

To: Cabinet
Date: 10 February 2021
Report of: Scrutiny Committee
Title of Report: Zero Carbon Council by 2030

Summary and recommendations	
Purpose of report:	To present Scrutiny Committee recommendations concerning the Zero Carbon Council by 2030 report
Key decision:	Yes
Scrutiny Lead Member:	Councillor Andrew Gant, Chair of the Scrutiny Committee
Cabinet Member:	Councillor Tom Hayes, Deputy Leader and Cabinet Member for Green Transport and Zero Carbon Oxford
Corporate Priority:	Pursue a zero carbon Oxford
Policy Framework:	Council Strategy 2020-24
Recommendation: That the Cabinet states whether it agrees or disagrees with the recommendations in the body of this report.	

Appendices
None

Introduction and overview

1. At its meeting on 02 February 2021, the Scrutiny Committee considered a report to Cabinet concerning the Zero Carbon Council by 2030: 4th Carbon Management Plan.
2. The Panel would like to thank Councillor Tom Hayes, Deputy Leader and Cabinet Member for Green Transport and Zero Carbon Oxford for presenting the report, Tim Sadler, Transition Director, for attending the meeting and answering questions, and Paul Spencer, Energy and Carbon Manager, for authoring the report.

Summary and recommendation

3. Cllr Tom Hayes, Cabinet Member for Green Transport & Zero Carbon Oxford, introduced the report, the intention of which was to bring to an end the Council's contribution to global warming by 2030 or sooner and outlining how the Council will be net zero carbon by the end of 2021. This proposal built further on the Council's declaration in 2019 of a climate emergency and the subsequent wish of the majority of the Council's Citizen's Assembly to go 'further and faster' than the Government's ambition to achieve zero carbon by 2050. The Council had assembled a robust evidence base to inform policy and provide the basis for plans which were both ambitious and realistic. While the Council's carbon emissions account for just 1% of those in the City, it has a role to lead by example and galvanise others to do the same. This report looked to the future but it was far from the first step in the Council's programme of activity to reduce carbon emissions, having reduced them by some 23% since 2014. The Council had been successful in attracting significant external funding to support this area of activity and there was every reason to believe that this would continue to be the case all of which would contribute to the success of this ambitious project.
4. Tim Sadler, Transition Director, reinforced the point that the focus of this report was on Scopes 1 and 2 of the plan, and principally about the Council's operational buildings, and that further reports would come forward in due course about the Council's other interests. There was, also, an ambition to come forward with a Zero Carbon Oxford plan in due course.
5. Following discussion of the report, the Scrutiny Committee makes five recommendations, focusing primarily on ways to increase the accuracy and credibility of the Council's net zero claims, and suggestions as to the proposed Carbon Management Plan might be efficiently and effectively implemented.

Accuracy and Credibility

6. The Committee welcomes the Council's proposals to reach net zero by 2030 or earlier. This, it notes, represents a step change from its existing strategy of reducing carbon emissions year on year, to becoming net zero. Achieving this ambition is an important corporate priority, but in order for the Council to know that it is indeed achieving it, it is necessary that new measures, reporting and target-setting are adopted to reflect the move from focusing on carbon-reduction to achieving net zero.
7. The Committee notes that technical terms for standards such as net zero can, if used incorrectly in public discourse, undermine existing standards and replace them with lower standards. A good example is the phrase 'Living Wage'. Whilst the Council has not only maintained the original standard of the Living Wage (and indeed has actually added a premium to it to form the Oxford Living Wage) central government uses the phrase as a synonym for the minimum wage. The conflation of the two has clouded public understanding of its meaning and likely introduced a greater cynicism towards the concept. The Committee is keen that the Council, in the vanguard amongst local authorities on environmental issues, should not open itself up to that accusation simply through non-standardised

reporting methods. Its suggestion, therefore, is that the Council's monitoring of its Carbon Management Plan should adopt and follow existing good practice and guidance, to ensure that the plan is credible, transparent and accurate.

8. The Committee notes that the current plan has elements which do already correspond with established standards and guidance, and others which do not. Reviewing these would take time and energy. However, in light of the Council's declaration of a Climate Emergency and its prioritisation of pursuing a zero carbon Council in its Council Strategy, the Committee considers this additional work to be necessary. However, to mitigate the disruption, it would be happy to see these standards implemented over time.

Recommendation 1: That the Council develops the Carbon Management Plan to align with established 'net zero' measurement, reporting and target-setting standards and guidance (e.g. PAS 2060, Carbon Neutral Protocol, GHG Protocol Organisational and Scope 3 Standards, Science-based Target Initiative) to ensure that terminology is used correctly.

9. Building on the sentiments above, adopting and following good practice is an important first step, but it is insufficient that the Council only does the right thing. It is necessary that it be seen to do be doing it the right way. The greatest reassurance that can be provided is for the Council's claims to be externally verified. Similarly to the way in which residents and other stakeholders should feel confident in the accuracy of the Council's financial statements because they have been externally audited, reassurance should be provided over the Council's carbon emissions. The Committee recommends, therefore, that the Council's progress towards net zero is independently audited.

Recommendation 2: That the Council subjects the resulting report and the 'net zero' claim to independent audit

Efficient and Effective Implementation

10. If the overall figure of 526 tonnes of CO₂ is divided by the anticipated cost of £2.2m, the overall expected price to reduce emissions to net zero is over £4000 per tonne. This is an extremely high figure, and reflects the challenges faced by the Council in, for example, improving the energy efficiency of its Grade II listed Town Hall.
11. The Committee considers it important that the Council should undertake a carbon cost-benefit analysis to identify priority projects, and it does so for a number of reasons. Firstly, simply by implementing those measures which are quickest and most effective at the outset, the Council will produce fewer emissions on its journey to net zero than if a less effective order were selected. The second reason to do this being the existence of a significant - £2m per annum - funding gap between what is estimated to be required to achieve these carbon savings and what the Council can currently afford. If there is any uncertainty over funding, and with attracting external funding there is always is, prioritisation to maximise what can be achieved becomes all the more important. Thirdly, potential funders who might fill the funding gap, will have eligibility requirements for potential projects, making having a knowledge of the costs and returns of proposed projects a prerequisite in having a strategy for attracting external funding. Finally, a carbon cost-benefit analysis may identify proposed projects whose returns are

simply too slim to be viable, and where cheaper alternatives (offsetting, for example) would be preferable.

Recommendation 3: That the Council undertakes a carbon cost-benefit analysis to guide decision-making and to ensure that the quickest and most cost effective carbon reduction measures are pursued first.

12. The Committee recognises that the Council faces a difficult balance regarding how it works with partners. The Council seeks to set an example for others to follow, and the Committee agrees that the Council should seek to do this. Implicit within this is the idea that different stakeholders will be at different points on their journey towards zero carbon. At the same time, working collaboratively across stakeholders within the City may bring about better opportunities for carbon reduction collectively than the Council (or other stakeholders) could achieve individually. Being mindful of the Council's wish to be a local leader in driving the zero carbon agenda, the Committee encourages the Council to exercise its influence through integration with activity throughout the wider City.

Recommendation 4: That the Council integrates its own strategy into that of the wider City recognising that though its policies, partnership working and influence the Council can impact more than 1% of the City's emissions.

13. The Scrutiny Committee is aware that the idea of introducing environmental impact assessments within its standard report templates was discussed at the January 2021 Cabinet meeting. This is an idea which the Committee supports. With every decision and action taken by the Council having some form of environmental impact, be it positive or negative, the Committee considers it important that these impacts should be given a standard platform to influence decision-making. Further, with the feedback from the Citizens' Assembly showing a particular engagement by participants on environmental issues, the Committee considers that greater transparency and accountability by the Council over its own environmental impact is an important means of engaging its residents.
14. Without wishing to undermine the point made above, it is recognised that carbon usage is a sub-set of wider environmental impact, and that the most engaging issue for those attending the Citizens' Assembly was 'greening the City' rather than carbon reduction. Nevertheless, the Committee considers that whilst the Council is in the process of making a step-change transition from low-carbon to no-carbon, accountability over its progress towards this should be its priority. The Committee wishes to see environmental impact assessments to focus primarily (though not exclusively) on ensuring that the Council's zero carbon target is indeed reached by 2030 or earlier.

Recommendation 5: That the Council introduces environmental impact assessments into its standard Cabinet report template, with a particular focus on how the actions being proposed will help the Council move towards being zero carbon.

Further Consideration

15. The Committee does not anticipate any further direct consideration of this issue, but is likely to continue to monitor the Council's emissions-related performance

targets, as well as making a recommendation seeking to ensure that environmental and net zero considerations are always given attention in future reports.

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Cabinet response to recommendations of the Scrutiny Committee made on 02/02/2021 concerning the Zero Carbon Council report

Response provided by Deputy Leader of the Council and Cabinet Member for Green Transport and Zero Carbon Oxford, Tom Hayes

<i>Recommendation</i>	<i>Agree?</i>	<i>Comment</i>
1) That the Council develops the Carbon Management Plan to align with established 'net zero' measurement, reporting and target-setting standards and guidance (e.g. PAS 2060, Carbon Neutral Protocol, GHG Protocol Organisational and Scope 3 Standards, Science-based Target Initiative) to ensure that terminology is used correctly.	Not agreed	The basis for measurement in this plan is the same as on each previous occasion ie using the reporting required by central government in the form of the Green House Gas Report. The report gives a comprehensive view of the council's performance in the areas targeted in the plan. Maintaining the same measure also enables, like for like comparison across previous plan periods.
2) That the Council subjects the resulting report and the 'net zero' claim to independent audit	Not agreed	The Green House Gas report is already subject to scrutiny and validation by The Department for Business, Energy and Industrial Strategy. An additional audit would be an unnecessary burden in time and cost.
3) That the Council undertakes a carbon cost-benefit analysis to guide decision-making and to ensure that the quickest and most cost effective carbon reduction measures are pursued first.	Not agreed	This is already undertaken as part of the Salix assessments and floors and benchmarks are being built into the revised Asset Management Plan.
4) That the Council integrates its own strategy into that of the wider City recognising that though its policies, partnership working and influence the Council can impact more than 1% of the City's emissions.	Not agreed	This is already in hand

5) That the Council introduces environmental impact assessments into its standard Cabinet report template, with a particular focus on how the actions being proposed will help the Council move towards being zero carbon.	Not agreed	This issue was debated at the previous meeting of the Cabinet. An officer report on the means and resource implications of doing this in a meaningful way is in draft form.
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