

NEATH PORT TALBOT COUNCIL

Environment, Regeneration and Streetscene Services Cabinet Board

20th January 2023

Report of

Head of Property & Regeneration - Simon Brennan

Matter for Information

Wards Affected: All Wards

Audit Wales National Study – Net Zero Decarbonisation Baseline Review

Purpose of Report

1. To receive an action plan setting out the Council's response to the recommendations identified by Audit Wales following their national study, Net Zero Decarbonisation Baseline Review in Wales.

Executive Summary

2. In July 2022, the Auditor General published Public Sector readiness for Net Zero Carbon by 2030, which looked at decarbonisation actions in 48 public bodies, including all councils. This report found uncertainty that the collective ambition for a net zero public sector by 2030 will be met.

The report identified significant, common barriers to progress that public bodies must collectively address to meet the collective net zero ambition, identifying that while public bodies are demonstrating commitment to carbon reduction, they must now significantly ramp up their activities, increase collaboration and place decarbonisation at the heart of their day-to-day operations and decisions.

The report makes the following five calls for action from public bodies:

- Strengthen leadership and demonstrate collective responsibility through effective collaboration;
- Clarify strategic direction and increase pace of implementation;
- Get to grips with the finances;
- Understand skills gaps and increase capacity; and
- Improve data quality and monitoring to support decision making

2.1 Overall Report Findings

The report found that the Council has a good understanding of the task it faces to achieve net zero by 2030, which is clearly articulated in its Decarbonisation and Renewable Energy Strategy, but the Strategy is not costed and does not identify the funding required to deliver all the activity within the Strategy.

2.2 Audit Wales Recommendation

In order to meet its net zero ambition, the Council needs to fully cost its action plan and ensure that it is aligned with its Medium Term Financial Plan. While costing its action plan, the Council needs to consider the balance between what is needed to achieve net zero by 2030 and what is achievable given available resources, time and funding.

2.3 NPT Council Proposed Action

The Council commissioned a net zero bridging report to identify and analyse the gaps between the Council's Dare Strategy and Welsh Government's net zero 2030 requirements. The bridging report was completed in December 2022.

To address the recommendation issued by Audit Wales, the Council have been in discussion with the Carbon Trust to formulate a commission for producing a net zero carbon 2030 action plan for the Council's operational service delivery emissions. This will be a fully costed implementation action plan, enabling the Council to reach its net zero ambition.

The aim is to produce an all-embracing 'Net Zero Carbon 2030 Action Plan' (with phased targets and periodic milestones) which will sit under and integrate with a refreshed and updated DARE Strategy, essentially the Net Zero Carbon 2030 Action Plan will be an addendum and delivery mechanism for the DARE strategy, the intended approach will consist of:

- Updated (DARE) Strategy (Authority Wide) – Planned 2023
- Net zero Carbon 2030 Action Plan (Operational Service Delivery Emissions) - Planned 2023

It must be acknowledged that for the Council to effectively transition to net zero by 2030, it is going to take high levels of funding, resource, organisational change, structured training, application of new technologies and the need for a holistic approach with responsibility assigned across all directorates, departments and embraced by all staff across the organisational structure of the Council.

The Action Plan contained in Appendix 2 sets out the Council's response to the above recommendations.

The proposed actions also reflect and support the Council's motion to approve the Welsh Government's 'Climate Emergency' declaration.

Financial Appraisal

3. The Council has set aside DARE strategy funding, however the Council is unable to ascertain at this stage, what exactly the overall costs for the effective delivery of net zero will be. The net zero carbon 2030 action plan will help us to better understand the long and short terms costs to deliver net zero by 2030.

To deliver net zero 2030, the Council will maximise external funding sources where possible and when available. Although there will also be the need to utilise its own capital funds to fully enable the capacity to transition to net zero within the timescale required by Welsh Government.

Integrated Impact Assessment

4. There is no requirement to undertake an Integrated Impact Assessment on this report.

Valleys Communities Impact

5. There are no valley community impacts associated with this report.

Workforce Impact

6. At this moment the impacts on the Council's workforce are unknown, similar to the cost impact the net zero carbon 2030 action plan will look to identify potential work force impacts.

Legal Impact

7. There are no legal impacts associated with this report.

Risk Management

8. Audit Wales findings are a key input into the Council's corporate governance arrangements and the areas identified for improvement work inform the Annual Governance Statement and the associated improvement action plan.

Consultation

9. There is no requirement for external consultation on this item.

Recommendations

10. For Cabinet to note the actions contained within Appendix 2.

Reason for Proposed Decision

11. This is a matter for information. Therefore, no decision is required.

Implementation of Decision

12. This is a matter for information. Therefore, no decision is required.

Appendices

13. Appendix 1 – Audit Wales – Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report of the Auditor General for Wales (August 2022). Please access this appendix through the link below:

https://www.audit.wales/sites/default/files/publications/Public_Sector_Readiness_for_Net_Zero_Carbon_by_2030_Evidence_Report_English.pdf

14. Appendix 2 – Action Plan.

List of Background Papers

15. None

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