

Meeting date: 17th January 2023

Report to: Economic Development and Managed Growth Scrutiny Board

Report title: Net Zero Action Plan Annual Report 2021/2022

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege
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Public/private report: Public

Exempt by virtue of paragraph: Not Applicable

1. Executive Summary

Net Zero Action Plan Annual Report

- 1.1 In November 2021 the Council agreed the Borough's Net Zero Action Plan (NZAP), which sets out the key actions that will need to be progressed to meet the ambition of becoming a net zero Borough by 2041. Accompanying this report to the Economic Development and Managed Growth Scrutiny Board is the first annual report of progress against the NZAP.
- 1.2 The annual report provides a narrative on Solihull's progress in delivering the NZAP, it interprets the KPI data and sets out how the Council is performing against the actions in the plan. The report also covers key challenges in delivery and what the focus areas will be for the coming months.

- 1.3 The annual report shows good progress against the plan and highlights the areas where the Borough is performing well, alongside areas that require additional focus to help deliver Solihull's net zero aims.
- 1.4 The Scrutiny Board is being asked to consider and discuss the report prior to the report being considered at Cabinet.

2. Decision(s) Recommended

The Economic Development and Managed Growth is asked to:

- 2.1 Note progress in the first year of delivery of the Council's Net Zero Action Plan
- 2.2 Consider the Net Zero Action Plan Annual Report 2021/2022

Report Title: Net Zero Action Plan Annual Report 2021/2022

3. Matters for Consideration

- 3.1 In November 2021 the Council adopted the Net Zero Action Plan (NZAP), which sets out the actions the Council can take to help Solihull reach the ambition to be a net zero borough by 2041.
- 3.2 The NZAP Annual Report 2021/22 sets out what progress has been made. It highlights progress against the Key Performance Indicators (KPIs) and the actions in the plan.
- 3.3 The Annual Report (Appendix 1) comprises:
- Executive Summary
 - Progress in Numbers (KPI Report)
 - Annual Report for the NZAP
 - Status update on all actions in the NZAP (Appendix 2).

Progress

- 3.4 The Council is making good progress against the NZAP with two thirds of all actions underway, including all the “immediate” actions and 61% of “short” term actions (see Appendix 1, Section 2 for more information).
- 3.5 The “Progress in Numbers” KPI report sets out the headline data, which shows that
- Solihull saw a 15% reduction in greenhouse gas emissions in 2020 compared with the previous year. However, caution is required in relation to this reduction as this was heavily affected by the COVID pandemic.
 - The Council has almost halved its own emissions since 2017/2018.
 - There are challenges in some areas. For example, installed renewable capacity is low, overall tree canopy cover has reduced and road transport dominates the Borough’s emissions.
 - Many areas have shown a positive change, such as those relating to EV, tree planting, social value and ramping up engagement post COVID.

Action Highlights

- 3.6 The Council’s activities in the 2020/2021 financial year include:
- 3.7 **Non-Domestic Buildings:** Improvements were made to the Core and Tudor Grange Leisure Centre to support the net zero transition (this was carried out with funding from the Public Sector Decarbonisation Scheme). The Council has continued to work with Schools and Young People including the Sustainable Schools Conference, Greener Solihull Schools Award and the COP InterClimate Conference
- 3.8 **Domestic Buildings:** The Council has made great progress in this area with the roll out of a place-based approach to retrofit focussing on Elmdon (led by WMCA) and Alston Road in Silhill Ward, where the Council is taking a whole street approach to retrofit.

- 3.9 **Transport:** This is an area with significant effort. In 2021/ 2022 the Council installed 2 new cycle lanes, ramped up EV charging installation and continued with behaviour change programmes to help people travel more sustainably. There was continued focus on innovation with trials for the Connected Autonomous Vehicle shuttle.
- 3.10 **Waste:** The Council introduced a new Strategic Environment Contract at the beginning of April 2022, this 10-year contract will see improvements to the environmental performance of our municipal waste contract in support of the Borough's climate change ambitions.
- 3.11 **Natural Environment:** A key highlight is the success of the Council's Planting our Future Programme with 51,000 trees planted across the borough in the first 2 years. Another key highlight is the continued success of Love Solihull; who have ramped up post COVID engagement with businesses, schools, community groups and individuals to support making a positive change to the Borough's environment.
- 3.12 **Energy Supply:** The Council continues to look at ways to improve the energy system within the Borough. Work has included continued development of the Town Centre Energy Network. In addition to this, the Council has begun to look at the opportunities for energy system change at the UK Central Hub - the scale of development could lead to the Hub area having the energy demand of a small town. Finally, work has started to enable an understanding of the Borough-wide potential for renewable energy.
- 3.13 **Council Strategy and Engagement:** The Council continues to make great progress in reducing operational emissions on the road to being net zero by 2030. Sustainability Plans are now in place for all Directorates. More broadly, the Solihull Sustainability Visioning Group (SSVG) continues to be a forum for sharing best practice, support and highlighting funding opportunities, with 77 active members from around 40 organisations. The SSVG is open to all businesses and organisations across the Borough.
- 3.14 **Comms and Engagement:** The Council has control over less than 1% of emissions within Solihull Borough, however, it is acknowledged that the Council has a role in influencing, encouraging and supporting the wider Borough in their transition to net zero. As such the communication and engagement on net zero is a vital part of the NZAP, and this year has seen the launch of "Your Future Solihull" as the Council's overall sustainability brand.

Challenges in Delivering the NZAP

- 3.15 Good progress has been made against our NZAP but there are significant challenges still to be addressed. These challenges include.
- Strategy, Policy and funding frameworks – for example, the short-term nature of many climate change funds.
 - Cost of living concerns and volatility in the energy market.
 - Barriers to behaviour change. For example, a need to increase understanding and incentives for retrofit and addressing the perceived inconvenience and of switching to alternative transport modes.
 - Resourcing, cost and complexity of decarbonisation.

Looking Ahead

- 3.16 Despite good progress against the NZAP the Council needs to continue efforts to help deliver net zero. Some of the focus areas include:
- Strategy and Policy:
 - The revised Economic Strategy, which embraces net zero at its core.
 - Planning policy, including Supplementary Planning Guidance on Climate Change.
 - The Solihull Connected Transport Strategy refresh.
 - The Natural Capital Investment Strategy.
 - Continued roll out of domestic retrofit programme, including Sustainable Warmth and ECO4 funding.
 - Continuing development of a plan for funding and financing net zero across the borough.
 - Advancing projects related to the decarbonisation of the energy system, such as the Hub Energy System Project.
 - Supporting and aligning with the WMCA on decarbonisation proposals in the Trailblazer Devolution Deal. It is likely that this will include a focus on retrofit, local area energy planning, industrial decarbonisation, circular economy and climate change adaptation.
 - An increased focus on engagement around climate change to achieve sustained behavioural change.
 - Continued efforts to reduce the Council's own emissions including seeking funding for heat decarbonisation plans for corporate buildings and schools.

4. What options have been considered and what is the evidence telling us about them?

- 4.1 Alternatives to producing the Net Zero Action Plan Annual Report would include: not producing a report, producing a less detailed report or producing a more detailed report.
- 4.2 Not producing an annual report would mean that progress against the plan would not be tracked, it would lead to a lack of transparency of the NZAP and its delivery.
- 4.3 Options for producing a more or a less detailed plan were considered. The report is accompanied by an executive summary and KPI report for those who wish to dip into the highlights only. A further level of detail has been included in the status update for all the actions. This means that interested parties can either look at high level progress or drill down into the more detailed information as required.

5. Reasons for recommending preferred option

- 5.1 The NZAP annual report represents an appropriately detailed response for a public facing update, allowing stakeholders to drill down to the level of detail that they are interested in.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
<p>People and Communities:</p> <ol style="list-style-type: none"> 1. Improving outcomes for children and young people in Solihull. 2. Good quality, responsive, and dignified care and support for Adults in Solihull when they need it. 3. Take action to improve life chances and health outcomes in our most disadvantaged communities. 4. Enable communities to thrive. 	<p>One of the core principles of the NZAP is to decarbonise the Borough without 'leaving anyone behind'. As such, a key consideration in developing the NZAP is inclusive growth and maximising the benefits of decarbonisation to Solihull's communities, including those that are more vulnerable. This has been considered throughout the delivery of the NZAP and in development of the annual report.</p>
<p>Economy:</p> <ol style="list-style-type: none"> 5. Develop and promote the borough's economy, with a focus on revitalising our town and local centres. 6. Maximising the opportunities of UK Central and HS2. 7. Increase the supply of affordable and social housing that is environmentally sustainable. 	<p>The Low Carbon Energy Framework (LCEF) is part of the Council's UK Central Programme. The related NZAP looks to support 'green growth' and aims to maximise the co-benefits of decarbonising the Borough which may include far reaching economic benefits.</p>
<p>Environment:</p> <ol style="list-style-type: none"> 8. Enhance our natural environment, improve air quality and reduce net carbon emissions. 	<p>The purpose of the NZAP is for Solihull to take a strategic approach to decarbonisation of the Borough. It will allow Solihull to move towards net zero carbon in an effective and planned manner.</p> <p>The NZAP seeks to identify ways to maximise co-benefits, including improvements to air quality and the natural environment.</p>
<ol style="list-style-type: none"> 9. Promote employee wellbeing 	<p>The NZAP has a section on Council influence. Actions within the plan support employee wellbeing as a co-benefit of decarbonisation. For example, the NZAP supports smarter ways of working, including hybrid working, because reduced travel typically reduces transport emissions. The NZAP also indirectly supports some aspects of wellbeing through Borough wide improvements, e.g., improved air quality</p>

6.2 Consultation and Scrutiny:

- 6.2.1 Two rounds of public consultation have been carried out towards the development of the NZAP: an initial consultation on the Net Zero Green Paper, which was carried out in February 2021 and a consultation on the Draft NZAP, which was carried out in August and September of 2021.
- 6.2.2 The draft NZAP was considered by the Managed Growth and Economic Development Scrutiny Board in September 2021. The Board's comments were included in the changes to the draft NZAP post consultation.
- 6.2.3 The NZAP Green Paper and the Draft NZAP were considered by Solihull's Climate Change Commission. The Commission's feedback was incorporated into the final NZAP and the associated implementation plan.

6.3 Financial implications:

- 6.3.1 The NZAP was developed as part of the UKC Low Carbon Energy Framework using funding secured from the West Midlands Combined Authority (WMCA), with up to £625,000 having been unlocked to support its development.
- 6.3.2 The resourcing requirements for the plan and the options for the funding and financing of them have been and will continue to be determined on an action-by-action basis. As part of developing the NZAP an indicative plan of the resourcing requirement was established and as actions are assigned to action owners a more detailed estimate of the resourcing requirements continues to be developed. An ongoing process of evaluation of the funding and financing options adopted has been implemented to ensure they continue to be the optimal approach.

6.4 Legal implications:

- 6.4.1 None Identified

6.5 Risk implications, including Risk Appetite:

- 6.5.1 A risk register has been developed and is maintained in accordance with risk management system of the UK Central Project Management Framework. Key risks for this project include the lack of 'buy in' from key stakeholders and the NZAP not being adequately aligned with government or WMCA policy and strategy. Mitigations for these key risks include the development and delivery of a communications plan, continued close engagement with WMCA, and officers in the NZAP Team continuing to keep abreast of emerging government policy.

6.6 Equality implications:

- 6.6.1 One of the key considerations for the NZAP is to ensure that it supports inclusive growth and enables a just transition to net zero ensuring that "we leave no one behind". A Fair Treatment Assessment has been undertaken this assessment will be periodically reviewed.

- 6.7 Linkages to our work with the West Midlands Combined Authority (WMCA), Local Enterprise Partnership or the Birmingham & Solihull Integrated Care System (ICS):

6.7.1 Low Carbon Energy Framework and Net Zero Action Plan is funded via the WMCA. Consultation and communication with WMCA has occurred throughout the development of the NZAP. This communication has ensured that the NZAP is complementary to WMCA's work on net zero, including its 5-year plan.

7. List of appendices referred to

7.1 Appendix 1: Net Zero Action Plan Annual Report

8. Background papers used to compile this report

8.1 None

9. List of Other Relevant Documents

9.1 None