



Executive Member for Environment and Transport

Meeting of:	Date:	Ward(s):
Executive	26 th November 2020	All

Delete as appropriate:		Non-exempt
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SUBJECT: Approval of the Net Zero Carbon Strategy: 'Vision 2030: Building a Net Zero Carbon Islington by 2030'

1. Synopsis

- 1.1 A Climate Emergency was declared at a meeting of full council in June 2019. Work then began on developing a strategy with the ambition of becoming a net zero carbon emission borough by 2030.
- 1.2 A draft Net Zero Carbon Strategy was published in February 2020 as part of a report to full council on progress made since the declaration. A public consultation was subsequently undertaken between March and July 2020.
- 1.3 Following amendments made as a result of the consultation and other events since the publication of the draft, the final strategy and action plans covering the main commitments made in the strategy are now ready for adoption.
- 1.4 When the draft Net Zero Carbon Strategy was published in February, the council committed to work closely with residents, local businesses and community groups to enable and encourage them to help our borough achieve net zero carbon. It was acknowledged that the council will have to play a leading role as the champion of Islington's residents and businesses at a local, regional and national level in order to push for the necessary powers and funding that will enable us to achieve our target.
- 1.5 The council also made a commitment to work with the partners across the capital including London Councils and the Greater London Authority (including Transport for London) as well as London Waste & Recycling Board (LWARB) in support of London-wide efforts to tackle climate change and to support Islington's vision.

- 1.6 There are already several 'legacy' partnership and governance arrangements in place to support the delivery of parts of the strategy alongside some recently established project governance mechanisms. There is therefore an opportunity to refresh and introduce new arrangements that builds on what already exists and realises our commitments to work with others within the borough and across the capital.
- 1.7 This report summarises the results of the consultation and the changes made to the draft strategy, seeks approval for the strategy and action plan including refreshed governance arrangements to support the delivery of the Net Zero Carbon Programme.

2. Recommendations

- 2.1 To note the results of the consultation on the draft Net Zero Carbon Strategy as detailed in Appendix 1.
- 2.2 To note that additional capital investment and revenue funding will be required to deliver the net zero carbon strategy and that the detailed financial implications will be included into the council's budget approval process.
- 2.3 To approve the governance arrangements for the delivery the Net Zero Carbon Programme, including the creation of a 'Net Zero Carbon Executive Board' incorporating the Affordable Energy Board, as set out in Appendix 2.
- 2.4 To note that officers will develop detailed proposals for borough partner and 'anchor institution' engagement as part of the Fairer Together Partnership including the connection with the Islington Sustainable Energy Partnership (ISEP).
- 2.5 To note the Environment & Regeneration Scrutiny Committee will have a role in the governance of the Net Zero Carbon Strategy.
- 2.6 To approve officers taking an active role in supporting pan-London work as part of London Councils' Climate Change Programme.
- 2.7 To note further work is underway to develop the scope and detail in relation to resident engagement, including a net zero carbon themed Citizen's assembly.
- 2.8 To agree to adopt the Net Zero Carbon Strategy and Action Plan at Appendix 3.

3. Background

- 3.1 On 27 June 2019, Islington Council declared a Climate Emergency in a motion that was unanimously supported at a meeting of the full council. The motion committed the council to working towards making Islington net zero carbon by 2030, working with partners across the borough to deliver this goal, and making representations to regional and national government to urge them to take action, including giving councils the necessary resources and legal powers.
- 3.2 To note that the council's operations produce approximately 4% of Islington's total carbon emissions and this rises to approximately 8% of emissions if gas boilers in council-owned homes are included.

- 3.3 In February 2020 a draft Net Zero Carbon Strategy was published and presented at full council. On 9th March, a special meeting of the Environment and Regeneration Scrutiny Committee was held, which took the form of a workshop for residents and organisations to give their views on the strategy and to discuss them with officers in advance of a full public consultation process.
- 3.4 Due to the COVID-19 pandemic, plans for the consultation were reviewed and the on-line consultation process was extended until the end of July 2020. The results of the public consultation are included within this report and set out in Appendix 1.
- 3.5 The revised Net Zero Carbon Strategy had six key sections and chapters that explained what has been achieved, and a set of commitments that explained what the council will do but also what it needed of others.
- 3.6 Since that time further work had been carried out to determine the scope of the strategy as well as develop governance proposals for the delivery of the Net Zero Carbon Programme including how the council will run the programme, engagement with borough partners, 'anchor institutions', community groups etc. and work to support London-wide net zero carbon and climate change programmes.
- 3.7 Work is also underway to identify the capital investment required over the next 10 years and the revenue costs to support the programme including options and sources of possible funding.

4. Consultation responses

- 4.1 A total of 341 responses were made to the online consultation. We also received written representation from some residents and several local organisations, including Fossil Free Islington, the Green Issues Group, Islington Liberal Democrats, Islington Extinction Rebellion (XR), Islington Sustainable Energy Partnership (ISEP) and Transition Highbury. An overview of the online responses is shown at Appendix 1.
- 4.2 Of the 341 respondents, 277 were residents, 98 worked in Islington, 31 own or manage a business or third sector organisation in the borough and eight attended an educational institution in the borough. Some respondents were in more than one category. A total of 14 did not live, work or study in the borough.
- 4.3 A large majority of respondents agreed with the statements that tackling climate change should be a priority for councils, that businesses should do more and that residents have a role to play. When asked what they were worried about, the most popular answers were the impact on future generations, the effects of air pollution and the loss of wildlife.
- 4.4 When asked what changes they would make, the majority of respondents agreed with most of the actions suggested, including reducing plastic waste, recycling more, turning off lights when not in use and shopping locally. In terms of longer-term actions, over half of respondents said they would like to install solar panels and replace their gas boiler with a heat pump. When asked why they could not make changes, the most common answers were time, cost and difficulty or lack of understanding.

4.5 Commenting on the strategy as a whole, 47% of respondents felt that the actions identified did not go far enough, 33% generally agreed with the actions, 17% felt the actions went too far and 3% stated they did not know.

4.6 In total, 1,116 written responses were received. These were compiled and reviewed individually by officers with expertise in the area. Each was commented on to identify whether a change to the draft strategy should be made.

5. Changes to the draft strategy

5.1 Several changes have been made to the strategy since the draft was published in February. More recent carbon emission figures were published in June and updated in the document, and the Sustainable Energy Generation and Supply and Affordable Energy and Fuel Poverty priorities have been merged due to the overlap between the two.

5.2 One common piece of feedback from the consultation was concern at the lack of specific actions identified. This has been taken on board and the final strategy contains action plans for each of the priority areas. These have been drawn up by the Net Zero Carbon Programme Lead together with senior managers and officers in each part of the council.

5.3 In the section asking why respondents had not been able to implement carbon reduction measures, lack of knowledge was a common answer. As a result, proposals for a communications plan for residents and people who work in Islington have been made more comprehensive.

5.4 Wording has been amended to clarify proposals where respondents suggested they were unclear. We have also added a clear definition of what net zero means, as well as noting the future impact of hotter summers on energy needs and the risks of overheating.

5.5 Several new commitments for action and lobbying have been added and existing ones expanded to go further. New commitments include developing a Parking Strategy, a Shop Local campaign and a Community Food Growing Strategy, investigating purchasing locally-produced solar energy and offering a solar export tariff through Angelic Energy and publishing an annual report on the borough's carbon emissions on our website.

5.6 In addition to the feedback received on the consultation, two significant events have also affected the strategy. Firstly, the COVID-10 pandemic and lockdown have led to an acceleration of the plans to increase active travel, with People Friendly Streets already being implemented. The transport section has been updated to reflect these developments. Secondly, recent changes to the planning system announced by the government, particularly the extensive permitted development rights, will impact on the council's ability to apply policy requirements aimed at supporting a zero carbon borough. Changes to policies had been identified as a risk this has now become a more tangible problem.

6. Zero Carbon Priorities for Islington

6.1 The draft strategy proposes five priorities and statements of strategic intent. These have been developed drawing on evidence and information of how and where carbon is generated and released:

Residential buildings, Commercial & Industrial buildings and Infrastructure

Improve the energy efficiency and reduce the level of carbon emissions of all buildings and infrastructure: We will continue our work on the insulation of properties and seek ways of converting heating systems away from gas where possible. In doing so we will work with borough partners such as schools and colleges, universities and the NHS to support them to reduce carbon emissions from their estates.

Transport

Reduce emissions in the borough from transport: We will reduce vehicular emissions by encouraging walking, cycling and public transportation. By working collaboratively, we will explore how to transform our streets, secure better, cleaner and more accessible public transport services for Islington and improve air quality for residents. We will also electrify our fleet and encourage residents and local businesses to do the same by ensuring the appropriate infrastructure is in place.

Sustainable and affordable energy generation and supply

Increase local generation of renewable heat and electricity, increase the update of affordable and renewable energy tariffs and mitigate fuel poverty: We will increase the use of smart, zero carbon district heating and solar power generation in the borough, considering the whole energy system. We will also continue to support residents in fuel poverty by helping them access cheaper tariffs and the benefits they are entitled to.

The Green Economy and Planning

Deliver on our net zero carbon target whilst assuring the economic success and vitality of our borough by working closely with the 18,800 businesses in the borough, most of them small or micro-sized: We will ensure that our development and planning policies require growth and new developments meet the highest emissions reductions targets possible.

The Natural Environment and Waste Reduction and Recycling

Integrate our ongoing activities in recycling and reducing waste and managing our natural environment: We will ensure that these objectives are coherent in our efforts to achieve net zero and help mitigate the risks from severe loss of biodiversity which will impact people, the economy and the environment.

- 6.2 In recognition of the scale of the challenge, proposed commitments and actions are categorised as:
- What the council can commit to immediately and actions we will take;
 - What the council sees as potential commitments, but requires further investigation before committing to;
 - What the council needs from others in order for the borough achieve net zero, including funding, powers and legislation.

7. Programme Governance and Delivery

- 7.1 The Governance Model is presented at Appendix 2.

It is proposed that the *Net Zero Carbon Steering Board* with related service director-level workstream owners will continue as the programme and project governance model for the programme. This will be supported by six thematic work-streams and draw on technical officers and managers as required. In the short-term there will be additional workstreams: Finance & Investments, and Engaging, Empowering & Partnering.

It is anticipated that there will be an annual work programme produced and published in advance of the forthcoming financial year. This will form the basis of the delivery of the strategy.

It is also anticipated that there will be a requirement for additional specialist, programme and project management capacity to enable the delivery of the strategy's action plans and engagement.

7.2 Council Governance (including Executive Members)

At present there are various governance boards involving senior and technical officers and Executive Members. These boards are informal in that they do not make decisions. However they do make recommendations for decisions e.g. via officer delegations or for Executive as appropriate.

The Affordable Energy Board's remit is the delivery of carbon reduction and fuel poverty alleviation and has oversight of, and makes recommendations for expenditure of the Carbon Offset Fund. The Executive Members for Environment & Transport and Housing & Development are the lead members for the board. This board has had some oversight of the Net Zero Carbon Strategy alongside some energy related major projects including the development of the Bunhill 2 heat network.

It is proposed to create a 'Net Zero Carbon Executive Board' to oversee the programme, bringing together Steering board and appropriate Executive Members.

7.3 Environment & Regeneration Scrutiny Committee

It is also suggested that the delivery of the net zero carbon strategy is incorporated into the annual work programme of the Environment and Regeneration Scrutiny Committee. However the committee would not be able to take substantive decisions in relation to Net Zero Carbon Programme. This committee supported the development of the strategy and hosted a successful special meeting as part of the engagement and consultation process.

7.4 Engagement with Borough Partners and 'Anchor Institutions' (Fairer Together Partnership and Islington Sustainable Energy Partnership (ISEP))

Engaging and working with key borough partners and anchor institutions was an opportunity identified when the draft Net Zero Carbon Strategy was published for consultation. This recognised that whilst the council would have a leading role, the achievement of a net zero carbon borough by 2030 requires significant contributions from borough partners.

The Fairer Together Partnership (board) was established in February 2020 which brought together a range of health, police and other voluntary sector partners¹ that share a commitment to tackling inequality and making Islington fairer.

Islington Sustainable Energy Partnership (ISEP) was established in 2014, bringing together a broad range of organisations² from the public, private and voluntary sectors that commit to reduce CO2 emissions. The partnership also has a Steering Committee made up of members of the partnership who provide overall direction and co-ordination of the ISEP activities. There is now an opportunity to explore how to connect ISEP with the Fairer Together Partnership (board)

7.5 **Pan-London Governance (GLA, London Councils (Transport and Environment Committee: TEC)), London Environment Directors' Network (LEDNet), Chief Executive's London Committee)**

Zero carbon priorities for Islington are closely related and evolved from the joint statement developed by London Council's Transport & Environment Committee (TEC) and London Environment Director's Network (LEDNet)³ in November 2019, which committed to prioritise and support the delivery of these programmes, by pooling experience, expertise and resources and working together collaboratively to on seven climate change ambitions. The London Climate Change Programme is currently being formed with boroughs being invited to participate and lead on key programmes.

To support Islington's net zero carbon ambitions, there is an opportunity to work in collaboration with the GLA, London Councils and London Boroughs in support of the pan-London programme. Islington is in a strong position to influence the programme as well as supporting London local and regional government to lobby Government and influence Government policy. It is recommended that that the council therefore commits to supporting the London Council's Climate Change Programme through active participation in working groups.

7.6 **Resident Engagement**

Work is underway to scope how to engage with residents, supported by a significant net zero carbon engagement and communications campaign. There is also the potential for the Net Zero Carbon programme to include piloting a behaviour change programme. This is as result of the Environment and Regeneration Scrutiny Committee's 2019/2020 work programme. The Committee will be presenting its findings and recommendations to a future Executive meeting for consideration.

Other local authorities have made use of citizen's assemblies to engage residents and this approach specifically for the Net Zero Carbon programme will be developed for Islington.

¹ Islington Council, Whittington Health, Islington GP Federation, Camden and Islington NHS Foundation Trust, Islington CCG, University College London Hospitals, Cripplegate, London Metropolitan University, Voluntary Action Islington, Islington Police, Islington Fire Brigade, Healthwatch Islington, Manor Gardens, Peabody Estates, Thornhill Primary School.

² <https://isep.org.uk/islington-sustainable-energy-partnership-about-us-2/our-members/>

³ TEC-LEDNet Joint Statement on Climate Change, November 2019

8 Implications

8.1 Financial Implications

Implementation of the Net Zero Carbon strategy will require extensive capital and revenue investment over the next ten years. Key programmes currently identified requiring significant capital investment include the retrofitting of council properties, the electrification of the council's fleet and further investment in heat networks.

Further work is currently being undertaken by workstream leads to identify the amount and timing of programme costs to the requisite level of detail. It is clear however that the gross cost of these projects will be substantial. Indicative, high level cost estimates are that the insulation and heating retrofit of council properties could be in the region of £300m. This will be more accurately understood on completion of an academic study being undertaken to assess the availability of low carbon technologies and feasibility for retrofitting these in Islington's various housing stock archetypes.

A business case for full fleet electrification is being finalised, with an expected cost of £35m over ten years. Following Bunhill, if the council chooses to invest in further heat network developments these are likely to cost in the range of £20-40m dependent on size and number. There are also a number of other bids for capital funding which are currently in preparation, including the expansion of the People Friendly Streets programme, energy measures at council buildings (solar panels and LED lighting), cycle schemes and recycling improvements.

The total cost of these programmes is currently in excess of what the council can afford within existing resources. To reduce the net cost to the council extensive work will continue to be undertaken to identify and maximise sources of external funding, such as through the Green Homes Grant and Public Sector Decarbonisation Fund. There will also be revenue savings associated with some of these programmes such as reduced fuel costs which could help fund the cost of capital. However, there is likely to still be a large net borrowing requirement.

Further analysis will be undertaken and presented in the budget report on the affordability and level of borrowing required from the General Fund and Housing Revenue Account. Options to use cost-effective 'Green Funding' such as Community Municipal Bonds and Green Bonds will also be explored to reduce these costs

There will also be direct revenue cost implications from the net zero carbon strategy, such as through staff and resources needed to manage the delivery of the net zero carbon programme. Further detail on the full range of initiatives being explored to deliver the council's net zero carbon strategy, including when funding requirements and sources will be known are outlined in the action plans within the strategy document.

All future financial implications will be included within the budget setting process and considered as part of the council's Capital Strategy and Medium Term Financial Plan. This will enable the council to make informed decisions on proceeding with projects contributing to the net zero carbon strategy.

8.2 Legal Implications

The government has a statutory duty to achieve net zero carbon admissions by 2050 (section 1 Climate Change Act 2008 (as amended)). THE 2008 Act established a new independent body, the Committee on Climate Change (CCC), to advise the government on how best to achieve its carbon emission targets and on setting carbon budgets.

Although local authorities are not under a similar duty to the government, the council may adopt the net zero carbon 2030 strategy pursuant to its general power of competence (section 1 Localism Act 2011). In deciding whether or not to adopt the recommended strategy, the Executive will need to take into account the contents of this report and have full and proper regard to the consultation responses.

The proposed Net Zero Carbon Programme governance and engagement arrangements will not require any amendments to the council's Constitution. An officer / member Net Zero Carbon Board may be established to replace the Affordable Energy Board

The Environment and Regeneration Scrutiny Committee is responsible for carrying out overview and scrutiny functions in respect of matters relating to the Environment and Regeneration Directorate which include the net zero carbon programme.

8.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

This is the key strategy for achieving a net zero carbon Islington by 2030. Much of the work envisaged to achieve the transformation required will have environmental impacts related to construction and supply chains. However, the work will be carried out with the aim of eliminating future carbon emissions and have a net positive impact.

8.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 19 August 2020 and the summary is included below. The completed Resident Impact Assessment is at Appendix 4.

The positive benefits to residents identified in the assessment include:

- Eliminating emissions from buildings by switching away from gas heating where feasible and making buildings more energy efficient by improving insulation. This should improve thermal comfort, reduce heating bills and eliminate NOx emissions from boilers, improving residents' finances and health
- Eliminating vehicle and plant-related emissions by encouraging a modal shift away from cars towards public transport and cycling/walking or a shift to electric vehicles

and plant/equipment. These will contribute towards improving air quality to enable better health of all Islington residents, particularly benefitting those with respiratory conditions

- Expanding heat networks and solar power generation in the borough and working to help residents suffering from fuel poverty

Some potential unintended consequences to residents that will need to be monitored and managed include:

- Improper installation of insulation can lead to condensation and mould issues if not done properly, which may particularly impact people with certain health conditions
- Changes to streetscapes, such as the installation of vehicle charging points, will have to be carried out in a way that does not negatively impact people with mobility issues
- Moving to low carbon alternative heating systems may potentially lead to increase in heating costs for some residents if change is not managed properly

As this is only a strategy, any implementation of measures will be done through individual projects, at which point the specific impacts will be reviewed in more detail.

9 Reason for recommendations

- 9.1 Approval of the strategy is recommended so that the commitments are agreed and work to progress them can begin. The approval of the governance model supports the delivery of the programme.

Appendices

- Appendix 1: Summary of the consultation responses
- Appendix 2: Net Zero Carbon Programme: Governance Arrangements
- Appendix 3: Vision 2030: Building a Net Zero Carbon Islington by 2030 (including action plans)
- Appendix 4: Resident Impact Assessment

Final report clearance:

Signed by:



18 November 2020

Executive Member for Environment
and Transport

Date

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