



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.5

Net Zero Compliant Policies: Making an Immediate Difference

- To: Cambridgeshire and Peterborough Combined Authority Board
- Meeting Date: 27 October 2021
- Public report: Yes
- Lead Member: Councillor Bridget Smith, Lead Member for the Environment and Climate Change
- From: Paul Raynes, Director of Strategy
- Key decision: Yes
- Forward Plan ref: KD2021/058
- Recommendations: The Combined Authority Board is recommended to:
- a) Endorse the proposed Action Plan setting out the Combined Authority's actions to implement the first recommendations of the Cambridgeshire and Peterborough Independent Commission on Climate;
 - b) Note the setting up of the Climate Working Group to bring partners together to provide system-wide leadership in implementing the wider elements of the Commission's recommendations;
 - c) Mandate officers to take forward actions with CPCA budget implications through the Medium-Term Financial Plan refresh process and in line with the Assurance Framework requirements for expenditure decisions;
 - d) Mandate officers to review the Assurance Framework and project management guidance to ensure that future Board decisions at project gateways can take into account evidence of their climate impact; and

e) Mandate officers to prepare a procurement policy for consideration by the Board that would set out criteria for applying climate change considerations to the procurement of goods, services, and to future funding agreements with delivery partners. This policy to include:

- a. appropriate scoring criteria for climate change in tendered goods and services;
- b. any minimum standards to be applied for suppliers;
- c. an assessment of impacts on supply chain.

Voting arrangements: A simple majority of all Members present and voting

To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.

1. Purpose

- 1.1 To agree an Action Plan to begin implementing the Cambridgeshire and Peterborough Independent Commission on Climate recommendations addressed to the Combined Authority. In particular, to agree changes to the Combined Authority's approach to procurement and project scoping to make Climate Change a key consideration in future decisions about project delivery.

2. Background

- 2.1 The Board agreed in June 2021 to take appropriate action on all of the 31 recommendations of Independent Commission on Climate, initially as they relate to the Combined Authority only. The first overarching recommendation requires the adoption of an Action Plan. This report sets out a first such action plan, focusing on actions the Combined Authority itself can take to make early progress (Appendix 1). It does not cover those aspects of the recommendations aimed at constituent councils or other organisations (Appendix 2). There is significant activity and analysis already underway by councils and organisations across the area that will need to feed into the development of the action plan on those wider recommendations. The Climate Working Group will convene to lead the discussion on how delivery can be achieved.
- 2.2 The Combined Authority's own carbon footprint is very limited. It can influence the net zero trajectory of delivery partners (i) by using its buying power through changes to procurement policy and through the way projects are scoped, and by passing those requirements on to delivery partners which we fund and (ii) through using its strategic role to set policy for transport, skills, housing and business support.
- 2.3 Delivery on the recommendations requires a mix of changes to operational procedures, use of funding, strategic policies, and the convening/lobbying role of the Combined Authority. Directors have reviewed opportunities to bring forward immediate action in line with the recommendations. These are included in Appendix 1. The estimated costs shown are additional to existing approved budget. They will be scrutinised and assessed further as part of the MTFP refresh process for the Board to consider in a way that is compliant with the Assurance Framework.

Procurement and funding agreements

- 2.4 Making the operations of the Combined Authority net zero by 2030 means addressing the different categories of greenhouse gas emissions. Scope 1 and Scope 2 emissions are those within direct control of the Authority. Scope 3 are indirectly generated in the Authority's supply chain – there are difficulties in attributing all such emissions where supply chains are extended. An assessment will be made to set the organisation a suitable science-based target – targets are considered 'science-based' if they are in line with what the climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Scope 1	Scope 2	Scope 3
Fuel combustion Company vehicles Fugitive emissions	Purchased electricity, heat and steam	Purchased goods and services Business travel Employee commuting Waste disposal Use of sold products Transportation and distribution (up- and downstream) Investments Leased assets and franchises

- 2.5 The Authority only has limited Scope 1 and 2 emissions (the energy requirements of the Ely office). For Scope 3, the main emissions will be from purchased goods and services, and employee commuting and business travel.
- 2.6 For goods and services, a key lever to bring about change is through procurement policy. Legislation allows the scoring of tenders for purchased goods and services to reflect climate change policy (where the goods/services are not materially a climate-related project, in which case those considerations would be primary to the tender decision). Currently, the Authority's approach to procurement is set out in the Constitution. Legal advice is that we should now develop a standalone procurement policy that would set out standard criteria for assessing climate change considerations. Once agreed, the procurement approach would be cascaded through the delivery chain through future funding agreements with external organisations.
- 2.7 Opportunities to reduce Scope 3 emissions from employee commuting and business travel is a factor in the current review of the office requirements and working practices of the Combined Authority and will be reflected in any future accommodation strategy.

Climate Impact Assessments

- 2.8 The requirements for scoping new Combined Authority projects are set out in the Assurance Framework and the Authority's guide to project management (the "Ten Point Guide"). The Board is asked to agree that these policies should both be amended to require climate impact assessments to be included in (i) Project initiation Documents and (ii) future Business Cases.
- 2.9 The Board is also asked to agree that future Board reports seeking decisions on project initiation and business case gateway decisions should include a section setting out the climate impacts of the projects.

CPICC recommendations: CPCA action plan

- 2.10 Appendix 1 sets out an initial Action Plan to begin implementing the Cambridgeshire and Peterborough Independent Commission on Climate recommendations addressed to the Combined Authority. This breaks down the CPIICC's 31 recommendations into 48 detailed actions. The Action Plan has been developed collaboratively across the Authority's directorates. Although it only at this stage contains commitments to action by the Combined Authority itself – in line with the guidance given by the Board at its meeting in June – the

Action Plan has been discussed with officers from constituent authorities who have fed in views on its deliverability and focus.

- 2.11 The Action Plan contains a number of actions which would require funding. The Board is not being asked to allocate funding at this point. These proposed expenditure commitments will be taken forward in the normal way through the Medium Term Financial Plan process.

Climate Working Group

- 2.12 CPICC first overarching recommendation asked the Combined Authority to establish a Climate Cabinet to provide system-wide coordination in taking forward the Commission's recommendations to the wider public and private sector. The Board endorsed this recommendation, with the proviso that it be renamed a Climate Working Group. The Mayor has issued invitations to members of this group, whose proposed membership would include public sector organisations represented on the CPCA Board, businesses including transport and agriculture, the University sector, environmental groups, and a youth representative. A first meeting of the group is being scheduled for November.

Significant Implications

3. Financial Implications

- 3.1 Proposed actions with budget implications in the Action Plan would be considered through the Medium-Term Financial Plan (MTFP) refresh process and in line with the Assurance Framework requirements for expenditure decisions.

4. Legal Implications

- 4.1 Climate change considerations in the scoring of tenders can be regularised through the introduction of a specific Procurement policy (alongside the existing Contract Procedure Rules of the constitution). This can set any minimum thresholds that suppliers have to reach, the weighting given within the scoring criteria of tenders for climate response, and any exclusions.
- 4.2 Consequential changes to the Assurance Framework will be progressed in the normal way through Audit and Governance Committee to Board.

5. Other Significant Implications

- 5.1 Addressing climate change has potentially significant equalities implications. The second report of the CPICC contains a number of recommendations relating to equality and fairness under the heading "Just Transition". These will be brought to the Board for consideration in November.

6. Appendices

- 6.1 Appendix 1 – Climate Action Plan for the Combined Authority’s Operations
- 6.2 Appendix 2 – Actions to be Considered via the Climate Working Group and Individual Organisations
- 6.3 Accessible versions of Appendix 1 and Appendix 2 are available on request from democratic.services@cambridgeshirepeterborough-ca.gov.uk

7. Background Papers

- 7.1 [Initial report of the Cambridgeshire and Peterborough Independent Commission on Climate Change](#)
- 7.2: [Combined Authority Board 30 June 2021 - Item 4.3 refers](#)