



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 5.1

Climate Action Plan Annual Report

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	22 March 2023
Public report:	Yes
Lead Member:	Councillor Bridget Smith, Lead Member for the Environment and Climate Change
From:	Steve Cox, Interim Director, Place and Connectivity
Key decision:	Yes
Forward Plan ref:	KD2022/081
Recommendations:	<p>The Board is recommended to:</p> <ul style="list-style-type: none">a) Note progress on the Climate Action Plan 2022-2025.b) Support the changes to the Climate Action Plan set out in Appendix 1.c) Support the alignment of reporting data on carbon and greenhouse gas emissions.
Voting arrangements:	<p>A simple majority of all Members present and voting.</p> <p>To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.</p>

1. Purpose

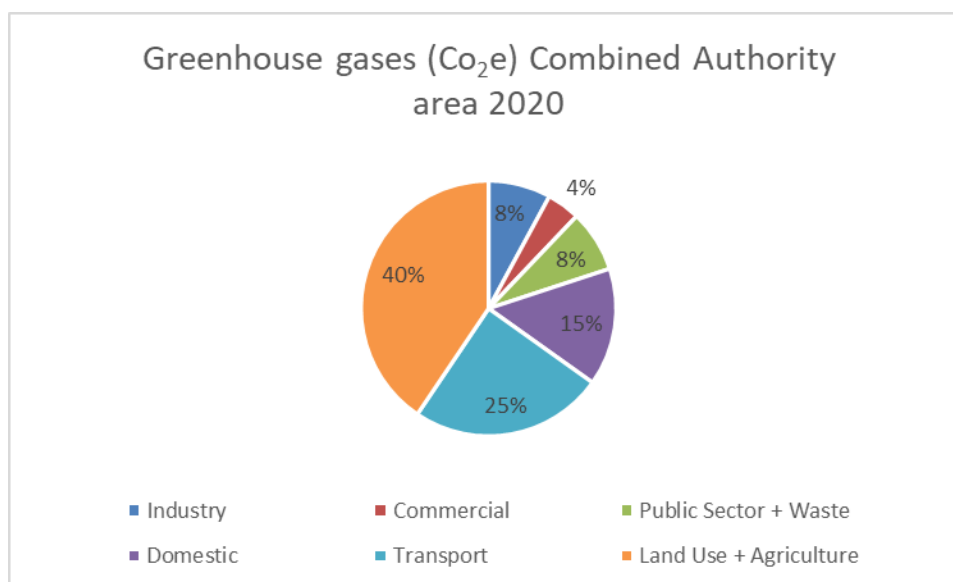
- 1.1. To receive an annual progress report on the Climate Action Plan 2022-2025 and to approve updated actions.

2. Background

- 2.1. The Climate Action Plan 2022-2025 sets out cross-sector actions in response to the Independent Commission (IC) recommendations to tackle emissions of greenhouse gases and to adapt to the impacts of climate change. The 58 IC recommendations covered a wide range of actions over a multiple of organisations, individual organisations, businesses and residents.
- 2.2. To address these recommendations, the Combined Authority Board established the Climate Partnership chaired by the Mayor and comprising a working group of senior representatives of the councils and from public, private and third sectors; and approved the Climate Action Plan. This identified 40 priority collaborative Actions to support strategic priorities. Those actions were developed with the following principles:
 - establishing crucial building blocks to support the range of recommendations
 - the action is bigger than any one organisation can deliver
 - action directly cuts carbon
 - delivers adaptation benefits or nature improvement with 'no regret' investment
 - make best use of resources
- 2.3. Eleven workstreams have taken forward the Actions. Each involves council officers and stakeholder representatives. These have been steered by an officer group of senior managers from across the constituent councils, and by the Climate Partnership.
- 2.4. The Climate Action Plan recognises that actions in it are contributing to reducing greenhouse gases and adapting to climate impacts, but this is only one part of many activities and decisions required by individuals, businesses and organisations as the climate response.
- 2.5. The majority of the IC recommendations are reflected in the Climate Action Plan (alongside action by individual organisations). The key exceptions are collective net zero standards for new buildings; waste targets; and long-term vision for lowland peat/ the Fens. Each of these three areas are subject to significant revisions to government policy (revisions to national planning policy; national waste strategy; Lowland Peat Taskforce) so will be addressed as that policy emerges.
Greenhouse gases emissions 2020
- 2.6. The latest available national statistics (for 2020) estimate that territorial greenhouse gases emissions for the Combined Authority area totalled 8039 ktCO₂e (CO₂e gives greenhouse gases as a carbon equivalent). This was a reduction of 6.4% on the

previous year, and double the reduction achieved in 2019. The figures for England show a reduction of 10.5%. 2020 was influenced by the pandemic response, with Cambridgeshire and Peterborough emissions from industry, commercial and transport down by 12-13%. In contrast local land use and domestic energy emissions showed little to no change in 2020.

The graphic shows the % split between sectors:



- 2.7 Land use and agriculture account for the largest emissions; this increased slightly in 2020 due to the reduction in other sectors. Most of these emissions are attributed to cropland, with a small 'offset' for forestry and natural grasslands. Cropland emissions have remained largely static since 2005 as emissions are calculated on land area, which has only marginally changed in that period. This underlines the importance of the Combined Authority's support for better data on actual emissions from different crops and soils. The use of land for crops, and hence emissions, is a result of landowner and tenant decisions, interaction with government agricultural policy/subsidies, market conditions and demand for alternative uses. If emissions from cropland remain static then the area needs to deliver significant offset / carbon capture to meet the Net Zero target.
- 2.8 Transport is the second largest sector with a quarter of emissions. This includes emissions from traffic crossing through the area – the new CPCA transport model will allow greater analysis of these in the future. The Local Transport and Connectivity Plan is exploring the options for the transport Net Zero pathway.
- 2.9 Domestic energy emissions also remained static in 2020. Although domestic energy as a sector has seen reductions since 2005, emissions from domestic gas have remained static. There are actions in the Climate Action Plan that will start to be reflected in later years monitoring, including public grant support for retrofit and skills capacity development, although major impact on that sector relies on stimulating private investment decisions, standards for new build, and how energy is taxed.
- 2.10 Public sector and waste management emissions comprised 8% of the total in 2020. Public bodies, including constituent councils of the Combined Authority, are taking

their own actions to mitigate emissions under their control through decarbonisation schemes and specific action plans. The Climate Action Plan 2022-2025 recognises that and focuses on additional collaborative action that can be delivered at a Cambridgeshire and Peterborough level. Enabling some of the collection fleet to switch to electric through the Waterbeach Depot solar project is one investment being made.

Mission Zero: Net Zero Independent Review

- 2.11 Last year, the government commissioned an independent review into its approach to net zero delivery, to maximise the economic opportunities of the net zero transition. Chris Skidmore MP was the review Chair. The Review was published in January 2023. It concluded that: *“The Review’s findings are unequivocal: we must grab this opportunity, there is no future economy but a green economy.”* Whilst the review had a clear focus on ways to achieve growth and reduce the costs of net zero, it also highlighted adaptation: *“is impossible to consider this in isolation from the physical risks that climate change presents. In a high emission future, the level of global disruption will be so severe that ‘normal’ economic activity will become very challenging.”*
- 2.12 Seven key conclusions are highlighted below:
1. Net zero is creating a new era of change and opportunity
 2. The UK must act decisively to seize the economic opportunities and smooth the transition
 3. The benefits of investing in net zero today outweigh the costs
 4. Unlocking the ambition of places and communities will deliver the most successful version of net zero
 5. Net zero can materially improve people’s lives – now and in 2050 – but work is needed to secure the benefits and minimise costs
 6. Net zero by 2050 remains the right target for the UK: it is backed by the science, widely followed, and is creating real opportunity
 7. Significant additional government action is required to ensure that the UK achieves net zero in the best way possible for the economy and the public
- 2.13 The Review set out recommendations under six pillars. Pillar four addressed Net Zero and the community, with recommendations relevant to work of Combined Authorities:

PILLAR 4- Net Zero and the Community

- Develop a high-level framework between central and local government to provide clarity, certainty, and accountability for local areas.

- Government should ensure that every devolution deal includes a strong net zero element
- For the next Spending Review, BEIS, DLUHC and HMT work closely to deliver local net zero funding reform to help longer-term, simpler funding landscape for LAs
- Consideration of a statutory duty for local authorities to take account of UKs net zero targets
- reforming the planning system at local and national level to place net zero at its heart
- Turbo charge community energy by committing to the Local Electricity Bill and publish a Community Energy Strategy to address key barriers.

2.13 The Review provided 129 recommendations for action.

Emissions reporting

2.14 Organisations have different approaches to reporting on their own emissions and targets (covering different Scopes of emissions for example). It would strengthen local action and evaluation if there was greater readability across the reports. To improve understanding of the data and progress on Net Zero pathway, it is proposed to include an additional Action in the Climate Action Plan to convene those responsible for monitoring and analysing emissions data across the area to share best practice and to support the alignment of reporting data on carbon and greenhouse gas emissions to provide consistency of approach.

Progress

2.15 The accompanying detailed report on the progress on the Climate Action Plan in Appendix 2 was pulled together by meeting with workstream leads, project leads and information from within the CPCA. A lot of progress made to date but still key challenges, including:

- Resource and funding to progress projects/programme, including government competitive funding.
- Skills, volatile markets conditions and supply chains
- Government Policy – current policy impacts pace of change / new policy impact scope of our projects/programme
- Affordability of action to embed change
- Quantifying benefits

2.16 The Climate Action Plan addresses the actions over a three-year period and is a starting point to address what is required to tackle climate change. The next phase of

delivery will need to identify how to achieve the significant reductions that will be needed over the 10 years to keep within Net Zero pathways. UKPN produce an annual set of scenarios that consider different pathways for its area (London and the East) dependent on speed of society's adoption of net zero measures.

Workstream updates

- 2.17 This section provides an overview of notable successes and key challenges identified in Appendix 2.

WS1: Sustainable Finance

Successes: Both Cambridgeshire and Peterborough were successful in bids to Innovate UK Pioneer Places that link to their delivery of Local Area Energy Plans (LAEPs). This is a building block for delivery of their LAEPs and has the potential to unlock future funding of £5m.

Challenges: We have been unable to secure a Workstream SRO which has resulted in the slow progress on other actions in this workstream. We are now consulting with local authority partners to seek this resource.

2.18 **WS2: Engagement**

Successes: The Engagement Plan was agreed at the Partnership Group meeting 4 November 2022 and coordinated arrangements on engagement are in place. The CPCA Climate Officer is preparing for the launch of the small-scale community fund for early this year. During COP27, Cambridgeshire held an event with 150 students across 14 schools attending. This has led to the potential to hold future annual events and potential for the creation of Schools Eco Council. As some of the Engagement actions are now complete new actions are suggested in Appendix 1.

Challenges: Further development of the Engagement Plan will require additional resource and funding.

2.19 **WS3: Energy**

Successes: Peterborough have completed their LAEP and moved to implementation. Cambridgeshire LAEP is currently being developed. To support these plans, both organisations have applied for UK Innovate Funding (see WS1 above). Funding secured for a solar PV project is covered in the Waste workstream below.

Challenges: Peterborough LAEP identified £8.8 billion investment is needed to decarbonise the city. This level of funding will need to come from multiple sources, including private investment, payment by households to retrofit their own properties and government grants. For example, it is estimated £800m is needed for domestic retrofits in Peterborough (approx. £12,150 per dwelling). This links closely with the work in the Building Workstream.

2.20 **WS4: Buildings**

Successes: Both Cambridgeshire and Peterborough have secured HUG and LAD funding through consortiums to enable domestic retrofits to low income/low EPC rated and off-gas properties. The Greater South East Net Zero Hub have completed their

'Domestic Retrofit Market Intelligence & Skills Assessment' report and is now looking to move to the next phase to address the barriers identified in the report.

Challenges: To deliver at the scale required to meet the targets in the Climate Action Plan, skill capacity across the Combined Authority area will need to be addressed and there is a new action suggested in Appendix 1.

2.21 **WS5: Transport**

Successes: Four significant Strategies are being progressed that will look to reduce travel and provide the infrastructure required to enable low carbon transport. Those are due to be approved by Summer 2023 include:

- Local Transport Connectivity Plan
- EV Charging Infrastructure Strategy
- Alternative Fuel Strategy
- Bus Service Improvement Plan

2.22 In addition, four projects are progressing including:

- A Mayoral precept to support the bus network across the area.
- The Zebra project to replace 10% of buses with electric buses will deliver Spring 2023.
- CPCA secured £4M funding to relocate the existing Peterborough bus depot to a new location that can accommodate electric buses. This is a crucial building block to support future electric buses based in Peterborough.
- Ongoing consultation by Greater Cambridge Partnership on the Sustainable Travel Zone in Cambridge.

Challenges: Delay in Government Policy/statutory requirements has slowed progress of the strategic plans. In addition, there have been delays in relation to the buses construction based on changing technical requirements.

2.23 **WS6: Business and Commercial**

Successes: The Local Economic and Skills Strategies have been completed and will be the building blocks to grow a successful, globally competitive economy with high-skilled, better paid jobs, increase productivity and a strong sustainable community. A number of projects have been funded by the government's Single Prosperity Fund bidding round.

In addition, the NHS Integrated Care System (ICS) Green Plan for the area is completed. A Green Plan Programme Board has been set up to drive climate action in the NHS and associated services / businesses.

Challenges: Cleantech have presented a proposal on a deep dive into the opportunities and synergies in the Cleantech / Agritech sectors for the region. Various options for securing the funding for this project are being considered.

2.24 **WS7: Nature**

Successes: Much of the work in this workstream is to implement adaptation measures and encourage natural systems of carbon capture. In addition, CPCA are expected to have confirmed in Spring the statutory duty to develop a Local Nature Recovery Strategy. An officer has been appointed to project manage this strategy, hosted by Cambridgeshire County Council.

CPCA has awarded £1M [Cambridgeshire & Peterborough Fund for Nature](#) to attract more investment into this area, this work is being led by Natural Cambridgeshire.

The other activity in this work stream is Local Authorities developing their Biodiversity Net Gain policy by end of 2023 and sharing best practice and/or staff resources.

Challenges: The biggest challenge for this workstream is immature markets for the funding of nature-based solutions. Government guidance on Local Nature Recovery Strategies is due in Spring 2023, without this it is difficult to progress the strategy and it will be likely to result in government proposing revised date for its completion.

2.25 **WS8: Peat and Soil**

Successes: In response to the IC recommendation and initial funding from the CPCA, Fenland Soil was set up in 2021 with a dedicated team of farmers at its core to tackle climate issues relating to agriculture and peat in the Fens. The group has secured Government funding (mainly through Defra) for:

- a pilot to map 10% of the fens peat assets
- examine raising of water tables
- identify change in farming practices to minimise greenhouse gas emissions
- research to identify sites to restore peatland to its natural state

Challenges: Land use is the biggest sector of emissions, with the majority relating to cropland rather than energy use. To change farming practices may be unaffordable and if more funding does not become available it will be difficult to progress beyond the pilot and research projects already underway and near completion.

2.26 **WS9: Water**

Successes: Water Resources East Regional Plan is due to be adopted in Autumn 2023 that sets out the strategic approach to secure long-term public water supply and relevant infrastructure. Proposals for two strategic reservoirs (one in the Combined Authority area) have been announced by the water companies.

The CPCA has recently agreed £420K funding to Cambridge City Council for their Chalk Streams Environment Project which will be a series of projects to enhance rare chalk stream habitats.

The Environment Agency has agreed funding to replicate the Future Fens Great Ouse baseline study across the remaining areas of the fens under the Fens 2100 programme.

Challenges: We have been unable to secure a Workstream SRO from external partners. We are now consulting with local authority partners to seek this resource.

2.27 **WS10: Waste**

Successes: This workstream has been able to benefit from the successful Cambridgeshire and Peterborough Waste Partnership (RECAP) running since 1999. CPCA funding has been agreed to contribute to the Waterbeach depot Solar PV Project which will help secure the energy required for waste fleet. This demonstrator project for RECAP is one project to decarbonise the waste fleet with other alternative fuels projects also underway.

Challenges: Government guidance on the Waste Strategy has been delayed, impacting the delivery of the revised Strategy which has been extended to the end of 2023. RECAP will be looking how to incorporate Climate Change into the revision of its Strategy.

2.28 **WS11: Evaluation and Monitoring**

Successes: The funding for a deep dive into sectors has been approved by the CPCA Board and discussions are ongoing with the CPICC on how this should be progress and its support needs.

Challenges: We are looking within CPCA to support this workstream, following recruitment to recently recruited analyst roles.

Significant Implications

3. Financial Implications

- 3.1 The Climate Action Plan estimated that £700m of private and public expenditure would be needed per annum as part of the transition to Net Zero by 2050 and the necessary adaptation to climate changes. The Combined Authority has raised the challenges of funding with the National Infrastructure Commission and directly with government on thematic issues. The Innovate UK funded CANFFUND project currently underway is looking at a non-technical barriers to sustainable growth through a financial perspective. It is intended that this will help identify future opportunities for stimulating public and private investment.
- 3.2 During FY 22/23 the Combined Authority Board agreed business cases for climate-related programmes. Due to internal staff capacity issues the launch of the CPCA led programme Care Homes Retrofit was delayed to Q4 and is now underway following

recruitment. The Net Zero Communities programme will be launched in 23/24. Capital spend forecast for the two programmes in 22/23 (£500k and £750k respectively) requires carry forward to 23/24.

- 3.3 Two externally-led projects are not forecast to claim the capital expenditure forecast for 22/23 following delays in approvals. This is the Huntingdonshire Biodiversity for All programme and Logans Meadow extension. Capital spend for the two programmes of £325k and £200k respectively requires carry forward to 23/24. Requests for approval to carry forward these unspent budgets are contained within the budget update report on this agenda.
- 3.4 The remaining climate programmes are not due to start their capital expenditure until 23/24 onwards under approved business plans.

4. Legal Implications

- 4.1 None.

5. Public Health Implications

- 5.1 There are none arising directly from this report.

6. Environmental and Climate Change Implications

- 6.1 The Climate Action Plan addresses climate and environment priorities across Cambridgeshire and Peterborough.

7. Other Significant Implications

- 7.1 None.

8. Appendices

- 8.1 Appendix 1 – Climate Action Plan proposed revised actions.
- 8.2 Appendix 2 – Climate Action Plan progress.

9. Background Papers

- 9.1 Combined Authority Board meeting: Climate Action Plan approval: [March 2022](#)

10. Accessibility

- 11. An accessible version of the information contained in Appendix 2 is available on request from democratic.services@cambridgeshire.gov.uk