

<b>Committee</b>	<b>Date</b>
Policy and Resources Committee	19 <sup>th</sup> of January 2023
<b>Subject:</b> Year 2 quarter 3 update on Climate Action Strategy	<b>Public</b>
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,5,7,10,11,12
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<i>Original budget envelope for CAS approved by Court upon adoption. The Y2 portion approved under CAS by Policy and Resources on 5<sup>th</sup> May 2022 &amp; by BHE Board in 14<sup>th</sup> July 2022.</i>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>Yes</b>
<b>Report of:</b> Executive Director Innovation and Growth and Senior Responsible Officer, Climate Action	<b>Information</b>
<b>Report authors:</b> Grace Rawnsley, Programme Director, Climate Action Stuart Wright, Climate Action Advisor Karin Ballasch, Climate Action Stakeholder Engagement Lead Michaela Dhas, Climate Action Programme Manager	

## Summary

In October 2020, the Court of Common Council approved an ambitious Climate Action Strategy, a transformative programme for the City of London Corporation to reach net zero carbon emissions, build resilience and champion sustainable growth. This paper reports the results of the planned quarter 3 activities of the second year of the programme. It includes a description of progress made as well as potential risks for the programme.

## Recommendation

The Policy & Resources Committee is recommended to:

- i. Note the progress, risks and issues arising between October and December 2022 of year 2 of implementing the Climate Action Strategy.
- ii. Note the achievement of the targets for our Scopes 1&2 and climate resilience remain on track with no additional resources required beyond the original budget envelope.
- iii. Note that the achievement of our targets for Scope 3 and the Square Mile needs continuous and focused attention but no additional resources beyond the original budget envelope.

## **Main Report**

### **Background**

1. In November 2019 the City Corporation set out on a fast-paced, cross-corporation journey to develop an ambitious Climate Action Strategy (CAS). The strategy was adopted at the Court of Common Council on the 8<sup>th</sup> of October 2020.
2. The CAS marked the start of a new and transformative programme of action. It sets out three interlinked primary objectives for the City Corporation and the Square Mile:
  - to support the achievement of net zero emissions,
  - to build climate resilience, and
  - to champion sustainable growth.
3. The Court approved an original funding envelope of £68m to deliver the Strategy up to 2027. Each year's budget was to be subject to confirmation. It was agreed upon adoption that each relevant Service Committee and Policy and Resources receive a quarterly update on progress and relevant expenditure.
4. The Year 2 (Y2) programme of work and associated budget was approved by this committee on 5<sup>th</sup> May 2021 for the City Fund and City's Cash. Expenditure related to Bridge House Estates (BHE) was approved by the BHE Board in July 2022. Across the funds, a total Y2 budget for both projects and revenue of £17.94m was approved as the allocation required under the original budget envelope.
5. The annual programme of work is based on detailed plans for 13 workstreams across six different departments; each of which reports to a relevant Service Committee. These detailed plans are approved by Project Boards at the operational level and relevant Service Committees at the Member level. These are reported into Policy and Resources as a summary programme as shown in Appendix 2. Policy and Resources also approves annual budget draws against the original envelope for City's Cash and City Fund. BHE funds are approved by the BHE Board.
6. For the initial years, City's Cash and City Fund draws are from central reserves. In later years the annual budgets will be partly funded by savings to the energy bill. A revolving mechanism to capture financial savings from the corporate energy bill has been developed. It will capture the savings from the capital interventions under CAS when they come online in 2022/23.
7. In July 2021, this committee approved delegated authority powers in relation to project delivery for the Senior Responsible Officer of CAS. This authority continues to bring the desired momentum to the programme.

### **Progress against targets**

8. Quarters 1&2 focused on increasing transparency on progress against targets. We accomplished this through:
  - Re-assessing the carbon footprint for the first time since the baseline year of 2018/19.

- Publishing the first [Climate Action Progress Report](#) on progress against targets.
  - Being the first local authority to publish a fully transparent public [dashboard](#) tracking performance against all CAS areas of work.
  - Being the first local authority to have a carbon footprint externally audited and verified for all three emission Scopes.
9. The interim target for Scopes 1&2 in 2021/22 is 33% decrease on the baseline. We have reduced carbon emissions by 31%. This can be explained by a slower-than-expected rate of decarbonisation of the national power grid.
10. Emissions in our value chain have decreased by 5.6% since our baseline year. A small decrease was expected. This is due to increased expenditure on goods and services and increased value of our investment portfolios, as well as improvements in measurement.
11. 92% of the Square Mile emissions come from transport (25%) and buildings (67%). In the latest available emissions data for the City (2019), commercial buildings were reduced by 16% and transport-related emissions were reduced by 11%. These fall short of the required trajectories to meet our interim targets for the Square Mile of 60% emission reduction by 2025 and 73% by 2030.
12. All progress against targets can be monitored through the [Climate Action Dashboard](#). The dashboard tracks 52 management KPIs as well as the main 21 reporting KPI of our footprint as expressed in tonnes of CO<sub>2</sub>e (Carbon Dioxide Equivalent). This dashboard is used as the basis for progress reporting to Committees.

## Progress against delivery plans

13. The following chart summarises the delivery status of the 13 workstreams delivering Climate Action against the original Y2 plans:

Workstream	Status (Q2)	Status (Q3)
Strategic Implementation Support	Green	Green
Buildings - Corporate Properties and Housing	Amber	Red
Buildings - Investment Properties	Green	Amber
Buildings - Capital Projects (Standards) + Resilience	Amber	Amber
Purchased Goods and Services	Amber	Red
Square Mile	Amber	Amber
Cool Streets and Greening	Amber	Amber
Mainstreaming Resilience	Green	Amber
Heart of the City and SME Engagement	Green	Green
Financial Investments	Amber	Amber
Carbon Removals and Land Management	Red	Red
Transport	Amber	Amber

14. Green-rated workstreams are all on track in terms of actions originally planned for Y2. Those marked amber are those where there are one or more actions which will happen later in the programme than anticipated. Those marked red have actions that were meant to be initiated in Y2 and have not yet started.

15. Workstreams that are marked as Amber or Red receive heightened monitoring at the operational level. Service areas are being supported to increase momentum with special emphasis on actions relating to 2027 targets.

#### 16. Red Projects

- **Carbon Removals and Land Management** is currently undergoing a feasibility review by officers. This is due to a reassessment of the additional carbon sequestration potential of the open spaces and arising concerns over the existing sequestration capacity highlighted by recent extreme weather events. A separate report will be brought to P&R for consideration in April 2023.
- **Buildings Corporate Properties and Landlord Housing Areas** has moved from amber to red rating this quarter due to significant delays. Although the majority of workstreams are moving forward, the large capital works scheduled for Year 2 have not started and are not likely to do so until financial year 2023/24.
- **Purchased Goods and Services** has reported red due to multiple delays in significant workstreams and the requirement to reforecast completion dates for two major projects into 2023/24. Work in quarter three has moved forward those projects which should show an improved RAG status in Q4. For example, the expected completion of the first draft of low carbon procurement guidance and the tender process for the Top 25 reporting tool.

17. There are several delays in the production of analytical work or key actions needed to underpin the success of the strategy. These are summarised in the table found in Appendix 1. Additional Member and operational oversight will be needed to accelerate action along the new schedules.

### Change Control

18. No changes in timing, scope, or budget are required for Member decision at this time.

### Achievements

19. Advancing interventions in corporate housing and investment properties continue to be the biggest focus. The ability to accelerate actions under these workstreams remains our biggest risk and biggest opportunity.

- Surveys have identified 50 interventions across the top 15 emitting buildings with an expected capital cost of approximately £6m. These measures are being drawn into a delivery plan covering the period up to 2026/27. A GW2 paper has been submitted, introducing the first of a set of forthcoming energy/carbon reduction and efficiency-focused gateway papers, funded out of CAS.
- 118 investment properties have been surveyed with draft reports issued. An operational delivery plan for energy interventions is currently being drafted which will inform the capital programme in 2023/24.

- The smart metering strategy for the Investment Properties Group is completed.
- A contractor has now been appointed to deliver the energy surveys that will inform the heat decarbonisation plans for communally heated housing estates. Particular attention is being paid to sites that require immediate interventions.
- A decarbonisation plan for the Heathrow Animal Reception Centre is being developed using a grant from the “Low Carbon Skills Fund”.
- A decarbonisation feasibility study for the Cemetery & Crematorium is underway.
- The CoLC Power Purchase Agreement is due for completion in December 2022 with the South Solar Farm in Dorset connected to the grid. We will start receiving its energy from 1<sup>st</sup> January 2023.
- GLA funding obtained (£80k) towards feasibility studies on Battery Storage, Photovoltaics (solar electric) and flexibility in market options at Guildhall & Barbican (Arts Centre and Housing).
- Design and Technology Standards for projects are completed with a first draft.

20. We continue to work with a diverse set of stakeholders to learn, influence and act. A sample of engagements this quarter includes:

- Heart of the City (HotC) hosted an annual business leader breakfast at Mansion House on 20th October and an online business leader breakfast event was held on 17 November - both to share information about the climate crisis and the net zero training support available via HotC’s ‘Climate for SMEs’ course.
- The supplier action plan template for our Top 25 suppliers is now in place and 20% are live, with a further 20% in discussion. The plans review what steps the supplier is taking to reduce its carbon reduction and how it can contribute its expertise to City Corporation contracts.
- We are trialing new product/supplies on specific sites and contracts to evaluate their impact on net zero objectives. Hydromx (a revolutionary heat transfer fluid that utilizes Nano-Thermo technology) is being trialed at Smithfield market and is forecasted to improve energy efficiency by 20 - 30%.
- A supplier for a contract with significant carbon emissions and one of our SME suppliers, have signed up to HotC’s climate course.
- Upon completion of the Cubic Mile Project, we concluded a cross-industry workshop to explore how we can grasp the potential benefits of below group space to deliver climate resilience.
- Extensive data was gathered and consultation on the Square Mile Local Area with initial outputs on the modelling and scenarios.
- Workshops with internal and external stakeholders have been delivered for Design Standards, Technology Standards and Climate Impact Modelling.

For Climate Impact Modelling there has also been an external session with TFL, National Grid and Thames Water. Design Standard input also included one-to-one interviews with key stakeholders in the City Corporation.

21. We are committed to embedding CAS across the City Corporation's activities. A sample of engagements includes:

- Encouraging schools to deepen their engagement with the CAS through working with the City Schools Head Teachers forum.
- Continuing to run internal upskilling sessions on environmental resilience and climate across the environment department.
- Holding a Learning Lunch session about the Local Area Energy Plan on 9<sup>th</sup> December. This was an opportunity to share some of the initial actions identified through the modelling and scenario development work, particularly in relation to priority intervention areas around future development, energy demand and decarbonisation in the City.
- The Sustainable Supply Chain Manager held 20 meetings (55 YTD) with our supply chain on the topic of climate action which has increased supplier understanding of the City's climate action goals as well as the broader climate action agenda.

22. We are investing in the public realm and Open Spaces. And are working with others to protect and prepare them for the future.

- The pedestrian priority programme commenced statutory consultation on experimental traffic orders in early 2022. Subject to the results of the statutory consultation and committee approval the orders will be made after a decision in January 2023. From early October a 6-week public consultation took place until the 12<sup>th</sup> of December to understand if these measures are supported by the public.
- After reaching a legal agreement with Camden, the development of detailed designs for pedestrian priority, for five locations plus Chancery Lane has started. The delivery of the permanent construction measures begins with King Street in March 2023.
- The Sustainable Drainage Systems (SuDS) for the mitigation of flood risk in the Square Mile (Gateway 2-3 'SuDS for Climate Resilience' paper) has been approved and the capital project will roll out.
- £120 000 in external funding has been secured for tree planting in the City, including funding from the Defra Woodland Creation Accelerator Fund and the GLA's Grow Back Greener Fund.
- The Cubic Mile project is complete. It investigated how below-ground spaces can be used to advance climate resilience in the Square Mile. This was done in a partnership project with the British Geological Survey.
- SuDS and the tree planting scheme have begun on-site at Bevis Marks.
- The Historic Buildings will have a launch event on the 24<sup>th</sup> of January 2023 with stakeholder groups from the built environment. The Challenge will encourage carbon reduction and climate resilience by providing the best practices in often hard-to-treat historic buildings. The lessons learned from the Challenge will be included in an Exemplar Refurbishment Guidance.

## Financial Update

22. The table below summarises the financial position of the revenue and capital elements of the programme as of 30<sup>th</sup> of November 2022 in year 2. The differences between the budget envelope requested and the amount drawn are due to several reasons. For revenue these are 1) unrealised or delayed actions which will now take place in Quarter 4 and 2) reassessment of plans based on continuous learning. For capital, this is largely due to 1) delays in the production of portfolio-level management plans 2) delays in procuring expertise and 3) delays in procuring contractors. This means that capital spend will be pushed into Quarter 4 where appropriate.

<b>Table 1</b>								
<b>YEAR 2</b>	<b>Original Budget (£k)</b>				<b>Actual Spend (£k)</b>			
<b>Fund</b>	<b>BHE</b>	<b>CC</b>	<b>CF</b>	<b>Total</b>	<b>BHE</b>	<b>CC</b>	<b>CF</b>	<b>Total</b>
<b>Capital + SRP</b>	99	1,598	9,860	11,557	-	125	897	1021
<b>Revenue</b>	442	2,361	4,077	6,881	191	838	1651	2,680
<b>Grand Total</b>	541	3,959	13,938	<b>18,438</b>	191	963	2574	<b>3,702</b>

23. Due to significant budget underspends of some of the projects, project leads were required to redesign their yearly spends for the financial year 2022/23. This resulted in some of the budgets being reassigned to Year 3. The table below compares the original budget allocation including revenue and capital per project to the current predicted spend.

<b>Table 2</b>		
<b>Project Name</b>	<b>Original Budget Allocation</b>	<b>Re-forecasted Project Costs for Year 2</b>
<b>Strategy Implementation Support</b>	£628,350	£628,350
<b>Corporate Property Group Buildings</b>	£5,124,500	£975,136
<b>Investment Property Group Buildings</b>	£3,764,669	£1,295,488
<b>Design Standards</b>	£722,940	£547,290
<b>Resilient Buildings</b>	£870,740	£770,740
<b>Carbon Removals</b>	£779,500	£300,000
<b>Cool Streets and Greening</b>	£2,657,000	£1,732,000
<b>Financial Investments</b>	£140,000	£140,000
<b>Heart of the City &amp; SMEs</b>	£200,000	£200,000
<b>Mainstreaming Resilience</b>	£270,000	£195,000
<b>Purchased goods and Services</b>	£570,000	£171,000
<b>Square Mile</b>	£477,500	£455,000
<b>Transport</b>	£2,233,218	£2,233,218
<b>TOTAL</b>	<b>£18,438,417</b>	<b>£9,643,222</b>

## Risk

24. The Corporate Climate Action Risk Register describes our organisational response to climate change and focuses on areas within our control and their

mitigations. These risks were last reviewed by the Executive Leadership Board on 19<sup>th</sup> December 2022.

25. A programme-level risk log is also kept. All risks marked high this quarter and last are represented in Appendix 1. A summary of the most pressing delivery risks continue to include:

- Decisions outstanding on planned stock changes such as disposal strategies and major projects such as the Guildhall Master Plan, Barbican Arts Centre and Markets Co-location continue to create uncertainty in the Corporate Properties Group workstream for CAS. As these buildings are amongst the highest emitters for the operational estate, understanding their future is essential in planning for, and delivery of, the 2027 CAS target. Results from the current capital review process should help to provide clarity on this issue.
- Recent unprecedented rises in energy prices and the cost of capital works present a significant risk to CAS target delivery. CAS delivery is supported by the delivery of planned cyclical maintenance works and the capture of energy cost savings to fund further measures. Avoiding delays due to cost pressures will be necessary to avoid knock-on impacts to CAS targets. The mitigation in place includes the introduction of a behavioural management programme in buildings and the implementation and potential expansion of the Power Purchase Agreement (PPA).
- Accelerating action in year 3 on the implementation of energy reduction interventions is key to ensuring we meet the 2027 net zero target. This is due to the time anticipated to deliver some of these projects, alongside our ability to recoup energy savings from these interventions.
- Data quality underpins both programme planning, capital allocation and validation of CAS targets. A recent internal audit found that there is a need for stronger data governance and related procedures across the programme. We have implemented new approaches to data governance and granularity in these areas and across the programme to ensure successful delivery.

## **Corporate and strategic implications**

26. Strategic implications: The CAS supports the delivery against the following outcomes in the Corporate Plan, 2018-23:

- Outcome 1: People are safe and feel safe
- Outcome 5: Businesses are trusted and socially and environmentally responsible
- Outcome 7: We are a global hub for innovation in financial and professional services, commerce and culture
- Outcome 10: We inspire enterprise, excellence, creativity and collaboration
- Outcome 11: We have clean air, land and water and a thriving and sustainable natural environment
- Outcome 12: Our spaces are secure, resilient and well-maintained.

27. The strategy builds upon existing strategies and policies, including: The Responsible Business Strategy 2018-23, the Responsible Investment Policy, the



City Procurement Strategy 2020-24, the Local Plan 2015, the draft City Plan 2036, the Transport Strategy 2018-43, the Air Quality Strategy 2015-20, the Climate Mitigation Strategy, the Local Flood Risk Management Strategy 2021-27, the Transition to a Zero Emission Fleet Policy, the Renewable Electricity Policy & Sourcing Strategy and related campaigns, such as Plastic Free City. It is aligned with ongoing reviews of our financial and property investment portfolio.

28. Resource Implications – No new resourcing implications have arisen.
29. Risk Implications – To manage risk effectively in the programme, all projects have a risk register and the overall risks are controlled through a corporation-level risk CR30 – Climate Action Strategy. No new corporate-level risks have been added since the last Policy and Resources CAS update on 5<sup>th</sup> May 2022.
30. Equalities Implications – A Test of Relevance was undertaken on the Climate Action Strategy and several positive impacts were identified for people in at least one of the following five protected groups - age, disability, race, pregnancy/maternity and gender. These include a reduction in air pollution, physical public realm improvements and increased indoor comfort levels and a reduction of fuel poverty. No negative impacts were identified. A review of the findings from the initial Test of Relevance was conducted at half year and they remain the same. Impacts will be investigated and assessed on an ongoing basis in conjunction with the delivery of the CAS programme of work.
31. No new legal, security or climate implications arise from the recommendations in this report.

## **Conclusion**

32. In conclusion, we remain on track to deliver our targets for Scope 1&2 and resilience as evidenced by our recent carbon footprint reassessment. Scope 3 emissions and those for the Square Mile require more focused attention but have robust plans in place to ensure we meet our goals.

## **Appendices**

### **Appendix 1 Delayed tasks**

### **Appendix 2 CAS Risk and Issues Programme Register**

## Appendix 1 – Delayed tasks

Project	Workstream	Original Start Date	Original Completion Date	Delayed Completion Date	Responsible Committee
Corporate Properties and Housing	Building Energy Surveys – Housing Assets	07/2021	09/2022	02/2023	OPP & CCS
Corporate Properties and Housing	Development of decarbonisation delivery plan – OPP housing assets	07/2022	09/2022	02/2023	OPP & CCS
Corporate Properties and Housing	Decarbonisation of heat: Decentralised system (commercial)	04/2022	08/2022	04/2023	OPP & CCS
Corporate Properties and Housing	Decarbonisation of heat: Housing	04/2022	09/2022	01/2023	OPP & CCS
Corporate Properties and Housing	Deep fabric retrofit pilot – Operational Property commercial assets	04/2022	12/2022	06/2023	OPP & CCS
Purchased Goods and Services	Carbon Hotspot: Establishing accurate baseline for top 25 suppliers	01/2022	09/2022	09/2023	OPP
Purchased Goods and Services	Carbon Hotspot: Establishing a replicable way of baseline all new, relevant contracts	01/2022	06/2022	09/2023	OPP
Purchased Goods and Services	Carbon Hotspot: Establishing targets with City & top 25 suppliers and develop action plans	02/2022	06/2022	06/2023	OPP
Purchased Goods and Services	Measuring and reporting: Creating reporting database	04/2022	03/2023	06/2023	OPP
Square Mile	Square Mile Local Area Energy Plan (multiple actions)	04/2022	07/2022	02/2023	P&T
Square Mile	Exemplar Refurbishment Guidance (multiple actions)	08/2022	10/2022	03/2023	P&T
Square Mile	Climate Action Fund Launch (multiple actions)	05/2022	12/2022	06/2023	P&T
Square Mile	Draft Supplementary Planning Guidance on life carbon of new developments (multiple actions)	07/2022	01/2023	07/2023	P&T
Cool Streets and Greening	Installation of monitoring infrastructure (sensors)	04/2022	07/2022	01/2023	P&T
Cool Streets and Greening	Stage 5&6 Green Spaces and Climate Resilience (multiple actions)	04/2022	12/2023	12/2023	P&T

Transport	Delays in construction sites: Chancery Lane, Cheapside, King William St., Lothbury/ Bartholomew, Lane/ Threadneedle/ Old Broad St., Old Jewry; King Street	04/2022	09/2022	03/2024	P&T
Buildings - Investment Properties	MEES Risk assessment, identification of costs for major refurbishments and undertaking study to establish process, cost and benefits of the strategy	04/2022	09/2022	12/2022	PIB
Buildings - Investment Properties	Design an operating plan to identify a pathway to 60% emissions reductions by 2040	04/2022	03/2023	06/2023	PIB
Financial Investments	Submit plan to responsible investment strategy for cash holdings	07/2022	09/2022	01/2023	FIB & Pensions
Financial Investments	Work with Investment Consultant (Mercer) to identify opportunities to gain exposure to climate solution	07/2022	09/2022	01/2023	FIB & Pensions

## Appendix 1 CAS Risks and Issues Programme Register

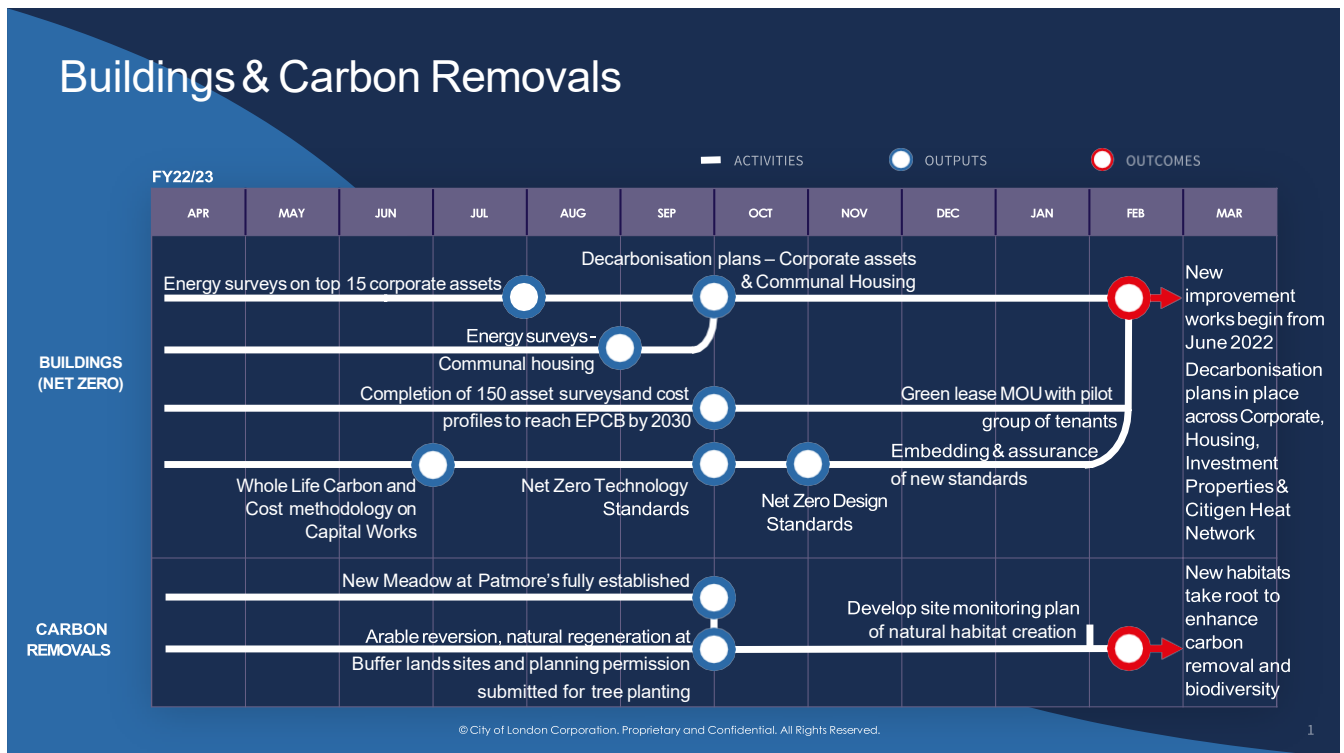
Project	PMO Team: Description Category	Risk Rating (Q2)	Risk Rating (Q3)	CAS Target	Risk response
Carbon Removals and Land Management	Delivery delays due to project complexity.	New Risk	High	2027 Corporation	Contractor has been recruited to work on the rescoping of the project identifying how to protect and enhance the carbon sequestration rate.
Strategy Implementation Support	Failure to implement CAS performance targets due to new or existing assets allocation	High	High	ALL	Mitigation in place: Officers to prepare scenarios for decision making on interventions highlighting Guildhall following the receipt of the surveys of top emitters in Corporate Estate.
Buildings – Corporate Properties & Housing (landlord areas)	Insufficient financial resources are allocated to long term delivery of CAS targets	High	High	2027 Corporation	Regularly review with the programme team and Chamberlains the impact of inflationary pressure on capital delivery. Wherever possible lever in Government grant funding to support initiatives
Buildings – Corporate Properties & Housing (landlord areas)	Uncertainty over future of Major Projects	High	High	2027 Corporation	Officers to prepare scenarios for decision making on interventions highlighting Guildhall following the receipt of the surveys of top emitters in Corporate Estate. Implications for CAS to be integrated into decision making on other Major Projects i.e. Markets.
Strategy Implementation Support	Construction inflation, labour and material shortages are contributing to additional costs and delays. This is a corporate wide issue not limited to CAS interventions but will of course impact several CAS workstreams	High	High	2027 Corporation2040 Corporation	Options to mitigate the impact are under review, such as early purchase of equipment and contract amendments.

Buildings – Investment Properties	Failure to monitor target delivery due to data quality, robustness of analysis or future data collection analysis	High	High	2040 Corporation	Energy metering strategy to be evaluated alongside development of new programmatic data governance processes and procedures.
Corporate Risk	Insufficient financial resources are allocated to long term delivery of CAS targets	High	High	2027 Corporation	Introducing Behavioral management programme in buildings and look to advance quick wins. Improving Existing PPA (Power Purchase Agreement). Looking into new PPA
Strategy Implementation Support	Delivery delay due to project complexity	High	High	2027 Corporation	Mitigation in place: Regular communication of delays to Chief Officers and weekly monitoring of progress for projects at higher risk of delays.
Strategy Implementation Support	Delivery delay due to key stakeholder groups not being sufficiently engaged and/or supportive of climate action measures.	High	High	2027 Corporation	Mitigation in place: A dedicated engagement plan for this residential community to be in place for March '23.
Buildings – Capital Projects (Standards)	Failure to implement CAS performance targets due to new or existing assets allocation	New Risk	High	2040 Corporation	New specialist resource in place as part of the Centre of Excellence in City Surveyors to support rapid development and integration of new standards.
Buildings - all	Insufficient financial resources are allocated to long term delivery of CAS targets	High	High	2040 Corporation	Ongoing risk management approach to be incorporated in delivery. The impact of slippage to planned stock changes to be modelled in order to understand the potential impact.
Buildings – Corporate Properties & Housing (landlord areas)	Failure to implement CAS performance targets due to new or existing assets allocation	New Risk	High	2027 Corporation	Tasks identified in the plan are expected to overdeliver on the reduction target. Ongoing risk management approach to be incorporated in Delivery Approach. The impact of slippage to planned stock changes to be modelled in order to understand the potential impact.
Buildings - all	Funding gaps in cyclical works programme	High	High	2040 Corporation	Delivery Approach to consider how cyclical works funding requirements will be addressed.

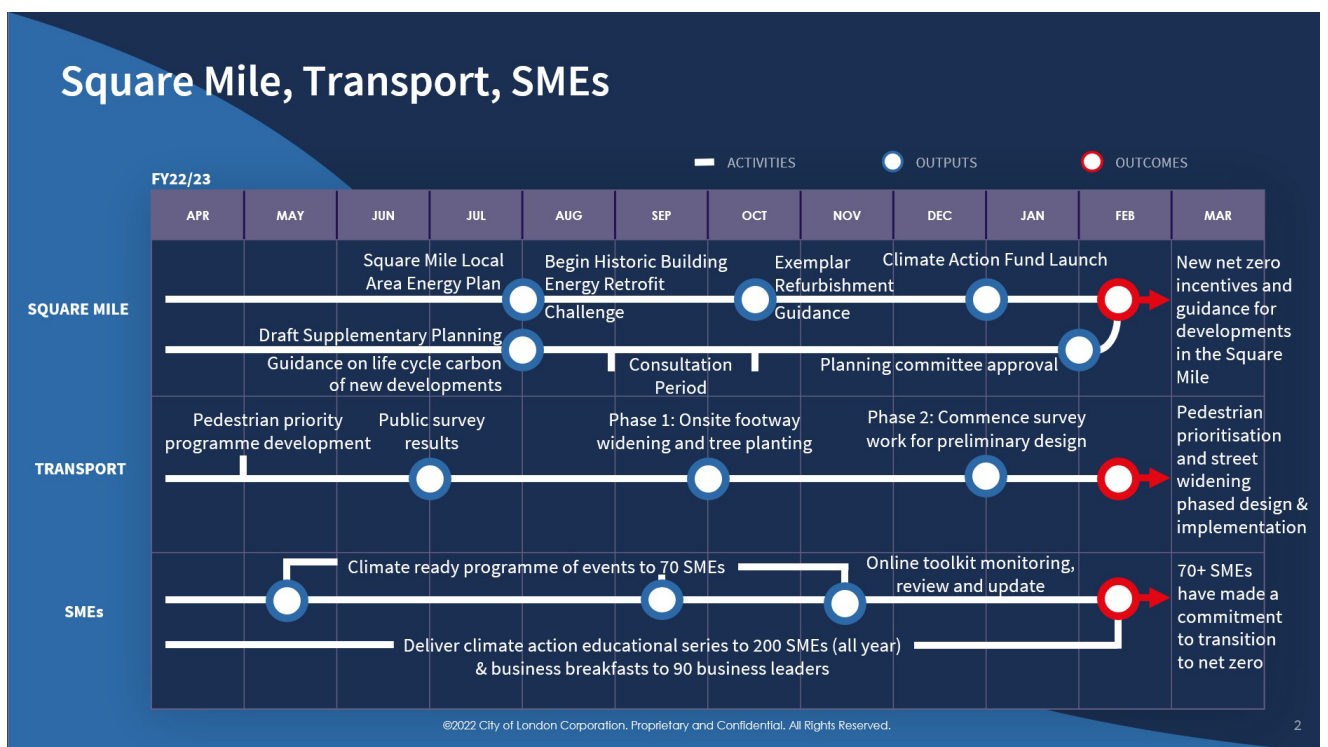
Buildings – Corporate Properties & Housing (landlord areas)	Grid decarbonisation does not occur at rate predicted in original CAS models	High	High	2040 Corporation	Grid decarbonisation to be tracked by Energy Team. Ongoing risk management approach to be incorporated into Delivery Approach.
Corporate Risk	Spike in energy prices	High	High	2027 Corporation	Introducing Behavioural management programme in buildings and look to advance quick wins Scoping new PPA (Power Purchase Agreement)
Carbon Removals and Land Management	Delay in resourcing planned posts impacting delivery targets	High	Risk Mitigated	2027 Corporation	Contractor has been is being recruited.
Buildings –Capital Projects (Standards)	Failure to secure specific technical capacity to inform key building design and planning application decisions relating to the whole life carbon of major developments.	High	Medium	ALL	A consulting project has been commissioned to evaluate a representative sample of capital projects and their whole life carbon impact. In negotiations with a provider to deliver wrap around support to this workstream as part of the Centre of Excellence, which should accelerate action.
Buildings –All, Cool Streets & Greening, Transport	Delay or reprioritisation of CAS capital projects and capital projects with a CAS dependency by the capital review process	High	Medium	ALL	Officers work closely with the finance team to ensure that CAS projects are identified appropriately and prioritised accordingly.

## Appendix 2 Y2 CAS Programme Highlights

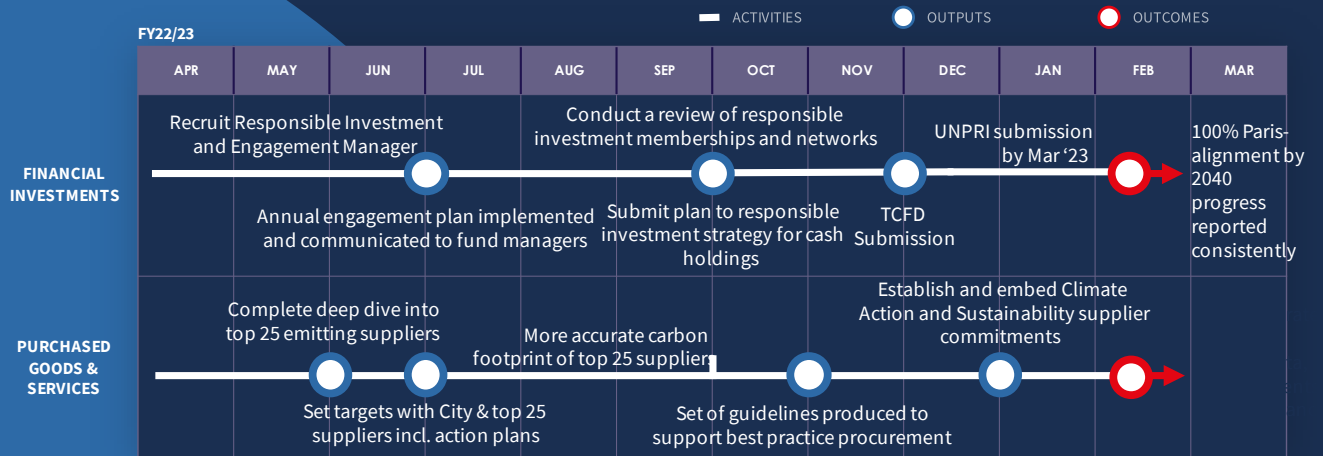
### Buildings & Carbon Removals



### Square Mile, Transport, SMEs



# Financial Investments & Purchased Goods & Services



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# Mainstreaming Climate Resilience, Cool Streets & Greening & Resilient Buildings



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