

Scrutiny and Policy Panel Report



Review of the Carbon Reduction Plan and associated carbon reduction activity at ELDC.



Acknowledgements

The panel comprised of the following people:

Councillors: Paul Rickett (Chair), Robert Watson, Stephen Evans, Stef Bristow, David Hall, Rosalind Jackson, Neil Jones

The panel either wrote to or spoke with the following people as part of their scrutiny review:

Internal: Sarah Baker, Louise Upton, Heather Prescott, Duncan Hollingworth, Sam Robbins, James Ward, Councillor Graham Marsh (Portfolio Holder)

External: Serena Brown (South Kesteven District Council), Steve Leary (West Lindsey District Council), Ania Campbell (North Kesteven District Council), Martin Gibbs (Head of Procurement, PSPS)

Support: Rebecca James was the Scrutiny & Policy Officer supporting the panel with their work and Sarah Baker was the liaison officer providing the panel with relevant data and information.

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Summary

As requested by Overview Committee, a scrutiny panel was assembled to undertake a “Review of the Carbon Reduction Plan and associated carbon reduction activity at ELDC.”

The panel were asked to look at the following (see **Appendix 2** for the full scope):

1. To review the Carbon Reduction Plan and how the Council is implementing the aims;
2. To look at how the Council is working with its partner organisations to influence their carbon reduction;
3. How the Council’s net zero target is being considered as part of Council construction projects;
4. How is carbon reduction and sustainability being considered in procurement processes, given the recent adoption of the sustainable products policy which the Council is implementing.

Introduction

Carbon reduction is a multifaceted challenge that requires coordinated efforts from governments, businesses, and individuals. By adopting a combination of renewable energy, energy efficiency, and sustainable practices, organisations such as ELDC can significantly reduce their carbon footprint and help to mitigate the impacts of climate change.

East Lindsey District Council set a target of reducing its carbon emissions to net zero by 2040, with a minimum emissions reduction of 45% by 2027. This target covers a range of emissions sources that are under both direct and indirect control of the Council.

In 2020, the Council approved a Carbon Reduction Plan for the Authority to help achieve the above target. As part of developing the plan, the Council investigated its carbon emissions across all of its activities and assets and then prioritised the most effective actions to reduce its carbon footprint.

As we are now more than halfway towards 2027, there is a need to review the Carbon Reduction Plan, to ensure it stays relevant and suitable to deal with the challenges around climate change.

Background

Carbon reduction is a critical component in the fight against climate change. It involves strategies and actions aimed at reducing the amount of carbon dioxide (CO₂) and other greenhouse gases (GHGs) released into the atmosphere.

Reducing carbon emissions is essential to:

- Mitigate climate change: Lowering emissions helps to stabilise global temperatures and reduce the frequency and severity of extreme weather events.
- Improve public health: Reducing air pollution from fossil fuels can decrease respiratory and cardiovascular diseases.
- Enhance energy security: Transitioning to renewable energy sources reduces dependence on imported fuels and enhances energy resilience.

The Carbon Reduction Plan outlined the Council's strategy to address the climate crisis by reducing carbon emissions. The plan set ambitious targets: reducing emissions by 45% by 2027 and achieving net-zero emissions by 2040. The 2019 baseline carbon footprint was 2,583 tCO₂e, with major emission sources being the Council's vehicle fleet, energy consumption of buildings, and employee commuting. Key reduction opportunities included:

- Public Lighting
- Fleet Electrification
- Fleet Management
- Council Buildings
- Commuting and Travel

The plan also emphasised the need for governance, stakeholder engagement, and regular monitoring and reporting to ensure progress. The estimated cost for implementing these projects was estimated at £301,100, excluding some larger investments like decarbonising the refuse fleet and replacing Tedder Hall. The Council aimed to integrate carbon management in its own operations, as well as through interactions with contractors and employees to help meet its decarbonisation targets.

Definition of key terms

Carbon footprint - the total greenhouse gas emissions resulting from the activities of an individual, event, organisation, service or product expressed as carbon dioxide equivalent (CO₂e).

Carbon offsetting - a mechanism used to compensate for greenhouse gas emissions made elsewhere. This is done through a body that funds activities or projects that improve or enhance the environment or buying carbon credits to balance out the emissions from their own operations.

Carbon Neutral – a target whereby offsetting strategies are principally used to offset emissions to bring overall emissions levels to zero.

Greenhouse Gases - gases in the Earth's atmosphere that trap heat. The main greenhouse gases are Carbon Dioxide (CO₂), Methane (CH₄) and Nitrous Oxide (NO₂) and are usually expressed in terms of their Carbon Dioxide equivalent value (CO₂e.)

Net zero - a process of reducing greenhouse gas emissions whereby any residual emissions that remain can be offset with certified greenhouse gas removal mechanisms such as tree planting schemes or carbon capture technology.

Scope 1 emissions - direct emissions from sources directly owned or controlled by the reporting body such as fleet vehicles or natural gas consumption.

Scope 2 emissions - indirect emissions from the generation of purchased energy such as electricity.

Scope 3 emissions - indirect emissions that occur in the value chain of an organisation, be that upstream or downstream, such as business travel, waste disposal or water consumption.

Methodology

The panel met eight times between April and November 2024 and either wrote to or spoke with eleven witnesses, comprising of both internal and external officers plus the Portfolio Holder, as part of the scrutiny review.

The panel used a combination of research documents, witness interviews, officer discussion and review of written information from other Councils to collect and analyse their findings.

Findings indicated that there was no standardised methodology for carbon footprinting. There is no national standard that exists, nor does the requirement for local authorities to report on their emissions. Some include more Scope 3 emissions than others and everyone reports their findings slightly differently. Sarah Baker informed the panel that across the Partnership we are trying to align reporting as much as we can which is partly why the footprinting process is so time consuming.

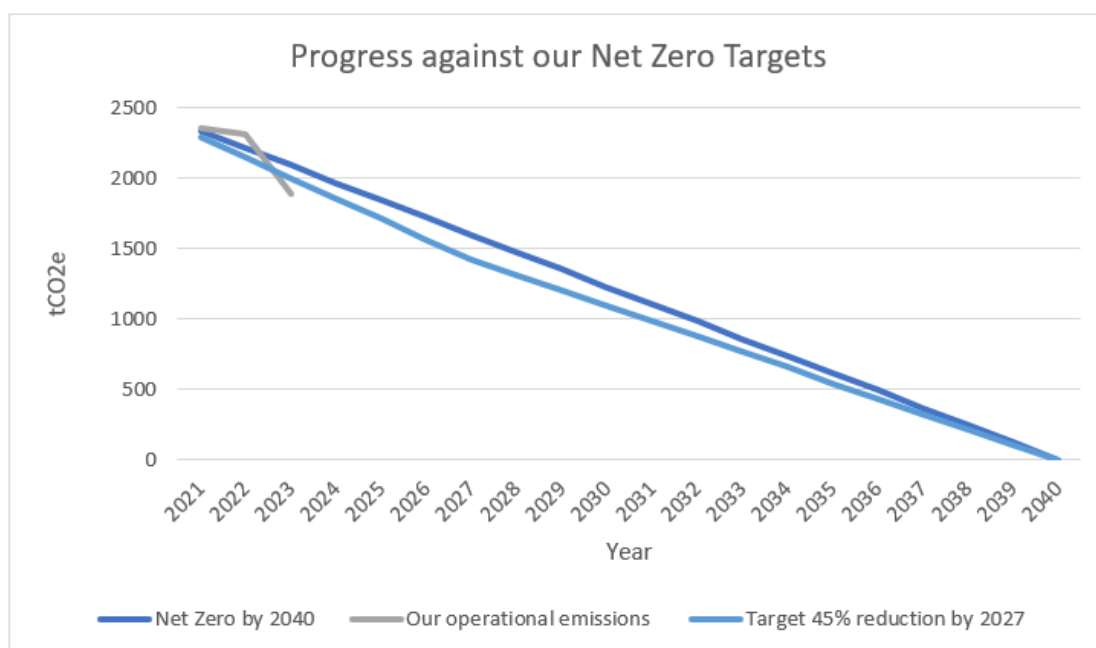
It was noted that carbon footprinting is a constantly evolving picture as emissions factors always change and there are new schools of thought on how best to measure things. A key point to remember is that footprinting is a useful marker in the sand and a benchmark but should not be something to 100% rely on because it is not accurate or standardised enough to do so.

Findings

The panel was provided with an overview and comparison of the ELDC Carbon Footprint from 2019 through to 2023. A breakdown of figures for 2019, 2020 and 2021 can be found by following the links on the 'evidence' section at page 15. The figures below for 2022 and 2023 are currently being finalised, so please note all information relating to 2022 and 2023 is draft and subject to alteration.

East Lindsey District Council's Carbon Footprint for the calendar year 2022 was calculated to be 2315 tCO₂e, and for the calendar year 2023 was calculated to be 1886.7 tCO₂e. The total emissions recorded in the Carbon Footprint for 2023 decreased by 18.5% compared to 2022 and by 27% compared with the 2019 baseline

The line chart below highlights the Council's progress against its net zero targets from 2021 onwards, when upstream Scope 3 emissions & Water began to be included. The grey line represents our current emissions. The dark blue line marks a pathway to net zero by 2040 and the light blue line tracks our own target of achieving a 45% emissions reduction by 2027 and net zero by 2040.



The panel also looked at the ways in which other organisations have tried to reduce their carbon emissions, at a local, national and international level. These included:

1. Energy Efficiency: Implementing energy-efficient technologies and practices in industries, buildings and transportation.
2. Carbon Capture and Storage (CCS): Capturing CO₂ emissions from industrial processes and storing them underground.
3. Sustainable Transportation: Promoting electric vehicles (EVs), public transportation and non-motorised transport like cycling and walking.
4. Afforestation and Reforestation: Planting trees to absorb CO₂ from the atmosphere.

5. Policy and Legislation: Enforcing regulations and policies that limit carbon emissions and incentivise green practices.

The local picture

In Lincolnshire, while all local authorities are moving at different paces, there is a shared common goal to not only achieve net zero but to achieve a more sustainable way of living that protects and improves our communities. Those involved with Climate Change and Carbon Reduction across the county are working closely together to ensure we are sharing knowledge and learning from each other. Lincolnshire County Council launched its Green Masterplan in 2020 to set out the guiding principles of how we can collectively meet the challenges and opportunities Climate Change presents. These principles are quoted as:

- Don't waste anything - working toward a circular economy
- Consider wider opportunities - working in partnership to share funding, experience and networks and prevent duplication of effort
- Take responsibility and pride - to cherish, protect and improve the county we have many reasons to be proud of

As part of this, we approached three other Lincolnshire District Councils to gain an insight into their successes so far as well as their priorities for embedding carbon reduction further and achieving their net zero or carbon neutral targets. We also specifically asked questions around transport and fleet decarbonisation and any difficulties encountered in this area.

North Kesteven District Council

1. **Successes:**

- The Climate Emergency Strategy (CES) has led to significant climate actions, including installing renewable technology, securing funding, and reducing carbon emissions. The strategy ensures that climate issues remain at the forefront of council operations.

2. **Priorities:**

- Increase engagement and communication with local residents and businesses.
- Enhance understanding of corporate stock to support impactful deliveries and funding access.
- Streamline decision-making processes for positive climate impacts.

3. **Embedding Carbon Reduction:**

- Climate change is integrated into key documents and processes, including the NKPlan and Sustainability Impact Assessments (SIA).
- Mandatory climate training and reading of the Environment Policy for all colleagues.
- Climate Change Team involvement in internal groups and boards.

4. **Fleet Decarbonisation:**

- Pursuing electrification of the fleet, including trials of electric vehicles and exploring advancements in HGV electrification.

- Encouraging partnership with Lincolnshire County Council (LCC) for regional transport plans.
- Exploring opportunities in active travel, electric vehicle charging points (EVCPs), and fleet electrification.

West Lindsey District Council

1. **Successes:**

- Reduced estate carbon footprint by 11% through efficient heating and Combined Heat and Power systems.
- Small wins include fitting waste collection vehicles with solar Photo Voltaic (PV) panels and replacing diesel vans with electric models.
- Secured over £10 million in grant funding for energy efficiency improvements.

2. **Priorities:**

- Fully costed decarbonisation roadmaps for fleet, and buildings.
- Deliver efficiency and cost savings to taxpayers.

3. **Embedding Carbon Reduction:**

- Use of a Climate, Environment, and Sustainability Impact Assessment tool in decision-making.
- Tool features include Excel-based format, infographics, and collaboration with other local authorities.
- Benefits include enhanced decision-making, increased awareness, and continuous improvement.

4. **Fleet Decarbonisation:**

- Commissioned a report assessing alternative fuels like Hydrogentaed Vegetable Oil (HVO), Liquid Petroleum Gas (LPG), and Hydrogen.
- Plans to reduce transport emissions through a Fleet Decarbonisation Strategy and better digital connectivity.

South Kesteven District Council

1. **Successes:**

- Published carbon baseline and reduction plan in 2020, identifying 7600 tonnes of emissions.
- Established a £300k budget for energy efficiency and sustainability projects.

2. **Priorities:**

- Focus on decarbonising leisure centres with energy efficiency upgrades and additional solar PV capacity.
- Upgrade heating systems in Grantham leisure centre.
- Relocate to a new depot site to facilitate the transition to electric vehicle charging points (EVCPs).

3. **Embedding Carbon Reduction:**

- Ongoing work to ensure all decisions consider carbon emissions implications.
- Expectation for all committee or cabinet decisions to include carbon impact comments.

4. Fleet Decarbonisation Plans:

- Challenges in fleet decarbonisation, with plans dependent on the new depot site.
- Installed telematics for better vehicle use data.
- Reviewing options for refuse collection vehicles, including electric and alternative fuels like Hydrogenated Vegetable Oil (HVO).

Our own officers answered the same questions for ELDC which helped give a comparison across the district.

East Lindsey District Council:

1. Successes

- Office move to the Horncastle Hub from Tedder Hall and Skegness Town Hall (both inefficient buildings in terms of carbon / energy). For example, gas consumption down from 306.7tCO₂e in 2021 to 109.02 tCO₂e in 2023, a reduction of over 64%.
- Ongoing improvements such as LED lighting at Louth Depot and Vehicle Maintenance Unit
- Key recommendations from the [Carbon Reduction Action Plan](#) have been taken forward.

2. Priorities

- Fleet – currently comprises 67% of the whole footprint for ELDC
- Embedding carbon/climate considerations in internal decision making processes

3. Embedding Carbon Reduction

- Work closely with assets team
- Need to work more closely with fleet team
- Need to improve working relationships with project teams
- Procurement embedded systems to cover this area
- Climate Change and Environment Impact Assessment Tool being developed

4. Fleet Decarbonisation

- This area is a long term complex project, many solutions available although there is no complete solution currently
- EV – the situation evolving but nowhere near where we need it to be
- Regarding the above, it must be noted that technological advances continue and it is likely that new, improved options will emerge rapidly over the coming years

Assets

Key findings from the asset team:

- There are plans to upgrade leisure facilities by April 2025 with initiatives such as PV and destratification fans;
- The main carbon savings since 2019 have been the move from Tedder Hall and Skegness Town Hall to the Hub;

- 90% of public lighting has already been converted to LED;
- ELDC have received two rounds of funding for EV charging since 2018 – this was used to improve EV availability in Council owned car parks;
- The Council always chooses a green tariff when procuring the electricity contract;
- Following a discussion around adding a PV on car port solution in car parks, it was advised this is not the right solution at this stage due to cost and needs considering against other emerging potential solutions ;
- Asset team recommended a ‘wait and see’ approach regarding energy generation schemes – while these are not right for us now, things move quickly so could be potential for this in the future.

Fleet

Key findings from the fleet team :

- We are currently trialling three electric pool car vehicles before considering this option for the rest of the fleet with either a hybrid or fully electric option;
- The electric vehicles work out at 32p per mile versus a petrol car at 37p per mile, but there are range issues for longer journeys;
- Possibilities and viability of Hydrogentated Vegetable Oil (HVO) or Hydrogen as an alternative fuel needs monitoring for future potential;
- With the solutions that are currently available for fleet vehicles, the impact on our Carbon Reduction figures will be subdued/small/not what we would like?

With regard to electric waste vehicles, both our own and research of others has shown they are not a viable option in our rural area at this time. The cost per electric vehicle is between £400,000 - £500,00 compared with £240,000 for diesel. In addition the district does not have enough charging capacity at the Industrial Estate (or anywhere else within district) to charge fifteen electric waste vehicles. Operationally, even if they could be charged in the district, they would need charging for four to five hours mid-collection. Finally, vehicles are used all over the district on different days so it would not be an option at this time to have an electric waste vehicle just for urban areas.

With regard to HVO, the positives were noted that it can be swapped for regular diesel at any time and can even be mixed with other fuels without affecting machinery's reliability and performance. HVO is considered one of the cleanest fuel alternatives, eliminating CO2 emissions by up to 90 per cent. However, if produced from palm oil or waste from palm oil production, HVO could contribute to deforestation and high carbon emissions. There are also ethical concerns, mainly around deforestation and biodiversity loss, risks to food security, some human rights breaches, and concerns of inequity.

Procurement

Key findings from procurement team:

- We have a new tool 'Social Value Engine' which allows us to choose specific 'social value' areas such as carbon reduction and add it to contractual requirements / commitments.
- Social value is given around 10% weighting when making a decision – with price and quality making up the other 90%
- Potential suppliers are asked to read our sustainable products policy as part of agreeing corporate contracts
- The Lincolnshire Chamber of Commerce is working on a 'sustainability mark' for small businesses from 2025, which we could access and use to more easily identify sustainable businesses from the databas
- At the start of each piece of procurement there are specific targeted sustainability questions
- There is the ability to add sustainability requirements to specifications and these become part of the performance indicators
- ELDC aim to nudge suppliers in the right direction through the requirements in contracts

Partner working

In terms of partner working it was felt that this is a strength for ELDC. SELCAN is a prime example of the various initiatives that are implemented in conjunction with ELDC, such as how we engage with local business on this agenda. ELDC officers also work very closely as part of the Lincolnshire Sustainability Officers Group which includes LAs, the University of Lincoln, NHS, Public Health. We are embarking on a community decarbonisation pilot for community buildings and we will be training volunteers as green champions as part of this.

Magna Vitae and Public Sector Partnership Services are probably our biggest partners. The Climate Change and Environment Team did a carbon footprint exercise for MV, and PSPS has implemented an environmental policy. There is a question of whether we as a Council are expecting enough of those people operating services/assets on our behalf – and this is something the panel would like to recommend in terms of further action we can take in this area.

SELCAN is our network to spread the sustainability and carbon reduction message.

Analysis

Is the pathway to net zero on track to be delivered?

When reviewing the action plan, most actions are underway and are on track. There are a number of actions that are amber or red, and some actions need rethinking. While the team have general oversight of the action plan, the panel are recommending a full review of the Plan, with updated and adjusted timelines where needed to ensure the Plan kept on track and any developments or changes can be tracked and monitored.

Are clear plans in place to influence other organisations and wider communities?

This is an area that needs further consideration as the current focus is ensuring we complete our own actions and meet our own targets. Currently, the work of the Home Energy And Retrofit Team is bringing awareness to communities regarding their homes through the grant schemes available.

Are new projects being viewed from a net zero perspective at the outset and value engineered from that point?

Whilst procurement is demonstrating this, other service areas need to follow this example, as their systems and processes have often been in place for a number of years. It is often difficult to get that commitment to reviewing and changing ways of working and tackling projects. Lessons can be learned from the procurement team who have embedded carbon reduction and sustainability requirements into all their processes.

Something the Climate Change team is considering is a tool for reports to ensure that it is a key consideration at the outset. West Lindsey District Council have already implemented this, and it works well to get that buy in from all departments. The panel are recommending that this is done as it is a simple but important way of ensuring climate change is given priority.

Do procurement processes define clear steps for ensuring sustainability is considered?

Yes, lots of hard work has been done already, it is evident the Procurement Team has good systems in place from the start of the process.

Procurement is the area that seems to have taken things on board and added this to their procedures from the start and as an integral part of their processes throughout the whole procurement cycle/journey. Other council departments and projects should learn from this approach, so that climate change and carbon reduction are given the consideration needed at the start of the process to ensure the Council is doing as much as possible to reach their goals. This will then allow the Council to lead by example for our partners and the wider community.

Conclusions

The panel has found that although a lot of work has been done on the Action Plan that came from the Carbon Reduction Plan, and on carbon reduction in general, this review was timely in ensuring that the Carbon Reduction Plan will be revisited, reviewed and fully updated to ensure it is fit for purpose and timelines are correct and actions are achievable.

The panel reviewed all the information and evidence to come up with a number of recommendations, which can be found below. It is hoped these will help the Climate Change Team and ELDC as a whole achieve the 'indicators of success' from the scope (**Appendix 2**).

Recommendations

1. For the Procurement Team to provide an annual update to Overview on Environmental, Social, and Governance (ESG) reporting, and after the first year an additional update on any data and performance monitoring that has been undertaken as part of the newly introduced procurement processes;
2. For tenants and operators of leased assets to be made aware of the Councils Net Zero ambitions and be provided links to relevant policies e.g. Environment Policy / Sustainable Products Policy and also strongly encourage them to make decisions that align with those policies, for example as part of a new lease or lease review;
3. To undertake a full review of the Carbon Reduction Action Plan and update where appropriate – to take place within the next 12 months and regularly reviewed thereafter to ensure we stay on track;
4. Following the above review, provide annual updates on the Carbon Footprint and Action Plan progress to Overview with updates to Executive Board and through the Leader's Report to Council;
5. To embed a new Climate Change and Environment Impact Assessment Tool within the governance processes of Council and all Project Management processes to ensure the Net Zero ambition is considered at the outset;
6. To create a 'Green Team' with representatives from different directorates in the Council that would meet at least quarterly to discuss ideas, innovations and review progress;
7. To ensure that as part of the review of the local plan that planning policy reflects both the Councils own Net Zero ambitions and those of the South & East Lincolnshire Councils Partnership;
8. Extend the mandatory Carbon Literacy Training beyond the Corporate Management Team to the wider staff via an e-learning module.

Evidence sources / references

Click on the links below to find the relevant documents on the [Climate Change](#) page of the [ELDC website](#):

[Carbon Reduction Plan](#)

[Carbon Reduction Action Plan](#)

[Climate Change Strategy](#)

[Sustainable Products Policy](#)

[Tree and Hedgerow Strategy](#)

[Carbon Footprint Analysis 2020](#)

[Carbon Footprint Analysis 2021](#)

[Green Masterplan – Lincolnshire County Council](#)