will take account of the recent Climate Change Committee report on progress in Wales. It is proposed that another CSP task and finish group is established to focus specifically on adaptation.
- 6. Finally, there has been a discussion about the **net zero ambition** and **offsetting**. Some councils made an early commitment to work towards net

¹ Newport, Carmarthenshire, Denbighshire, Blaenau Gwent, Torfaen, Caerphilly, Conwy, Flintshire, Vale of Glam and Anglesey).14 applications were received in total and a number of these are still under discussion.

zero *by themselves*. However, the prospects of all councils being able to achieve this goal are limited. It is important to note that the actual aim in Net Zero Wales is to achieve this <u>collectively</u> across the public sector. For example, NRW is likely to be 'carbon positive' due to its forestry and peatlands (so they sequester more carbon than they emit).

7. Linked to this, some councils have looked at offsetting as a way of achieving the net zero target, should their own decarbonisation efforts be expected to be inadequate. The fact net zero is a collective responsibility is important to remember in this respect. In addition, resources are better focused on decarbonisation measures wherever feasible (especially as offsetting is not necessarily a 'cheaper' alternative).

Recommendations

- 8. It is recommended that:
 - i. Land use: Councils note and make use of the land use tool and guidance (<u>Land and Carbon Sequestration Mapping Tool – WLGA</u>) that has been produced by the Task and Finish Group (the chair, Wendy Walters, wrote to all Leaders and Chief Executives about their launch recently)
 - Procurement: Councils note and make use of the Sustainable Procurement toolkit and guidance (<u>Resources – Procurement - WLGA</u>)
 - iii. **Transport** progress with collaborative procurement is noted and councils consider engaging in further joint procurement; work to encourage and support modal shift in travel to work is endorsed
 - iv. **Buildings**: Councils develop projects to put forward bids for support from further rounds of the Low Carbon Heat Grant; the Task and Finish group's emerging concerns over the cost of the building decarbonisation commitment are noted
 - V. **Net Zero ambition**: this ambition is recognised as a collective one and that any residual emissions should be considered at a Wales level, with use of offsetting considered only as a last resort
 - vi. **Adaptation task and finish**: the plan to establish an adaptation task and finish is endorsed.

APPENDIX 1 – Updates from the Task and Finish Groups

(i) <u>Procurement (Chair, Nigel Brinn, Executive Director, Powys)</u>

- 1. The Procurement group has held four meetings to date, with monthly meetings in the diary for the next few months.
- 2. It is working closely with the Wales-side network of procurement officers. A 'toolkit' of information was collated with advice and clauses that can be used to encourage and incentivise sustainable supply chains (see <u>Resources Procurement WLGA</u>). Some suppliers will be asked to submit **Carbon Reduction Plans** identifying the steps they are taking to reduce their carbon footprint. Given that purchased goods and services are responsible for over 60-70% of the carbon emissions associated with councils' activities. this is a crucial area in which to make progress.
- 3. There have been discussions as to the threshold (in terms of the value of the procurement) at which suppliers should be asked to provide these CRPs. Originally the proposal was to set this at £25,000 to ensure a significant number of purchases is covered. Some concerns were expressed about this by the WLGA Executive Board, the UK Cabinet Office and the FSB (which has a representative on the group). The concerns are that the level is too low, so it could place additional burdens on local SMEs and have cross-border implications. The FSB has proposed that the thresholds should be the same as the former 'OJEU' amounts for supply services and design contacts (€215,000 or c£186K). Discussions about the threshold are ongoing but the general principle of requiring CRPs for certain supplies is accepted.
- 4. Workshops have been held with procurement officers to get feedback on their use of the 'toolkit' provided. The most recent workshop in September identified some gaps and opportunities for further training.
- 5. Based on this feedback a way forward has been agreed as follows:
 - a. Produce a process map/tool box of <u>all</u> of the activity ongoing in relation to sustainable procurement in the public sector, to include not only the WLGA toolkit but also Welsh Government's Sustainable Risk Assessment (<u>Welsh Procurement Policy Note WPPN 01/23: Procurement -</u> <u>sustainable risk assessments | GOV.WALES</u>), a carbon calculator developed by Rhondda Cynon Taf (<u>Carbon footprint calculator Rhondda Cynon Taf County Borough Council (rctcbc.gov.uk</u>)), work being undertaken by Newport with their suppliers (<u>Building a Sustainable Future: Newport City Council's Journey to Decarbonising Procurement CYD Procurement</u>), and details of supplier

support available through Business Wales (<u>Green Ambition | Business Wales</u> (<u>gov.wales</u>)). Signposting will be included to align the procurement with best practice, using available resources and tools at every step.

- b. An update to the WLGA toolkit is to be made to provide more specification requirements in relation to social care. Social care is one of the highest spend areas of local authorities. Approximately 80% of the service is commissioned to private sector providers, making it a key area to target in terms of emissions reduction arising from procurement of services.
- c. Further **support and training** will be provided on the use of carbon reduction plans in the procurement process. This will include detailed training on how and when to ask for a carbon reduction plan, how to speak to suppliers about CRPs and how to build confidence in the tools that available to produce CRPs.

(ii) <u>Transport (Chair: Mark Shephard, Chief Executive, Bridgend)</u>

- 6. The transport group is liaising closely with the Society of Welsh Treasurers which has led on the collaborative procurement exercise mentioned above. It is recognised that the 251 EVs accounts for only around 6% of all councils' vehicles so there is still much progress to be made. In the course of the work a number of 'myths' have been encountered and the group is working to produce information to counter these to help overcome resistance to change and accelerate transition plans for fleet.
- 7. The group has also identified **commuting** as still accounting for a significant source of emissions, despite the growth of working from home. It plans to assemble information on initiatives that have been used successfully by councils to encourage modal shift in line with the Wales Transport Strategy and share good practice details and resources (e.g. costings, promotional literature). This might include provision of personalised travel plans, salary sacrifice schemes to support purchase of bikes or public transport passes, installation of charging infrastructure to support EV drivers, schemes to enable council's officers to use council EVs and charge at home, provision of showers and secure bike storage to encourage cycling to work where practical.
- 8. **Commuting** is often linked to 'grey fleet' journeys made by officers using their own cars for work-related journeys. Welsh Government Energy Services (WGES) have done much work looking at the potential of pool cars, showing the savings in costs and carbon that can be achieved from a well-managed fleet of pool cars. They presented to the last meeting of the group and referred to the approach taken in the health service. There are opportunities for working

together on this issue with health, or across the wider public sector and the group will explore this further.

9. **Route optimisation** has been identified as another area which could generate significant financial and emission savings. It is already used in some service areas (e.g. for waste collections) but the group plans to investigate opportunities for its application more widely.

(iii) Land (Chair: Wendy Walters, Chief Executive, Carmarthenshire)

- 10. The Land group has been building on work produced for WLGA by Costain and Netherwood Sustainable Futures, involving a **land-based decarbonisation digital tool** and supporting guidance.
- 11. The tool, developed by Costain, has been piloted by both Carmarthenshire and Flintshire. It contains layers of information that can be accessed via Data Map Wales. Following the piloting, Costain will be working with each local authority, providing half a day's support to explain its use. It will enable different land use options to be compared, identifying the different carbon implications of each. Importantly, it will be possible to update the tool as new, more up-to-date sources of data become available. The tool comes with technical guidance to take officers through its use
- 12. In addition, a Land & Carbon Sequestration & Storage **guidance report** has been produced which encourages consideration of the implications of corporate changes in a non-prescriptive way. It is designed to aid understanding of senior and middle managers and technical officers who need advice on what sequestration is. It explains relevant terminology and how to support carbonbased decision making. The group plans to launch the tool and guidance and will be promoting this to Leaders and Chief Executives of all councils.
- 13. At its second meeting of the group DataMapWales officials attended to give a presentation of the use of the tool to the whole group. The group also considered the crucial issue of **skills requirements**. Representatives from the Regional Skills Partnerships attended. One of the specific commitments made in Net Zero Wales was to develop skills in relation to peat land restoration and this will form one element of this work.
- 14. The group will also consider the issue of **offsetting**. This is the practice of paying for a carbon reducing activity to 'compensate' for emissions being made. This is a 'last resort' and should not be viewed as an 'easy' alternative to tackling decarbonisation directly. Indeed, some exploratory work in South West Wales suggests it could actually be a far more expensive route, with money

better spent on measures to reduce authorities' own in-house emissions.

(iv) <u>Buildings (Chair: Graham Boase, Chief Executive, Denbighshire)</u>

- 15. The buildings group's remit is to develop a strategic plan for decarbonising of councils' buildings. At its first meeting the group agreed this should cover offices, housing and schools, as well as any other property managed by councils (e.g. industrial units).
- 16. The group is seeking to identify how far 'quick wins' have already been exploited in terms of simple **retrofit options**. Discussions are underway with Ystadau Cymru to find out what information already exists and if there is a need to commission additional work to establish the position across Wales.
- 17. It was suggested that there may be opportunities to agree on consistent approaches across councils and **co-ordinate procurement** (e.g. solar panels). Borrowing could be arranged to facilitate this where is an anticipated payback. In some cases (e.g. heat pumps) there may not be such a payback but savings might be achieved through lower unit prices.
- 18. However, the question was raised as to how far to pursue such opportunities. Some councils have undertaken work to estimate the cost of decarbonising their entire estate and this runs into hundreds of millions of pounds. Even if such funding was available, the group asked if it would be the most effective use of the money or could bigger carbon savings be realised through alternative measures? There is a need to **establish expected costs and carbon savings** of different interventions so they can be compared. WLGA is in discussion with Local Partnerships who have developed a methodology that could help with this, but further discussion is needed.
- 19. A work plan was developed for the group to consider at its second meeting. It proposes work streams on the following:
 - a. Work on the strategic plan for decarbonising buildings
 - b. Monitoring progress of councils with decarbonising their buildings
 - c. Finance (including e.g. borrowing options and collaborative procurement)
 - d. Assessing carbon reduction potential of buildings in relation to alterative options.

APPENDIX 2 – Climate Change support programme work plan

The commitments made by local government and included in Net Zero Wales are shown in the left-hand column of the table below. The right-hand side gives examples of some of the work that is being done by the WLGA's support programme.

An ongoing programme of masterclasses has been running to share best practice. A leadership programme in also taking place, bringing Members and officers together to consider real world examples and share views. A communications strategy is also being developed to ensure information is shared widely across all councils and relevant working groups.

Net Zero Wales LG Commitments

	TaRSP Support
Buildings - Develop and deliver a strategic plan for decarbonising local authority estate.	 Decarbonisation Masterclass on Buildings held on February 16th. Sharing best practice on <u>Re:fit</u> programme and retro fitting older buildings.
Ystadau Cymru as strategic lead; - Strategic plan for decarbonising buildings by end of 2023. - All public buildings supplied with low carbon heat by 2030. - All new public sector buildings are built to net zero standard.	Resource bank on website. Ongoing and being updated regularly.
 Procurement Develop understanding of emissions profile of all procured goods and services by end of 2022. Carbon reduction specifications in all new or reviewed contracts. Focus on a number of priority contracts and share learning re. decarb across LAs by end 2022 – to develop a decarb approach to be applied to all contracts by 2023. 	 Commissioned support on procurement and scope 3 emissions Masterclass on Procurement in planning for later this year. Resource bank on website. Ongoing and being updated regularly
 Mobility & Transport Build on fleet reviews and develop plans for transforming fleet, inc. EV charging infrastructure, all new cars and light goods vehicles ULEV by 2025, reduce carbon footprint of buses, taxis and private hire vehicles to zero by 2030. Grey fleet review to be completed by end of 2022 (working with WGES) Support remote working where possible, at home or in hubs. Encourage active travel and public transport. 	 Commissioned targeted support on low carbon infrastructure and transport that focuses on skills, making the business case, planning and grey fleet. Masterclass on Transport held 19th January, currently planning a masterclass on Active Travel with case studies from Nottingham City Council Resource bank on website. Ongoing and being updated regularly
 Land Use Map out local authority land holdings by April 2022 to identify types of land and their potential for carbon sequestration, renewable energy and flood management. Carbon sequestration seen as a core purpose for public land by leaders. Develop 5 year training and apprenticeship programme and peatland restoration to support the supply chain. 	 Commissioned support on land based decarbonisation that includes guidance to embed LBD across relevant service areas and establishing a streamlined tool for councils Masterclass on Land Use held in March Resource bank on website. Ongoing and being updated regularly