

Nottingham City Council

Communities and Environment Scrutiny Committee

Minutes of the meeting held in the Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 3 April 2024 from 2.02 pm to 3.49 pm

Membership

Present

Councillor Imran Jalil (Chair)
Councillor Neghat Khan (Vice Chair)
Councillor AJ Matsiko

Councillor Kevin Clarke (Substitute for
Councillor Andrew Rule

Absent

Councillor Liaqat Ali
Councillor Faith Gakanje-Ajala
Councillor Sam Lux
Councillor Nayab Patel
Councillor Andrew Rule,
Substituted by Councillor Kevin
Clarke

Colleagues, partners and others in attendance:

Adrian Mann	-	Scrutiny and Audit Support Officer
Councillor David Mellen	-	Leader of the Council and Portfolio Holder for Strategic Regeneration and Communications
Kate Morris	-	Scrutiny and Audit Support Officer
Colin Parr	-	Corporate Director for Communities, Environment and Resident Services

39 Apologies

Councillor Liaqat Ali	-	on leave
Councillor Sam Lux	-	on leave
Councillor Nayab Patel	-	personal reasons
Councillor Andrew Rule	-	on leave

40 Declarations of Interests

None

41 Minutes

The Committee confirmed the minutes of the meetings held on 6 March 2024 as a correct record and they were signed by the Chair.

42 CN28

Councillor David Mellen, Leader of the Council and Portfolio Holder for Strategic Regeneration and Communications, and Colin Parr, Corporate Director for Communities, Environment and Resident Services, presented a report on the initial outcomes of the recent 'best value' thematic review carried out in relation to the delivery of the Council's Carbon Neutral 2028 ambitions. The following points were raised:

- a) Achieving a Carbon Neutral Nottingham by 2028 (CN28) is an important part of the current Strategic Council Plan for developing a healthy environment and economic growth in the city. Seeking to address climate change has been a priority for some time and a great deal of activity has been carried out to date. However, due to the significant financial pressures facing the Council currently, there are a number of challenges to progressing CN28 as it is not a statutory requirement and it carries a certain level of cost.
- b) As a result, a 'best value' thematic review has been done to identify how CN28 can continue to be delivered in an effective and efficient way, going forward. The review began in November 2023 and concluded in February 2024. A draft report has been produced and its recommendations are being considered by the Council as part of the finalisation process. A great deal of data was fed into the review, which included interviews with internal staff and a range of external partners and stakeholders. As part of the report, a full analysis has been done to set out the Council's strengths, weaknesses, opportunities and threats to the delivery of CN28.
- c) Ultimately, CN28 represents an ambitious strategy and there is a strong level of commitment to its delivery by both the Council and its wider partners. There has been a great deal of investment to date in green transport within the city for a sustained period, in addition to the operation of the important District Heating network – with Nottingham achieving a 45% reduction in carbon emissions between 2005 and 2021, in line with other Core Cities. The Council also hosts the Midlands Net Zero Hub, which is carrying out positive work across the wider region.
- d) However, the Council is facing significant financial challenges in relation to its current budget, which will make its direct funding and resourcing of CN28 activity more difficult. This is particularly exacerbated in the national context of wider economic issues and delays to the phasing out of petrol and diesel vehicles. As a result, there is a risk that the Council will need to focus on planning to address difficult issues in the short-term, making it harder to focus effectively on long-term projects such as CN28.
- e) As such, there needs to be a clear assessment of what CN28 can now deliver, and when. Delivery planning will need to be as simple and straightforward as possible. It is vital that CN28 makes contact with as many people as it can, particularly those groups that it has not engaged with substantially to date, to seek to achieve positive outcomes for everyone. There are opportunities to prioritise CN28 action more efficiently and to secure external funding to support the project. Large local organisations such as Nottingham's universities and hospitals could support CN28 in a number of ways and engagement will be carried out to maximise this. Emissions have been rising in the context of waste management so focused work is needed here to achieve better outcomes from the level of investment being made, and to increase rates of recycling.
- f) Following further testing and the drafting of finalised findings and recommendations, the completed 'best value' report will be shared with all partners and stakeholders. Key actions to support CN28 going forward will include

developing revised targets, producing a delivery strategy and plan, supporting a Local Area Energy Plan for Nottingham, rolling out a targeted climate engagement campaign and preparing for grant funding opportunities in 2024/25. Proposals are also being developed for a strategic commercial partnership to secure large-scale investment from private sector stakeholders, particularly in the area of growing clean energy production within Nottingham itself.

- g) A detailed and costed investment programme plan for the Council is being developed. The future commissioning needs of the Council's vehicle fleet and the operation of the District Heating network and cremation facilities are being considered carefully. A joined-up and strategic approach will also be taken to reducing the carbon footprint of the Council's small-scale commercial activity, and a clearer focus is needed on improving commercial and industrial buildings more generally. It is extremely important that the Council is in a position where it can deploy CN28 investment quickly and in a focused way, while taking full advantage of any available funding available regionally, nationally or from partners.
- h) The upcoming East Midlands Combined County Authority (CCA) will be seeking to address environmental issues at the wider regional level, so will represent a vital partner, going forward – particularly in the area of retrofitting homes to be more energy-efficient, where £10 million has been set aside for investment already.

The Committee raised the following points in discussion:

- i) The Committee asked what priority issues the Council would seek to progress with the CCA in relation to CN28. It was set out that the electrification of trains within the East Midlands area would make a huge contribution to reducing emissions, alongside moving to all buses and taxis being non-petrol/diesel. The further rolling out of retrofit to increase energy efficiency in social housing will be extremely important in improving living conditions for many people, and this will create opportunities for the CCA to develop skills to meet an increasing jobs market within the green economy. It is also important to seek to achieve better energy performance in homes in the private rented sector.
- j) The Committee queried how the Council's current financial position could affect upcoming commissioning decisions that would have an impact on CN28 objectives. It was reported that investment is made on the basis of the Council's 'best value' responsibilities and, although the delivery of CN28 is not a statutory duty, the Council is able to spend on initiatives that are intended to deliver future savings. As a result, business cases are being drawn up in support of green commissioning (such as maintaining a non-petrol/diesel vehicle fleet for the Council) where the initial investment cost might be higher than for other options, but where the Council would achieve lower costs in the long term. However, these business cases will need to be considered very carefully and in consultation with the Council's Commissioners, to ensure that they are justifiable in the current financial context.
- k) The Committee asked whether the CN28 objectives were deliverable, and how they would be funded by both the Council and its partners. It was explained that the Council is aiming as high as possible with its CN28 objectives to deliver the

greatest possible health and economic benefits for Nottingham people. There is good usage of green public transport in Nottingham, but there is also a pressing need to generate as much clean energy as possible within the city – including through making the best use of the District Heating network. However, the Council will need to review how CN28 can be delivered within both its current financial position and the national policy context, to ensure that a realistic approach is taken. CN28 objectives are delivered through work across a huge range of areas, using both internal and external investment, supported by a small team of 3.5 full-time equivalent employees within the Council.

- l) The Committee queried what level of investment was required to ensure the continued operation of the District Heating network. It was reported that a great deal of the District Heating infrastructure is reaching the end of its operational lifetime, so a significant level of investment will be required in the near future. The full range of options are currently under consideration and a full business case is being produced so that all potential investment opportunities can be pursued. Nottingham's waste incinerator is in good condition, producing the steam to drive the District Heating system – and work is underway to ensure that this steam generation is maximised.
- m) The Committee asked how the weaknesses identified through the draft 'best value' report would be addressed, and how it would be ensured that the best possible results would be delivered from the available investment. It was set out that, to ensure efficient operation, work was underway to ensure that the Council's associated regulatory functions would be exercised by the Carbon Reduction team. Full engagement is underway with all transport and industry partners to ensure that there is clean air in Nottingham, and robust business cases are being developed for appropriate investment in new technologies. The housing retrofit scheme is progressing well, including the introduction of solar panels where appropriate, but steps must be taken to ensure that everything installed can be maintained in the future. A 'clean air zone' for Nottingham is not currently being considered as air quality in the city can be improved further by other means.
- n) The Committee asked how the delivery of CN28 objectives could be supported by all Council staff and the Midlands Net Zero Hub. It was explained that engagement would be carried out wherever possible to ensure that achieving carbon neutrality is considered as part of 'business as usual' work across the whole Council. It is important that all staff are aware of the CN28 objectives and are empowered to contribute to their delivery in their regular work. The Net Zero Hub is now one of eight nationally, and it is performing extremely well. There is a very strong knowledge base at the Hub and consideration is being given to how this could be used appropriately to support the delivery of CN28 as part of a wider regional partnership.
- o) The Committee queried how the Council's current financial position might impact on the delivery of CN28. It was reported that the Council must focus on closing its immediate budget gap, so it is difficult to plan ahead for 2028. However, work is underway to ensure that addressing the immediate financial concerns does not override effective planning for the future. Engagement with partners (including local businesses and universities, and other Local Authorities) is taking place to seek to maintain momentum for CN28 across a wider base, as it is vital to

continue to prepare for and address the likely future impacts of climate change on Nottingham.

The Chair thanked the Portfolio Holder and the Corporate Director for attending the meeting to present the report and answer the Committee's questions.

Resolved:

- 1) To request that an update is provided on the position in relation to Carbon Neutral Nottingham 2028 (CN28) in 12 months' time, and on the Council's response to the final recommendations of the Best Value Report and the work towards delivering its CN28 targets in 6 months' time.**
- 2) To request that a Political, Economic, Social and Technological (PEST) analysis is completed on the proposed actions arising from the Best Value Report.**
- 3) To request that details of upcoming Green Partnership and Energy Hub events are circulated to members of the Committee.**
- 4) To request that considered comments on the potential carbon impact of proposals are included in all decision-making documents.**
- 5) To recommend that the Council liaises with the local universities to explore research opportunities for green energy generation in Nottingham, engages with sector leaders on the use of green technology within buildings and consider how this can be applied to Council buildings, and considers how commercial partnerships could be used to progress the work towards delivering the CN28 targets.**

43 Recommendation Tracker

The Chair presented the Committee's Action and Recommendation Tracker, and the latest response received to the Committee's recommendations from the relevant Portfolio Holder.

The Committee noted the Recommendation Tracker.