

Birmingham City Council

City Council

11th January 2022



Subject: Route to Zero – Annual Progress Report
Report of: Director Planning, Transport and Sustainability
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Does the report contain confidential or exempt information? ☐ Yes ☒ No

If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:

1 Executive Summary

- 1.1 This report to full Council follows on from the report in January 2021 which sought endorsement of the Action Plan setting out the priority actions that will move us forward over the next couple of years. Actions were selected that will enable us to scale up existing successful projects and to deliver the largest impact in reducing carbon emissions.
- 1.2 This report presents an update on the work undertaken since January 2021 on the identified Wave 1 projects and the Action Plan Progress Report. The Action Plan Progress Report provides progress that has been made since February 2021 on the 41 wave projects that were identified as priority projects following the January 2021 report. Detailed information on project status can be found in appendix 1 – this is the Action Plan Progress Report.

2 Motion

- 2.1 To note the Action Plan Progress Report and the progress on wave 1 projects identified within it.
- 2.2 To note the Council's R20 Climate Change and Sustainability Team structure which is to be led by the new Assistant Director for Climate Change and Sustainability. The resources for which have been approved by the October 2021 Cabinet meeting. The detailed structure of the team is shown in appendix 2.

3 Background

- 3.1 An Action Plan was presented to the Council in January 2021, setting out the key themes and actions that would be undertaken to reduce Birmingham's carbon emissions. This updated report provides information on the progress of Wave 1 projects that were identified following the endorsement of the Action Plan.

4 R20 Community Assembly

- 4.1 The R20 Task Force was set up in September 2019 and an update on activity was provided in the report to September 2020 Full Council. The Action Plan was endorsed by Full Council in January 2021 and the Task Force has since been disbanded.
- 4.2 As part of a review of the wider Governance arrangements for Route to Zero, it was agreed that the Task Force should now transition to a R20 Community Assembly. Birmingham's first R20 Community Assembly took place online from 4 to 6pm on 23rd June 2021. The second community assembly was a hybrid meeting that took place on 6th October 2021. The second meeting trialled a new, discussion-based format, which was successful and will continue to be the format of future meetings. Meetings will take place four times per year with the next meeting scheduled to take place on 9th February 2022.

5 R20 Advisory Committee

- 5.1 The advisory committee has met monthly since its inception following the September 2020 Council meeting and has provided a sounding board for various matters related to the R20 programme, including shaping the Community Assembly.

6 The Action Plan Progress Report

- 6.1 A portfolio approach has been taken to the wave 1 projects, these projects are a collection of BCC/WMCA service led projects which have been supported and facilitated by the R20 team. The wave 1 projects are derived from the Action Plan. Monthly monitoring is now taking place to monitor progress and identify issues. The first reporting was undertaken in April on 46 projects. 5 projects have since been discontinued, meaning there are currently 41 active projects being monitored.
- 6.2 Since June 41 projects have been reported on a monthly basis. The aim of the Action Plan Progress Report is to provide progress that has been made for the 41 active Wave 1 projects. These projects were selected as they were either in operation or were able to be scaled quickly to deliver maximum carbon savings in a year.
- 6.3 The Action Plan Progress Report provides a strategic overview, information on the governance structure and the R20 Team structure and progress update on

41 active projects identified under seven themes namely: New Build Housing, Retrofit, Transport, Waste, Energy, City of Nature and Council's own actions.

- 6.4 The Action Plan Progress Report sets out the Red, Amber, Green (RAG) status for each of the 41 active identified projects. It provides justification on the projects that have been discontinued due to financial or resource implications.
- 6.5 As of 31st October 2021, reporting cycle 20 projects (49%) were rated green, 15 were rated amber representing (36%) and the remaining 6 (15%) were rated red.
- 6.6 The following sections of this report highlight progress and successes in relation to each of the key themes within the Action Plan.

7 New Build Housing

- 7.1 Funding secured and planning permission gained for 36 new-build homes trialling innovative energy efficiency technologies.
- 7.2 A new build specification for Birmingham Municipal Housing Trust homes has been in use since July 2021. Each home built to the new standard will save an average of over 1 tonne of carbon when compared to the old specification.
- 7.3 The Passivhaus trial is continuing however, there has been a delay in submitting the planning application, it is now anticipated that construction will start in 2023. Passivhaus is an international energy performance standard that adopts a whole building approach. The core focus of Passivhaus is to dramatically reduce the requirement for space heating and cooling, whilst also creating excellent indoor comfort levels.
- 7.4 Work is underway on the update of the Birmingham Development Plan and it is anticipated that it will be adopted in 2025.

8 Housing Retrofit

- 8.1 Funding secured and planning permission gained for 36 new-build homes trialling innovative energy efficiency technologies.
- 8.2 Work is underway to progress an Energiesprong retrofit pilot which will initially retrofit 300 homes with a view to being able to scale this up across the city's own stock. Energiesprong is a revolutionary, whole house refurbishment and new build standard and funding approach. This will form part of a Net Zero Neighbourhood for East Birmingham. BCC has taken Levelling Up proposals to Government (24th November 2021) which include delivering a net zero proposal, seeking funding for two specific aims, which are; accelerating the development of net zero neighbourhoods and establishing a national centre for decarbonisation of heat at Tyseley.

9 Transport

- 9.1 The Birmingham Transport Plan was adopted on 12th October 2021.
- 9.2 13 hydrogen buses have been delivered and are in use.
- 9.3 10 new Electric Vehicle Charging sites (55 individual charging points) are now fully operational.
- 9.4 The Clean Air Zone (CAZ) was introduced on 1st June 2021 and continues to help reduce the percentage of the most polluting vehicles entering the city centre.
- 9.5 Development and commencement of delivery of the Active Travel Fund Tranche 2 programme.

10 Waste

- 10.1 A Total Waste Strategy for the City is being commissioned, including looking at collaboration across the West Midlands Combined Authority.
- 10.2 Trials of electric refuse vehicles have taken place.
- 10.3 The region's first ever "Circular Economy Routemap" has been produced by the West Midlands Combined Authority.
- 10.4 Birmingham City Council is commissioning a Total Waste Strategy to provide updated evidence regarding existing and required waste facilities across the City.

11 Energy

- 11.1 Agreement has been reached to develop East Birmingham Low Carbon Innovation Zone, including a proposal for a Net Zero Neighbourhood to be a demonstrator project and attract capital funding.
- 11.2 The Council House rewire programme is anticipated to be completed by March 2022.

12 City of Nature

- 12.1 The Cabinet report is being prepared to take to Cabinet in February 2022 for adoption of Birmingham City of Nature 25 year delivery framework.
- 12.2 The Urban Forest Master Plan (UFMP) has been adopted and has attracted considerable interest and praise from outside the Council.

13 Council's Own Actions

- 13.1 Climate Change module launched for all staff to raise awareness about the issue.
- 13.2 Environmental and Sustainability Assessment (ESA) Template has been used for Council Leadership Team (CLT)/cabinet reports to assess any environmental or sustainability impacts of the decisions. CLT have not yet made a decision on the template, and the matter is to be revisited at February CLT.
- 13.3 Good progress and positive engagement have been made by procurement with four big areas that have the biggest impact on climate change: Construction, Highways, Repairs and Maintenance and Adult Social Care.

14 Overview of Wave 1 Projects

- 14.1 Whilst there are a number of projects which are progressing successfully, there are a number of challenges which faced the portfolio over the last 12 months. Putting significant resources in place to deliver route to zero, both within the route to zero team, and across the Council's services, as continuing to work towards carbon reduction being an intrinsic part of every decision taken will be essential in moving forward.

15 Carbon Savings

- 15.1 The delivery of Wave 1 Projects is a significant step to continue and accelerate the reduction of carbon emissions in Birmingham (both the Council's own emissions and the wider City emissions). In this period, 2021/2022, the wave 1 projects have already started to show an emissions reduction impact and are setting the foundations to boost carbon savings in scale and pace in the following years. In this period, Wave 1 Projects have either reduced or put in place policies and strategies which are predicted to reduce emissions by 215,931 tCO₂e.
- 15.2 This reduction might seem modest, as it accounts for c.4.7 % of the Birmingham's total baseline emissions – meaning there is still c.95 % of emissions to reduce to meet net zero. These are projected savings based only on the projects which BCC has been delivering this year – which were specifically chosen as foundation projects where we have direct influence and control. We cannot yet say if there have been wider reductions across the City in other areas. A key next step is to improve our data and reporting on progress, across not just the Council but City wide, so we have better visibility on progress as a whole. The Council's leadership, together with the growth of the team, will drive behaviour change across the City and this will further reduce carbon emissions.

16 Next Steps

- 16.1 The 41 initial projects in Wave 1 are setting good foundations. Activity will continue on these projects to ensure they deliver and stay on track to deliver carbon reduction outcomes. This will require the implementation of a rigorous approach to portfolio management which assesses projects against carbon reduction and other key strategic outcomes (for example economic, health and social), prioritises activity and rigorously evaluates and re-evaluates to ensure outcomes are maximised.
- 16.2 Working collaboratively with City Council departments, fostering existing external relations, and facilitating new public/private sector partnerships to build investment and delivery capacity will need to sit at the heart of the R20 approach. The R20 team will provide leadership, inspire, and enable carbon emissions reduction for the Council and City as a whole, but it cannot deliver the significant scale of activity required across key emissions sectors. Key actions to empower and advance collaborative activity will include:
- Identifying the range of powers and tools available to the City to build and motivate action, including policy and financial mechanisms. All core City functions need to be aligned with the R20 ambition and Council's Corporate Plan.
 - Driving a more place-based approach, attracting private sector investment from citizens and organisations through clarity of purpose and community level benefits. Making sure communities are involved in the design, delivery and learning process.
 - Clear focus on the City Council's role and the direct influence, indirect impact and enabling function it will need to fulfil.
 - Collaborating with public and private sector partners to design carbon reduction initiatives that are investible, scalable and deliverable. This will include identifying and assessing new delivery models and partnership arrangements.
 - Leading by example, sharing and gaining knowledge from others.
 - Being honest and transparent on the decisions we make and the outcomes our actions will achieve to create trust and build relationships.
- 16.3 The five priority projects listed below can be scaled up to deliver a greater level of carbon reduction and demonstrate an investment-ready approach. These projects are:
- Delivering whole house retrofits in social housing, using a self-funding approach.
 - Creating a Net Zero Neighbourhood at Bromford and Castle Vale
 - Delivering larger and better district heat network(s)

- Leveraging the Council's significant Commissioning and Procurement budget to drive more carbon reductions across the city's supply chain; and
 - Creating a total waste strategy, including energy from waste
- 16.4 The Next Stage Business Case for R20 was approved by Cabinet in October 2021. This included approval to create a dedicated R20 team to sit underneath the Assistant Director. The team includes six new posts and the transfer of three existing posts into the R20 team. The team structure is set out at Appendix 2 to this report Recruitment activity already underway to form the full capacity of the new R20 team. The additional capacity and capability will enable BCC to drive the R20 programme in the short term 2021/22 and 2022/23. From the start of 2023/24, it is expected that the team will be funded by external grants and contributions sourced by the newly created Principal Finance and Bid Officer role.
- 16.5 The R20 team will support the development of business cases to secure carbon reduction which are likely to require long term funding. The R20 team will work to identify and secure funding from the public and private sector. They will actively manage the R20 portfolio to ensure that the R20 opportunity/project pipeline is maintained. The Principal Finance and Bid Officer will also provide critical support in both developing material and content to support bids, and shaping and packaging bids to secure investment and fund the team.
- 16.6 We will develop the processes and infrastructure that will support the identification and prioritisation of Wave 2 projects. Key areas of activity are likely to include:
- Scaling up of currently self-funded housing retrofit projects, learning from pilots currently underway and seeking to secure additional capacity to fund and deliver.
 - Working with a range of partners to create and mobilise investment in retrofit of private sector buildings in the domestic and non-domestic sectors.
 - Agreeing a roadmap towards decarbonisation of the City's district heating network.
 - Undertaking a carbon management assessment of Council assets to identify opportunities and challenges to decarbonising the City's own emissions, supporting asset management decision making.
 - Accelerating supply chain carbon reductions through a strengthened procurement and investment strategy, common measurement approach and supporting City supply chains through collaboration with businesses and strategic partners such as West Midlands Combined Authority, Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) and Core Cities.

- Building an environment of mutual interest and benefit for all sectors of the City economy to enable partners to match the City's net zero ambition.

16.7 We will bring a further R20 action plan progress report to full Council in January 2023.

17 Appendices

17.1 Appendix 1 - Action plan progress report

17.2 Appendix 2 – R20 Team Structure