

16th July 2021

DECARBONISATION – LOCAL AUTHORITY STRATEGIC COMMITMENTS AND ACTIONS

Purpose

1. To consider and build on the recent report to Partnership Council which identified potential strategic commitments and actions by local authorities to contribute towards meeting the target of a net zero carbon public sector by 2030.

Background

2. At the Partnership Council meeting on 7th July, Leaders considered a progress report (attached at Appendix 1) providing an update on work being progressed by the Decarbonisation Strategy Panel it established after its June 2020 meeting.
3. Based on the work of the Panel, the report sets out potential commitments local authorities (LAs) could make in four areas where it is felt the public sector can achieve the greatest carbon reductions: procurement, mobility/transport, building and land use. Good progress is already being made by LAs in all of these areas and there is scope to build on that and ensure best practice is being employed across Wales.
4. In 2019 Welsh Government issued *Prosperity for all: A low carbon Wales* ([Low carbon delivery plan | GOV.WALES](#)) which included a range of commitments and targets to help tackle climate change mitigation. Many of those were relevant to local authorities. It is now updating the Plan and will be issuing *Net Zero Wales* this Autumn. It is the intention that this updated version is co-produced with LAs, to ensure that there is a sense of ownership of the document and its goals.
5. With COP 26 (the 26th meeting of the UN 'Conference of the Parties') taking place in Glasgow this November it is a particularly appropriate time to be issuing such a partnership statement of intent. As noted in the report to Partnership Council, Welsh Government and LAs have demonstrated how effectively they can work together in tackling the Covid-19 emergency. There is now a need to tackle the climate change emergency with the same degree of energy and focus to ensure this latest policy statement is acted and delivered upon.

Potential commitments

6. The Partnership Council report suggested a number of collective and high-level commitments by LAs (subject to resources) which can be summarised as follows:

- Collaborate on **procurement** specifications to minimise the carbon impact of goods and services procured, based on enhanced understanding of their emissions profiles
 - Focus on a number of prioritised scale/impact **contracts** and share the learning regarding decarbonisation across all LAs
 - Accelerate transformation of councils' own fleet towards **electric vehicles** and take steps to transition to low/zero emission amongst the grey fleet (staff travel)
 - Work on a long-term plan for the **council estate** decarbonising existing (retained) buildings, moving to renewable energy sources, and ensuring any new build is to net zero standards (in construction and operation)
 - Map out LA **land holdings** and follow up on identified opportunities for carbon sequestration, habitat restoration, renewable energy generation and flood risk management
7. There is an opportunity for LAs to endorse (or otherwise) and add to these commitments. Some other areas have been identified, via the work of the Panel and from excellent work at regional level that is feeding to and from the Panel. A range of these proposals have significant implications for the workforce and training and re-training will be needed (e.g. vehicle maintenance staff). Amongst the other areas under discussion are the following:
- work with the 21st Century schools programme to establish and **address cost differential and barriers to building net zero/carbon positive schools**
 - plan ahead for a **co-ordinated programme of boiler replacement** in council-owned properties
 - support **remote working** by staff where possible and appropriate, at home or in 'hubs', and encourage **travel to work** via active travel and public transport to reduce unnecessary car journeys
 - organise **training programmes for LA staff** across Wales to build awareness and 'mainstream' decarbonisation planning into all service areas
 - work with colleges to develop a 'pipeline' of skilled workers, through **apprenticeships and training, to support LA retrofit** work
 - develop a specific 5-year **training and apprenticeship programme on peatland restoration** to support the supply chain (which could tie into proposals for a National Nature Service)
 - continue to explore opportunities around **hydrogen** in relation to transport and heating.
8. Timescales will need to be agreed for many of these commitments. Some were set out in the original Low Carbon Wales Plan. These will need to be revisited and updated, with targets also agreed for new commitments.

Local Government Pension Funds

9. There has been a lot of recent correspondence into the WLGA from Friends of the Earth Cymru (FoEC) and Divest Dyfed, highlighting their concerns about the level of investment and the impact on climate change.
10. As with climate change and decarbonisation in general, this is increasingly an area of interest and concern for the electorate and government at all levels are likely to face increasing pressure to act on divestment from fossil fuels.
11. Several councils have passed motions to divest from fossil fuels and others have moved money into low carbon funds, however the complexity and rules governing pension funds makes change difficult, with LAs having little direct control over how money is invested beyond that of shareholders with voting powers.
12. The Wales Pension Partnership (WPP)—the collaboration of 8 Local Government Pension Scheme (LGPS) funds—represents the interests of its Constituent Authorities (Cardiff & Vale, Flintshire, Dyfed, Gwent, Gwynedd, Powys, RCT, Swansea). We propose to write to the WPP to better understand its Responsible Investment Policy and a draft letter is set out in the annex for the incoming Chair and Vice-Chair (they should be approved at the end of July).

Recommendations

13. It is recommended that Leaders:
 - endorse the commitments as set out in the report to the Partnership Council (see Appendix), subject to necessary resources being made available
 - consider additional commitments including, but not limited to, those in para. 7, indicating if any of those suggested would be problematic
 - agree to the detail being worked up further by the Decarbonisation Strategy Panel and either brought back to a future meeting or, if time does not allow, agreed with Group Leaders
 - write to the WPP to initiate a dialogue between the WLGA and the WPP on the local government pension scheme.
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Appendix 1

Partnership Council for Wales – 7th July 2021 – WLGA Decarbonisation Update

Purpose

1. To update the Partnership Council on decarbonisation work, progress since the last meeting and the next steps.

Background

2. Wales has committed to achieving net zero carbon emissions across the public sector by 2030. In June 2020, the Partnership Council agreed a joint statement between local authorities, Fire and Rescue Authorities (FRAs), town and community councils and Welsh Government setting an ambitious leadership direction. It also agreed that decarbonisation should be a standing agenda item for future meetings to monitor progress towards the 2030 target.
3. Two of the commitments made in the joint statement were (i) the establishment of a Decarbonisation Strategy Panel (DSP) to progress work and report back to the Partnership Council and (ii) for local authorities to have robust evidence-based action plans in place by March 2021 for achieving net zero by 2030. The update report to the March 2021 Partnership Council meeting noted that the UK Climate Change Committee (UK CCC) had published updated advice (in December 2020¹) bringing emission reduction targets forward. Whilst that did not change Welsh Government's public sector net zero by 2030 target, the Partnership Council acknowledged the UK CCC's message about the need to act early to embed the changes needed to meet the target. Welsh Government allocated an initial £200,000 towards a support programme for local authorities, to be managed by WLGA, with a further £300,000 already identified for 2021/22.
4. The UK CCC's more recent independent assessment of climate change risk in the UK contains a national summary for Wales ([CCRA-Evidence-Report-Wales-Summary-Final.pdf \(ukclimaterisk.org\)](#)). This states that there is evidence of an adaptation gap between current planning and the scale of action required to manage the risk from climate change in Wales. Adaptation and mitigation measures are closely inter-related and it makes sense for them to be considered and developed together as far as possible. The CCC calls for "monitoring, research, risk assessment and strategic planning at local, regional levels supported by national policy and action by the Welsh Government (p.7)". Helping to address that adaptation gap via such measures will therefore be amongst the objectives of the DSP and the WLGA support

¹ [Sixth Carbon Budget - Climate Change Committee \(theccc.org.uk\)](#) – This report recommended a 78% reduction in territorial emissions between 1990 and 2035, effectively bringing forward the UK's previous 80% target by nearly 15 years).

programme, alongside its central purpose, to promote decarbonisation and mitigation of climate change impacts.

5. The benefits of close working between Welsh Government and local authorities have been evident in relation to the Covid-19 emergency. A similar approach and intensity of effort are needed to tackle the climate change emergency, which arguably poses at least as great a risk to communities as the pandemic.
6. This report provides an update on the progress to date of the DSP and seeks a political steer and support in terms of taking the work to date forward. That includes views on the nature and extent of participation in the major international climate change conference, COP26, in Glasgow this November and the linked COP Cymru plans within Wales.

Update

Local Government Decarbonisation Strategy Panel

7. The DSP (membership in Annex 1) held its first meeting in Climate Week in November 2020. Since then, a further seven meetings have taken place so far. The Panel agreed broadly to follow the Public Sector Routemap to Net Zero produced by Welsh Government. This identifies four main areas where the public sector can exercise greatest impact in terms of reducing its own emissions:
 - Procurement
 - Mobility and transport
 - Buildings
 - Land use
8. Each of the above has been the subject of detailed analysis at Panel meetings. The sessions are being progressed using a consistent approach, as follows:
 - a discussion document is produced setting out a wide range of relevant issues
 - the Panel discusses the report, with additional input from invited experts in the field
 - A synthesis document is produced, incorporating key points that have arisen at the Panel meeting and identifying potential strategic actions
 - The document is circulated to the Panel for comment in the first instance to get an agreed working draft
 - Consideration is then given to circulating the draft more widely to relevant professional groups working in the field. This serves a number of purposes: (i) to raise awareness of the work of the DSP and its attempts to pull strands together and co-ordinate efforts (ii) to get

feedback on how far identified actions are already being undertaken and (iii) to seek a consensus on how best to respond to the Panel's proposals, avoiding duplication and maximising integration.

9. To help give official status to the work arising from this process, it is intended that proposals for commitments and actions by local authorities (LAs) are incorporated into the next Wales Low Carbon Delivery plan to be published in the autumn, titled '*Net Zero Wales*'.
10. This will require work at pace to develop and agree the detail of these commitments and actions. Whilst these will be specific to LAs, it is intended that they will be included as part of a cross-cutting, public sector chapter.
11. Other chapters in the plan will include wider, overall commitments for Wales in relation to power, buildings, transport, agriculture etc. many of which will be relevant to LAs.
12. Some overarching commitments will be needed such as:
 - To ensure strong and clear national, regional and local structures are in place to facilitate and support communication, to share good practice and lessons learnt and to challenge, raise and support ambition levels across Wales
 - To put in place an (initial) two-year programme of decarbonisation support, funded by WG and delivered by WLGA on behalf of all LAs to provide advice, tools, research and training, avoiding duplication and saving resource across all 22 authorities, sharing and driving best practice.
 - To monitor emissions annually, using consistent baseline data supported by an annual review to report progress and drive improvements.
13. In relation to the four key elements of the route map, further work is needed but the box below provides examples of sort of strategic proposals that are being considered, arising from the work of the Panel to date. These will need to be built upon by LAs such that a range of challenging but achievable goals are set. Crucial to that will be the availability of funding. Many of the measures required will need significant investment with 'front loading'. However, that investment will be preventative and help to avoid costs in the years ahead. LA commitments, in that sense, will be made subject to resources. Dates will need to be determined (taking into consideration those set in the initial Low Carbon Delivery Plan ([Low carbon delivery plan | GOV.WALES](#))).

Procurement:

- Set out carbon reduction specifications in contracts with the private sector to accelerate the decarbonisation agenda. Around 60% of a council's carbon emissions are from procuring supplies and services. There are significant opportunities for councils and other public sector bodies to collaborate on specifications (e.g. setting contractual expectations in respect of reusable packaging, delivery of goods by electric vehicles, elimination of single use plastics, waste recycling targets for each business)
- Good and widespread understanding of the emissions profile of all main types of goods and services procured by LAs to be developed
- A number of priority scale/impact contracts (e.g. construction, social care, schools) to be used to develop a robust decarbonisation reduction approach, with the aim of applying this to all LA purchasing activities over an agreed time period. Exemplar projects and lessons learnt to be developed and shared regionally and nationally.

Transport:

- Transformation of fleet to EV / Zero Emission to be accelerated, building on LA fleet reviews completed in 2021, developing transition plans by [*date to be determined*] which set out how fleet will be decarbonised, with targets and goals around the following:
 - acceleration of the roll-out of EV charging infrastructure
 - all new cars and light goods vehicles to be ultra-low emission by ????
 - carbon footprint of buses/taxis/private hire vehicles to be zero by ????
 - school transport provision
- Grey Fleet review to be completed by [*date to determined*] to identify how to support staff in reducing travel where possible and to transition to low/zero emission transport.

Buildings:

- Ystadau Cymru as strategic lead for the public sector to work with LA estate managers to identify and shape what the estate will look like longer term (following recovery from the pandemic) and ensure decarbonisation is at the forefront of this agenda, helping to drive the next three commitments:

- strategic plan to be developed **to decarbonise a range of building types** including schools, many of which are early 20th century
- All public buildings to be supplied with **low carbon heat** by [*date to be determined*] and to generate their own renewable electricity where feasible
- All **new** [*new build and new acquisitions, e.g. hubs and lease arrangements*] public sector buildings to be **built to net zero standard**, including supply chain impacts. (net zero build and net zero operation)

Land Use:

- Carbon sequestration opportunities to be actively pursued by LAs on their land, including habitat restoration, tree planting etc as appropriate
- A land mapping exercise to be completed by [*date to be determined*] identifying types of land and their sequestration potential, with plans to be developed to maximise carbon benefits. Also, use the exercise to identify potential flood management measures
- Work in partnership with Natural Resources Wales to identify suitable sites for forestation and to generate green energy from water, wind and solar technologies

WLGA Support Programme

14. In order to facilitate a co-ordinated approach to the sorts of activity that could be generated as a result of the above proposals, WLGA has been funded by Welsh Government to provide a support programme. This has been titled the 'Transition and Recovery Support Programme' as it is seeking to provide support to LAs not only in relation to decarbonisation but also wider green recovery, incorporating recovery from the pandemic and from the after-effects of leaving the EU.
15. A framework contract has been established to enable expert advice and assistance to be drawn upon as required. This contract was advertised via

Sell2Wales and generated a great deal of interest. Eventually, five consultants were selected as follows:

- Netherwood Sustainable Solutions
- Grant Thornton
- Cylchog
- Costain
- Miller Research

16. These consultants were assessed as having the necessary blend and range of experience and knowledge to assist LAs in responding to the challenges ahead. Other sources of support, such as the Welsh Government Energy Service, will also be drawn upon as and when appropriate. Their use, collectively, will enable work to be undertaken 'once for Wales' and shared across all LAs, instead of each LA having to address issues in isolation. It will also hopefully help to identify wider community benefits that could be generated – for example supply chain benefits of developing a programme of action across Wales, as opposed to pursuing ad hoc responses at a local level.

17. The first commission has already been awarded. It will involve a review of LA decarbonisation plans. The intention is to identify good practice, gaps that need filling and opportunities for joint action. Initial findings are expected in August, in time to inform the Net Zero Plan. As such, it is expected to generate further work, following up on the findings and providing advice and support where LAs have flagged up their needs.

COP 26

18. COP 26, the 26th annual United Nations climate change conference, is taking place in Glasgow from 31st October to 12th November. The four main goals for this COP are:

- To secure global net zero emissions by mid-century to keep the target of a 1.5 degree rise in global temperatures within reach
- To adapt to protect communities and natural habitats
- To mobilise finance in support of the goals
- To work together to deliver and meet the goals.

19. It is not yet clear what the balance of the conference will be in terms of physical versus virtual attendance. The generation of multiple international trips to Glasgow appears at odds with the central objectives of the Conference. However, governments may want face-to-face meetings (pending any Covid-related restrictions) given the significant implications of the major items to be negotiated. Furthermore, the Scottish Government is understandably keen to maximise the wider benefits of hosting such an important international event. Beyond the main negotiations that will take

place in the UN-managed 'Blue Zone' (in the Scottish Events Campus) there will be other civic society discussions in the UK-managed 'Green Zone' (in the Glasgow Science Centre). There will also be an active 'fringe' with a wide range of other activity and meetings occurring throughout the Conference period.

20. WLGA has been in discussion at official level with COSLA, NILGA and the LGA about how local government can ensure its voice is heard. At the same time, it will be important to present a Welsh perspective, identifying how partners are working together in Wales to tackle the issues, including plans for COP Cymru.

21. Whilst there is still time to agree the best approach to involvement at the Conference, the Partnership Council presents an opportunity for Ministers and Leaders to have an initial exchange of views.

Recommendations

22. It is recommended that Partnership Council:

- notes the progress of the DSP
- considers and makes any initial comments on the potential commitments and actions arising from its work to inform the approach to Net Zero Wales
- endorses the next steps suggested, with LAs to develop and agree a set of commitments (subject to resources)
- exchanges views on the approach to the COP26 Conference in Glasgow in November.

Annex 1- DSP Members

Representing	Individual	Roles & responsibilities
Local Authorities - representing South East	Chris Bradshaw	Chief Executive RCT CBC
Local Authorities - representing South West	Wendy Walters	Chief Executive, Carmarthenshire CC
Local Authorities - representing Mid	Caroline Turner	Chief Executive, Powys CC
Local authorities – representing North	Iwan Davies	Chief Executive, Conwy CBC
	Helen Vaughan- Evans	Strategic Planning, Denbighshire CC
LA Directors of Environment	Rachel Jowitt	Director for Environment, Torfaen CBC
	Richard Crook	Director for Environment Blaenau Gwent CBC
WLGA	Tim Peppin	Director of Regeneration & Sustainable Development
	Ben Sears	
Welsh Government	Reg Kilpatrick John Howells	Director Local Government Director – Energy and Decarbonisation
Cardiff University Centre for Climate & Social Transformations (CAST)	Professor Carly McLachlan	Technical guidance and support
Natural Resources Wales	Clive Walmsley	Technical guidance and support. Links to wider public sector ambitions.
National Parks Authority (NPA)	Tegryn Jones	Chief Executive - Pembrokeshire National Park, Chair of NPA.
Trade Union	Nicola Savage – GMB (Jessica Khoshooee - UNISON – deputy)	Union oversight and perspective

Annex 1

Ein Cyf /Our Ref: JR/AH
Eich Cyf /Your Ref:
Dyddiad /Date: 28 July 2021
Gofynnwch am/Please ask for: Jon Rae
Llinell uniongyrchol/Direct line: 029 2046 8620
Ebost/Email: jon.rae@wlga.gov.uk

Chair & Vice-chair
Wales Pensions Partnership
Treasury & Pension Investments Section
County Hall
Carmarthen
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Dear [insert names of new Chair & Vice-chair on 28 July]

Opening a dialogue between the WPP and WLGA

As the representative body for local government, we have received a lot of recent correspondence from groups including Divest Dyfed and Friends of the Earth about ethical investment and the Local Government Pension Funds. As far as we can, we respond positively about the progress that is being made.

With growing interest in infrastructure investment and COP Glasgow on the horizon later this year, it would also be timely to open a political dialogue on these opportunities in which we have strategic alignment.

I fully understand the fiduciary duty that each Fund has to its membership, and I would never encroach on that. As employers, the authorities we lead have quite different responsibilities in this regard.

However, we have common aims and objectives including ensuring that the funds maximise returns while investing for the public good.

With your links to the Scheme Advisory Board, I am very keen to open a dialogue to show Wales is leading the way in these important issues of good governance.

Yours sincerely,

Councillor Anthony Hunt (WLGA Finance Spokesperson)

Dr Chris Llewelyn
Prif Weithredwr
Chief Executive

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