

Committee:	Dated:
Barbican Residents Consultation Committee Barbican Residential Committee	14 June 2021 28 June 2021
Subject: Climate Action Strategy – Barbican Residential Estate Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	5,10,11,12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Director of Community and Children’s Services	For Information
Report author: Paul Murtagh Assistant Director, Barbican Estate & Property Services	

Summary

The purpose of this report is to set out the current position of the Barbican Residential Estate in relation to the City of London Corporation’s Climate Action Strategy and, to inform Members of the opportunities and next steps in progressing towards the decarbonisation of the housing stock.

Recommendation

The Committee is asked to note the report.

Main Report

Background

1. The UK has set in law a target to bring all its greenhouse gas emissions to net zero by 2050. To help achieve this target, the government’s ambition is to improve the energy efficiency of homes, and move to cleaner ways of heating homes, in order to halve the energy use of new buildings by the end of this decade.
2. However, new homes only account for 20% of all the UK’s housing stock so, large scale retrofitting is essential to make housing fit for the future. Decarbonising the

UK's homes is not only an essential part of tackling climate change, it also saves residents money, helps combat fuel poverty, boosts the economy and creates jobs.

3. On 8 October 2020, the Court of Common Council approved and adopted the City of London Corporation's (City Corporation) Climate Action Strategy 2020-2027. This marked the start of a new and transformative programme of action and, adopted three interlinked primary objectives for the City Corporation and the Square Mile to:
 - support the achievement of net-zero emissions.
 - build resilience.
 - champion sustainable growth.

The City Corporation's Climate Action Strategy 2020-2027 is attached as Appendix A to this report.

4. In adopting the Climate Action Strategy (CAS), the City Corporation is committed to mitigating the impact of climate change by achieving net-zero emissions for the City Corporation and the Square Mile. It is also committed to climate resilience through taking preventative steps to protect the City and its assets from the physical risks from climate change.
5. Fifteen costed project delivery areas were presented with the Strategy and, these have subsequently been consolidated into ten specific project plans. The relevant plan for this Committee is 'Buildings', which will deliver on the City Corporation's strategic objective to improve energy efficiency in its residential properties.
6. To achieve its global goals, the City Corporation has committed to a major investment of £68 million on an action plan which includes:
 - Improving energy efficiency in our investment, corporate and housing properties.
 - Aligning our investment portfolio with the Paris Agreement.
 - Enhancing carbon removal in our open spaces.
 - Driving net zero throughout our supply chain.
 - Integrating climate considerations into all our decisions.
7. The City Corporation's housing portfolio comprises approximately 5,000 properties, of which, around 2,100 mainly leasehold properties are in the Barbican Residential Estate. There is no doubt that investment in the decarbonisation of its housing portfolio is essential to the overall success of the City Corporation's CAS.

Considerations

City Corporation's CAS

8. As part of the development of its CAS, the City Corporation commissioned Arup and the Carbon Trust to:
 - build a cross-corporation model for achieving net zero;

- to define methodologies for greenhouse gas reporting (City Corporation and the Square Mile);
 - to establish baseline emissions for future reporting;
 - to define pathways for achieving net zero for the City Corporation's directly controlled operations, assets not under direct control and, across the Square Mile.
9. This work produced a model that provided annualised carbon targets and associated indicative costs of £6.33m over the life of the strategy, across the existing housing areas that were in the top 25 carbon emitting sites (social housing estates and the Barbican Residential Estate). This was included in the £68m approved by the Court of Common Council in October 2020, to support the implementation of the City Corporation's CAS. We now need to build on this model and create a detailed action plan for the mobilisation and delivery phases.
10. Understandably however, it has been made clear to all service areas under CAS, including Housing and Barbican, that we should make best use of any available external grant funding to supplement CAS funding from the City Corporation. External funding is to be used to accelerate the targets and programme of works under CAS but, CAS funding could be used as match funding where applications for external funding require.

External Funding

11. Staff in Housing and Barbican have been working closely with colleagues in the City Surveyors Department to understand and identify the external funding opportunities that may be accessible to support the delivery of a programme of works to reduce the carbon footprint of our residential housing stock.
12. Although, there has been a lot of publicity and promotion of grant funding schemes relating to the UK's target to bring all its greenhouse gas emissions to net zero by 2050, few of them are relevant to the City Corporation as a social landlord. Those that are of interest and potential benefit include:
- Green Homes Grant (GHG).
 - Renewable Heat Incentive (RHI).
 - Green Heat Network Fund.
 - Social Housing Decarbonisation Fund.
 - Mayor of London's Green New Deal.
13. Of the above, the GHG (Local Authority Delivery Phase 2) Scheme is currently of interest and, one that we are investigating further. The fund administrator, (Greater South Eastern Energy Hub) has allocated funding, provisionally, on fuel poverty indices from 2018, which gives the City Corporation a very small allocation of around £50,000. However, we are looking to increase this substantially by working collaboratively with the likes of the London Boroughs of Islington, Southwark and Tower Hamlets where, some of our housing stock is located.
14. Longer term, we will be looking to maximise opportunities for funding from the £3.8 billion set aside for the Social Housing Decarbonisation Fund. This funding

opportunity is not yet fully developed and, it is likely to be rolled out over a longer period and delivered across several phases. The Social Housing Decarbonisation Fund appears to present the best opportunity to access significant levels of external funding and, will be a key focus in developing our plans. Obviously, as the name of the funding suggests, this will not be accessible for the Barbican Residential Estate.

15. Other key opportunities include the strategic development of our heating networks, with support from the RHI over the next 12 months potentially, followed by the Green Heat Networks Funding. There may be opportunities for some of our estates to connect into low carbon heat networks in the longer term, as major developments close by adopt this technology.
16. With many of these funding opportunities, match funding will be necessary. The GHG (Local Authority Delivery Phase 2) Scheme, for example, will require 1/3 match funding. Again, we will look to maximise the benefit of these schemes by utilising the City Corporation funds allocated to the CAS for use as match funding.

Resident Engagement

17. Residents will play a crucial role in ensuring the success of the City Corporation's CAS and, it is essential that we engage with them at an early stage. To pave the way for wider resident engagement on the plans outlined in this paper, some preliminary engagement meetings were held with Members - and in some cases residents - representing residential wards. To date, these meetings have been held on the Barbican Estate, the Golden Lane Estate, and combined meetings for the Portsoken, Aldgate and Tower Wards, were held between December 2020 and February 2021.
18. The purpose of these meetings was to provide residents with an overview of the City Corporation's CAS, highlighting areas relating to housing, whilst at the same time, recognising those climate action initiatives that are planned, or underway locally, led by the residents themselves.
19. On 5 May 2021, the first Barbican Residents Workshop was held (via Zoom) with the Corporation's specialist consultant, Etude, a team of sustainability engineers with experience in energy policy, low energy building design, environmental assessment and construction inspection. The workshop, entitled 'Understanding the buildings through the residents' eyes' was well attended, with 15 resident participants representing different blocks on the Barbican Estate. The workshop included small group discussions where, residents talked about heating and ventilation systems and, energy efficiency opportunities across the Barbican Estate. The presentation slides used in the meeting are included at Appendix B to this report.
20. Etude is combining the outputs from this first workshop with the results of an Estate-wide online questionnaire, desk-based studies and, site visits to help strengthen and finalise its recommendations in the production of the Corporation's final Housing Net Zero Action Plan.

21. A second Barbican Residents Workshop has been arranged for 5 July when, Etude will feed back to residents on the findings of the first workshop and present to residents its draft Housing Net Zero Action Plan.

Next Steps

22. The work that Etude is doing to develop a Housing Net Zero Action Plan for the Corporation is nearing completion, with an initial draft report expected very shortly. This marks the start of the internal review that will eventually lead to the Action Plan being presented to the next meeting of this Committee for sign off. It should be noted however, that due to time restraints and target dates, the Action Plan may need to be signed off under the Urgency Procedure.

23. As set out previously, a second Barbican Residents Workshop has been arranged for 5 July when, Etude will feed back to residents on the findings of the first workshop and present to residents its draft Housing Net Zero Action Plan.

Appendices

Appendix A: City of London Corporation's Climate Action Strategy.
Appendix B: Barbican Workshop 1: Understanding the buildings through the residents' eyes.

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