

Committee(s) Finance Committee (for decision) Policy and Resources Committee (for decision) Port Health and Environmental Services (for information)	Dated: 15 October 2019 17 October 2019 26 November 2019
Subject: Climate Action Briefing Implementation	Public
Report of: Director of Innovation & Growth – Damian Nussbaum Director of the Built Environment – Carolyn Dwyer	
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Summary

In July 2018, Policy and Resources Committee approved the City of London Corporation's (City Corporation) Responsible Business Strategy for 2018-23, which outlined the City Corporation's commitment to increasing its positive impact and reducing its negative impact across a range of sustainability issues, including climate change. The Responsible Business Strategy specified that the City Corporation develop a Climate Action Strategy outlining actions that will be taken to reduce carbon emissions and increase resilience to changed weather patterns. This paper updates Members on the progress to-date on the City Corporation developing a Climate Action strategy, including vital next steps, which are defined through the Climate Action Briefing included at Appendix One. This Briefing runs from October 2019 until June 2020 and highlights the barriers to setting credible strategic targets and offers a plan of work to ensure the right data, information and resources are in place to develop and implement an ambitious and successful Climate Action Strategy for June 2020.

Recommendations

Members are asked to:

- Note the approach taken and current position of developing a Climate Action Strategy for both the Square Mile and the City of London Corporation.
- Note the use of 2018-19 Open Spaces, Built Environment and Innovation and Growth departmental budgets to cover the costs of the consultancy support required to deliver the Climate Action Briefing.

Main report

Background

1. Increasingly, organisations are being encouraged to look beyond their core business and consider the ways in which they might create and sustain social and environmental value, as well as reduce their negative impact. To this end, the City Corporation approved the 'Responsible Business Strategy 2018-2023 – Towards a sustainable future' in July 2018, setting out the organisation's

approach to tackling eight key sustainability issues, including Climate Change. The Strategy committed to the development of a robust and ambitious Climate Action Strategy, with Climate Action defined as: *Positive action to reduce carbon emissions and increase resilience to changed weather patterns due to climate change.*

2. The Paris Agreement, signed in 2015, has shown significant scientific and political consensus on climate change, pointing to the urgent need to limit carbon emissions globally in order to avoid catastrophic impacts to society, the economy and environments worldwide. The significance of the climate agenda has been further reiterated in recent months through the following:
 - [IPCC report](#) which warned that the next 12 years will be crucial in limiting temperature rise to below 2 degrees;
 - [UK climate projections 2018](#) which predict temperature rises of up to 5 degrees if urgent action is not implemented;
 - [UK Committee on Climate Change Land Use report](#) calling for a radical change in diets to address the climate impacts of eating meat; and
 - [David Attenborough's](#) intervention at the UN climate change talks in Poland in Dec 2018 through the "People's Seat": stressing the real-life consequences of climate inaction by governments and administrators for individuals and communities.
3. At this point, even the most ambitious carbon reduction scenario will result in climate impacts. For the Square Mile this includes an increased risk of flooding, more frequent heatwaves and an increase in extreme weather events. Addressing these risks will position the Square Mile, including the City, as a resilient place to do business, compared to other global financial centres.
4. The City is a world leader in green finance and insurance, and so reducing climate impacts and responding to climate threats is key to its position as a global financial centre. To remain credible in promoting the City and the industries within it, the City Corporation must be at the forefront of Climate Action through its own activities and spheres of influence.
5. In April 2019, with approval from Chief Officers, a task and finish group (TFG) was convened to develop a Climate Action Strategy, chaired by the Director of Innovation and Growth and sponsored by the Director of the Built Environment. In September 2019, the TFG presented an interim Climate Action Briefing (**full briefing at Appendix 1 and summary briefing at Appendix 2**), for Chief Officers highlighting the need for additional resources to be released in 2019/20 to support the City Corporation's response to climate change.
6. The Climate Action Briefing provides a plan of work for an eight-month window between October 2019 and June 2020 to ensure the right data, information and resources are in place to rise to the climate challenge across all areas of the City Corporation's work and throughout the Square Mile. This necessary work will allow the City Corporation to develop and implement an ambitious and successful Climate Action Strategy for 2020 onwards. In short, the briefing provides:

- An overview of the City Corporation's strategic ambition on climate action and climate resilience.
- The gaps in the organisation's own operational data and Square Mile-wide data that need to be resolved in order for the City Corporation to set credible yet ambitious targets as part of a long-term Climate Action Strategy that will be launched in 2020.
- An appraisal of the level of investment and resourcing required to deliver the Briefing and a full ongoing strategy.

Current position

7. Producing a credible and ambitious Climate Action Strategy, which has a clear sense of the activities, resources and investments that are needed in the medium to long term, in terms of carbon reduction and climate resilience across the City Corporation's own operational activities and for the Square Mile requires robust and accurate data for the full range of emissions and climate resilience actions as defined below:
 - a) **Scope 1 emissions:** Direct emissions from owned or controlled sources.
 - b) **Scope 2 emissions:** Indirect emissions from the generation of purchased energy.
 - c) **Scope 3 emissions:** Indirect emissions (not included in Scope 2) that occur in the value chain of the organisation or area, including both upstream and downstream emissions.
 - d) **Climate resilience actions:** Actions that ensure adaptation to changes caused as a result of climate change, such as hotter, drier summers, warmer, wetter winters and other extreme weather events that leave the Square Mile vulnerable to flooding, overheating and sea level rise.
8. The Climate Action Briefing outlines that the City Corporation will continue to implement existing climate action related activities, such as switching to LED streetlights, promoting the City as a hub for green investment through the Green Finance Initiative, and purchasing renewable energy for City Corporation operations. However, it also highlights the need and urgency to gather necessary data and expert input to enable the organisation to set a credible, evidence-driven target date for becoming climate positive. Key to the success of this briefing is addressing organisational data gaps on scope 1, 2 and 3 emissions (Figure 1 & 2 in the briefing) and managing climate resilience issues.
9. In order to meet the organisation's data needs as outlined in the Climate Action Briefing, £350,000 is required to cover consultancy support that will enable the organisation to:
 - Set a Scope 1 & 2 trajectory to zero carbon for the Square Mile, using the AECOM Zero Emissions City Report and other resources.
 - Set a net zero carbon target date, by collecting data on carbon sequestration from City Corporation owned Open Spaces.
 - Establish a robust evidence base and carbon accounting practices.
 - Begin to incrementally and credibly establish what the Scope 3 emissions are for the City Corporation and the Square Mile.

- Develop a plan for Scope 3 emission reduction, by investing in specialist technical support.
- Establish an adaptive pathways approach to climate resilience, which will determine effective actions to prevent disruption due to changed weather patterns.
- Determine the exact resourcing requirements the organisation will need on an ongoing basis to deliver its Climate Action Strategy – this is likely to be a dedicated team of 4-6 officers with consultancy support.

10. Key departments involved in the Climate Action Task & Finish Group have committed to investing from their 2018-19 budgets to cover the £350,000 required, which has not been previously agreed by Committees:

- Open Spaces Department - £75,000
- Department of the Built Environment - £100,000
- Innovation and Growth - £200,000

Corporate & Strategic Implications

11. Climate Action is reflected in the following outcomes in the Corporate Plan 2018-2023:

- **Outcome 1:** People are safe and feel safe
High level activity – Prepare our response to natural and man-made threats
- **Outcome 5:** Businesses are trusted and socially and environmentally responsible
High level activity – Model new ways of delivering inclusive and sustainable growth.
High level activity – Support, celebrate and advocate responsible practices and investments.
- **Outcome 11:** We have clean air, land and water and a thriving sustainable natural environment
High level activity – Provide a clean environment and drive down the negative effects of our own activities.
High level activity – Provide environmental stewardship and advocacy, in use of resources, emissions, conservation, greening, biodiversity and access to nature.
- **Outcome 12:** Our spaces are secure, resilient and well-maintained
High level activity – Build resilience to natural and man-made threats by strengthening, protecting and adapting our infrastructure directly and by influencing others.

12. The **Responsible Business Strategy 2018-2023** has an overarching ambition that the City Corporation's actions will contribute to a healthier planet. It identifies a series of priorities including air quality, waste, plastics and packaging, climate change, biodiversity.

13. Climate Action is linked with several other City Corporation Strategies and Plans:

- **Air Quality Strategy 2015-2020** – this strategy addresses pollution emissions and must align with the City’s climate actions so that addressing pollution does not cause an increase in carbon emissions
- **Draft Transport Strategy 2018** – promotes a move to cleaner electric vehicles, which coupled with decarbonisation of the City Corporation’s electricity supply will reduce carbon emissions associated with transport.
- **Local Plan 2015 and emerging City Plan 2036** - provides the spatial strategy for the City requiring development in the City to be zero carbon from 2019 and incorporating climate resilience into development and the public realm.
- **Waste Strategy 2013-2020** – actions to reduce the level of waste generated in the City will result in lower emissions associated with waste transport and disposal.
- **Local Flood Risk Management Strategy 2014-2020** – provides a framework of actions to reduce the City’s flooding risks through flood resistance which aims to prevent water ingress into premises, and flood resilience which limits the damage and enables speedy recovery when floods occur.

Conclusion

18. Through the implementation of this Climate Action Briefing, the City Corporation will be in a better position to address the impacts of climate change throughout the City Corporation’s operations, as well as positively influencing those that the City Corporation works with externally, for the benefit of current and future generations. However, this Briefing also recognises the need to take the time to set credible, evidence-based targets and structured plans for achieving them in order to ensure the City Corporation’s response to climate change is sustainable, long-term and robust. Officers have identified through this Briefing the City Corporation’s data and skills gaps and provided a clear and actionable plan on how to fill them. Three departments (Open Spaces, Built Environment and Innovation and Growth) have collectively pledged £350,000 from 2018-19 budgets to support this work.

Appendices

- Appendix 1 – Climate Action Briefing
- Appendix 2 – Climate Action Briefing Summary

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