

Committee: Cabinet

Date: 20th March 2023

Wards: All Wards

Subject: Climate Delivery Plan – Year 3

Lead officer: Interim Executive Director for Environment, Civic Pride & Climate, Adrian Ash

Lead member: Cabinet Member for Local Environment, Green Spaces and Climate, Councillor Natasha Irons

Contact officers:

Climate Delivery Plan Year 3 - Climate Change Officer, Dominique Hill,
dominique.hill@merton.gov.uk.

Climate Engagement Strategy - Climate Engagement Officer, Amy Mallett,
amy.mallett@merton.gov.uk.

Recommendations:

- A. That Cabinet adopts the Climate Delivery Plan – Year 3.
 - B. That delegated authority is given to the Executive Director for Environment, Civic Pride & Climate in consultation with Cllr Natasha Irons, the Cabinet Member for Local Environment, Green Spaces and Climate to make minor amendments to the Climate Delivery Plan – Year 3.
 - C. That Cabinet notes the proposed allocation of Merton’s latest round of Climate Funding allocated by Cabinet in June 2022.
 - D. That Cabinet considers and provides feedback on the Draft Climate Engagement Strategy.
 - E. That delegated authority is given to the Executive Director for Environment, Civic Pride & Climate in consultation with Cllr Natasha Irons, the Cabinet Member for Local Environment, Green Spaces and Climate to make amendments to the Draft Climate Engagement Strategy and for its adoption.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This Delivery Plan sets out how Merton Council will work towards a reduction in greenhouse gas emissions and adapt to the effects of climate change, within the borough and within the Council’s buildings and services, in 2023. This Delivery Plan also provides a review of progress against Merton’s Climate Delivery Plan - Year 2 priority actions in 2022.

2 DETAILS

- 2.1. Merton’s Climate Strategy and Action Plan [1] was adopted by Council in November 2020. Cabinet was appointed to oversee its implementation.

- 2.2. One of the commitments in Merton’s Climate Strategy and Action Plan was the formation of a Delivery Plan which is updated annually and is able to monitor progress. Merton’s Climate Delivery Plan - Year 1 [2] was adopted by Cabinet in January 2021, and set out the Council’s priority actions for the first year of delivery of Merton’s Climate Strategy & Action Plan (2021).
- 2.3. To support delivery and expand climate considerations to every part of the Council, 8 workstreams were set up within the Council. The Year 1 Delivery Plan set the baseline against which future years could be compared, and the Year 2 Delivery Plan was since approved by Cabinet in February 2022 [3].
- 2.4. The Year 3 Delivery Plan reviews progress in 2022 and sets priority actions for 2023. The structure of the report is similar to the Year 2 Delivery Plan.
- 2.4.1 *Section 1* of the Delivery Plan sets the scope of the plan, which covers major activities that the Council intends to do to support emissions reductions within the borough, and within the Council’s buildings and services.
- 2.4.2 *Section 2* considers the Council’s progress in meeting its part in Merton’s Climate Strategy and Action Plan in relation to the pace and scale of change needed. It uses a set of indicators to track performance against the baseline, highlights progress against the priority actions identified in the Year 2 Delivery Plan, and sets out priorities for Year 3. This provides an overview of projects delivered by the Council in 2022, and projects planned in 2023, which help tackle climate change. These cover all areas, and actions are benchmarked against progress needed to be in keeping with our net-zero targets.
- 2.4.3 *Section 3* takes wider factors into account, to assess the likelihood of meeting the net-zero targets.
- 2.5. Key areas of progress in 2022 include:
- 2.5.1 Recruiting Merton’s new Climate Engagement Officer;
- 2.5.2 Recruiting two new Community Retrofit Officers to lead on borough-wide retrofit;
- 2.5.3 Officers are also in the process of recruiting a new Climate Emergency Building Surveyor to lead on the decarbonisation of the Council’s operational and non-operational buildings and community schools;
- 2.5.4 Delivering a range of climate engagement activities including the Canons Summer Fair in June 2022, World Car Free Day activities in September 2022, and Merton’s Schools Climate Conference in November 2022;
- 2.5.5 Launching Merton’s new Schools Climate Network and Charter;
- 2.5.6 Continuing to support community-led climate action in Merton, primarily through the roll-out of three Climate Action Group projects funded through NCIL: Merton Garden Streets 2022, Energy Matters, and the Wheel;

- 2.5.7 Developing Merton's Draft Climate Engagement Strategy – included in Appendix 2;
- 2.5.8 Supporting Merton's response to the Cost-of-Living crisis by helping fuel poor households access retrofit funding through the Mayor's Warmer Homes programme. This includes using Merton's Carbon Offset Fund to top up existing national and regional funding streams to maximise the impact of this retrofit programme as agreed by Cabinet on 7th February 2022 [3];
- 2.5.9 Supporting the Examination in Public of Merton's new Local Plan which includes ambitious draft Climate Change policies to ensure that new development in Merton is compatible with Merton's carbon reduction targets and to reduce the need for further expensive retrofit;
- 2.5.10 Developing and implementing mechanisms to enforce Minimum Energy Efficiency Standards in the private rented sector;
- 2.5.11 Commissioning surveys of Merton's operational buildings and community schools to inform Merton's estate decarbonisation plans and future funding bids;
- 2.5.12 Securing £750,000 to deliver 500+ EV charging points in Merton;
- 2.5.13 Continuing the delivery of Merton's Air Quality Action Plan measures;
- 2.5.14 Developing Phase 1 of Merton's Tree Strategy for the management of council-owned trees;
- 2.5.15 Procuring a partner to develop and deliver carbon literacy training for Council staff and Councillors;
- 2.5.16 Continuing the decarbonisation of Merton's pension investments;
- 2.5.17 Working with other local authorities and pan-London groups to identify opportunities for a green recovery from Covid through the London Councils' seven programmes on climate change [4] and the London Recovery Board's Green New Deal mission [5]. This includes working with the South London Partnership to share best practice and deliver collaborative projects across several themes including green jobs and skills, waste reduction and retrofit;
- 2.5.18 Developing and delivering green skills training opportunities and programmes for Merton's residents through Merton's Towards Employment team, Merton's Adult Education programme, and partnership projects with the South London Partnership; and
- 2.5.19 Re-launching the Environment & Climate sub-group of Merton's Sustainable Communities and Transport Partnership to progress discussions with partners across the four key themes of Merton's Climate Strategy & Action Plan: Buildings & Energy, Transport, Green Economy and Greening Merton.

- 2.6. Because delivery of our net-zero targets is so dependent on the action of others, the Delivery Plan highlights the importance of continued engagement, particularly with underrepresented groups, including residents that consider themselves to be from a Black, Asian, Minority Ethnic background. This is considered in more detail in Merton’s Draft Climate Engagement Strategy which sets out Merton’s proposed approach to climate engagement over the next four years (Appendix 2). Cabinet Members are invited to provide feedback on the Draft Climate Engagement Strategy to Merton’s Climate Engagement Officer Amy Mallett via email (amy.mallett@merton.gov.uk).
- 2.7. In June 2022, Cabinet also allocated an additional £2million in reserves to increase capacity to deliver the Climate Strategy & Action Plan across the Council. This funding has been allocated to support climate action across the wider borough and to help decarbonise the Council’s own activities over the next few years as set out in Table 1 below.

Table 1 - 2022 Climate funding allocation

	Project	Description	Funding	Indicative timescales
1	Green economy lead	Recruiting an additional member of staff to lead on the development of a Green Economy in Merton. This new role will enable greater engagement with businesses and Business Improvement Districts to promote low carbon business in Merton, greater support for local circular economy initiatives, as well as supporting the development of green skills and jobs in Merton.	£120k	Recruit in Spring/ Summer 2023
2	Business retrofit support scheme	Developing a business retrofit support scheme to help businesses in Merton decarbonise and save on their energy bills.	£450k	Launch in Summer 2023 (subject to UKSPF funding bid)
3	Climate engagement	Continuing to support and strengthen climate engagement outreach to residents, businesses and community groups by making Merton’s Climate Engagement Officer role permanent and securing a climate outreach budget for engagement events and materials.	£220k	Ongoing
4	Climate Action Fund	Continuing to support the development and delivery of community-led climate projects by committing funding towards a community climate action fund.	£500k	Launch in Autumn 2023 (coordinating with Civic Pride Fund - Investing in Neighbourhoods)
5	Community retrofit loan scheme	Establishing a community retrofit loan scheme for homeowners in Merton who are not eligible for national and regional funding.	£300k	Launch in Autumn 2023
6	Council rented properties - Legal Review	Commissioning support to undertake a legal review of the leases for council-owned shops, business and industrial buildings and other non-operational buildings to help inform decarbonisation plans for these buildings. This	£90k	Progress in Spring/ Summer 2023 (in liaison with Facilities)

		will also feed into the Council's wider estate review.		Management & Estates teams)
7	Council rented properties - EPCs	Commissioning of Energy Performance Certificates (EPCs) for all the council's non-operational buildings, to help inform the Council's decarbonisation plans and wider estate review.	£50k	Progress in Spring 2023 (liaising with Facilities Management & Estates teams)
8	Community schools heating and catering	Commissioning a review of the catering equipment and heating systems in Merton's community schools to inform decarbonisation plans, future funding bids and future procurement of new catering and heating equipment for community schools.	£100k	Progress in Summer 2023 (liaising with Facilities Management & Schools teams)
9	Supply chain decarbonisation lead	Recruiting an additional staff member to support commissioners and contract managers across the council in engaging with service providers to understand and reduce the council's supply chain emissions.	£120k	Recruit in Spring/ Summer 2023 (liaising with Commercial Services)
10	Climate training for procurement	Developing and delivering bespoke climate training for key staff involved in contract management and commissioning across the council. This will build on the general carbon literacy training being rolled out for council staff in 2023.	£20k	Delivery in Autumn 2023
11	Carbon in all major Council decisions tool	Developing and implementing a tool for embedding climate change and carbon reduction in all major Council decisions to ensure that decisions are in keeping with Merton's net zero commitments.	£30k	Launch in Summer/ Autumn 2023 (liaising with Corporate Services)

2.8. Merton's council-wide and borough-wide greenhouse gas inventories were updated in 2021 and will be updated again in 2023. In 2023 the Council will also look to include additional scope 3 emissions from its procured services where greenhouse gas data is available.

2.9. It may be appropriate to make minor changes to the Delivery Plan, for example where there are changes to delivery risks throughout the year. We seek delegated authority to the Executive Director for Environment, Civic Pride & Climate in consultation with Councillor Natasha Irons Cabinet Member for Local Environment, Green Spaces and Climate to make these minor amendments.

3 **ALTERNATIVE OPTIONS**

Recommendations A& B (Climate Delivery Plan)

3.1. Option 1 - No Delivery Plan: This option would undermine a key commitment set out in Merton's Climate Strategy and Action Plan. Without a delivery plan, it would be harder to understand whether activity to reduce carbon emissions undertaken by Merton Council is focused where it will have the greatest impact.

- 3.2. Option 2 - A more ambitious delivery plan: This is not a realistic option because the Delivery Plan presented represents the most ambitious plan to deliver Merton's Climate Strategy and Action Plan 2020 that can be achieved within the Council's current resources, focused on the major transitions needed to achieve the net-zero carbon targets.

Recommendation C

- 3.3. None for the purposes of this report.

Recommendations D & E (Draft Climate Engagement Strategy)

- 3.4. Due to its breadth, the Climate Strategy and Action Plan does not go into detail about the mechanisms which local authorities can use to increase public engagement on climate action to:
- create local behaviour change by empowering everyone in Merton to connect with opportunities to live and work more sustainably.
 - empower communities and stakeholders to co-design and manage local projects, to deliver co-benefits, reduce carbon emissions and make progress to net zero.
 - create local support and sustained interest in solutions (infrastructural, digital, social, financial), that progress action towards net zero.
- 3.5. Without an approach that works towards these outcomes (Merton's draft Climate Engagement Strategy), net zero by 2050 is jeopardised, as the majority of the borough's carbon emissions are not within the direct control of the council.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The Delivery Plan operates under the long-term framework of Merton's Climate Strategy and Action Plan, and uses the extensive consultation and evidence review that was undertaken through its development in 2019 and 2020.
- 4.2. Engagement with Merton's Climate Action Group, Merton's Joint Consultative Committee, Merton's Youth Parliament, community forums, invitations from civic societies and residents' groups, feedback from the Canons Climate Summer Fair, and other outreach over the course of 2021 and 2022 has highlighted the importance of climate action to people in Merton. It has also highlighted common misconceptions about the most effective route to reducing the borough's carbon emissions. This information has informed Merton's Climate Delivery Plan and draft Climate Engagement Strategy.
- 4.3. The Delivery Plan is limited to fulfilling the Council's part of the Climate Strategy and Action Plan, so has been discussed extensively with Council officers.
- 4.4. The Climate Engagement Strategy is focussed on facilitating and supporting everyone in Merton to reduce their emissions. Merton's Climate Action

Group has provided detailed feedback on the draft Climate Engagement Strategy. The draft strategy has already been informed by engagement with Merton's Joint Consultative Committee, Youth Parliament, and attendance at Merton's Community Forums and with engaged community groups.

- 4.5. To broaden the scope of consultation, the draft Climate Engagement Strategy will be consulted on with Cabinet Members, before targeting local organisations and resident groups who we haven't already heard from before.

5 TIMETABLE

- 5.1. Whilst the net-zero targets may take decades to achieve, the Delivery Plan aims to operate within a single year, enabling delivery to be responsive to the many changes in funding, policy, innovation and markets. It is expected that priority actions set out in the Delivery Plan will be complete by December 2023.
- 5.2. The Delivery Plan will be reviewed and updated on an annual basis. The updated plan will use the indicators and wider evidence to focus efforts which make the most significant impact towards meeting out net-zero targets.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. *Annex 4* of the Delivery Plan sets out all priority actions that the Council intends to take over the third year of implementation of the Climate Strategy and Action Plan. Officers responsible for the individual actions have confirmed that these can be carried out with existing resources or funding already secured; notwithstanding the delivery risks identified.
- 6.2. *Section 2.3* of the Delivery Plan considers the extent to which the actions committed to by the Council are sufficient with respect to the Council's responsibilities set out in the Climate Strategy and Action Plan. This is straightforward when considering the Council's action to reduce its own carbon emissions, but harder to judge when considering the Council's actions to support emissions reductions that need to be undertaken by others. This section does identify gaps in activity and /or funding that will need to be met in future years, but in most cases, the scale and timing of the funding need has not yet been identified; nor how these funding needs will be met.
- 6.3. *Section 3* also acknowledges funding gaps that the Council is not expected to fill but will be needed by others to meet the 2050 net-zero target. These include the additional capital costs to support low carbon retrofit of Merton's homes and non-residential buildings.
- 6.4. *Section 2.1* of the Delivery Plan estimates that circa £2.3 million (Table 2.2) of Council spend was allocated to projects that reduced emissions and/ or helped build climate resilience inside and outside the Council in 2021/22 and that circa £3.9 million is currently forecast to be spent in 2022/23.

- 6.5. Merton's proposed Capital Strategy 2022-26 which sets the proposed approved capital programme to the financial year 2025/26, includes provision to convert the bulk of the waste fleet in 2025/26. The strategy also considers the indicative capital programme to 2030/31. The indicative programme includes estimated costs of converting the remaining council transport fleet. No provision has yet been made for investment into transport infrastructure, it is envisaged that external funding sources will be identified to provide a substantial contribution to this cost. A more accurate cost of decarbonising Merton's operational buildings needs to be established by surveys which will be undertaken during FY22/23 then officers can start to identify funding sources to contribute towards these costs. New capital schemes and additions to any existing capital schemes in relation to the climate change delivery plan will only be added to the approved capital programme as additional funding is identified.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.0. There is no statutory requirement for Local Authorities to set climate targets, or produce a Climate Strategy or an Action Plan set out in the Climate Change Act 2008. Local Authorities are, however, obliged to be in keeping with the objectives of policies implemented by the Greater London Authority and National Government through obligations set out in grant funding agreements, under regulatory arrangements such as through air quality reviews and monitoring under the Environment Act 1995 and national planning law including the Planning Act 2008 and in development of local plans under the Planning and Compulsory Purchase Act 2004, where the local planning authority must have regard to national policies.
- 7.1. When carrying out the investments and actions which form the Council's Delivery Plan as outlined in this report, it must where appropriate, follow the Council's Contract Standing Orders and the Public Contracts Regulations 2015 in relation to entering into public contracts.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. *Section 2* highlights that intended actions are consistent with the strategic approach set out in the Climate Strategy and Action Plan. These embody an ambition for action on climate to have wider community benefits and ensure that neither the effects of climate change, nor the costs of reducing emissions disproportionately affect the vulnerable or those less able to pay.
- 8.2. Workstream 8, considers Communication, outreach and LBM corporate procedure. Within this workstream, *Sections 2 and 3* highlight progress in supporting and empowering communities to take action on climate through the development of Merton's Climate Action Group which was launched in January 2021; in keeping with the key aims of Merton's community plan to increase social capital. *Section 2* sets out our intention to provide continued support for community-led action, and to extend engagement to groups which have been less represented to date, including residents that consider themselves to be from Black, Asian and Minority Ethnic backgrounds.

- 8.3. The spread of activity within the Delivery Plan makes it difficult to undertake a meaningful equality assessment of the plan as a whole. Individual equality assessments will be undertaken as individual actions form key policies and decisions.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Delivery risks relating to annual priority actions have been assessed both at an individual level (*Annex 4 of the Delivery Plan*) and for the workstream as a whole (*in section 2.3*). These consider the likelihood that the action will take place and the impact this might have in the Council meeting its obligations set out in Merton's Climate Strategy and Action Plan.
- 10.2. *Section 3*, assesses the likelihood that the net-zero targets will be met, taking into account the 2% of emissions that are the direct responsibility of the Council, actions taken by the Council to enable emission reductions for the borough target, and the wider financial, political, behavioural and market forces in play.
- 10.3. Risk management and health and safety measures for individual actions will be undertaken by the Officer responsible for the action.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Climate Delivery Plan – Year 3
- Draft Climate Engagement Strategy

12 BACKGROUND PAPERS

- 12.1. [1] Merton Climate Change Strategy and Action Plan
<https://www.merton.gov.uk/assets/Documents/Draft%20Climate%20Strategy%20and%20Action%20Plan%20-%20Council%20V2.pdf>
- [2] Merton Climate Delivery Plan – Year 1
<https://democracy.merton.gov.uk/documents/s36416/Climate%20Delivery%20Plan%20Y1%20-%20Cabinet.pdf>
- [3] Merton Climate Delivery Plan – Year 2
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=1324>
- [4] London Councils – About Climate Change
<https://www.londoncouncils.gov.uk/our-key-themes/environment/climate-change>
- [5] London Recovery Board – A Green New Deal

<https://www.london.gov.uk/coronavirus/londons-recovery-coronavirus-crisis/recovery-context/green-new-deal>