

**SURREY COUNTY COUNCIL****CABINET****DATE: 17 DECEMBER 2024****REPORT OF CABINET MEMBER: MARISA HEATH, CABINET MEMBER FOR ENVIRONMENT****LEAD OFFICER: CAROLYN MCKENZIE, DIRECTOR – ENVIRONMENT****SUBJECT: CLIMATE CHANGE PROGRESS ASSESSMENT 2023/4****ORGANISATION STRATEGY PRIORITY AREA: ENABLING A GREENER FUTURE****Purpose of the Report:**

This report sets out the key findings of the third annual climate change programme progress assessment since Surrey County Council declared a Climate Emergency in 2019 and the Greener Futures Climate Change Delivery Plan 2021-2025 (the Delivery Plan) was published in 2021.

Annex A covers progress towards Surrey County Council's 2030 net-zero target.

Annex B covers progress towards Surrey's 2050 net-zero target.

It sets out the achievements we have made in supporting residents and businesses to reduce their carbon emissions in line with the net zero 2050 target, as well as the progress made to date on the Council's net zero 2030 target, up to the end of March 2024. It also highlights key challenges and recommends areas of focus in 2025/26 to ensure that the plan has the greatest impact.

The Plan contributes to all four of the Council's Strategic Objectives. Action to tackle climate change: supports nature recovery; grows the green economy and supports Surrey's businesses and residents to take advantage of the opportunities it brings; improves the health & wellbeing, in particular fuel-poor residents; enables communities to take action in their local area, and prioritises support towards those most vulnerable to the impacts of climate change.

**Recommendations:**

It is recommended that Cabinet:

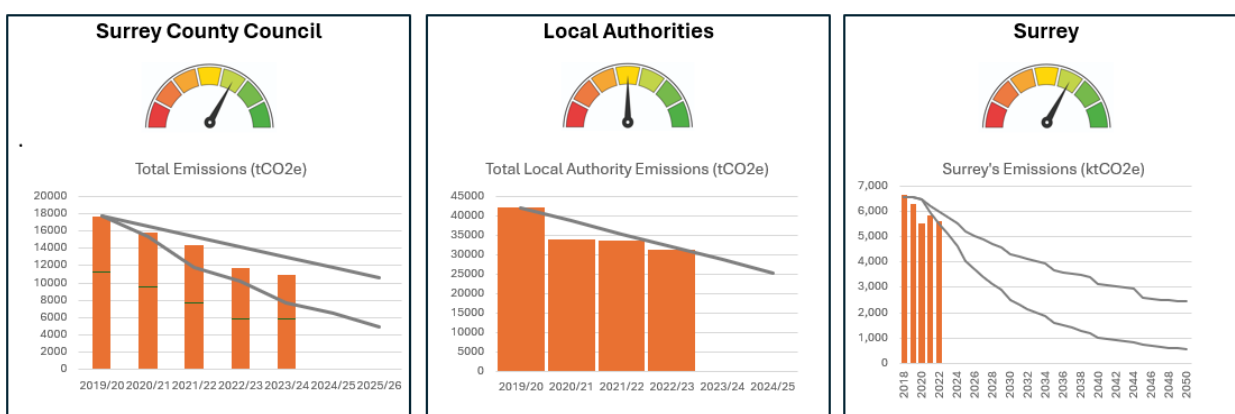
1. Continues to deliver against the net-zero targets as set out in the Greener Futures Climate Change Delivery Plan 2021-2025– noting the key recommended areas of focus [1].
2. Approves bringing forward the development of the next 5-year Greener Future Climate Change Delivery Plan (2026-31), for Cabinet consideration in 2025.

## Reason for Recommendations:

The Delivery Plan commits to undertaking an annual assessment of progress on the plan for Cabinet. Whilst it has not changed, the progress report identifies where the council and its partners need to focus attention to address the most challenging areas and ensure the Delivery Plan is as impactful and cost effective as possible and within the resources available. The Delivery Plan is also an opportunity to identify those areas where Surrey County Council and its partners need to lobby Government. The current Delivery Plan runs up to 2025/6 which triggers a substantial review of the programme and preparation of a new Delivery Plan, setting out the actions to be delivered over the next 5 years on the council's net-zero journey.

## Executive Summary:

1. It has been three years since the publication of the Delivery Plan [1] which set out to reduce between 1.2 and 2.4 million tonnes of carbon dioxide emissions by 2025, in line with Surrey's Climate Change Strategy [2]. At the end of the 2023/24 financial year, Surrey's 2050 net-zero target and Surrey County Council's 2030 target remain on track, but with a significant risk of going off track in future years unless there is a sustained effort to tackle climate change from national government, residents, businesses and the public sector.



2. In 2023/4 (the context that the climate change programme is assessed within), there is continuing evidence [3] of very high levels of public concern about climate change alongside more visible scepticism from a small number of residents, and a slight decrease in ambition from the outgoing National Government [4]. Although the economic climate has been challenging for many residents, and local authority's resources to provide non-statutory services has never been more challenging, local authorities have, where feasible, remained committed to supporting residents and businesses to live more sustainable and healthier lifestyles with strong green job opportunities.

### **Surrey County Council's 2030 net-zero target (Annex A)**

3. With a 38% reduction in emissions achieved since 2019, the Council produced around 10,956t of scope 1 and 2 carbon emissions in 2023/24 and is on track to meet its 2030 net zero target. In addition to delivering annual carbon savings of 6,700t year, the plan delivered estimated bill savings of £4M and led to the generation of 0.5MW additional renewable energy, funded in part through £4.5M of external funding.
4. Successes include the near-complete streetlighting LED replacement programme which has achieved a 75% carbon saving, the Surrey County Council Estate retrofit programme which has treated 9 buildings so far and has a strong pipeline of projects, and further embedding of the Enabling a Greener Future strategic objective into all service areas, including the Environmentally Sustainable Procurement Policy and our programme of new buildings delivered by the Council.
5. Confidence in meeting the organisational 2030 target is lower compared to last year, in an environment where it is more challenging to deliver a programme that is cost and carbon neutral often due to: the age and make up of Surrey County Council's Estate; inflation and a restricted supply chain. In order to reduce the risk of a slowdown in progress, the key areas of focus for 2025/26 are: a scale up of the solar rooftop programme; increased EV charging at key locations across the estate; a continuation of low-carbon retrofit across the estate as well as divestment of buildings and further consideration of offsetting. Arup have been commissioned to produce costed options across the estate that will feed into the next 5-year Delivery Plan ensuring our approach is focused on the most cost effective and impactful activities.

### **Surrey's 2050 net-zero target (Annex B)**

6. With a 16% reduction, the county of Surrey produced around 1Mt less carbon in 2023/24 compared to 2019 and is on track with the 2050 net-zero target. The added value of the Delivery Plan has been significant. In addition to the 30,000t carbon savings the plan has delivered £18M of annual bill savings to residents and 14MW solar – equivalent to powering 9,000 households. This has been possible through leveraging £70M of funding through grants and the private sector.
7. The outcomes of the Delivery Plan have improved the lives and communities of residents and supported businesses across all of the Councils' strategic objectives including: 0.5M trees planted; over 3,000 households benefitting from low carbon measures that reduce bills; 500 subsidised green skills courses and 31,000 pupils trained in cycling and walking.
8. The plan demonstrates that local authorities can use their unique position and resources to contribute to meeting net-zero targets. However, evidence suggests that the speed of transition towards low carbon energy, sustainable

travel, and an environment where economy, infrastructure, communities and ecosystems are resilient to weather shocks needs to go faster. With the recent change in Government, it is uncertain at this stage the extent that national-level funding and policy will support an expansion and acceleration of these activities. Setting out Surrey's barriers to delivery and potential solutions through lobbying will be key.

9. The areas of focus for 2024/25 that best use the Council's unique position of supporting residents have included continuing to support low carbon and climate resilient homes through the new local authority retrofit scheme, Warm Welcome Services, Solar Together and the One Stop Shop. Reducing Transport emissions is crucial, with a focus on rights of way improvement, active travel and EV infrastructure roll out. We will continue to build work to deliver nature recovery and climate resilience by implementing the 'Surrey Adapt' Strategy [5], flood protection [6], Local Nature Recovery Strategy and Biodiversity Net Gain. A new Economic Strategy is under development which has the potential to build on existing support including the delivery of a range of business grants and green skills support. The next five year Delivery Plan will evaluate success, impact, challenges and opportunities and set the strategic direction for the next five years with a strong focus on those activities that are most cost effective and impactful and deliver across all four strategic objectives with a strong emphasis on No One Left Behind.

<b>Consultation:</b>
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10. The plan is delivered by all service areas in the County Council, borough and district councils, many key suppliers, delivery organisations, business and community partners. This assessment focuses primarily on local authority action and therefore consultation has focused on Surrey County Council officers, borough and district councils and key external stakeholders that sit on the Greener Futures Board. The reports will be made available to the public following Cabinet approval.
11. Key contributions have been made by the council officers and senior leaders whose areas of responsibility form part of the Delivery Plan, and the findings have been reviewed through appropriate governance processes.
12. Close working with the borough and district councils' climate change officers, senior officers and cabinet members has taken place throughout the year including through the external Greener Futures Partnership Steering Group, which has representation from all eleven Borough and District Councils.
13. Key external stakeholders including the Surrey Climate Change Commission (with extensive community representation), the University of Surrey (a key collaborator) and industry leads have been consulted through the Greener Futures Board.

14. Cabinet Members that make up the Greener Futures Member Reference Group have reviewed the assessment and will continue to review and help steer key components of the Delivery Plan as they develop.

#### **Risk Management and Implications:**

15. The top programme-level risks and issues that were identified at the formation of the Greener Futures Climate Change Delivery Plan 2021-2025 have remained largely the same.
16. Over 95% of the emissions in the county's net-zero 2050 target are reliant on residents, businesses and other public sector bodies taking action to reduce emissions. The implementation of the Greener Futures Engagement Strategy has improved reach and engagement, but there is still more to do in this area. This remains the key risk to delivery of our 2050 targets.
17. Funding and legislative barriers at national government level continue to hold back progress, and with a new government in place, the future level of national alignment and support is uncertain. Effective lobbying continues to form a key part our efforts to reduce emissions.
18. The speed and complexity of scaling up a wide range of impactful projects continues to be challenging. The recent increases in costs and the worsening financial position of local authorities has significantly increased this risk compared to last year.
19. Scientists have highlighted that we may have already reached the 1.5 degrees of warming threshold and that the impacts of this are more severe and far-reaching than previously predicted [7]. As a result, our emissions reductions are even more urgent, and there is, simultaneously, a need for greater emphasis on land management, biodiversity and nature protection, and our response to extreme weather events through the strategy Surrey Adapt. A key risk is insufficient focus on adaptive action alongside carbon reduction.

#### **Financial and Value for Money Implications:**

20. Although this report identifies the need for more government and third-party funding, it is not proposing any additional investment by the Council. The Green Finance Strategy, which sets out the principles and approach to funding the Greener Futures Climate Change Delivery Plan 2021-2025, was agreed by Cabinet in July 2023. The Council continues to operate in a challenging financial environment and as such needs to carefully consider its expenditure. Together with wider increases in cost and demand for services this can make funding new initiatives challenging.
21. Despite the challenging financial environment, the Council has already made provision for investing in retrofit measures, solar installation and building

management, and developing a number of finance mechanisms to support the delivery of our net zero targets as a council and county. This investment sits alongside that of partners and organisations in other sectors across the county. While the expectation is that the Council's financial role will primarily be as a facilitator, it continues to directly invest in measures (e.g. on its own estate) with the expectation of recovering those costs in the future, (e.g. through reduced energy usage).

#### **Section 151 Officer Commentary:**

22. The Council continues to operate in a very challenging financial environment. Local authorities across the country are experiencing significant budgetary pressures. Surrey County Council has made significant progress in recent years to improve the Council's financial resilience and whilst this has built a stronger financial base from which to deliver our services, the cost of service delivery, increasing demand, financial uncertainty and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to deliver financial efficiencies and reduce spending in order to achieve a balanced budget position each year.
23. In addition to these immediate challenges, the medium-term financial outlook beyond 2024/25 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, in order to ensure the stable provision of services in the medium term.
24. Delivering net zero across Surrey requires investment from the Council alongside partners and other sectors within the County. While the expectation remains that the Council's financial role will primarily be as a facilitator, it will also need to directly invest in some measures (e.g. on its own estate). The Council's Medium Term Financial Strategy (MTFS) makes provision for this investment through a wide range of projects including building retrofit, renewables projects, and transport infrastructure. Those schemes remain subject to the Council's approval processes including development of business cases to demonstrate affordability and value for money.

#### **Legal Implications – Monitoring Officer:**

25. As the scope of the Greener Futures Climate Change Delivery Plan 2021-2025 has remained largely unchanged, there are no new legal considerations.

#### **Equalities and Diversity:**

26. An Equality Impact Assessment was undertaken when the Delivery Plan was developed [8] and is used to guide and prioritise actions within the Delivery Plan. The results of the assessment have been incorporated into project and programme delivery to ensure all residents have access to opportunities and



support required to contribute to achieving the net zero targets. The aim is to meet the needs of as wide a range of the Surrey population as possible, with a focus on targeting funding and engagement towards those most in need, particularly those impacted by the rise in energy prices. As the scope of the Delivery Plan has remained largely unchanged the application of the original Equality Impact Assessment remains appropriate.

**Other Implications:**

27. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	None
Safeguarding responsibilities for vulnerable children and adults	None
Environmental sustainability	No change since the agreement of the <i>Greener Futures Climate Change Delivery Plan 2021-2025</i>
Compliance against net-zero emissions target and future climate compatibility/resilience	No change since the agreement of the <i>Greener Futures Climate Change Delivery Plan 2021-2025</i>
Public Health	No change since the agreement of the <i>Greener Futures Climate Change Delivery Plan 2021-2025</i>

**What Happens Next:**

28. The Progress Reports will be published on the Surrey County Council website and used to steer the ongoing actions that the Council take to support climate change delivery.

29. The next 5 year Greener Futures Climate Change Delivery Plan will identify actions needed to deliver the remainder of the Council's 2030 net-zero target, and the next phase of Surrey's 2050 net-zero target.



**Report Author:** Carys Owen, Climate Change Officer

**Consulted:**

Surrey County Council Officers, Borough and District Councils Officers, Greener Futures Board, Greener Futures Member Reference Group, Communities, Environment and Highways Select Committee, Borough and District Council Chief Executives and Portfolio Holders

**Annexes:**

Annex A: Surrey County Council's Net Zero 2030 Progress Report 2023 – 2024

Annex B: Greener Futures Climate Change Progress Report 2023 – 2024

**References:**

(1) [Greener futures climate change delivery plan 2021 to 2025 - Surrey County Council](#)

(2) [Surrey's Climate Change Strategy - Surrey County Council](#)

(3) Temple Group, December 2022

(4) ['UK less ambitious on climate than before' says watchdog - BBC News](#)

(5) [Surrey's climate change adaptation and resilience strategy - Surrey County Council](#)

(6) [Surrey Local Flood Risk Management Strategy - Surrey County Council](#)

(7) [The 1.5C challenge: How close are we to overshooting, triggering critical climate tipping points, and needing to go beyond Net Zero? | The Carbon Trust](#)

(8) [Equality Impact Assessment - Surrey County Council](#)

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