



Report for:	Cabinet
Title of report:	Climate and Ecological Emergency Spending Proposal
Date:	28/01/2025
Report on behalf of:	Councillor Caroline Smith-Wright, Portfolio Holder for People and Transformation and Climate and Ecological Emergency
Part:	I
If Part II, reason:	N/A
Appendices:	
Background papers:	None
Glossary of acronyms and any other abbreviations used in this report:	<p>CEE – Climate and Ecological Emergency</p> <p>DBC – Dacorum Borough Council</p> <p>GSENZH – Greater South East Net Zero Hub</p> <p>HCCSP – Hertfordshire Climate Change and Sustainability Partnership</p> <p>HGC – Hemel Garden Communities</p> <p>HRA – Housing Revenue Account</p> <p>SLT – Strategic Leadership Team</p>
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Corporate Priorities	<p>Sustainable future: Take action on the Climate and Ecological Emergency</p> <p>Clean, safe and green: Provide a clean, safe and green-focussed environment</p> <p>Community engagement: Engage with residents and partners to have a real say on our services and the borough</p>

Wards affected	ALL
Purpose of the report:	For committee to review and provide feedback on the proposed spend of £1.16m of reserves for the CEE Programme.
Recommendation(s) to the decision maker(s):	That Cabinet recommends that Council approves the release of £1.16m of New Homes Bonus, currently held in reserve, for spend on sustainability projects as detailed in the report.
Period for post policy/project review:	Periodic updates to members

1. Background

- 1.1. As part of the formal 2024/25 budget setting process the Council set up a Climate Change and Sustainability reserve to support the Climate and Ecological Emergency Programme (CEE) to help deliver the objectives set out in the CEE Strategy. This paper sets out a consolidated spending proposal for the full amount.
- 1.2. The proposals were developed across the Council through the CEE programme board. The draft proposal was initially presented to CEE Programme Board in July 2024. Feedback was received and responded to. Following consultation with the finance team and Strategic Asset review steering group, a revised proposal was agreed in October 2024. It has also been approved by the CEE portfolio holder.
- 1.3. Dacorum Borough Council aims to achieve net zero carbon emissions as an organisation by 2030, and across the Borough by 2050. Excluding Council housing, Dacorum Borough Council itself contributes approximately 1% of overall carbon emissions from the Borough. This highlights the importance of engaging and empowering our residents to reduce their carbon footprint. The £1.16m funding allocation will be utilised to achieve the following aims:
- 1.4. **Primary Aim: To accelerate the transition to net-zero carbon emissions.** This will be achieved through funding the delivery of projects which contribute to the “net-zero as an organisation by 2030” target.
- 1.5. **Supporting Aim: Visible results.** We are committed to delivering outcomes which are measurable and visible to our community, generating positive news stories and fostering a sense of collective pride in our achievements.
- 1.6. **Supporting Aim: Community support.** Through engagement and educational resources, to empower residents in making sustainable lifestyle choices and driving systemic change.
- 1.7. Dacorum Borough Council's largest sources of emissions are the gas and electricity consumed by the buildings we own and operate; the fuel consumed by the vehicle fleet; and the gas and electricity consumed by housing assets we operate. The first two sources are in scope one, falling under the “net-zero as an organisation by 2030” target. The final source – emissions from housing assets we operate – falls under the “new-zero housing stock by 2050.”
- 1.8. The vehicle fleet and the fuel we use is not included in this spending proposal. This is because the costs involved in fleet decarbonisation are too large for a reserve drawdown of this size to have a notable impact. For example, an electric vehicle dustcart costs approximately £500k. Investment in vehicle fleet decarbonisation will come from alternative sources, such as the fleet replacement programme, and introduced over time.

2. The CEE Spending Proposal

- 2.1. 69% proposed to be spent on achieving “net-zero as an organisation by 2030”
 - 2.1.1. The money will focus on initial preparation and some building works required to decarbonise our assets.
- 2.2. 26% proposed to be spent on supporting the borough to reduce emissions, improve biodiversity, and create more sustainable communities.
 - 2.2.1. The proposed money will be used to grow the green community grant available to residents, for development of a Nature Recovery Plan, ongoing outreach with Dacorum Climate Action Network, and public realm improvements in Maylands Business Park.

- 2.3. 5% held in contingency provision reserve to meet any short-term opportunity
- 2.3.1. 5% of the total is held as contingency. This lets the CEE Team respond to new opportunities that can emerge quickly. It can also serve as contingency for named projects.
- 2.3.2. Underspend from proposals in sections 2.1 and 2.2 will be retained in contingency.
- 2.4. Governance/Pathway to approval of spend:
- i. Programme Board final review – 22 October
 - ii. SLT – 6 November
 - iii. SLT/PH – 19 December
 - iv. SPAEOSC – 8 January
 - v. Cabinet – 28 January/11 February
 - vi. Full Council – 19 February
- 2.5. Detailed governance of spending this proposed reserve drawdown is being developed in consultation with statutory officers Section 151 and Monitoring Officer. They will feed into the Climate and Ecological report ahead of Cabinet.
- 2.6. Built Asset Feasibility and Building Improvements – £805K overall**
- 2.6.1. The proposal includes £400K for feasibility work, and £405K for building improvements. The allocation of £400K for feasibility was suggested by the Greater South East Net Zero Hub (GSENZH), a public body that has supported Dacorum Borough Council with establishing a decarbonisation programme. This provides funding to investigate, where appropriate, the necessary works for built asset retrofit.
- 2.6.2. The remaining £405K for physical building improvements can serve two purposes. First, to pay directly for building works. Second, to serve as match funding to grant applications to third parties, such as Salix, if there is no alternative funding available. The second route is preferred as it secures more overall funding for the work that delivers actual carbon reduction.
- 2.6.3. The feasibility work includes surveys of the whole building fabric and its energy systems. This work will produce detailed designs which are required to create a work programme and a budget to start physical building works which will deliver energy efficiency and carbon emission reductions. Built assets in the General Fund represent a large part of Council emissions and are the priority for decarbonisation. This does not cover Council housing – there is separate HRA-funded work plan.
- 2.6.4. This size of this allocation reflects its significance to our carbon footprint. Built asset feasibility will unlock opportunities to decarbonisation. Once we understand the detail of each site, a well-informed decision can be taken on future investment, which could make use of the various methods to fund decarbonisation of built assets. There are government funds available to support built asset decarbonisation, such as Salix Low Carbon Skills Fund (feasibility) and Public Sector Decarbonisation Scheme (retrofit works). In addition, there are different funding routes available within the council, such as invest-to-save capital projects for qualifying assets.
- 2.6.5. Decisions on where exactly this money is spent will be informed by the Strategic Asset Review, which holds up-to-date information on asset management and performance. There is no certain figure on the overall cost for built asset decarbonisation – it varies depending on technical feasibility and payback period.

2.6.6. The impact of this spend will be measured by observed reductions in energy use and payback period for council spend.

2.7. Community Projects – Green Community Grant – £180K

2.7.1. This proposal of £180k increases this budget to £30k per year to 2030, and broadens the grant amount available, to £3k, £5k, and £10k. The proposal widens the scope to cover higher cost energy reduction projects (e.g. low-carbon energy systems in clubhouses). Applications represent the priorities of resident groups and are highly visible.

2.7.2. In the past, Dacorum Borough Council has run three Green Community Grant campaigns, offering local organisations grants of up to £3k. The total annual allocation was £20k. These grants have helped deliver community facing initiatives, such as nature recovery efforts, repair shops to reduce waste, and thermal imaging cameras for simple home energy surveys, run by Town and Parish Councils. This proved popular: the value of applications always exceeded the money available.

2.7.3. The impact of the green community grants will be measured through an established procedure from previous rounds. This requests information from grant recipients who provide observations and evaluations. Previous grants and their evaluations have been recorded and will inform award of grants going forward.

2.8. Nature Recovery Plan – £60K

2.8.1. The Dacorum Nature Recovery Plan would support the high-level Local Nature Recovery Strategy for Hertfordshire, being developed by Hertfordshire County Council. It will develop a targeted action plan for Dacorum Borough Council to promote nature recovery across the Borough, working in partnership.

2.8.2. This allocation supports the third target of the Climate and Ecological Emergency strategy: “support the Borough in improving biodiversity.”

2.8.3. Projects that could be identified by this work include tree-planting, habitat creation, private landowner engagement, change in Dacorum Borough Council-owned land-use (where appropriate and agreed). This impact could be measured with ecological surveys, or number of projects taking place in the district per year. A fuller understanding of nature recovery and biodiversity work will take time to observe.

2.9. Public Engagement – £30K

2.9.1. This ensures funding for a further six years of Dacorum Climate Action Network outreach and costs of events such as the annual conference.

2.9.2. Network members receive the latest information from the Council about policy, projects, and engagement. There is further potential to activate this engaged and informed group for enhanced partnership working. There are 106 organisation members, and 650 individual members.

2.9.3. The impact can be measured by the number of network members and level of involvement from members in outreach activities.

2.10. Maylands Area – £25K

2.10.1. Funding sustainable travel and public realm improvements identified in Maylands Masterplan theme “connected edges” and “connected middle.” This would introduce safer active travel routes for pedestrians and cyclists through wayfinding and signage. Development of detailed design feasibility study for sustainable travel improvements in opportunity sites identified from Maylands Masterplan at:

- Site 1 – 55 Maylands Avenue public right of way improvements
- Site 2 – People Building 2 sustainable travel improvements
- Site 7 – Right of Way improvement

2.10.2. Maylands Business Park is dominated by vehicular transport. As part of the Local Plan, the Council is encouraging modal shift in transport. This proposal would support other projects already underway, funded by HCC, which include the Dutch-style roundabout on Boundary Way, Buncefield lane Quietway, and the Local Cycling and Walking Infrastructure Plan (LCWIP).

2.11. Summary of expected spend in Financial Years:

	24/25	25/26	26/27	27/28	28/29	29/30
Built Asset Feasibility £400K	-	£100K	£100K	£100K	£100K	-
Built Asset works £405k	-	-	£105K	£100K	£100K	£100K
Green Community Grant £180K	£30K	£30K	£30K	£30K	£30K	£30K
Nature Recovery Plan £60K	-	£60K	-	-	-	-
Public Engagement: Dacorum Climate Action Network £30K	£5K	£5K	£5K	£5K	£5K	£5K
Maylands Area project £25K	-	£25K	-	-	-	-
Total	£35K	£220K	£240K	£235K	£235K	£135K

2.12. Considering the Council’s primary climate target of “net-zero as an organisation by 2030,” decarbonisation investment must take place before FY 2029/30. This has shaped the forecast spend displayed. This prepares the organisation to make the most progress towards this target.

2.13. Although the expected spend for built asset feasibility and building improvement covers much of the reserve allocation, spending decisions on these two categories will be shaped by the Strategic Asset Review. Therefore, planned spend is presented as spread over the six financial years (including 24/25 in that six-year period, but with no planned spend).

3. Options and alternatives considered

3.1. To support the CEE spending proposal of £1.16m of General Fund reserves.

3.1.1. This is the recommended option. It will allow the CEE team to focus on moving planned projects forward, including built asset decarbonisation – the priority focus for emission reduction and utility bill financial savings.

3.2. To revise the CEE spending proposal.

3.2.1. This would delay release of funds and impact various planned projects. This would bring significant implications for work already underway and planned in financial

years 2024/25 and 2025/26. The biggest impact would be a delay to the built asset feasibility and building works, both on direct Council spending and pursuing third party grants that require match funding. This will significantly delay achieving net-zero by 2030.

3.3. To reject the CEE spending proposal.

3.3.1. This would significantly restrict the CEE team's plans to achieve the targets set out in the CEE strategy. Planned activity such as green community grants would need to be reduced. Alternative funding would need to be identified for built asset feasibility and physical building works. This would place greater financial pressure on other general fund budgets around the Council and would delay progress on reducing our scope 1 emissions, significantly threatening the net-zero as an organisation by 2030 target.

4. **Consultation**

The proposals were developed across the Council through the CEE programme board. The draft proposal was initially presented to CEE Programme Board in July 2024. Feedback was received and responded to. Following consultation with the finance team and Strategic Asset review steering group, a revised proposal was agreed in October 2024. It has also been approved by the CEE portfolio holder.

5. **Financial and Value for Money Implications**

The spending proposal has been designed to deliver progress against goals in the CEE strategy. The fund will be monitored and evaluated for impact.

6. **Legal Implications**

N/A

7. **Risk Implications**

7.1. This fund will be overseen by the CEE board and managed directly by the CEE team. Risks and mitigations will be managed and monitored through those governance structures.

7.2. All expenditure on these projects will be subject to standard Council procurement requirements and financial regulations.

8. **Equalities, Community Impact, and Human Rights**

8.1. There are no Human Rights Implications arising from this report.

8.2. Community Impact Assessment annexed.

9. **Sustainability Implications (including climate change, health and wellbeing, community safety)**

Climate change: the CEE spending proposal will support the Council in reducing its own carbon emissions and engaging the community on climate action. This is in accordance with stated aims in the Climate and Ecological Emergency strategy. This aligns directly to the corporate goal "sustainable future" and "community engagement."

10. **Council Infrastructure (including Health and Safety, HR/OD, assets, and other resources)**

Retrofit of built assets is a goal of this spending proposal.

11. **Statutory Officer comments**

Focused on governance of spending proposal and future reporting requirements following release of this money.

Monitoring Officer:

Officers will need to agree appropriate reporting to Overview and Scrutiny Committees so that the impact of the funding can be measured against the Council's Climate Change Commitments. It is suggested that this is done annually as a minimum.

S151 Officer:

The proposed outcomes and outputs from the projects outlined in this report are aligned with the strategic rationale set out for the Climate Change and Resilience reserve, hence it is appropriate to utilise these funds to finance these projects.

12. Conclusion

If Cabinet approves the report, the next step is to refer the CEE spending proposal recommendation to Full Council on 19th February 2025, for formal release of reserves.