



Report to Finance Committee

Author/Lead Officer of Report:

Philip Gregory, Director of Finance and Commercial Services

Report of: Philip Gregory, Director of Finance and Commercial Services (S151 Officer)

Report to: Finance Committee

Date of Decision: 19 February 2024

Subject: Finance Committee Climate Statement

Type of Equality Impact Assessment (EIA) undertaken	Initial <input checked="" type="checkbox"/>	Full <input type="checkbox"/>
Insert EIA reference number and attach EIA	EIA ID: 2455	
Has appropriate consultation/engagement taken place?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -		
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>		

Purpose of Report:

The Committee Climate Statements:

1. Respond to the Annual Climate Progress Report 2022/23 in a timely manner.
2. Restate the cross-party council commitment to taking what action we can to address the climate emergency, adapt our city and council for a changing climate and reduce emissions to achieve our ambition to be a net zero city and council by 2030.
3. Increase understanding of the impact climate change will have on committees, the opportunities that tackling climate change offers, and the contribution to climate and net zero action each committee is currently making and needs to make moving forward.

Recommendations:

On the back of the decision taken by the Strategy and Resources Policy Committee at its meeting held on 13 December 2023, the Committee is recommended to:

(a) consider and, if not previously agreed, agree (with or without amendments) their respective statement to ensure that the proposed actions contained in such statement are reflected in their Work Programme.

Background Papers:

- 10 Point Plan on Climate Action
- Our Council and The Way We Travel Decarbonisation Routemap
- Annual Climate Progress Report 2022/23
- Sheffield City Council Constitution of 6 Sep 2023

Lead Officer to complete:-						
1	<table border="1"> <tr> <td rowspan="4">I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed.</td> <td>Finance: Philip Gregory</td> </tr> <tr> <td>Legal: Louise Bate</td> </tr> <tr> <td>Equalities & Consultation: Ed Sexton</td> </tr> <tr> <td>Climate: Mark Whitworth</td> </tr> </table>	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed.	Finance: Philip Gregory	Legal: Louise Bate	Equalities & Consultation: Ed Sexton	Climate: Mark Whitworth
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	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>					
2	SLB member who approved submission: Kate Josephs, Chief Executive					
3	Committee Chair consulted: Councillor Tom Hunt, Leader / S&R Chair Councillor Zahira Naz, Finance Chair					
4	<table border="1"> <tr> <td colspan="2">I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</td> </tr> <tr> <td>Lead Officer Name: Philip Gregory</td> <td>Job Title: Director of Finance and Commercial Services</td> </tr> </table>	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.		Lead Officer Name: Philip Gregory	Job Title: Director of Finance and Commercial Services	
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Lead Officer Name: Philip Gregory	Job Title: Director of Finance and Commercial Services					
	Date: 1 February 2024					

1. SUMMARY

- 1.1 The climate emergency is one of the biggest challenges we will face as a city, region, country and global community. It is acknowledged that achieving net zero by 2030 is going to be extremely challenging but publication of the Annual Climate Progress Report (approved by Transport, Regeneration and Climate Policy Committee 11th December 2023) has highlighted the scale of the challenge in the public domain.
- 1.2 The report shows while action is being taken and progress is being made in some areas or work, we have not reduced emissions at the pace and scale required to meet our 2030 target. It is clear that to achieve this target and to stay within the city's Carbon Budget, urgent action is needed at a scale not seen before, and maintaining an ambitious target is important in funding discussions and to enable robust policy frameworks to be developed.
- 1.3 Sheffield is not unusual amongst local authorities in the position in which we find ourselves. The Committee on Climate Change reported in summer 2023 that the lack of investment and consistent policy supporting the UK's legally binding target of achieving net zero by 2050 means that UK is at risk of missing its 2050 target and the announcement from Government in September 2023 to delay key climate change related legislation exacerbates this. We face a period of increased uncertainty around the policy levers that will be available in the coming years to support us to deliver our climate action at pace and at scale. We are working closely with other leading local authorities to both seek to influence government to make the policy changes needed to escalate our activity, and to explore options for seeking investment.
- 1.4 Further to this, significant additional resources from central government will be required to help us to meet our ambitions and realise the opportunities that climate action brings. We will continue to work with government and the Mayoral Combined Authority to influence this.
- 1.5 While the Sheffield City Council Constitution requires all committees to take climate into consideration in decision-making, we think it would be helpful to clarify the impacts that climate change will have on committees, the opportunities that tackling climate change offers and the role that all committees can and need to make towards Sheffield achieving its climate and net zero ambitions if we are to succeed.
- 1.6 The Committee Climate Statements:
1. Publicly respond to the report in a timely manner.
 2. Restate the cross-party council commitment to taking what action we can to address the climate emergency, adapt our city and council for a changing climate and reduce emissions to achieve our ambition to be a net zero city and council by 2030.
 3. Increase understanding of the contribution to climate action that each committee is currently and need to make moving forward.

- 1.7 The statements set out (1) our commitment to addressing climate change, (2) how climate change relates to our committees, and (3) how it relates to each of our specific policy committees.
- 1.8 ‘Our commitment to addressing climate change’ reiterates the cross-party and council-wide commitment to taking what action we can to address the climate emergency, adapt our city and council for a changing climate and reduce emissions to achieve our ambition to be a net zero city by 2030. It also states a commitment to requiring services to plan for adapting to the changing climate.
- 1.9 ‘How climate change relates to our committees’ reiterates the constitutional requirement for all committees to consider climate, and outline of the specific committees for which further content has been developed.
- 1.10 ‘Our commitment to addressing climate change’ and ‘How climate change relates to our committees’ statements were approved by Strategy and Resources Policy Committee at its meeting held on 13 December 2023. A decision/approval of these sections is not required by this committee.
- 1.11 ‘How climate change relates to each of our specific policy committees’ contains a specific statement from the Finance Committee. These statements set out the following against the committee’s remit:
- Related or relevant City/Sector/Council emissions.
 - Impacts of climate change and benefits of acting.
 - How the committee can contribute and support climate action through decision-making.
 - Key actions on the current committee work plan and council service plans that strongly support climate/net zero.
- 1.12 The vast majority of the action that is required to tackle climate change will have benefits beyond reducing carbon emissions and so the content of the statements also draw attention to the socioeconomic, health and wellbeing and other benefits to taking action on climate change.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 In 2019, the council declared a climate emergency and set an ambitious target to become a net zero city and council by 2030. Our vision and the actions we are taking have been further set out in the ‘10 Point Plan for Climate Action’ and the ‘Our Council and The Way We Travel Decarbonisation Routemaps’.
- 2.2 The Council Plan 2024/25 went to the Strategy and Resources Committee on 13th December 2023, and sets out our mission and purpose to focus on “people, prosperity and planet” in everything we do.

The plan was endorsed and is now subject to consultation, will be coming back to the Strategy and Resources Committee in February and then on to Full Council for full approval.

- 2.3 The statements will support action within the local authority and city to make progress towards net zero and to adapt to climate change by increasing understanding of the contribution to climate action that the Finance committee is currently and need to make moving forward through decision-making.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Finance Committee climate statement is for information only and does not explicitly require consultation.
- 3.2 We held a Climate Summit event in November 2022 to bring together a wide range of organisations across the city to start exploring the action needed on climate change.
- 3.3 Climate has been a strong theme in the City Goals consultation.
- 3.4 Individual decisions of the Finance Committee are either currently subject to the relevant consultation or will be in the future.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 It is widely recognised that climate change will have a more negative effect on people with protected characteristics, particularly people living in poverty, people with some long-term health conditions and disabilities and people from ethnic minorities, who are disproportionately likely to both experience disability and poverty. Young people are also acutely impacted, both due to climate anxiety now, and by being more impacted by climate change throughout their lifetimes.
- 4.1.2 The transition to a net zero society is happening independently of any decision of Sheffield City Council, but the local authority has an ambition to reach net zero by 2030, well ahead of the national target, and this creates additional challenges. The Council has a key role to play in ensuring that the transition happens in a way which ensures both climate justice and social justice.
- 4.1.3 The statements also draw attention to the socioeconomic, health and wellbeing and other benefits to taking action on climate change, increase understanding that failing to act to address climate change will likely result in wider and greater inequality, and that activity taken to address climate change can also address social justice to deliver strong co-benefits.

- 4.1.4 We are committed to ensuring that our action on the climate emergency is grounded in our values of promoting equality, diversity and inclusion for all. A full Equality Impact Assessment has been undertaken alongside the creation of the 10 Point Plan for Climate Action in 2022, as well as initial assessment for the Our Council and The Way We Travel routemaps.
- 4.1.5 An initial assessment has been undertaken on the Committee Climate Statements (2455). As decisions are made on specific decisions, full Equality Impact Assessments will be prepared where appropriate for individual decision and actions and was not required on the composite of Committee Climate Statements.
- 4.1.6 We further consulted with the Equalities and Engagement service in relation to each of the specific committee statements who confirmed that the EIA 2455 remains appropriate at this stage on the basis that decisions are made on specific decisions, full Equality Impact Assessments will be prepared where appropriate for individual decision and actions and a further Equality Impact Assessment was not required at this stage.
- 4.2 Financial and Commercial Implications
- 4.2.1 There are no financial and commercial implications arising directly from this report, however there are financial implications of Net Zero by 2030 and climate change.
- 4.2.2 Tackling the climate emergency and responding to the national and global changes that are facing the city will require multi-billion-pound investment over many years. It was recognised in the 10 Point Plan for Climate Action published in 2022 that it will not be possible to find the necessary finance within the local authority's, or the city's, existing resources. One of the ten points in the 10 Point Plan was specifically focused on the exploration of external funding streams and this work is ongoing.
- 4.2.3 The Our Council routemap chapter commits the local authority to prioritising climate action in our budgeting, and officers will need to work with Members to commit to specific sums or projects. Whilst sourcing the up-front investment is challenging, decarbonising the Council's estate and fleet can result in savings in ongoing energy costs.
- 4.2.4 Action will also need to be taken that commits us to working to reduce the carbon emissions we are indirectly responsible for through our procurement. These may potentially have additional up-front costs but decisions will be taken on a case by case basis.
- 4.2.5 Many of the actions that we will need to take in order to achieve our ambitions will require working differently or taking decisions in ways which ensure that we do not increase our carbon emissions. Some of these decisions may have additional short term costs, but in many

cases, whole life costing may demonstrate that additional up-front investment has long term benefits. In other cases, the action that is taken can reduce service costs without significant additional investment (for example by reducing the mileage of our fleet, changing the way we use our equipment or buildings or buying less and reusing more).

- 4.2.6 The true financial implications of the decarbonisation of the local authority and city Housing are difficult to quantify, and the costs of not taking or delaying action are equally difficult to quantify. There is increasing recognition that, globally, delayed action will increase the eventual costs. Locally, this is more difficult to estimate, but the climate is changing and investment in mitigation works that also enable adaptation are likely to have long term benefits both in terms of reduced requirement for retrofit in future, but also in terms of potentially reduced health and social care costs. An example of this is building well-insulated homes with renewable energy. Similarly, other actions which have dual outcomes may potentially have positive benefits (for example, action taken to decarbonise and create a sustainable economy may result in increased business rates).

4.3 Legal Implications

- 4.3.1 There are no legal implications arising out of this report. There may be legal implications arising from decisions and actions arising from the implementation of proposals, and these proposals and their legal implications will be the subject of further reports where required.

4.4 Climate Implications

- 4.4.1 The Statements in themselves do not increase, maintain or reduce GHG emissions against any of the categories. However, they restate our climate commitments amidst a challenging time, commit to developing council-wide service climate adaptation plans, and include an overview of and commitment to the decisions that committees intend to take to support and accelerate net zero and climate action at pace and scale.
- 4.4.2 By communicating commitment and increasing understanding of how the Finance Committee can support delivery of those commitments at pace and scale through decision-making, it is considered that if utilised, they have the potential to contribute to large reductions in emissions and increased climate action at pace and scale over the coming years and support an overall moderate decrease in emissions and climate adaptation for the future.
- 4.4.3 It is important to note however that realisation of climate benefits is reliant on future decision-making being in line with the commitments outlined.
- 4.4.4 Decisions are made on specific decisions and action, and initial/full Climate Impact Assessments will be prepared where appropriate for

individual decision and actions.

4.5 Other Implications

4.5.1 Human Resources

4.5.1.1 There are no HR implications arising directly from this report, however there may be HR implications arising from decisions and actions arising from the implementation of proposals.

4.5.1.2 We need actions that support the council to become a climate competent organisation, employees to become carbon literate, to include our position in induction and in job roles and descriptions, and it is clear that the action that is needed to make both the Council and city net zero will require employees across the organisation to play their part. As time goes on, retraining is likely to be needed for employees, including those in roles working with technology that becomes obsolete.

4.5.1.3 Proposals and their HR implications will be the subject of further reports where required.

4.5.2 Public Health

4.5.2.1 There are no public health implications arising directly from this report, however there may be public health implications arising from decisions and actions arising from the implementation of proposals.

4.5.2.2 The climate emergency is recognised by the Director of Public Health as a public health emergency. Climate change is the greatest global health threat facing the world in the 21st century, but it is also the greatest opportunity to redefine the social and environmental determinants of health. It threatens to undermine the last 50 years of gains in public health, intensifying heatwaves and extreme weather events, worsening flood and drought, altering the spread of infectious diseases, and exacerbating poverty and mental ill-health. However – and crucially - the response to climate change brings immense benefits for human health in Sheffield, with the potential for cleaner air, healthier diets, and a more liveable city.

4.5.2.3 Across all the work that we do to mitigate and adapt to climate change, it will be important to understand where our actions might widen inequalities and then act to mitigate against that widening of inequalities, for example, through provision of additional support to those people that are most impacted by the effects of climate change.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 Not providing committee climate statements considered due to the resource required to collate.

5.2 Providing more detailed Committee Climate Statements that provided

an overview of strategic climate goals, with each Chair then reading the committees statement publicly at their respective committee meeting following release of the report.

6. REASONS FOR RECOMMENDATIONS

- 6.1 It is important that the response to the Annual Climate Progress Report is open and transparent in setting out the challenges which the local authority faces in making progress and clarifies future expectations on the part we all have to play in addressing climate change.
- 6.2 Committee do not currently have specific strategic goals for climate. The process required to develop these, and have the statements approved to be read at each committee meeting meant that option 5.2 was not feasible with the available resource and timeframe.

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