

Cabinet

Agenda

MONDAY
6 SEPTEMBER 2021
7.00 pm

MAIN HALL
FIRST FLOOR
3 SHORTLANDS
LONDON W6 8DA

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Date Issued
26 August 2021

Membership

Councillor Stephen Cowan, Leader of the Council
Councillor Sue Fennimore, Deputy Leader
Councillor Larry Culhane, Cabinet Member for Children and Education
Councillor Andrew Jones, Cabinet Member for the Economy
Councillor Wesley Harcourt, Cabinet Member for the Environment
Councillor Max Schmid, Cabinet Member for Finance and Commercial Services
Councillor Ben Coleman, Cabinet Member for Health and Adult Social Care
Councillor Lisa Homan, Cabinet Member for Housing
Councillor Adam Connell, Cabinet Member for Public Services Reform
Councillor Sharon Holder, Cabinet Member for Strategy

If you require further information relating to this agenda please contact:
Katia Neale, Committee Coordinator, tel: 07776 672 956 or email:
katia.neale@lbhf.gov.uk

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website: www.lbhf.gov.uk/councillors-and-democracy

PUBLIC NOTICE

The Cabinet hereby gives notice of its intention that it may want to hold part of this meeting in private to consider the exempt elements of items **10** which are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972, in that they relate to the financial or business affairs of any particular person, including the authority holding the information.

The Cabinet has received no representations as to why the relevant part of the meeting should not be held in private.



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Security staff will be waiting in reception to direct members of the public to the meeting room.

DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on item numbers **4-10** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to Kayode Adewumi at the above address, must be signed by at least ten registered electors of the Borough and will be subject to the Council's procedures on the receipt of deputations. **Deadline for receipt of deputation requests: Wednesday 1 September 2021.**

COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published on **Tuesday 7 September 2021**. Items on the agenda may be called in to the relevant Accountability Committee.

The deadline for receipt of call-in requests is: **Friday 10 September 2021 at 3.00pm**.

Decisions not called in by this date will then be deemed approved and may be implemented.

A confirmed decision list will be published after 3:00pm on **Friday 10 September 2021**.

Cabinet Agenda

6 September 2021

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1. MINUTES OF THE CABINET MEETING HELD ON 5 JULY 2021	5 - 14
2. APOLOGIES FOR ABSENCE	
3. DECLARATION OF INTERESTS	
<p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Standards Committee.</p>	
4. CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2020/21 (OUTTURN)	15 - 43
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LOCAL GOVERNMENT ACT 1972 - ACCESS TO INFORMATION

Proposed resolution:

Under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

London Borough of Hammersmith & Fulham

Cabinet

Minutes



Monday 5 July 2021

PRESENT

Councillor Stephen Cowan, Leader of the Council
Councillor Adam Connell, Cabinet Member for Public Services Reform
Councillor Wesley Harcourt, Cabinet Member for the Environment
Councillor Andrew Jones, Cabinet Member for the Economy

IN ATTENDANCE VIRTUALLY

Councillor Sue Fennimore, Deputy Leader
Councillor Larry Culhane, Cabinet Member for Children and Education
Councillor Lisa Homan, Cabinet Member for Housing
Councillor Sharon Holder, Cabinet Member for Strategy

INTRODUCTION

Councillor Stephen Cowan, the Leader of the Council, explained that due to the pandemic and the rapid spread of the Delta variant in H&F only four Cabinet Members were in attendance at the first Cabinet meeting back at the Council's offices since March 2020. The decision to take the minimum number of Cabinet Members in attendance was for safety reasons; however, the meeting was fully quorate. The other Cabinet Members and officers were in attendance virtually via Zoom.

The Leader stressed that it was deeply concerning the spread of the virus and the fact that only 55% of the borough's population had received the first dose of the vaccine. The Council strongly advised everyone to continue wearing masks, wash and sanitise hands regularly and respect the 2m social distancing. Everyone needed to take measures to ensure this coming winter would not have a repeat of the high level of infection rates recorded on the previous winter.

The Leader noted that today was the 73rd anniversary of the foundation of the NHS. Since the start of the pandemic, the NHS staff had been on the frontline in the battle against COVID-19 and had kept people safe in very difficult circumstances. The NHS and care workers should be celebrated as they had made the whole country proud.

1. MINUTES OF THE CABINET MEETING HELD ON 4 MAY 2021

That the minutes of the meeting of the Cabinet held on 4 May 2021 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ben Coleman and Max Schmid.

3. DECLARATION OF INTERESTS

Councillor Sue Fennimore subsequently declared a significant interest in respect of Items 10 and 11 on the agenda as she was a member of the board of OnSide Youth Zone. As she had joined the meeting virtually via Zoom, she did not participate in the discussion and vote thereon.

4. RESTORATION OF HAMMERSMITH BRIDGE

The Leader stated that this was a comprehensive report setting out several potential delivery models for the restoration of Hammersmith Bridge and funding options available to the Council, with a preference identified. Hammersmith Bridge would continue to require long term on-going monitoring and maintenance; therefore one of the proposals was to develop a toll or road charging scheme in order to finance the Council's contribution to the restoration and future maintenance of the bridge. He added that Hammersmith Bridge was a unique, Grade 2* listed suspension structure. Reopening the bridge, would restore an iconic, nationally significant heritage asset located within the borough.

The Leader complimented Sharon Lea, the Strategic Director for the Environment, and her team, for putting forward several options. Once a more extensive survey was carried out the best option would be chosen.

Councillor Wesley Harcourt reiterated that the Council was very keen to reopen the bridge as soon as possible. Apart from being a national monument, this bridge was an essential link between the north and the south of the borough.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. That Appendices 1 and 2 to this report are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings as set out in paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 (as amended).

2. That the Council further develops proposals for delivery model options as recommended in the report included at Appendix 2.
3. That the Council continues to explore the possibility of the establishment of a charitable trust and the potential for its involvement in delivery of the Project alongside other entities and funding options.
4. That the Cabinet agrees that the recommended preferred option for the Project (subject to additional work required in respect of recommendations 2 and 3) at this stage is a long-term contract with a private sector counterparty for the design, restoration, operation and maintenance of Hammersmith Bridge.
5. That Cabinet agrees that a toll or road charging scheme should be developed in order to finance the Council's contribution to the restoration and future maintenance and notes that the approval of the Secretary of State is required for a toll and the approval of the Mayor of London for a road charging scheme.
6. That the Council enters into a Memorandum of Understanding (MoU) with TfL and the Department for Transport
7. That Cabinet delegates authority to the Strategic Director for the Environment in consultation with the Director of Finance to take all the necessary steps to pursue the options in 1-6.

5. INVESTING IN OUR THIRD SECTOR

The Leader stated that he was extremely grateful to the third sector as it was a key community partner in improving the health and wellbeing of residents and creating a more inclusive, prosperous, and resilient borough. He also praised the immeasurable response of the borough's community and voluntary sector to the unprecedented challenges of the global Covid-19 pandemic, who had worked tirelessly throughout the pandemic to provide frontline services and support to residents. This report reaffirmed the Council's strong commitment to continued significant investment in the local third sector. It included the process for continuous improvement in the Council's approach to funding in light of Covid-19 learning.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. That Cabinet approves:
 - an annual 3SIF budget of £3,318,100 for two years (1 April 2021 to 31 March 2023)
 - funding renewal for projects set out in appendix 1 until 31 March 2023. Total value of these grant awards £2,153,838 per year.
 - the allocation of £160,000 per year for Fast Track small grants until 31 March 2023.

2. That Cabinet notes the continuation of the three Advice Forum contracts that run to 31 March 2028, at a value of £729,672 per year, and that these continue to offer critical services to residents.
3. That Cabinet approves the borough's subscription to the London Councils' Grants Programme, as agreed by London Councils' Leaders' Committee, at an annual value of £140,000.
4. That Cabinet agrees to delegate the decision to enter into, or, extend a grant agreement to the Strategic Director of Social Care, in consultation with the Deputy Leader, for the organisations listed in appendix 1; those awarded new infrastructure delivery agreements and successful fast track applicants.
5. That Cabinet agrees to delegate the decision to enter into new agreements, up to the total value of £134,590 per year, in 2021/22 and 2022/23, to the Strategic Director of Social Care, in consultation with the Deputy Leader for replacement projects where organisational change has taken place – to continue meeting outcomes.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

6. ENDING MODERN SLAVERY IN HAMMERSMITH & FULHAM: OUR STRATEGY FOR A COORDINATED COMMUNITY RESPONSE 2021-2026

The Leader stated that this report outlined the Council's response to tackling modern slavery. He stressed that everyone needed to work together to end this totally unacceptable crime.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. That approval be given to the contents and publication of Ending Modern Slavery in Hammersmith & Fulham: Our Strategy for a Coordinated Community Response 2021-2026, attached as Appendix 1.
2. To note that once the Strategy has been approved an accessible version of the strategy will be developed to be published at the same time.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

7. HOMELESSNESS AND ROUGH SLEEPING STRATEGY & THE TENANCY STRATEGY 2021

The Leader stated that both Councillor Fennimore and Councillor Homan had worked extensively on this subject, which was one of the Council's key priorities. This strategy described the Council's approach and identified the objectives for the prevention of homelessness and ending rough sleeping in the borough.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. To Adopt the:
 - a) Homelessness and Rough Sleeping Strategy (Appendix A); and
 - b) Tenancy Strategy (Appendix B).
2. To note the summary and analysis of responses to the Homelessness and Rough Sleeping Strategy, and Tenancy Strategy in the consultation Summary Report (Appendixes D and E).
3. To note the Equality Impact Assessment (Appendix D).

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

8. ANNUAL EMERGENCY & BUSINESS CONTINUITY REPORT

Councillor Wesley Harcourt presented the report and stated that the ability to respond and recover quickly from an incident was a measure of resilience and an important aspect of building safer and stronger communities. This report provided an overview of activity over the previous year and the priorities and work plan for the forthcoming year to ensure continuous improvement in the service. He thanked the Emergency Planning Team for their extensive work done over the past year.

NOTED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. To note that appendix 3 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. That Cabinet notes the report and the work plan for 2020-2021.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

9. PROCUREMENT STRATEGY FOR WASTE COLLECTION, RECYCLING AND STREET CLEANSING SERVICES

Councillor Wesley Harcourt stated that this report requested approval for a procurement strategy for the waste collection, recycling and street cleansing services, currently provided by Serco, from 30 January 2023 to October 2032.

In response to a question from Councillor Adam Connell, Councillor Harcourt replied that the Council had declared a Climate and Ecological Emergency, which had as a key area to reduce waste. The selected service provider would need to be committed to minimise the levels of household waste produced and increase the percentage of waste collected that could be recycled. There should also be a proactive engagement with residents about a more ecological food waste disposal, and also to work with residents to reduce the amount of wasted food they produced.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. To note that Appendix 1 is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
2. To approve in accordance with the Council's Contract Standing Order (CSO) 18.1 the procurement strategy for the waste collection, recycling and street cleansing services. The contract is estimated to start on 30th January 2023 to October 2032, with options to extend for a further eight years.
3. To delegate authority to the Strategic Director for the Environment, in consultation with the Cabinet Member for the Environment, to approve minor changes to the procurement process or to the evaluation methodology as set out in procurement strategy, for operational reasons if required.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

10. EDUCATION CITY - LAND APPROPRIATION

Councillor Sue Fennimore subsequently declared a significant interest in respect of this item, as she was a member of the board of OnSide Youth Zone. As she had joined the meeting virtually via Zoom, she did not participate in the discussion and vote thereon.

Councillor Andrew Jones stated that this report and the next one on the agenda – Investing in White City – where part of a substantial development that would bring significant benefits to the local economy, including 132 new homes, which would be 100% affordable, and to create a new mixed used education hub to include a high-quality primary school, new and expanded nursery for 75 children, new adult education facilities, new youth zone facilities and a new office for educational charities. The development would contribute to the borough's ambitions to maintain, improve, and further accelerate standards for education in the borough, which was one of the aims of the Industrial Strategy.

The Leader thanked Councillor Jones for his excellent work and added that the Industrial Strategy aimed to promote a model of inclusive growth which recognised the key role of schools in equipping residents with the skills and capability to benefit from the dynamism of the local economy. Learning spaces that facilitate the borough's children acquiring the skills necessary to compete successfully in the future knowledge economy would be critical.

Councillor Connell acknowledged the enormous benefit this scheme would bring to the community.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. To note that Appendix 2 is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
2. To resolve that the areas of land at the Education City development referred to in this **report and shown edged red on the plans at Appendix 1** ("the Land") are no longer required for the mixed education and health purposes for which they are currently held.
3. To approve the appropriation of the Land pursuant to section 122 of the Local Government Act 1972 for the planning purposes of facilitating redevelopment for residential and other uses pursuant to section 226 of the Town and Country Planning Act 1990.
4. To approve the use of powers to override easements and other rights in respect of the land pursuant to section 203 of the Housing and Planning Act 2016.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

11. INVESTING IN WHITE CITY

Councillor Sue Fennimore subsequently declared a significant interest in respect of this item, as she was a member of the board of OnSide Youth Zone. As she had joined the meeting virtually via Zoom, she did not participate in the discussion and vote thereon.

This report is related to the previous one on this agenda: Education City – Land Appropriation.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS PRESENT:

1. To note that appendices 1, 4, 5 and 7 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. To approve a capital budget of £2,701,500 for the White City Central project, to pursue the comprehensive redevelopment proposals including the full design, surveys and project management fees up to planning submission and procurement of the main contractor and feasibility and refurbishment works to the former NHS Health Centre, expected funding of the scheme as set out in Appendix 1.
3. To approve an investment of up to £39m in the form of development financing to EdCity Office Ltd to fund the cost of development and construction of the office building thereby facilitating the comprehensive development and regeneration of the site to provide 132 new affordable homes, a new school, new nursery, adult education centre and youth facilities.
4. To approve a corresponding capital budget of up to £39 million to be funded by an increase in the council's Capital Financing Requirement.
5. To delegate authority to the Strategic Director for the Economy in consultation with the Director of Finance and Head of Law to take all necessary steps to facilitate the decision in 3, including agreeing the final contractual terms for the investment facility (based on the heads terms in appendix 5) and subject to completing the assessment of the checklist of the six key subsidy principles (appendix 4).
6. To approve the conditions imposed by the Department for Education for the Education City project as set out in appendix 6.
7. To note the approach to engagement and consultation with residents and stakeholders at White City during the next stage of the design process up to planning submission.

8. To note the council entering into negotiations with the Department for Education with regards to the Section 77 application in respect of Randolph Beresford Nursery for the White City Central Project.
9. To note that the council has secured £900,000 from the MHLG land release funds that will reduce the overall contribution to costs of the Education City project from the council and development partner Ark.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

12. FORWARD PLAN OF KEY DECISIONS

The Key Decision List was noted.

13. DISCUSSION OF EXEMPT ELEMENTS (IF REQUIRED)

There was no discussion of exempt elements.

Meeting started: 7.04 pm
Meeting ended: 7.47 pm

Chair

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/09/2021

Subject: Capital Programme Monitor & Budget Variations, 2020/21 (Outturn)

Report of: Councillor Max Schmid, Cabinet Member for Finance and Commercial Services

Responsible Director: Emily Hill, Director of Finance

SUMMARY

This report provides a summary of the Council's capital programme outturn for the financial year 2020/21 and requests approval for budget variations to the capital programme.

RECOMMENDATIONS

1. To approve the proposed budget variations to the capital programme as summarised in Table 1 and detailed in Appendix 2.
2. To approve an adjustment of £422,317 to the budget for the construction of affordable units at Spring Vale estate funded by 30% of Greater London Authority (GLA) affordable housing grant and 70% Housing Revenue Account (HRA) borrowing, as detailed in section 19.
3. To note the capital outturn for the year.

Wards Affected: All

The capital programme contains schemes and projects which are directly linked to the Council's Business Plan 2018-22 and which deliver across the Council's priorities.

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	All capital investment decisions are required to be underpinned by a robust business plan that sets out the full costs and risks and any expected financial return alongside the broader outcomes including economic and social benefits. Officers are responsible for monitoring and delivering projects within approved budgets and reporting variances. This report provides detailed analysis of the Council's capital

Financial Impact

This report is wholly of a financial nature. The headline movements are:

- a net decrease in the 4-year capital programme of £12.6m to £479.6m.
- a net decrease in forecast 2020/21 expenditure of £13.7m (13.4% of the approved budget at the third quarter). The variations are detailed in Appendix 2.

Covid-19 is impacting the previously approved capital programme:

- a number of schemes have experienced delays due to social distancing restrictions
- the pandemic, and the potential for an economic downturn, may affect the expected costs, market and viability of schemes – this will be kept under review and mitigating actions will be considered as necessary
- the originally approved capital budget has been significantly reduced due to the loss of Transport for London (TfL) grants and the resulting removal of those capital schemes.

The 2020/21 Headline General Fund (GF) borrowing requirement (CFR) is £122.16m and is forecast to increase by £43.1m over the next four years to support capital investment. This would result in an estimated additional revenue budget outgoing of £2.2m per annum by 2024/25.

The Housing Revenue Account 2020/21 CFR is £233.05m, this is an increase of £17.29m in comparison to 2019/20.

Legal Implications

There are no direct legal implications in relation to this report. Legal advice will be sought for each Procurement within the programme and will comply with the Council's Contract Standing Orders and the Public Contract Regulations.

Contact Officer(s):

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Verified by Emily Hill, Director of Finance

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Background Papers Used in Preparing This Report

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report:

- Capital Programme 2020-24 (published February 2020)
-

CAPITAL PROGRAMME 2020/21 – OUTTURN OVERVIEW

- Capital expenditure for 2020/21 totalled £88.59m. This compared to the original budget of £141.43m and a forecast of £102.25m at quarter 3. Key areas of capital spend during the year included:
 - £42.2m investment in the Council's social housing stock and fire safety measures
 - £7.3m on the borough's highways and infrastructure schemes
 - £20m on the Civic Campus development
 - £10m on other Affordable Housing schemes.

An analysis of spend by department and proposed budget variations is shown in Table 1 with further details in Appendix 1. A full analysis of the programme funded from internal Council resource is included in section 2.

Table 1 – LBHF Capital Programme 2020-24 with proposed 2020/21 Q4 variations

	Analysis of Movements (Q3 budget to Q4)				Next Year Programme			Future years indicative budget £'000	Total Budget (All years) £'000	
	Revised Budget 2020/21 (Q3)	Slippages from/(to) future years	Addition/(Reduction)	Transfers	Revised Budget 2020/21 (Outturn)	2021/22 Original Budget	Slippages, Additions and Reductions			2021/22 Revised Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000			£'000
CAPITAL EXPENDITURE										
Children's Services	883	(175)	62	-	770	2,090	175	2,265	2,876	5,911
Social Care	2,372	(994)	177	-	1,555	957	994	1,951	-	3,506
Environment Department	11,224	(6,833)	3,489	-	7,880	3,648	6,833	10,481	4,892	23,253
Finance	1,612	(1,435)	45	-	222	4,430	1,435	5,865	-	6,087
General Fund Schemes under the Economy Department	32,102	(5,431)	145	-	26,816	76,748	(7,226)	69,522	70,304	166,642
Sub-total (General Fund)	48,193	(14,868)	3,918	-	37,243	87,873	2,211	90,084	78,072	205,399
Economy Department-HRA Programme	54,061	(4,310)	1,600	-	51,351	74,244	2,364	76,608	146,291	274,250
Sub-total Economy Department (HRA)	54,061	(4,310)	1,600	-	51,351	74,244	2,364	76,608	146,291	274,250
Total Expenditure	102,254	(19,178)	5,518	-	88,594	162,117	4,575	166,692	224,363	479,649
CAPITAL FINANCING										
Specific/External Financing:										
Government/Public Body Grants	2,826	(740)	239	-	2,325	3,047	740	3,787	2,876	8,988
Grants and Contributions from Private Developers (includes S106/CIL)	9,892	2,306	270	1,253	13,721	27,169	(3,824)	23,345	19,992	57,058
Capital Grants/Contributions from Non-departmental public bodies	2,032	(1,035)	391	(615)	773	-	1,119	1,119	-	1,892
Capital Grants and Contributions from GLA Bodies	2,838	(2,167)	1,403	(155)	1,919	632	1,542	2,174	1,017	5,110
Leaseholder Contributions (Housing)	2,891	-	(780)	-	2,111	5,380	-	5,380	5,193	12,684
Sub-total - Specific Financing	20,479	(1,636)	1,523	483	20,849	36,228	(423)	35,805	29,078	85,732
Mainstream Financing (Internal):										
Capital Receipts - General Fund	2,935	(1,435)	45	(1,323)	222	12,706	2,758	15,464	-	15,686
Capital Receipts - HRA	7,688	(1,776)	(2,384)	(270)	3,258	5,880	2,110	7,990	15,102	26,350
Major Repairs Reserve (MRR)	26,423	-	(137)	-	26,286	16,245	-	16,245	33,718	76,249
Earmarked Reserves (Revenue)	794	(904)	542	(261)	171	45	904	949	-	1,120
Sub-total - Mainstream Funding	37,840	(4,115)	(1,934)	(1,854)	29,937	34,876	5,772	40,648	48,820	119,405
Borrowing-General Fund	30,316	(10,823)	430	596	20,519	48,375	(2,493)	45,882	70,305	136,706
Borrowing -HRA	13,619	(2,604)	5,499	775	17,289	42,638	1,719	44,357	76,160	137,806
Total Capital Financing	102,254	(19,178)	5,518	-	88,594	162,117	4,575	166,692	224,363	479,649

2. The actual 2020/21 spend is £13.7m lower than last reported in the third quarter. The main adjustments are for the reprofiling of budgets to/from future years, alignment of budgets and new budgets approved in the last quarter. Full details are included in Appendix 2, the most significant changes being:
 - budget reprofiling to future years for Affordable Housing schemes (£6.9m), Transport and Infrastructure projects (£5.6m), Adult Social Care capital projects (£1m), North End Road Good Growth Fund (£1.2m), Watermeadow Court Joint Venture exit costs (£1.9m), Corporate Planned Maintenance (£2.8m) and Invest to Save schemes (£1.4m)
 - budget reprofiling from future years for (£2.6m) for HRA Asset Management and Compliance Programme
 - budget additions for Transport projects (£3.1m) and Affordable Housing schemes (£1.4m).
3. A net increase in the 2021/22 programme of £4.58m is proposed. This is mainly attributable to the reprofiling of budgets from 2020/21 to future years. Detailed analysis of the proposed variations to 2021/22 programme is presented in Appendix 2.
4. The capital programme presented is based on approved projects and known funding allocations. The 2021/22 budget will be updated in the first quarter monitor for 2021/22. The indicative future years analysis (2022 onwards) will be updated as pipeline schemes are agreed; these future years remain subject to approval in future capital programmes. Departments, such as Children's Services and Adult Social Care, whose capital programme has traditionally depended on external specific grants, will be updated as and when future grants are confirmed and reported in the quarterly capital monitor.

GENERAL FUND – MAINSTREAM PROGRAMME AND CAPITAL RECEIPTS

5. The General Fund (GF) mainstream programme cuts across the departments and represents schemes which are funded from Council resources (capital receipts or borrowing). It is the area of the programme where the Council has the greatest discretion. The mainstream programme is summarised in Table 2.

Table 2 – LBHF GF Mainstream Capital Programme 2020-24 with proposed 2020/21 Q4 variations:

	Revised Budget 2020/21 (Q3)	Variations (Q4)	Revised Budget 2020/21 (Outturn)	2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	Indicative Budget 2022/23	Indicative Budget 2023/24	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure									
Ad Hoc Schemes:									
Social Care Capital projects [ASC]	129	(129)	-	-	129	129	-	-	129
Invest to Save-Flexible Use of Capital Receipts	1,612	(1,390)	222	4,430	1,435	5,865	-	-	6,087
Capital Investment in Street Lighting [ENV]	831	(831)	-	269	831	1,100	-	-	1,100
WMC JV Exit Costs [ECD]	3,491	(1,688)	1,803	-	1,998	1,998	-	-	3,801
Carnwath Road [ECD]	-	-	-	1,870	-	1,870	-	-	1,870
Hammersmith Bridge [ENV]	1,480	699	2,179	-	-	-	-	-	2,179
P&D Upgrade and Pay by Phone [ENV]	30	-	30	-	-	-	-	-	30
Other Highways Capital Schemes [ENV]	103	(103)	-	17	-	17	-	-	17
North End Road - Good Growth Fund [ECD]	610	(588)	22	610	(22)	588	610	-	1,220
HRA Watermeadow adjustment [ECD]	1,323	(1,323)	-	109	1,323	1,432	-	-	1,432
Hammersmith Town Hall Refurbishment* [ECD]	-	-	-	-	-	-	1,300	-	1,300
Hammersmith Town Hall Fit Out* [ECD]	-	-	-	7,256	-	7,256	2,725	-	9,981
Schools Regeneration Programme [ECD]	1,825	198	2,023	89	(89)	-	-	-	2,023
Education City regeneration [ECD]	-	97	97	-	-	-	-	-	97
Education City regeneration- Youth Facility [ECD]	-	-	-	875	-	875	2,625	-	3,500
Acquisition of Cinema Site [ECD]	72	(72)	-	-	-	-	-	-	-
Farm Lane/Mund Street [ECD]	-	-	-	2,004	-	2,004	-	-	2,004
Investment in Affordable Housing-Lillie Road Site [ECD]	75	(17)	58	1,727	17	1,744	-	-	1,802
Planned Maintenance/DDA Programme [ECD]	3,788	(2,788)	1,000	5,268	2,789	8,057	2,400	2,400	13,857
Electric Vehicles [ENV]	-	297	297	549	(165)	384	-	-	681
Footways and Carriageways [ENV]	2,397	(792)	1,605	2,030	792	2,822	2,030	2,030	8,487
Column Replacement [ENV]	346	(36)	310	346	36	382	346	346	1,384
Public CCTV [ENV]	12	(12)	-	-	-	-	-	-	-
Parks Programme & Libraries [ENV]	461	(448)	13	-	448	448	-	-	461
Total Mainstream Programmes	18,585	(8,926)	9,659	27,449	9,522	36,971	12,036	4,776	63,442
Financing									
Capital Receipts	2,935	(2,713)	222	12,706	2,758	15,464	-	-	15,686
Increase/(Decrease) in Borrowing	15,650	(6,213)	9,437	14,743	6,764	21,507	12,036	4,776	47,756
Total Financing	18,585	(8,926)	9,659	27,449	9,522	36,971	12,036	4,776	63,442

- The 2020/21 mainstream programme has decreased by £8.9m in comparison to the third quarter. Table 2 details the movements.
- The mainstream programme presented in Table 2 does not include self-financing schemes (where the net General Fund revenue borrowing costs are nil). Appendix 5 details the self-financing schemes and their borrowing requirement.
- A key financial focus of the capital monitoring report is the potential impact of capital expenditure on future borrowing and its revenue affordability. The Council's underlying need to borrow for a capital purpose is measured through the Capital Financing Requirement (CFR). The General Fund Headline CFR (excluding the self-financing schemes set out in Appendix 5) is £122.16m as at the end of 2020/21, an in-year increase of £8.08m.
- The underlying need to borrow is forecast to increase by £41m over the next four years to support capital programme. By 2024/25 this will increase annual revenue borrowing costs by an estimated £2.4m. This will need to be allowed

for within future budget planning and the medium-term financial strategy process.

10. General Fund capital receipts have increased by £0.05m in 2020/21. The General Fund capital programme also includes capital receipts of £2.2m carried forward to 2021/22. These will support invest to save expenditure and IT investment to protect use of the Council's reserves. This is in line with the Council's reserves strategy as it contributes towards strengthening the Council's future financial resilience. The identification of additional receipts will protect reserves by enabling, the flexible use of capital receipts to fund invest to save costs and potential capitalisation of other relevant costs in line with proper accounting or statutory practice. The use of capital receipts to fund new capital expenditure will also reduce the Council's need to borrow and therefore reduce the revenue costs of that borrowing with new borrowing incurring an estimated annual revenue cost of £52,500 per annum per £1m.

HOUSING CAPITAL PROGRAMME OVERVIEW

11. Housing Capital expenditure for 2020/21 totalled £51.35m. The expenditure and resource analysis of the Housing Programme is summarised in Table 3 below.

Table 3 – Housing Capital Programme 2020-24 with proposed 2020/21 outturn variations:

	Revised Budget 2020/21 (Q3)	Total Variations	Revised Budget 2020/21 (Q4)	2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	Indicative 2022/23 Budget	Indicative 2023/24 Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure								
HRA Asset Management and Compliance Programme	39,597	2,587	42,184	53,570	1,781	55,351	41,155	24,698
Building Homes and Communities Strategy	2,903	(1,463)	1,440	13,511	1,470	14,981	18,883	36,366
Other HRA Capital Schemes	11,561	(3,834)	7,727	7,163	(887)	6,276	10,694	14,495
Total Housing Programme	54,061	(2,710)	51,351	74,244	2,364	76,608	70,732	75,559
Available and Approved Resource								
Capital Receipts - Unrestricted	2,857	(1,098)	1,759	3,172	828	4,000	2,000	2,000
Capital Receipts - RTB (141)	4,831	(3,332)	1,499	2,708	1,282	3,990	6,503	4,599
Capital Receipts - GF	1,323	(1,323)	-	109	1,323	1,432	-	-
Major Repairs Reserve (MRR)	26,423	(136)	26,287	16,245	-	16,245	16,651	17,067
Contributions Developers (S106)	725	823	1,548	3,985	(2,949)	1,036	6,580	9,146
Insurance claims	780	(780)	-	-	-	-	-	-
Contributions from leaseholders	2,891	(780)	2,111	5,380	-	5,380	3,791	1,402
Capital Grants and Contributions from GLA Bodies	612	(20)	592	7	20	27	392	-
Borrowing (HRA)	13,619	3,669	17,288	42,638	1,719	44,357	34,815	41,345
Borrowing (GF)	-	267	267	-	141	141	-	-
Total Funding	54,061	(2,710)	51,351	74,244	2,364	76,608	70,732	75,559

12. Within the Housing Capital Programme there has been a net budget decrease of £2.7m. Detailed analysis of the budget variances is presented in Appendix 2. The risks associated with funding the future years' Housing Capital Programme are summarised in paragraphs 26-28.

13. The HRA CFR is shown in Table 4 below:

Table 4 – HRA CFR at 2020/21 outturn (including future years forecast)

HRA CFR Forecast	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m
Closing Forecast HRA CFR	215.76	233.05	277.40	312.22	353.56

14. The Housing Revenue Account 2020/21 CFR has increased by £17.29m in comparison to 2019/20. This is mainly due to 2019/20 budgets being reprofiled to 2020/21, HRA Asset Management and Compliance Programme budgets being brought forward from the future years due to accelerated works and a reduction in previously forecast funding resources. The HRA CFR is forecast to increase to £353.56m by the end of 2023/24.

15. The Council will shortly be completing the construction of 10 genuinely affordable units in Spring Vale estate in August 2021. However, an adjustment of the construction budget is needed to account for the following matters:

- Fire safety enhancement driven by regulatory changes
- Council driven enhancements such as installation of sprinkler system
- Council driven upgrade of specification, following change of intended tenure
- Covid-19 impact on construction activities which affected the programme.

The adjustment of the project's budget of £422,317 will be funded by 30% GLA affordable housing grant and 70% HRA borrowing. This adjustment will be reflected in a variation of the construction contract with ArkBuild Plc resulting in a total contract value of £3,594,297. This proposed adjustment is not included in the current capital programme and it will be added to the forecast in the first quarter of 2021/22.

16. On 1 July 2019 Cabinet approved the Council's Asset Management and Compliance Programme which has a focus on health and safety works. 2020/21 spend includes £13.9m of expenditure related to Health & Safety, of which £10.7m is on specific fire safety capital works as detailed in Table 5 below.

Table 5 – Compliance and Health and Safety spend 2020/21

HRA Capital Programme: Health & Safety budget and forecast as at end of Financial Year 2020-21					
	Total Approved Budget £'000	Total Spend Forecast £'000	Approved Budget 2020-21 £'000	Actual Spend 2020-21 £'000	2020-21 Budget Variance £'000
Approved Schemes					
Fire Safety Compliance Programme	25,350	24,149	4,468	8,861	4,393
Fire Safety Complex Schemes	29,316	29,210	1,447	1,861	414
Safety Works - Electrical	13,236	20,004	2,106	1,751	(355)
Safety Works - Other	6,077	7,589	946	1,470	524
Total	73,979	80,952	8,967	13,943	4,976

HOUSING CAPITAL PROGRAMME RISKS

17. The following risks associated with funding of future years' expenditure have been identified within the Housing Capital programme:
18. **S106 Funding:** The proposed programme for 2020/21–2023/24 relies on £20.7m of S106 receipts for affordable housing, of which £16.1m has been received to date with the remainder dependent on the associated developments proceeding in a timely manner. The impact of Covid-19 on the progress of developments and related developer contributions is being monitored jointly with Finance and Planning and mitigating actions will be considered if necessary, such as substituting other funding in the Housing programme.
19. **Right to Buy funding:** Right to Buy (RTB) one for one receipts need to be repaid with interest to Central Government where these are not used within the required timescales. There is therefore a financial risk if affordable housing schemes do not proceed to programme. These receipts are ringfenced to the provision of affordable housing within three years of receipt and the Council's agreement with the GLA, extends by a further three years. As at 1 April 2021, the GLA held £23.9m of Hammersmith & Fulham RTB receipts which need to be used by Q2 2023/24. This is the equivalent of £60m¹ of capital expenditure to be delivered over the next two and half years. The approved schemes and the pipeline² is sufficient to make use of these receipts if delivered on time. MHCLG has issued updated guidance which provides two more years (five years in total) to use RTB receipts. The Council is seeking clarity from the GLA on whether there will be any similar 2-year extension to receipts already held with the GLA, which will provide additional flexibility to the Council's development programme without the risk of losing receipts
20. **Building Safety and Fire Safety Bills:** The Building Safety Bill is going through the Parliamentary process with the Fire Safety Act recently enacted. These will significantly impact on the Council in its role as landlord. Whilst the Council has already approved its current Asset Management and Compliance Programme, which is included in the Capital Programme, additional safety requirements and further significant capital requirements will need to be considered. An updated Asset Management Capital Strategy, setting out a 12- year plan, is being considered separately by Cabinet. The impact of the proposals have been modelled in the latest HRA 40-year Business Plan and indicates a requirement for additional revenue savings to finance the capital servicing costs involved.

REASONS FOR DECISION

¹ The recently published MHCLG guidance suggests that 1-4-1 receipts can now fund 40% of the total expenditure, with remaining 60% being funded from mixture of non-housing receipts, S106 and borrowing. The Council is still considering the implications of this change in guidance

² The housing development pipeline was presented to Cabinet on 3 March 2020 in the report "Financial Plan for Council Homes".

21. This report reports the year-end outturn position to Cabinet and seeks revisions to the Capital Programme which require the approval of Cabinet in accordance with the Council's financial regulations.

EQUALITY IMPLICATIONS

22. There are no direct equalities implications in relation to this report. This paper is concerned entirely with financial management issues and, as such, the recommendations relating to an increase in capital allocations, will not impact directly on any group with protected characteristics, under the terms of the Equality Act 2010.

IMPLICATIONS FOR BUSINESS

23. The Council's Capital Programme represents significant expenditure within the Borough and consequently, where supplies are sourced locally, may impact either positively or negatively on local contractors and sub-contractors. Where capital expenditure increases, or is brought forward, this may have a beneficial impact on local businesses; conversely, where expenditure decreases, or is slipped, there may be an adverse impact on local businesses.
24. Projects contained in the capital programme are approved on individual basis and the business implications for each of them are considered in more detail in their specific reports.
25. Implications completed by: Nicki Burgess, Business and Enterprise Manager, Economic Development, Tel:07796610094.

RISK MANAGEMENT

26. In the initial stages of any development, major capital projects will have significant uncertainties. For example, these may relate to the planning process, the views and interest of residents and stakeholders who must be consulted, ground conditions, or the costs of rectifying or demolishing existing buildings (e.g. the cost of asbestos removal). Construction companies and developers contracting with the Council which experience financial instability, particularly an issue following Covid-19 pandemic pressures or Brexit and the impact of cost inflation. They may not be able to raise sufficient finance to cash flow operations, any potential insolvency process could lead to a costly process of changing suppliers without any guarantee of remaining within overall budget, the Council could suffer direct financial loss and any defects or other issues may not be resolvable as anticipated. To mitigate the Council carefully considers the financial robustness of any contractor and requests appropriate financial standing assurance and support wherever possible.
27. Large scale capital projects can operate in environments which are complex, turbulent, and continually evolving. Effective risk identification and control within such a dynamic environment is more than just populating a project risk register or appointing a project risk officer. Amplifying the known risks so that they are not hidden or ignored, demystifying the complex risks into their more

manageable sum of parts and anticipating the slow emerging risks which can escalate rapidly are all necessary components of good capital programme risk management.

28. The report identifies a number of risks which may impact on the future funding of the Housing Capital Programme. It is important that strong corporate and directorate oversight and monitoring of these risks is maintained and appropriate ongoing assurances provided to councillors on the management of these risks.
29. The impact to councils of the Grenfell Tower fire are yet to be fully established. It is certain that many councils are/will be undertaking property reviews to determine the levels of improvements required to ensure fire safety arrangements within their buildings meet both the expectations of the residents and that they comply with building regulations and other statutory duties. The Regulatory Reform (Fire Safety) Order 2005 places specific duties placed on the Council as the Responsible Person for its buildings to assess the risk from fire and put in measures to control those risks.
30. The Dame Judith Hackitt independent review of fire safety, following the Grenfell tragedy, recognises that High Rise Residential Buildings (10 Storeys and above) are a special risk where layers of fire protection must be put in place so as to reduce the risk to as low as reasonably possible, however reducing the risk for all residential accommodation is fundamental. This process is on-going and must be continually reviewed at least annually.
31. All works must comply with the Construction (Design and Management) Regulations. The Council must appoint a Principal Designer and Principal Contractor with the necessary and demonstrable expertise and competence.
32. Proposals set out in this report seek to comply with the Council's legal duties.
33. Implications completed by: David Hughes, Director of Audit, Risk and Insurance, Tel: 020 7361 2389.

VAT IMPLICATIONS

34. The Council needs to carefully consider its VAT partial exemption calculation and the risk of breaching the partial exemption threshold. Capital projects represent the bulk of this risk. A breach would likely cost the Council between £2-£3m per year whilst in breach. Finance are working closely with departments to ensure that partial exemption risks are considered as part of significant capital projects. Further detail on the Council's partial exemption is included in Appendix 4.
35. Implications verified by: Chris Harris, Chief Accountant, Corporate Finance, Tel: 020 8753 6440.

LIST OF APPENDICES:

Appendix 1 – Detailed capital budget, spend and variation analysis by department
Appendix 2 – Analysis of budget variations

Appendix 3 – Capital receipts forecast

Appendix 4 – VAT partial exemption

Appendix 5 – Capital Financing Requirement (CFR) and Minimum Revenue Provision (MRP)

Appendix 1 – Detailed capital budget, spend and variation analysis by department

Children's Services

	Current Year Programme					Next Year Programme			Indicative Future Years Analysis			
	Analysis of Movements (Q3 budget to Q4)											
Revised Budget 2020/21 (Q3)	Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements	Revised Budget 2020/21 (Q4)	2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	2022/23 Budget	2023/24 Budget	Total Budget (All years)	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Scheme Expenditure Summary												
Schools Organisational Strategy	249	(138)	-	-	(138)	111	-	138	138	-	-	249
Schools Window Replacement Project	-	-	62	-	62	62	-	-	-	-	-	62
School Maintenance Programme	634	(37)	-	-	(37)	597	2,090	37	2,127	1,800	1,076	5,600
Total Expenditure	883	(175)	62	-	(113)	770	2,090	175	2,265	1,800	1,076	5,911
Capital Financing Summary												
Specific/External or Other Financing												
Capital Grants from Central Government	883	(175)	62	-	(113)	770	2,090	175	2,265	1,800	1,076	5,911
Sub-total - Specific or Other Financing	883	(175)	62	-	(113)	770	2,090	175	2,265	1,800	1,076	5,911
Total Capital Financing	883	(175)	62	-	(113)	770	2,090	175	2,265	1,800	1,076	5,911

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Social Care Services	Current Year Programme					Next Year Programme			Indicative Future Years Analysis		
	Analysis of Movements (Q3 budget to Q4)					2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total Budget (All years) £'000
	Revised Budget 2020/21 (Q3) £'000	Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000						
Scheme Expenditure Summary											
Extra Care New Build project (Adults' Personal Social Services Grant)	-	-	-	-	-	957	-	957	-	-	957
Disabled Facilities Grant	1,185	(357)	177	-	(180)	1,005	357	357	-	-	1,362
Transforming Care (Winterbourne Grant)	300	(300)	-	-	(300)	-	300	300	-	-	300
Social Care Capital Projects	887	(337)	-	-	(337)	550	337	337	-	-	887
Total Expenditure	2,372	(994)	177	-	(817)	1,555	994	1,951	-	-	3,506
Capital Financing Summary											
Specific/External or Other Financing											
Capital Grants from Central Government	1,943	(565)	177	-	(388)	1,555	565	1,522	-	-	3,077
Capital Grants/Contributions from Non-departmental public bodies	300	(300)	-	-	(300)	-	300	300	-	-	300
Sub-total - Specific or Other Financing	2,243	(865)	177	-	(688)	1,555	865	1,822	-	-	3,377
Borrowing	129	(129)	-	-	129	-	129	129	-	-	129
Total Capital Financing	2,372	(994)	177	-	(817)	1,555	994	1,951	-	-	3,506

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Environment Department	Current Year Programme					Next Year Programme			Indicative Future Years Analysis		Total Budget (All years) £'000	
	Analysis of Movements (Q3 budget to Q4)					Revised Budget 2020/21 (Q4) £'000	2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000		2023/24 Budget £'000
	Revised Budget 2020/21 (Q3) £'000	Slippages from/(to) future years £'000	Additions/ (Reductions) £'000	Transfers £'000	Total Transfers/ Virements £'000							
Scheme Expenditure Summary												
Footways and Carriageways	2,397	(769)	-	(25)	(794)	1,603	2,030	769	2,799	2,030	2,030	8,462
Transport For London Schemes	772	(265)	(24)	-	(289)	483	-	265	265	-	-	748
Safer Cycle Pathway (TFL/S278 funded)	376	(65)	110	-	45	421	-	65	65	-	-	486
Hammersmith Bridge Strengthening	1,968	(1,228)	2,070	-	842	2,810	-	1,228	1,228	-	-	4,038
Controlled Parking Zones	168	-	-	(168)	(168)	-	-	-	-	-	-	0
Electric Vehicle Infrastructure	-	(216)	160	168	112	112	-	216	216	-	-	328
Column Replacement	323	(5)	-	(7)	(12)	311	346	5	351	346	346	1,354
LED Lighting Replacement Programme	23	-	-	7	7	30	-	-	-	-	-	30
P&D Upgrade and Pay by Phone	30	-	(30)	-	(30)	-	-	-	-	-	-	0
Other Highways Capital Schemes	2,043	(1,916)	716	25	(1,175)	868	17	1,916	1,933	-	-	2,801
Counters Creek (Thames Water funded)	167	(56)	60	-	4	171	-	56	56	-	-	227
Bloemfontein Road (Thames Water/Suds)	350	-	-	-	-	350	-	-	-	-	-	350
Public CCTV	12	-	42	-	42	54	-	-	-	-	-	54
Capital Investment in Street Lighting	831	(831)	-	-	(831)	-	269	831	1,100	-	-	1,100
Parks Capital Rolling Programme	199	(120)	36	(8)	(92)	107	-	120	120	-	-	227
Other Parks Capital Schemes	291	(135)	3	6	(126)	165	-	135	135	-	-	300
Shepherds Bush Common Improvements	2	-	10	-	10	12	-	-	-	-	-	12
Fulham Football Club -Bishops Park	113	(370)	336	2	(32)	81	-	370	370	-	-	451
Containers (Recycling/Food)	199	(21)	-	-	(21)	178	-	21	21	-	-	199
Electric Vehicles	182	(104)	-	-	(104)	78	594	104	698	-	-	776
Other (Delivery, RFID, Charge Points)	208	(167)	-	-	(167)	41	-	167	167	-	-	208
Libraries Investment Programme	5	-	-	-	-	5	-	-	-	-	-	5
Leisure Centre Capital Investment	565	(565)	-	-	(565)	-	392	565	957	50	90	1,097
Total Expenditure	11,224	(6,833)	3,489	-	(3,344)	7,880	3,648	6,833	10,481	2,426	2,466	23,253

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Environment Department	Current Year Programme					Next Year Programme			Indicative Future Years Analysis		Total Budget (All years) £'000	
	Analysis of Movements (Q3 budget to Q4)					2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000		
	Revised Budget 2020/21 (Q3) £'000	Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000							Revised Budget 2020/21 (Q4) £'000
Specific/External or Other Financing												
Grants and Contributions from Private Developers (includes S106/S278)	2,573	(1,812)	760	272	(780)	1,793	392	1,812	2,204	50	90	4,137
Capital Grants/Contributions from Non-departmental public bodies	597	(641)	391	(180)	(430)	167	-	641	641	-	-	808
Capital Grants and Contributions from GLA	1,601	(1,534)	1,403	(155)	(286)	1,315	-	1,534	1,534	-	-	2,849
Sub-total - Specific or Other Financing	4,771	(3,987)	2,554	(63)	(1,496)	3,275	392	3,987	4,379	50	90	7,794
Mainstream Financing (Internal Council Resource)												
Capital Receipts	-	-	-	-	-	-	1,056	-	1,056	-	-	1,056
Use of Reserves	794	(904)	542	(261)	(623)	171	45	904	949	-	-	1,120
Sub-total - Mainstream Funding	794	(904)	542	(261)	(623)	171	1,101	904	2,005	-	-	2,176
Borrowing	5,659	(1,942)	393	324	(1,225)	4,434	2,155	1,942	4,097	2,376	2,376	13,283
Total Capital Financing	11,224	(6,833)	3,489	-	(3,344)	7,880	3,648	6,833	10,481	2,426	2,466	23,253

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Finance Department	Current Year Programme					Next Year Programme			Indicative Future Years Analysis			
	Analysis of Movements (Q3 budget to Q4)											
	Revised Budget 2020/21 (Q3)	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements	Revised Budget 2020/21 (Q4)	2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	2022/23 Budget	2023/24 Budget	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scheme Expenditure Summary												
Invest to Save - Flexible Use of Capital Receipts	1,612	(1,435)	45	(80)	(1,470)	142	4,430	1,435	5,865	-	-	6,007
Investment in Digital Infrastructure	-	-	-	80	80	80	-	-	-	-	-	80
Total Expenditure	1,612	(1,435)	45	-	(1,390)	222	4,430	1,435	5,865	-	-	6,087
Capital Financing Summary												
Mainstream Financing (Internal Council Resource)												
Capital Receipts	1,612	(1,435)	45	-	(1,390)	222	4,430	1,435	5,865	-	-	6,087
Sub-total - Mainstream Funding	1,612	(1,435)	45	-	(1,390)	222	4,430	1,435	5,865	-	-	6,087
Total Capital Financing	1,612	(1,435)	45	-	(1,390)	222	4,430	1,435	5,865	-	-	6,087

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Economy Department General Fund Managed Schemes	Current Year Programme					Next Year Programme			Indicative Future Years Analysis			
	Analysis of Movements (Q3 budget to Q4)					Revised Budget 2020/21 (Q4) £'000	2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total Budget (All years) £'000
	Revised Budget 2020/21 (Q3) £'000	Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000							
Scheme Expenditure Summary												
Civic Campus												
Acquisition of Land at 207 King St	72	-	(72)	-	(72)	-	-	-	-	-	-	-
Hammersmith Town Hall Refurbishment *	5,564	4,153	108	-	4,261	9,825	18,708	(2,733)	15,975	5,426	-	31,226
HTH Refurbishment -Fit Out	-	-	-	-	-	-	7,256	-	7,256	2,725	-	9,981
Acquisition of commercial units	10,110	(2,917)	-	-	(2,917)	7,193	17,793	(7,079)	10,714	16,738	28,355	63,000
Equity Loan (Civic Campus)	4,557	(670)	-	-	(670)	3,887	15,839	(2,176)	13,663	8,400	-	25,950
Subtotal Civic Campus	20,303	566	36	-	602	20,905	59,596	(11,988)	47,608	33,289	28,355	130,157
Building Homes and Communities Strategy (GF sites)												
Education City -Youth Facility	-	-	-	-	-	-	2,625	-	2,625	2,625	-	5,250
Schools Regeneration Programme	1,825	89	109	-	198	2,023	89	(89)	-	-	-	2,023
Farm Lane	125	(66)	-	-	(66)	59	1,145	66	1,211	-	-	1,270
Mund Street	125	(64)	-	-	(64)	61	3,109	64	3,173	-	-	3,234
Investment in Affordable Housing-Lillie Road Site	75	(16)	-	-	(16)	59	1,727	16	1,743	-	-	1,802
Subtotal Building Homes and Communities Strategy (GF sites)	2,150	(57)	109	-	52	2,202	8,695	57	8,752	2,625	-	13,579
Other GF Capital Schemes managed by the Economy												
Sands End Community Centre	1,135	(94)	-	-	(94)	1,041	84	94	178	-	-	1,219
Planned Maintenance/DDA Programme	3,788	(2,788)	-	-	(2,788)	1,000	5,268	2,788	8,056	2,400	2,400	13,856
Carwath Road	-	-	-	-	-	-	1,870	-	1,870	-	-	1,870
North End Road - Business Low Emissions Neighbourhood	125	(113)	-	-	(113)	12	125	(12)	113	125	-	250
North End Road - Good Growth Fund	1,110	(1,088)	-	-	(1,088)	22	1,110	(22)	1,088	1,110	-	2,220
WMC JV Exit Costs	3,491	(1,857)	-	-	(1,857)	1,634	-	1,857	1,857	-	-	3,491
Subtotal Other GF Capital Schemes managed by the Economy	9,649	(5,940)	-	-	(5,940)	3,709	8,457	4,705	13,162	3,635	2,400	22,906
Total Expenditure	32,102	(5,431)	145	-	(5,286)	26,816	76,748	(7,226)	69,522	39,549	30,755	166,642

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Economy Department General Fund Managed Schemes	Current Year Programme					Next Year Programme			Indicative Future Years Analysis		Total Budget (All years) £'000	
	Revised Budget 2020/21 (Q3) £'000	Analysis of Movements (Q3 budget to Q4)				Revised Budget 2020/21 (Q4) £'000	2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000		2023/24 Budget £'000
		Slippages from/(to) future years £'000	Additions/ (Reductions) £'000	Transfers £'000	Total Transfers/ Virements £'000							
Specific/External or Other Financing												
Grants and Contributions from Private Developers (includes S106)	250	(130)	108	435	413	663	4,084	46	4,130	-	-	4,793
Community Infrastructure Levy (CIL)	5,564	4,153	-	-	4,153	9,717	18,708	(2,733)	15,975	4,126	-	29,818
Capital Grants/Contributions from Non-departmental public bodies	1,135	(94)	-	(435)	(529)	606	-	178	178	-	-	784
Capital Grants and Contributions from GLA Bodies	625	(613)	-	-	(613)	12	625	(12)	613	625	-	1,250
Sub-total - Specific or Other Financing	7,574	3,316	108	-	3,424	10,998	23,417	(2,521)	20,896	4,751	-	36,645
Mainstream Financing (Internal Council Resource)												
Capital Receipts (HRA)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Receipts (GF)	-	-	-	-	-	-	7,111	-	7,111	-	-	7,111
Sub-total - Mainstream Funding	-	-	-	-	-	-	7,111	-	7,111	-	-	7,111
GF Borrowing	24,528	(8,747)	37	-	(8,710)	15,818	46,220	(4,705)	41,515	34,798	30,755	122,886
Total Borrowing	24,528	(8,747)	37	-	(8,710)	15,818	46,220	(4,705)	41,515	34,798	30,755	122,886
Total Capital Financing	32,102	(5,431)	145	-	(5,286)	26,816	76,748	(7,226)	69,522	39,549	30,755	166,642

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Economy Department- HRA Capital Programme	Current Year Programme					Next Year Programme			Indicative Future Years Analysis			
	Analysis of Movements (Q3 budget to Q4)					Revised Budget 2020/21 (Q4) £'000	2021/22 Original Budget £'000	Slippages, Additions and Reductions £'000	2021/22 Revised Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total Budget (All years) £'000
	Revised Budget 2020/21 (Q3) £'000	Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000							
Scheme Expenditure Summary												
HRA Asset Management and Compliance Programme												
Pre Agreed Works	16,716	(773)	-	-	(773)	15,943	13,775	(3,196)	10,579	4,063	983	31,568
Fire Safety Compliance Programme	4,468	4,393	-	-	4,393	8,861	13,194	(2,488)	10,706	3,250	1,332	24,149
Fire Safety Complex Schemes	1,447	414	-	-	414	1,861	2,433	3,431	5,864	8,709	12,776	29,210
Pre Agreed Lift Scheme	2,776	449	-	-	449	3,225	2,679	(171)	2,508	2,953	-	8,686
Pre Agreed Boiler Scheme	1,795	(634)	-	564	(70)	1,725	1,400	1,362	2,762	2,500	2,500	9,487
Safety Works - Electrical	2,106	(1,595)	-	1,240	(355)	1,751	6,475	2,372	8,847	6,384	2,389	19,371
Safety Works	946	524	-	-	524	1,470	2,615	(625)	1,990	3,488	641	7,589
Void Works	1,948	259	-	-	259	2,207	2,249	1,273	3,522	1,976	-	7,705
Neighbourhood, parking & garage improvements	1,417	(718)	-	-	(718)	699	2,469	1,454	3,923	3,282	477	8,381
Capitalised salaries	2,714	217	-	-	217	2,931	2,952	198	3,150	3,000	2,000	11,081
Capitalised repairs	3,264	51	-	(1,804)	(1,753)	1,511	3,329	(1,829)	1,500	1,550	1,600	6,161
Subtotal HRA Asset Management and Compliance Programme	39,597	2,587	-	-	2,587	42,184	53,570	1,781	55,351	41,155	24,698	163,388
Building Homes and Communities Strategy (HRA sites)												
Homes & Communities Strategy	100	(66)	-	-	(66)	34	1,384	66	1,450	-	-	1,484
White City Estate Regeneration	776	(141)	-	-	(141)	635	2,059	141	2,200	-	-	2,835
Old Laundry Yard	157	(95)	-	-	(95)	62	1,076	95	1,171	-	-	1,233
Education City- HRA element	1,870	(1,168)	7	-	(1,161)	709	8,992	1,168	10,160	18,883	36,366	66,118
Subtotal Building Homes and Communities Strategy (HRA sites)	2,903	(1,470)	7	-	(1,463)	1,440	13,511	1,470	14,981	18,883	36,366	71,670
Other HRA Capital Schemes												
Housing Development Project	2,354	(389)	(42)	-	(431)	1,923	306	389	695	56	-	2,674
Stanhope Joint Venture	625	3	(21)	-	(18)	607	5,985	(4,305)	1,680	9,888	13,745	25,920
Affordable Housing Delivery Framework	1,843	282	(1,292)	-	(1,010)	833	428	(282)	146	-	-	979
Property Acquisition for Affordable Housing	1,513	(755)	-	-	(755)	758	-	755	755	-	-	1,513
Hartopp & Lannoy	4,076	(4,568)	2,766	-	(1,802)	2,274	415	2,556	2,971	750	750	6,745
Nourish Project (Good Growth Fund)	1,150	-	182	-	182	1,332	29	-	29	-	-	1,361
Subtotal Other HRA Capital Schemes	11,561	(5,427)	1,593	-	(3,834)	7,727	7,163	(887)	6,276	10,694	14,495	39,192
Total Expenditure	54,061	(4,310)	1,600	-	(2,710)	51,351	74,244	2,364	76,608	70,732	75,559	274,250

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Economy Department- HRA Capital Programme	Current Year Programme					Next Year Programme			Indicative Future Years Analysis			
	Analysis of Movements (Q3 budget to Q4)					2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	2022/23 Budget	2023/24 Budget	Total Budget (All years)	
	Revised Budget 2020/21 (Q3)	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements							Revised Budget 2020/21 (Q4)
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Specific/External or Other Financing												
Contributions from leaseholders	2,891	-	(780)	-	(780)	2,111	5,380	-	5,380	3,791	1,402	12,684
Grants and Contributions from Private Developers (includes S106)	725	95	182	546	823	1,548	3,985	(2,949)	1,036	6,580	9,146	18,310
Insurance claims	780	-	(780)	-	(780)	-	-	-	-	-	-	-
Capital Grants and Contributions from GLA Bodies	612	(20)	-	-	(20)	592	7	20	27	392	-	1,011
Sub-total - Specific or Other Financing	5,008	75	(1,378)	546	(757)	4,251	9,372	(2,929)	6,443	10,763	10,548	32,005
Mainstream Financing (Internal Council Resource)												
Capital Receipts (HRA)	7,688	(1,776)	(2,384)	(270)	(4,430)	3,258	5,880	2,110	7,990	8,503	6,599	26,350
Major Repairs Reserve (MRR) / Major Repairs Allowance	26,423	-	(137)	-	(137)	26,286	16,245	-	16,245	16,651	17,067	76,249
Capital Receipts (GF)	1,323	-	-	(1,323)	(1,323)	-	109	1,323	1,432	-	-	1,432
Sub-total - Mainstream Funding	35,434	(1,776)	(2,521)	(1,593)	(5,890)	29,544	22,234	3,433	25,667	25,154	23,666	104,031
Borrowing(HRA)	13,619	(2,604)	5,499	775	3,670	17,289	42,638	1,719	44,357	34,815	41,345	137,806
Borrowing (GF)	-	(5)	-	272	267	267	-	141	141	-	-	408
Total Capital Financing	54,061	(4,310)	1,600	-	(2,710)	51,351	74,244	2,364	76,608	70,732	75,559	274,250

Appendix 2 – Analysis of budget variations

Variation by department	Amount £000
Adult Social Care	
Adaptation works and social care capital projects funded from Disabled Facilities Grant – budget reprofiling to future years due to the project delays	(694)
Disabled Facilities Grant – additional budget allocation for adaptation works to reflect additional funding received in 2020/21	177
Transforming Care (Winterbourne Grant) – budget reprofiling to future years due to the delays in start of the project	(300)
Total Adult Social Care variations	(817)
Finance Department	
Invest to Save schemes under flexible use of capital receipts dispensation – reprofiling to future years due to project delays	(1,470)
Investment in Digital Infrastructure – budget reallocation from Invest to Save schemes to finance Business Intelligence development works	80
Total Finance Department variations	(1,390)
Children’s Services Department	
Schools Organisational Strategy – budget reprofiling to future years due to delays in the projects	(138)
Schools Window Replacement Project – additional budget required to finance final accounts settlement with the contractor	62
School Maintenance Programme – budget reprofiling to future years	(37)
Total Children’s Services Department variations	(113)
Environment Department	
Footways and Carriageways – £769,000 budget reprofiling to future years due to delays in projects affected by Covid-19 restrictions and £25,000 budget transfer to Other Highways Capital Schemes	(794)
Transport for London (TfL) Schemes – £265,000 budget reprofiling to future years due to TfL funding being confirmed late in the financial year and £24,000 budget reduction to reflect reduction in the funding	(289)
Safer Cycle Pathway (TFL/S278 funded) – net movement consists of: <ul style="list-style-type: none"> £110,000 additional budget to reflect an increase in amount of external funding received and £65,000 budget reprofiled to future years due to the project delays 	45
Hammersmith Bridge Strengthening – £2,070,000 additional budget required of which £1,228,000 reprofiled to future years	842
Controlled Parking Zones – underspend budget transferred to fund Electrical Vehicle Infrastructure project	(168)
Electric Vehicle Infrastructure – net movement consisting of: <ul style="list-style-type: none"> £168,000 budget transfer from Controlled Parking Zones £160,000 additional budget funded from DfT OLEV grant £216,000 budget reprofiling to future years 	112
Column Replacement – £5,000 budget reprofiled to future years and £7,000 budget transfer to LED Lighting Replacement Programme	(12)
LED Lighting Replacement Programme – budget transfer from Column Replacement	7
P&D Upgrade and Pay by Phone – budget reduction as the project has been completed	(30)
Other Highways Capital Schemes – net movement consisting of: <ul style="list-style-type: none"> £1,916,000 budget reprofiled to future years due to project delays caused by 	(1,175)

Variation by department	Amount £000
Covid-19 <ul style="list-style-type: none"> £716,000 – additional budget to reflect actual funding received in year from s278 and GULC (Go Ultra Low City scheme) £25,000 budget transfer from Footways and Carriageways 	
Counters Creek (Thames Water funded) – £60,000 additional budget to reflect actual funding received from Thames Water of which £56,000 is reprofiled to future years	4
Public CCTV – additional budget to reflect approved S106 funding	42
Capital Investment in Street Lighting – budget reprofiled to future years due to the project delays	(831)
Parks Capital Programme – net movement consisting of: <ul style="list-style-type: none"> £36,000 additional budget £8,000 transfer to Other Parks Capital Schemes (£6,000) and Fulham Football Club Bishops Park (£2,000) £135,000 budget reprofiling to future years due to delayed implementation as a result of Covid-19 and late approval of s106 funding 	(92)
Other Parks Capital Schemes – net movement consisting of: <ul style="list-style-type: none"> £3,000 additional budget £6,000 transfer from Parks Rolling Programme £120,000 budget reprofiling to future years due to delayed implementation as a result of Covid-19 and late approval of s106 funding 	(126)
Shepherds Bush Common Improvements – additional budget to reflect actual funding approved	10
Fulham Football Club (Bishops Park) – net movement consists of: <ul style="list-style-type: none"> £336,000 – additional budget to reflect the actual S106 funding approved £370,000 – budget reprofiling to future years due to delayed implementation as a result of Covid-19 and late approval of s106 funding £2,000 – transfer from Parks Rolling Programme 	(32)
Containers (Recycling/Food) – budget reprofiled to future years due to the project delays	(21)
Electric Vehicles – budget reprofiled to future years due to the project delays	(104)
Other (Delivery, RFID, Charge Points) budget reprofiled to future years due to the project delays	(167)
Leisure Centre Capital Investment – budget reprofiled to future years due to the project delays as a result of Covid-19	(565)
Total Environment Department variations	(3,344)
General Fund schemes under Economy Department	
Hammersmith Town Hall Refurbishment – budget reprofiling from future years due to higher pre-development costs being covered from the existing budget, a separate budget update report will be considered by Cabinet	4,153
Hammersmith Town Hall Refurbishment – additional budget to reflect Joint Venture fees contribution to fund portion of capitalised staffing costs	108
Acquisition of Land at 207 King Street – budget reduction as no further expenditure anticipated	(72)
Acquisition of commercial units – budget reprofiled to future years to reflect the actual spend and updated cash flow forecast	(2,917)
Equity Loan (Civic Campus) – budget reprofiled to future years to reflect the actual spend and updated cash flow forecast	(670)
Schools Regeneration Programme – £89,000 budget reprofiling from future years and £109,000 additional budget required to fund overspend due to original approved budget being insufficient to cover internal staff costs and unplanned design team contract variations	198

Variation by department	Amount £000
Farm Lane/ Mund Street – budget reprofiled to future years due to project delays	(130)
Lillie Road Site – budget reprofiled to future years due to project delays	(16)
Sands End Community Centre – project completed in 2020/21, residual budget for retention fee reprofiled to future years	(94)
Corporate Planned Maintenance Programme (CPMP) – budget reprofiled to future years due to the delay in start of works on various sites due to Covid-19	(2,788)
North End Road (Good Growth Fund) – budget reprofiled to future years due to delays caused by Covid-19	(1,088)
Watermeadow Court JV Exit Costs – budget reprofiled to 2021/22 due to delays in disposal	(1,857)
North End Road – Business Low Emissions Neighbourhood – budget reprofiled to future years due to delays in start of the project	(113)
Total General Fund schemes under Economy Department variations	(5,286)
Economy Department (HRA) Schemes	
Education City – budget reprofiled to future years due to delays in start on site	(1,161)
Asset Management and Compliance Programme – budget reprofiling from future years to reflect accelerated programme of works on various sites/ schemes	2,587
Hartopp and Lannoy – additional budget of £2.766m approved by the Cabinet in January 2021 and £4.568m of the remaining budget reprofiled to future years due to demolition and pre-development costs delays caused by Covid-19	(1,802)
White City Estate Regeneration – budget reprofiling to future years due to delay in start of the scheme. Planning permission not expected until July 2021.	(141)
Homes & Communities Strategy – budget reprofiled to future years due to delays	(66)
Old Laundry Yard – budget reprofiled to future years due to delays	(95)
Property Acquisition for Affordable Housing – budget reprofiled to future years due to the project delays	(755)
Affordable Housing Delivery Framework – net movement in the budget consists of: <ul style="list-style-type: none"> • Budget reprofiling to future years for Lavender Court (£146,000) due to practical completion being delayed until May 2021 and Fulham North (£379,000) • £49,000 budget reprofiling from future years for Emlyn Gardens • £13,000 additional budget required to cover the 2020-21 staffing costs for Emlyn Gardens • Reduction in budgets for Emlyn Gardens (£146,000) and Fulham North Office (£1,194,000) due to partner getting funding directly from GLA • £10,000 reduction in Lavender Court staff capitalisation budget as no longer required. 	(1,010)
Stanhope Joint Venture – net movement consists of: <ul style="list-style-type: none"> • £139,000 Edith Summerskill budget reprofiling from future years to cover the higher costs than forecasted for 2021/22 • £136,000 budget reprofiling to future years for Watermeadow Court costs due to delay in land disposal • £21,000 budget reduction in relation to Watermeadow Court land appropriation costs to reflect current cash flow forecast 	(18)
Housing Development Project – £389,000 budget reprofiling to future years for Spring Vale project due to Covid-19 delays and £42,000 reduction in budget to match the credit for final account settlement	(431)
Nourish Project (Good Growth Fund) – additional budget to reflect additional S106 and GLA funding received	182
Total Economy Department (HRA) variations	(2,710)
Total 2020/21 outturn variations	(13,660)

2021/22 budget variations	Amount £000
Net budget reprofiling from 2020/21 (covered by above variations)	19,178
Budget reprofiling to future years (2022+) of the following schemes due to reprogramming and re-phasing: <ul style="list-style-type: none"> • Acquisition of commercial units (Civic Campus) - £9,996,000 • Equity Loan (Civic Campus) - £2,846,000 • North End Road (Business Low Emissions Neighbourhood) - £125,000 • North End Road (Good Growth Fund) - £1,110,000 • Stanhope Joint Venture - £4,308,000 • Hartopp & Lannoy - £2,012,000 	(20,397)
Budget reprofiling from future years (2022+) of the following schemes due to reprogramming and re-phasing: <ul style="list-style-type: none"> • Hammersmith Town Hall Refurbishment - £1,420,000 • HRA Asset Management and Compliance Programme - £4,368,000 	5,788
Increase in Education City budget	6
Grand Total 2021/22 funding variations	4,575

Appendix 3 – General Fund capital receipts (2020/21 actual and future years forecast)

General Fund Capital Receipts – 2020/21 actual and future years' forecast	
	£000
Capital receipts brought forward from 2019/20	2,412
Capital receipts generated in 2020/21	45
Capital receipts used to finance 2020/21 expenditure	(222)
Capital receipts carried forward to 2021/22	2,235
Forecast receipts for 2021/22	13,780
Less cost of sale	(551)
Total capital receipts available for 2021/22	15,464

Appendix 4 – VAT Partial Exemption

Partial exemption overview

In general, businesses cannot recover the VAT incurred on purchases made in connection with VAT exempt activities, for example, capital expenditure on properties which are let or leased are exempt from VAT. However, under Section 33 of the VAT Act 1994, local authorities are able to recover this VAT so long as it forms “an insignificant proportion” of the total VAT incurred (input tax) in any year, taken to be 5% or less. Crucially, the de minimis limit is not an allowance; if the 5% threshold is exceeded then all the exempt input tax is lost, not just the excess. A breach would likely cost the Council between £2-£3m per year whilst in breach.

LBHF Partial Exemption

The Council’s Partial Exemption position is currently being reviewed. When calculating the exempt input tax annually, the Council considers its revenue and capital activities separately. Revenue activities are more constant, their contribution to exempt input tax is projected to remain at £2m (the impact on the threshold being the VAT incurred on this amount, i.e. £0.4m). Exempt input tax relating to capital activities is more volatile and each project must be considered and judged individually. The Council has a number of capital projects, both in progress and in the pipeline, which could have significant partial exemption implications and finance officers are working closely with colleagues working on these projects to ensure that these risks are identified and mitigated where possible.

VAT Policy

The following policy is in place to manage the partial exemption position:

- In all cases of new or reprofiled projects, the VAT team should be consulted in advance.
- Projects should be 'opted-to-tax' where this option is available and is of no financial disadvantage to the Council.

Appendix 5 - Capital Financing Requirement (CFR) and Minimum Revenue Provision (MRP)

1. The Capital Finance Requirement (CFR) measures the Council's long-term indebtedness. Table 1 below shows the Council's total actual General Fund CFR for 2020/21 and forecast future years:

Table 1 - Actual General Fund CFR 2020/21 and forecast future years (outturn)

GENERAL FUND CFR ANALYSIS	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m
HEADLINE CFR EXCLUDING SELF FINANCING SCHEMES AND LOANS					
Opening Capital Finance Requirement (CFR)	70.85	114.08	122.16	142.28	152.65
Revenue Repayment of Debt (MRP)	(0.32)	(1.36)	(1.39)	(1.66)	(2.36)
Mainstream Programme (Surplus)/Shortfall	43.55	9.44	21.51	12.04	4.78
Closing Capital Finance Requirement (CFR)	114.08	122.16	142.28	152.65	155.06
SELF FINANCING SCHEMES AND LOANS	£m	£m	£m	£m	£m
Opening Capital Finance	7.32	11.84	21.51	45.71	70.67
Equity loan repayment	-	-	-	-	(25.95)
Revenue Repayment of Debt (MRP)	(1.48)	(1.42)	(0.18)	(0.17)	(0.98)
In Year Borrowing	6.00	11.08	24.38	25.14	28.36
Closing Capital Finance	11.84	21.51	45.71	70.67	72.10
Finance leases/PFI/ Deferred costs of	9.19	8.91	7.79	7.09	6.39
Total Closing GF CFR	135.11	152.57	195.77	230.41	233.56

2. The General Fund Headline CFR is £122.16m at the end of 2020/21 and is forecast to be £155.06m by the end of 2023/24. The increase in GF Headline CFR puts additional pressures on revenue budgets.
3. The Headline CFR figures exclude:
 - £4.4m Schools Windows Replacement Programme
 - £32m equity loan to the Civic Campus programme
 - £63m investment in acquisition of Civic Campus commercial units

Whilst these will impact on the Council's CFR, it is assumed that all Minimum Revenue Payment (MRP) and interest costs will be fully reimbursed through grant contributions, the charging of a state-aid compliant interest rate, the loan repayment, commercial income or reduction in revenue costs (e.g. lease rental payments).

4. CFR movements related to these schemes are presented under "Self-Financing Schemes and Loans" heading in the Table 1. 2020/21 CFR for these schemes is £21.51m and is forecast to be £72.1m by the end of 2023/24. Table 2 details the CFR movements regarding these schemes:

Table 2 - Self-financing schemes and loans CFR movements 2020/21-2023/24

	Revised Budget 2020/21 (Q3)	Variations (Q4)	Revised Budget 2020/21 (Q4)	2021/22 Original Budget	Slippages, Additions and Reductions	2021/22 Revised Budget	Indicative Budget 2022/23	Indicative Budget 2023/24	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure									
Ad Hoc Schemes:									
Acquisition of commercial units (Civic Campus)	10,110	(2,917)	7,193	17,793	(7,079)	10,714	16,738	28,355	63,000
Equity Loan (Civic Campus) [ECD]	4,557	(670)	3,887	15,839	(2,176)	13,663	8,400	-	25,950
Total Mainstream Programmes	14,667	(3,587)	11,080	33,632	(9,255)	24,377	25,138	28,355	88,950
Financing									
Increase/(Decrease) in Borrowing	14,667	(3,587)	11,080	33,632	(9,255)	24,377	25,138	28,355	88,950
Total Financing	14,667	(3,587)	11,080	33,632	(9,255)	24,377	25,138	28,355	88,950

5. Minimum Revenue Provision (MRP) is the minimum amount which a Council must charge to its revenue budget each year, to set aside a provision for repaying external borrowing (loans). This is an annual revenue expense in a Council's budget. The MRP will, over time, reduce the CFR.

6. The statutory guidance issued by the Secretary of State (Ministry for Housing, Communities and Local Government) details the ways how MRP should be charged on various items of capital expenditure. MRP charges presented in the Table 1 follow this guidance and assume the following:
 - MRP charges are deferred for development projects until year after their completion. The rate charged is based on the estimated life of an asset (50 years for new developments).
 - MRP on rolling capital programmes and smaller scale ad hoc schemes is charged year after the expenditure incurs. The rate used is based on weighted average life of an assets (currently 3.01%, 3.34% from 2021/22).

Agenda Item 5

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/09/2021

Subject: 2020/21 Revenue Outturn Report

Report of: Councillor Max Schmid, Cabinet Member for Finance and Commercial Services

Responsible

Director: Emily Hill – Director of Finance

SUMMARY

The 2020/21 General Fund outturn is an underspend of £0.301m. Significant Covid-19 funding was applied during the year to fund expenditure incurred in delivering the council's Covid response and income losses experienced during the year. Financial risks continue in 2021/22 as Covid restrictions ease with the potential release of pent up demand and the uncertain impact of the pandemic on economic recovery.

The Housing Revenue Account (HRA) outturn will require a draw down from HRA general balances of £7.020m. Whilst this is £0.904m less than budgeted, the HRA continues to experience significant financial pressures which need to be addressed.

Funding for the Dedicated Schools Grant (DSG) High Needs Block (HNB) continues to be under pressure, although the situation is improving considerably in line with the council's DSG recovery plan. For 2020/21 the cumulative HNB DSG overspend is £16.679m. This is £3.111m better than the previous year. The deficit will further reduce in 2021/22 following the council securing additional Government funding and continuing to manage its DSG recovery plan.

General balances and earmarked reserves increased by £17.5m in 2020/21. The 2020/21 budget included new contributions to reserves of £7.2m and smoothing adjustments regarding prior year business rates have contributed £6m. The most significant movement in reserves is an increase of £44.7m in restricted reserves that relate to the Covid-19 pandemic. The majority of this relates to government funding for the council's share of the additional business rate reliefs granted in 2020/21 to be charged against the general fund in future years due to the statutory accounting arrangements for the collection fund. These funds are therefore not available to the council more generally but to meet known liabilities in future years.

RECOMMENDATIONS

1. To note the General Fund underspend of £0.301m and that this be added to the Council's general balance.

2. To note that the draw down from the Housing Revenue Account general balance was £0.904m less than budgeted.
3. To note the in-year reduction in the Dedicated Schools Grant High Needs Block cumulative overspend of £3.111m.

Wards Affected: All

Our Priorities	Summary of how this report aligns to the H&F Priorities
Being ruthlessly financially efficient	We need to always confirm that spend fits our council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business and every penny counts.

Financial Impact

This report is financial in nature and those implications are contained within.

Legal Implications

There are no legal implications for this report.

Contact Officers:

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Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

GENERAL FUND

1. As set out in Table 1 there was a year-end underspend against departmental budgets of £0.301 million in 2020/21. The main departmental variances are set out in Appendices 1 to 7.

Table 1 – General Fund outturn 2020/21 (underspends in brackets)

Department	Revised budget £m	Gross variance £m
Children's Services	55.898	(0.024)
The Economy Department	(39.667)	(0.148)
The Environment Department	74.732	(1.251)
Controlled Parking Account	(14.883)	1.197
Finance	3.467	(0.183)
Resources	4.517	(0.366)
Social Care	58.350	(0.097)
Centrally Managed Budgets	2.729	0.571
Total	145.143	(0.301)

2. The council's response to the Covid-19 pandemic has resulted in additional expenditure and income loss of £41.8m of which £36.2m has been funded through government grant. The departmental impact is summarised within Appendices 1 to 7. In addition a £1.1m loss is estimated regarding council tax collection in 2020/21. Under local authority accounting regulations this loss will be spread over 3 years from 2021/22 onwards. The council will offset this against government Covid grant funding carried forward.

HOUSING REVENUE ACCOUNT

3. The draw down from the Housing Revenue Account general balance was **£0.904m** less than budgeted. The main variances are detailed in Appendix 8. The outturn includes Covid costs and income losses of £0.245m for which no government grant support has been received.

Table 3: Housing Revenue Account forecast outturn

Housing Revenue Account (General Reserve)	£m
Balance as at 31 March 2020	(24.607)
Less: Budgeted appropriation from balances	7.924
Add: underspend	(0.904)
Balance as at 31st March 2021	(17.587)

DEDICATED SCHOOLS GRANT (DSG)

4. Dedicated schools grant (DSG) is paid in support of local authority schools' and is the main source of income for the schools' budget. It is split between central expenditure and the individual schools' budget (ISB) in conjunction with the local schools' forum.
6. The cumulative balances for the High Needs Block, Early Years and schools block are set out in Table 4. Funding for the Dedicated Schools Grant (DSG) High Needs Block (HNB) continues to be under pressure, although the situation is improving considerably. The cumulative deficit has reduced by £3.111m in 2020/21 in line with the Council's DSG recovery plan and agreement to obtain additional government funding.

Table 4: Dedicated Schools Grant – Cumulative Balance

	2020/21 opening balance £m	In-year movement £m	2020/21 closing balance £m
Early Years (surplus)	0.065	1.353	1.418
Schools (surplus)	0.605	0.150	0.755
High Needs (deficit)	(19.790)	3.111	(16.679)

GENERAL FUND RESERVES

7. The latest reserves position is set out in Table 5.

Table 5 – Movement in General Fund reserves

	2020/21 opening balance £m	In-year movement £m	2020/21 closing balance £m
General balance	19.0	0.3	19.3
Earmarked reserves	28.8	17.2	46.0
Total general balances and earmarked reserves	47.8	17.5	65.3
Restricted reserves	9.5	(0.2)	9.3
Covid-19 response and recovery reserve	6.2	44.7	50.9
Dedicated Schools Grant (restated)	19.1	(0.3)	18.8
Total	82.6	61.7	144.3
Revenue developer contributions (section 106 and community infrastructure levy)	16.6	29.4	46.0

8. General balances and earmarked reserves have increased by £17.5m in 2020/21. This includes budgeted new contributions of £7.2m to ensure financial

resilience and smoothing adjustments regarding prior year business rates of £6m.

9. Balances of £18.8m are carried forward regarding Dedicated Schools Grant. This includes the surplus of £2.173m regarding the Early years and Schools block. £16.679m is also carried forward regarding the outstanding High Needs Block (HNB) deficit. The accounting treatment regarding the historic DSG HNB deficit has been updated in 2020/21 (following a change in statutory accounting). The figures presented in Table 5 are therefore restated on a like for like basis.
10. The Covid-19 reserve has increased by £44.7m albeit this is not new money for the council to spend. £41m of the increase relates to the council's share of business rates reliefs issued in 2020/21. These funds are therefore not available to the council more generally but to meet known collection fund liabilities that will be charged against this reserve as they become due. In addition the reserve includes £3.9m carried forward in respect of business grants that are payable to local businesses in 2021/22 in line with the government's grant conditions.
11. The balance of unapplied developer revenue contributions has increased by £29.4m. These have strict conditions and should be spent only in line with the relevant S106 agreement.
12. The figures for reserves and balances continue to be reviewed. A full update on the reserves strategy and action will be provided as part of the 2021/22 month 6 corporate revenue monitor report.

REASONS FOR DECISION

13. To report the revenue expenditure position and comply with Financial Regulations.

EQUALITIES IMPLICATIONS

14. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the adjustments to the budgets required because of this report.

RISK MANAGEMENT IMPLICATIONS

15. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, telephone 020 8753 2587.

List of Appendices:

Appendix	Title
Appendix 1	Children's Services
Appendix 2	The Economy Department
Appendix 3	The Environment Department
Appendix 3a	Controlled Parking Account
Appendix 4	Finance
Appendix 5	Resources
Appendix 6	Social Care
Appendix 7	Centrally Managed Budgets
Appendix 8	Housing Revenue Account

APPENDIX 1: CHILDREN'S SERVICES
BUDGET REVENUE MONITORING REPORT OUTTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100,000)
Children and Young People's Services	33,065	(1,530)	Underspend on placements due to additional income received for Staying-put and Asylum Seekers, a lower level of new entrants to care and work done by the service to enable more young people to remain safely at home through effective and improved support to prevent entry to care. Improved tracking and monitoring arrangements to achieve early permanence for children have also resulted in children spending less time in care. Costs have also been reduced through an increase in semi-independent block contract provision, reducing the need for more costly spot purchased placements.
Children's Commissioning	4,892	655	An in-year overspend on the Family Support framework contracts had agreed funding from reserves of £750,000 by Cabinet decision. However at outturn most of this overspend has been mitigated from departmental underspends with only £190,300 required funding from reserves.
Children's Performance & Improvement	2,310	22	
Director of Children's Services	1,333	561	2020/21 Children's Services savings were loaded here and have been redistributed across the service in 2021/22 as Covid-19 delayed delivery which is not being progressed.
Education	7,129	264	The Haven residential unit for children with disabilities overspent. Budget growth as part of the 2021/22 medium term financial strategy means The Haven is not expected to overspend from 2021/22.
School Funding	7,169	3	
Total	55,898	(24)	

Covid-19	£000s
Underlying variance	(24)
Additional Covid costs/ losses	2,877
Additional Covid funding	(2,877)
Net Variance (after accounting for Covid-19)	(24)
The Covid-19 spend and funding related to expenditure with respect to specific targeted grant funding (mainly in relation to free school meals and holiday activities) in addition to expenditure incurred by services in their direct response and service adaptations with respect to the Covid-19 pandemic.	

APPENDIX 2: THE ECONOMY DEPARTMENT
BUDGET REVENUE MONITORING REPORT OUTTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100,000)
Housing Solutions	8,239	320	Improved income collection for Private Sector Leasing rents produced an underspend of (£593,000) on the bad debt provision, offset by an overspend on cost avoidance payments of £794,000 and £149,000 on running costs including legal and repairs expenditure. Because of departmental underspends in other areas the Temporary Accommodation reserve was not used to fund any of the additional cost avoidance payments.
Economic Development, Learning & Skills	(2,499)	(89)	Higher than budgeted rental income from the business units at the Townmead and Sullivan estates and underspends on other activities.
Planning	(52,527)	(391)	Variance due to staffing vacancies arising from recruitment delays (£301,000), unexpected grant income of (£230,000) offset by an overspend of £140,000 on exceptional costs for legal and other specialist advice on some specific applications.
Operations	4,063	8	
Place	122	(7)	
Regeneration & Development	2,882	11	
Head of Finance	53	0	
Total	(39,667)	(148)	

Covid-19	£000s
Underlying variance	(148)
Additional Covid-19 costs/ losses	3,757
Additional Covid-19 funding	(3,757)
Net Variance (after accounting for Covid-19)	(148)

Covid-19	£000s
<p>The Covid-19 spend includes the cost of provision of accommodation to rough sleepers and clients needing to self-isolate (partially offset by housing benefits received) of £1,200,000; the costs of staff supporting the Council's response to Covid-19 of £157,000 (Economic Development, Learning & Skills) and £291,000 (Facilities Management); and income loss of £2,100,000.</p> <p>This is funded from specific Covid-19 grants (£674,000), Covid-19 income loss grant (£2.1m) and unringfenced Covid-19 grant (£974,000).</p>	

**APPENDIX 3: THE ENVIRONMENT DEPARTMENT
BUDGET REVENUE MONITORING REPORT OUTTURN**

Departmental Division	Revised Budget 2020/21 £000s	Net Year End Variance £000s	Explanation of Major Variances (over £100,000)
Public Realm	40,342	(286)	Additional income from utility services (lower traffic activity in the pandemic allowed more infrastructure work to be completed) and strong management of external service contracts. These savings were partly utilised to fund the Climate Change Team.
Safer Neighbourhoods & Regulatory Services	8,089	(106)	Underspends on Regulatory Services and Technical Services allowed the funding of additional expenditure on Community Safety Services (mainly CCTV) and maintaining level of Noise & Nuisance Services.
Leisure Sports & Culture	9,642	(786)	Variances include unbudgeted one off income and lower operational costs on employees and premises across all services including Events, Sport and Library Services.
Residents Services	16,659	(73)	
Total	74,732	(1,251)	

Covid-19	£000s
Underlying Variation	(1,251)
Additional Covid-19 costs/ losses	6,738
Additional Covid-19 funding	(6,738)
Net Variance (after accounting for Covid-19)	(1,251)
<p>There were additional pandemic social distancing enforcement measures accounting for most of the expenditure pressures.</p> <p>The Department provides a wide range of fee charging services to our residents, businesses and visitors (eg commercial waste, building control, registrars, licensing, bereavement); the impact of the pandemic on income impact represented 25% of all expected income.</p>	

APPENDIX 3A: CONTROLLED PARKING ACCOUNT
BUDGET REVENUE MONITORING REPORT OUTTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100,000)
Income	(22,774)	1,223	Variance mainly due to government income compensation scheme not covering all Covid-19 income losses due to lockdown measures.
Expenditure	7,891	(26)	
Total	(14,883)	1,197	

Covid-19	£000s
Underlying variance	(3,944)
Additional Covid-19 costs/ losses	14,613
Additional Covid-19 Funding	(9,472)
Net Variance (after accounting for Covid-19)	1,197
The Covid-19 losses and funding was entirely based around lost income due to reduced parking levels due to lockdown measures. The government income compensation scheme did not fully reimburse these losses.	

APPENDIX 4: FINANCE
BUDGET REVENUE MONITORING REPORT OUTTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100,000)
Assurance, Programmes & Analytics	172	148	Additional Business Intelligence staffing costs to meet increased organisational demand for analytics, particularly in children's social care. This overspend is partially mitigated by vacancies held within the Corporate Programme Management Office.
Audit, Fraud, Risk and Insurance	91	(81)	
Chief Executives Office	626	(103)	Underspend due to vacancies.
Finance	2,500	(88)	
Managed Services	78	(59)	
Total	3,467	(183)	

Covid-19	£000s
Underlying variance	(183)
Additional Covid-19 costs/ losses	266
Additional Covid-19 funding	(266)
Net Variance (after accounting for Covid-19)	(183)
The Covid-19 spend within Assurance, Programmes & Analytics was Business Intelligence staffing costs incurred to support central government data returns and establishment of the CAN/Shielding support teams, funded by Test and Trace Grant.	

APPENDIX 5: RESOURCES
BUDGET REVENUE MONITORING REPORT OUTTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100k)
Director of Resources	51	0	
Legal Services	(453)	(16)	
Democratic services, Coroners & Mortuaries	3,273	(274)	The council's share of Wave 1 and Wave 2 pan-London mortality management provision cost, in response to the pandemic, for this financial year is £0.530m. Underspends on staffing across Committee services and Coroners & Mortuaries, plus additional income generated from work for Kingston Hospital.
Digital Services	(45)	(188)	There were Covid related digital costs of £0.177m (additional device purchases and increased network resilience costs). There have been renegotiations with suppliers on several key business applications, cost reductions from decommissioning of network servers and a decrease in print volumes due to Covid-19. The service has underspent on salaries in part due to transferring agency staff onto fixed term contracts.
Communications and Communities	1,175	98	
Transformation, Talent and Inclusion	110	(13)	
Procurement	44	(16)	
Leader's Office	362	43	
Total	4,517	(366)	

Covid-19	£000s
Underlying variance	(366)
Additional Covid-19 costs/ losses	937
Additional Covid-19 funding	(937)
Net Variance (after accounting for Covid-19)	(366)
Covid-19 spend related to: 1. Democratic services, Coroners & Mortuaries - Emergency Mortuary costs with contributions to pan-London mortality management provision	

Covid-19	£000s
2. Digital Services - Additional hardware requirements across council and for CAN/Shielding support teams	
3. Communications and Communities - Banners & Signage.	
4. Additional hours for Leader's Office redeployed to CAN	
Specific funding of £12,000 Reopening High Streets Safely Grant was used to fund eligible activity.	

**APPENDIX 6: SOCIAL CARE
BUDGET REVENUE MONITORING REPORT OUTTURN**

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100k)
Quality, Safety & Performance	20,683	(643)	Underspend mainly due to the full year effect of 21 net reductions in Placements costs of (£510,00) in care homes and 8 fewer residents receiving Direct Payments of (£355,000). An overspend in home care of £962,000 due to the full year effect of home care packages and increases in price, is partly offset by costs of (£725,00) for Home First recharged to the Hospital discharge Covid-19 funding.
LD, MH & In House Services	22,275	637	The main pressures are in Learning Disabilities services due the very high care needs of people who have a Learning Disability, a full year effect of new or returning people and higher market costs with an overspend comprising of Placements of £464,00 and Home Care £869,000. There were some offsetting underspends in day care services of (£95,000). In Mental Health services there was a small underspend of (£6,000,000). The In house services have outturned with an underspend that resulted from a different model of day care provision of (£224,000) and reduction in Provider services costs of (£311,000) as alternatives service delivery models have been delivered during Covid-19.
Commissioning	6,227	60	
Public Health	26	0	The Public Health (PH) grants for the financial year was £22,275,000. This funding has been allocated to improve Public Health outcomes for residents and the outturn spend was £22,077,000 with the balance of £198,000, allocated to PH reserves which can be used in future years.
Resources	5,675	(69)	
Social Care Directorate (includes	3,464	(82)	

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100k)
COVID)			
Total	58,350	(97)	

Covid-19	£000s
Underlying variance	(97)
Additional Covid-19 costs/ losses	8,058
Additional Covid-19 funding	(8,058)
Net Variance (after accounting for Covid-19)	(97)
<p>Spend was on a range of measures with additional support to care market providers and residents during the pandemic and as part of the Winter plan.</p> <p>The department has used the following grants to provide support on Infection Control measures of (£1,627,000), increase Workforce Capacity of (£456,000), ensure Rapid testing was being undertaken of (£168,000) and the timely Hospital Discharge arrangements were in place to support care costs of (£2,906,000) paid via CCG HDP fund. The remaining care support has been funded from the LA un-ringfenced emergency Covid-19 government funding (£2,436,000) and the MHCLG income compensation grant due the Care Act easement of (£465,000).</p>	

APPENDIX 7: CENTRALLY MANAGED BUDGETS
BUDGET REVENUE MONITORING REPORT OUTURN

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100,000)
Corporate & Democratic Core	2,254	189	Bank charges were £181,000 over budget as more financial activity was conducted online with electronic payments during the Covid-19 restrictions.
Housing Benefits	(408)	(8)	
Levies Summary	1,545	(21)	
Net Cost of Borrowing	2,841	(187)	Due to reductions in interest payments which has been partially offset by lower interest receivable on balances.
Other Corporate Items	(9,665)	598	The adverse variance relates largely to commercial activities relating to advertising. This is a result of the challenging economic climate caused by Covid-19 combined with commercial income falling outside the Covid-19 income loss compensation scheme.
Pensions & redundancy	5,868	0	
COVID 19	294	0	
Total	2,729	571	

Covid-19	£000s
Underlying variance	571
Additional Covid-19 costs/ losses	4,592
Additional Covid-19 funding	(4,592)
Net Variance (after accounting for Covid-19)	571
A number of Covid-19 expenditure areas were included within Centrally Managed budgets where these related specifically to Covid-19 programmes and were not led by departments. This included the Contain Outbreak Management Fund, Community Mass Testing and transfer payments to assist people with financial difficulties due to self-isolation. These were all funded from the relevant Covid-19 funding streams for these activities.	

**APPENDIX 8: HOUSING REVENUE ACCOUNT
BUDGET REVENUE MONITORING REPORT OUTURN**

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100k)
Housing Income	77,474	(1,182)	An underspend on the bad debt provision was due to better than expected income collection performance (£915,000) and an increase in commercial rental income (£267,000).
Finance & Resources	5,841	(1,779)	This is due mainly to the release of a provision for risk.
Housing Management	6,533	352	The overspend is mainly due to the unbudgeted costs of the Careline service of £380,000 and Covid-19 related cleaning of sheltered housing communal areas of £140,000 offset by staffing and premises related underspends (£168,000).
Property & Compliance	9,150	(567)	The underspend is mainly due to delays on mechanical and engineering repairs and maintenance caused by Covid-19 related access restrictions.
Void & Repairs	11,147	567	The overspend is mainly a result of increased volumes of disrepair compensation claims and the associated legal costs.
Long Term Repairs Model	0	2,555	This relates to the increased costs associated with the procurement of new repairs and maintenance contracts as part of the long-term repairs model.
Safer Neighbourhoods	712	(90)	
Place	11,168	(238)	The underspend is mainly due to delays in the recruitment of staff.
Regeneration & Development	2,061	(240)	This mainly relates to lower than budgeted spend on staffing and feasibility costs.
Operations	4,074	(63)	
Capital Charges	27,083	(766)	This is due to an increased depreciation charge of £310,000 due to a revaluation of the Council's housing stock, a reduction in interest payable on HRA debt of (£865,000) due to a revision to the borrowing

Departmental Division	Revised Budget 2020/21 £000s	Year End Net Variance £000s	Explanation of Major Variances (over £100k)
			strategy to take advantage of lower interest rates and a reduction in the interest payable on internal borrowing from the General Fund (£210,000).
Corporate Support Service Recharges	7,630	544	This is due to the additional cost of corporate recharges following a mid-year review.
Appropriation from HRA General Reserve	7,924	(907)	

Covid-19	£000s
Underlying variance	(1,152)
Additional Covid-19 costs/ losses	245
Additional Covid-19 funding	0
Net Variance (after accounting for Covid-19)	(907)
Government grants to support local authorities in mitigating the financial impact of Covid-19 were not made available to Housing Revenue Account due to the statutory ringfence. Covid-19 costs mainly related to protecting tenants and residents on housing estates and enhanced cleaning of sheltered housing units.	

Agenda Item 6

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/09/2021

Subject: 2021/22 Corporate Revenue Monitor - Month 2 (May 2021)

Report of: Councillor Max Schmid, Cabinet Member for Finance and Commercial Services

Responsible Director: Emily Hill, Director of Finance

SUMMARY

This is the first corporate revenue monitoring report produced for 2021/22.

A **£1.985m** underspend is forecast for the General Fund. This is after the application of Covid-19 grant funding of £4.417m. Action plans of **£2.314m** are proposed. If delivered the forecast underspend will increase to **£4.299m**.

RECOMMENDATIONS

1. To note General Fund forecast underspend of £1.985m.
2. To note that the forecast draw down from the Housing Revenue Account general balance will be £0.233m less than budgeted.
3. To note the in-year Dedicated Schools Grant overspend of £0.840m.
4. To approve a General Fund virement of £0.3m and HRA virement of £0.312m as detailed in appendix 9.

Wards Affected: All

Our Priorities	Summary of how this report aligns to the H&F Priorities
Being ruthlessly financially efficient	We need to always confirm that spend fits our council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business and every penny counts.

Financial Impact

	Forecast over/(under)spend (£m)	Forecast over/(under)spend net of mitigations (£m)
Current – month 2 2021/22	(1.985)	(4.299)
2020/21 outturn	(0.301)	(0.301)
Last year – month 2 2020/21	18.807	16.434

This report sets out the current forecast and action plans for those departments with forecast overspends.

Funding for the High Needs Block (HNB) continues to be under pressure, although the situation is improving considerably in line with the Council's DSG recovery plan. For 2021/22 a DSG overspend of £0.840m is forecast, which is £2.1m better than the previous year and £5.8m better than the largest overspend in 2018/19. The overall deficit will reduce to £13.519m by year end following the council securing additional Government funding, which is subject to the council continuing to manage its DSG recovery plan.

After allowance for the impact of Covid-19, the forecast draw down from the Housing Revenue Account (HRA) general balance will be £0.233m less than budgeted.

Legal Implications

There are no legal implications for this report.

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Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

GENERAL FUND

1. The General Fund forecast at month 2 (May 2021) is a favourable variance of £1.985m (Table 1). This forecast allows for the application of available Covid-19 grant balances.

Table 1 – Month 2 (May 2021): General Fund forecast (underspends in brackets)

Department	Gross variance £m	Covid-19 variance £m	Net variance £m
Children's Services	0.214	0.042	0.172
The Economy Department	0.949	1.181	(0.232)
The Environment Department	0.476	0.728	(0.252)
Controlled Parking Account	(2.644)	0.576	(3.220)
Finance	0.370	0.240	0.130
Resources	(0.022)	0.350	(0.372)
Social Care	3.089	1.300	1.789
Centrally Managed Budgets	0.000	0.000	0.000
Total	2.432	4.417	(1.985)
Covid funding / contingency applied	(4.417)	(4.417)	0.000
TOTAL	(1.985)	0.000	(1.985)

2. The most significant elements of the Covid-19 variance relate to the council's revenue streams, such as parking and events. Additional expenditure is also forecast on a range of budgets, such as on additional cleaning staff and deep cleaning of office buildings and enforcement of social distancing in parks and open spaces.
3. For 2021/22, to date the council has been allocated £6.188m of unringfenced Covid funding. The council has also set aside a one-off Covid contingency of £1.096m from council funding. Such funding is sufficient to meet the current forecast Covid-19 pressure, however significant concern remains that pent-up demand for services could result in additional cost pressures later in the year, and that further Covid and Covid recovery costs could arise.
4. For 2021/22, the existing Covid-19 income compensation scheme will continue to operate for lost sales, fees and charges for the first quarter of the financial year. Authorities must fund the first 5% of income loss but the government will fund 75% of the remaining loss (after allowance for any cost savings). Not all income qualifies, for example commercial income is excluded. The Covid-19 variance set out in Table 1 is net of the anticipated income grant.

5. Financial risks of £12.746m are identified at month 2 and are included in the appendices. In addition:
- National negotiations are on-going regarding the 2021/22 local government pay award with the latest offer a 1.5% increase (which would cost Hammersmith and Fulham an estimated £1.4m). The current budget assumes a nil award.
 - Discussion are on-going regarding the future of Hammersmith Bridge and the council is incurring revenue and capital costs at risk.

Action is required to manage these risks. An unallocated contingency of £3m is held within the 2021/22 budget should financial mitigation be required. If all, or part, of the unallocated contingency is not used the forecast underspend will increase.

6. The underlying budget underspend, net of the financial impact of Covid-19, is £1.985m. This is set out in Table 2.

Table 2 – Month 2 forecast variance excluding the impact of Covid-19

Department	Revised budget £m	Forecast net variance Month 2 £m
Children's Services	51.093	0.172
The Economy Department	6.507	(0.232)
The Environment Department	67.513	(0.252)
Controlled Parking Account	(26.587)	(3.220)
Finance	0.831	0.130
Resources	4.515	(0.372)
Social Care	57.165	1.789
Centrally Managed Budgets	16.211	0.000
Total	177.248	(1.985)

7. Mitigating action plans of £2.314m have been identified, which if delivered would increase, the underspend to £4.299m.

Table 3: Summary of net forecast outturn variances after action plans

Department	Forecast Outturn Variance	Potential Value of Action Plan Mitigations	Forecast Outturn Variance
	£m	£m	£m
Children's Services	0.172	0.204	(0.032)
The Economy Department	(0.232)	0.000	(0.232)

Department	Forecast Outturn Variance	Potential Value of Action Plan Mitigations	Forecast Outturn Variance
	£m	£m	£m
The Environment Department	(0.252)	0.000	(0.252)
Controlled Parking Account	(3.220)	0.000	(3.220)
Finance	0.130	0.400	(0.270)
Resources	(0.372)	0.000	(0.372)
Social Care	1.789	1.710	0.079
Centrally Managed Budgets	0.000	0.000	0.000
Total	(1.985)	2.314	(4.299)

8. The main departmental variances are set out in Appendices 1 to 7. Additional information is provided on the delivery of planned savings and the type of expenditure (such as employees).

HOUSING REVENUE ACCOUNT

9. The Housing Revenue Account will draw down **£0.233m** less from balances than budgeted. The main variances are detailed in Appendix 8.

Table 4: Housing Revenue Account forecast outturn

Housing Revenue Account (General Reserve)	£m
Balance as at 31 March 2021	(17.563)
Less: Budgeted appropriation from balances	7.187
Add: underspend	(0.233)
Balance as at 31st March 2022	(10.609)

DEDICATED SCHOOLS GRANT (DSG)

10. Dedicated schools grant (DSG) is paid in support of local authority schools' and is the main source of income for the schools' budget. It is split between central expenditure and the individual schools' budget (ISB) in conjunction with the local schools' forum.
11. Funding for the High Needs Block (HNB) continues to be under pressure with the latest forecast set out in Table 5. For 2021/22, a DSG HNB overspend of £0.840m is forecast (£2.9m in 2020/21) that will be offset by additional Government funding of £4m. This will reduce the overall cumulative deficit to £13.519m by year end. The additional Government funding is subject to the council managing its DSG recovery plan as part of the grant conditions.

Table 5: Dedicated Schools Grant – High Needs Block deficit

	£m
Cumulative deficit brought forward	16.679
In-year forecast deficit	0.840
Safety valve funding	4.000
Cumulative deficit carried forward	13.519

GENERAL FUND RESERVES

12. An update on the reserves strategy and action plan will be completed and reported at month 6. The current year forecast underspend will enable an increased contribution to reserves.

VIREMENT AND WRITE OFF REQUESTS

13. General Fund virements of £0.300m and HRA virements of £0.312m are proposed as detailed in Appendix 9.

REASONS FOR DECISION

14. To report the revenue expenditure forecast and comply with Financial Regulations.

EQUALITIES IMPLICATIONS

15. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the adjustments to the budgets required because of this report.
16. If any such adjustments might lead to a service change and/or changes in staffing structures that could have a negative impact on groups with protected characteristics, then a full Equality Impact Assessment will need to be carried out.

RISK MANAGEMENT IMPLICATIONS

17. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, telephone 020 8753 2587.

List of Appendices:

Appendix	Title
Appendix 1	Children's Services
Appendix 1a	Dedicated Schools Grant (DSG)
Appendix 2	The Economy Department
Appendix 3	The Environment Department
Appendix 3a	Controlled Parking Account
Appendix 4	Finance
Appendix 5	Resources
Appendix 6	Social Care
Appendix 7	Centrally Managed Budgets
Appendix 8	Housing Revenue Account
Appendix 9	Virement Requests

APPENDIX 1: CHILDREN'S SERVICES
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Budget £000	Variance Month 2 £000
Employees	25,145	435
Premises-related expenditure	542	3
Transport-related expenditure	175	(71)
Supplies & services	5,676	322
Third party payments	48,676	2,132
Transfer payments (eg housing benefits, schools funding)	72,980	(936)
Support services (internal trading services)	993	69
Items excluded from the cost of services (debt management and capital charges)	0	0
Income	(108,113)	(1,739)
Non-controllable expenditure (technical adjustments eg overhead redistribution)	5,019	0
Total	51,093	214

Table 2 - Variance by departmental division				
Departmental Division	Revised Budget £000	Forecast Variance Month 2 £000	Forecast Variance due to Covid £000	Forecast Variance (non - Covid) £000
Children and Young People's Services	31,624	(134)	0	(134)
Education	12,001	280	42	238
Children's Commissioning	3,216	5	0	5
Children's Performance & Improvement	2,476	(119)	0	(119)
Director of Children's Services	1,776	183	0	183
School Funding	0	0	0	0
TOTAL	51,093	214	42	172

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Children and Young People's Services	
<p>Placements Savings of £400,000 are being delivered as part of the 2021/22 budget. A further £1,150,000 of budget has been reallocated to other demand pressures within the department.</p> <p>There is a high degree of risk of increased case numbers later in the year with regards to potential pent up demand due to Covid and demand will be closely tracked. The placements model contains £1,137,000 of contingency for new placements.</p>	(173)

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
<p>Client related expenditure Alongside the costs of a placement there are additional costs including travel and subsistence and various statutory allowances. The significant overspend in 2020/21 has been mitigated in 2021/22 by budget growth and a further budget increase facilitated by placements savings. Work to reduce expenditure is also being progressed by the service.</p>	(45)
<p>Legal costs The 2020/21 overspend on legal services with Children and Young People's Services was £638,000. Growth of £300,000 was applied from April 2021 and budget from savings delivered elsewhere in the department has allowed a further legal budget increase of £260,000. Work by the service is looking to reduce care proceedings by 3 cases per year which aims to reduce some of the overspend reported by March 2022.</p>	118
<p>Other minor variances Other minor variances across the service net out to a £34,000 underspend.</p>	(34)
Children and Young People's Services total	(134)
Education	
<p>Children with disability placements - short breaks and care packages Placement cost increases of £120,000 have contributed to the overall forecast overspend. The current profile of packages is: Direct payments: 133 packages; forecast £657,115 Care Packages (Spot): 95 packages; forecast £795,378 Residential Placements: 10 packages; forecast £914,550.</p> <p>A contingency budget of £92,000 is included in the forecast for new packages.</p> <p>The service is reviewing the impact of Covid - savings were partially reliant on service redesign and increased use of the Stephen Wiltshire Centre for group based activities to reduce reliance on spot purchase individual packages of support. Service capacity has not been available to deliver this redesign due to the impact of Covid. Further, due to reduced availability of group based services across the sector there is an increased reliance on individual packages via direct payments and spot purchase.</p>	212
<p>Education and disabilities There is a forecast overspend in staffing within the Education, Health and Care Plan (EHCP) caseworkers team due to the additional cost of agency staff to cover sickness and one supernumerary Team Manager.</p> <p>The overspend is partly offset by vacancies in the Disabled Children's Team (DCT) Team. The service are in the process of restructuring which should present a realignment of posts and budgets.</p>	123

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Professional Development Centre (income loss) The centre is unlikely to open during the summer term of the academic year 2020/21 as a result of Covid-19. The service is due to leave the current building and relocating in August 2021 meaning there will be no income generated in 2021/22.	91
Other minor variances across the service.	(146)
Education total	280
Children's Commissioning	
No significant variances.	5
Children's Commissioning total	5
Children's Performance & Improvement	
An underspend is expected due to staffing vacancies.	(119)
Children's Performance & Improvement total	(119)
Director of Children's Services	
A reorganisation of support services is underway. Once implemented the forecast overspend of £148,000 will reduce with no impact expected for 2022/23. Other minor variances of £35,000 are forecast	183
Director of Children's Services	183
School Funding	
Nil Variance	0
School Funding Total	0
TOTAL VARIANCE	214

Table 4 - Savings Delivery				
	MTFS Target	On Track	Partially Deliverable	Undeliverable
	£000	£000	£000	£000
Total MTFS Savings	748	480	268	
Schemes not On Track	£000	Reason		
Disabled children care packages	268	This is now expected to be deliverable from 2022/23 against current the Disabled Children's Team placement budget, although placements are forecast to be within budget across the directorate as a whole.		

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000
Family Services Placements -There is a high degree of risk of increased case numbers later in the year as Covid restrictions ease and referrals and demand will be closely tracked. The placements model contains £1,137,000 of contingency for new placements.	TBC
Other risks managed (individually below £250,000)	411
TOTAL RISKS MANAGED	411

Supplementary monitoring information
None

APPENDIX 1a: DEDICATED SCHOOLS GRANT (DSG)
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Variance by departmental division				
Departmental Division	Revised Budget	Forecast Variance Month 2	Forecast Variance due to Covid	Forecast Variance (non – Covid)
	£000	£000	£000	£000
High Needs Block expenditure	27,030	840	0	840
Early Years Block expenditure	17,003	0	0	0
Schools Block expenditure	39,254	(192)	0	(192)
Central School Services Block expenditure	3,336	(0)	0	(0)
DSG Income	(86,624)	0	0	0
TOTAL	0	649	0	649

Table 2 – High Needs Block DSG cumulative deficit movement	£000
Deficit brought forward from prior years	16,679
In-year forecast deficit	840
2021/22 High Needs Block Safety Valve funding	4,000
Forecast High Needs Block deficit after Safety Valve funding	13,519

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
<p>High Needs Block (<i>High Needs funding supports provision for children and young people with special educational needs from their early years to age 25 and Alternative Provision</i>)</p> <p>The forecast overspend of £840,000 is an adverse movement versus the medium term Safety Valve recovery plan agreed with the Department of Education of £225,000 (after allowing for a favourable outturn movement in 2020/21 of £200,000).</p> <p>There are pressures on Education and Health Care Plan expenditure forecast including additional expenditure for teachers pay and pension following the mainstreaming of this grant from April 2021.</p> <p>There are one off mitigations in 2021/22 however 2022/23 may need additional mitigations subject to confirmation of 2022/23 funding expected to be announced in late Summer 2021.</p>	840
<p>Speech and Language Therapy (SALT)</p> <p>SALT provision is projected to overspend by £250,000. Work is ongoing with special schools, the NHS Clinical Commissioning Group (CCG) and their provider Central London Community Healthcare NHS Trust to co-produce an alternative model for delivery in special schools. Special schools have set their budgets for 2021/22 and the original target of 1 April 2021 is unachievable with savings taking effect from April 2022.</p>	

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
The forecast assumes full recovery of 2021/22 SALT income for non-resident pupils of £312,000. The equivalent amount is also due to be recovered for FY 2020/21 and £194,000 for FY 2019/20. There remains a risk around the recovery of this income primarily due to data quality of records provided by the CCG and the time delay in attempting to recover prior year income. The Education service needs to prioritise this income recovery due to a total risk of £312,000 for this financial year and the loss of prior year income which if recovered could benefit the overall HNB position by £506,000.	
<p>Top-up funding The 2021/22 forecast includes top-up spend of £17,281,000 across all provision types compared to 2020/21 spend of £16,251,000.</p> <p>A thorough manual update process has been undertaken by CHS Finance, on behalf of the Education service, including a full census reconciliation, and c.100+ adjustments being made to the top-up models based on information being provided for phase transfers, deletion of old EHCP records and change of placements including new academic year changes.</p> <p>There continues to be a significant risk around this forecast due to the data quality and manual processes involved. This risk will be reduced when the SEN case management system goes live in August 2021 but it may be some time before the forecasting benefits are realised.</p>	
High Needs Block total	840
Early Years Block (<i>Funding for Early Years including Two Year Old funding and Early Years Pupil Premium</i>)	
Nil variance expected	0
Early Years Block total	0
Schools Block (<i>This budget of the DSG forms the core funding for mainstream maintained schools</i>)	
A review of de-delegated budgets indicates that there will be a £192,000 underspend on schools in financial difficulty. It is proposed to Schools Forum that this should be carried forward to 2022/23 as part of DSG reserves for deployment on maintained primary schools to be agreed by Schools Forum at a future date.	(192)
Schools Block total	(192)
Central School Services Block (<i>Funding for the Local Authorities ongoing responsibilities</i>)	
Nil variance expected	0
Central School Services Block total	0
TOTAL VARIANCE	648

Table 4 - Key risks - detail items over £250,000	
Risk Description	Risk at Month 2 £000
None to report	0
TOTAL RISKS MANAGED	0

APPENDIX 2: THE ECONOMY DEPARTMENT
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Budget £000	Variance Month 2 £000
Employees	14,654	80
Premises-related expenditure	4,719	129
Transport-related expenditure	10	0
Supplies & services	2,970	(21)
Third party payments	21,865	272
Transfer payments (eg housing benefits, schools funding)	98	0
Support services (internal trading services)	196	(9)
Items excluded from the cost of services (debt management and capital charges)	0	0
Income	(29,383)	498
Non-controllable expenditure (technical adjustments eg overhead redistribution)	(8,622)	0
Total	6,507	949

Table 2 - Variance by departmental division				
Departmental Division	Revised Budget £000	Forecast Variance Month 2 £000	Forecast Variance due to Covid £000	Forecast Variance (non - Covid) £000
Housing Solutions	9,008	(5)	145	(150)
Economic Development, Skills Service	148	0	0	0
Planning	1,580	476	589	(113)
Operations	(4,535)	478	447	31
Place	84	0		
Regeneration & Development	169	0	0	0
Head of Finance (GP)	53			
TOTAL	6,507	949	1,181	(232)

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Housing Solutions	
Although the forecast for average client numbers (950 units) is lower than budgeted (978 units) in Private Sector Leased (PSL) temporary accommodation schemes, the unit rent payments to landlords have been increased to reflect inflation on the Local Housing Allowance (LHA), resulting in a net forecast overspend	120
Balance of unallocated Flexible Homelessness Support Grant.	(146)
Balance of unallocated Homelessness Reduction Grant.	(174)
The provision of accommodation and supported housing to rough sleepers and clients needing to self-isolate as part of the council's	145

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
response to the Coronavirus pandemic.	
Other minor variances	50
Housing Solutions total	(5)
Economic Development & Skills Service	
No variances to report	0
Economic Development & Skills Service total	0
Planning	
Development Management favourable staffing variance due to delays in recruitment.	(97)
Development Management (Coronavirus) - Planning Applications income shortfall forecast of £675,000 due to the impact of the Coronavirus pandemic. This will be monitored and updated as patterns emerge over the coming months. This is expected to be offset by Government grant for Covid income loss for the first quarter of the year (£86,000).	589
Other minor variances	(16)
Planning total	476
Operations	
Facilities Management and Corporate Buildings. Additional Covid-related costs for additional cleaning staff and deep cleaning of office buildings.	447
Other minor variances	31
Operations total	478
Place	
No variances to report	0
Place total	0
Regeneration & Development	
No variances to report	0
Regeneration & Development total	0
TOTAL VARIANCE	949

Table 4 - Savings delivery					
		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000	£000	£000	£000
Total MTFS savings		1,001	1,001	0	0
Schemes not On Track	£000	Reason			
Schemes all on track					

Table 5 - Key risks - Detail items over £250,000	
Risk Description	Risk At Month 2 £000
Increase in bad debt provision on Temporary Accommodation (Bed & Breakfast and Private Sector Leasing) rent arrears because of reductions in personal income due to Coronavirus.	570
Further increase in the number of households in Temporary Accommodation - based on an additional 100 households this year above the current forecast.	539
Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 1.5% rental inflation above the current forecast.	269
Homelessness Reduction Bill - increase in households in temporary accommodation - extra 70 households this year above the current forecast.	377
Risk of the Avonmore and Flora school projects being aborted as both projects are currently paused. This would mean capital spend incurred to date being written off.	2,683
If the land sale at Watermeadow Court does not achieve a sufficient capital receipt or does not go ahead, there is a risk that the associated costs of disposal will result in a charge to revenue.	965
Other risks managed (individually below £250,000)	1,930
TOTAL RISKS MANAGED	7,333

Supplementary monitoring information
Planning income in recent years has fluctuated between £3.6m (2018/19), £2.3m (2019/20), £2.2m (2020/21) and is currently forecast to reach £2.7m in 2021/22, some £0.6m short of the budget. The inherent volatility of planning income means it is difficult to predict future income expectations due to several factors including wider economic, legislative and regulatory factors and local and national market conditions.

**APPENDIX 3: THE ENVIRONMENT DEPARTMENT
BUDGET REVENUE MONITORING MONTH 2**

Table 1 - Forecast variance by subjective		
Subjective	Revised budget £000	Variance month 2 £000
Employees	24,901	371
Premises-related expenditure	5,222	177
Transport-related expenditure	827	54
Supplies & services	16,644	(709)
Third party payments	23,399	749
Transfer payments (eg housing benefits, schools funding)	116	(0)
Support services (internal trading services)	0	37
Items excluded from the cost of services (Debt management and Capital Charges)	15,311	(106)
Income	(30,390)	(97)
Non-controllable expenditure (technical adjustments eg overhead redistribution)	11,483	0
Total	67,513	476

Table 2 - Variance by departmental division				
Departmental division	Revised budget £000	Forecast variance month 2 £000	Forecast variance due to Covid £000	Forecast variance (non - Covid) £000
Public Realm	36,448	(304)	217	(521)
Safer Neighbourhoods & Regulatory Services	9,534	703	368	335
Leisure, Sport and Culture	7,342	102	127	(25)
Resident Services	14,189	(26)	16	(42)
Executive and Support	0	0	0	0
Total	67,513	476	728	(252)

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Public Realm	
Commercial waste net income shortfall (after income loss grant) mainly relating to Covid-19 business closures	195
Waste collection and disposal - underspend from Serco contract savings (-£116,000), lower levels of disposal (-£273,000), Other (-£99,000)	(488)
Other smaller net variances	(11)
Public Realm total	(304)
Safer Neighbourhoods and Regulatory Services	
Community Safety – unbudgeted enforcement of Covid-19 social distancing in parks and open spaces provided by contractors.	277

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Regulatory Services and Community Safety - expected loss of income and expenditure incurred due to Covid-19 business disruption	208
Loss of income to be reimbursed by MHCLG compensation grant	(116)
CCTV - adverse variance due to income shortfall, overspend on staffing costs and legal expenditure	142
Noise and Nuisance - net ongoing loss of gas safety checking income following service in-sourcing by housing and overspend on staffing costs due to 24/7 enhancement service	292
Other smaller net variances	(100)
Community Safety and Regulatory Services total	703
Leisure, Sport and Culture	
Events – cancellations, including due to Covid-19	128
Other income losses due to Covid-19 - Civic Services (reduced ceremonies), libraries, and leisure contract and sports bookings:	95
Net cemeteries income over-recovery and grounds maintenance recharges	(165)
Other smaller net variances	45
Leisure, Sport and Culture total	103
Resident Services	
Covid-19 staffing overspend.	231
New burdens funding for Covid-19 pressures.	(290)
Other minor variances	33
Resident Services total	(26)
Executive and Support	
No variances to report	0
Executive and Support total	0
TOTAL VARIANCE	476

Table 4 - Savings Delivery				
	MTFS target	On track	Partially deliverable	Undeliverable
	£000	£000	£000	£000
Total savings	699	664		35
Schemes not on track	£000	Reason		
Pest Control	35	Due to slow recovery of commercial activities after Covid-19.		

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk at month 2 £000
Law Enforcement Team (LET) - Unconfirmed HRA contribution towards the provision of the service	340
Law Enforcement Team - Unbudgeted one-off implementation cost	500
Law Enforcement Team - Projected loss of FPNs income	350
Profess fees under review due to reduced capital programme	TBC
TOTAL RISKS BEING MANAGED	1,190

**APPENDIX 3A: CONTROLLED PARKING ACCOUNT
BUDGET REVENUE MONITORING MONTH 2**

Table 1 - Forecast variance by subjective		
Subjective	Budget £000	Variance Month 2 £000
Employees	7,818	0
Premises-related expenditure	76	0
Transport-related expenditure	73	0
Supplies & services	719	0
Third party payments	2,392	0
Transfer payments (eg housing benefits, schools funding)	0	0
Support services (internal trading services)	314	0
Items excluded from the cost of services (debt management and capital charges)	0	0
Income	(41,080)	(2,644)
Non-controllable expenditure (technical adjustments eg overhead redistribution)	3,101	0
Total	(26,587)	(2,644)

Table 2 - Variance by departmental division				
Departmental Division	Revised Budget £000	Forecast Variance Month 2 £000	Forecast Variance due to Covid £000	Forecast Variance (non - Covid) £000
Controlled parking income	(41,080)	(2,644)	576	(3,220)
Controlled parking expenditure	14,493	0	0	0
TOTAL	(26,587)	(2,644)	576	(3,220)

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Controlled Parking Income	
Pay & Display – Higher income currently being received, though parking income remains extremely volatile as residents and visitors adjust their travel behaviour due to Covid and changes in restrictions	(2,999)
Penalty Charge Notice income - £300,000 due to forecast drop in pay rate as compared to pre Covid levels of 2%, and balance due to lingering lockdown effects within the first 3 months of the financial year	596
Government Grant - forecast Covid income loss grant based on pre-Covid income streams (quarter one only)	(241)
Controlled Parking Income total	(2,644)
Controlled Parking Expenditure	
No variances to report.	0
Controlled Parking Expenditure total	0
TOTAL VARIANCE	(2,644)

Table 4 - Savings delivery					
		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000	£000	£000	£000
Total MTFS Savings		400	400		
Schemes not On Track	£000	Reason			

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000
Impact of a further lockdown later in the year.	2,000
TOTAL RISKS MANAGED	2,000

APPENDIX 4: FINANCE
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Revised budget £000	Variance month 2 £000
Employees	6,210	(549)
Premises-related expenditure	0	0
Transport-related expenditure	2	(1)
Supplies & services	2,505	26
Third party payments	10	223
Transfer payments (eg housing benefits, schools funding)	0	0
Support services (internal trading services)	(46)	116
Items excluded from the cost of services (debt management and capital charges)	0	0
Income	(529)	555
Non-controllable expenditure (technical adjustments eg overhead redistribution)	(4,881)	0
Total	3,272	370

Table 2 - Variance by departmental division				
Departmental division	Revised budget £000	Forecast variance month 2 £000	Forecast variance due to Covid £000	Forecast variance (non - Covid) £000
Audit, Fraud, Risk and Insurance	986	(22)	0	0
Assurance, Programmes & Analytics	1,335	0	0	0
Chief Executives Office	547	(111)	0	0
Finance	3,153	0	0	0
Managed Services	2,132	0	0	0
Commercial and Contracts	(2,441)	503	263	240
SUBTOTAL	5,711	370	263	240
Departmental non-controllable budgets	(4,881)	0	0	0
TOTAL	831	370	263	240

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Audit, Fraud, Risk and Insurance	
Staffing underspend	(22)
Audit, Fraud, Risk and Insurance total	(22)
Assurance, Programmes & Analytics	
No variances to report	0
Assurance, Programmes & Analytics total	0

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Chief Executive's Office	
Staffing underspend	(111)
Chief Executive's Office total	(111)
Finance	
No variances to report	0
Finance total	0
Managed Services	
No variances to report	0
Managed Services total	0
Commercial and Contracts	
The pandemic has led to a fall in expected income from advertising agencies. A number of our sites are on a profit share basis and are forecast to result in a budget pressure for the year.	503
Commercial and Contracts total	503
TOTAL VARIANCE	
	370

Table 4 - Savings delivery					
		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000	£000	£000	£000
Total MTFS Savings		450	50	400	0
Schemes not on track	£000	Reason			
Finance	400	Restructure proposals for finance service currently under review for consultation and implementation in 2021/22 and in-year mitigations planned eg vacancy management.			

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk at month 2 £000
None to report	0
TOTAL RISKS MANAGED	0

Supplementary monitoring information
None to report

APPENDIX 5: RESOURCES
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Revised budget £000	Variance month 2 £000
Employees	12,874	482
Premises-related expenditure	184	(4)
Transport-related expenditure	16	(4)
Supplies & services	9,855	(11)
Third party payments	412	(265)
Transfer payments (eg housing benefits, schools funding)	0	0
Support services (internal trading services)	33	38
Items excluded from the cost of services (debt management and capital charges)	683	0
Income	(5,594)	(258)
Non-controllable expenditure (technical adjustments eg overhead redistribution)	(13,947)	0
Total	4,514	(22)

Table 2 - Variance by departmental division				
Departmental division	Revised budget £000	Forecast variance month 2 £000	Forecast variance due to Covid £000	Forecast variance (non - Covid) £000
Communications and Communities	567	0	0	0
Democratic services, Coroners & Mortuaries	2,248	107	287	(180)
Digital Services	12,638	(200)	50	(250)
Legal Services	(460)	0	0	0
Leaders Office	264	55	0	55
Transformation, Talent & Inclusion	2,391	13	13	0
Procurement	261	0	0	0
Director of Resources	(131)	3	0	3
SUB-TOTAL	17,778	(22)	350	(372)
Departmental non-controllable budgets	(13,265)	0	0	0
TOTAL	4,514	(22)	350	(372)

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Communications and Communities	
No variances to report	0
Communications and Communities total	0
Democratic services, Coroners & Mortuaries	

Table 3 - Variance analysis	
Departmental division	Month 2 £000
Overspend due to mortality management costs in response to the Covid-19 outbreak. This is partially mitigated by underspends in governance and coronial services.	107
Democratic services, Coroners & Mortuaries total	107
Digital Services	
Line of business applications underspend.	(200)
Digital Services total	(200)
Legal Services	
No variances to report	0
Legal Services total	0
Leaders Office	
Increased staffing to cover additional administrative support	55
Leaders Office total	55
Transformation, Talent & Inclusion	
Overspend on staffing	13
Transformation, Talent & Inclusion total	13
Procurement	
No variances to report	0
Procurement total	0
Director of Resources	
Overspends on staffing budgets	3
Director of Resources total	3
TOTAL VARIANCE	(22)

Table 4 - Savings Delivery					
		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000s	£000s	£000s	£000s
Total MTFS Savings		457	457	0	0
Schemes not on track	£000s	Reason			
None					

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk at month £000
None to report	0

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk at month £000
TOTAL RISKS MANAGED	0

Supplementary monitoring information
None to report

**APPENDIX 6: SOCIAL CARE
BUDGET REVENUE MONITORING MONTH 2**

Table 1 - Forecast variance by subjective		
Subjective	Budget £000s	Variance Month 2 £000s
Employees	13,983	
Premises-Related Expenditure	584	
Transport-Related Expenditure	41	
Supplies & Services	1,147	(62)
Third Party Payments	71,121	1,851
Transfer Payments	12,800	
Support Services	8	
Items Excluded from the Cost of Services	0	
Income	(52,540)	
Corporate Charges (SLAs and Capital Charges)	10,021	
Total	57,165	1,789
Covid related cost		1,300
Revised Total	57,165	3,089

Table 2 - Variance by departmental division				
Departmental Division	Revised Budget	Forecast Variance Month 2	Forecast Variance due to Covid	Forecast Variance (non - Covid)
	£000	£000	£000	£000
Quality, Safety & Performance	22,227	979	0	979
Learning Disability, Mental Health and In-House Services	24,082	832	0	832
Commissioning	4,815	40	0	40
Resources	5,513	0	0	0
Social Care Directorate	528	(62)	0	(62)
Public Health	0	0	0	0
TOTAL	57,165	1,789	0	1,789
Covid 19 related	0	0	1,300	1,300
Revised Total	57,165	1,789	1,300	3,089

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Quality, Safety & Performance	
Social care savings of £1.950m for 2021/22 have been taken out of the budget.	
The early forecast is caveated with the many unknowns from the on-going impact of Covid-19 such as: 1) the impact of the Hospital discharges placed by Health and requiring reassessment which lead to further additional costs in social care, 2) the impact on care market	979

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
<p>providers for on-going additional costs from Covid-19 (a package of measures in place to support providers in the first quarter), 3) the impact on delivery of savings; 4) market instability following Covid-19.</p> <p>The main reasons for the overspend are due to the full year effect and additional 45 net increase in Home Care packages costing £2,192,000 partly offset by (£554,000) in Direct Payments due to returned unspent funds and changes in client costs. A large part of this pressure is an overspend of £817,000 is for 36 new D2A Health placements led by CCG and then transferred to Social Care after a re-assessment of needs. The costs of these are above H&F fee ceiling and the full year effect of the additional cost is £372,000 which H&F are looking to recharge the CCG. There is also a significant risk of more clients yet to be assessed and transferred over to Social Care, there are a further 35 clients scheduled to have an assessment and it is believed 80% will transfer to Social Care.</p> <p>There is a small offset underspend of (£176,000) in other Placement services. Mitigation plans are in place and the department has assumed (£1,300,000) will be funded from the unringfenced Covid-19 government grant as these costs related to the medium term impact of Covid-19.</p>	
Quality, Safety & Performance total	979
Learning Disability, Mental Health and In-House Services	
<p>The main pressures are in LD services due to a full year cost effect new or returning people commencing from 2020/21 and higher market costs with a projected overspend comprising Home Care £509,000, Placements £349,000 and offsetting by underspend in Direct Payment and Day Care services areas of (£228,000).</p> <p>In Mental Health services a similar position of the full year effect of new or returning people since April 2020, with a resultant projected net overspend of £202,000 in Placements. Mitigations plan are in place to address this overspend.</p>	832
Learning Disability, Mental Health and In-House Services total	832
Commissioning	
Minor variances	40
Commissioning total	40
Resources	
No variances to report	0
Resources total	0
Social Care Directorate	

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Minor variances	(62)
Social Care Directorate total	(62)
Public Health	0
No variances to report	
Public Health Total	0
TOTAL VARIANCE	1,789
The department has costs of £776,000 at end of May 2021 for Infection Control and Testing measures. The department is assuming costs will be funded from a combination of funding streams such as the Infection Control and Rapid Testing grants and from the revised Hospital discharge funding via the CCGs. The department have assumed £1,300,000 additional funding from the unringfenced Covid-19 government grant for the additional Hospital discharge costs resulting from the medium term impact from Covid-19.	1,300
REVISED VARIANCE	3,089

Table 4 - Savings delivery					
		MTFS Target	On Track	Partially Deliverable	Undeliverable
		£000s	£000s	£000s	£000s
Total MTFS Savings		1,950	1,950		
Schemes not On Track	£000s	Reason			
All on track	0	At this early stage of the financial year the department is forecasting a full delivery of savings. There remains £1.510m (77% of the total savings) to be delivered over the next 10 months.			

Table 5 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000
Learning Disability transitions and other care pressures.	1,266
Backlog of Health funded Nursing placements on the D2A pathway awaiting joint CHC / Care Act assessment to determine funding responsibility. It is estimated from the 35 residents that 80% will transfer to Social Care.	546
S75 D2A Hospital Discharge funding due to end on 30th September.	TBC
TOTAL RISKS MANAGED	1,812

Supplementary monitoring information
The Department continues to experience significant budget pressures. The Department is starting the year with a projected overspend of £3,089,000 and

Supplementary monitoring information

continued Covid-19 additional Social Care costs for residents and providers, which the Department is expecting to be reimbursed from government Covid-19 funding. The budget pressures are mainly as a result of the Hospital discharge pathway, the full year effect of care support and agreed savings in care budgets. In arriving at the forecast for month 2, there are a number of additional risks of £1.8m mainly from Learning Disability transitions and other care pressures. Further analysis will need to be undertaken with a high risk the budget forecast for 2021/22 will be volatile and likely to increase from the month 2 forecast.

APPENDIX 7: CENTRALLY MANAGED BUDGETS
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Revised budget £000	Variance month 2 £000
Employees (historic past service costs)	3,775	0
Premises-related expenditure	511	0
Transport-related expenditure	160	0
Supplies & services	7,979	0
Third party payments	112	0
Transfer payments (eg housing benefits, schools funding)	96,924	0
Support services (internal trading services)	3	0
Items excluded from the cost of services (debt management and capital charges)	3,922	0
Income	(102,968)	
Non-controllable expenditure (technical adjustments eg overhead redistribution)	5,793	0
Total	16,211	0

Table 2 - Variance by departmental division				
Departmental division	Revised budget £000	Forecast variance month 2 £000	Forecast variance due to Covid-19 £000	Forecast variance (non – Covid-19) £000
Corporate & democratic core	2,284	0	0	0
Housing benefits	(328)	0	0	0
Levies	1,560	0	0	0
Net cost of borrowing	3,715	0	0	0
Other corporate items	3,252	0	0	0
Pensions & redundancy	5,728	0	0	0
Total	16,211	0	0	0

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Corporate & Democratic Core	
No variances to report	0
Corporate & Democratic Core total	0
Housing Benefits	
No variances to report	0
Housing Benefits total	0
Levies	
No variances to report	0
Levies total	0

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Net Cost of Borrowing	
No variances to report	0
Net Cost of Borrowing total	0
Other Corporate Items	
No variances to report	0
Other Corporate Items total	0
Pensions & redundancy	
No variances to report	0
Pensions & redundancy total	0
TOTAL VARIANCE	0

Table 4 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000
None to report	0
TOTAL RISKS MANAGED	0

Supplementary monitoring information
None to report.

APPENDIX 8: HOUSING REVENUE ACCOUNT
BUDGET REVENUE MONITORING MONTH 2

Table 1 - Forecast variance by subjective		
Subjective	Budget £000	Variance Month 2 £000
Employees	21,268	112
Premises-Related Expenditure	20,868	(210)
Transport-Related Expenditure	259	1
Supplies & Services	10,334	(343)
Third Party Payments	2,098	367
Transfer Payments	0	0
Support Services	575	55
Items Excluded from the Cost of Services	0	0
Income	(82,107)	527
Non Controllable Expenditure	33,893	(729)
Appropriation From (+)/To (-)HRA General Reserve	7,187	(218)

Table 2 - Variance by departmental division				
Departmental Division	Revised Budget £000	Forecast Variance Month 2 £000	Forecast Variance due to Covid £000	Forecast Variance (non - Covid) £000
Housing Income	(79,527)	80		80
Finance & Resources	7,419	(41)		(41)
Housing Management	6,767	286	50	236
Property & Compliance	9,752	0		0
Void & Repairs	12,690	0		0
Safer Neighbourhoods	712	0		0
Place	10,603	90	20	70
Regeneration & Development	1,061	6		6
Operations	4,540	2		2
Capital Charges	25,255	(641)		(641)
Corporate Support Service Recharges	7,915	0		0
Appropriation from HRA General Reserve	7,187	(219)	70	(289)

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Housing Income	
The ongoing impact of the Coronavirus pandemic is predicted to lead to an under-recovery of income from advertising sites of £40,000.	80

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Additionally, the initial forecast for dwelling rents and garages income suggests a shortfall of £40,000 this year.	
Housing Income total	80
Finance & Resources	
An underspend on staffing costs mainly due to delays in recruitment to vacant posts.	(41)
Finance & Resources total	(41)
Housing Management	
A high level of decants is driving an overspend in temporary accommodation and disturbance allowance costs of c£300,000. An underspend of (£64,000) on staffing costs is mainly due to vacant posts within the Neighbourhood Services division. This is expected to partially offset unbudgeted Covid-19 related cleaning and security costs of £50,000.	286
Housing Management total	286
Property & Compliance	
No variance to report	0
Property & Compliance total	0
Long Term Repairs Model	
No variance to report	0
Long Term Repairs Model total	0
Void & Repairs	
No variance to report	0
Void & Repairs total	0
Adult Social Care	
No variance to report	0
Adult Social Care total	0
Safer Neighbourhood	
No variance to report	0
Safer Neighbourhood total	0
Place	
Staffing overspend of £106,000 mainly from additional staffing for a pilot Concierge scheme are offset by minor running cost underspends.	90
Place total	90
Regeneration & Development	
Minor variances	6

Table 3 - Variance analysis	
Departmental Division	Month 2 £000
Regeneration & Development total	6
Operations	
No variance to report	0
Operations total	0
Capital Charges	
The underspend mostly relates to a change in the treasury management and borrowing strategy agreed corporately to defer the replacement of internal borrowing with externally financed debt to future years.	(640)
Capital Charges total	(640)
Corporate Support Service Recharges	
No variance to report	0
Corporate Support Service Recharges total	0
TOTAL VARIANCE	(219)

Table 4 - Key risks - detail items over £250,000	
Risk Description	Risk At Month 2 £000
Income from commercial property: In addition to the variance above, there is a risk of a further loss of income due to the Coronavirus pandemic. The risks is specific to recovery of commercial debt even though invoices have been raised to existing tenants.	250
Decanting costs, Housing Management - in addition to the variance reported above, there is a risk of further unbudgeted spend on temporary accommodation and disturbance allowance costs due to the increase in the number of decants driven by repairs activity.	300
Coronavirus related costs, Repairs and Maintenance - the ongoing impact of Coronavirus and a potential additional lockdown increases the risk of contractual claims, extended preliminaries, storage and inflated material costs. Social distancing measures create challenges in meeting statutory responsibilities such as carrying out gas safety checks which could lead to regulatory penalties and health and safety incidents.	unknown
Capitalisation of Repairs and Maintenance costs - officers are completing monthly reviews of capitalisable repairs costs and any variance on either capital or revenue budgets will be reported as a variance in future reports.	unknown
Other identified risks (individually below £250,000)	200
TOTAL RISKS MANAGED	750

APPENDIX 9 - VIREMENT REQUESTS – MONTH 2

Details of Virement	Amount (£000)	Department
GENERAL FUND:		
Planned use of Supporting People Reserve to fund Supporting People Services	300	ASC
	(300)	ASC
Total of Requested Virements (Debits)	300	
HRA:		
A temporary virement to ensure adequate funding for the Customer Service Centre within the Long Term Repairs Model. This virement will be a transfer from the provision for risk held within the Finance division of the HRA.	312	HRA
	(312)	HRA
Total of Requested Virements (Debits)	312	

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet

Date: 06/09/21

Subject: H&F Climate and Ecology Strategy

Report of: Councillor Wesley Harcourt, Cabinet Member for the Environment

Report author: Jim Cunningham, Climate Policy & Strategy Lead

Responsible Director: Sharon Lea, Strategic Director for the Environment

SUMMARY

This covering report seeks approval from Cabinet of the council's Climate and Ecology Strategy and action plan (appendices A-C). The strategy sets out the council's approach to delivering its target of net zero greenhouse gas emissions in the borough by 2030. It has been shaped by the work of the resident-led Climate and Ecological Emergency Commission, who worked closely with the council's Climate Unit throughout 2020, and was devised by ten cross-departmental officer working groups, led by the Climate Unit.

As well as responding to a global crisis, tackling the climate emergency in H&F will bring benefits for residents and the borough that deliver on the council's other values and objectives. These include a thriving green economy, with skills and jobs for the future; a clean public realm bringing improved health and wellbeing; a revival of biodiversity; and a locus for shared community involvement.

RECOMMENDATIONS

Cabinet is asked to:

1. Approve the strategy and action plan.
 2. Note the significant investment required to achieve net zero, in excess of £2bn for the whole borough, and that delivery of the strategy is dependent on substantial external financing.
 3. Note the importance of a green economic recovery to support this transition.
 4. Note the complexity of delivering a major programme to decarbonise the council's buildings and other assets.
-

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	‘The green economy’ forms one of the strategy’s enabling workstreams. Its focus is on how H&F’s residents can both support net zero and benefit from the growing sustainability sector, including through skills programmes and partnerships.
Creating a compassionate council	Inclusion, equity, and positive outcomes for all residents, are at the heart of the strategy. The strategy’s vision targets the ‘best possible health, wellbeing, and quality of life for all our residents’. One of its five principles is ‘just transition’, ensuring that the benefits and costs of climate action are spread fairly. One of our six principles for engagement (Appendix C) is to ‘champion under-represented voices’.
Doing things with local residents, not to them	The strategy has been guided by the priorities and recommendations of the resident-led commission. Engagement and coproduction were central themes for the resident-led commission, and these run throughout the strategy and action plan. Our engagement approach is included as Appendix C.
Being ruthlessly financially efficient	Achieving net zero for the organisation and borough by 2030 will demand significant private, public, and council investment. The ‘Finance and decision-making’ workstream of the strategy focuses on approaches to efficient financing mechanisms and maximising external funding. In many areas action on the climate offers energy efficiency and maintenance cost savings, and these benefits will be maximised. Actions also offer co-benefits with the potential for system-wide cost savings, including in waste prevention, preventative health, and fuel poverty.
Taking pride in H&F	The strategy aims to deliver deeper community engagement and environmental improvements to public space, particularly through its Ecology and Transport workstreams.
Rising to the challenge of the climate and ecological emergency	The strategy is the council’s comprehensive plan to deliver against this value.

Financial Impact

The programme of actions set out in the strategy are expected to have a financial cost which may be significant and funding these may present a significant challenge for the council.

Further decisions will be required for any capital or revenue budget allocation through the council's capital programme and medium-term financial planning process and individual projects approvals following the completion of further detailed work. Detailed financial impacts, including the costs and funding, affordability, and any financial opportunities and risks specific to each decision, will be set out at that time. Wherever possible the council will need to secure grant funding and contributions from third parties to ensure that the cost to residents, and in the case of the council's social housing, tenants and leaseholders, is minimised.

Legal Implications

There is no statutory requirement for Local Authorities to produce a Climate Strategy or an Action Plan under the Climate Change Act 2008. Local Authorities are, however, obliged to be in keeping with the objectives of policies implemented by the Greater London Authority and National Government through obligations set out in grant funding agreements, under regulatory arrangements such as through air quality reviews and monitoring under the Environment Act 1995 and national planning law including the Planning Act 2008 and in development of local plans under the Planning and Compulsory Purchase Act 2004, where the local planning authority must have regard to national policies. H&F council's 2030 target and planned actions are intended to be consistent with, and exceed, the ambitions set out in the Mayor of London's 1.5 degree compatible action plan, and the Climate Change Act 2008, which presently sets a target for the UK to be net-zero by 2050. In order to carry out the investments and actions required of this report the Council must follow, where appropriate, the Council's contract standing orders and at present include the Public Contracts Regulations 2015 in relation to entering into public contracts.

Contact Officers:

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Background Papers Used in Preparing This Report (*ALL PUBLISHED*)

1. Report of the H&F Climate and Ecological Emergency Commission
 2. Results of the Commonplace resident consultation, Summer 2020
 3. H&F's carbon audit
-

DETAILED ANALYSIS

1. Background

In late 2018 the UN's Intergovernmental Panel on Climate Change (IPCC) assessed that the world has until 2030 to take radical action to keep global temperatures within 1.5°C of pre-industrial levels, beyond which catastrophic change is expected. In recognition of this, Hammersmith & Fulham (H&F) council unanimously declared a climate and ecological emergency in July 2019, setting an ambitious target of 2030 for the borough to achieve net zero carbon. This strategy sets out the council's intended route to deliver on this target.

2. The borough's baseline 'production-based'¹ emissions are 648,752 tonnes of carbon dioxide equivalent (CO₂e). This is mostly from heating and powering homes and buildings, and from road transport. Although these borough-wide emissions have fallen by around 38% since 2005 due to improvements in energy efficiency, the greatest challenges such as decarbonising heat in homes are yet to be addressed.
3. In addition, the borough influences further emissions, known as 'consumption-based' emissions, in the goods and services purchased by residents. This broader footprint is estimated to be 2.5 times larger than the production-based footprint above.
4. The council's organisational footprint from its own operations and assets, including its housing, accounts for 9.6% of the borough's emissions, at 62,546 tonnes of CO₂e. The emissions from heating and powering council homes account for 83% of this footprint, with the remaining 17% comprised of heating, cooling and powering its corporate buildings and schools; the vehicles it uses; and street lighting. The council has indirect influence over another 65,360 tonnes CO₂e again through the goods and services it procures.
5. As well as responding to a global crisis, tackling the climate emergency in H&F will bring benefits for residents and the borough that deliver on the council's other values and objectives. These include a thriving green economy, with skills and jobs for the future; a clean public realm bringing improved health and wellbeing; a revival of biodiversity; and a locus for shared community

¹ These include 'scope 1' emissions from the direct use of fossil fuels (such as oil and gas) within the borough boundary, 'scope 2' emissions from the production of electricity consumed within the borough boundary, and emissions from waste.

involvement.

6. H&F's climate action to date

7. The council has moved quickly since its climate emergency declaration, including:
- Buying 100% renewable electricity for our buildings, and helping residents to do the same;
 - Supporting schemes to install local renewable energy;
 - Initiating a programme of energy efficiency retrofitting for our council homes, schools and premises;
 - Delivering schemes to support fuel-poor residents in the private sector to improve their homes;
 - Expanding our electric vehicle charging network to be one of the largest in the UK, aiming to have 1,000 installed by the end of 2021;
 - Replacing our fleet with electric vehicles, aiming to be fully electric by 2022;
 - Rolling out a zero-emissions delivery service, delivering food packages during the Covid-19 pandemic, and a shared e-vans scheme for businesses;
 - Launching our pilot food waste recycling scheme;
 - Launching a trailblazing global UN-backed climate education programme with our teachers.
8. These are some of the first steps towards ten years of climate action, set out in the strategy, that will grow a thriving local green economy and bring the community together to deliver a socially just, environmentally safe society.

Development of the climate and ecology strategy

9. H&F's resident-led Climate and Ecological Emergency Commission worked closely with the council's Climate Unit throughout 2020, and their emerging findings, regular discussion with officers throughout 2020, and final recommendations report have helped inform the council's strategy.
10. The commission held a public engagement event at the Lyric Theatre in February 2020 and worked with the council on a virtual consultation on residents' priorities for climate action during summer 2020. This received 387 responses and was viewed by another 600 people.
11. Environmental consultants were appointed in April 2020 to undertake an independent baseline of H&F Council's greenhouse gas emissions, and to give high-level recommendations and cost estimates for the council to achieve net zero within its own assets and operations.
12. H&F's Climate Unit has been working with officers from all council departments in cross-cutting working groups to develop the strategy. The working groups examined the evidence base, drew on their sectoral knowledge, and consulted with partners and external experts across the workstreams.

Summary of the strategy

13. Together, the strategy and action plan are a comprehensive, high-level plan for the council and borough to transition to net zero greenhouse gas emissions.
14. The strategy (Appendix A) sets out a vision for a net-zero borough, and identifies what is needed for the council and borough to achieve the net zero target, based on the evidence. Achieving net zero across the borough depends on action from the council, local organisations and residents, regional and national government, and the wider economy.
15. The action plan (Appendix B) sets out the areas in which the council can deliver on this strategy, recognising that only a small proportion of the borough's emissions are within the council's direct control. For the wider borough's emissions, the action plan focuses on opportunities for the council to actively enable and incentivise sustainable choices for residents, businesses and organisations.
16. The strategy tackles five climate challenges:
 - i. **Homes, buildings and energy:** how we construct, heat and power our built environment.
 - ii. **Travel:** how we move around.
 - iii. **Things we use:** what we buy, use and dispose of.
 - iv. **Ecology:** how we make space for nature and recover biodiversity.
 - v. **Adapting to climate change:** how we make ourselves resilient to the changes happening.
17. Three enabling workstreams create the conditions needed for this change, and cut across the five challenges:
 - vi. **Engagement and influence**
 - vii. **Finance and decision-making**
 - viii. **The green economy**
18. The strategy (Appendix A) sets out our organisational and borough baseline footprint in greater detail, and gives further proposed definition to the scope of the net zero target adopted by Full Council. It outlines the vision and principles for climate action, as well as the requirements for financing, delivering, and monitoring the programme, including a dependency on substantial external funding. It then summarises the objectives for each of the five climate challenges, and three enabling workstreams.
19. The action plan (Appendix B) sets out the council's high-level actions against each workstream.
20. Over ninety percent of the borough's emissions are outside of the council's direct control. The Green Economy workstream sets out how we will work with schools, academia, businesses, community groups and many others to deliver a thriving low-carbon economy with strong employment prospects for residents. The engagement and influence plan (Appendix C) sets out our approach to

bringing all our residents with us to tackle the climate emergency, and responds to the resident-led commission's emphasis on engagement.

Engagement on the strategy

21. Resident involvement to date

The strategy and action plan are the result of in-depth resident engagement, led by a commission of twelve local resident volunteers that took place over a year, as well as an open engagement event, a virtual consultation on resident priorities, and various discussions with resident groups, local businesses, institutions and organisations.

22. The resident-led Climate and Ecological Emergency Commission was launched in January 2020, to make recommendations to the council on the action needed to achieve net zero by 2030. The commission constructed detailed recommendations within eight key workstreams, which have informed the council's strategy:

- i. Built infrastructure
- ii. Transport
- iii. Ecology
- iv. Energy
- v. Waste and the circular economy
- vi. Finance
- vii. Food
- viii. Health

23. In developing its recommendations, the commission held a public engagement event at the Lyric Theatre in February 2020, at which residents proposed a wide range of actions for the borough in themed breakout groups.

24. During Summer 2020 the commission worked with the council on a virtual consultation on residents' priorities for climate action. This received 387 responses and was viewed by another 600 people. Questions were asked against a range of themes, with key findings from respondents including that:

- i. The issues of most concern to residents were:
 1. Waste and recycling facilities
 2. Air pollution
 3. Loss of nature and wildlife
 4. Traffic on our streets
- ii. Priorities for transport and travel were improved cycle routes and less air pollution.
- iii. Affordability of and support for energy efficiency measures was of importance to 91% of respondents.
- iv. Within food, respondents were most concerned about where their food comes from.
- v. Most respondents identified flexible volunteering opportunities as key to enabling more involvement in community life.
- vi. Half of business respondents felt being seen as 'green' was crucial, and a low-emissions delivery network was seen as being the most important factor in helping them to decarbonise.

25. The commission worked with members of the Youth Council in developing its recommendations. H&F has also been engaging its young people through the UN-backed EduCCate Global programme, accrediting teachers to bring the climate emergency to the classroom.
26. In May 2021 the commission presented its findings to Cabinet, summarising four core proposals, for the council to:
 - i. Establish a vision to encourage a move to a zero-carbon society;
 - ii. Communicate and engage with residents;
 - iii. Build and share local sources of knowledge;
 - iv. Create an effective plan to achieve net zero.
27. In presenting a public-facing evidence base, vision and route to net zero, this strategy and action plan represent a vital step to meeting these proposals.

Future engagement

28. Achieving net zero and delivering on the strategy's objectives will require substantial changes across the public and private realms. It relies on the engagement, understanding and buy-in of our residents. H&F will continue to engage key local groups following the strategy's adoption. This may include virtual Q&As, and, depending on national restrictions and council policy on face-to-face engagement, in-person events and pop-up stalls. These could take place socially distanced in parks, for instance, to minimise risk.
29. We will explore further opportunities for coproducing delivery of the action plan, such as through resident implementation working groups for the different climate challenges.
30. As well as being guided by the council value of doing things with residents, not to them, two of our principles for climate engagement (see Appendix C) are to 'build collective knowledge' and 'champion under-represented voices'. We will pursue the former through breadth of engagement, ensuring that as wide a base of residents and groups as possible are supported to be involved. We will use existing touchpoints the council has with the community, including community groups, residents' associations, faith groups, businesses, schools and young people's groups (through the Youth Council and the Inclusive Youth Voice Network), local institutions such as Imperial College, and third sector organisations.
31. To ensure we champion under-represented voices we will involve groups from whom we achieved lower response rates during our consultation in Summer 2020, including social housing tenants. We'll also seek effective contact channels to reach out to groups whose voices are frequently under-represented in climate discussions, as well as those who are vulnerable to the negative impacts of climate change. This includes Black, Asian and Minority Ethnic groups, disabled residents, older adults, looked after children, and lower income households. Working with colleagues and partners such as the Co-production Implementation Group, H&F Faith Forum, Prevent Community Advisory Group, and local charities and community organisations, we will seek

to involve a truly diverse cross section of our community.

Delivering the strategy and monitoring progress

32. This first action plan is focused on the actions the council can take to move the borough towards net zero. The council will develop its work with local communities and partnerships to implement the strategy, and to reflect the actions and pledges taken by others in future updates to the strategy.
33. Delivering the strategy will be a significant programme with considerable logistical challenges; decarbonising the council's assets alone will require a plan for over 17,000 homes, schools and corporate buildings. New governance will be put in place to aid the strategy's implementation, with arrangements for programme delivery, political oversight, and resident involvement and review. A carbon management plan will be developed internally for the council to plan and monitor its route to net zero carbon across its own organisational assets and operations.
34. The challenge ahead involves a step change, demanding bold new thinking and experimentation. Not every action will be successful from the outset, and these will continue to be shaped and refined in the open, in collaboration with our local residents and organisations. The strategy will be an evolving document, with annual updates to report on progress against the actions, and reflect changes as more detailed feasibility is understood, and new policy contexts and technologies emerge. A full review will be undertaken in 2026.
35. The council will continue to measure and report the borough and organisation's carbon footprints annually.

Costs and funding

36. Delivery of this strategy is dependent on the availability of funding and affordability. These actions will require unprecedented levels of investment in an already financially challenging environment, and the sources for this remain uncertain.
37. High-level cost modelling undertaken by the council's independent environmental consultants estimated a net cost to the council to decarbonise the organisation at £248m. This is primarily a capital programme, with £213m of this estimated for the council's housing. Further cost modelling will be undertaken as part of a detailed retrofit strategy, to be undertaken over the next year. An initial HRA capital funding requirement of £106m will be included in the 12-year Asset Management Capital Strategy proposals, to be decided on by Cabinet in September 2021, and assumes significant grant funding will be available to meet these costs. The council will continue to seek external funding to match this investment, with a number of successful funding applications already achieved to date for energy efficiency works to council and private homes, and corporate buildings.
38. Some investment will result in operational savings: more energy efficient buildings and lower running costs of electric vehicles offer an estimated £11.2m

operational savings to the council by 2030. Climate action also offers system-wide savings through demand management, such as through reduced levels of waste, and reduced pressure on the health system from illnesses related to air quality and cold homes. We will quantify and communicate these benefits wherever possible to build strong business cases for investment.

39. The strategy and action plan include high-level estimated costs for decarbonising the council's assets. Costs of actions will be dependent in many cases on the extent of the activity undertaken, and detailed cost and benefit analysis will be needed at project planning stages. The cost of decarbonising the borough is highly uncertain and subject to changing costs, including from adoption of new technology and changing national policy. It is likely to require in excess of £2 billion, for which investment will be needed from government, businesses and residents.
40. The costs of action must also be compared to the counterfactual, the 'cost of doing nothing'. The risks of climate change increase with higher cumulative emissions, so early investment will save significant costs in the future. The Global Commission on Adaptation in 2019 estimated that a USD 1.8 trillion investment in adaptation measures would bring a return of USD 7.1 trillion in avoided costs and other benefits.
41. Innovative financing and purchasing models will be pursued to help deliver these actions and drive down the cost. Opportunities to achieve an income from carbon reduction will be sought to sow back into climate action. The council will continue to explore ways to subsidise these investments, including applying for grants from government and other sources, and lobbying for further support alongside its partners.
42. Further detail on our approach and actions around this are in the 'Finance and decision-making' section of the action plan.

OPTIONS APPRAISAL

43. 1. Do nothing

This is not recommended. The council has adopted an ambitious and challenging target of net zero for the borough by 2030, which will not be met without a clear strategy and action plan.

44. 2. Adopt the Climate and Ecology Strategy and Action Plan

This option is recommended. The strategy and action plan are the result of extensive internal and external consultation described above, and form a complete response to the council's net zero target for the borough based on the evidence around emissions and possible actions.

45. 3. Delay adoption of the strategy to allow for further development

This option is not recommended. The field of climate action is continually evolving, with developing technologies, approaches, and changes in costs expected to be a feature of the coming decade. The high-level actions needed

are well understood, and this strategy has the flexibility to accommodate a growing and changing evidence base as this develops. The breadth of the strategy is such that detailed costs will need to be modelled for programmes and individual projects such as building retrofit as they are developed. A high number of councils have a published plan, and delays to publication hinder certainty on the council's intentions for its own departments and external stakeholders, which delays action. The publication of a strategy provides the council with a stronger justification for bids to grant funding and for climate action it undertakes in the borough.

Equality Implications

46. Climate change is expected to have unequal impacts on different communities, with more vulnerable groups often exposed to the highest climate risks. The climate and ecology strategy explicitly seeks to redress this through action to both prevent further climate change, and to adapt to changes already in train.
47. Tackling the climate emergency will help us address local public health inequalities. In H&F 32% of the reduced life expectancy for the most deprived people is attributable to circulatory and respiratory reasons, which are exacerbated by polluted air, cold homes and extreme heat. Those who live in low-income areas are often the most affected by air pollution and yet also often those least responsible for producing it; in the UK 40,000 people die annually from air pollution-related diseases. In H&F 12,183 households were estimated to be in fuel poverty in 2019; cold homes cost the NHS £1.4bn a year.
48. The transition to a net zero economy will bring opportunities for many, but also risks and changes to existing fossil fuel-aligned areas of employment, such as gas technicians and self-employed drivers. One of the five principles of the strategy is to ensure a 'just transition', meaning that strong regard is given to the equality impacts of both action and inaction, that the costs and benefits of the climate programme are distributed justly, and those affected by the transition are supported to thrive in the new economy.
49. The strategy and action plan are at a high level. A meaningful equality impact assessment is not possible at this level, but there are likely to be implications when individual actions are progressed into policy and projects, and individual equality assessments will be undertaken against these at this point.

Risk Management Implications

50. The World Economic Forum recently highlighted the most likely threats in their Global Risk Report 2021. Four of the seven highest ranked risk areas, other than Infectious diseases and Digital Inequality and concentration, contained in their assessment were;
 - i. the threat of extreme weather events;
 - ii. Climate action failure;
 - iii. Human environmental damage;
 - iv. Biodiversity loss.Similarly, four of the seven highest ranked risk areas by impact were;
 - i. Climate action failure;

- ii. Biodiversity loss;
- iii. Natural resource crisis;
- iv. Human environmental damage.

The National Risk Register, produced by HM Government also recognises the challenges posed by environmental risk having also referenced the UK's Climate Change Assessment last published in 2017 and highlighted that more intense rainfall, more extreme weather and wetter winters are projected to increase the threat of damage and disruption as a result of all types of flooding. The government assesses the risk from four main types of severe weather:

- storms and gales with damaging wind speeds and possible lightning;
- low (sub-zero) temperatures and heavy snow for prolonged periods;
- heatwaves with high temperatures lasting several weeks, harming peoples' health;
- drought as a result of a lack of rainfall over several years, leading to water shortages.

Other risk factors determined in the National Risk Register include Air quality, specifically air pollution remains a high environmental risk to UK public health, and shortens lifespans.

It is clear also that there is no vaccine for environmental damage and as with COVID-19, climate change impacts are likely to play out disproportionately across countries, exacerbated by long-existing inequalities. There is only a short window of opportunity to redress these disparities. A shift towards greener production and consumption cannot be delayed until economies are revived. The Council has recognised the need to catalyse a transformation that amalgamates investment in green and inclusive economic recovery, and is progressing this work through the three enabling workstreams and the Strategy, Action and Engagement Plan.

To support and deliver on the Council's commitment it is important that robust internal governance and programme management arrangements are put in place to monitor and oversee the delivery of the action plans and the achievement of milestones/targets they contain.

Implications verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance, 07817 507 695

Climate and Ecological Emergency Implications

51. The adoption of a climate strategy and action plan are critical to progressing and communicating the council's programme for achieving net zero greenhouse gas emissions. This strategy provides clarity on the council's intentions, supports the council to engage with residents and partners on action needed within the wider borough, and provides an evidenced basis for climate action, investment, and applications for external support and funding.

Implications verified by: Jim Cunningham (Policy & Strategy Lead – 07468 365829)

Consultation

52. The resident-led commission held a public event at the Lyric Theatre with 100 residents prior to COVID-19 and undertook a digital public consultation exercise with the Council to engage a larger, more diverse cross-section of H&F including businesses, community groups and households. The results and analysis (Appendix D) have fed into the commission's findings and the council's strategy. In addition the strategy was developed collaboratively across the organisation, with around seventy officers representing all departments involved in working groups.

LIST OF APPENDICES

Appendix A: H&F Climate and Ecology Strategy

Appendix B: H&F Climate and Ecology Action Plan

Appendix C: H&F Climate and Ecology Engagement Plan

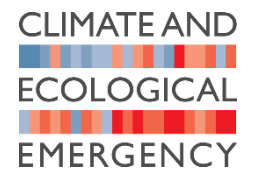
Appendix D: Commonplace consultation report

Appendix E: H&F's carbon audit

Appendix F: H&F's greenhouse gas emissions

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APPENDIX A



H&F 2030: Climate and Ecology Strategy

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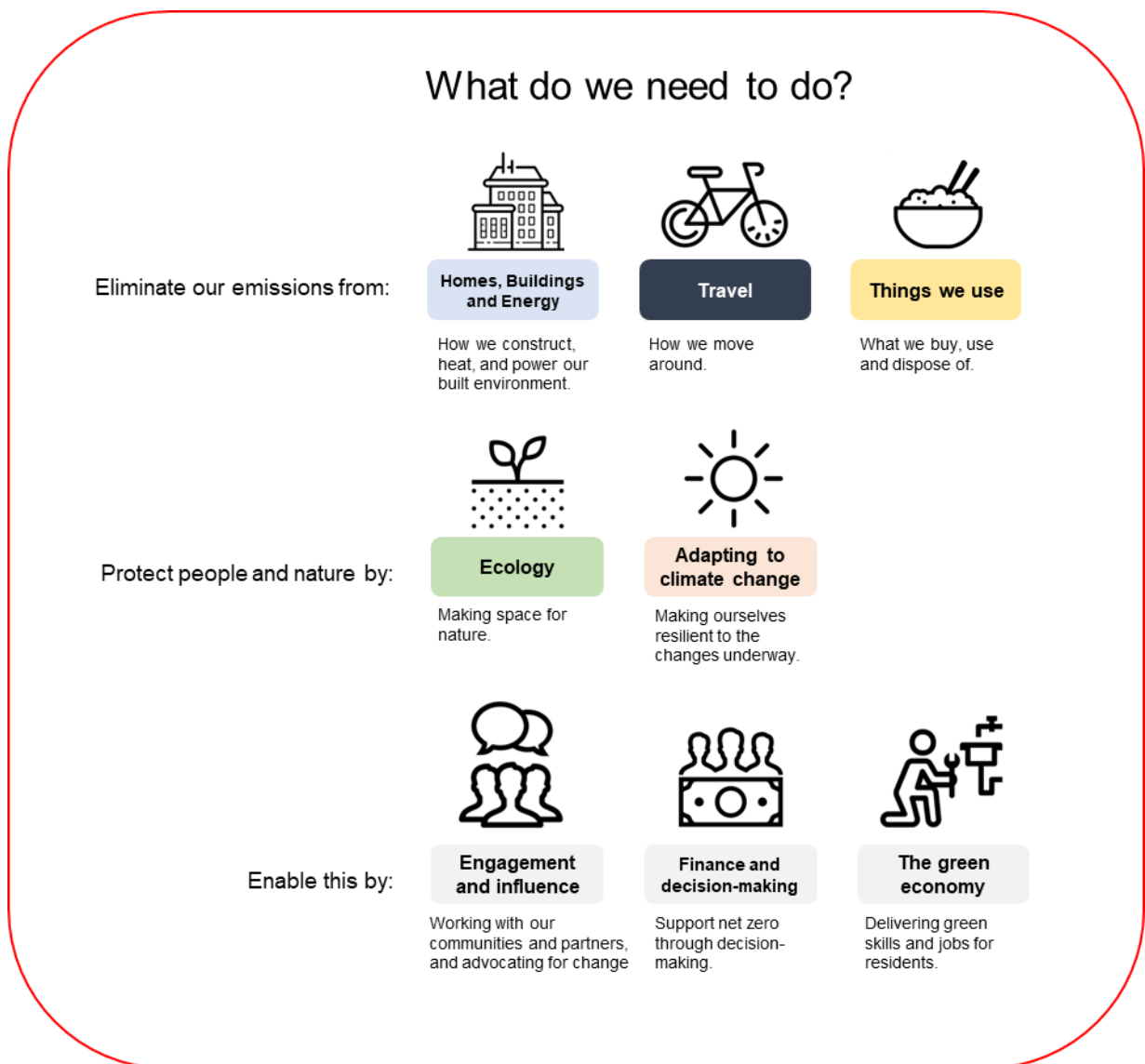
Strategy on a page

Vision: H&F’s climate and ecology strategy sets out the route to net zero greenhouse gas emissions by 2030 for the borough.

Its goal is a clean and sustainable future in which human activity works to the benefit of all people and the environment.

It seeks a safe climate for future generations, along with rich ecosystems that support people and nature, a thriving green economy, and the best possible health, wellbeing and quality of life for all our residents.

The transition from fossil fuels will be an empowering and collective effort in which all have a voice, and the challenges and opportunities from change will be shared justly.



Introduction

An urgent need for change

The destabilisation of our climate by human activity will be the great challenge of this century. Over the past hundred years our activities, in particular the burning of fossil fuels, have caused the concentration of greenhouse gases in the atmosphere to rise sharply. By the twenty-first century this had resulted in a 1°C rise in global average temperatures, bringing sea level rises that threaten low-lying areas, and increasingly frequent extreme weather events. Climate change is already causing one disaster around the globe per week, according to the United Nations (UN) secretary-general's special representative on disaster risk reduction¹.

The UN Intergovernmental Panel on Climate Change (IPCC) released its sixth comprehensive assessment of climate science in August 2021. This reveals that due to the ongoing inadequacy of global action temperatures are now likely to rise by more than 1.5°C within the next two decades. Only drastic reductions in emissions by 2030 can prevent the most devastating global consequences of rising temperatures.

As well as a commitment to a safe planet for all, Hammersmith & Fulham (H&F) has a direct stake in halting the climate emergency. Most of the borough lies within flood risk zones, with periods of both extreme rainfall and drought made more likely by rising temperatures. The borough is particularly vulnerable to high heat due to its density of buildings, and summer daytime temperatures in London are expected to be 2.1-4.8°C hotter by mid-century². With no action, heat-related deaths in the UK are projected to increase 500% to 12,000 per year this century³, with our most vulnerable residents most at risk. Action on the climate emergency presents further opportunities for better quality of life: at present in the UK cold homes cost the NHS £1.4bn a year, and 40,000 die annually from air pollution-related diseases⁴.

The environmental and health consequences of climate change disproportionately affect low-income countries and poorer people in high-income countries⁵. In H&F 32% of the reduced life expectancy for the most deprived people is attributable to circulatory and respiratory reasons⁶, exacerbated by polluted air, cold homes and extreme heat. The world's richest 10% produce half of all carbon emissions whilst

¹ United Nations, [‘Staggering’ rise in climate emergencies in last 20 years, new disaster research shows | UN News](#)

² UKCP18 -

<https://www.metoffice.gov.uk/binaries/content/assets/metofficegovuk/pdf/research/spf/london-city-factsheets-3-of-3-the-results-v0.2.pdf>

³ UK Committee on Climate Change, *Heat and Preventable Deaths in the Health and Social care System*, <https://www.theccc.org.uk/wp-content/uploads/2019/07/Outcomes-Heat-preventable-deaths-case-study.pdf>

⁴ Ashden, *Co-benefits of climate action*

⁵ B Levy and J Patz (2015), ‘Climate Change, Human Rights, and Social Justice’, *Annals of Global Health*

⁶ <https://analytics.phe.gov.uk/apps/segment-tool/>

poorest 3.5bn account for a tenth⁷. In H&F, we recognise our global responsibility and will take account of the global effect of our decisions and actions, playing our part to contribute to a safe, fair and just world for all.

The climate emergency is closely linked with long-term ecological decline. The UK's biodiversity has been depleted by land use change and urbanisation, with 35% of species declining since 1970⁸. Thirteen percent of UK species are threatened with extinction, and thirty-six plant species have already disappeared. With these losses we also lose vital ecosystem services that species provide, including insect populations to pollinate our crops and plants to clean our air. Overall, public sector spending on biodiversity has declined by 42% since 2008.

The national picture

The Climate Change Act 2008, amended in 2019, sets a mandatory greenhouse gas reduction target for the UK of 100% by 2050. In April 2021 the UK government also announced an interim target to reduce the UK's emissions by at least 78% by 2035, as part of its contribution to the international Paris Climate Agreement⁹. The UK's statutory Committee on Climate Change (CCC) monitors and advises on progress, measured against legally binding five-year 'carbon budgets': a maximum amount of greenhouse gases the UK should emit on its way to net zero. They have assessed that the government's current planned policies are not enough to meet these commitments¹⁰.

The UK is not alone in setting aggressive emissions reduction targets – almost every other large emitter has done so, including China and the United States.

H&F acts

H&F has taken action to protect our environment over many years, under its ambition of becoming the greenest borough. Since 2016 it has established and enacted recommendations from resident-led biodiversity and air quality commissions, published and followed a 2018-22 business plan covering environmental improvements in habitats and pollution.

In late 2018 the UN's Intergovernmental Panel on Climate Change (IPCC) assessed that the world has until 2030 to take radical action to keep global temperatures within 1.5°C of pre-industrial levels, beyond which catastrophic and irreversible change is expected¹¹. Nevertheless, as of 2019 the world's greenhouse gas emissions continued to rise by 0.6% on the previous year.

⁷ Oxfam (2020), *Confronting Carbon Inequality*, <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/621052/mb-confronting-carbon-inequality-210920-en.pdf>

⁸ [State of Nature 2019 - National Biodiversity Network \(nbn.org.uk\)](https://www.nbn.org.uk/state-of-nature-2019)

⁹ [The Paris Agreement | UNFCCC](https://unfccc.int/paris-agreement)

¹⁰ [Reducing UK emissions: 2020 Progress Report to Parliament - Climate Change Committee \(theccc.org.uk\)](https://www.theccc.org.uk/reports/2020-progress-report-to-parliament)

¹¹ [Global Warming of 1.5 °C — \(ipcc.ch\)](https://www.ipcc.ch/global-warming-1.5)

In recognition of this, H&F council declared a climate and ecological emergency in July 2019, setting an ambitious target of 2030 for the borough to achieve net zero carbon. Continuing our commitment to doing things with residents, we launched a resident-led Climate and Ecological Emergency Commission, which met throughout 2020 to help us shape a ten-year climate programme to enrich and inspire the borough.

The council has moved quickly during the last two years. We're buying 100% renewable electricity for our buildings, helping residents do the same, and supporting schemes to install local renewable energy. We've initiated a programme of energy efficiency retrofitting for our council homes, schools and premises, and are supporting fuel-poor residents to improve their homes. We've expanded our electric vehicle charging network to be one of the largest in the UK, aiming to have 1,000 installed by the end of 2021, and we're replacing our fleet with electric vehicles. We've rolled out a zero-emissions delivery service, delivering food packages during the Covid-19 pandemic, and have launched our pilot food waste recycling scheme. We've trailblazed a global UN-backed climate education programme with our teachers.

These are some of the first steps towards ten years of climate action, set out in the strategy below, that will bring the community together to deliver a socially just, environmentally safe society.

Achieving a net zero borough presents a vast challenge, not least the projected £2bn investment required locally. This will require concerted action not just by the council but also by central government to bring forward much greater funding, bolder policy, and powers for local authorities; and by our residents, businesses, and organisations to take up the challenge.

Opportunity from a green economy

H&F was the first local authority to publish a ground-breaking Industrial Strategy, and has been working with its partners including institutions like Imperial College, anchor businesses, and regional partners to foster the field-leading green innovations and skills needed for a net zero future. H&F has a thriving economy, and a growing environmental goods and services sector employing around 3,300 people. The local economy is key to the low-carbon transition, providing goods and services to the borough and beyond. Businesses also control a significant direct footprint locally, with 43% of the borough's emissions being from non-domestic buildings, and freight representing 28% of road use.

The council believes firmly in the benefits that a green economy can bring. These include a green recovery from Covid-19, local skills and jobs for a low-carbon future, an early adopter advantage for local businesses in growing low-carbon markets, opportunities for residents to make use of sustainable and local goods, and future-proofing for businesses.

The council is using its role in the borough and region to lead a green economic recovery, and to develop its industrial strategy towards clean sectors. We will

support businesses and help create the conditions for these sectors to thrive, as well as directly investing in low-carbon solutions to grow these industries.

The borough's greenhouse gas emissions

The borough's activities directly and indirectly cause the emissions of various greenhouse gases, measured in 'CO₂ equivalent' (CO₂e). A summary is given below; more detail on the borough's emissions can be found in **Appendix F**.

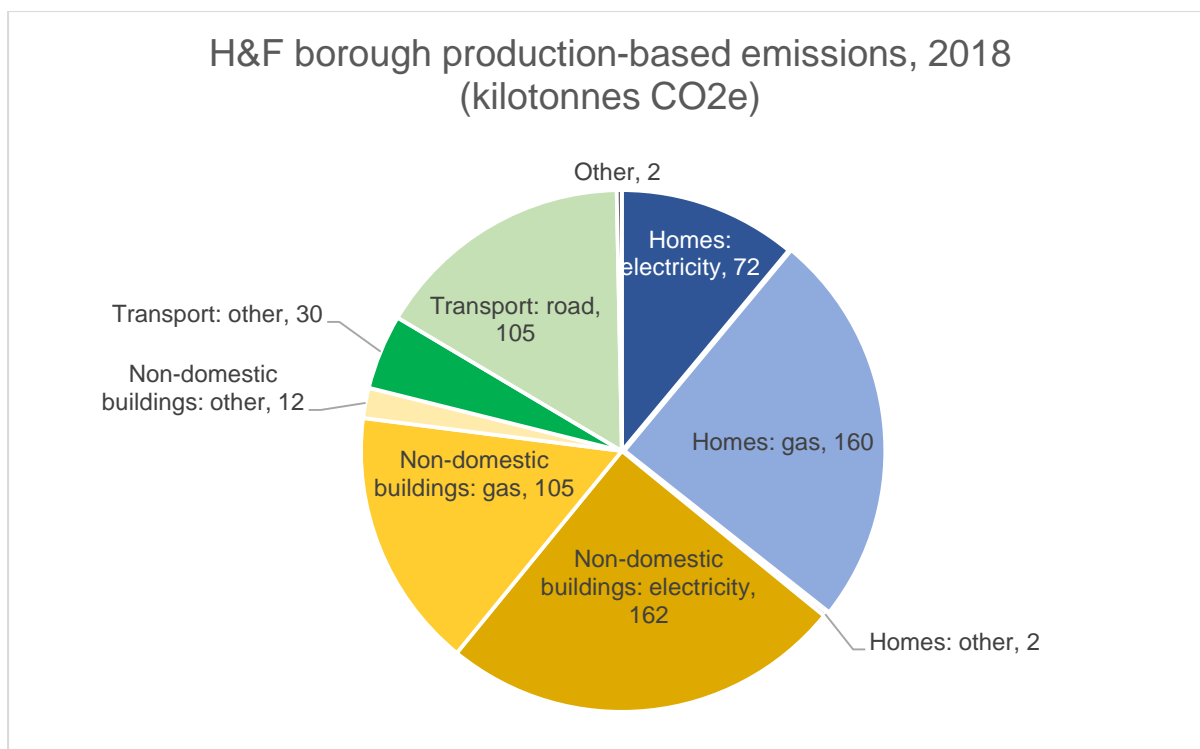
The main footprint for the borough, known as its '**production-based**' footprint, comes primarily from the direct use of fossil fuels and electricity within the borough boundary. This is the footprint against which the net zero target will be measured.

The total production-based emissions for H&F are **648,752 tonnes of CO₂e**¹², of which:

- 36% is from homes, mostly from gas heating.
- 43% is from other buildings, mostly from electricity use.
- 21% is from transport, mostly road use.

¹² Data source: London Energy and Greenhouse Gas Inventory (LEGGI). This includes scopes 1, 2, and 3 emissions from the sources included. Aviation within the borough boundary (such as helicopters) is included under 'Transport: other', but flights taken from London airports by H&F residents are not included in this, instead covered in 'consumption-based' emissions below. Waste disposal takes place out of borough and is not assigned to H&F in this footprint, but is estimated below under consumption-based emissions.

Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (in this case including the upstream production and transportation of gas used within the borough, for instance).



H&F's 'production-based' footprint. Source: London Energy and Greenhouse Gas Inventory. 1 kilotonne = 1,000 tonnes.

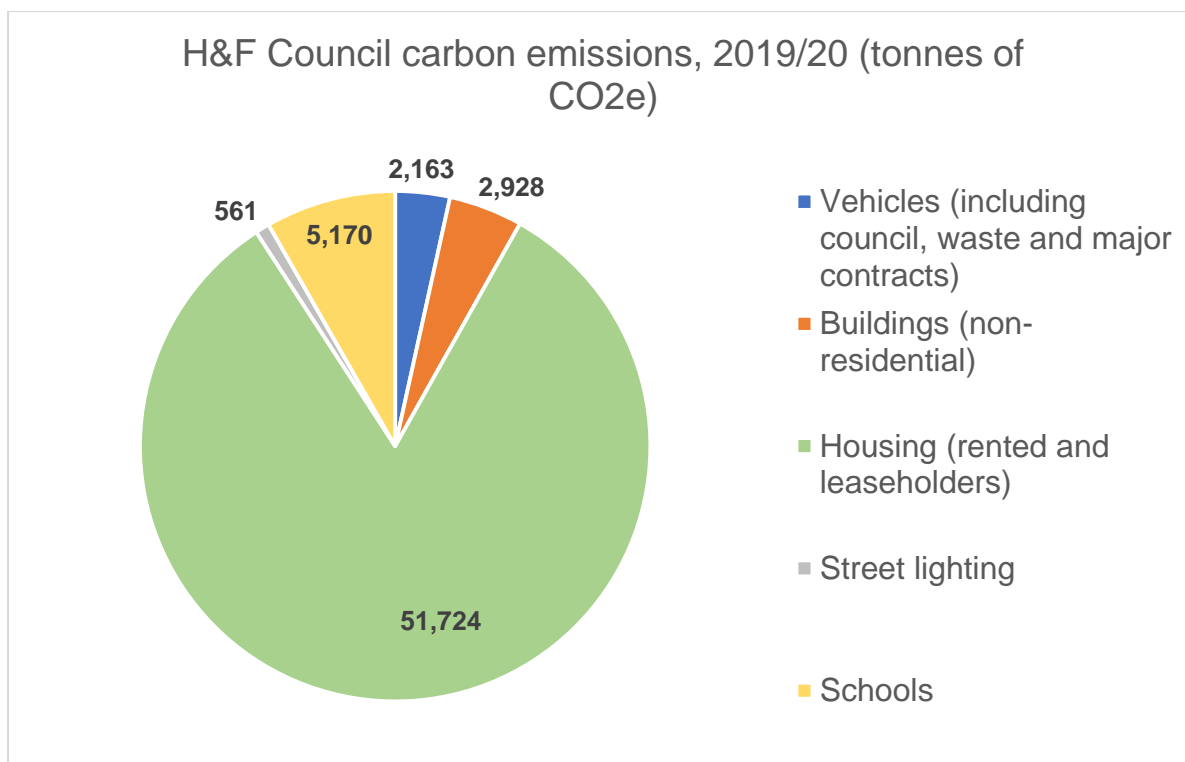
In addition to the borough's direct emissions, we also indirectly cause emissions through the things we buy and use, known as '**consumption-based emissions**'. These emissions often occur elsewhere in the production and transportation of goods, so aren't captured within the borough's production-based footprint. These emissions are estimated to total **1,636,000 tonnes of CO2e** for H&F's households; 2.5 times the level of our direct emissions alone. While we cannot reduce these emissions to zero solely through our own actions, reducing emissions from the things we use is therefore a key element of the strategy.

To meet the aim of keeping global temperature rise under 1.5°C in line with the principles of the Paris Climate Agreement, the borough must also limit its level of **cumulative emissions**. H&F's upper limit of cumulative emissions in line with these principles has been calculated at 4.8 million tonnes (Mt) of CO2e¹³. At current emissions levels this would be exhausted within seven years; cutting emissions early counts for more than cutting late.

The **council's carbon footprint** from its own operations and assets, including its housing, accounts for 9.6% of the borough's emissions at **62,546 tonnes of CO2e**¹⁴. The emissions from heating and powering its homes account for 83% of this.

¹³ Tyndall Centre

¹⁴ This footprint includes the council's scope 1 and 2 emissions from directly owned and operated assets, plus scope 3 emissions from its housing. It excludes emissions associated with water and waste (included within the borough-wide footprint), and scope 3 emissions from its supply chain.



The council also procures goods and services; another estimated **65,360 tonnes of CO₂e** is associated with these.

The scope of H&F’s net zero targets

The council has set targets for the organisation and borough to be ‘net zero carbon’ by 2030.

The target for the borough will be measured against the scope 1, 2, and 3 emissions of its production-based footprint¹⁵, relating to fossil fuels and electricity consumed within the borough, as well as disposal of the waste it produces. This footprint corresponds to the areas within the direct control of the borough’s residents, businesses and organisations, and is the most reliably measured footprint. Tackling consumption-based emissions is recognised as critical and within our indirect influence, so remains as one of the five climate challenges around which the strategy is organised.

Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (such as in the production and transportation of food and goods consumed within the borough).

¹⁵ Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (such as in the production and transportation of gas consumed within the borough in this instance).

The target for the council will be measured against its scope 1 and 2 emissions, as well as emissions from the buildings it owns and for which it has responsibility for the fabric and fuel sources, including council housing. Scope 3 emissions from procurement fall outside of the net zero target as they are only partly within the council's influence, but we recognise our role in tackling these, so this again forms an integral part of the strategy and action plan.

Framework

2030 Vision

H&F's climate and ecology strategy sets out the route to net zero greenhouse gas emissions by 2030 for the borough.

Its goal is a clean and sustainable future in which human activity works to the benefit of all people and the environment.

It seeks a safe climate for future generations, along with rich ecosystems that support people and nature, a thriving green economy, and the best possible health, wellbeing and quality of life for all our residents.

The transition from fossil fuels will be an empowering and collective effort in which all have a voice, and the challenges and opportunities from change will be shared justly.

Principles

H&F's six values guide the strategy:

Building shared prosperity. The strategy strives to put H&F at the forefront of the growing green economy and ensure all residents benefit, through investment, training, and support to businesses.

Doing things with residents, not to them. The strategy has been guided by our resident-led Climate and Ecological Emergency Commission. Ongoing coproduction will be integral to developing the action plan, and the council will amplify community action as well as providing leadership.

Creating a compassionate council. Improving human wellbeing is at the heart of the strategy. As well as providing a safe planet for future generations, it targets poverty and equality, and seeks to improve health and public space for residents of all backgrounds, experiences and abilities.

Taking pride in Hammersmith & Fulham. Our climate goals are delivered through improvements to the public realm that will bring space, nature and wellbeing to residents.

Ruthlessly financially efficient. The funding challenge to delivering net zero is great, and will be met with strong cases for investment, innovative financing approaches that engage the public, maximising the value of spend on carbon reduction, and leveraging outside funding.

Rising to the challenge of the climate and ecological emergency. This strategy is the council's plan for delivering on this value, and ensuring all decisions support it.

In addition to the six H&F values, the following cross-cutting sustainable principles guide the strategy:

Ambition. H&F has adopted a stretching 2030 target, well in advance of the UK's 2050 target. The actions to reach this must be ground-breaking and ambitious.

Just transition. Climate justice is social justice, as many of the damaging effects of climate change fall disproportionately on the vulnerable. This strategy aims to improve the life chances of all, promote equality, and ensure the costs and benefits of action fall justly.

Wider environmental benefit. The actions are intended to reduce greenhouse gases, but also aim to improve biodiversity, air quality, and broader sustainability.

Wellbeing. Climate actions seek to enhance the health, wellbeing and cultural life of residents, and bring communities together.

Partnership. Council action and technological solutions alone will not achieve net zero. All the borough's communities and partners must educate, support and galvanise each other to bring about the changes needed.

The driving purpose behind this strategy is to bring about a better planet for people and nature. Carbon reduction is a critical means to this end, but not the end in itself. Our resident-led commission and engagement to date tell us that residents want to see environmental and social outcomes delivered together. Our actions to reduce carbon must support wider issues of sustainability and social justice.

While cutting our emissions we will also ensure our activities reduce their impact on other local and global **environmental boundaries**, such as biodiversity loss, pollution, water scarcity, ocean health and resource scarcity.

These actions must also strengthen our **social foundations**. They should deliver progress for people's security and wellbeing, including access to good food, health, housing, education, opportunities and connection with others.

The council will continue to work with its local partners to explore how as a borough we can deliver environmental and social outcomes in tandem. With this end in mind the climate and ecology strategy works towards the United Nations' Sustainable Development Goals (SDGs), seventeen global aims to achieve a better future by 2030.

Summary of the five climate challenges

The action needed falls into five strategic challenges. These are summarised in full detail in the section **Five climate challenges**.

The five challenges are:

Homes, Buildings and Energy

How we construct, heat and power our built environment.

Travel

How we move around.

Things we use

What we buy, use and dispose of.

Ecology

How we make space for nature.

Adapting to climate change

How we make ourselves resilient to the changes happening.

Enabling action

To deliver the strategy, a sea change will be needed in:

- the drive and capacity of the market to enable net zero;
- the financing models and funding available for climate action in the private and public sectors;
- the way our organisation and others prioritise and evaluate decisions, and
- the way our residents think and behave towards sustainability.

Three enabling workstreams cut across the five climate challenges, and create the conditions needed for this change:

1. Engagement and influence
2. Finance and decision-making
3. The Green Economy

Wider benefits of action

Achieving net zero requires changes in behaviour from everyone in the borough, so a successful programme will be one that builds belief that change is desirable. As H&F's resident-led Climate and Ecological Emergency Commission has put it, this involves articulating '*the amazing quality of life... that would result from a zero carbon, ecologically rich society*'.

The actions in this strategy bring with them a host of benefits fundamental to the wellbeing and prosperity of our communities. Many of these offer significant positive feedback loops. Reducing air pollution, for instance, can improve life expectancy, allow people to be more active, reduce days missed from school and work through sickness, and relieve pressure on the NHS, freeing up budgets to be refocused on other needs.

Action on the climate will also help the council deliver on a number of other outcomes:

- **Air quality**, including through cycling, walking, electric vehicles, and removal of gas boilers
- **Health and wellbeing**, including through warm homes, cycling, access to green space, and sustainable diets
- **Poverty and equality**, through energy efficient, fuel poverty-proof homes, reskilling for green sectors, and access to clean air and green space.
- **Green growth and local jobs**, including supporting White City biotech and local skills for green jobs
- **Biodiversity**, by increasing and improving green space

Additionally, investment in climate resilience will help to avoid costs associated with a more extreme climate down the line.

The actions also offer benefits to the council as an organisation, including:

- **System-wide prevention** e.g. lower costs associated with waste collection and poor health
- **Futureproofing** e.g. warmer council homes fit for future minimum standards
- **Invest-to-save** e.g. energy-efficient offices with low heating demand
- **Invest-to-earn** e.g. selling renewable electricity to the grid or consumers
- **Energy security** e.g. on-site renewables and fossil-free heating offering predictable supply and prices

Levers of change

The actions to bring about net zero draw on the full range of levers at the council and community's disposal, including:

- | | | |
|---|------------------------------|-------------------------------------|
| - Convening capability and partnerships | - Lobbying for change | - Market stimulation and innovation |
| - Engagement and education | - Planning powers | - Public infrastructure |
| - Incentivisation | - Local policy | - Procurement |
| - Choice architecture | - Regulation and enforcement | - Financial investments |
| | - Capital investment | |

The funding challenge

Delivery of this strategy is dependent on the provision of unprecedented levels of public and private sector funding. Carrying out these actions will require substantial investment in an already financially challenging environment, and the sources for this remain uncertain. Achievement of around fifty percent external funding is expected to be required to decarbonise the council's housing portfolio. Securing the necessary investment will be an on-going challenge given the current financial environment.

The net cost to the council to decarbonise the organisation is estimated to be £248m. This is primarily a capital programme, with £213m of this estimated for the council's housing. Costs will be dependent in many cases on the extent of the activity undertaken, and detailed cost and benefit analysis will be needed at project

planning stages. Decarbonising the borough is likely to require investment in excess of £2 billion, for which investment will be needed from government, businesses and residents.

Some of these costs will be defrayed through resulting efficiencies; the net cost to decarbonise the UK is projected to be less than 1% of GDP¹⁶. Some investment will result in operational savings: more energy efficient buildings and lower running costs of electric vehicles offer cumulative estimated operational savings of £11.2m to the council by 2030. Nevertheless, it will first be necessary to achieve the upfront funding required for investment, and not all investment offers an immediate financial return.

Climate action also offers system-wide savings through demand management, such as through reduced levels of waste, and reduced demand on the health system from illnesses related to air quality and cold homes. We will quantify and communicate these benefits wherever possible to build strong business cases for investment.

The costs of action must also be compared to the counterfactual, the 'cost of doing nothing'. The risks of climate change increase with higher cumulative emissions, so early investment will save significant costs in the future. Eliminating a source of emissions now reduces total carbon in the atmosphere by as much as eliminating a source thirty times as large in 2050. We also know that earlier action will mean lower costs of adaptation. The Global Commission on Adaptation in 2019 estimated that a USD 1.8 trillion investment in adaptation measures would bring a return of USD 7.1 trillion in avoided costs and other benefits.

Innovative financing and purchasing models will be explored to help deliver these actions and drive down the cost. Opportunities to achieve an income from carbon reduction will be sought to sow back into climate action. The council will continue to explore ways to subsidise these investments, including applying for grants from government and other sources, and lobbying for further support alongside its partners.

Further detail on our approach and actions around this are in the 'Finance and decision-making' section below, and in the action plan.

Links with other strategies

The net zero strategy sets H&F on the path to meet, and ideally exceed, its share of the world's commitment to limiting climate change under the Paris Climate Agreement. It is also aligned with the UN's Sustainable Development Goals for 2030.

This plan aims to deliver net zero by 2030, compliant with and exceeding the UK's legally binding 2050 target and the Mayor of London's 2050 target. It aligns with the London Environment Strategy, contributing to its aims on climate mitigation and adaptation, circular economy and waste, air quality and green infrastructure. It also aligns with seven cross-London workstreams to tackle the climate emergency,

¹⁶ UK Committee on Climate Change, *Sixth Carbon Budget*

agreed by London Councils' Transport and Environment Committee and London Environment Directors' Network, that H&F has developed alongside other boroughs.

The actions support and strengthen delivery against the council's existing plans and strategies:

- **2018-22 Business Plan** commitments, particularly active and electric travel, greening the borough, waste, and reducing pollution; as well as others such as opportunities for young people, healthy eating and income generation.
- **Local Plan** delivery of zero carbon building.
- **Industrial Strategy** priorities of encouraging enterprise and economic growth for all, by working with our local partners to ensure the growing green economy thrives locally, and our residents are equipped with the skills to benefit.
- **Air Quality Action Plan**
- Recommendations by four of the council's **resident-led commissions**: Climate and Ecological Emergency; Biodiversity; Parks; and Air Quality.

Resident-led commission and engagement to date

The resident-led Climate and Ecological Emergency Commission, comprised of twelve local resident volunteers, was launched in January 2020, to make recommendations to the council on the action needed to achieve its ambition of net zero by 2030. The commission built detailed recommendations within eight key workstreams, which have informed the council's strategy:

- Built infrastructure
- Transport
- Ecology
- Energy
- Waste and the circular economy
- Finance
- Food
- Health

In developing its recommendations the commission held a public engagement event at the Lyric Theatre in February 2020, at which residents proposed a wide range of actions for the borough in themed breakout groups.

During Summer 2020 the commission worked with the council on a virtual consultation on residents' priorities for climate action. This received 387 responses and was viewed by another 600 people. Questions were asked against a range of themes, with key findings from respondents including that:

- The issues of most concern to residents were:
 - Waste and recycling facilities
 - Air pollution
 - Loss of nature and wildlife
 - Traffic on our streets
- Priorities for transport and travel were improved cycle routes and less air pollution.

- Affordability of and support for energy efficiency was of importance to 91% of respondents.
- Within food, respondents were most concern about where their food comes from.
- Most respondents identified flexible volunteering opportunities as key to enabling more involvement in community life.
- Half of business respondents felt being seen as 'green' was crucial, and a low-emissions delivery network was seen as being the most important factor in helping them to decarbonise.

In May 2021 the commission presented its findings to Cabinet, summarising four core proposals, for the council to:

- Establish a vision for a zero-carbon society;
- Communicate and engage with residents on the climate and ecological emergency;
- Build and share local sources of knowledge;
- Create an effective plan to achieve net zero.

In presenting a public-facing evidence base, vision and route to net zero, this strategy and action plan represent a vital step to meeting these proposals.

Development of the strategy

Close working between the resident-led commission and council officers throughout 2020, along with the commission's final recommendations, and the results of the virtual consultation, have shaped this strategy. With the commission's direction, the evidence base and outline strategy were developed by the Climate Emergency Unit during spring 2020.

Environmental consultants were appointed in April 2020 to undertake an independent baseline of H&F Council's greenhouse gas emissions, and give high-level recommendations and cost estimates for the council to achieve net zero within its own assets and operations.

Over the summer, working groups involving services from across the council met to build actions around ten overarching workstreams. The working groups drew on residents' input and their own sectoral knowledge, further developed and examined the evidence base, and consulted with partners and external experts across the workstreams.

Delivering the strategy

This first action plan is focused on the actions the council can take to move the borough towards net zero. The council has direct control over less than a tenth of the borough's emissions however; changes in behaviour and investment are needed from all our residents, businesses and partners. The council will develop its work with local communities and partnerships to deliver net zero, and to reflect the actions and pledges taken by others in future updates to the strategy.

New internal arrangements will be put in place to aid the strategy's implementation, including for programme delivery, political oversight, and resident involvement and review. A carbon management plan will be developed internally for the council to plan and monitor its route to net zero carbon across its own organisational assets and operations¹⁷.

The challenge ahead involves a step change, demanding bold new thinking and experimentation. Not every action will be successful from the outset, and these will continue to be shaped and refined in the open, in collaboration with our local residents and organisations. The strategy will be an evolving document, with annual updates to report on progress against the actions, and reflect changes as more detailed feasibility is understood, and new policy contexts and technologies emerge. A full review will be undertaken in 2026.

Monitoring progress

The council will continue to measure and report the borough and organisation's carbon footprints annually.

The scope for the borough's carbon footprint and net zero target will be assessed on its production-based account, as measured by BEIS and LEGGI, depending on the availability of data. However, the council will pursue new and valid methods of measuring and communicating the borough's direct and indirect emissions, including consumption-based emissions.

The scope for the council's net zero target includes its scopes 1 and 2 emissions, plus scope 3 emissions from the buildings it owns and over which it has control of energy efficiency and fuel use, including its housing.

The council will also seek robust methodologies to translate the emissions targets into equivalent real-world targets for substituting fossil fuel-based processes with zero-carbon ones, such as number of journeys transitioned from car to public transport, and percentage of heating demand reduced through better insulation.

Carbon balancing

The only way to ensure a safe climate is to radically reduce carbon emissions from the borough's assets and activities to as close to zero as possible. This is the focus of the strategy. As a matter of principle H&F Council sees the elimination of emissions, not offsetting, as the goal and the most valid route to a safe climate.

The technical challenges to decarbonisation are nevertheless substantial, and in many realms such as retrofitting and construction the methods continue to evolve. The scenario modelling commissioned externally for the council's own assets models a precautionary assumption of 12-14% of council homes unable to receive energy efficiency upgrades by 2030 even in the highest ambition scenario, for example.

¹⁷ Action O1.1 in the action plan (Appendix B)

It is therefore likely that from 2030 H&F Council will need to undertake some level of carbon balancing for any unavoidable residual emissions still occurring from its own assets. This involves paying a price per tonne of greenhouse gases emitted to fund offsetting activities that remove a demonstrably equivalent quantity of carbon from the atmosphere, such as tree planting.

This will never be undertaken as an alternative to reducing our direct emissions, but only as a last resort on the road to absolute zero emissions, in demonstration of the organisation's commitment to its 2030 target. H&F will examine valid and accountable opportunities to offset its emissions within the borough boundaries, for instance through tree planting or subsidising local carbon reduction.

Five climate challenges

The climate strategy tackles five strategic challenges:

1. **Homes, Buildings and Energy** – how we construct, heat, and power our built environment.
2. **Travel** – how we move around.
3. **Things we use** – what we buy, use, and dispose of.
4. **Ecology** – how we make space for nature.
5. **Adapting to climate change** – how we make ourselves resilient to the changes happening.

These five challenges help us put a conceptual framework around the task at hand. In practice they are not perfectly distinct from one another, and much of the action we can take, from using our planning powers to educating our residents, will deliver progress against these together.

The five challenges are summarised below. Each challenge outlines the need for action, the vision, the set of objectives, and selected key actions.

The full action plan for each workstream is attached to this report as **appendix B**.

1. Homes, buildings and energy

Background

H&F's homes account for 36% of the borough's direct emissions. Within this, the council's homes account for 8% of the borough's emissions, and 83% of its own organisational emissions. The majority of these emissions from homes are from gas used for heating and hot water. Poor insulation results in high gas demand and contributes to fuel poverty; cold homes cost the NHS around £1.4bn per year¹⁸. To eliminate carbon emissions, our homes must be well-insulated, and heated by renewable sources.

The borough's non-domestic buildings include 12,000 businesses, 60 schools, 2 main hospitals, 3 football stadiums, 1 prison and a large variety of retail, leisure and entertainment venues. Together, these account for 43% of the borough's emissions, with around two thirds of this from electricity and one third gas.

Planning policy around carbon reduction currently focuses on operational carbon emitted during a building's use. However, around half of the carbon a building emits typically occurs before it's in use, in its materials and construction¹⁹. Construction contributes around 10% to UK annual emissions, with the production of concrete one of the world's major sources of greenhouse gases.

H&F currently uses around 2,500 GWh of energy from the national grid, generated from a mix of renewables and fossil fuels. The borough generates a small amount of renewable electricity from 200 solar installations, but currently has one of the lowest uptakes of solar among the London boroughs.

What we need to do

With 80-85% of today's buildings expected to still be in place in 2050, retrofitting these with improvements to the building fabric and low-carbon heating is the greatest challenge for decarbonisation locally. Residents' wellbeing is paramount, so ensuring their homes can be warmed affordably is essential. A whole house approach should also be taken to ensure interventions are effective and compatible with further upgrades. Alongside retrofitting our own buildings, for those in the private sector providing information, setting the right policy direction, facilitating access to grant support, and developing opportunities to collaborate with residents and local organisations will be key.

New building in the borough should be to a zero-carbon standard, with embedded emissions from their materials and construction minimised and energy use

¹⁸ Ashden, *Climate action co-benefits: a toolkit for local authorities*, [CAC-Chapters-all_new-brand.pdf](https://www.ashden.org/CAC-Chapters-all_new-brand.pdf) ([ashden.org](https://www.ashden.org))

¹⁹ UK Green Building Council, [UK-GBC EC Developing Client Brief.pdf](https://www.ukgbc.org/developing-client-brief)

minimised. Existing and new buildings should also be made to withstand a changing climate, helping to manage higher heat, flood risk, and water scarcity. Updated planning guidance and/or policy will be needed to deliver futureproof homes.

These actions will reduce the energy used by our buildings and appliances. The remaining energy we use must be supplied efficiently and from renewable sources. This can be achieved through efficient district heat networks, upscaling our local generation of renewable electricity, and buying our remaining energy from renewable sources.

Opportunities and benefits

Ensuring our current homes and new developments become net-zero carbon will not be easy. It will however offer many additional benefits, including:

- Reduced energy bills for residents.
- Higher quality of housing stock, making homes healthier and more comfortable to live in.
- Improved air quality through the reduction of emissions from gas boilers.
- Creating new skilled employment and commercial opportunities within the sustainable construction sector.
- Increased greening of spaces and biodiversity provides physical, mental, social, environmental and economic benefits for city dwellers.

Key Challenges

Whilst there are many benefits to us moving towards net-zero we recognise that it also presents significant challenges. These will need to be addressed working alongside our partners ensuring everyone is part of the journey. Challenges include:

- Funding the level of investment needed for schools retrofit
- The financial viability of retrofit projects and the disruption of refurbishment to tenants and occupiers
- Poor incentives for landlords to upgrade their properties beyond the minimum requirements
- A skills gap associated with low carbon retrofit and whole building solution design
- National planning policy and incentives are not sufficiently favourable to zero carbon buildings, or retention and reuse of existing buildings
- Housing target pressures

Homes, buildings and energy: 2030 Vision

All residents in the borough live in comfortable, affordably heated and well-adapted homes that are cost efficient and have zero carbon impact. All business and organisational buildings are powered sustainably, cost efficient and have zero carbon impact. Our heat and power is supplied by renewable energy and, where possible, by local sources that efficiently meet demand.

Theme	Objectives
Homes	Council housing: Put in place and implement whole house retrofit plans for all council homes to achieve net zero, that include adaptation measures.
	Private housing: Promote and support all owner-occupiers, landlords and renters to retrofit their homes to net zero
Organisations	Council assets: Put in place and implement retrofit plans to achieve net zero, that include adaptation measures for all council buildings
	Existing private buildings: Promote and support commercial landlords, tenants and third sector organisations to increase the energy efficiency of their buildings and install low carbon heating
Planning	Planning: Adopt the highest possible climate standards, and integrate these into planning frameworks, to achieve net-zero developments that secure necessary infrastructure, are well-adapted for a changing climate, and result in a net increase in biodiversity.
Energy	Energy management: Reduce total and peak energy demand in the borough
	Energy supply: Increase the borough's renewable energy use and generation

2. Travel

Background

Road transport is responsible for 16% of the borough's emissions²⁰. Freight accounts for 28% of fuel use, with the remaining 72% from personal travel predominantly made up of car usage, as opposed to public transport (buses, 9%). As well as greenhouse gas emissions, transport creates air and noise pollution, with significant implications for biodiversity and public health.

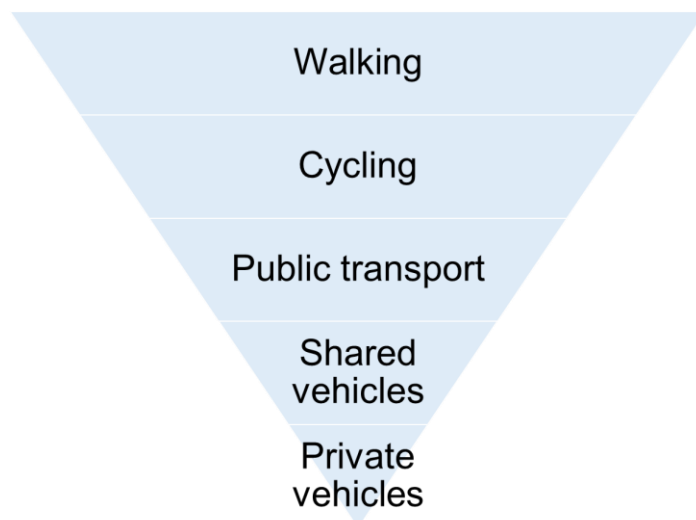
The council has delivered a range of policies and schemes to encourage active travel, reducing traffic, and making cleaner vehicle substitutions. Cycle lanes, low-traffic neighbourhoods, electric vehicle (EV) charging points, and an air quality action plan are just some of the transport-related actions already being undertaken. Current behaviours and infrastructure provide a strong foundation on which to build a net-zero transport system by 2030. For example, low-carbon modes (walking, cycling or public transport) already make up 72% of journeys in H&F²¹, and the borough is in a good position for the 'transition to electric' with 5% of all EVs registered in London and a network of over 500 charging points, one of the UK's largest, with an aim for 1,000 by the end of 2021.

The coronavirus pandemic has brought changes to travel behaviour. On the one hand, given the need to 'stay local' and the guidance on limiting use of public transport, residents have made fewer journeys and have adopted active forms of transport. However, with concerns and guidance around public transport use, private motor vehicles journeys could yet increase.

What we need to do

The travel hierarchy depicted shows the order of preference for encouraging travel choices. Transport planning and investment should aim to move journeys up this pyramid.

H&F has a vibrant local culture and economy; meeting people's needs locally and enabling the infrastructure for virtual meeting and working can help reduce travel congestion. Planning for less travel will allow more road space to have community and ecological uses, as well as transport uses.



²⁰ London Energy and Greenhouse Gas Emissions (LEGGI)

²¹ Compared to a London average of 64%.

This will also facilitate more walking and cycling, bringing benefits to health and wellbeing. The priority for transport is to encourage active travel, in line with the London target of 80% of all journeys to be by walking, cycling or public transport. We will further minimise the number of polluting journeys by supporting e-bike and e-scooter trials and schemes, high-reach public transport, the transition to EVs, opportunities for pooling journeys, and increasing the uptake of shared vehicle schemes.

Given London's growing and ageing population, the greening of H&F's transport system must support inclusive and accessible services, and the increasing demand for mobility. We will ensure that our network and the built environment supports the needs of all residents, and enables healthy and active lifestyles.

We need to tackle emissions from freight by enabling zero-emissions local delivery, building on our existing e-cargo bike and shared e-van schemes. We will also work with businesses and logistics firms to consolidate and rationalise deliveries to reduce traffic.

Transformation of the borough's transport system can be achieved by investment in infrastructure, improvements to public realm, and policies around road use that reward sustainable choices. It will need to be supported by partners such as Transport for London in setting wider London transport policy and investment priorities.

Opportunities and benefits

- Cleaner, healthier air through reduced traffic and transition to electric vehicles.
- Allowing our streets to support other forms of economic and social activity.
- Safer streets with fewer accidents, through the reduction of traffic levels and improvement of walking & cycling infrastructure.
- Safeguarding ecology and increasing biodiversity through greening initiatives and the reallocation of road space.
- Improving mental and physical health and resilience of the borough's residents through active travel.

Key Challenges

- Managing traffic that doesn't originate or end in the borough, but contributes a significant proportion of our road transport emissions.
- Finding the most effective moments and means to influence ingrained travel habits.
- Making vehicle-sharing people's first choice for private motor travel.
- Managing increases in population, housing and commercial space to reduce transport emissions.
- Managing the challenges of Covid-19 to public transport use and funding for transport projects in London.
- Financing capital and maintenance costs of large-scale change to highways infrastructure, including adapting to climate change and greening the borough.

Travel: 2030 Vision

Residents and visitors to the borough take pleasure in travelling by foot, bike and public transport along safe, healthy and green streets. The vehicles on our roads will be fewer and zero-carbon. Residents are able to travel sustainably, and improve their wellbeing with more walking and cycling.

Theme	Objectives
Travelling less	Support the local economy and virtual infrastructure to reduce the need for travel.
Active travel	Enable more active travel, such as cycling and walking.
Public transport	Seek improvements in a public transport network that reach all residents.
Vehicles and road space	Support residents and businesses to adopt clean vehicles and car-sharing.
	Consolidate and electrify the council's vehicles, and increase use of active travel by council services.
	Use road space to encourage cleaner vehicles, biodiversity, and community and play space.
Freight	Work with public and private sector partners to consolidate, reschedule, and electrify deliveries.
Highways and infrastructure	Use highways investment to further net-zero objectives, with sustainable materials and infrastructure, and more space for walking, cycling and biodiversity.

3. Things we use

Background

While the most significant sources of emissions per person in H&F remain from heating and powering homes (2.7 tonnes CO₂e) and transport use (3 tonnes), the things we buy and use as organisations and individuals, including food (0.9 tonnes), recreational equipment such as phones and computers (0.3 tonnes), home furnishings (0.3 tonnes), and clothing (0.2 tonnes), are some of the many products that add to this total.

H&F's consumption-based emissions have been estimated as 8.8 tonnes CO₂e per capita²², 2.5 times H&F's production-based emissions per capita. As organisations and individuals using goods and services, we share responsibility for these emissions, and can reduce them through what we choose to buy and how we use those items.

In today's linear model of manufacturing and disposal, we largely use virgin materials to make products that are mostly sent for incineration or landfill once no longer useable. Examples of this model include:

- Single-use packaging for food and other products
- Products made from materials that aren't recyclable
- Poor quality goods with short useable lifespans.

When we throw these products away we waste the materials, and emit more greenhouse gases to replace them. In H&F an estimated 8,516 tonnes of CO₂e were emitted disposing of our waste in 2019/20. Conversely, an estimated 8,114 tonnes were saved through the materials we recycled replacing virgin materials.

What we need to do

We will lead the way with our own procurement, purchasing and using resources more sustainably using circular economy principles. This means minimising waste and reliance on finite resources. We need to choose products that are designed, sold, used and treated at end-of-life in ways that extend their lifespan, and ensure they are cycled back into the economy with the least possible loss of value.

We will use our spending and our industrial strategy to grow the market and skills for innovative circular business models, and low-carbon goods and services.

We will help create the conditions for low-carbon living, using the levers available to us to make sustainable choices available, attractive, and accessible to all. We will support sharing, reuse and repair initiatives. We'll work with residents, considering the factors that shape people's choices, such as habits, cultural and social norms, wealth, convenience, and the options available within the local economy– as well as people's understanding and motivations towards the environment. We will amplify

²² GLA/Leeds University, [London's consumption based greenhouse gas emissions 2001-2016](#)

community action, and emphasise the wider personal, social and environmental benefits that come with a sustainable local economy.

We will increase the types of material we recycle, and push for higher standards around materials. Through our contracting we will seek to eliminate emissions from our waste collection and disposal.

Our efforts should take a systemic approach to the emissions from the things we use. This means thinking about all the emissions associated with a product, from its design and manufacture, to the emissions in its use, its lifecycle, and its impact on other system-wide sources of emissions. Taking the example of a laptop, a low-carbon approach will consider:

- **Embedded emissions:** what energy and materials went into making and delivering it?
- **In-use emissions:** how much energy will it take to run?
- **Lifecycle:** will it last ten years, or be replaced after two? Can it easily be repaired and reconditioned, or its materials recycled?
- **System-wide impact:** Will it increase the energy used in supporting infrastructure, such as data centres? Will it reduce printing?

We need to tackle sustainability systemically, rather than only focusing on a few high-profile products. Campaigns targeting single use plastics, for example, will also illustrate broader approaches to low-carbon and low-waste living. We will undertake policies and projects that help residents reduce the impact of particular high-emitting goods such as food, vehicles, and electronics, while using these to embed a broader carbon literacy.

Opportunities and benefits

The changes that reduce emissions from the things we buy and use bring various co-benefits, including:

- Healthy, affordable, and community-oriented food for residents in line with H&F's developing food strategy.
- Lower costs to residents from the sharing economy and reduced food waste.
- Environmental benefits of sustainable food and reduced waste beyond H&F's boundaries, including lower land use, water use, and pollutants.
- Environmental and human benefits from lower demand for new resources, including labour conditions, resource scarcity, water demand, and pollutants.
- Cost savings to the council from collecting less residual waste and commissioning low-waste, lower-carbon food.

Key Challenges

- Making sustainable choices more accessible and attractive than low-cost goods.
- Normalising sharing and reuse over buying new.
- Overcoming perceptions that sustainable choices are more expensive.
- Achieving durable improvements in waste reduction and recycling in the context of a high proportion of flats, and high population turnover.

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Things we use: 2030 Vision

We value all the things we use and understand their impact on the climate. People are enabled and motivated to make sustainable choices so that little is thrown away, and goods and materials have a second life through reuse, repair and recycling.

Theme	Objectives
Enabling low-carbon options	Improve access to healthy, sustainable food, and reduce food waste.
	Enable low-carbon living, making sustainable choices visible, attractive, and accessible to all.
Circular economy	Increase the sharing, reuse and repair of consumer goods.
	Substantially reduce the amount we throw away, and recycle more of our remaining waste.
	Enable the circular economy as a field of high-quality employment.

4. Ecology

Background

Prior to its climate emergency declaration, H&F has pursued its ambition to become the greenest borough. Since 2016 it has established and enacted recommendations from resident-led biodiversity, parks and air quality commissions, followed a 2018-22 business plan covering improvements in habitats and pollution, and become the first council in London to halt the use of glyphosate weed-killer due to its risks to human health and pollinators.

Recent global assessments of biodiversity and ecosystems paint a stark picture of current planetary health. A 68% decline in global wildlife populations has been observed since 1970, with worldwide targets for conservation and restoration missed^{23,24}. The Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES), the ecological counterpart to the Intergovernmental Panel on Climate Change (IPCC), reported that despite insufficient action to date, it is not too late for biodiversity with transformative action at all societal levels. At the heart of this is a call to welcome wildlife back everywhere: from parks and wilderness, to cities, gardens, and verges.

Biodiversity underpins Earth processes necessary for our own survival: from oxygen supplied by plants, to ecosystem engineering by local H&F keystone species like the Eurasian Jay, which distribute tree seeds. Natural processes are extremely costly to artificially replicate when nature falters.

H&F is heavily urbanised, with only 28% of land vegetated²⁵ and 12% canopy cover²⁶ compared to London-wide averages of 43% and 21%. The borough offers a fantastic opportunity to exhibit what urban conservation can look like when space and resources are limited. Forty-six UK Biodiversity Action Plan priority species have at one point been recorded in the Borough, including nightjars and stag beetles.

H&F has plenty of potential for ecologically rich green space, including 285 hectares of space designated for nature conservation. Some of these sites can provide crucial connecting habitat for species travelling between green and blue space beyond the borough. There are 161 hectares of land in H&F (10% of the borough's footprint) suitable for restoring acid grassland, a nationally important habitat²⁷.

The climate and ecological crises are inextricably linked: they share common drivers and solutions. Land use change is one of the most pressing drivers of biodiversity decline, as well as emitting greenhouse gases; reclaiming green space can allow nature to recover while simultaneously locking up carbon in biomass.

²³ WWF, Living Planet report 2020

²⁴ Fifth Global Biodiversity Outlook, 2020

²⁵ Greater London Authority London Green and Blue Cover 2018

²⁶ Curio Canopy - London Tree Canopy Cover 2018

²⁷ London Biodiversity Partnership's Habitat Action Plan 2010

What we need to do

We want to make space for nature in the Borough. Small actions aggregate to produce global movements. Through our membership of ICLEI (Local Governments for Sustainability) we are signatories to the Edinburgh Process, a framework helping local authorities contribute towards global biodiversity agreements. The Process centres around education, engagement and mainstreaming ecological knowledge across sectors to underline nature's contribution to our lives. H&F will ensure that the actions we take in the borough complement biodiversity recovery strategy across the country and beyond.

The council will lead by example and employ evidence-based interventions in its parks and green spaces, striving to increase habitat cover and diversity, as well as building shared spaces for people and nature, for example by de-paving unnecessary hard surfacing. We will work hard to “retrofit” ecology into our building estate, including investigating the significant potential for green roofing.

Moreover, we want to empower our residents to help support urban nature as much as possible by continuing to provide guidance and expanding education on the ecological emergency. There are many daily decisions we take that have significant repercussions on global ecology: from the food we eat, to the clothes we wear. Much like the climate emergency, we aim to equip residents with the knowledge to tackle the ecological emergency at work, in public, and at home.

Opportunities and benefits

A year of lockdowns and calls to remain indoors to tackle the COVID-19 pandemic have put the public's need for quality green space in sharp relief. Biodiversity, and the benefits we gain from it, underpin much of the global economy. Tackling the ecological emergency in the Borough can have myriad potential co-benefits:

- Improved air quality from planting
- Flood and heat regulation: functioning ecosystems can buffer against excess rain and heat, which are likely to become more frequent.
- Carbon sinks from well-managed plants and soil, capturing carbon.
- Health and well-being: a GP in the Borough has been prescribing isolated patients gardening and food growing
- Encourage innovation: H&F owns relatively little greenspace, so becoming the “greenest Borough” will require innovative and inspiring solutions that can provide a template of success for similarly restricted local authorities.

Key Challenges

- Limited public green space and competing demands for use.
- Higher costs and challenges to viability of urban planting.
- Onward maintenance costs of new planting.
- Limited local data on biodiversity and greening of private spaces.

- Transboundary challenge: interconnectedness of habitat necessitates working closely with neighbouring Boroughs and the wider London network.

Ecology: 2030 Vision

Green space is expanded, enriched, and nurtured by all, providing a haven for nature and a beautiful public realm. It is properly valued for the benefits it brings, including to biodiversity, clean air, wellbeing, food, and a safe climate, among others.

Theme	Objectives
Biodiversity	Understand the borough's ecosystems and communicate their value.
Green spaces	Improve and manage our public green spaces for people, nature and the climate.
	Celebrate biodiversity, and encourage people to foster nature through their private and community spaces.
Greening the grey	'Green the grey', pursue innovations in urban greening, and mainstream greening into our public works.

5. Adapting to a changing climate

Background

Many of the changes associated with a heating climate are already locked in. The UK has warmed by around 1°C since the pre-industrial period, with the ten hottest years ever recorded all occurring since 2002. Summer daytime temperatures in London are expected to be 2.1-4.8°C hotter by mid-century²⁸, with heatwaves a consistent feature. Sea levels have already risen by 20cm, with ranges as high as 1m projected by 2100²⁹.

The changing climate poses risks to life, health and economic prosperity. Extreme weather such as heatwaves, droughts and flooding are expected to increase in frequency and severity. The borough must also develop its resilience to less well-understood climate risks such as to food security, diseases and pests.

H&F is vulnerable to the main climate risks. Flooding is a well-understood risk to H&F, with much of its area less than five metres above sea level, a great extent of hard surfacing, and low drainage capacity. The borough has pioneered work to manage flood risk to date, including award-winning sustainable drainage systems (SuDS) in two council estates.

London faces a steeply rising water deficit, projected to reach 400M litres per year by 2040³⁰; a growing risk with low public understanding. When droughts emerge the impacts occur quickly, affecting health, business operations, infrastructure and amenities; the cost to London during droughts is over £330m per day. The risks are not evenly distributed, with those worst affected frequently in lower socio-economic status groups.

Heat-related deaths in the UK are projected to rise 500% to over 12,000 by 2080³¹. Being densely built, H&F is particularly vulnerable to 'urban heat island' (UHI) effects, in which urban areas can be up to 10°C warmer than surrounding areas. Heat threatens infrastructure such as roads, and is expected to lead to more frequent blackouts. Heatwaves of the kind seen in 2018 are expected to occur every other year by the end of the century.

Other risks hinge on global movement and economic change. These are in some cases less well understood at the borough level, and include risks to supply chains including food, as well as novel pests and diseases.

What do we need to do?

²⁸ UKCP18 -

<https://www.metoffice.gov.uk/binaries/content/assets/metofficegovuk/pdf/research/spf/london-city-factsheets-3-of-3-the-results-v0.2.pdf>

²⁹ Intergovernmental Panel on Climate Change (IPCC), *Special report on the ocean and cryosphere in a changing climate*, [Summary for Policymakers — Special Report on the Ocean and Cryosphere in a Changing Climate \(ipcc.ch\)](https://www.ipcc.ch/report/srocc/)

³⁰ London Environment Strategy - [london_environment_strategy_0.pdf](#)

³¹ Committee on Climate Change, *Heat and Preventable Deaths in the Health and Social care System*, <https://www.theccc.org.uk/wp-content/uploads/2019/07/Outcomes-Heat-preventable-deaths-case-study.pdf>

We need to develop a more detailed geographical understanding of the risks and level of response required, and mainstream climate adaptation into strategic and capital planning. New homes and buildings must be adapted to higher temperatures and able to manage heavy rainfall, and modifications to existing buildings will be needed in many cases. Public space and infrastructure will need to be designed to manage surface water and protect residents from extreme heat. Through planning and engagement with private landowners, further measures can be taken to implement SuDS and manage water demand. Water stress is an area in which many small measures can have a significant aggregate impact. We need to work across the council's own building portfolio and encourage residents to undertake modifications and behaviour changes to reduce our water consumption. The Covid-19 pandemic laid bare the importance of social capital and resilient communities: public information, bolstering community networks and coordination across all of these risks will help build resilience and sustainable coping strategies.

Co-benefits

This workstream is primarily focused on assuring the health and wellbeing of residents (as well as security for their homes and possessions) in the face of the changes in climate now underway. The co-benefits include:

- Health: including protection from heat-related illness; the physical and mental health impacts of flooding; and resilience to future diseases.
- Cost avoidance and risk management: from the impacts of flooding; requirement to rehouse; damage to infrastructure; and loss of business during water shortages.
- Carbon reduction and fuel poverty: from reduced needs for mechanical ventilation of buildings.
- Biodiversity and air quality: from greening measures undertaken to manage climate risks.
- Pollution: from reduced surface water run-off.

Challenges

- Funding gap for direct intervention.
- Potential competition between the demands of climate mitigation and adaptation.
- Unspecified or diffused responsibility for managing risks such as heat.
- Weak or misaligned incentives, such as an absence of water metering for many properties.
- Low public awareness and comprehension of risks.

Adapting to a changing climate: 2030 Vision

Our people and places are prepared for the impacts of climate change. The borough's buildings, spaces and infrastructure are well adapted, and its residents and communities are resilient. The health and wellbeing of our residents is protected against climate impacts and risks.

Theme	Objectives
Understanding the risks	Understand and communicate H&F's exposure to climate change risks.
Resilient places and infrastructure	Ensure our buildings, infrastructure, public spaces and natural capital are resilient to a changing climate and protect people from its impacts.
Resilient communities	Ensure our communities are resilient to climate change, with strong plans and networks in place, and vulnerable groups protected.

Enabling action

Engagement, education and influence

H&F's vision for engagement and influence is that in 2030 '*residents in H&F are engaged with the climate agenda, empowered to grow their own ideas and to actively participate in local action. The council supports a resident-led response to the climate and ecological crisis, maintaining an ongoing, open and honest conversation, ensuring that all voices of the borough are heard and included. Our residents, communities, and organisations are engaged, educated and empowered to live net-zero carbon lifestyles in an ecologically rich borough*'.

To deliver sustained and transformative change, a collective understanding is needed among all our residents and communities of the urgent need for action, and the benefits that come with it. The council will build on the engagement it has undertaken so far through its resident-led commission and pioneering climate education programme, to continue to support and grow networks and grassroots action.

The council will follow six principles for its engagement:

- **Work in the open**
 - We'll demonstrate our commitment by working in the open, sharing our progress, highlighting the logistical and financial challenges, and inviting dialogue.
- **Amplify community action**
 - We'll uphold the council's value of doing things with residents, by co-producing and supporting community initiatives to ensure a resident-led response to the climate crisis.
- **Champion under-represented voices**
 - We will prioritise engagement with under-represented groups who are likely to experience the more immediate effects of climate change, to ensure policies and projects bring about a just transition.
- **Build collective knowledge**
 - We'll communicate the urgency of the climate crisis, build awareness through education and work alongside our community to develop a collective understanding of what solutions work for our borough.
- **Create the conditions for change**
 - We'll empower people to take action in their own lives by supporting and incentivising residents and businesses to make sustainable choices.
- **Partner and collaborate**
 - We'll collaborate with partners across the borough and support residents, councillors, officers and local organisations to work together to create inclusive and sustainable communities.

Engagement will be one of the main drivers of climate action in the wider borough, and is critical for achieving the borough-wide target. More detail on our engagement approach and planned action is contained within the Climate Engagement Strategy at **appendix C**.

Finance and decision-making

The vision of this workstream is that in 2030 *'council decisions and spending will support net zero carbon, and this commitment is reflected throughout our partnerships and supply chain. Innovative financing opportunities will feed a sustainable funding model for council action and encourage further public and private investment.'*

The ambition to meet our net zero targets cannot be secured by the Council's own resources. We shall, wherever possible, align budgets to meet this objective, while maximising the external funding opportunities which will be necessary to meet the overall ambition.

The council can exert significant influence through its spending, investments, and frameworks for decision-making. H&F's pension fund already has a target to achieve carbon neutrality by 2030, with 49% of funds (£544m) invested in low-carbon assets as of June 2020. The council's spend on procured goods and services is up to £420m a year, associated with an estimated 65,000 tonnes CO₂e of emissions. The enabling activity in this workstream will support the 2030 goal through a number of mechanisms:

Finance: We will match our ambition for net zero in our own business with the management of our budgets, as well as maximising external funding opportunities. We will influence, incentivise and support government and private investment to tackle emissions outside our direct control. Our sustainable funding model will be built around maximising the resources that can be secured directly and indirectly, and promoting the health, wellbeing and financial co-benefits that investment will bring.

Our Capital Programme is the single greatest lever under our direct control, with three key elements: our housing stock; our land, buildings and accommodations portfolio; and works across the public realm including waste, transport and highways. The latter aspect already incorporates a well-established and complex range of partnering and external funding elements. Climate action will be a key aspect of capital development to reflect our ambition for the future.

Investments: Through the progressive decarbonisation of our pensions portfolio we will ensure the council's investments beyond the borough are in harmony with its commitments within the borough.

Procurement: The development of our low carbon procurement framework will offer a huge opportunity to progressively reduce the impact of our £420m yearly spend. We will develop our internal mechanisms to ensure our procurement meets the objectives of this strategy. Where possible, we will maximise the environmental and social performance of the council's contracts by prioritising local supply chains, supporting our local economy, and delivering greater value for money for our residents.

Commercialism, innovation and incentivisation: To develop a sustainable funding model for climate action, commercial opportunities to attract finance and investment will be necessary. We will encourage public and private investment in our infrastructure and projects by ensuring there are positive financial and non-financial returns. We will particularly look for opportunities in renewable energy generation and innovation as the UK moves towards a decarbonised national grid and energy mix.

Decision-making: the council's climate goals will form a key consideration in our decision-making processes, and a regular reporting system will allow residents to monitor the council's progress.

In order to enable and support the climate programme, this workstream acknowledges four fundamentals up front:

- The scale of the cost to substantially reduce emissions.
- The gap between our net zero commitment for our own assets, and the current focus, available funding and developments within our capital programme.
- That the greatest share of current emissions within the borough target relates to homes, buildings and transport outside the council's direct control.
- That our strategy must provide exceptionally strong leadership to transform how we manage our money, investments and relationships with partners, business and residents.

The objectives of this workstream are to:

- Align our **financial and capital planning** with the net zero target
- Seek to ensure the council's **investments** are aligned with its commitment to net zero carbon
- Seek to ensure that carbon reduction is considered as part of all **spend on goods and services**
- Attract **funding, investment and commercial partnerships** to support the council's financial position on climate actions
- Explore investment in a **portfolio of renewable energy** to increase local generation, supply and resilience, and to reduce the borough's reliance on the grid and fossil fuels.
- Secure **wider buy in, participation and investment**, using: new financial instruments; work with financial institutions; opportunities for social funding; financial incentivisation that the council can offer
- Support net zero through council decision-making and embed net zero into business planning.
- Provide a regular opportunities for residents to **monitor our progress** on our climate goals

Green Economy

The vision of this workstream is that in 2030 *'a decade of low-carbon training from school through to adult education brings jobs for our residents in growing green sectors, and ensures that all businesses have the skills to reach net zero. H&F's economy makes a green recovery from Covid-19, with our existing low-carbon pioneers and a growing sustainability sector supporting H&F, the UK and beyond to transition to net zero.'*

Background

H&F was the first local authority to publish a ground-breaking Industrial Strategy, and has been working with its partners including institutions like Imperial College, anchor businesses, and regional partners to foster the field-leading green innovations and skills needed for a net zero future. H&F has a thriving economy, with the seventh largest gross value added (GVA) per capita in the country. H&F's businesses are highly successful at selling goods and services both inside and outside the borough – and like all goods and services today these cause carbon emissions.

Businesses and organisations emit 42% of H&F's direct greenhouse gases³². Many H&F businesses are consumer-facing, and sectors with high associated consumption emissions are prominent in the local economy including retail (18% of H&F jobs), accommodation and food services (8%) and arts, entertainment and recreation (5%). Local pioneer organisations in these and other sectors are already leading change, and all businesses should be supported to decarbonise over the next decade.

H&F has a growing environmental goods and services sector, employing around 3,300 people in 2017/18 with £436m sales³³. It hosts a cutting-edge research and development community in low-carbon technologies through Imperial College and the associated tech cluster. Low-carbon sectors, such as retrofitting, must grow substantially over the coming decade to meet the decarbonisation challenge.

Covid-19 has disrupted normal economic life. Research reveals broad support for the UK's economic recovery being designed to help achieve net-zero, including from the UK citizens' Climate Assembly³⁴. Green recovery investments such as the Green Homes Grant are underway, with the Greater London Authority's 'Green New Deal' plan targeting a doubling in size of low-carbon sectors by 2030.

What we need to do

We want to equip residents of all ages with the enthusiasm and skills to lead this growing green economy. Through our education and skills provision we need to

³² Based on borough-wide scopes 1 + 2 emissions: BEIS, 2018.

³³ kMatrix data for GLA, 2018

³⁴ Ipsos Mori, April 2020, [Two thirds of Britons believe Climate Change as serious as Coronavirus and majority want Climate prioritised in economic recovery | Ipsos MORI](#)

ensure all learners from childhood through to the workforce understand how to tackle the climate emergency in their work and lives, enabling all jobs to be green jobs.

Businesses face barriers to decarbonising including knowledge, time, cost, and understanding where to begin on a daunting challenge. The council, businesses and other partners should support each other on this journey by sharing knowledge and resources, and highlighting best practice. The council will use its convening power and influence over local policy to support and incentivise organisations to reduce their emissions.

As the local economy recovers and adjusts in the wake of Covid-19, the council and its partners should provide the conditions for low-carbon sectors to thrive. This will include investment in low-carbon infrastructure and coordination around key sectors such as retrofit to ensure reliable supply and demand.

Benefits

The driver for this workstream is to decarbonise our local economy, but various additional benefits and opportunities arise from this work including:

- Economic recovery and green growth.
- Jobs for residents fit for the future.
- Future-proofing businesses, and gaining an early adopter advantage in the growing market for low-carbon products.
- Opportunities for residents to buy local and green.
- Positive spill-over effects of carbon awareness from work into lifestyles

Objectives

The workstream will aim to:

- Prepare young people and adults for the green economy, ensuring provision exists that enables residents to access green economy jobs.
- Support existing low-carbon pioneers, and build H&F as a leader in the green economy
- Support a green recovery from Covid-19.
- Influence and support our local businesses and partners to reach net zero by 2030.

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Funding the plan

Delivery of this action plan is dependent on unprecedented levels of investment in an already challenging financial environment, and the sources for this remain uncertain. The council will lobby and bid to government and elsewhere to secure the significant external funding needed to deliver the actions in full.

The net cost to the council to decarbonise the organisation is estimated to be £248m. This is primarily a capital programme, with £213m of this estimated for the council's housing. The detailed costs of actions in most cases will be dependent on the extent of the activity undertaken, and detailed cost and benefit analysis will be needed at project planning stages.

Prioritising investment appropriately will be critical. The council is developing detailed analysis and plans for its areas of significant direct investment, including the retrofit of its housing stock and corporate properties. This will provide a foundation for assessing the costs and benefits of investment, including the measurement of wider benefits such as fuel poverty and health outcomes, and a framework for prioritising spending. Existing data on the outcomes of retrofit are seldom based on real-world monitoring following implementation and are not considered reliable, so a key aspect of this will include real-world monitoring of outcomes from early works undertaken.

Decarbonising the borough is projected to require investment in excess of £2 billion, for which investment will be needed from government, businesses and residents. The council can lead the way by tackling its own emissions, and by creating the local conditions to enable others in the borough to do the same. The council has direct control over less than a tenth of the borough's emissions however; changes in behaviour and investment are needed from all our residents, businesses and partners to bring about a net zero borough.

Homes, buildings and energy

Housing

Theme 1: Council housing

This is a theme with a high capital cost estimated at £213m, although this figure could vary substantially at the detailed planning stage as the requirements of individual properties and the market are better understood. These actions will require unprecedented levels of investment beyond the council's means alone, and the council will require significant external funding from government or elsewhere to deliver in full on these. To date the council has been successful in achieving a number of grants to initiate these actions.

Objective:

1. Put in place and implement whole house retrofit plans for all Council homes to achieve net zero, that include adaptation measures.

Actions			
Ref.	Action	By when	Wider benefits
H1.1	Develop comprehensive whole house retrofit plans including adaptation measures and integrate into capital works and planned maintenance programmes and budgets.	2021-29	Fuel poverty Green economy Adaptation
H1.2	Develop plans and begin installation of low carbon heat in building types where there is already a strong financial case	2021-23	Fuel poverty Green economy
H1.3	Identify properties that are eligible to apply for funding from the Green Homes Grant, Local Authority Delivery, Renewable Heat Incentive and the Energy Company Obligation	2021-22	Fuel poverty; Green economy
H1.4	Pilot innovative retrofit measures to develop knowledge and requirements of zero carbon measures.	2021-22	Fuel poverty; Green economy
H1.5	Pilot deep retrofit approaches such as Energiesprong and EnerPHit to develop knowledge and requirements of carbon positive housing	2021-23	Operational savings
H1.6	<p>For the council's own housebuilding, by 2022 investigate and begin to apply net zero design standards for operational emissions in new homes, including Passivhaus methodology and standards for energy efficiency, and fossil-free heating systems. Any residual operational emissions will be measured and balanced through investment in renewable energy, in accordance with the London Plan.</p> <p>From 2022/23, develop and implement a staged approach to measuring and reducing embodied emissions from new buildings.</p> <p>This will consider guidance from:</p> <ul style="list-style-type: none"> - UK GBC net zero carbon building framework and feasibilities - LETI Design Guides - RIBA 2030 Climate Challenge - Net zero government design guide - RICs Whole Life Cycle Assessment - Passivhaus methodology and standards 	2022	Fuel poverty; Green economy
H1.7	<p>For Council's own new housebuilding develop knowledge, the impact and expertise of zero carbon standard homes through pioneering pilot projects. For example:</p> <ul style="list-style-type: none"> - UK GBC net-zero, - various Passivhaus standards - BREEAM (for commercial premises) - Home Quality Mark etc. <p>(2 projects up to full planning/pre-contract)</p>	2022-23	Fuel poverty; Green economy
H1.8	Develop one stop shop for whole house retrofit to overcome complexities of end to end process	2023	Green economy
H1.9	Explore partnerships and joint ventures that can support objectives (see Green economy actions)	Ongoing	Green economy
H1.10	Map regional supply chain to understand strength, weaknesses and gaps in the retrofit market. Engage businesses, trade bodies, accreditation and education providers into the local/regional ambitions	Ongoing	Green economy

H1.11	Set up housing resident group to focus on climate change, biodiversity and environmental initiatives, to work in co-production and to communicate to resident groups and residents	Ongoing	Biodiversity
H1.12	Maximise opportunity for biodiversity on estates from grounds maintenance and resident led initiatives	Ongoing	Biodiversity

Theme 2: Private Housing

Objective:

1. Promote and support all owner-occupiers, landlords and renters to retrofit their homes to net zero

Actions			
<i>Ref.</i>	<i>Action</i>	<i>By when</i>	<i>Wider benefits</i>
H2.1	Develop EPC/DEC database and build communication plan to alert properties to MEES regulations	Ongoing	Fuel poverty
H2.2	Continue to promote and enable energy efficiency grant schemes to residents.	Ongoing	Fuel poverty
H2.3	Develop page on climate portal that provides comprehensive information on whole house retrofit, including available grant funding	2022	Green economy
H2.4	Explore Council levers that can be used to encourage owner occupiers and landlords to upgrade their homes	2022	Fuel poverty Green economy
H2.5	Explore potential external partnerships to support and deliver larger scale retrofit projects for the private sector.	Ongoing	Fuel poverty

Planning

Objective:

1. Adopt the highest possible climate standards, and integrate these into planning frameworks, to achieve net-zero developments that secure necessary infrastructure, are well-adapted for a changing climate, and result in a net increase in biodiversity.

Actions			
<i>Ref.</i>	<i>Action</i>	<i>By when</i>	<i>Wider benefits</i>
P1.1	Explore increasing the carbon offset cost from £95/tonne of carbon set by the new draft London Plan to incentivise on-site compliance.	2023	
P1.2	Establish a programme for delivery of projects using the carbon offset fund with details of carbon reduction levels to be achieved	2022-23	
P1.3	Lobby the government to introduce stricter climate standards in building regulations, in particular Part L.	Ongoing	
P1.4	Adopt the highest possible standards for net zero building within development planning, including standards for adaptation to climate change. <ul style="list-style-type: none"> - Update the Planning Guidance Supplementary Planning Document to ensure new development proposals comply with the higher building design and standards in the new draft London Plan - Develop integrated guidance on planning/building regulations - Develop specific guidance for listed buildings and conservation areas 	2022-23	
P1.5	Ensure there is a net increase in biodiversity on all major developments.	In place	Biodiversity
P1.6	Identify and use development areas to create planning frameworks that support and eventually require all buildings and transport on the site to be zero carbon e.g. White City regeneration	2022	

	<i>Ensure development within regeneration areas contribute towards area-wide sustainable infrastructure (e.g. decarbonised energy networks, sustainable transport etc) through updating of Infrastructure Delivery Plans.</i>		
P1.7	Use regulatory planning powers to incentivise and promote low emission vehicles wherever possible and the provision of electric vehicle charging facilities	Ongoing	Air quality
P1.8	Build partnerships with like-minded organisations to help support the viability of net zero development within the Borough	Ongoing	Green economy
P1.9	Establish a programme for delivery of biodiversity net gain offset projects with details of biodiversity gains to be achieved	2022	

Organisations

Theme 1: Council assets

This is a theme with a significant capital cost estimated at £25m, although this figure could vary substantially at the detailed planning stage as the requirements of individual properties and the market are better understood. Some operational savings from energy efficiency and generation measures will accrue to the council from these investments, partially offsetting this investment. These are projected to offer around £4m cumulative savings by 2030, although savings would continue beyond this date. Along with retrofitting council housing, these actions will require unprecedented levels of investment, for which the council will require significant external funding from government or elsewhere. To date the council has been successful in achieving a number of grants to initiate these actions.

Objective:

1. Put in place and implement retrofit plans to achieve net zero, that include adaptation measures for all Council buildings

Actions			
<i>Ref.</i>	<i>Action</i>	<i>By when</i>	<i>Wider benefits</i>
O1.1	Develop a decarbonisation and adaptation retrofit plan to achieve carbon neutrality in all council assets by 2030	2022	Operational savings
O1.2	Continue to fast track identified opportunities for Public Sector Decarbonisation grant funding	2021	Operational savings
O1.3	Identify projects that are in line for maintenance and explore opportunities to include carbon intervention measures	Ongoing	Operational savings
O1.4	Investigate whether carbon reduction requirements can be included in corporate lettings policy / lettings contracts	2023	
O1.5	Ensure decarbonisation plan is aligned and integrated in wider AMS, growth, stock rationalisation and/or disposal strategy	2022	
O1.6	Pioneer renewable and smart grid technologies on our sites	Ongoing	Operational savings

Theme 2: The borough's non-domestic buildings

Actions			
<i>Ref</i>	<i>Action</i>	<i>By when</i>	<i>Wider benefits</i>
O2.1	Develop an easy to navigate online resource for local SMEs. <ul style="list-style-type: none"> - <i>benefits of energy efficiency retrofits and low carbon heat</i> - <i>possible pathways to EPC B</i> - <i>example feasibility studies</i> - <i>potential financing models</i> - <i>signposting the likely impact and suitability of different technologies and intervention</i> <i>local sources of knowledge and suppliers.</i>	2022	Green economy
O2.2	Continue to enforce minimum energy efficiency standards in line with regulations	Ongoing	
O2.3	Explore the option to include information on EPC, energy efficiency through the free 'business support clinics' offered by H&F outlining the benefits of lower fixed costs through energy bills	2023	Green economy

O2.4	Explore the future options to offer business grants to support SME and third sector organisations with measures to save energy, cut costs and reduce carbon emissions	2023	Green economy
O2.5	Launch the H&F Climate Alliance and use as a platform to set a zero-carbon pledge, share knowledge of best practice, procurement and increase collaboration.	2022	Green economy

Energy

Theme 1: Energy management

Objective:

1. Reduce total and peak energy demand in the borough

Actions			
Ref	Action	By when	Wider benefits
EN1.1	Provide detailed information to encourage and support residents and businesses to use less energy and become more energy efficient	2022	Fuel poverty
EN1.2	Develop smart energy plan to ensure that all council energy use is lean and clean.	2023	Operational savings
EN1.3	Initiate the development of heat and power networks, starting with energy master planning to identify potential projects	2021-23	

Theme 2: Energy supply

The council's carbon consultants have modelled an investment of £7m for the council to achieve net zero from its own operations by 2030. This would lead to energy savings with an eventual payback period, typically 15-20 years. As with other areas of investment, the sources of funding for this work are not yet clear.

Objective:

1. Increase the borough's renewable energy use and generation

Actions			
Ref	Action	By when	Wider benefits
EN2.1	Develop council programme to retrofit where feasible solar on council buildings	2023	Operational savings Energy security
EN2.2	Consider investment in large scale renewable farms via the strategic investment fund	2026	Income
EN2.3	Require Energy Strategies for new developments to include proposals to maximise opportunities to integrate solar PV panel installations	2021-24	Energy security
EN2.4	Continue to work with London boroughs to develop joint investment in clean energy for London	Ongoing	Energy security
EN2.5	Initiate and develop community energy schemes	Ongoing	Energy security
EN2.6	Continue with journey of procuring 100% renewable electricity energy across all Council operations.	2021	
EN2.7	Encourage residents and businesses to switch to renewable electricity providers.	2021	
EN2.8	Investigate the impact and options for green gas for the council's estate.	2022-23	

Travel

Theme 1: Travelling less

Objective:

1. Support the local economy and infrastructure to reduce the need for travel.

Actions			
Ref	Action	When	Wider benefits
T1.1	Develop '15-minute neighbourhood' initiatives that ensure local amenities are accessible by walking and cycling as much as possible.	Ongoing	Accessibility; Air quality; Economy; Health
T1.2	Facilitate remote working to reduce the impact of commuting and business travel, including through supporting broadband infrastructure and workplace travel plans.	Ongoing	Accessibility Air quality Economy
T1.3	Work with residents, community groups and champions, and organisations in the borough to improve digital inclusion and access to online social and economic opportunities.	Ongoing	Green Economy Health Air quality

Theme 2: Active travel

Objective:

1. Enable more active travel, such as cycling and walking.

Actions			
Ref	Action	When	Wider benefits
T2.1	Develop street design that further encourages safe cycling and walking and increases active travel journeys.	2023	Health Air quality
T2.2	Expand cycle, cargo-bike and micro-mobility hire schemes	Ongoing	Health Air quality
T2.3	Improve parking facilities for active travel by installing new dedicated active transport parking areas.	2022	Health Air quality
T2.4	Work with employers to plan workplace active travel and improve accessibility and infrastructure.	Ongoing	Health Air quality
T2.5	Expand and improve engagement and education activities to help residents, commuters and visitors switch to walking, cycling and public transport.	Ongoing	Education Health Air quality

Theme 3: Public transport

Objective:

1. Seek improvements in a public transport network that reach all residents..

Actions			
Ref	Action	When	Wider benefits
T3.1	Improve bus reliability and accessibility by protecting and expanding public transport routes.	Ongoing	Health Air quality
T3.2	Promote and harness demand-led innovations to improve the experience of residents travelling by public transport	Ongoing	
T3.3	Create cleaner, greener public transport stops and stations to improve the public realm and encourage more take-up of public transport	Ongoing	
T3.4	Encourage river transport use, and lobby for extra services and electrification of services that call at stops in the borough	Ongoing	Health Air quality
T3.5	Drive greater awareness of public transport facilities by improving signage around the borough and communicating more about the range of public	Ongoing	

transport options		
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Theme 4: Vehicles and road space

This theme includes an investment in the council's own operating fleet, projected at £19m. Although the upfront costs for electric vehicles are higher, this investment is projected to be substantially recovered by 2030 by the lower operating costs of the fleet (with £7m fuel savings projected by 2030), and taking into account the business-as-usual expenditure otherwise expected on replacing the fleet of around £11m.

Objectives:

1. Support residents and businesses to adopt clean vehicles and car-sharing.
2. Consolidate and electrify the council's vehicles, and increase use of active travel by council services.
3. Use road space to encourage cleaner vehicles, biodiversity, and community and play space.

Actions			
Ref	Action	When	Wider benefits
T4.1	Improve EV infrastructure across the borough including charging points and stations, dedicated parking bays and information to improve access, ensuring every property is within 200m of a charging point by 2026.	2026	Air quality Health
T4.2	Explore road space policies including zero-emissions zones and electric vehicle-only parking bays.	2030	Air quality Health
T4.3	Develop options for traffic, congestion and pollution reduction schemes.	2030	Air quality Health
T4.4	Support businesses through a shared electric van scheme .	In place	Green Economy Air quality Health
T4.5	Continue using parking revenue to invest in active and concessionary travel.	Ongoing	Air quality Health Accessibility
T4.6	Explore ways to incentivise car-sharing and low-carbon travel modes.	2023	Green Economy Air quality Health
T4.7	Increase the electric vehicle fleet in H&F's car club and increase the space available to the car club.	Ongoing	Green Economy Air quality Health
T4.8	Explore time-based reallocation of road space to balance the needs of all road users.	Ongoing	Air quality Health
T4.9	Trial incentives for private driveways to be converted to green space for ecological gain.	2023	
T4.10	Review local planning guidance in line with the new London Plan and its policy for parking availability in new developments.	2022	Air quality Health
T4.11	Investigate the potential for electric autonomous vehicles on H&F's roads to reduce vehicle ownership, improve efficiency and better utilise road space.	2026	
T4.12	Develop a Transport User Group in the Council and Green Fleet policy for the Council's transport requirements.	In place	Air quality Health
T4.13	Drive decarbonisation of contractor fleets with changes to procurement that integrate carbon reduction targets.	2023	Green Economy Air quality Health

Theme 5: Freight

Objective:

1. Work with public and private sector partners to consolidate, reschedule, and electrify deliveries.

Actions			
Ref	Action	When	Wider

			benefits
T5.1	Investigate expanding our clean last-mile delivery services including H&F's cargo-bike freight scheme and shared electric van scheme	2022	Air quality
T5.2	Investigate consolidation of freight and deliveries in the borough, exploring the role of: <ul style="list-style-type: none"> Consolidation centres Receiver led consolidation (i.e. procurement-based consolidation, OOH deliveries etc.) 	2022	Air quality
T5.3	Help develop and enforce delivery and servicing plans amongst the borough's largest businesses and organisations where possible through planning obligations or voluntary provision	Ongoing	Air quality
T5.4	Develop emissions-reducing policies and infrastructure that encourage the transition to cleaner freight, such as electric vehicle charging hubs for larger vehicles, loading regulations and dynamic kerbside management to improve efficiency and reduce congestion.	2026	Air quality

Theme 6: Highways and infrastructure

Objective:

1. Use highways investment to further net-zero objectives, with sustainable materials and infrastructure, and more space for walking, cycling and biodiversity.

Actions			
Ref	Action	When	Wider benefits
T6.1	Prioritise investment in active travel, especially to improve walking, and seek opportunities to reallocate road space.	Ongoing	Air quality Health
T6.2	Improve the resilience and compatibility of our infrastructure against a changing climate.	Ongoing	Adaptation
T6.3	Install green infrastructure when feasible including increasing street trees, parklets, verges and SUDs.	Ongoing	Adaptation Biodiversity Health
T6.4	Increase grey-water storage infrastructure capacity year on year	Ongoing	Adaptation
T6.5	Build partnerships with community groups to increase participation in maintenance of green infrastructure.	Ongoing	Participation Health
T6.6	Ensure circular use of materials in highway maintenance, widen the use of sustainable materials, and explore carbon capture technology.	Ongoing	Adaptation Circular economy
T6.7	Introduce smart lighting to manage energy use and reduce the impact on biodiversity.	2026	Biodiversity
T6.8	Enable green corridors within and alongside highways to improve air quality and increase biodiversity.	2030	Air quality Health Adaptation Biodiversity
T6.9	Investigate the potential for housing and highways land to be converted into a wetland or parkland.	2030	Biodiversity

Things we use

Theme 1: Enabling low-carbon options

Objectives:

1. Improve access to healthy, sustainable food, and reduce food waste.
2. Enable low-carbon living, making sustainable choices visible, accessible and attractive to all.

Actions			
Ref	Action	When	Wider benefits
C1.1	Develop H&F's Food Plan and commissioning with goals to reduce food emissions.	2023	Health; Environmental health
C1.2	Work with schools to offer sustainable and healthy menu options, reduce food waste, and increase the uptake of sustainable school meals.	2023	Health; Food poverty; Environmental health
C1.3	Lead the way on sustainable food in the council's own procurement, events and premises.	2022	Health; Environmental health; Cost savings
C1.4	Develop and implement projects with residents, markets, and food businesses to improve community access to sustainable, healthy food, such as the Nourish Hub.	Ongoing	Health; Food poverty; Environmental health
C1.5	Support schemes to reduce food waste and redistribute surplus food.	2022	Health; Food poverty; Environmental health
C1.6	Provide materials and support for community initiatives to cooperatively measure footprints and design local sustainable actions.	2022	-
C1.7	Work on city-wide initiatives with other London partners, and lobby for initiatives that give visibility to consumers over embedded emissions.	Ongoing	-
C1.8	Explore options for incentivising low-carbon choices through local policies, standards, reward schemes, charging, and choice architecture approaches.	2023	Green economy
C1.9	Explore schemes offering council employees and others alternatives to flying.	2023	Air quality; Noise pollution

Theme 2: Circular economy

Objectives:

1. Increase the sharing, reuse and repair of consumer goods.
2. Substantially reduce the amount we throw away, and recycle more of our remaining waste.
3. Enable the circular economy as a field of high-quality employment.

Actions			
Ref	Action	When	Wider benefits
C2.1	Develop and promote schemes and resources to share, reuse and repair consumer goods, with attention to high-impact goods such as food, vehicles, clothing, furniture, and electronics.	Ongoing	Environmental health; Resident savings

	-		
C2.2	Update the Recycling and Waste Plan	2023	-
C2.3	Subject to trial and consultation, expand food waste collection and containerisation.	Ongoing	Cost savings
	-		
C2.4	Carry out campaigns, projects and prototypes to increase recycling rates for target materials, resident groups, and locations.	2026	Cost savings; Environment health
	-		
C2.5	Seek to bring in fossil-free collection as part of the Council's waste collection contracts .	2027	Operational savings; Air quality;
C2.6	Support and promote circular economy businesses and employment programmes that increase reuse and reduce waste.	2026	Green economy; Environmental health
	-		
C2.7	Remove single-use plastics from Council premises and events, and support local business to do the same.	2022	Environmental health; Cost savings
	-		
C2.8	Lobby for improvements to national regulations around materials, recycling and waste, and funding to match any expanded powers and responsibilities.	Ongoing	Environmental health

Ecology

Theme 1: Biodiversity

Objective:

1. Understand the borough's ecosystems and communicate their value.

Actions			
Ref	Action	When	Wider benefits
ECO1.1	Carry out a biodiversity (species & habitats) baseline to understand and measure our progress.	2021	-
ECO1.2	Regularly measure and publicise activity to improve on this baseline.	Ongoing	-
ECO1.3	Develop a natural capital accounting approach to quantify the benefits of investment and costs of reduction.	2023	-
ECO1.4	Co-produce a Nature Recovery Strategy / Ecological Emergency Response for the borough, aligning objectives for greening initiatives across Planning, Parks, Highways, Housing and corporate asset management.	2022	-
ECO1.5	Review planning requirements to ensure that the maximum biodiversity net gain (BNG) is achieved from new developments.	2026	Air quality
ECO1.6	Explore interim and long-term sites for an ecology centre.	2026	Education; Green Economy

Theme 2: Green and blue spaces

Objectives:

1. Improve and manage our public green spaces for people, nature and the climate.
2. Celebrate biodiversity, and encourage people to foster nature through their private and community spaces.

Actions			
Ref	Action	When	Wider benefits
ECO2.1	Protect existing habitat and increase targeted habitat to support biodiversity recovery in open spaces. - <i>Ensure at least 10% of each open space is long grass or similarly "wild" habitat. (Biodiversity Commission rec.18)</i>	2026	Air quality
ECO2.2	Ensure our work within parks is informed by recommendations from the Parks Commission.	2023	-
ECO2.3	Leverage the renewal of the grounds maintenance (GM) contract to enshrine management practices in parks that promote biodiversity and reduce net carbon. - <i>Develop the Council's understanding of the carbon storage potential of our natural capital management, including grounds and tree maintenance, planting, and soil conservation (Ecology Officer)</i>	2021	-
ECO2.4	Implement Parks Management Plans and practices that continue to enhance biodiversity (BC Recommendation 21 – enshrine good practices & 27 – GM contract retendering). - <i>Retain standing dead wood as habitat: only remove trees when a significant safety risk (CEEC Recommendation 62)</i> - <i>Reuse of organic waste such as wood chip on-site</i> - <i>SuDS and de-paving (BC Recommendation 20) *</i> - <i>Long grass areas with bulb planting</i> - <i>Hedge planting</i> - <i>Gapping up with whips and other planting</i> - <i>Replacement of bedding with plants that are sustainable and promote biodiversity</i> - <i>New small trees to improve canopy diversity</i> - <i>Pruning to encourage flowering</i> - <i>Community gardening and forest school areas</i>	Ongoing	Air quality

	<ul style="list-style-type: none"> - <i>Emphasis on native fruit trees/trees: apples, plums, pears (CEEC Recommendation 61; BC Recommendation 16)</i> - <i>Work with third sector partners to better publicise environmental initiatives</i> 		
ECO2.5	Deliver the Wormwood Scrubs conservation masterplan (BC Recommendation 28 – retain railway embankment). - <i>Aim to elevate this to a site of Metropolitan importance.</i>	2030	Green economy
ECO2.6	Provide a home for wildlife around Council housing, through wildlife-friendly planting and the provision of items such as bat and bird boxes and insect hotels (BC Recommendation 32).	2026	-
ECO2.7	Increase signage around biodiverse habitat such as long grass to explain and celebrate the benefits of biodiversity (cf. CEEC Recommendation 60 & 76; BC Recommendation 18).	2022	Education
ECO2.8	Work with relevant partners to co-ordinate improvements along the river and canal such as the Canal & Rivers Trust and Thames21. - <i>Explore opportunity to pioneer a plastic collector solution to gather waste on the river or canal (like the Ocean Clean Up Interceptor)</i>	2023	Public realm
ECO2.9	Explore partnerships for innovative uses of open space areas focused on biodiversity recovery and environmental improvement e.g. - <i>Wormwood Scrubs hackspace / outdoor 'green lab' for green solutions. Potential partnership with research institutions and conservation charities.</i>	2026	Green economy; Education
ECO2.10	Maintain and aim to increase Green Flag parks with biodiversity and community participation among their criteria.	2030	Resident involvement
ECO2.11	Provide quick-win incentives for residents to plant biodiversity-friendly species, such as distributing seeds and bulbs.	2022	Education
ECO2.12	Promote and develop greening resources for residents to encourage greater biodiversity and 'green the grey' in private spaces.	2022	Adaptation; Education
ECO2.13	Support private and council tenants and leaseholders with individual gardens to maintain these and support biodiversity. -	2022	Resident involvement; Education
ECO2.14	Work with garden centres to promote biodiversity-friendly planting.	2022	
ECO2.15	Provide platforms such as the garden competition to celebrate and share good practice between residents. -	Ongoing	Education; Resident involvement
ECO2.16	Promote citizen science initiatives such as the Flower-Insect Timed Count (FIT), Big Butterfly Count and the Big Garden Birdwatch.	Ongoing	Education; Resident involvement
ECO2.17	Develop and support volunteer and gardening groups. - <i>Encourage residents to look after their local green spaces during dry weather.</i> - <i>Train local young people to become knowledgeable park rangers with a good understanding of biodiversity and invested in the local area.</i>	2022	Education; Resident involvement
ECO2.18	Work with local community organisations to develop and promote opportunities for residents to learn about the borough's biodiversity.	2022	Education; Resident involvement
ECO2.19	Encourage businesses to provide green spaces and trees on their sites, and to offer environmental volunteering days to their employees.	2023	Air quality
ECO2.20	Work with land managers such as TfL to encourage the greening of potential wildlife corridors through the borough such as railway sidings and verges.	2023	Air quality
ECO2.21	Explore vacant spaces as opportunities for permanent and temporary green projects.	2022	Air quality

Theme 3: Green infrastructure

Objective:

1. 'Green the grey', pursue innovations in urban greening, and mainstream greening into our public works.

Actions			
Ref	Action	When	Wider

			benefits
ECO3.1	Achieve a significant increase in green and blue green roof coverage, and living wall coverage (see Adaptation action plan for detail). -	See Adaptation plan	
ECO3.2	Directly deliver and encourage the implementation of green mitigations for climate risks, including flooding, heat and water stress. <i>Including:</i> - <i>Green roofs and walls</i> - <i>Sustainable Drainage schemes (SuDS)</i> - <i>Street trees</i> - <i>Rainwater harvesting</i>	See Adaptation plan	
ECO3.3	Ensure no net loss of street trees in the Borough and increase these where viable, seeking new opportunities for funding. - <i>Ensure the street tree policy is only to remove trees that are a safety risk or diseased.</i> - <i>Replace end-of-life street trees with native species to increase habitat.</i>	2030	Air quality Adaptation
ECO3.4	Continue to green highways and public spaces, and consider greening opportunities for all highways and public realm redesign projects (see also Adaptation action plan) . -	Underway and ongoing	Air quality; Public realm
ECO3.5	Review H&F's Streetsmart guide to integrate green infrastructure throughout, and deliver the biodiversity and climate aims of the Climate and Ecology Strategy.	2022	-
ECO3.6	Reduce hard surfacing and artificial grass in Parks spaces, except for use to replace existing asphalt, games areas, cricket wickets, and children's playgrounds.	2026	-

Adaptation

Objectives:

1. Understand and communicate H&F's exposure to climate change risks.
2. Ensure our buildings, public spaces and natural capital are resilient to a changing climate and protect people from its impacts.
3. Ensure our communities are resilient to climate change, with strong plans and networks in place, and vulnerable groups protected.

Theme 1: Cross-cutting actions

Actions			
Ref	Action	When	Wider benefits
A1.1	Adopt a council lead for adaptation to lead work on understanding climate risk, and help mainstream adaptation into capital and other works across departments.	2022	-
A1.2	Undertake analysis to ensure a sufficiently detailed borough-level understanding of our local exposure to climate risk, including: <ul style="list-style-type: none"> - Heat - Flooding - Water stress - Pests and diseases - Food security and trade <p><i>Explore the need to commission an adaptive pathways study for the borough.</i></p>	2022	-
A1.3	Ensure effective, climate-adapted design standards are implemented in new developments through planning, to reduce the risk and impacts of excess heat, flooding, and water shortage.	2026	Fuel Poverty; Health & Wellbeing; Biodiversity; Public realm
A1.4	Embed climate resilience and adaptation into Council climate comms. Particularly focus on heat, flood risks, and water scarcity, and what residents can do to mitigate and adapt.	2021	-

Theme 2: Heat

Actions			
Ref	Action	When	Wider benefits
A2.1	Analyse the borough's buildings, infrastructure and people vulnerable to high heat, to inform and prioritise adaptation and resilience projects: <ul style="list-style-type: none"> - 	2022	-
A2.2	Provide shading for public spaces where a need is identified, and assess exposure to heat in public realm redesign.	2021-2030	UHI; Health; Biodiversity; Air pollution; Public realm;
A2.3	Ensure the council's housing and housing policies protect residents from excessive heat: <ul style="list-style-type: none"> - 	2021 - 2030	Health; Fuel poverty; UHI
A2.4	Implement cool roofs across the council's housing and corporate estate where appropriate, considering options for: <ul style="list-style-type: none"> - White roofs - Green roofs 	2030	White roof; UHI; Health; Fuel poverty;

	Explore opportunities for durable living walls for cooling and air quality improvements.		Green roof: UHI; Health; Fuel poverty; Biodiversity; Flood mitigation
A2.5	Encourage the retrofitting of cool roofs by residents and businesses, targeting areas with strong urban heat island effects and heat vulnerability.	2022	UHI Health Fuel poverty Biodiversity
A2.6	Identify and implement 'cool spots' for public use during heatwaves. -	Ongoing	Health
A2.7	Promote guidance to all residents on risks and sustainable coping strategies during heatwaves.	Ongoing as needed	Health; Carbon reduction
A2.8	Work with social care, education and children's services providers to ensure that buildings are suitable for rising temperatures, and vulnerable children and adults are protected during heatwaves.	2022	Health
A2.9	Keep H&F's heatwave emergency management plan up to date and embed it into service planning. -	In place	-

Theme 3: Flooding

Actions			
Ref	Action	When	Wider benefits
A3.1	Carry out Lead Local Flood Authority duties and responsibilities, and continue to follow and update current plans and strategies. -	Ongoing	Health; Risk management
A3.2	With the Environment Agency and owners of waterfront assets, ensure hard and soft defences against fluvial/tidal flooding remain adequate. - <i>vegetated terraces; wall-mounted options such as timber ledges - https://www.estuaryedges.co.uk/design-principles/</i>	Ongoing	Health; Risk management Biodiversity
A3.3	Continue to achieve sustainable flood mitigations for surface water flooding from new developments: -	Underway and ongoing	Biodiversity Pollution Public realm Water efficiency and water quality
A3.4	Continue to deliver sustainable flood mitigations for surface water flooding in the public realm: - <i>Currently considered for all highways projects</i>	Underway and ongoing	Biodiversity Pollution Public realm Water efficiency and water quality
A3.5	Implement flood risk mitigations on Council housing estates as part of investment and improvement programmes.	Ongoing	Biodiversity; Public realm
A3.6	Communicate flood risk to residents and explain the actions they can take, and consider where H&F can offer support to deliver these. -	Ongoing	Biodiversity
A3.7	Work with relevant regional partners to deliver a holistic system for water management.	Ongoing	Water waste

Theme 4: Water stress

Actions			
Ref	Action	When	Wider benefits
A4.1	Work with relevant regional partners to deliver a holistic system for water management.	2023	Flood risk reduction
A4.2	Through planning, deliver where feasible, circular water systems that reuse grey water in new development, and integrated water management strategies (IWMS) in large-scale developments.	Ongoing	Flood risk reduction
A4.3	Meter water usage across council buildings and install water saving devices.	2026	Cost savings
A4.4	Encourage water meters in private buildings, and promote water efficiency.	2023	Flood risk reduction
A4.5	Introduce water conservation measures in parks and grounds maintenance practices.	2023	Flood risk
A4.6	Fit water saving devices in Council homes and estates, through engagement with tenants and voids process.	2026	Flood risk

Theme 5: Supply chain, pests and diseases

Actions			
Ref	Action	When	Wider benefits
A5.1	Work with regional and national partners including the London Resilience Forum to understand and mitigate risks to food supply, and from changing pests and diseases for London.	Ongoing	-
A5.2	Ensure local emergency plans address risks to food availability.	2023	-
A5.3	Maintain and build on food resilience networks developed in response to Covid-19, to ensure effective redistribution of food when needed, and substantially reduce food waste in the borough (see Things we use, food and waste workstream).	Ongoing	Food poverty

Enabling actions

Engagement, education & influence

Theme 1: Work in the open

Actions			
Ref	Action	When	Wider benefits
EEI1.1	Publish the first climate strategy in 2021 and a second strategy in 2026 updated to reflect progress towards our target, improvements in technology, and changes in policy.	2021 - 2026	-
EEI1.2	Publish annual climate and ecology progress reports which highlight success and identify the areas where more progress is needed.	Ongoing	-
EEI1.3	Provide the public with an online overview of our progress towards the action plan.	Ongoing	-
EEI1.4	Publish an accurate and accessible overview of the borough's current emissions.	Ongoing	-
EEI1.5	Provide regular opportunities for other departments, local organisations and residents to be updated on the Climate Unit's work.	Ongoing	-

Theme 2: Amplify community action

Actions			
Ref	Action	When	Wider benefits
EEI2.1	Continue to be guided by various resident-led commissions.	Ongoing	-
EEI2.2	Enable residents to request the council's support in developing their initiatives, when it aligns with the vision for a net zero and ecologically rich H&F.	Ongoing	-
EEI2.3	Regularly promote local climate action including actions directly managed by the council social media and other comms platforms	Ongoing	-

Theme 3: Champion under-represented voices

Actions			
Ref	Action	When	Wider benefits
EEI3.1	Ensure effective co-production on decisions that affect residents, supporting deliberation from a representative group of the community	Ongoing	-
EEI3.2	Expand the community champions scheme to recruit local, trained Community Climate Champions from voluntary and community organisations, schools and businesses to promote the low carbon agenda and the work of the council to their neighbours and peers	Ongoing	-

Theme 4: Build collective knowledge

Actions			
Ref	Action	When	Wider benefits
EEI4.1	Ensure messages on climate and environmental action resonate with under-represented groups	Ongoing	-
EEI4.2	Develop map-based tools to enable participation in the climate action plan, share knowledge and highlight positive actions	Ongoing	-
EEI4.3	Provide carbon literacy training and resources for H&F staff, community champions and young people, to embed climate culture into behaviours and	2022	-

	decisions		
EEI4.4	Provide adult education and training to reskill and upskill, giving people the competencies and opportunities to participate in the green economy and green recovery from Covid-19.	Ongoing	Jobs, skills and growth
EEI4.5	Continue to develop the climate education programme in schools, including: <ul style="list-style-type: none"> Widen teacher participation and accreditation in the EduCCate Global Teacher Training programme, rolling out to all schools across H&F Launch a Climate Education Group Host the first Climate Change Education Conference Publish H&F's Climate Education Guide Undertake mapping of existing climate activity in schools Expand the H&F Mudlarks programme Expand outdoor learning, engaging students and families via a progressive offer of climate-education and outdoor activities. Maximise the benefits from the Healthy Pupil Capital Fund (HPCF) and support community primary schools to make their learning environments as eco-friendly as possible 	March 2021 and ongoing	-
EEI4.6	Work with the Youth Council and Youth Voice Network, encourage Youth Mayors to be active members of climate groups, and facilitate training for interested Youth Councillors to become Community Climate Champions.	Ongoing	-
EEI4.7	Regularly communicate with colleagues across the organisation to build carbon literacy, share knowledge and update progress on climate and ecology actions	Ongoing	-
EEI4.8	Create a dedicated digital space to share knowledge, information and tools on the climate and ecological emergency.	Ongoing	-

Theme 5: Create the conditions for change

Actions			
Ref	Action	When	Wider benefits
EEI5.1	Support our community to reduce the impact of the things we use by developing a Climate Café with a 'Library of Things' that enables sharing and repairing consumer goods, and a community space to talk, collaborate and act.	Ongoing	-
EEI5.2	Explore use of financial incentives, subsidies, and standards to help businesses and residents on their path to net zero (see Things we use C1.8; Green economy GE3.6)	2023	-

Theme 6: Partner and collaborate

Actions			
Ref	Action	When	Wider benefits
EEI6.1	Continue to lobby at a national and regional level for the changes that are needed and on the big decisions such as Heathrow Airport's third runway	Ongoing	-
EEI6.2	Establish a local Climate Alliance of organisations to work towards net zero and collaborate on climate action (see Green Economy actions)	2022	-
EEI6.3	Work with local partners to develop local offsetting initiatives where people's carbon emissions cannot be reduced substantially	2024	-
EEI6.4	Encourage residents and workers to participate in climate action volunteering opportunities by partnering with local organisations that require support	Ongoing	-
EEI6.5	Explore seed-funding and investment opportunities, encouraging and supporting new community carbon reduction ideas or facilitating	Ongoing	Green growth

	commercial opportunities by working with partners including Imperial College London		
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Finance and decision-making

Theme 1: Finance

Actions			
Ref	Action	When	Wider benefits
F1.1	Align our financial planning and capital programmes to our 2030 vision.	March 2022	-
F1.2	Investigate affordable financial incentives the Council can offer where the expected return on investment is good.	2023	-
F1.3	Investigate the business case for launching a green bond to involve our residents in funding climate action, generate investment and engage with our community	2022	-
F1.4	Investigate and understand other instruments and financing opportunities that will become available over the next decade	Ongoing	-
F1.5	Explore a community-based carbon offsetting scheme that promotes community wealth building and invests in local initiatives.	2024	Biodiversity Participation
F1.6	Promote and expand social and crowdfunding opportunities for the climate agenda in the borough by engaging residents and organisations to get involved.	Ongoing	Participation

Theme 2: Pension and investments

Actions			
Ref	Action	When	Wider benefits
F2.1	Understand current strategy in place which aims to achieve carbon neutrality for the LBHF Pensions Fund by 2030 and investigate the potential to expedite decarbonisation of the fund	2030	-

Theme 3: Procurement

Actions			
Ref	Action	When	Wider benefits
F3.1	Assess the current and future portfolio of goods and services commissioned for carbon emissions (building and vehicle related) setting out the priority categories and contracts for action.	2022	-
F3.2	Evolve our procurement policy and management framework (including standard T&Cs and minimum standards) so that it is consistent with our ambition zero emissions and associated policy around value for money,	2022	-
F3.3	Communications, engagement and market management with existing providers – including identifying quicker win actions that can be undertaken through current contracts and programme of recommissions/procurement that are upcoming.	Immediate and ongoing	-
F3.4	Undertake modelling of options and scenarios for managing down our carbon emissions across the portfolio.	2022	-
F3.5	Align the forward plan for contract review and re-procurement and wider commissioning strategies with the climate strategy programme.	2022	-
F3.6	Organisational development and training for key lead officers in commissioning and procurement on low carbon procurement policy.	Ongoing as the plan develops	-

Theme 4: Commercial, innovation and incentivisation

Actions			
Ref	Action	When	Wider benefits

F4.1	Constantly monitor opportunities for grant funding, investments and commercial partnerships - <i>Research investment opportunities and commercial partnerships</i>	Ongoing	-
F4.2	Work and partner with other local authorities, regional bodies and public sector institutions to attract investment and grant funding, using this to share knowledge and maximise opportunities	Ongoing	-
F4.3	Understand the potential for inward investment in green technology and infrastructure by researching, networking and scanning the market for potential opportunities	2022	-
F4.4	Explore opportunities to partner with commercial organisations to deliver actions and projects that aren't feasible for the local authority to complete alone	Ongoing	-
F4.5	Explore innovative financial mechanisms to attract and grow funding and commercial opportunities for renewable energy	2023	-
F4.6	Investigate renewable energy opportunities and investments including the potential for solar, wind, waste and water sources	2022	-
F4.7	Explore and invest in commercial opportunities available in electric vehicle charging point infrastructure, storage and supplying energy to the grid and	2022	-
F4.8	Investigate the potential for carbon capture and storage opportunities when the technology becomes commercially viable for investment.	Ongoing	-
F4.9	Explore investment in local energy schemes in our own buildings and other public buildings in the borough plus community energy projects to provide reliable, low-cost, sustainable energy to residents	Ongoing	-
F4.10	Investigate, invest in and influence the development of district heat networks.	2026	-
F4.11	Investigate investment in local energy storage facilities in underused brownfield sites	2026	-

Theme 5: Decision-making

Actions			
Ref	Action	When	Wider benefits
F5.1	Add climate goal as a core Council value	In place	-
F5.2	Implement governance approaches that consider carbon in decision-making	In place	-
F5.3	Develop strategic officer oversight of the climate programme.	2022	-
F5.4	Ensure corporate and departmental business planning considers carbon footprint to help embed net-zero target.	Ongoing	-
F5.5	Provide regular opportunities for residents to review progress on the climate strategy	Ongoing	-

Green economy

Theme 1: Education, employment, skills and training

Objective:

1. Prepare young people and adults for the green economy, ensuring provision exists that enables residents to access green economy jobs.

Actions			
Ref	Action	When	Wider benefits
GE1.1	Continue to develop the climate education programme in schools (see Engagement and influence actions for detail)	2021	Biodiversity Inclusion
GE1.2	Review our climate education programme and explore whether local green economy content (e.g. business case studies and green career pathways info) could be strengthened	2022	-
GE1.3	Develop a core green skills plan to ensure local supply meets demand, covering: <ul style="list-style-type: none"> - Energy efficiency retrofit - Renewable heating - Low-carbon construction - Solar PV installation and maintenance - Circular economy - Supporting industries as needed e.g. electricians 	2022	Green growth
GE1.4	Use a Sector-Based Work Academy to re-skill people for low-carbon jobs.	In place	Green growth
GE1.5	Explore opportunities for further models for building green economy skills, including rapid reskilling courses and apprenticeships.	2022	Green growth
GE1.6	Investigate opportunities for specialist zero-carbon skills training facilities within further education colleges, e.g. 'Passivhaus lab'	2022	Green growth
GE1.7	Develop generic green skills within local businesses and training provision for various vocations.	2022	-

Theme 2: Supporting existing and new business

Objectives:

1. Support existing low-carbon pioneers, and build H&F as a leader in the green economy
2. Support a green recovery from Covid-19.

Actions			
Ref	Action	When	Wider benefits
GE2.1	Support existing circular economy employment programmes (see Things we use workstream), and develop this as a field of high-quality employment locally.	2022	Environmental health
GE2.2	Invest in greening the Council's and borough's assets, and ensure that local businesses can benefit, to support a green recovery from Covid-19.	2022	Fuel poverty
GE2.3	Develop '15-minute neighbourhoods' initiatives to support local business, access green jobs and encourage active travel.	Ongoing	Air pollution
GE2.4	Convene a local coalition on retrofit representing social landlords, private landlords, retrofit providers, skills providers and others, to build the sector and address the gap between demand and supply.	2023	-

Theme 3: Influencing and collaborating with partners

Actions

Ref	Action	When	Wider benefits
GE3.1	Continue to support cooperation on green objectives among the borough's major employers through the Industrial Strategy Board.	Ongoing	Green growth
GE3.2	Launch the H&F Climate Alliance as a network of local partners working towards net zero.	2022	Green growth
GE3.3	Work with BIDs to influence members and develop low-carbon area-based solutions.	2022	Green growth
GE3.4	Conduct research with local businesses to better understand motivations and barriers for reducing emissions.	2021	
GE3.5	Provide opportunities for local companies to pilot and adopt low-carbon solutions.	2022	Green growth
GE3.6	Develop a 'starting out green' module for start-up training and support.	2022	Green growth
GE3.7	Build on the Covid-19 local food suppliers directory to promote low-carbon options. <ul style="list-style-type: none"> - Investigate how to expand a low-carbon business directory into other areas of business. - Ensure an H&F presence in other sustainable directories, e.g. the repairs directory: https://therestartproject.org/ 	2022	Local economy
GE3.8	Adopt 'tackling the climate emergency' as a category, and/or criterion across all categories, into H&F's Business Awards.	2022	
GE3.9	Develop priorities for application of carbon offset funds, considering the option for SME grants for low-carbon measures.	2022	Green growth
GE3.6	Explore how the Council can use discretionary incentive mechanisms within its business interactions to support businesses to reduce their carbon emissions e.g. <ul style="list-style-type: none"> - Business rates relief - Rents in Council-owned buildings - Parking charges 	2022	

APPENDIX C - H&F Climate and Ecology Strategy

Engagement and influence plan

Workstream 2030 vision

In 2030 residents in H&F are engaged with the climate agenda, empowered to grow their own ideas and actively participate in local action. The council supports a resident-led response to the climate and ecological crisis, maintaining an ongoing, open and honest conversation, ensuring that all voices of the borough are heard and included. Our residents, communities, and organisations are engaged, educated and empowered to live net-zero carbon lifestyles in an ecologically rich borough.

1 Introduction

H&F's climate strategy envisions a clean and sustainable future in which human activity works to the benefit of all people and the environment. It seeks a safe climate for future generations, along with rich ecosystems that support people and nature, facilitating the best possible health, wellbeing and quality of life outcomes for all our residents. The transition from fossil fuels will be an empowering and collective effort in which all have a voice, and the challenges and opportunities from change will be shared justly.

With 'doing things with residents, not to them' a core council value, we already carry out extensive resident engagement. Soon after declaring an emergency we enabled participation with the launch of the pioneering resident-led 'Climate and Ecological Emergency Commission'. Since then, a range of other engagement activities have taken place including an event at Lyric Theatre in February 2020 and an online consultation via Commonplace. Moving forward, we will ensure our engagement is representative of the diversity of our borough, listening and learning from different groups.

The climate crisis will impact our residents and communities differently and unequally, with some in the most vulnerable groups expected to be impacted most by impacts such as extreme heat, which is why tackling inequality is central within our action plan. In addition to engaging socially and economically excluded members of our community, we will incorporate social and economic justice into every action, prioritising climate actions that improve the lives of our most vulnerable households. This engagement will ensure we prioritise a just transition to a net zero H&F that leaves no one behind.

2 What we need to do

Our proposed communications and engagement strategy outlines *who* we are engaging and *how* we will engage to work towards H&F Vision 2030.

2.1 Who we will engage

Successfully delivering the council's action plan requires participation from council staff, residents, communities, businesses and organisations from across the borough, and our communications and engagement strategy will need to target several stakeholder groups. However, our methods for engaging will need to be tailored to each target group, using language that resonates with people's values, priorities and cultural identity.

It is widely acknowledged that socio-economically advantaged groups tend to have higher per-capita carbon emission rates¹ and this correlation will need to be considered when delivering the council's communication and engagement actions. Our just transition to a low carbon future will ensure vulnerable and less well off communities are not disadvantaged. Additionally, the degree to which residents view the climate crisis as an emergency

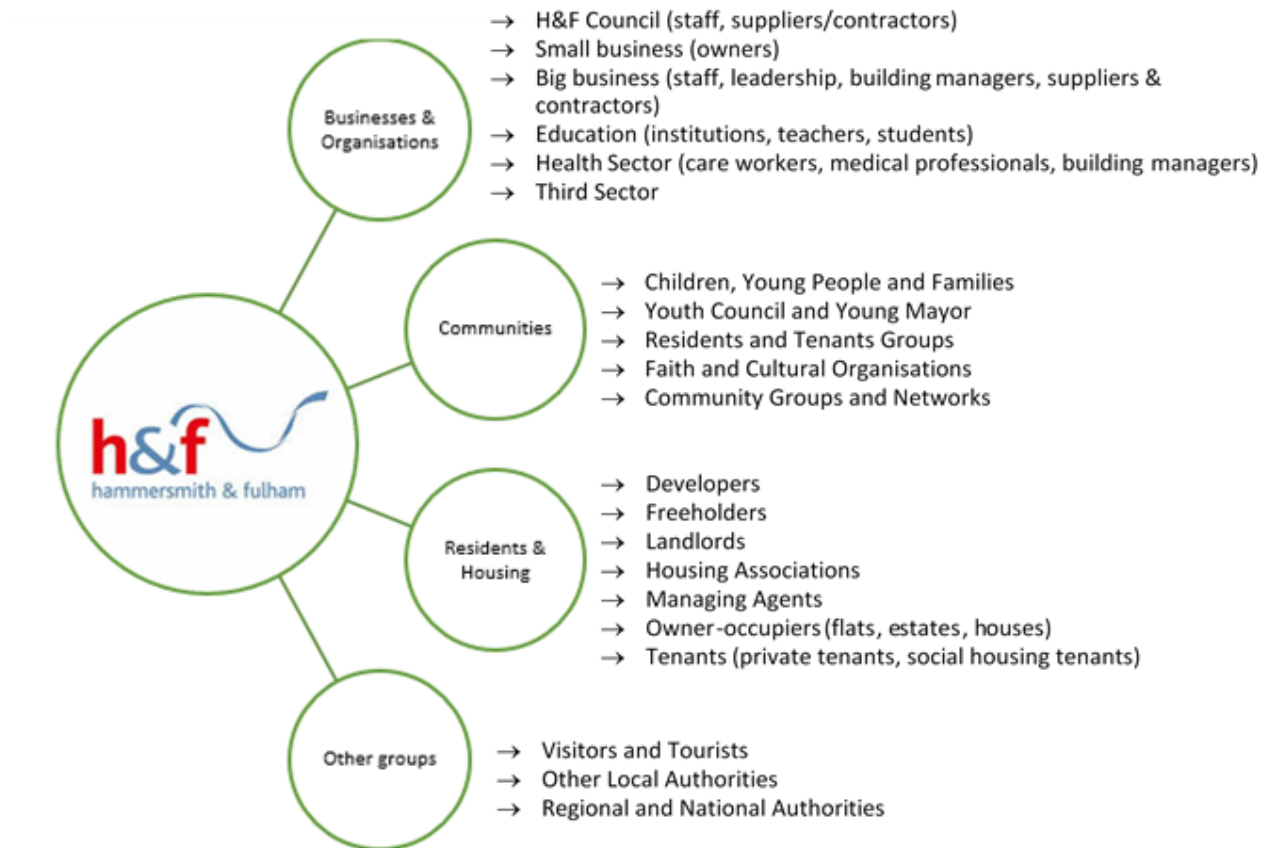


Figure 1. Communication & engagement target groups

¹ [Oxfam \(2020\), Confronting Carbon Inequality, https://oxfamlibrary.openrepository.com/bitstream/handle/10546/621052/mb-confronting-carbon-inequality-210920-en.pdf](https://oxfamlibrary.openrepository.com/bitstream/handle/10546/621052/mb-confronting-carbon-inequality-210920-en.pdf)

varies substantially, and our communications approaches will need to reflect this.

Table 1 shows an initial segmentation of groups by views towards the climate and ecological crisis. We will continue to research best practice in climate communications and behaviour change, and learn what works for our community. We will continue to iterate these groupings as we test out engagement approaches and learn what works.

Table 1. Resident engagement groups

Engagement group	Group A: Advocates for the climate	Group B: Behaviour change beginners	Group C: Cautious about the climate crisis	Group D: Under-represented groups
How they view the climate crisis	They are already committed to the climate and ecological emergency agenda who want to know what the Council is delivering	COVID-19 lockdown has triggered a new wish to take action but they need support and information to make the changes	They are sceptical or agnostic about the climate crisis	Residents and communities who are ordinarily socially or economically excluded from mainstream debates, decisions and activities
What they need from the council	They need to see the progress that is being made on net zero	They need a nudge in the shape of practical advice and information to make small but significant behaviour change	They need to be convinced of the climate emergency via innovative & persuasive engagement approaches	They need more involved and direct engagement focussing on core issues (fuel poverty, food resilience, and public health)

2.2 How we will engage

Recognising residents' various preferences and needs, we'll use a broad range of communication methods (see Table 2), from in-person conversations to online engagement platforms. Communication via appropriate and accessible channels and initiatives will ensure all residents can generate ideas and engage in discussion. Community Climate Champions will play a pivotal role in delivering our vision by inspiring change and coordinating local action. Champions will come from a range of groups including ward action groups, residents and tenants' associations, community networks, faith, support and interest groups, and they'll help us to engage with residents from every socio-economic group.

Table 2. Communication & engagement methods

Communication method	Example
Dissemination via partner institutions and organisations	Schools, VCS partners, third-parties/contractors
Digital communications	Website, Nextdoor, e-newsletters, social media, consultation platforms, participatory mapping etc.
Events	Climate conferences, Climate Café events, talks & workshops
In-person/community-based communications	Tenants and residents associations (TRAs), faith groups, community networks, support groups and interest groups
Peer networks	Via Community Climate Champions
Print media	Leaflets, posters and newsletters
Out-of-home media	Hoardings, signs, advertising billboards
Internal H&F communication platforms	Intranet, Connect magazine, Yammer, newsletters

Our engagement plan sets out how we'll communicate progress towards our vision, support resident-led initiatives that support our collective vision for a net zero H&F, and enable participation in the design of policies and solutions, and create the conditions for residents to decarbonise their homes, transport and goods they consume. This will lead to greater interaction and communication between the council and the community; and increased resident participation in civic and community life.

3 The guiding principles of our communication and engagement strategy

Effective engagement, education and empowerment is key to achieving a net-zero borough. We will ensure the following principles are central to our approach to communications and engagement:

- **Work in the open**
 - We'll demonstrate our commitment by working in the open, sharing our progress, highlighting the logistical and financial challenges, and inviting dialogue.
- **Amplify community action**
 - We'll uphold the council's value of doing things with residents, by co-producing and supporting community initiatives to ensure a resident-led response to the climate crisis.
- **Champion under-represented voices**
 - We will prioritise engagement with under-represented groups who are likely to experience the more immediate effects of climate change, to ensure policies and projects bring about a just transition.
- **Create the conditions for change**
 - We'll empower people to take action in their own lives by supporting and incentivising residents and businesses to make sustainable choices
- **Build collective knowledge**
 - We'll communicate the urgency of the climate crisis, build awareness through education and work alongside our community to develop a collective understanding of what solutions work for our borough..
- **Partner and collaborate**
 - We'll collaborate with partners across the borough and support residents, councillors, officers and local organisations to work together to create inclusive and sustainable communities.

3.1 WORK IN THE OPEN

We'll demonstrate our commitment by working in the open, sharing our progress, highlighting the logistical and financial challenges, and inviting dialogue.

By working in the open, we will communicate H&F's commitment to a net-zero carbon target for 2030, and openly and honestly report the actions we're taking and progress against these.

We will publish data about the borough's carbon emissions and present this in engaging and accessible ways. Residents and organisations will be able to understand the borough's emissions, as well as seeing the policies that are being promoted to reduce these.

To meet net zero by 2030 we need rapid, far-reaching change across our borough. Working at pace, in an area where policy, research and technology are constantly evolving will mean there are things we try that do not work. We will share these challenges and lessons learnt, whilst celebrating our successes, to maintain honest dialogue with our community and partners.

We will embed this spirit of learning by doing and adapting to change by ensuring the action plan is updated annually, with a full strategy review undertaken in 2025.

By working in the open, sharing learnings as well as successes, we aim to encourage dialogue and support a collective, borough-wise response to the climate and ecological crisis.

Objectives:

- Demonstrate the council's commitment to tackling the climate crisis through frequent communication of borough-wide emissions, the projects and programmes being delivered to reach net-zero carbon, and progress reports of carbon and ecological improvements

Ref.	Action	By end...
EEI1.1	Publish the first climate strategy in 2021 and a second strategy in 2026 updated to reflect progress towards our target, improvements in technology, and changes in policy.	2021 2026
EEI1.2	Publish annual climate and ecology progress reports which highlight success and identify the areas where more progress is needed	Ongoing

Ref.	Action	By end...
EEI1.3	Provide the public with an online overview of our progress towards the action plan	Ongoing
EEI1.4	Publish an accurate and accessible overview of the borough's current emissions	Ongoing
EEI1.5	Provide regular opportunities for other departments, local organisations and residents to be updated on the Climate Unit's work	Ongoing

3.2 AMPLIFY COMMUNITY ACTION

We'll uphold the council's value of doing things with residents, by co-producing and supporting community initiatives, building on the strengths of our borough and ensuring a resident-led response to the climate crisis.

We will uphold the council's value of 'doing things with residents, not to them', implementing principles of co-production and building on the energy, dynamism and local knowledge of our community. In doing so, we will support a bottom up and participatory response to the climate crisis.

The development of this strategy and action plan has been informed by the insights generated by our resident-led Climate and Ecological Emergency Commission. This is one example of the energy, passion and dedication to this agenda from our community and we will continue to use our powers to support resident-led initiatives.

There are already brilliant examples of community-led climate action happening in the borough. As a council, we will do the hard work to find what exists, and lend our support to unblock barriers, connect and convene, and help initiatives grow to ensure a community-led and grassroots response. We will create opportunities for residents to request the council's support on their initiative when it aligns with our climate and ecological emergency declaration. This includes promoting initiatives through our communications, sharing volunteering opportunities and supporting crowdfunding projects.

Objective:

- Support community groups to act by sharing knowledge, resources and funding

Ref.	Action	By end...
EEI2.1	Continue to be guided by various resident-led commissions particularly on the climate and ecological emergency	Ongoing
EEI2.2	Enable residents to request the council's support in developing their initiatives, when it aligns with the vision for a net zero and ecologically rich H&F	Ongoing
EEI2.3	Regularly promote local climate action including actions directly managed by the council social media and other comms platforms	Ongoing

3.3 CHAMPION UNDER-REPRESENTED VOICES

H&F is a diverse borough and our residents have a range of experiences and perspectives on the climate and ecological emergency. Listening, understanding and learning from every part of the community will ensure we can build broad-based support for this agenda and communicate in a way that resonates with people's priorities.

We know the damaging effects of climate change fall disproportionately on the most vulnerable in society, often those with the lowest carbon lifestyles. Through our engagement work we will prioritise voices who are often excluded from conversations in order to develop inclusive and equitable solutions that leave no one behind. The Community Climate Champions will have a pivotal role in establishing and maintaining borough-wide participation in climate action and will play a key role in community development, building resilience, increasing access to opportunities and improving health and wellbeing through climate action.

Objective:

- Ensure voices of under-represented groups are listened to.

Ref.	Action	By end...
EEI3.1	Ensure effective co-production on decisions that affect residents, supporting deliberation from a representative group of the community	Ongoing
EEI3.2	Expand the community champions scheme to recruit local, trained Community Climate Champions from voluntary and community organisations, schools and businesses to promote the low carbon agenda and the work of the council to their neighbours and peers	Ongoing

3.4 BUILD COLLECTIVE KNOWLEDGE

We'll communicate the urgency of the climate crisis, build awareness through education and work alongside our community to develop a collective understanding of what solutions work for our borough.

We will communicate our positive vision of a net-zero carbon and ecologically rich future, whilst explaining the urgency of the climate crisis, and what it means for the planet and the borough.

Facts and figures aren't enough to engage people, so we will have conversations that resonate with people's values and priorities. We will establish best practice in climate communications, as well as recruiting co-researchers to work in our communities and understand what messages resonate with different groups. By effectively communicating the co-benefits of climate action – such as health, fuel poverty, and personal finance – we aim to engage all, in particular people who are climate agnostic or economically excluded.

We will build awareness of the climate and ecological emergency through education and widening carbon literacy in the borough. Starting with the council, we will provide carbon literacy training and help those making decisions to become familiar with climate science, carbon literacy and the co-benefits of reducing carbon.

In the community, we will seek to embed education about climate change and biodiversity into all schools in the borough. Working within existing networks, such as community champions, we will also widen the carbon literacy of our residents.

With an ambitious strategy in a broad and fast-developing field, we won't know in all cases what will work best for our borough and community from the outset. We will adapt best practice, support innovative ideas and learn through doing to understand what solutions work for our borough. By embracing experimentation and sharing lessons learnt along the way, we'll work alongside our community and partners to build our collective understanding of the local challenges and solutions.

Objectives:

- Communicate a positive vision of a net-zero carbon and ecologically rich future
- Communicate the urgency of the climate crisis, conveying the importance of participation from our residents, communities, organisations, and institutions

- Build carbon literacy of the council and suppliers
- Work with our children and young people to deliver world class climate education and galvanise families to act
- Raise awareness of the climate and ecological emergency in the community

Ref.	Action	By end...
EEI4.1	Ensure messages on climate and environmental action resonate with under-represented groups	Ongoing
EEI4.2	Develop map-based tools to enable participation in the climate action plan, share knowledge and highlight positive actions	Ongoing
EEI4.3	Provide carbon literacy training and resources for H&F members, staff, community champions and young people, to embed climate culture into behaviours and decisions	2022
EEI4.4	Provide adult education and training to reskill and upskill, giving people the competencies and opportunities to participate in the green economy and green recovery from Covid-19. <ul style="list-style-type: none"> • <i>Deliver a range of climate emergency courses to H&F residents as part of our adult education programme offer</i> • <i>Develop and deliver a menu of classes on climate awareness, carbon literacy, sustainability and recycling to H&F residents</i> • <i>Co-produce and deliver a Climate Community Champions programme to our residents</i> • <i>Support this climate awareness programme through its existing Community Learning Funding stream</i> 	Ongoing
EEI4.5	Continue to develop the climate education programme in schools, including: <ul style="list-style-type: none"> • <i>Widen teacher participation and accreditation in the EduCCate Global Teacher Training programme, rolling out to all schools across H&F</i> • <i>Launch a Climate Education Group</i> • <i>Host the first Climate Change Education Conference</i> • <i>Publish H&F's Climate Education Guide</i> • <i>Undertake mapping of existing climate activity in schools</i> • <i>Expand the H&F Mudlarks programme</i> • <i>Expand outdoor learning, engaging students and families via a progressive offer of climate-education and outdoor activities.</i> • <i>Maximise the benefits from the Healthy Pupil Capital Fund (HPCF) and support community primary schools to make their learning environments as eco-friendly as possible</i> 	March 2021 and ongoing
EEI4.6	Work with the Youth Council and Youth Voice Network: <ul style="list-style-type: none"> • Encourage Youth Mayors to be active members of climate groups • Facilitate training for interested Youth Councillors to become Community Climate Champions 	Ongoing
EEI4.7	Regularly communicate with colleagues across the organisation to build carbon literacy, share knowledge and update progress on climate and ecology actions	Ongoing
EEI4.8	Create a dedicated digital space to share knowledge, information and tools on the climate and ecological emergency	Ongoing

3.5. CREATE THE CONDITIONS FOR CHANGE

We'll empower people to take action in their own lives by supporting and incentivising residents and businesses to make sustainable choices.

In addition to communicating the urgency of the issue, we will also need to empower residents and organisations to make positive choices about how they live and what they expect from others. The CCC estimates that individual behaviour change is a component in 60% of emissions [ref].

We recognise that awareness and education alone will not change behaviour, particularly in the face of Covid-19 recovery when individuals and families are likely to have more immediate priorities and multiple competing demands. As an institution we recognise the role we can play in supporting and incentivising more sustainable behaviours and will use all available levers to support the transition to zero-carbon living and working.

We will research best practice in behaviour change and adopt frameworks such as EAST (supporting people to change behaviour by making options easy, accessible social and timely²). By convening and bringing people together we will support a collective approach to behaviour change.

We will also explore use of funding, subsidies and incentives to ensure acting more sustainably as a business in H&F is celebrated and rewarded.

The journey towards a net zero Hammersmith & Fulham is a collective one, and we will use our role as an anchor institution to support everyone on the journey there.

Ref.	Action	By end...
EEI5.1	Support our community in reducing their consumption by developing a Climate Café with a 'Library of Things' that enables sharing and	Ongoing

² Behavioural Insight Team (2014), *EAST: Four Simple Ways to Apply Behavioural Insights*, <https://www.bi.team/publications/east-four-simple-ways-to-apply-behavioural-insights/>

Ref.	Action	By end...
	repairing consumer goods, and a community space to talk, collaborate and act	
EEI5.2	Explore use of subsidies and incentives to help businesses on their path to net zero	2023

3.6 PARTNER AND COLLABORATE

We'll collaborate with partners across the borough and support residents, the council and local organisations to work together to create inclusive and sustainable communities.

Our target is to encourage change across different sectors of our community, recognising that in order to achieve our ambition of net-zero carbon by 2030, we will need to engage organisations and people who work in and visit the borough, as well as our residents. Many are already knowledgeable about the climate and ecological crisis and are taking significant steps to reduce carbon emissions. We will harness this knowledge and expertise by working as an organisational partner in the borough and beyond. We will support ways of doing things that see residents, councillors, officers and local organisations working together to create and sustain inclusive and sustainable communities.

We will work with all community groups to identify the co-benefits of climate action to help them operate for their own purpose but use their platform and interests to drive climate action, engage and communicate widely. We will work with public institutions including universities, colleges, hospitals, and theatres. Through our ground-breaking industrial strategy and new Industrial Strategy Board, we will engage global businesses that call H&F home, to influence change in their operations, supply chains and develop solutions to our challenges. The H&F Climate Alliance will bring together organisations from across the borough – small business, big business, community organisations, building managers and facilities teams, to work towards net zero, coordinate actions to reduce emissions, and work together on projects and initiatives.

Other initiatives for collaboration and partnership could include:

- Green Doctors that help improve energy efficiency and reduce fuel poverty
- Collective purchasing to promote green tariffs and lower costs for energy use amongst residents and businesses via participation in collective switching and purchasing schemes

- Community energy schemes that generate local energy
- Seed-funding, investing and start-ups support in the climate space
- Crowdfunding through Spacehive providing local organisations with the opportunity to raise money for community projects
- Examining the potential for an H&F Green Bond as a green investment opportunity for residents, businesses and employees to invest in their local area and fund green initiatives such as solar energy whilst receiving a fair return on investment.

Additionally, we recognise that the investment needed to deliver on this agenda can only be secured through the combined resources of stakeholders locally, regionally and nationally and the Council has an integral role in making that happen by supporting residents, communities and partners locally to make change. We will work with London Councils, the GLA and other London boroughs to develop and present a coherent case for change at the national level to deliver the investment, legislation, fiscal incentives and the leadership needed to respond to the climate crisis. We are working with other local authorities to agree a London-wide lobbying position on the climate and ecological emergency.

Table 3. Engaging and collaborating with partners

Engagement group	Why and how we will engage this group
People who work in the borough	<p>People who work in the borough are an important part of the community, contributing to our civic life whether spending money in our shops and restaurants or volunteering in one of many fantastic programmes. We want people who work in the borough to travel to work sustainably, and spend money responsibly, with the lowest possible impact on the environment. We also recognise that many workers who come to the borough each day can be, and are, climate champions. They are agents of change amongst their peers and within their organisations. They have a unique role in influencing the decision-makers and leaders of our borough’s organisations, from global businesses to educational institutions. We will empower, encourage and support these champions to help us deliver on our net-zero target.</p>
Local businesses, institutions & organisations	<p>We will engage organisations in the borough to encourage them to undertake audits of their building emissions, staff travel and deliveries and servicing of their facilities. This will help identify areas where carbon can be reduced, improvements can be made and bring more of the borough’s organisations onto the net-zero journey.</p>

Visitors & tourists	Visitors and tourists to the borough have an impact on the borough's environment. Whilst we take pride in our location and as a destination for visitors, we will work with hotels and visitor attractions to reduce the environmental impact that visitors might have. For example we can help inform hotels and their guests of the walking and cycling alternatives to hire cars and taxis. Many of our hotels and attractions are already making big changes to the way they operate and through our planning regulations we will ensure that our environmental standards are adopted by organisations.
Public and third-sector organisations (regional & national)	The council works with many other local authorities through direct communication and networking and through organisations including West London Alliance, London Councils and the LGA. We also work with regional partners such as the GLA and TfL on joint or regional initiatives, lobbying government and other organisations, to deliver change beyond our borough.

Objectives

- Promote H&F's work outside of the borough, and make the case for the powers, funding and change needed from regional and national partners
- Ally with our local and regional partners to deliver change at scale

Ref.	Action	By end...
EEI6.1	Continue to lobby at a national and regional level for the changes that are needed and on the big decisions such as Heathrow Airport's third runway	Ongoing
EEI6.2	Establish a local Climate Alliance of organisations to pledge to work towards a net-zero target and collaborate on climate action	2022
EEI6.3	Work with local partners to develop local offsetting initiatives where people's carbon emissions cannot be reduced substantially	2024
EEI6.4	Encourage residents and workers to participate in climate action volunteering opportunities by partnering with local organisations that require support	Ongoing
EEI6.5	Explore seed-funding and investment opportunities, encouraging and supporting new community carbon reduction ideas or facilitating commercial opportunities by working with partners including Imperial College London	Ongoing

APPENDIX D - CLIMATE & ECOLOGICAL EMERGENCY

H&F resident consultation 2020

CLIMATE AND
ECOLOGICAL
EMERGENCY

H&F CEEC



THE CONSULTATION: JULY – OCTOBER 2020

How?

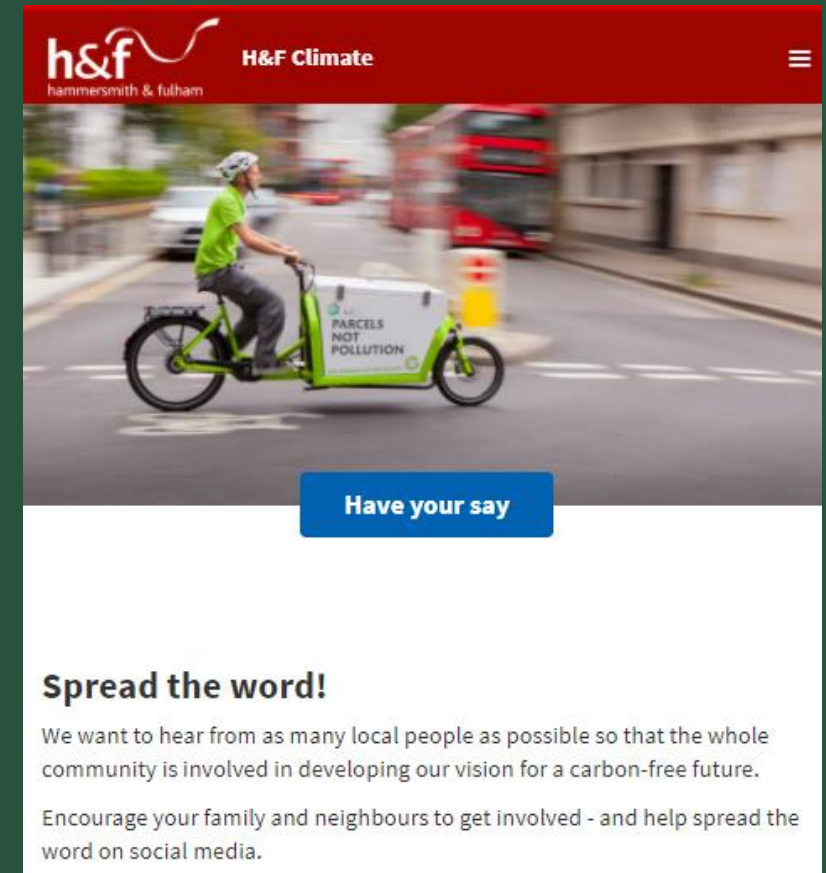
An online consultation through 'commonplace'

Why?

To inform the work of the resident-led Climate & Ecological Emergency Commission and H&F council

What?

An exploration of residents' attitudes to climate and ecological issues, recording suggestions about how to look after the natural environment and tackle climate change locally; topics included: transport, food, shopping, consumption, waste, energy, nature, civic and community life



h&f hammersmith & fulham **H&F Climate**

Have your say

Spread the word!

We want to hear from as many local people as possible so that the whole community is involved in developing our vision for a carbon-free future.

Encourage your family and neighbours to get involved - and help spread the word on social media.

WHO RESPONDED?



387 people contributed to the consultation

Another 600 viewed at least one page but left no comments

Most respondents live in H&F, but a few study, shop, have a business here, or have other close connections to the borough



63% women

19% under 35 years of age
57% in 35-64 years of age
24% 65+ years of age



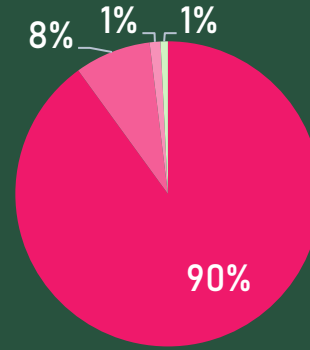
16% in private rented homes
11% in social/council homes
21% in leasehold homes
52% in freehold homes



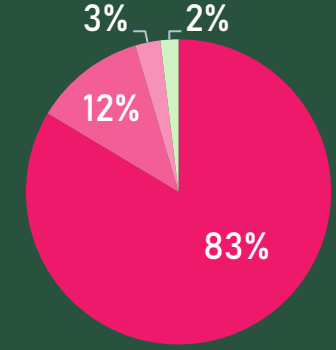
55% have a private garden
10% have a communal garden
20% have a balcony
15% have no outside space

Which issues are our residents most concerned about?

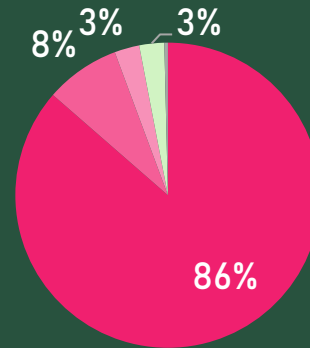
Very concerned Quite concerned A little concerned Not at all concerned I don't know



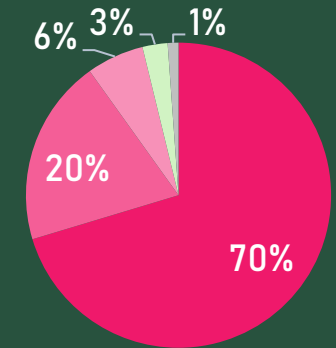
99% of residents reported feeling concerned about waste and rubbish



98% of residents reported feeling concerned about clean air & air pollution



97% of residents reported feeling concerned about the loss of nature & wildlife



96% of residents reported feeling concerned about traffic on our streets

1 TRANSPORT & TRAVEL

The biggest priorities for respondents were:



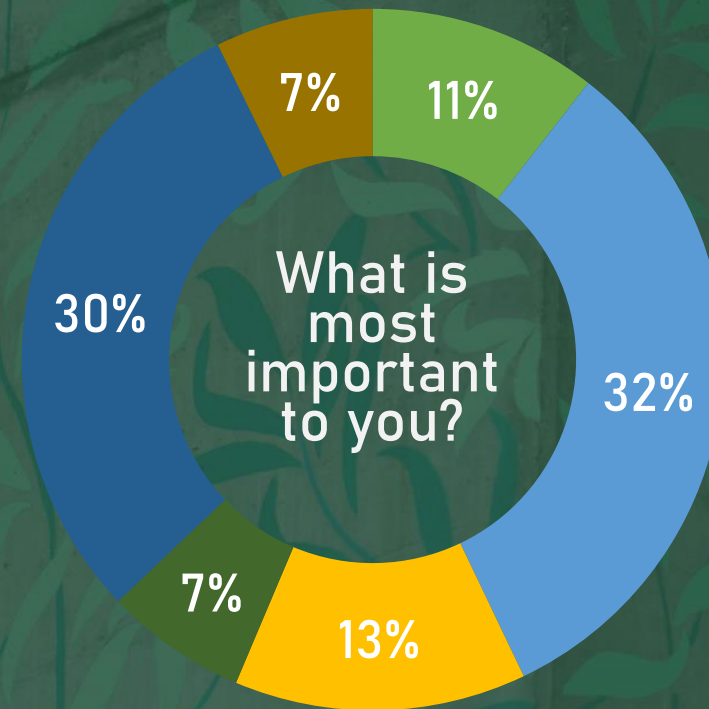
IMPROVED CYCLE ROUTES

and



LESS AIR POLLUTION

- Improved public transports
- Improved cycle routes and secure parking
- A more pedestrian-friendly environment
- Car facilities (EV/car club/parking)
- Less air pollution
- Car-free neighbourhoods

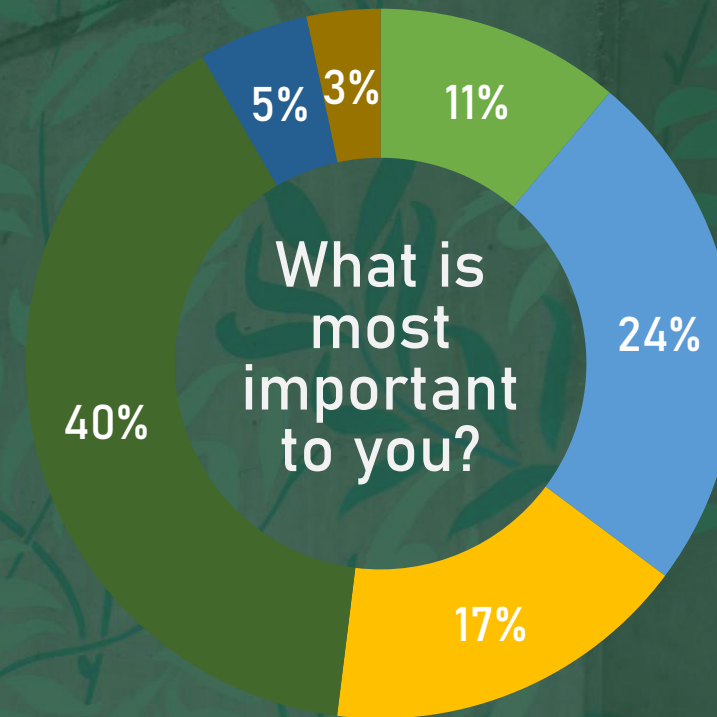


2 FEEDING YOURSELF & YOUR FAMILY



FOOD ORIGIN

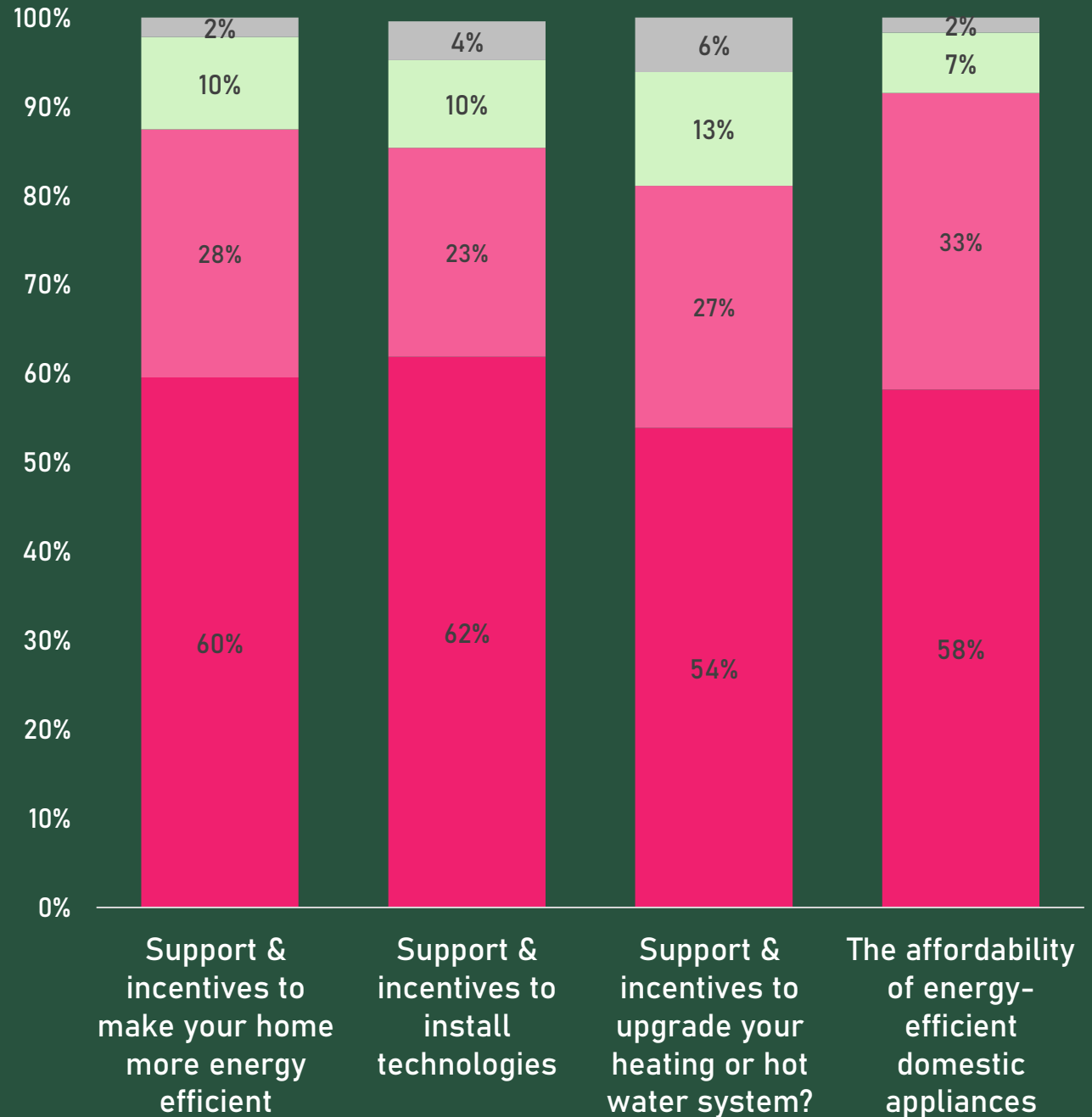
respondents were most concerned about where their food comes from (i.e. 'food miles')



- Cost of food
- Availability of fruit & veg
- Eating food in season
- Food origin / 'food miles'
- Independent food shops/supermarkets
- Other

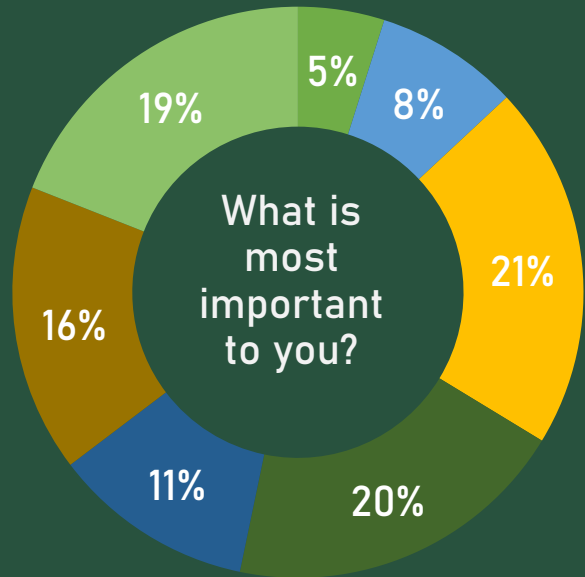
3 THE ENERGY WE USE IN OUR HOMES

The affordability of energy efficient appliances is important to **91%** of respondents



Very important Quite important Not important I don't know

4 SHOPPING, CONSUMPTION & WASTE



Respondents are most concerned by:



the amount of rubbish in public places



packaging-free shops



local recycling facilities

If H&F had a 'Library of Things', would you join?



Yes, that's a great idea **62%**



I might be interested **27%**



No, I wouldn't be interested **11%**

Local markets

Local repair shops or workshops

Local packaging-free shops

Local recycling facilities

Accessible composting services

Food waste collections

Amount of rubbish in public places

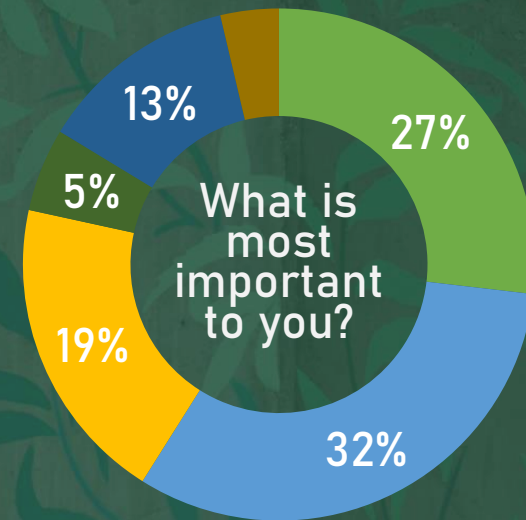
5 GREENING OUR NEIGHBOURHOODS

What would encourage you to be more involved in helping to green our borough?



Page 202

- Helping to restore nature
- Planting more trees
- Greener streets
- Parks and other green spaces
- Community gardens / allotments
- Other



PARKS & GREEN SPACES are of the highest importance to our residents

6 COMMUNITY & CIVIC LIFE

	Lobby Cllrs/MPs	Volunteer locally	Belong to community groups	Get involved in comm. projects	Belong to residents' association	Use ethical banking	Belong to local credit union
"I already..."	101	62	56	55	41	26	4
"I would like to..."	21	40	39	40	23	46	13

"What would help you to get more involved in civic and community life?"



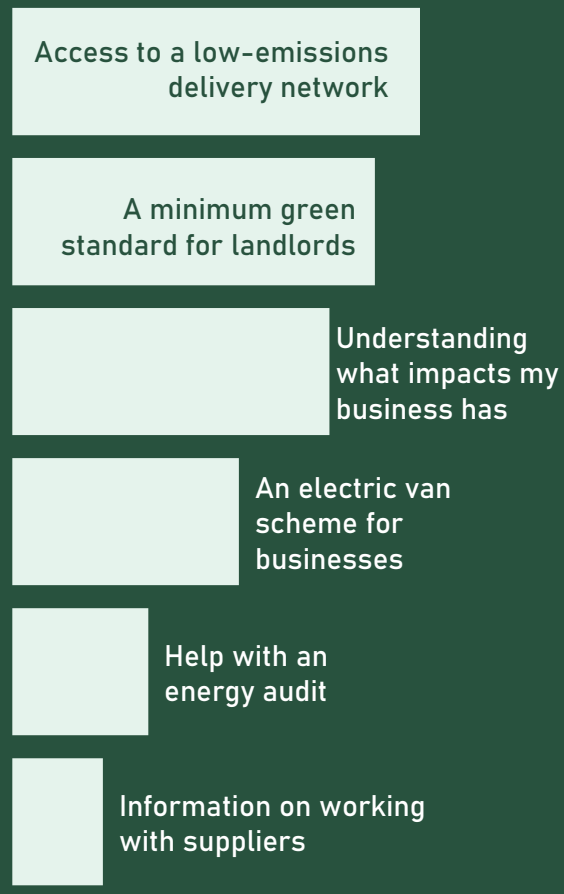
71 residents identified that the availability of flexible volunteering opportunities would help them get more involved in civic and community life

7 GREENING LOCAL BUSINESS

“What measures are you already taking to reduce the climate impact of your business?”



“What would help you to reduce the climate impact of your business?”



Would you be interested in joining an H&F Climate Alliance?

- ✓ Yes, that's a great idea **36%**
- ? I might be interested **23%**
- ✗ No, I wouldn't be interested **41%**

No, being 'green' isn't key to our business, 27%



Yes, being seen as 'green' is crucial to us, 50%

Not so far, but it's something to think about, 23%

APPENDIX E



Carbon Audit: Results and Recommendations

London Borough of Hammersmith and Fulham

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George Beechener

Kathryn Firth

Report Update – January 2021

Paul Marsh

William Shanks

Report for the London Borough of Hammersmith and Fulham

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Disclaimer

Eunomia Research & Consulting has taken due care in the preparation of this report to ensure that all facts and analysis presented are as accurate as possible within the scope of the project. However no guarantee is provided in respect of the information presented, and Eunomia Research & Consulting is not responsible for decisions or actions taken on the basis of the content of this report.

Version Control Table

Version	Date	Author	Description
V1.0	16/07/20	GB/AM/WS/PM/KF	Draft Report
V2.0	26/8/20	GB/AM/WS/PM/KF	Final Report
V3.0	18/01/21	GB/AM/PM	Report Update

Executive Summary

The London Borough of Hammersmith and Fulham (H&F) commissioned Enomia Research & Consulting to undertake a carbon audit of the authority estate and its operations. The audit was designed to:

- Measure the size of the council’s annual carbon footprint;
- Review opportunities for reducing this footprint;
- Produce three carbon reduction scenarios the council may follow;
- Identify the likely ‘gap’ to achieving Net Zero in 2030; and
- Provide approximate costs associated with each reduction pathway.

The key findings highlighted by the audit are shown in Box 1. This summarises the major issues. Following this, a summary of the core elements of the council’s current carbon footprint is provided in Figure 1-1. A set of reduction pathways are subsequently presented in Figure 1-2.

A ‘Net Zero Action Plan’ for H&F is then presented in Table 1-1. This includes short-, medium- and long-term actions and goals. To achieve Net Zero greenhouse gas (GHG) emissions by 2030, the council must implement all decarbonisation recommendations, including energy efficiency and low carbon heating in buildings, procuring green electricity, transitioning its vehicle fleet to electric vehicles (EVs) and improving commuting practices.

Even with the greatest ambition there are technical limits to the impact and feasibility of some of these measures, such as logistical barriers to the installation of insulation, or the viability of suitable electric vehicle replacement models (see section 2.7 for further details). Therefore, H&F is very likely to have a residual carbon footprint in 2030, and to reach Net Zero H&F will have to balance these emissions by supporting high quality carbon offsetting projects.

Box 1: Key Findings

Data and monitoring: Enhancing the council’s oversight of key data sources will be essential to progressing towards Net Zero. It is recommended that systems are created to access and monitor these data sources in an efficient way. Existing data management systems should be reviewed to understand current practices, new data sources required for Net Zero planning should be identified, and where necessary adaptations made to existing data management systems to accommodate these new requirements.

Social housing: Social housing is responsible for a substantial proportion of the council’s carbon footprint (40% of the total footprint, 83% of the influenceable category). Capital investment programmes must include measures to reduce emissions from these buildings, in particular installation of energy efficiency measures and low carbon heating sources. Building surveys for the capital programme are already underway and requirements for Net Zero should be integrated within these activities as a priority. Following stock evaluation, retrofit works should be planned and costed in detail. Plans should be developed to minimise disruption to tenants during retrofit works. Residents should be engaged with in order to communicate plans and help the council understand potential challenges in good time.

Corporate buildings and schools: Other buildings in the council’s portfolio will also require these measures to be implemented. Although they produce a smaller proportion of the council’s footprint than social housing (7% of total emissions, 14% of influenceable emissions), this is still a substantial emissions source and should also be prioritised. Similar to domestic properties, stock surveys will be required to understand current conditions and the suitability of low carbon interventions. The likely future of buildings within the property portfolio should be considered when planning retrofit works.

Waste management: Emissions from the council’s provision of waste management largely arise from waste incineration. Recommended actions to reduce these emissions include minimising quantities of plastic that are sent for incineration, and increasing recycling rates.

Electric fleet: The council is aiming to achieve Net Zero for its fleet by 2022. Switching to electric vehicles will therefore be a priority action for the next two years, as this falls under the council’s control and accounts for 3% of influenceable emissions (and 2% of total emissions). The charging infrastructure requirements for this transition will need to be considered as a priority. Potential replacement vehicles should be assessed, considering factors such as cost, required vehicle mileage, and the remaining lifetime of existing vehicles. The council should continue working with third party vehicle providers to plan for the replacement of contracted vehicles.

Procurement: Procured goods and services are associated with a substantial proportion of H&F’s footprint (49% of total emissions). Reviewing procurement practices and implementing changes to encourage suppliers to reduce emissions will be essential to making reductions in this area. This could include integrating elements of the National TOMs Framework (Themes, Outcomes, Measures) into procurement specifications and contracts. Opening dialogue with key suppliers will also help identify opportunities to achieve supply chain emission reductions. In addition, requiring suppliers to submit carbon footprint information will help provide more detail about H&F’s supply chain footprint and encourage suppliers to think carefully about their own footprints.

Emissions Footprint

This report calculates H&F’s 2019 carbon footprint from its operations and supply chain as 127,178 tonnes of CO₂e¹, 63,722 tonnes of which (50%) are considered directly influenceable. Of this footprint,

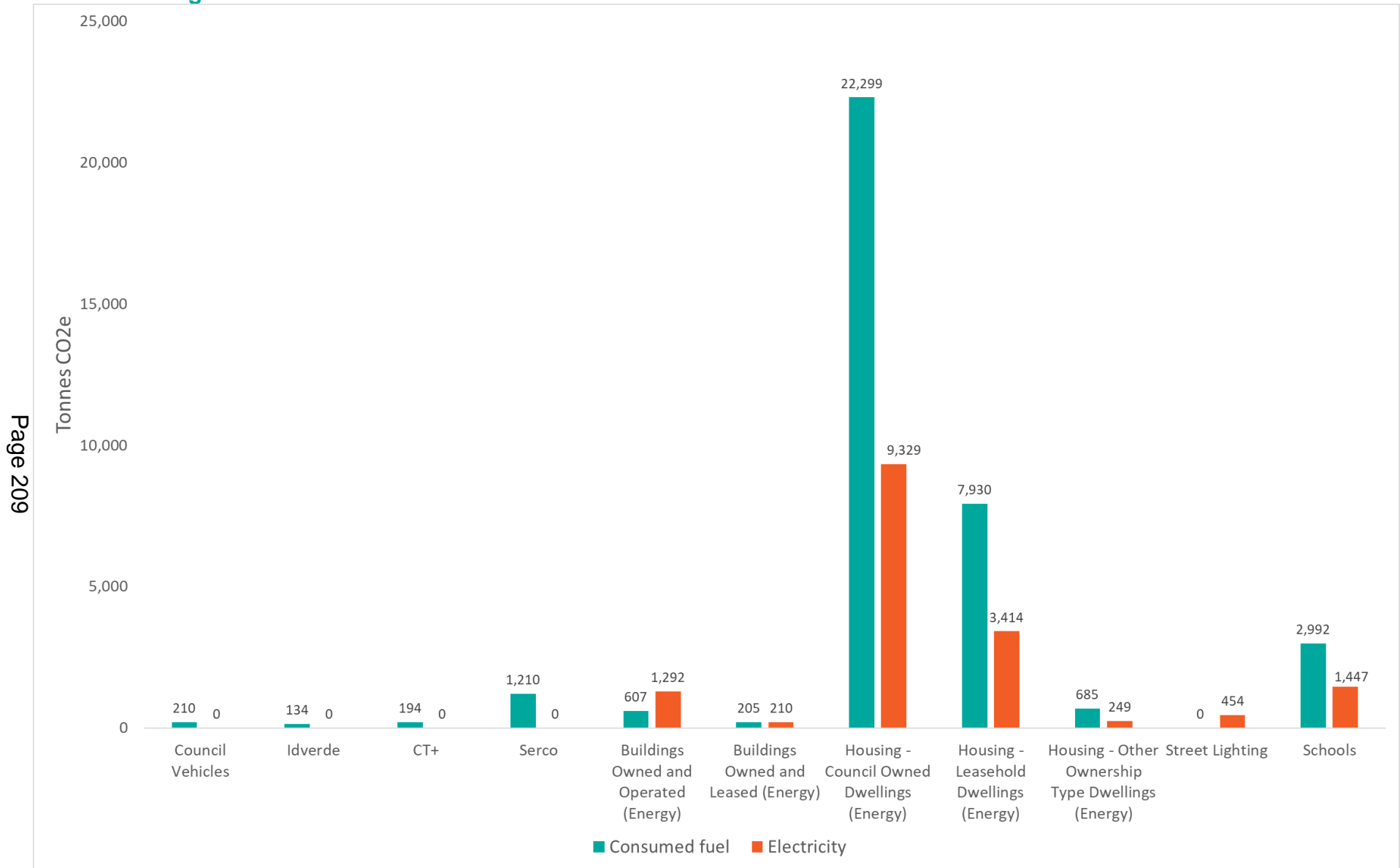
- 43,906 tonnes CO₂e (35%) are generated by the social housing portfolio,
- 7,208 tonnes CO₂e (6%) are generated from council buildings, street lighting and schools,
- 1,747 tonnes CO₂e (1%) are from fuel in council vehicles (both owned and contracted by the council),
- 8,809 tonnes CO₂e (7%) are ‘upstream’ energy emissions²,
- the remaining 65,509 tonnes CO₂e (52%) are emitted from procured goods and services.

Figure 1-1 shows a breakdown of the emission sources over which H&F has the greatest extent of control. These sources include vehicles, council buildings, social housing, street lighting and schools.

¹ CO₂e = carbon dioxide equivalent, a metric used to compare the emissions from the various greenhouse gases that H&F produced on the basis of their global-warming potential.

² The Greenhouse Gas Protocol’s definition of these emissions is “the extraction, production, and transportation of fuels and energy purchased” which are not already accounted for in scopes 1 and 2.

Figure 1-1 Breakdown of Fuel and Electricity Emissions Generated by Council Vehicles, Buildings and Street Lighting, Schools and Social Housing



Three scenarios for reducing emissions up to 2030 under have been modelled, featuring different levels of ambition and technical feasibility:

- In a scenario where there are significant technical limitations and lower ambition the council would have a residual footprint of c.20,000 tonnes CO₂e in 2030 once electricity use in social housing is excluded (Scenario 3 in Figure 1-2).
- In a best-case scenario the residual footprint would be just under 5,000 tonnes CO₂e once electricity use in social housing is excluded (Scenario 1 in Figure 1-2).

These residual emissions would need to be balanced through investing in carbon offsetting projects. Best practice carbon offsetting for local authorities is still evolving. However, for illustrative purposes, if using tree planting, H&F would have to plant approximately 1,000 hectares of trees to meet the annual offsetting requirement in Scenario 1 (best case). The reality of achieving this level of carbon offsetting is complex and requires further detailed assessment.

Achieving Net Zero emissions in 2030 will require significant investment. In a scenario where the council achieves the maximum potential decarbonisation of buildings and vehicles, capital costs are estimated to be in the region of £300 million, spread over the next decade (note that this is not all 'additional' cost and does not take into account what H&F would

have spent anyway). The action plan recommends further work in the short term to improve the accuracy of these cost estimates.

The action plan in Table 1-1 has been designed to give H&F clear next steps for the council's climate neutral transition. It is divided into three stages:

- The next 6-18 months are used to undertake more detailed investigations in each of the action areas, to lay strong foundations for the implementation phases;
- The following period up to 2025 is used to begin roll out of low carbon technologies, and where technologically feasible ramp up implementation to make early progress; and
- 2025-2030 is characterised by achieving the maximum potential of actions that are technically feasible with present-day technologies. For areas of the council's operations where new technologies are required, alternatives must be sought out during this period and implemented ahead of 2030.

Achieving Net Zero carbon operations by 2030 is a challenge now being grappled with by hundreds of local authorities across the country – Hammersmith and Fulham is not alone. Whilst there are easy solutions in some areas, creativity, sharing experiences and ideas, and learning from others will all be required to successfully achieve the transition.

Figure 1-2 Emission Reduction Scenarios

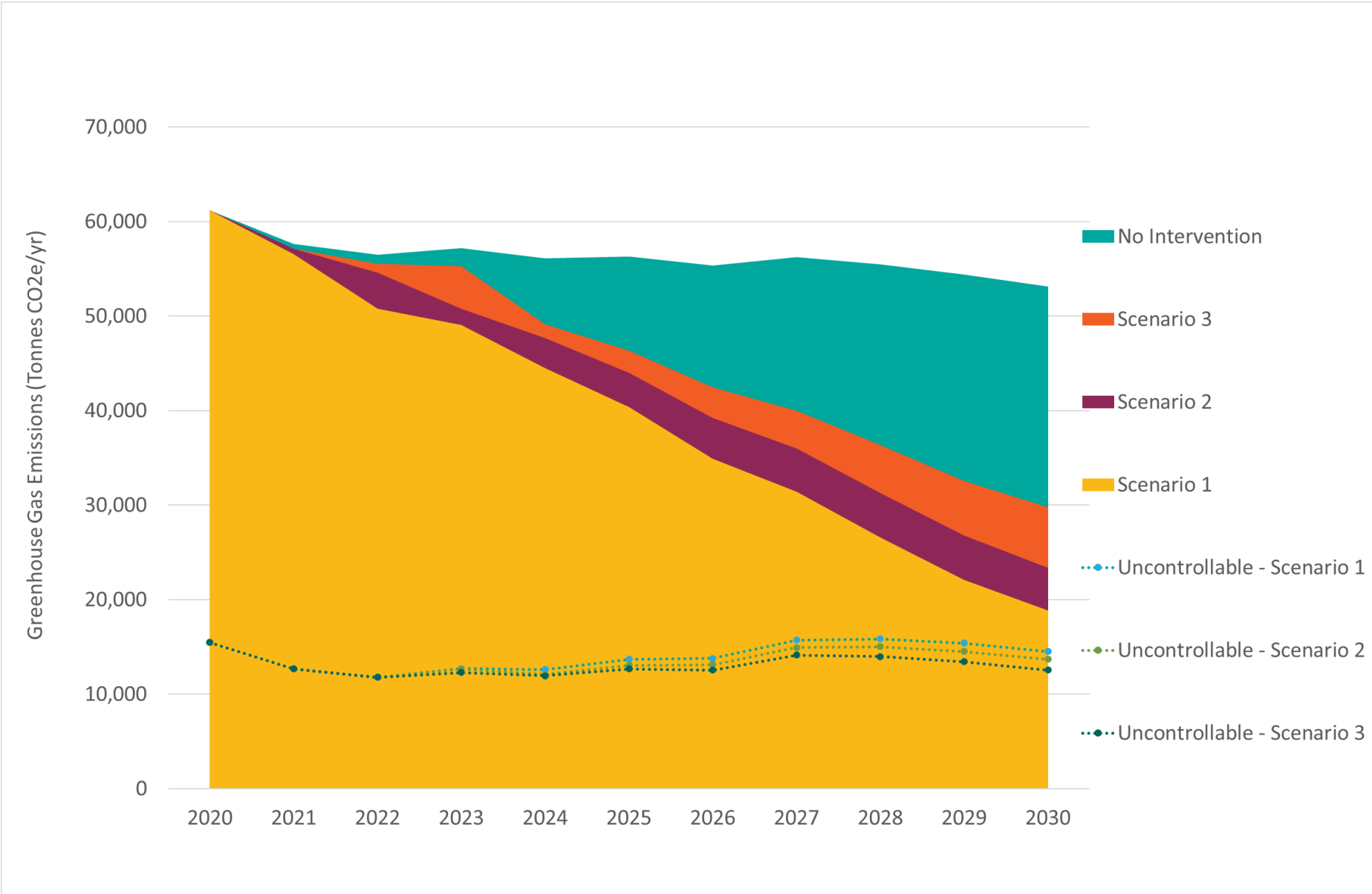


Table 1-1: A Climate Change Action Plan for H&F

Action Area	Short Term (6-18 months)	Medium Term (2021-2025)	Long Term (2025-2030)
Decarbonising Heat	Implement a programme of smart meter energy monitoring in large corporate buildings , which will provide data to inform the selection of appropriate measures for individual buildings.		
	Using smart meter data where available, undertake portfolio-wide building surveys to accurately assess the feasibility of possible measures including insulation, heat pumps and heat networks, and receive quotations. Use the findings of these assessments to develop a long term retrofit and decarbonisation plan for buildings.	Begin a programme of building insulation . Review buildings where insulation is required but yet to be installed. Develop plan to address these shortfalls.	Begin insulating final properties and develop plan for 'hard to insulate' properties.
		Begin a programme of heat pump installation , starting in buildings that do not need additional insulation.	Review heat pump installation progress and assess where alternative heating sources may be required . Implement these alternative heat sources.
		Identify partners and achieve an advanced stage of heat network planning , moving to installation or about to move to installation.	Review heat network progress and identify remaining challenges. Identify and implement suitable contingencies, extending existing networks to more buildings.

Action Area	Short Term (6-18 months)	Medium Term (2021-2025)	Long Term (2025-2030)
Decarbonising Electricity	Finalise the switch to a green electricity tariff across the controlled elements of the building stock.	Review evolving green energy tariffs and consider long term approach, for example entering into Power Purchase Agreements.	Maintain green energy purchasing, maximise the additionality of green energy contracts.
	Undertake detailed feasibility assessment across the building portfolio for solar PV installation, in addition to other renewable technologies such as solar thermal. Receive quotations and set installation targets.	Begin renewable energy technology implementation.	Assess the benefit of existing renewable energy infrastructure and consider further roll outs, in the context of progress in other areas of decarbonisation.
	Assess opportunities for green electricity tariffs for council tenants.	Where possible, implement solutions that enable tenants to access green electricity.	Assess challenges to further roll out of tenant green energy purchasing and develop solutions.
Decarbonising Transport	Engage green fleet transport user group (which was established in August 2020) to understand transportation needs; review the current fleet replacement programme and identify the potential for streamlining fleet and electric replacement.	All council services to trial using <i>Parcels not Pollution</i> scheme, which aims to reduce emissions from freight delivery.	Implement suitable vehicle maintenance programme to maximise longevity of purchased vehicles.

Action Area	Short Term (6-18 months)	Medium Term (2021-2025)	Long Term (2025-2030)
	Undertake cost benefit analysis to assess the economic case of electric vehicle replacements. Where technologically feasible, begin vehicle replacements . Environmentally, this is best achieved at vehicle end-of-life.	Regularly review opportunities and the cost effectiveness of decarbonising larger vehicles .	For vehicles where electric replacement does not prove viable, select alternative replacements that have emerged over this period.
	Assess required charging infrastructure at depot and receive quotations from contractors. Begin implementation of green charging infrastructure at depot in line with demand generated by vehicle replacement programme.	Expand charging infrastructure as necessary to account for increasingly electrified fleet.	
	Understand grey fleet use by employees and develop strategy for minimising transport need or alternative transport solutions .		
	Complete trial of eRCVs with Serco and assess trial, and switch supervisor vans to electric.	Progress the transition to eRCVs.	

Action Area	Short Term (6-18 months)	Medium Term (2021-2025)	Long Term (2025-2030)
Carbon Balancing	Identify potential implementation structures that will enable the Borough, as well as local organisations, to balance their emissions.	Engage with and/or implement pilot carbon balancing programmes to test the process .	Assess the impact of pilot programmes and scale projects delivering the greatest outcomes .
	Review integration of carbon balancing within the planning process S106 mechanism and whether impact can be enhanced.	Put in place necessary governance processes to enable regulated and robust carbon balancing.	Undertake necessary ongoing monitoring and evaluation to maintain confidence in the outcomes of carbon balancing projects.
	Begin building partnerships with other local authorities to identify larger scale carbon balancing opportunities.		
Enabling Actions	Develop necessary business case assessments and financial plans , and evaluate funding sources to support required investment.	Continually review available funding sources to support implementation of Net Zero plans.	
	Develop communications plan for informing residents of progress and achievements.	Implement system for demonstrating the impact of actions and communicating success and challenges.	
	Identify high profile, show-case activities that can publicly illustrate the Borough's intent .	Deliver show-case activities and engage residents in implementation .	
	Develop staff education programme to ensure officers understand how they can contribute to reduced greenhouse gas emissions.	Identify where blocks exist to emissions reductions due to awareness, and provide additional support to officers to facilitate change.	

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1.0 Carbon Footprint

The foundation of H&F’s decarbonisation strategy is its baseline footprint, which represents the emissions generated by the organisation over a one-year period.

1.1 Baseline Carbon Footprint

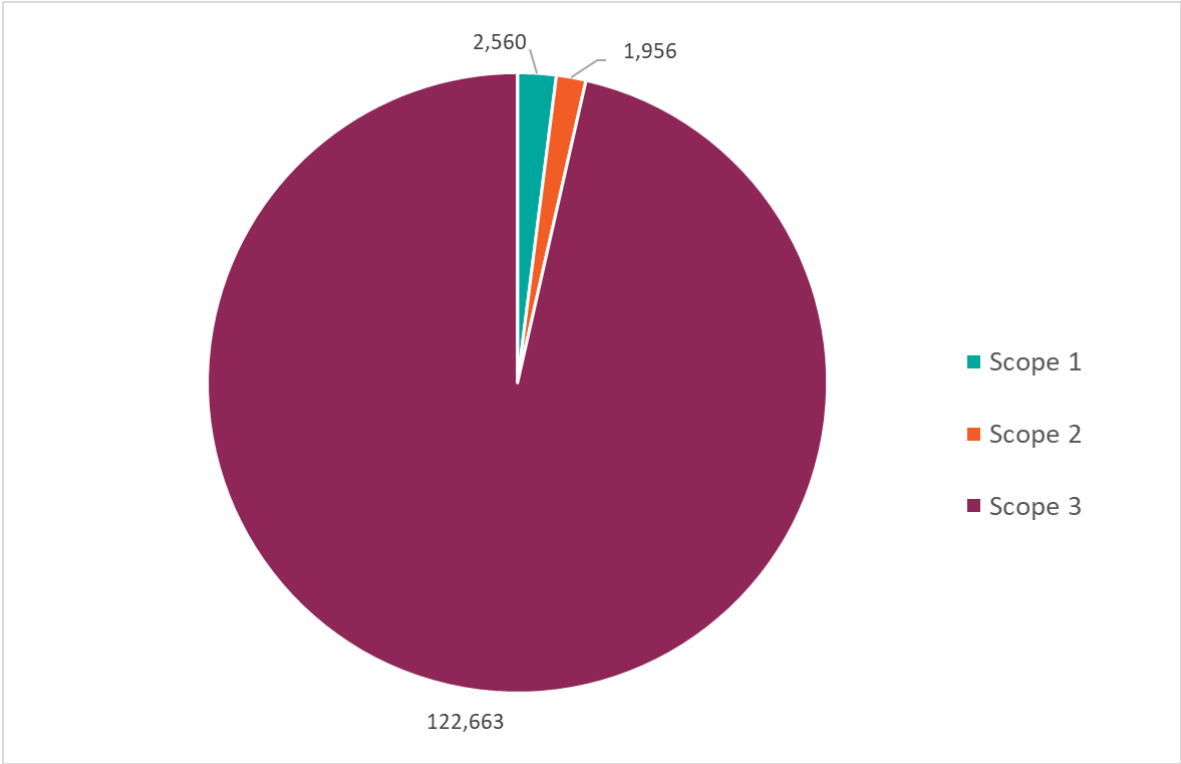
This assessment has been made using a variety of data sources provided by H&F officers. The details of the footprint are described in Table 1-1, and graphically displayed in Figure 1-1. A detailed breakdown of H&F’s carbon footprint is given in Table 4-7 in A.1.1.

Table 1-1: Summary of Baseline Footprint

Emissions Category	Description	Data source	Year of data source	Tonnes CO ₂ e
Scope 1	<p>Emissions generated directly via H&F’s owned and operated assets. This includes:</p> <ul style="list-style-type: none"> - Fuel used by the H&F vehicle fleet (petrol and diesel) and subsidiary fleets (CT+, Idverde and Serco). - Fuel used to heat the Corporate Estate buildings. This is principally gas with a small quantity of heating oil. 	<ul style="list-style-type: none"> - Bagley’s Lane Fuel Pump data and Fuel Card Purchase data for the council’s own fleet provided by the transport team. - Separate datasheets for CT+, Idverde and Serco provided by the transport team. - Gas data provided by the facilities team, separated into buildings owned and operated and buildings owned and leased. - Oil data for Linford Christie Stadium provided by the facilities team. 	2019/20 financial year	2,560
Scope 2	<p>Electricity consumed in:</p> <ul style="list-style-type: none"> - The Corporate Estate - Street lighting 	<ul style="list-style-type: none"> - Electricity data for the Corporate Estate provided by the facilities team, separated into buildings owned and operated and buildings owned and leased. - Electricity data for Street Lighting provided by the facilities team. 	2019/20 financial year	1,956

Emissions Category	Description	Data source	Year of data source	Tonnes CO ₂ e
Scope 3	<p>Other emission sources associated with H&F's operations. Due to their complexity these emissions should be considered estimations only.</p> <p>Scope 3 can be broken down into:</p> <ul style="list-style-type: none"> - Emissions from council-owned dwellings leased to tenants, dwellings where residents own the leasehold and dwellings with other ownership structures. - Emissions from electricity and gas consumption in schools. - Emissions from water use in the Corporate Estate and social housing. - Emissions from staff commuting. - Emissions from council funded taxi and ambulance journeys to/from council services. - Emissions from procured goods and services. These emissions are produced by other organisations, but feature in H&F's baseline to illustrate the scale of emissions associated with your procurement activities. 	<ul style="list-style-type: none"> - Social housing emissions estimated based on the number of dwellings in different categories (e.g. flat, maisonette), and typical energy consumption per building type. Split into council owned and dwellings that are leased to tenants, leasehold dwellings and other ownership type dwellings. - Schools electricity and gas data provided by the facilities team. Secondary schools are not included, and there may be some missing data from the primary schools and academies. - Water consumption and spend data provided by the facilities team. - Emissions from staff commuting estimated based on full-time equivalent (FTE) staff numbers and commuting distance and transport mode data from the Department for Transport (DfT). - Spend data on council funded taxi and ambulance journeys provided by the transport team. - Annual procurement spend data provided by H&F's procurement team and categorised by Eunomia. - Data on grounds maintenance and capital spend on construction provided separately by relevant officers. 	2019/20 financial year	122,663
			Total	127,178

Figure 1-1: London Borough of Hammersmith and Fulham Council Emissions by Scope - tonnes CO2e



Whilst emissions Scopes help create consistency between organisations in terms of emissions reporting, they do not necessarily help local authorities think clearly about where they have the greatest opportunity to reduce emissions. This is because local authorities often have a reasonable extent of control over some Scope 3 emission sources. The following tables and figures provide a more granular breakdown of where emissions are generated across the council, to demonstrate priority areas for emission reductions.

Table 1-2 breaks down H&F’s Scope 1-3 footprint into important emission generating categories, and is intended to provide a simple level of insight into where emissions are generated across the council.

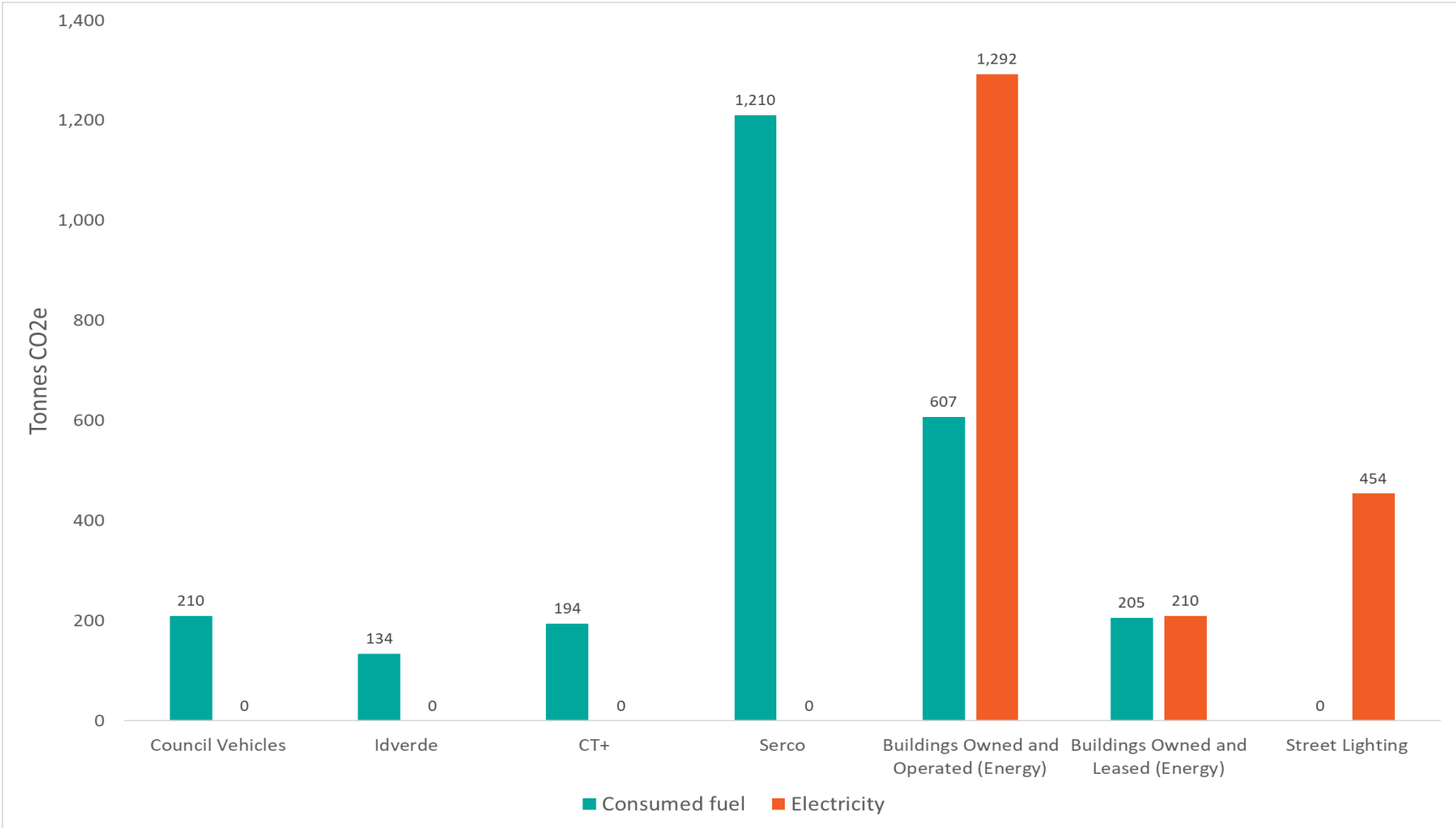
Table 1-2: Breakdown of Emission Sources. Note that this Includes Scopes 1-3.

Category	Total emissions (tonnes CO ₂ e/year)	Of which is scopes 1 and 2 (tonnes CO ₂ e/year)	Of which is upstream energy emissions (tonnes CO ₂ e/year)
Council-owned vehicles	2,163	1,747	416
Council-owned buildings (non-residential)	2,928	2,314	613
Council-owned buildings (residential)	51,070	43,906	7,164
Street lighting	561	454	107
Schools	5,170	4,439	731
Staff commuting	258	N/A	N/A
Expensed taxis	1,794	N/A	N/A
Procured goods and services	63,233	N/A	N/A
Total	127,178	52,861	9,028

Figure 1-2 focusses only on emissions generated by council vehicles (1,747 tonnes CO₂e) and the council’s non-residential buildings³ (2,314 tonnes CO₂e) to provide greater detail on these largest emissions sources. Green bars represent emissions from consumed fuels: petrol and diesel for vehicles, gas and heating oil for buildings. Orange bars show electricity consumption. Note that this figure does not include the upstream energy emissions from transporting and transmitted fuel or energy. Figure 1-2 shows that the fuel consumed by refuse vehicles and electricity usage in owned and operated buildings are the largest sources of emissions within these categories. However, each element of the footprint presents a substantial opportunity to make emission reductions.

³ The emissions calculations for buildings that are owned and leased are based on data available for tenants at the time of the audit, and do not include all buildings. Further data may be available in future to refine this estimate.

Figure 1-2: Breakdown of Scopes 1 and 2 Emissions Generated by Council Vehicles, Buildings and Street Lighting



Providing further detail, Figure 1-3 shows the same categories that are shown in Figure 1-2, but with the addition of the emissions from council's social housing portfolio (43,906 tonnes CO₂e, not including upstream energy emissions), and from council operated schools for which data were available (4,439 tonnes CO₂e, not including upstream energy emissions). It becomes clear that emissions from the social housing portfolio are far more substantial than those from other buildings and vehicles.

The housing portfolio merits further discussion due to the nature of building ownership and control. The total emissions from council owned dwellings, leasehold dwellings and other ownership type dwellings are presented here. It has only been possible to present an estimate of emissions from dwellings as energy bills are paid by tenants, which means the council does not have easily accessible data on energy consumption in social housing.⁴ Dwellings where the tenant is renting from the council constitute the largest set of dwellings (12,023 properties), but emissions from leasehold dwellings (4,644 properties) and other/ non-specified ownership type dwellings (222 properties) are also included. There will also be emissions generated from communal areas such as lifts and walkways, and it is recommended that data relating to these sources is sourced for future footprinting exercises.

Despite council owned dwellings being categorised as a Scope 3 emission source (because they are rented out), as the landlord, the council has control over the building fabric and by extension energy efficiency and the quantity and type of energy tenants require to heat their homes. The council has less control over the electricity tariff tenants choose but may wish to consider ways it could support tenants to procure renewable electricity.

The situation is more complex for leasehold and other ownership types, as the extent of control the council has over each building is likely to vary. It is recommended that the impact of various ownership structures on the council's ability to implement emission reduction measures is investigated further as a follow up to this report.

⁴ Emissions estimation from dwellings is based on the number of different property types (e.g. number of flats, number of maisonettes) in the property portfolio, and typical energy consumption data for each property type, sourced from BEIS. For a more detailed explanation, see A.1.1.1

Figure 1-3: Breakdown of Scopes 1 and 2 Emissions Generated by Council Vehicles, Buildings, Street Lighting, Schools and Social Housing

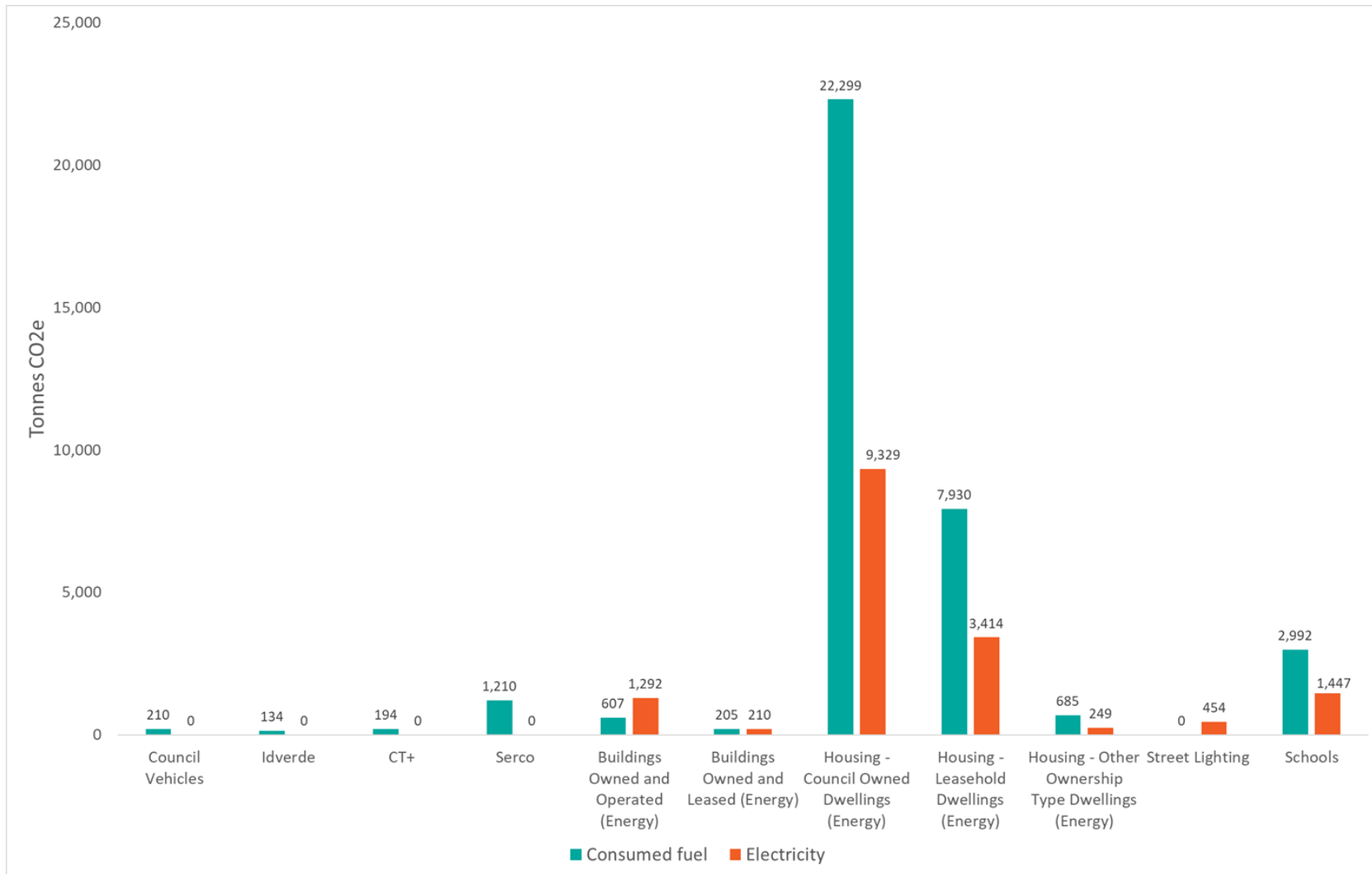


Figure 1-4 presents emissions from other elements of the council's Scope 3 emissions, including procured goods and services, staff commuting and water consumption.

The emissions from procured goods and services are substantial, totalling over 63,000 tonnes CO₂e (for a breakdown of the sources of these emissions, see Table 4-8 in A.1.1.4). However, this element of the footprint should be considered an estimate only, for two reasons:

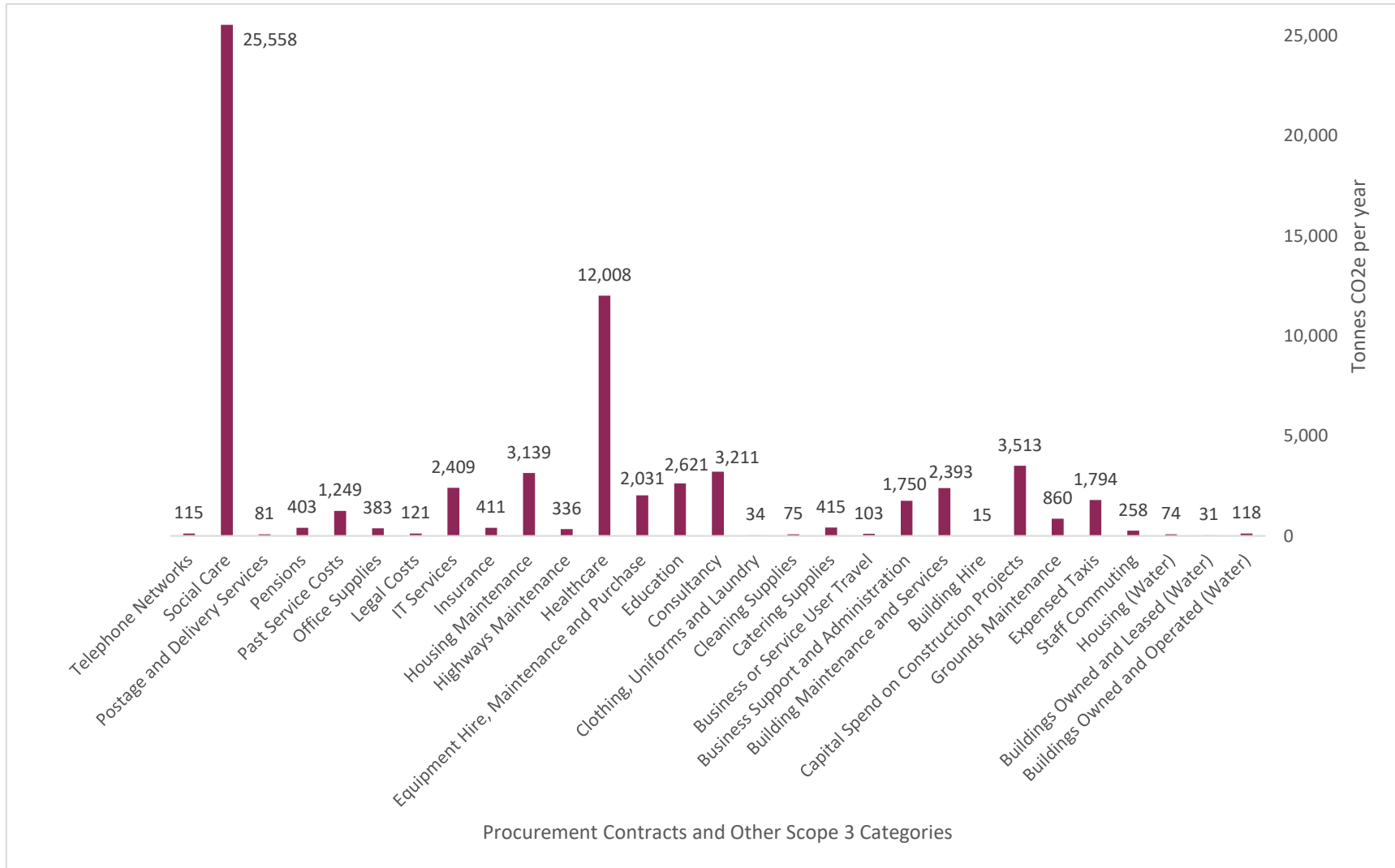
- Firstly, the procured goods and services emissions assessment is based on the council's spend in a variety of categories, for which emission factors provided by the government are less precise.
- Secondly, the procurement categories covered are the result of a broad categorisation of a large procurement dataset of spend on goods and services. It is possible that there are some mis-categorisations or instances of double counting, or there may be additional categories of expenditure that are not included.

Nevertheless, the analysis still provides important insight into the hot-spot areas within H&F's supply chain that should be priority areas for emission reductions, as well as giving an indication of the scale of the emissions from procured goods and services.

The largest component of supply chain emissions arises from the procurement of health (12,008 tonnes CO₂e – 19% of all procurement) and social care services (25,558 tonnes CO₂e – 40% of all procurement). It is important to understand that the reason these sources dominate the footprint is not due to these procurement categories having a relatively high emissions intensity, rather it is due to these two procurement categories being by far the largest elements of the council's procurement spend. Outside of procured goods and services, the council's provision of taxi and ambulance journeys to and from council services represents an important source of emissions that the council may be able to reduce. There was no data available on business travel, and therefore the emissions associated with this have not been included. Business travel might constitute a noteworthy amount of emissions, particularly if flights are taken, and it is recommended that a system is introduced for monitoring this going forwards.

Covid-19 has had a dramatic impact on all aspects of life. While it remains to be seen what the 'new normal' will look like, we can be sure that there will be permanent changes to things like working patterns (e.g. more working from home and meetings held virtually). We expect that in the long term this will help reduce H&F's footprint. However, future assessments may need to consider the carbon impact associated with home working set-ups, and carbon accounting advice in this area is likely to emerge as more organisations begin to factor this into their carbon reporting.

Figure 1-4: Scope 3 Emissions Categories (excluding social housing)



1.2 Emissions Included in Reduction Pathways

The overall footprint for the council of 127,178 tonnes CO₂e per year is comprised of elements that are more and less controllable by the authority, and of things that are controllable in different ways. 'Scope 3 categories'—whose emissions fall *exclusively* into scope 3, like procurement—have been excluded from the emissions reduction analysis (except staff commuting, which is considered to be 'influenceable'.) The scope 3 portions of other emissions categories like social housing, which have emissions which fall into scopes 1, 2 and 3, are included.

The emissions that have been excluded account for 65,251 tonnes CO₂e per year. These emissions have been excluded because they are associated with the provision of services and products from third-party organisations. They can be controlled through procurement processes to an extent, but primarily rely on the actions of service and product suppliers. They should not be ignored, but they are addressed more meaningfully through a green procurement process than through an action plan for change.

The remaining 61,927 tonnes CO₂e are those emissions that can primarily be addressed through an action plan. They comprise some challenging elements, such as the electricity emissions of social housing tenants and staff commuting, as well as areas of direct control such as own fleet. This portion of the footprint is the basis for the emissions reductions section that follows.

1.3 Additional Emissions Categories

Waste management services

An additional emissions category for consideration concerns the management of waste collected from H&F residents. This has not been included in the Scope 1-3 summary above for two reasons:

- 1) Whilst the council has an influence over how waste is managed, the quantities and types of waste managed are to a large extent the responsibility of residents. It is therefore useful to present waste as a separate emissions category; and
- 2) Emissions from waste can be considered in terms of direct emissions associated with the processing of waste, but also in terms of benefits derived from recycling materials. Including recycling impacts shows an emissions saving, which is difficult to capture in a conventional Scope 1-3 breakdown.

Figure 1-5 shows a breakdown of emissions from waste management. These figures have been produced using Eunomia's inhouse waste footprinting tool, and data on H&F's waste management from WasteDataFlow.

The negative numbers indicate areas where emissions are saved through the reuse and recycling of waste. These arise from the recycling of:

- Paper/card (1,979 tCO₂e savings);

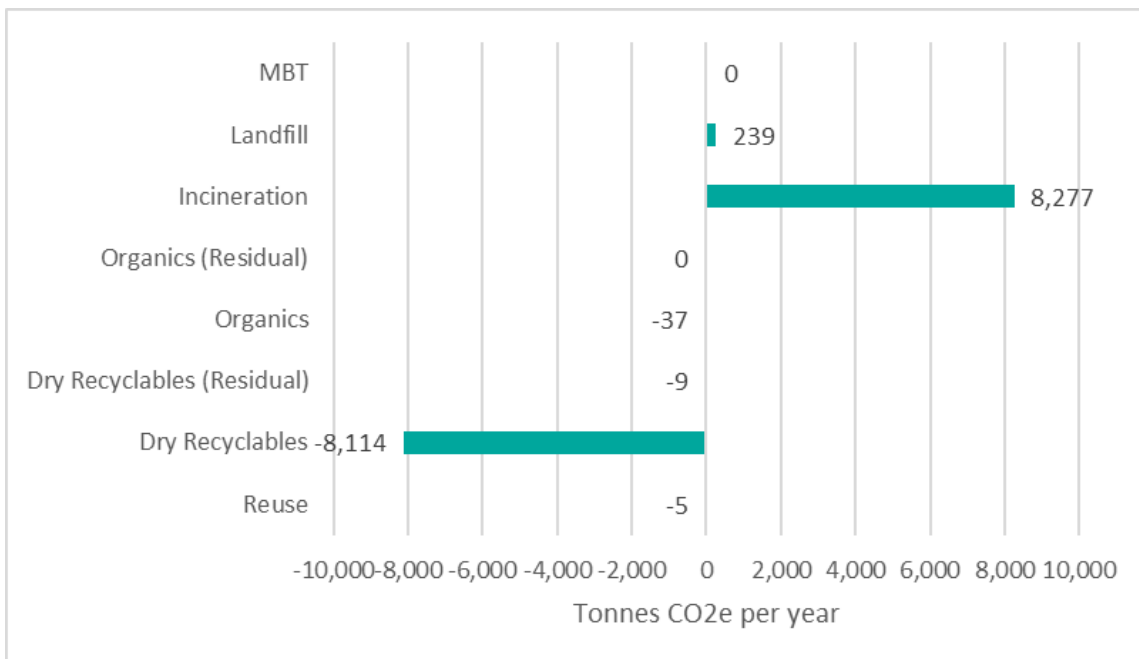
- Glass (519 tCO₂e savings);
- Ferrous metals (548 tCO₂e savings);
- Non-ferrous metals (1,116 tCO₂e savings);
- Plastics (1,193 tCO₂e savings);
- Textiles (2,704 tCO₂e savings); and
- Electricals (53 tCO₂e savings).

These figures are calculated using the assumption that the recycled materials displace the use of virgin materials for new products, and incorporate emissions produced during the recycling processes.

Positive numbers indicate where emissions are generated – primarily through Mechanical Biological Treatment (MBT) and the subsequent incineration of the output material from this process.

It is not possible to address opportunities for reducing emission from waste in detail within the scope of this report. However, some opportunities are apparent. It would be advisable to minimise the quantities of plastic, food waste and textiles being sent for incineration, as these deliver the majority of the carbon emissions. In addition, further work to increase the recycling rate will help avoid emissions from virgin materials (where virgin materials are displaced).

Figure 1-5: Emissions from Waste Management



Emissions from H&F's Pension Portfolio

The carbon audit also reviewed available data regarding emissions associated with H&F's pension portfolio.

The data and insight provided for the audit showed that there is already a proactive strategy in place to direct the council’s pension investments to support sustainable activities. Some carbon footprinting has been undertaken by pension providers and reported to H&F, and this footprinting covers approximately half of the pension portfolio. The outcomes show where the council is invested in lower carbon portfolios, an emission saving has been made relative to investing in a ‘business as usual’ portfolio.

The footprint associated with approximately half of H&F’s pension portfolio totals 30,000 tonnes⁵. It is recommended that further carbon assessments are undertaken on the rest of H&F’s portfolio and opportunities to further prioritise low carbon investments are prioritised.



⁵ Derived from analysis from Trucost on H&F’s LGIM MSCI World Low Carbon fund.

2.0 Emission Reduction Pathways

To achieve Net Zero emissions Hammersmith and Fulham will need to reduce emissions as far as possible, and then compensate for remaining emissions by investing in carbon balancing projects.

This Carbon Audit has evaluated how reductions can be achieved, assessed possible decarbonisation pathways, and estimated the size of the remaining footprint in 2030.

As already identified, there are 61,927 tonnes CO₂e per annum that the council can address through an action plan, and 65,251 tonnes CO₂e that can be addressed through green procurement or are completely beyond council control. The emissions reduction pathways address the former portion of emissions, which comprises:

- Energy consumption (gas and electricity) in the corporate estate and social housing portfolio
- The council’s owned and leased vehicle fleet (including refuse vehicles, which are all contracted from Serco)
- Purchase and production of electricity
- Employee commuting

Given the Net Zero target of 2030, the emissions reduction assessment has been conducted using existing, established technologies and interventions. Approaches that may not yield results or technologies that are unproven (for example hydrogen heating) have not been included. The key interventions modelled are shown in Table 2-1.

Table 2-1 Overview of the Carbon Reduction Measures Modelled and where they can be Applied

Measure	Description	Applicability
Energy efficiency	Reduction of energy consumption in buildings (e.g. through insulation)	Buildings: domestic and commercial/industrial
Low carbon heating	Installing air source heat pumps in buildings to provide low carbon heat	Buildings: domestic and commercial/industrial
Green energy tariff	Switching to green energy procurement that has been produced by renewable energy sources	Electricity in buildings, electricity for electric vehicles
Solar PV	Installing rooftop solar PV arrays to generate low carbon electricity	Buildings: domestic and commercial/industrial
Electrifying transport	Transition the council’s fleet of owned vehicles, and the vehicles it leases, to electric	Vehicle fleet

Measure	Description	Applicability
Lower carbon commuting	Encourage a shift from car use to working from home, active travel, and public transport	Commuting

These measures have informed three emission reductions scenarios from 2020 - 2030. Each scenario varies the extent to which each measure can be implemented, and when the measures can be implemented. The scenarios are shown Figure 2-1 and the underlying assumptions described in Table 2-2.

Figure 2-1: Emission Reduction Pathways

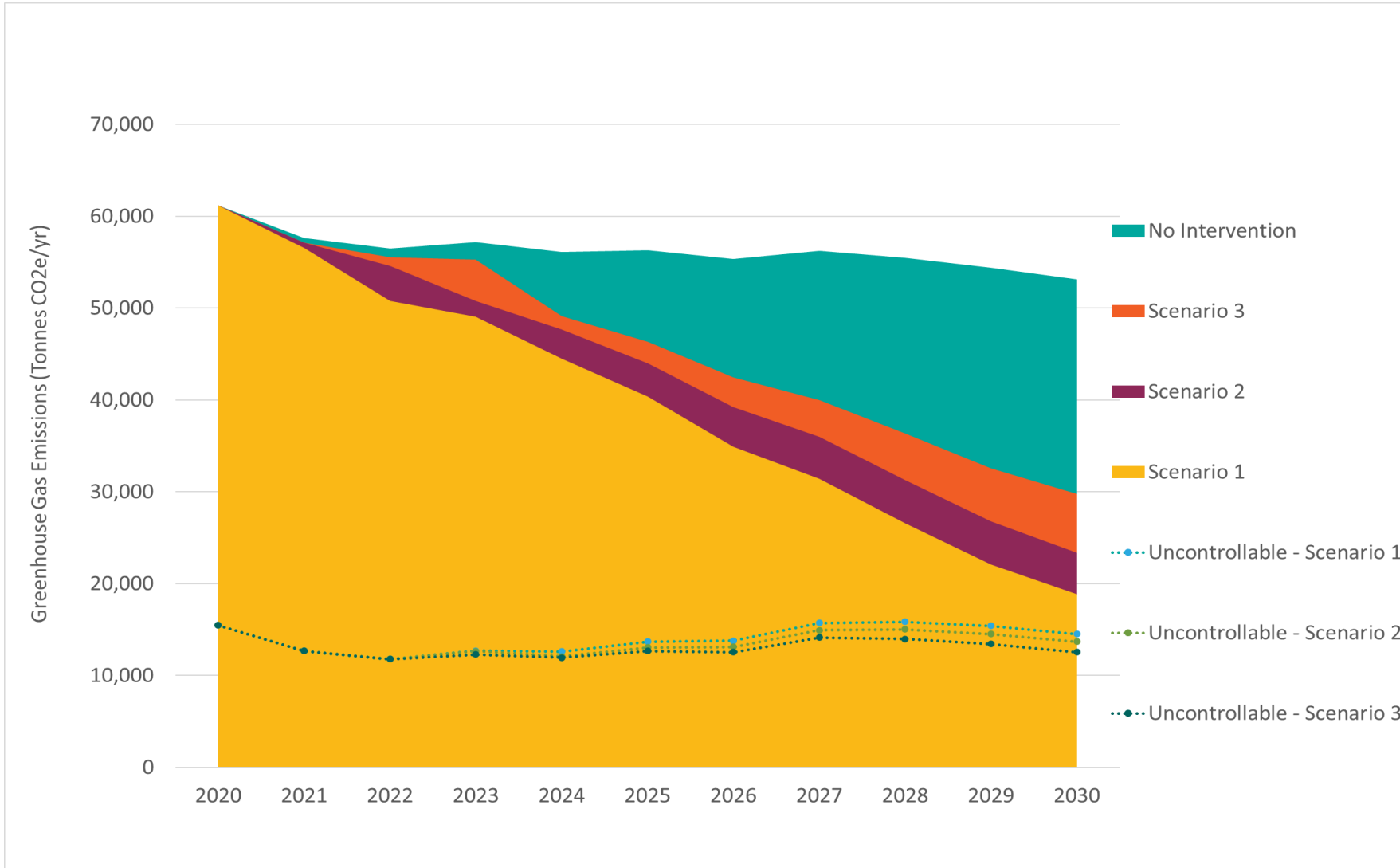


Table 2-2: Emission Reduction Pathway Explanations

Intervention	Green Business As Usual	Orange Scenario 3 [Lower Ambition]	Purple Scenario 2 [Higher Ambition]	Yellow Scenario 1 [Close to Ideal]
Summary of Pathway	Emissions reduce in line with grid decarbonisation, but no other low carbon interventions are made	There are significant limitations to implementation of measures and there are delays to implementation	Measures are largely enacted, but not in full, they are enacted earlier on, but often take longer to complete	Most measures are able to be fully implemented, and are enacted relatively early
Energy Efficiency		Applied to: 59% of Domestic Dwellings 80% of Commercial Buildings Negligible investment possible in current four-year asset management horizon	Applied to: 77% of Domestic Dwellings 90% of Commercial Buildings Moderate investment possible in current four-year asset management horizon	Applied to: 90% of Domestic Dwellings 100% of Commercial Buildings Significant investment possible in current four-year asset management horizon
Air Source Heat Pumps		Applied to: 56% of Domestic Dwellings 70% of Commercial Buildings Negligible investment possible in current four-year asset management horizon	Applied to: 75% of Domestic Dwellings 90% of Commercial Buildings Moderate investment possible in current four-year asset management horizon	Applied to: 88% of Domestic Dwellings 100% of Commercial Buildings Significant investment possible in current four-year asset management horizon
Green Tariff		Green Tariff procured in 2024	Green Tariff procured in 2023	Green Tariff procured in 2022
Solar PV		No arrays constructed	Half possible arrays constructed (2.9 MW). 5-year lead in	Maximum arrays constructed (4.7 MW) 5-year lead-in

Intervention	Green Business As Usual	Orange Scenario 3 [Lower Ambition]	Purple Scenario 2 [Higher Ambition]	Yellow Scenario 1 [Close to Ideal]
Transport Electrification		50% of vehicles replaced in initial programme, with additional 20% in later years	75% of vehicles replaced in initial programme, with additional 10% in later years	100% of vehicles replaced in initial programme
Improved Commuting		40% of possible car journeys changed Changes take 3 years to commence	70% of possible journeys changed Changes take 2 years to commence	100% of possible journeys changed Changes take 1 year to commence

Residual Emissions

The dashed lines in Figure 2-1 indicate the emissions that the council are likely to find it more challenging to influence, specifically those derived from electricity consumption in social housing. This is because tenants select their own electricity tariffs, and it cannot be guaranteed the electricity source will be renewable. These emissions fluctuate as the grid carbon factor changes, and as heating systems are transferred from gas boilers to heat pumps (which consume electricity). There are multiple lines as the difference in heat pump roll out affects the electricity consumption of residents. Emissions below the lines can be assumed to be largely the responsibility of tenants. Emissions above the lines are assumed to be the responsibility of the council, and in 2030 represent the footprint that will need to be offset for the council to achieve Net Zero.

The reason that the electricity emissions of tenants are included in this analysis, is because by shifting from gas to electric heating in social housing, the council is reducing emissions overall, but increasing emissions associated with electricity consumption. This trade-off needs to be captured and understood to properly reflect the situation.

Residual emissions in 2030 are primarily associated with buildings that cannot be retrofitted and/or have heat pumps installed, indicating that the domestic retrofit and heat pump programme is the most critical element of success for achieving Net Zero. Residual emissions are explored in greater detail in Table 2-3.

Table 2-3: Residual Emissions

	Green Business As Usual	Orange Scenario 3 [Lower Ambition]	Purple Scenario 2 [Higher Ambition]	Yellow Scenario 1 [Close to Ideal]
Total Residual Emissions in 2030 (Tonnes CO₂e)	53,144	29,781	23,368	18,859
Residual Emissions Outside of Authority Control		12,534 Of which: 3,435 is domestic electricity for heating 9,099 is domestic electricity for appliances	13,700 Of which: 4,601 is domestic electricity for heating 9,099 is domestic electricity for appliances	14,497 Of which: 5,398 is domestic electricity for heating 9,099 is domestic electricity for appliances
Residual Emissions In Authority Control (Tonnes CO₂e)		17,246 Of which: 16,362 is domestic gas for heating 646 is commercial transport 238 is personal transportation for commuting	9,668 Of which: 9,125 is domestic gas for heating 321 is commercial transport 222 is personal transportation for commuting	4,361 Of which: 4,155 is domestic gas for heating 0 is commercial transport 206 is personal transportation for commuting

Overall, the pathways show there is substantial potential for Hammersmith and Fulham to reduce its annual carbon emissions. The analysis that informs each pathway is based on a core set of low carbon interventions. The following sections explain the technologies and approaches that have been applied in the reduction modelling, and the rationale for their inclusion. A variety of case studies are also included to illustrate how other local authorities have taken action in these areas.

2.1 Energy Efficiency in Buildings

Energy efficiency measures help reduce demand for heat, minimise the power requirements of new heating systems and reduce long term costs. Improving energy efficiency in buildings is an important precursor to installing low carbon heating solutions.

The energy efficiency measures included in the emissions reduction analysis are insulation (cavity wall and loft) and draught exclusion for homes, and insulation, double glazing on windows and thermostatic control for commercial and industrial buildings. The analysis assumes a base starting position of the national average, so for example the proportion of dwellings across the country with double glazing is used to determine the proportion of dwellings in H&F with this installed. The gap between this and full installation is then the amount of potential change (and therefore impact) available.

In practice, the most appropriate set of energy efficiency measures— for example, the type of insulation (cavity wall, internal wall, external wall, and various forms of loft insulation) and whether double glazing is required —will depend on the building fabric, layout, and other considerations.

The buildings considered in this analysis are: the 16,889 residential properties owned or part-owned by the council, various commercial and industrial buildings and schools operated by the council (including its offices), and a vehicle depot.

The impact of the measures on these buildings is taken from the National Energy Efficiency Database as follows:

- Residential buildings: 35% energy demand reduction
- Non-residential buildings: 30% energy demand reduction

When implementing this element of the reduction strategy it will be necessary for buildings to be reviewed on a case-by-case basis to establish the most appropriate energy efficiency measures. The measures included in the modelling are not necessarily exhaustive, and building surveys may reveal additional activities that would help further reduce energy consumption.

The council will have different degrees of control over different buildings. For example, of the 16,889 residential properties, 71% are owned by the council and likely to fall under its direct control, meaning that council has clear responsibility to implement upgrades to the building fabric. However, the remaining 29% of buildings fall under other types of ownership/leasehold model, and the council may not have final say over changes to the building.

There are two factors that will determine how many buildings will be able to be retrofitted:

- Whether the authority can control the installation; and
- Whether it is actually possible to install energy efficiency measures in the building.

Our analysis varies both of these factors to provide a realistic variation that the council may encounter. These variations are shown in Table 2-4.

Table 2-4: Potential for Energy Efficiency Measures: Domestic

	Scenario 3	Scenario 2	Scenario 1
Access to direct control (e.g. rented)	100%	100%	100%
Access to uncertain control (e.g. leasehold)	25%	50%	75%
Building suitability for retrofit	75%	90%	97%
Overall stock that can be changed	59%	77%	90%

In the commercial and industrial buildings sector, it was assumed that the council has total control over all buildings, both owned and leased.

A final consideration to be made when reviewing the particular requirements of individual buildings is the importance of maintaining a safe and comfortable internal temperature in light of the increasing frequency of extreme heat events. Modelling these requirements is complex, and falls beyond the scope of what is possible to analyse within this report. Understanding these requirements is likely to be most effectively achieved by considering the fabric of individual buildings during retrofit planning. The needs of individual buildings, and future climate trends, may mean additional building energy efficiency or cooling requirements are required that have not been considered in this report.

Case Study: Energy Performance Contracts, Peterborough City Council

- PCC agreed an innovative 'energy performance contract' to install £7.5m worth of energy efficiency upgrades in its leisure buildings, admin offices, schools and car parks (private financing was permitted under the contract)
- Upgrades included new building management systems, air handling units, lighting systems, combined heat and power units, and pool filtration systems.
- It is expected to save £10.1m over 10 years, and the contract stipulates that if the council does not make energy bill savings, the contractor pays.

Carbon Savings

- ✓ The improvements are expected to generate over 934 MWh of electricity savings and around 2.14 GWh of gas savings per annum (equivalent to approximately 620 tonnes of CO₂e).

2.2 Decarbonising Heat in Buildings

Once insulated, to further reduce their carbon emissions buildings must use heat sources that produce no greenhouse gases, meaning fossil fuel systems must be replaced with low carbon alternatives. It is often the case that insulation measures are critical to facilitate low carbon heating technologies being installed.

The UK government has identified heat pumps as the most widely applicable technology to achieve building heat decarbonisation.⁶ Heat pumps work by capturing energy from the air, ground, or water and transferring this to buildings, using electricity to drive this process. The use of electricity as the power source enables heat pumps to operate with zero emissions, as long as the electricity is renewable.

For the purposes of forecasting reduction opportunities, it has been assumed that air source heat pumps (ASHPs, heat pumps that absorb heat from the surrounding air) are implemented across the building portfolio. When compared to ground or water source heat pumps, ASHPs are often the most suitable for retrofit as in most cases they do not require substantial engineering works. As in the Energy Efficiency in Buildings section, the scenarios assume a variation in the numbers of buildings for which these measures can be installed, as shown in Table 2-5.

⁶ Committee on Climate Change (2019) *Net Zero Technical Report*, May 2019, <https://www.theccc.org.uk/wp-content/uploads/2019/05/Net-Zero-Technical-report-CCC.pdf>

Table 2-5: Potential for Heat Pump Installations: Domestic

	Scenario 3	Scenario 2	Scenario 1
Buildings retrofitted (from Table 2-4)	59%	77%	90%
Building suitability for heat pump installation	95%	97%	98%
Overall stock that can be changed	56%	75%	88%

When moving to implementation, it will be necessary for H&F to review the most suitable renewable heat source for each individual building for cost effectiveness, technical applicability and carbon reduction potential. In some instances, it may be that ground or water source heat pumps are more suitable than air source heat pumps. Centralised energy solutions may be most appropriate for larger buildings and blocks of flats, and there may also be opportunities for heat networks to be installed, which provide efficiency savings and could be powered using heat pumps.

Further, where heat pumps are installed, it may also be necessary to alter radiator systems (to those with larger surface areas) so that the lower-temperature output of heat pumps does not reduce the ability to heat buildings to required temperatures. For this reason, it is even more critical that H&F review heating upgrade options from a ‘whole building’ perspective.

It should be noted that these recommendations are made without consideration of potential changes to future building regulations, which may or may not impact upon the feasibility of the building heating measures, and other measures, presented in this report.

Case Study: Energy Performance Contracts, Peterborough City Council

- A new heating system in a council owned sheltered housing property in Maidenbower, West Sussex
- They installed a 70kW water source heat pump to replace the two existing boilers, alongside a brand-new backup boiler, a new radiator programme and a complete plant room upgrade
- A project of this size will earn c£8,000 per annum in Renewable Heat Incentive payments for 20 years, and the fuel cost saving will be approximately 10%

Carbon Savings

- ✓ The improvements are expected to generate over 934 MWh of electricity savings and around 2.14 GWh of gas savings per annum (equivalent to approximately 620 tonnes of CO₂e).

2.3 Procuring Green Electricity

Energy consumers can switch to 'green' electricity tariffs, offered by energy companies who buy certificates showing that this electricity has come from renewable sources, or procure electricity directly from renewable power installations. Theoretically, increasing demand for this type of tariff raises the price of renewable certificates, thus boosting investment in low carbon energy sources and driving further grid decarbonisation.

Purchasing electricity through a green tariff will make a substantial contribution to reducing emissions when using a market-based system of carbon reporting.⁷

2.4 Solar PV

H&F may also invest in its own renewable generation capacity. This would have several benefits:

- Installing renewables is a very visible demonstration of low carbon ambitions;
- Overall electricity consumption from the grid would decrease; and

⁷ The GHG Protocol requires two forms of carbon reporting when renewable energy is purchased. The 'location-based' method uses a grid-average emissions factor for electricity reporting. The 'market-based' method uses the carbon intensity of your specific energy tariff. When purchasing a green energy tariff, electricity emissions can be considered to be zero in the market-based reporting method.

- Carbon emissions would fall as a result.⁸

For the purposes of this analysis, it has been assumed that rooftop solar PV arrays are the only renewable energy generation technology appropriate for H&F. Not all properties have roofs that are suitable for solar PV: smaller residential properties must have a roughly south facing, slightly sloping roof. The method used to determine a total number of eligible roofs in the H&F estate is detailed in Section A.1.2.3., finding that there is the potential for the production of approximately 5,984 MWhr per year of electricity.

Within the emission reduction forecasting model, it is assumed that when using either procured green electricity, or self-generated green electricity, emissions from electricity consumption are zero.

The modelling has assumed that electricity generated by installed PV is consumed by the council's commercial properties. In reality there are a number of potential ways in which this electricity could be consumed, one option being direct consumption by social housing tenants, creating additional impact in an area the council has very limited control over. This approach may be interesting for the council and could be explored in more detail as part of ongoing work.

⁸ When using a green tariff for all of H&F's electricity consumption and using the market-based method for carbon accounting (see footnote 8), production of solar PV may not contribute to a reduction H&F's own emissions because these are considered zero. However, under the location-based method, emissions would be reduced because the electricity purchased from the grid, and the associated emissions, are reduced.

Case Study: Banister House Solar, Hackney

- The UK's largest social housing community energy scheme.
- Solar panels installed on 17 of the blocks of flats that make up Banister House.
- Raised £142,000 for the scheme with Hackney Council, Repowering London, Banister House Solar and Hackney Energy.
- Trial with Verv to enable residents to generate, store and trade their own community energy

Carbon Savings

- ✓ 38 tonnes of CO₂ saved annually.

Community Benefits

- 14 young people took part in a 30-week paid work experience programme to learn about the co-operative business model and fitting energy efficiency measures.
- Sharing clean energy at affordable prices.

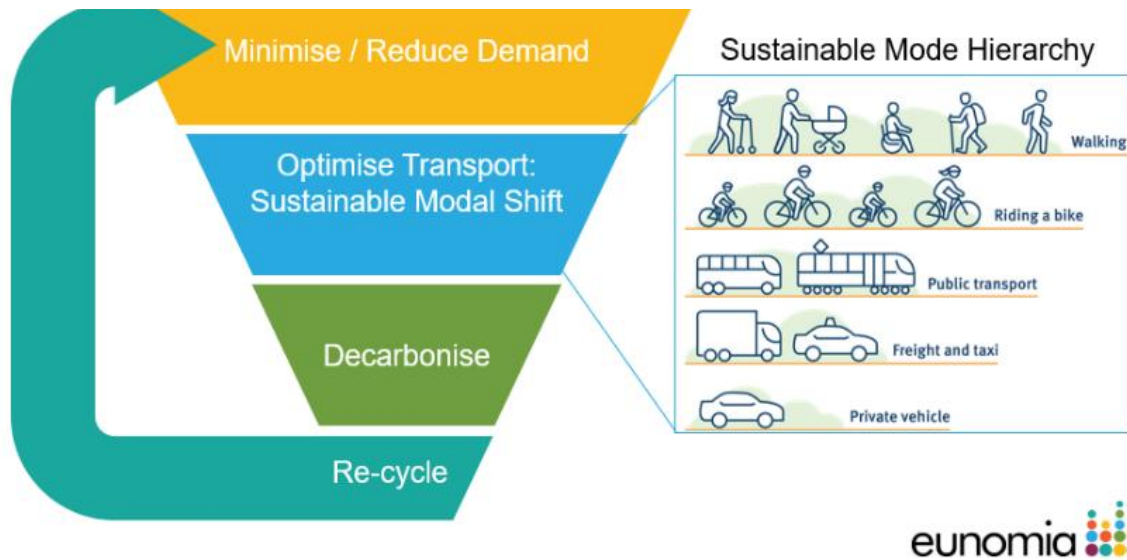
2.5 Electrifying Commercial Transport

Commercial transport includes refuse collection, estate management and the provision of a variety of other services. It is responsible for 1,747 tCO₂e (3%) of H&F's corporate carbon footprint (and 2,163 tCO₂e including scope 3 emissions; 2% of the total footprint). There are several ways to reduce this contribution, and the ideal order of action should be informed by the Travel Hierarchy which is shown in Figure 2-2. In the first instance opportunities to reduce demand for vehicles should be pursued, followed by shifts to active travel modes (walking and cycling) where appropriate, and could allow H&F to save money by reducing the number of vehicles required.

Once travel reduction has been achieved, H&F's fleet must be converted to low carbon vehicles to reduce carbon emissions as far as possible. The electric vehicle market is developing quickly, and alternatives to petrol/diesel can be found for cars, vans and buses, however there are not yet electric alternatives for all vehicle types.

Within our reduction modelling, the low carbon shift included for commercial vehicles is electrification. It has been assumed that the council will have optimised the fleet make-up to a reasonable extent already. Given that it is unlikely all vehicles will have viable electric replacements, none of the scenarios assume 100% electrification, and leave some residual emissions.

Figure 2-2: Travel Hierarchy



For commuting, our modelling assumes some shifts to active travel (as this is likely to be more feasible for commuting), as well as some journeys changing to electric vehicles. Similarly to commercial vehicles, the scenarios assume that not all journeys are completely ‘green’ in any scenario, and some residual emissions remain even in the highest ambition scenario.

Vehicles can be replaced in a rolling fashion, as they near the end of their lives. Electric vehicles have substantial embodied carbon footprints (the greenhouse gases that were emitted during the production of the vehicles themselves—not modelled in this work), and it is therefore critical from an environmental perspective to minimise embodied emissions by replacing fossil fuel vehicles at the appropriate point. However, it has been noted that the authority has ambition to electrify the fleet by 2022, and this has formed the foundation of modelling.

An important consideration for transitioning to electric vehicles is the required charging infrastructure. Some smaller cars may be able to share a charging point, with smart scheduling in combination with rapid charging devices allowing service delivery to remain largely unchanged. In other cases, like buses and electric refuse collection vehicles (eRCV), it may be more applicable to install one charging point per vehicle and charge overnight. In addition, it be necessary to undertake a large-scale upgrade of electricity infrastructure at vehicle depots to enable potentially hundreds of vehicles to be charged.

The best charging infrastructure set-up must be determined by a more detailed analysis of H&F’s fleet requirements and the infrastructural constraints at depots. The costs associated with these changes depend on the charging infrastructure implemented and this analysis goes beyond the scope of this work. Estimates for the infrastructure costs per vehicle have been derived from similar case studies.

Case Study: Electric Vehicle Roll Out, Nottingham City Council

- Goal of converting 22% of fleet to Ultra Low Emission Vehicles by 2022
- Have achieved 50 ULEVs, including electric street sweepers, refuse collection vehicles cars and vans
- Some sources suggest electric refuse collection vehicles have a 10-year life span—to a petrol vehicle's seven

Carbon and Cost Savings

- ✓ A current Euro 6 diesel engine RCV generates 27 tonnes of CO₂ each year. That's 270 tonnes of CO₂ over the lifespan of an electric bin lorry that would be saved by switching.
- ✓ The fuel savings for each vehicle will be about £10,000 per year, on top of the cheaper maintenance costs saving an additional £6,000 per year.

2.6 Decarbonising Commuting

The carbon emissions of H&F's employees' commuting are estimated as 258 tCO₂e per year. This is a small contribution, however encouraging reductions in employee carbon emissions is an important way to demonstrate ambition and empower alternative stakeholders to contribute to wider decarbonisation efforts. Supporting the reduction of commuting carbon emissions through promoting active travel may be preferable because of the health and cost co-benefits that brings, but ride sharing, public transport and e-scooters also have much lower carbon footprints than driving and can be used to reduce the carbon footprint of commuting.

Due to a lack of H&F-specific staff commuting data, a generic London dataset was used to reach the emissions estimation of 258 tCO₂e per year. Carbon reductions were modelled by estimating that 50% of those that currently drive to work could switch to other low carbon alternatives.

Case Study: Beat the Street active travel game, Colchester Borough Council

- A two-week program which rewarded local residents with points and prizes for exploring the town on foot or by bicycle
- In total, more than 13,000 residents took part, running, walking and cycling almost 100,000 miles over the seven weeks

Social Benefits

- ✓ The proportion of people reporting as inactive (doing 0-30 minutes of exercise in the past week) decreased from 12% to 8%
- ✓ The proportion of adults walking or cycling for travel for 10 minutes or longer, on five or more days in the past week, increased from 65% before Beat the Street to 68% immediately after

2.7 Potential Challenges to Implementation

There is substantial opportunity for H&F to achieve emission reductions through each of the actions described above. However, there will also be many challenges to overcome, and it is important that the council be aware of these during this planning stage. These challenges are summarised in Table 2-6; where challenges cannot be overcome, emissions will continue, falling into the category of the council's footprint that will need to be offset from 2030 to achieve the Net Zero goal.

Table 2-6: Potential Challenges to Implementation

Low Carbon Action Area	Potential Challenges
<p>Building Energy Efficiency and Heating</p>	<p>Installing energy efficiency measures is likely to cause disruption to building use in the H&F portfolio. There may be periods where buildings cannot be used during retrofit works and alternative properties will have to be identified.</p> <p>Within the social housing portfolio, necessary consent will be required from residents to proceed with retrofit works. In addition, where social housing exists alongside leasehold dwellings in buildings, the necessary consent of other residents will also be required.</p> <p>The necessary low carbon heating solutions will vary by building; some technologies are not appropriate for certain buildings. For example, ASHPs may not be suitable for larger buildings, where GSHPs or connection to a heat network may be more appropriate.</p> <p>Some solutions require more substantial building work, such as Ground Source Heat Pumps or Heat Networks. The necessary work may cause wider disruption to local transport networks and local amenities.</p>
<p>Green Electricity</p>	<p>Installation of on-site generation via Solar PV may involve invasive building works, but this is unlikely to be a major challenge.</p> <p>More complex energy procurement, for example entering into Power Purchase Agreements, may require coordination with other purchasers and take time to reach agreements.</p>
<p>Vehicle Fleet</p>	<p>The extent of vehicle electrification may be limited by:</p> <ul style="list-style-type: none"> - The required mileage per charge of vehicles and the technical constraints of current electric vehicles - The extent of charging infrastructure required to service the fleet - The availability of suitable electric replacements for larger vehicles such as trucks and buses <p>With regard to larger vehicles, it is likely that a greater variety of options for alternative fuel replacements will be available in the coming years. These may be electric, or hydrogen fuel may become more widely adopted for larger vehicles.</p>

Low Carbon Action Area	Potential Challenges
Commuting	<p>Decarbonising commuting may be limited by the availability of low carbon public transport, and there may always be some need for private, fossil fuelled vehicle travel.</p> <p>The commuting requirements of officers may not be suited to low carbon transport types, depending on where officers live and the availability of alternative transport modes.</p>

2.8 Additional Considerations

2.8.1 Embodied Carbon

As well as the ‘operational’ carbon emissions considered in this report, all new technologies and infrastructure include embodied carbon emissions – i.e. emissions produced during their production. These emissions would be accounted for in the scope 3 emissions of future council emission assessments. Given the need to upgrade infrastructure to reduce, and where possible eliminate, operational carbon emissions, it is inevitable that there will be an increase in embodied carbon emissions delivered through the measures suggested in this report. However, to minimise these emissions as far as possible, it is recommended that existing assets are used to the end of their operational lifespan, where this is compatible with H&F’s 2030 deadline. For example, fossil-fuel vehicles should not be prematurely retired if they have useful lifespan left. There will be trade-offs between maximising the lifespan of some assets, and the necessity of making infrastructure upgrades, and in these instances there will need to be a degree of judgement exercised by H&F.

2.8.2 Behaviour Change

The emission reduction modelling undertaken for this report has focussed on the impact of technology changes and upgrades to infrastructure. It may also be possible to reduce emissions by achieving behaviour change amongst officers, members and residents. These actions may include things like turning off lights, or turning down thermostats. These types of action have not been included within the modelling, as the potential to achieve them is difficult to estimate, and their potential impact is likely to be of a lower order of magnitude than changing physical infrastructure. However, it is a limitation of this research, and should behaviour change be achieved in any substantial manner, it may reduce the scale of implementation required by the council.

3.0 Carbon Balancing

The measures implemented by 2030 will not reduce H&F's carbon emissions to zero. Under the Orange (lower ambition) scenario there will be a residual carbon footprint (not including emissions from domestic electricity for accounting reasons) of 20,681 tCO₂e, Purple (high ambition) 14,269 tCO₂e, and Yellow (close to ideal) 9,760 tCO₂e—any residual footprint must be balanced for H&F to be Net Zero by 2030.⁹

Carbon balancing/offsetting (these terms can be used interchangeably) involves paying a third party to sequester greenhouse gases (broadly, to use plants or soil to absorb carbon dioxide from the atmosphere and store it), or to not emit carbon emissions that would have been produced without the payment.

Given the Borough's location, there is little space for meaningful sequestration activity within H&F land beyond a small amount of tree planting in urban areas or parks. Instead, it is likely that H&F will have to invest in carbon offsetting projects outside of the Borough to balance the residual footprint in 2030.

Conventional practice (by national governments or companies) has been to purchase carbon credits from projects in other countries. This means the UK has a very small number of carbon balancing projects, and little governance around how organisations should carbon balance in the UK. However, international carbon balancing is unlikely to be 'best practice' for local authorities over the next decade. There are two reasons for this:

- 1) International rules governing carbon balancing are changing, and are likely to make it easier to carbon balance in the UK; and
- 2) Local authorities will want to deliver maximum benefit for UK residents from their carbon balancing payments, rather than send that money abroad.

Therefore, H&F may want to begin thinking about how it can start building a carbon balancing programme that would support UK projects. This could involve supporting:

- Existing carbon balancing projects in the UK like those participating in the Woodland Carbon Code or the Peatland Code, which involve restoring and managing woodland or peatland in such a way that carbon dioxide is sequestered; or
- Residents to decarbonise their homes, for example by (part-) funding the installation of low carbon heating systems like heat pumps or installing insulation. Several factors must be considered like the 'additionality'¹⁰ of such a programme and how many carbon credits it could plausibly claim, however there are also diverse co-benefits like helping drive the decarbonisation agenda within

⁹ These values do not include the Scope 3 emissions from procured goods and services, as these largely fall outside the council's control.

¹⁰ Offset funding brings additionality when it is shown the project would not have happened without it.

the Borough, as well as helping residents save fuel costs and live in more comfortable homes. This would be a new approach to carbon balancing in the UK and would require research and development; or

- Novel offsetting approaches in the UK like re-wilding (the restoration of natural habitats, allowing species to return) or sustainable agricultural practices like agro-forestry, whereby trees and produce are grown together to enhance carbon dioxide uptake and slow soil degradation. The use of such approaches to produce carbon offsets is new and requires further research; the extent of carbon sequestered, costs, additionality considerations, and other co-benefits are not yet fully clear and further development funding is required.

Table 4-6 shows indicative costs of carbon balancing residual carbon emissions totalling 5,000, 10,000 and 20,000 tCO₂e in 2030 (approximately the scale of offsetting required under the three scenarios modelled in this report). Three pricing scenarios are presented: where offsetting a tonne of CO₂e costs £3 (the approximate current international carbon credit price), £10 (the approximate current UK carbon credit price) and £81 (HM Treasury's central estimate for a carbon price in 2030). Depending on the scenario, balancing costs will total in the range £10,000s to £1,000,000s.

4.0 Estimated Costs

The scale of infrastructure upgrades required to meet H&F's Net Zero goal is substantial and the costs associated with achieving this transition can be presented in multiple ways.

























This analysis is split into three sections:

- 1) **Total capital costs.** This section outlines the capital costs required under each of the three scenarios modelled. These costs take into consideration the capital and installation costs of the modelled measures, and can be thought of as the 'up-front cost' of achieving Net Zero. These can, of course, be funded through borrowing, spreading costs over time, but the full costs are presented here for clarity.
- 2) **Net capital costs.** It is fair to assume that over the next decade investment would still be required to maintain buildings and replace vehicles and other infrastructure. This will therefore comprise some of the funding for the proposed low or zero carbon changes. Comparing these 'business as usual' estimated costs with the expenditure on technologies required for the Net Zero transition enables identification of the potential funding gap, or 'net capital costs'.
- 3) **Operational savings.** This section is concerned with the savings associated with operating the implemented measures compared to the business as usual situation, for example the saving in heating associated with energy efficiency measures, or the saving in fuel costs from moving to cycling from driving. These operational savings are assessed qualitatively to indicate their likely scale and the beneficiaries. Where they accrue to the council it is possible to quantify these to an extent and this is provided in the analysis.

This section addresses all of the eight measures identified in the analysis, but each has a different cost and saving dynamic. The broad picture is presented in Table 4-1. As can be seen there are two measures that do not have capital costs associated with them: Implementation of a green tariff; and encouraging a shift in commuting behaviour. As these do not have capital costs associated with them, they are not included in the subsequent capital cost analysis.

All of the measures have the potential for operational savings for either the council or other stakeholders, and therefore all of these are considered in the operational savings assessments.

Table 4-1 Measures Included in Cost Assessments

Measure	Is there a <u>capital cost</u> to the council?	Is there a potential <u>operational saving</u> for the council?	Is there a likely <u>operational saving</u> for other stakeholders?
Energy Efficiency - Domestic	 Included in cost modelling		
Energy Efficiency - Commercial	 Included in cost modelling		
ASHP – Domestic	 Included in cost modelling		
ASHP – Commercial	 Included in cost modelling		
Green Tariff	 Excluded from cost modelling		
Vehicle Electrification	 Included in cost modelling		
Solar PV	 Included in cost modelling		
Commuting shifting to active travel	 Excluded from cost modelling		

Following the sections considering capital and net costs, an assessment of potential ongoing costs associated with carbon offsetting are presented to complete the costs analysis.

In line with the objectives of this report, all sets of costs are intended to be initial estimations to guide the initial stages of H&F's Net Zero planning. Further detailed assessments will enable these costs to be refined. Indeed, many of the short-term recommendations within the action plan in Table 1-1 focus on receiving quotations from suppliers to refine cost estimations.

4.1 Total Capital Costs

The three scenarios modelled lead to different capital costs to H&F. This depends on the level of ambition and technical feasibility of implementation, and hence the quantities of equipment and infrastructure that need to be purchased and installed. The total cost of investment required until 2030, including capital and installation costs of each scenario, is shown in Table 4-2. Four measures are presented for each scenario. These are:

- **Commercial buildings** – commercial energy efficiency and commercial low carbon heating combined
- **Domestic housing** – domestic energy efficiency and domestic low carbon heating combined
- **Commercial transport**
- **Solar PV**

The two measures excluded are green tariff and commuting change as neither of these incur a capital expenditure.

The Business-as-Usual costs are calculated based upon the replacement of each boiler and commercial vehicle, once within the time period, corresponding to a lifetime of roughly 10 years.

Table 4-2: Estimated Total Capital and Installation Costs by Scenario

Scenario	Measure	Estimated Capital and Installation Cost	Estimated Total Capital and Installation Cost for each scenario
Scenario 1 – Yellow [Close to ideal]	Commercial Buildings	£25 million	£303 million
	Domestic Housing	£259 million	
	Commercial Transport	£19 million	
	Solar PV	£7 million	
Scenario 2 – Purple [Higher Ambition]	Commercial Buildings	£22 million	£259 million
	Domestic Housing	£221 million	
	Commercial Transport	£16 million	
	Solar PV	£3 million	

Scenario	Measure	Estimated Capital and Installation Cost	Estimated Total Capital and Installation Cost for each scenario
Scenario 3 – Orange [Lower Ambition]	Commercial Buildings	£17 million	£196 million
	Domestic Housing	£165 million	
	Commercial Transport	£13 million	
	Solar PV	£0 million	
Business-as-Usual	Commercial Buildings	£4 million	£58 million
	Domestic Housing	£43million	
	Commercial Transport	£11 million	
	Solar PV	£0 million	

4.1.1 Scenario 1

This Scenario has the highest level of ambition and involves implementing each measure in full and enacting relatively early. The required capital spend on equipment and installation is shown in Figure 4-1.

Domestic and Commercial Buildings

Purchasing and installing energy efficiency improvements and ASHP's in the domestic housing stock is by far the largest cost to H&F, approaching £38 million per year between 2025 and 2027. This equates to energy efficiency measures and ASHPs being installed in just over 2,000 homes per year. These costs are high primarily because of the large number of households that would need to be retrofitted and have ASHPs installed.

The costs on these measures only commence in 2023, reflecting the fact that the current 4-year asset management horizon is fully planned already. It has been assumed that there is nonetheless some flexibility towards the end of this window, in 2023.

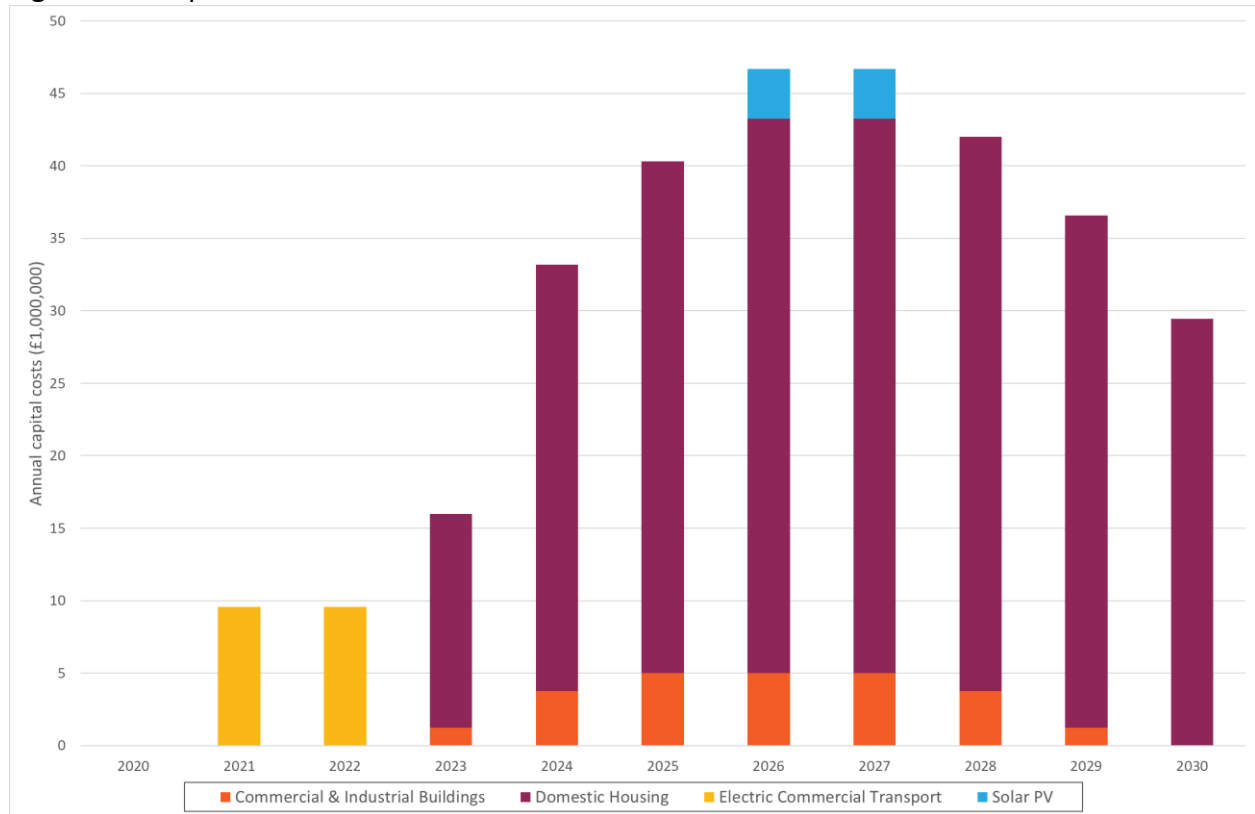
Solar PV

In 2026 and 2027, solar PV arrays are installed at full capacity on both the domestic and commercial housing stock.

Commercial Fleet

The entirety of the vehicle fleet is electrified and charging infrastructure installed as per the council's target of 2022, leading to significant up-front spend.

Figure 4-1: Capital and Installation Costs in Scenario 1



4.1.2 Scenario 2

In the moderate ambition level modelled in Scenario 2 and shown in Figure 4-2, the overarching patterns in investment is similar to Scenario 1, except with lower costs (and lower GHG emissions reductions).

Domestic and Commercial Buildings

The majority of investment is required for the purchase and installation of energy efficiency retrofits and ASHPs in H&F domestic housing stock. This commences in 2023 towards the end of the current asset management horizon, and is concentrated towards the latter years of the decade. The retrofiting of commercial buildings for energy efficiency, and subsequent installation of ASHPs follows a similar path.

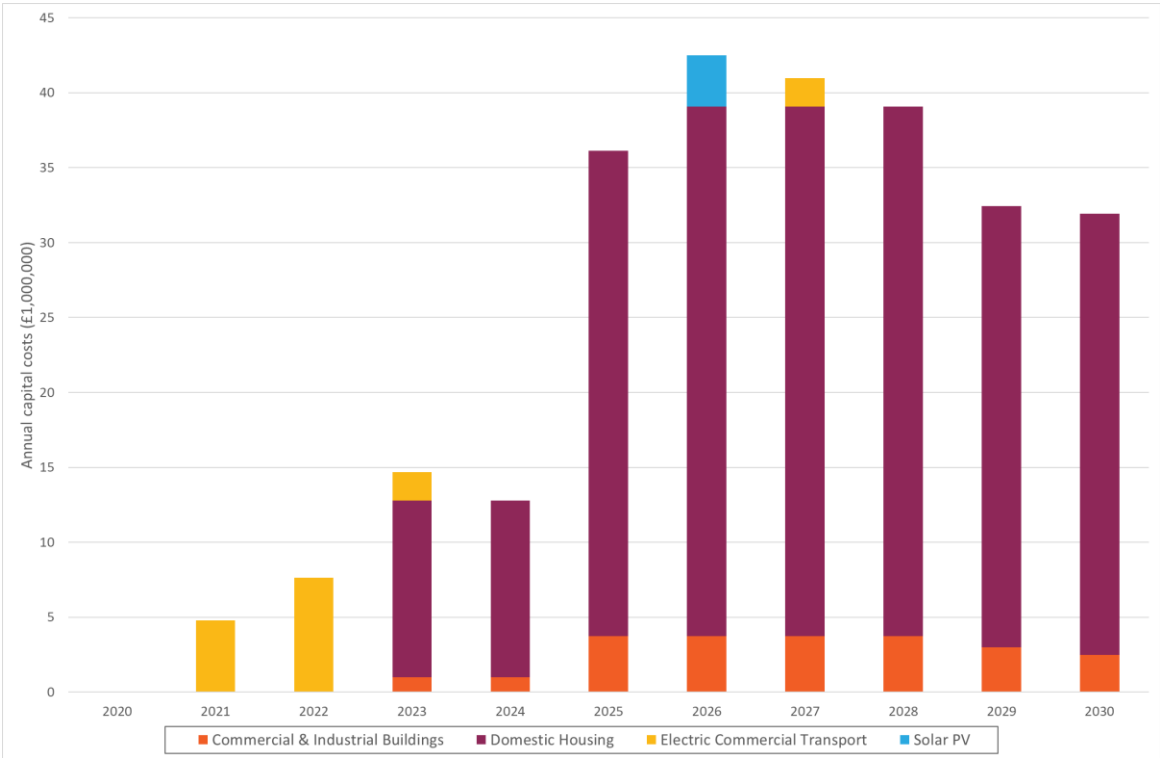
Solar PV

Here there is installation of Solar PV in 2026 – the scale is less than Scenario 1.

Commercial Fleet

The bulk of the investment required to electrify H&F commercial vehicle fleet and install charging infrastructure is taken in 2021 and 2022 reflecting the current target of 2022, with some overspill into 2023. For those vehicles that cannot be electrified, there is additional purchase of newly available vehicles later in the decade.

Figure 4-2: Capital and Installation Costs in Scenario 2



4.1.4 Scenario 3

Scenario 3, shown in Figure 4-3, has low ambition and opportunity for change, and as a result the capital costs and costs of installation are relatively low. None of the years would require an investment greater than £30 million, and until 2024 no investment greater than £5 million would be required.

Domestic and Commercial Buildings

It is assumed in this scenario that there is no scope to invest in the current four-year asset management horizon, and the subsequent investment follows a gentle curved profile.

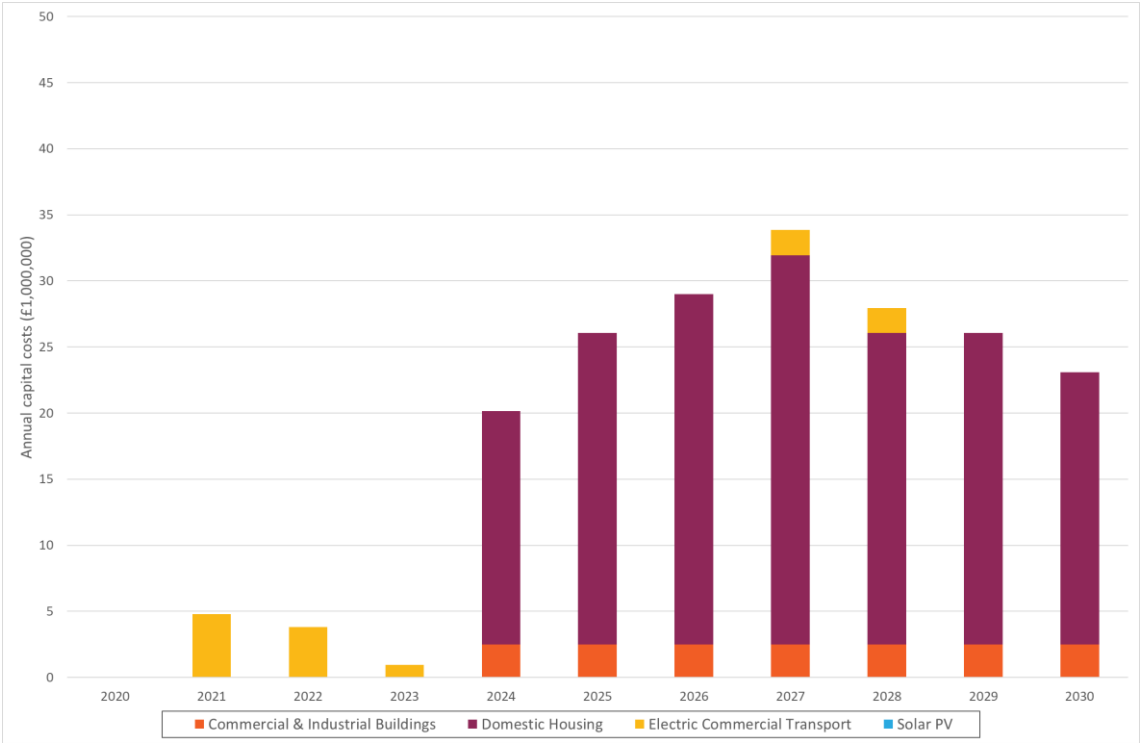
Solar PV

There is no solar PV installed in this scenario.

Commercial Fleet

The bulk of the investment required to electrify H&F commercial vehicle fleet is taken in 2021 and 2022 reflecting the current target of 2022, with some overspill into 2023. For those vehicles that cannot be electrified, there is additional purchase of newly available vehicles later in the decade.

Figure 4-3: Capital and Installation Costs in Scenario 3



4.2 Net Capital Costs (Comparison to Business-as-Usual)

Whilst there will be upfront capital costs associated with implementing the necessary low carbon technologies, it should be recognised that not all this spend is additional. This section presents an estimate of the ‘net capital costs’ of decarbonising the council’s activities by comparing to a business-as-usual scenario.

Estimates for the total capital cost of each scenario in comparison to a ‘business-as-usual’ case are displayed in Table 4-3 below. The business-as-usual scenario assumes:

- Buildings would have boilers replaced with fossil fuel versions; and
- Vehicles would be replaced with fossil fuel versions.

The cost difference for capital and installation is the difference between each scenario and the business-as-usual case, taken from Table 4-2. The total (gross) capital costs are included as a comparison.

Table 4-3: Estimated Difference in Costs in Comparison to Business-as-Usual

Scenario	Net Capital Costs ¹¹	Total Capital Costs
Scenario 1	£245 million	£303 million
Scenario 2	£202 million	£259 million
Scenario 3	£138 million	£196 million

¹¹ Net capital costs: Capital & Installation Cost minus Business As Usual Capital Spend

4.3 Operational Savings

It is important to consider that whilst the costs in Table 4-2 include upfront capital requirements, over the longer-term there is potential for the council to reap savings due to reduced energy and maintenance costs. Calculating these accurately is extremely challenging given the potential for energy costs to change over time, and the relative efficiencies of different technologies to shift over time. However, Table 4-4 provides an indication of where savings may be generated over time, based on current market dynamics. We recommend that the potential savings from recommend measures are assessed in detail as part of the council’s financial planning for the Net Zero agenda.

Table 4-4: Potential Savings from Low Carbon Measures

Measure	Potential Operational Savings	Beneficiaries of Savings
Commercial energy efficiency	Energy efficiency measures in isolation would deliver a saving to the council with regard to energy spend due to reduced fuel/power consumption associated with operating heating systems. Energy efficiency measures tend to require minimal upkeep and therefore the savings are not reduced.	Council
Commercial low carbon heating	The costs of running a heat pump compared to conventional heating depend on the extent to which a building is insulated and the relative prices of electricity and heating fuels. In broad terms the costs are currently of the same magnitude so no saving is anticipated in the short term, but should the council generate its own electricity or similarly reduce the cost of electricity this would provide a saving.	Council
Domestic energy efficiency	Similar to commercial buildings, energy efficiency measures would deliver energy cost savings if implemented in isolation due to reduced fuel/power consumption to reach the same temperatures. Alternatively, in fuel poor households it may lead to an increase in mean temperatures instead of a fuel saving as they were previously unable to pay for adequate heating.	Residents of domestic dwellings
Domestic low carbon heating	As for commercial low carbon heating, the operational costs are currently largely similar, but will change in future as prices change.	Residents of domestic dwellings

Measure	Potential Operational Savings	Beneficiaries of Savings
Vehicle electrification	<p>At present the operational costs of electric vehicles are lower than for fossil-fuel counterparts due to the cost of fossil fuels for transportation compared to electricity (in part due to fuel duty). Should the council generate its own electricity, this would be amplified.</p> <p>It is also anticipated that maintenance costs for electric vehicles will be noticeably lower than for fossil-fuel equivalents due to the removal of combustion from within the vehicle, which should also reduce operational costs¹².</p>	Council
Solar PV installation	Based on savings on electricity bills, the installation of solar PV is likely to re-coup costs over the mid to long term (circa 15 years). Whether this saving is reaped by the council depends on who derives the benefit on the installed solar capacity – tenants, other organisations such as schools, or the council’s own buildings or electric fleet.	Depends on recipient of energy

An initial analysis of the potential operational savings **to the council** was conducted based on a comparison of the energy and maintenance costs of the new technologies against the equivalent costs in the business-as-usual case. This is shown in Table 4-5. The net capital costs are shown for comparison.

Table 4-5: Operational Savings for the Council

Scenario	Net capital costs	Net operational savings Positive values are net savings, cumulative over the next decade
Scenario 1	£245 million	£11.2 million
Scenario 2	£202 million	£8.1 million
Scenario 3	£138 million	£4.6 million

¹² For example, see <https://www.edfenergy.com/electric-cars/maintenance>

The analysis shows that operating and maintaining low carbon technologies is less costly than for their fossil fuel equivalents. These costs are small compared to the capital expenditure needed to implement them, but they are not insignificant. These cost savings are, however, concentrated in commercial transport, which for example in Scenario 1 would achieve a saving of roughly £7 million up until 2030. This is due to the reduction in costs associated with fuel, and lower Vehicle Excise Duty.

It should be noted that in estimating these cost differences, we have not assumed any future price of carbon associated with ongoing emissions. Should such a price be implemented, this will substantially improve the business case for implementing the measures identified in this report. The offsetting costs presented in section Table 4-6 serve to illustrate potential ongoing costs associated with residual emissions based on a range of future carbon prices.

As highlighted in Table 4-5, there will also be savings accrued to other stakeholders, but these have not been quantified as they are far less certain.

4.4 Offsetting Costs

Indicative costs of offsetting under different price and residual emissions scenarios are shown in Table 4-6. These costs will be borne annually for any emissions that cannot be reduced by the council, and act as an incentive to reduce as far as possible.

Table 4-6: Estimated Costs of Carbon Balancing Per Year

		Price per tonne of carbon balanced		
		£3 (approximate current international carbon credit price)	£10 (approximate current UK carbon credit price)	£81 (HM Treasury central estimate for carbon costs in 2030)
Tonnes carbon to be balanced each year	5,000	£15,000	£50,000	£405,000
	10,000	£30,000	£100,000	£810,000
	20,000	£60,000	£200,000	£1,620,000

A.1.0 Technical Appendix: Assumptions and Methodology

A.1.1 Baseline Carbon Footprint

A detailed breakdown of H&F’s carbon footprint is given in Table 4-7.

Table 4-7: Breakdown of H&F's Carbon Footprint by Category, Sub-category and Scope

Category	Subcategory	Scope 1	Scope 2	Scope 3
		Tonnes CO2e/year		
Council Owned Vehicles	Council Vehicles	210	0	51
Council Vehicle Subsidiaries	Idverde	134	0	32
Council Vehicle Subsidiaries	CT+	194	0	46
Council Vehicle Subsidiaries	Serco	1,210	0	288
Utilities	Buildings Owned and Operated (Energy)	607	1,292	388
Utilities	Buildings Owned and Leased (Energy)	205	210	76
Utilities	Housing (owned) - Communal Areas (Energy)	0	0	0
Utilities	Housing - Council Owned Dwellings (Energy)	22,299	9,329	5,104
Utilities	Housing - Leasehold Dwellings (Energy)	7,930	3,414	1,838
Utilities	Housing - Other Ownership Type Dwellings (Energy)	685	249	148
Utilities	Street Lighting	0	454	107
Utilities	Buildings Owned and Operated (Water)	0	0	118

Category	Subcategory	Scope 1	Scope 2	Scope 3
Utilities	Buildings Owned and Leased (Water)	0	0	31
Utilities	Housing (Water)	0	0	74
Other Council Travel	Staff Commuting	0	0	258
Other Council Travel	Expensed Taxis	0	0	1,794
Utilities	Schools	2,992	1,447	731
Procurement	Grounds Maintenance	0	0	860
Procurement	Capital Spend on Construction Projects	0	0	3,513
Procurement	Building Hire	0	0	15
Procurement	Building Maintenance and Services	0	0	2,393
Procurement	Business Support and Administration	0	0	1,750
Procurement	Business or Service User Travel	0	0	103
Procurement	Catering Supplies	0	0	415
Procurement	Cleaning Supplies	0	0	75
Procurement	Clothing, Uniforms and Laundry	0	0	34
Procurement	Consultancy	0	0	3,211
Procurement	Education	0	0	2,621
Procurement	Equipment Hire, Maintenance and Purchase	0	0	2,031
Procurement	Healthcare	0	0	12,008
Procurement	Highways Maintenance	0	0	336

Category	Subcategory	Scope 1	Scope 2	Scope 3
Procurement	Housing Maintenance	0	0	3,139
Procurement	Insurance	0	0	411
Procurement	IT Services	0	0	2,409
Procurement	Legal Costs	0	0	121
Procurement	Office Supplies	0	0	383
Procurement	Past Service Costs	0	0	1,249
Procurement	Pensions	0	0	403
Procurement	Postage and Delivery Services	0	0	81
Procurement	Social Care	0	0	25,558
Procurement	Telephone Networks	0	0	115

The assumptions made and methods used to estimate H&F's baseline carbon footprint for each sector are detailed in this section. With the exception of procurement, the emissions for each category are calculated using the UK Government's 2019 set of conversion factors for advanced users.¹³

A.1.1.1 Energy in Buildings: Residential

Three separate methods were considered for calculating the electricity and gas consumption of residential properties in the Borough's portfolio.

Method 1: The breakdown of H&F housing by property type (house, maisonette, flat etc.) was provided. The average floor area of these properties was estimated using data from the Mayor of London's Datastore.¹⁴ Government statistics for average gas and

¹³ Department for Business, Energy & Industrial Strategy *Conversion factors 2019: full set (for advanced users)*, accessed 15 July 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/847122/Conversion-Factors-2019-Full-set-for-advanced-users.xls

¹⁴ London Datastore *Average Floor Area by Borough*, accessed 14 July 2020, <https://data.london.gov.uk/average-floor-area-by-borough/>

electricity consumption per m² for different property sizes¹⁵ were used to calculate the average energy consumption for each property type, which were summed to give total values for residential electricity and gas consumption.

Method 2: The EPC value of some residential properties in the H&F residential property portfolio were provided, which were assumed to extrapolate to the whole portfolio. Average energy consumption per property values were found for each EPC band from government statistics¹⁶, which were multiplied by the number of properties in each band to find the final gas and electricity consumption values.

Method 3: BEIS publish 'experimental' data on electricity and gas consumption by postcode¹⁷, and data on the location (i.e. postcode) of H&F properties was provided. This can be summed across all properties to estimate a total energy consumption

Method 3 was ultimately excluded because it was deemed that, within a postcode, possible variation in property size and type is too great for an average energy consumption to be reasonably be applied to all properties. However, an initial calculation through this method suggests that it returns a similar result to the other two, validating all three approaches.

Methods 1 and 2 methods were chosen as they offer a replicable approach. However they also rely on their own assumptions which may change in time. Methods 1 and 2 give very similar results and so there is a reasonably high level of confidence in the values produced; we recommend that H&F consider all three approaches if repeating this analysis in future.

A.1.1.2 Energy in Buildings: Schools

Electricity and gas consumption data for some schools was provided for the audit. Future assessments may consider looking at schools in further detail to ascertain clearly what is in and out of scope.

¹⁵ Department for Business, Energy & Industrial Strategy *National Energy Efficiency Data Framework (NEED): Energy Performance Certificate Analysis*, accessed 14 July 2020, <https://www.gov.uk/government/publications/energy-trends-december-2017-special-feature-article-domestic-energy-consumption-by-energy-efficiency-and-environmental-impact-2015>

¹⁶ Department for Business, Energy & Industrial Strategy *National Energy Efficiency Data Framework (NEED): Energy Performance Certificate Analysis*, accessed 14 July 2020, <https://www.gov.uk/government/publications/energy-trends-december-2017-special-feature-article-domestic-energy-consumption-by-energy-efficiency-and-environmental-impact-2015>

¹⁷ Department for Business, Energy & Industrial Strategy *Postcode level electricity statistics: 2018 (experimental)*, <https://www.gov.uk/government/statistics/postcode-level-electricity-statistics-2018-experimental>

A.1.1.3 Commuting

Commuting modes and distance data were not provided. These were estimated using the total number of full time-equivalent staff (provided), average commuting distance and mode in London¹⁸, and an assumption that staff work from home one day a week, to produce totals for person.km travelled per mode per year. These were then converted to carbon emissions values using standard conversion values.

A.1.1.4 Procurement

Carbon emissions associated with procured goods and services were estimated to provide an indication of the scale of their contribution with respect to Scopes 1 and 2 sources, and are given in Table 4-8.

This estimation was achieved by converting the amount paid for these goods and services to carbon emissions values using conversion factors from the Department for Environment, Food & Rural Affairs/ Leeds University¹⁹ (cleaning supplies, mobile phones), the Department for Environment, Food & Rural Affairs²⁰ (buildings/ grounds/ highways maintenance, rented buildings, business support and administration, business travel, catering, clothing, consultancy, education services, equipment hire/ maintenance/ purchase, healthcare, insurance, IT services, legal services, office supplies, pensions, postal and delivery services, social care), and HM Government²¹ (capital spend on construction).

Total procurement spend data was provided to Eunomia by H&F. Eunomia sorted the data into the following emission categories using their best judgement. The judgement used in this process, combined with the use of spend-based emission factors, means our assessment of emissions arising from procured goods and services can only be considered a best estimate.

¹⁸ Department for Transport *Modal comparisons (TSGB01)*, <https://www.gov.uk/government/statistical-data-sets/tsgb01-modal-comparisons>

¹⁹ University of Leeds, and Department for Environment, Food & Rural Affairs *Data download consumption emissions 1997-2017*, <https://www.gov.uk/government/statistics/uks-carbon-footprint>

²⁰ Department for Environment, Food & Rural Affairs *Table 13 - Indirect emissions from the supply chain*, <https://www.gov.uk/government/statistics/uks-carbon-footprint>

²¹ HM Government *Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting requirements*, <https://www.gov.uk/government/publications/environmental-reporting-guidelines-including-mandatory-greenhouse-gas-emissions-reporting-guidance>

Table 4-8: The Scope 3 Emissions from Procured Goods and Services

Category	Subcategory	Emissions (tonnes CO2e/year)	Spend (£/year)
Building Hire	Rental and leasing services	15,076	64,166
Building Maintenance and Services	Services to buildings and landscape	2,393,028	9,744,557
Business or Service User Travel	Road Transport	102,693	132,398
Business Support and Administration	Office administrative, office support and other business support services	1,749,525	9,754,921
Capital Spend on Construction Projects	Construction	3,513,081	7,169,554
Catering Supplies	Other food products	414,586	432,977
Cleaning Supplies	Disinfectants, polishes, other cleaning materials, some pest controls	75,476	2,805,160
Clothing, Uniforms and Laundry	Wearing apparel	34,110	50,481
Consultancy	Computer programming, consultancy and related services	3,210,886	18,197,177
Education	Education services	2,621,113	15,727,893
Equipment Hire, Maintenance and Purchase	Machinery and equipment n.e.c.	2,030,620	3,631,884
Grounds Maintenance	Services to buildings and landscape	859,515	3,500,000
Healthcare	Human health services	12,008,331	48,187,754

Category	Subcategory	Emissions (tonnes CO2e/year)	Spend (£/year)
Highways Maintenance	Services to buildings and landscape	336,419	1,369,918
Housing Maintenance	Services to buildings and landscape	3,139,031	12,782,331
Insurance	Insurance, reinsurance and pension funding services, except compulsory social security & Pensions	410,532	2,299,691
IT Services	Computer programming, consultancy and related services	2,409,313	13,654,392
Legal Costs	Legal services	121,249	1,261,201
Office Supplies	Office administrative, office support and other business support services	383,346	2,137,443
Past Service Costs	Office administrative, office support and other business support services	1,248,588	6,961,818
Pensions	Insurance, reinsurance and pension funding services, except compulsory social security & Pensions	402,823	2,256,511
Postage and Delivery Services	Postal and courier services	81,037	231,622
Social Care	Social care services	25,558,227	88,234,017
Telephone Networks	Mobile phone account	114,711	707,630

A.1.1.5 Energy in Buildings: Commercial and Industrial / Commercial Transport / Street Lighting

The relevant electricity and/ or fuel consumption data were provided for: buildings in the corporate estate (including the Linford Christie Stadium); the commercial vehicle fleet; and street lighting. These were converted to associated carbon emissions values using standard emissions intensity values.

A.1.2 Carbon Reduction Measures: Modelling Assumptions

The assumptions and methods used to estimate the potential for carbon emissions reductions are given in more detail here. The measures described can be implemented up to 2030 at different rates; this is reflected in the different forecast scenarios.

A.1.2.1 Energy Efficiency: Domestic, C&I and Schools

For energy efficiency measures, a baseline situation of the national mean was assumed.

Domestic

The average annual savings potential in kWh of cavity wall insulation, loft insulation and draught excluders were found from the National Energy Efficiency Database²², showing that in an average dwelling these measures would cumulatively reduce heat consumption by 3.5MWh per year—35% of heat consumption

In lieu of more accurate information, it was assumed that 100% of the of the properties owned by the council that fall under its direct control can be accessed to make these interventions where relevant (63% of the portfolio), while only 50% of properties with other leasehold and shared ownership models can be accessed.

C&I and Schools

Approximate energy saving reductions (%) brought about by insulation, double glazing and thermostatic control in non-residential buildings were taken from a report by Building Futures and Sustainability East²³. This was assumed to be applicable to the entire C&I and school building stock's energy consumption, to arrive at gas consumption savings values, giving a reduction of 30% of energy consumption per m².

A.1.2.2 Air Source Heat Pumps: Domestic, C&I and Schools

The electricity input needed by a heat pump was found by dividing the average gas consumption of a house (as estimated in Section A.1.1.1) by a typical coefficient of performance (CoP) of an ASHP of 3.2.

For **domestic** properties, the same assumptions were made when assessing the total number of properties that are eligible to have ASHPs installed as in Section A.1.2.1.

²² Department of Energy and Climate Change *Energy Efficiency Statistical Summary*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/65598/6918-energy-efficiency-strategy-statistical-summary.pdf

²³ Building Futures, and Sustainability East *Retrofitting: A guide for non-residential buildings*, accessed 14 July 2020, <https://www.hertfordshire.gov.uk/media-library/documents/environment-and-planning/building-futures/retrofitting-a-guide-for-non-residential-buildings.pdf>

The same method was used to convert gas consumption figures for **non-residential properties** to electricity consumption (using the same CoP of 3.2.)

The electricity use could then be multiplied by the carbon factor for the electricity consumed in operation to determine emissions. In the case of solar PV generated electricity or electricity obtained from a tariff this is nil, but otherwise it was set as the grid carbon factor projection for the year concerned. This can then be used to compare with emissions from gas and oil boilers.

A.1.2.3 Solar PV

A breakdown of the residential properties by type (flat, house, maisonette etc.) in the H&F estate was provided; it was assumed that only those properties owned fully by the council are suitable for solar PV installation. An average of 15 flats per block was assumed, which is in concordance with England-wide data.²⁴ The proportion of residential (25%) and C&I (40-80%, average of 60% was assumed) roofs that are suitable for panels was taken from London-specific data²⁵, giving an estimate of the total number of residential (1,179) and C&I (50) solar PV systems.

Residential roofs are assumed to use standard 4 kWp systems; due to a lack of data on roof sizes of C&I buildings, average capacity of five times the residential figure were assumed. Assuming an annual capacity factor of 10%, generation of a standard residential roof-mounted 4 kWp solar PV system is approximately 3,500 kWh (with C&I systems producing five times this.)

A.1.2.4 Electrifying Commercial Transport

It was assumed that the entire H&F fleet will be EVs by 2030, and that the total person.kms travelled will not change in that time. Total fuel consumption for both diesel and petrol was provided by H&F. The total vehicle.km travelled by the council's fleet was estimated from these data using fuel efficiency averages for refuse (4 mpg) and commercial vehicles (27 mpg).

The kWh/vehicle.km travelled across all vehicles was taken as an average of 1.12 from industry data²⁶, and this value was used to calculate the total electricity in kWh that would be needed to power an electric fleet. The emissions savings are the difference between the carbon dioxide emitted when burning diesel and petrol (taken from

²⁴ Office for National Statistics (2010) *English Housing Survey*, accessed 15 July 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/6748/2173483.pdf

²⁵ Greater London Authority (2011) *Decentralised energy capacity study*, accessed 15 July 2020, https://www.london.gov.uk/sites/default/files/de_study_phase1.pdf

²⁶ See <https://insideevs.com/news/340380/mercedes-benz-delivers-first-10-eactros-electric-trucks/> and <https://www.mercedes-benz.co.uk/vans/en/e-vito-panel-van/technical-data>

standard government conversion values²⁷) in vehicle engines and that emitted when produced electricity (which is modelled as nil under a green electricity tariff).

A.1.2.5 Low Carbon Commuting

It was assumed that a maximum of 50% of those who currently commute to and from work by car can switch to other modes of transport, and that those who switch move equally to bus, train, London Underground, bicycle and walking. The emissions associated with those modes of transport are taken from government statistics.²⁸

²⁷ Department for Business, Energy & Industrial Strategy (2019) *Greenhouse gas reporting: conversion factors 2019*, accessed 18 September 2019, <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

²⁸ Department for Business, Energy & Industrial Strategy (2019) *Greenhouse gas reporting: conversion factors 2019*, accessed 18 September 2019, <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

A.1.3 Carbon Reduction Measures: Costing Assumptions

The analysis comprised two strands:

- Capital and installation costs; and
- Operational costs (and savings)

Each of these is addressed for each measure as follows.

A.1.3.1 Energy Efficiency: Domestic, C&I and Schools

The energy efficiency improvements modelled in the emissions reduction pathways used a combination of wall insulation, loft insulation and draft proofing. The average **capital and installation** cost per household and per m² were calculated for each energy efficiency measure. For wall insulation a combination of cavity, solid, and party cavity insulation was assumed to be installed in the building stock whilst for loft insulation a combination of insulation at the joists and rafters was assumed. The cost estimates for each of these measures were based upon assumptions used in BEIS energy efficiency modelling,²⁹ and were calculated to be £6,600 per household and £82 per m².

The **operational costs and savings** associated with the measures were assessed based on the reduced demand for heat associated with these measures as discussed in A.1.2.1. The actual operational costs of the measures themselves were assumed to be close to nil due to the minimal maintenance required.

A.1.3.2 Low Carbon Heating – Air Source Heat Pumps: Domestic, C&I and Schools

For **capital and installation costs**, the average costs of an ASHP were calculated on a per household and per m² basis. This includes the equipment cost of the ASHP, any upgrades that would need to be made to the distribution system, and costs of installation.

The cost of equipment was calculated by taking the median from a range of sources. It was assumed that each room in a house would require either a large or ventilated radiator. The costs of installing the heat pump and radiators were estimated using literature sources and our own internal low carbon heating experts. The total ‘one off’ costs were calculated to be £10,830 per household and £129 per m².

For **operational costs**, the maintenance costs assume that units would be checked by a professional installer once every 3 – 5 years. To calculate the ongoing energy costs, the annual electricity consumption from the emissions reductions modelling was combined

²⁹ BEIS (2017) *What does it cost to retrofit homes?*, accessed 19 August 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/656866/BEIS_Update_of_Domestic_Cost_Assumptions_031017.pdf

with the standard commercial and domestic electricity costs. The ongoing costs were calculated to be £437 per household per year and roughly £7 per m² per year.

A.1.3.3 Electrifying Commercial Transport

H&F provided a breakdown of their commercial fleet, which were then assigned to vehicle category types such as cars, large vans, or refuse vehicles, amongst others. For each vehicle category, typical purchase costs of fossil fuel vehicles in each category and their electric equivalents were researched and from which the total **capital costs** of the fleet in each case calculated. A range of costs were researched for the capital costs of charging infrastructure. It was assumed that one charging point would be needed per large vehicle (e.g. bus) and only 80% of small vehicles would require charging points. The modelled cost of a large overnight charging point was £18,000 and a small charging point £2,000.^{30,31}

For **operational costs**, the costs of commercial vehicles were assumed to include annual maintenance costs of £0.035/km and costs arising from fuel or electricity consumption.³²

A.1.3.4 Solar PV

In order to estimate the **capital costs** of installation of solar PV panels across H&F's commercial and housing stock, the capital costs of a standard 4kW solar array were used. Assuming 4 hours of sunlight per day, the anticipated solar capacity of the array was calculated, from which a cost per MWh of electricity generation was estimated.

For **operational costs** it was assumed that the maintenance costs of the solar PV panels would be minimal, and there were no energy costs resulting from their use.

A.1.3.5 Low Carbon Commuting

The costs of a change to lower carbon commuting is a cost born by H&F employees rather than a cost to H&F specifically, and as such any costs arising from this measure have not been incorporated into the results.

³⁰ Lajunen, A., and Lipman, T. (2016) Lifecycle cost assessment and carbon dioxide emissions of diesel, natural gas, hybrid electric, fuel cell hybrid and electric transit buses, *Energy*, Vol.106, pp.329–342

³¹ *The Costs of Revving Up the Grid for Electric Vehicles*, accessed 20 August 2020, <https://www.bcg.com/en-gb/publications/2019/costs-revving-up-the-grid-for-electric-vehicles>

³² Earl, T., Mathieu, L., Cornelis, S., Kenny, S., Ambel, C.C., and Nix, J. (2018) Analysis of long haul battery electric trucks in EU, *Transport Environment*

A.2.0 Glossary

Term	Definition
'Business-as-usual' scenario	The emissions pathway that would most likely have been followed in the absence of a carbon reduction/offset project, also referred to as the 'baseline scenario'.
Carbon balancing (offset)	Carbon offsets (or balances) are the 'certificates' used for showing that payments or funds have led to carbon sequestration or reductions elsewhere. Carbon offsets are purchased through selected and verified carbon projects and can be purchased on a voluntary basis or to meet regulatory requirements.
Carbon dioxide (CO₂)	The most emitted greenhouse gas, carbon dioxide is a by-product of industrial processes, burning fossil fuels and land use changes, and is absorbed by plants and oceans.
Carbon dioxide equivalent (CO₂e)	A metric used to compare the emissions from the various greenhouse gases on the basis of their global-warming potential. The CO ₂ e quantity of any greenhouse gas is the amount of carbon dioxide that would produce the equivalent global warming potential.
Carbon footprint	A carbon footprint is the total amount of greenhouse gas (GHG) emissions emitted by an organisation, event or product. For simplicity of reporting, it is often expressed in terms of CO ₂ e.
Carbon neutral/climate neutral/net zero	When a net carbon footprint is nil, because no greenhouse gases are emitted or because a measured amount of carbon released is offset with an equivalent amount sequestered or avoided.
Emissions factors	An emissions factor tells you how much CO ₂ e is created per unit of activity. For example, the emissions factor of taking the train is 0.0662kg of CO ₂ e per mile. Multiplying that by how many miles you travelled will give you the carbon footprint of that journey. ³³ BEIS publishes an updated set of emissions factors each year.

³³ <https://bulb.co.uk/carbon-calculator/glossary/>

Term	Definition
Emission reduction pathway	A route to decarbonisation which can have varying levels of ambition. A more ambitious pathway will reduce more CO ₂ e but will likely come at a higher capital cost. Any remaining emissions will need to be offset.
Energy efficiency measures	Energy efficiency measures help reduce a building's demand for heat, minimise the power requirements of new heating systems and reduce long term costs. Some examples are insulation, double glazing and draft exclusion.
Green energy tariff	Tariffs offered by energy companies who buy certificates showing that this electricity has come from renewable sources. Theoretically, increasing demand for this type of tariff raises the price of renewable certificates, thus boosting investment in low carbon energy sources and driving further grid decarbonisation.
Greenhouse gas (GHG) protocol	GHG Protocol establishes comprehensive global standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions. ³⁴
Market-based system of carbon reporting	The 'market-based' system of carbon reporting uses the carbon intensity of your specific energy tariff. When purchasing a green energy tariff, electricity emissions can be considered to be zero in the market-based reporting method.
Scope 1 Emissions	Emissions from fuel consumed by the H&F estate, either from heating or owned vehicles.
Scope 2 Emissions	Emissions from electricity consumed by the H&F estate, including in buildings and street lighting.
Scope 3 Emissions	<p>Indirect emissions that result from H&F activities. This includes:</p> <ul style="list-style-type: none"> - Indirect emissions from Scope 1 and 2 activities, such as the transmission and distribution of electricity - Emissions from other H&F activities, such as water consumption, staff commuting, procurement, leased dwellings, etc.

³⁴ <https://ghgprotocol.org/about-us>

APPENDIX F - Climate and Ecology Strategy. Appendix F: emissions baselines

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The borough's greenhouse gas emissions

The borough's activities directly and indirectly cause the emissions of various greenhouse gases, particularly carbon dioxide (CO₂), nitrous oxide, and methane. These are measured in 'CO₂ equivalent' (CO₂e). CO₂ is the most significant greenhouse gas measured locally, representing 99.4% of CO₂e emissions. Some further sources of emissions, such as leakage of hydrofluorocarbons (HFCs) from air conditioning units and refrigerators are also significant, but are not yet captured in data at the local level.

Production-based emissions

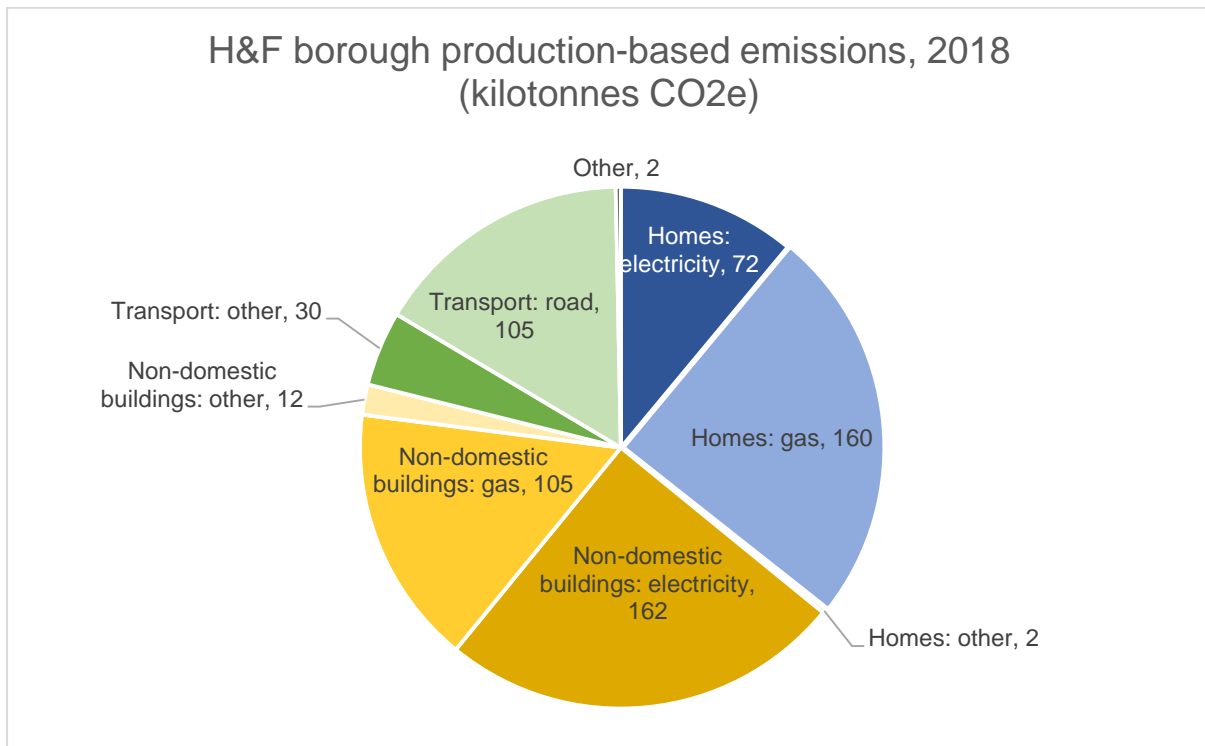
Under the UN Kyoto Protocol, a country's carbon emissions are measured by the fuel and electricity used within its boundaries, referred to as 'production-based' emissions. The majority of these in H&F are from heating and powering our homes and other buildings, and the transport we use.

These emissions are estimated for local authority areas annually by the Department for Business, Energy & Industrial Strategy (BEIS), and are further supplemented with local data for London in the London Energy and Greenhouse Gas Inventory (LEGGI). BEIS and LEGGI are the key sources for measuring the borough's overall progress towards net zero. However, these estimates are produced with a two-to-three year delay. The council will develop a further set of indicators to track its progress towards net zero where relevant and more timely data are available.

The total production-based emissions for H&F are **648,752 tonnes of CO₂e¹**, of which:

¹ Data source: LEGGI. This includes scopes 1, 2, and 3 emissions from the sources included. Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (in this case including the upstream production and transportation of gas used within the borough, for instance). Aviation within the borough boundary

- 36% is from homes, mostly from gas heating.
- 43% is from other buildings, mostly from electricity use.
- 21% is from transport, mostly road use.



H&F's 'production-based' footprint. Source: London Energy and Greenhouse Gas Inventory.
1 kilotonne = 1,000 tonnes

These have been falling, down around 41% in total since 2005². This has been largely due to more energy efficient vehicles, appliances and homes, and an increasing share of renewables in the grid. During this time the council has undertaken energy-saving measures in the borough such as upgrades to the fabric of its housing stock and solar PV installation. However, it is widely agreed the greatest challenges in decarbonisation, such as zero carbon heating for homes, are yet to come. Certain other sources of local direct emissions are not covered by these estimates, such as from HFCs leaking from fridges, and we will seek to capture these in future updates where data are available.

Consumption-based emissions

Greater emissions still arise from the goods and services we consume that aren't produced within the borough. These include items we buy as residents and organisations such as food, appliances, clothing and cars, travel outside of the borough including flights, and services we use that operate elsewhere such as banking and leisure. The emissions from these are not included within the

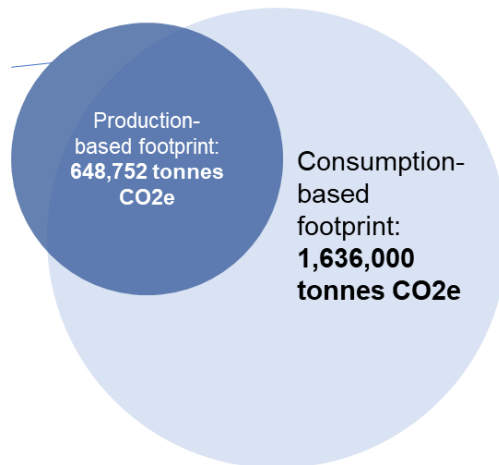
(such as helicopters) is included under 'Transport: other', but flights taken from London airports by H&F residents are not included in this, instead covered in 'consumption-based' emissions below. Waste disposal takes place out of borough and is not assigned to H&F in this footprint, but is estimated below under consumption-based emissions.

² BEIS, 2005-19 local CO₂ emissions tables.

production-based footprint, and are not within the borough's direct control as they arise elsewhere, but we can influence them through what we choose to buy and use.

Emissions from these are not included in official borough-level estimates, and are difficult to measure with accuracy at the local level. An estimated footprint of household consumption has been calculated for H&F by the University of Leeds as 8.82 tonnes CO₂e per person, or **1,636,000 tonnes CO₂e** for the borough. This is a footprint 2.5 times the size of H&F's production-based footprint alone.

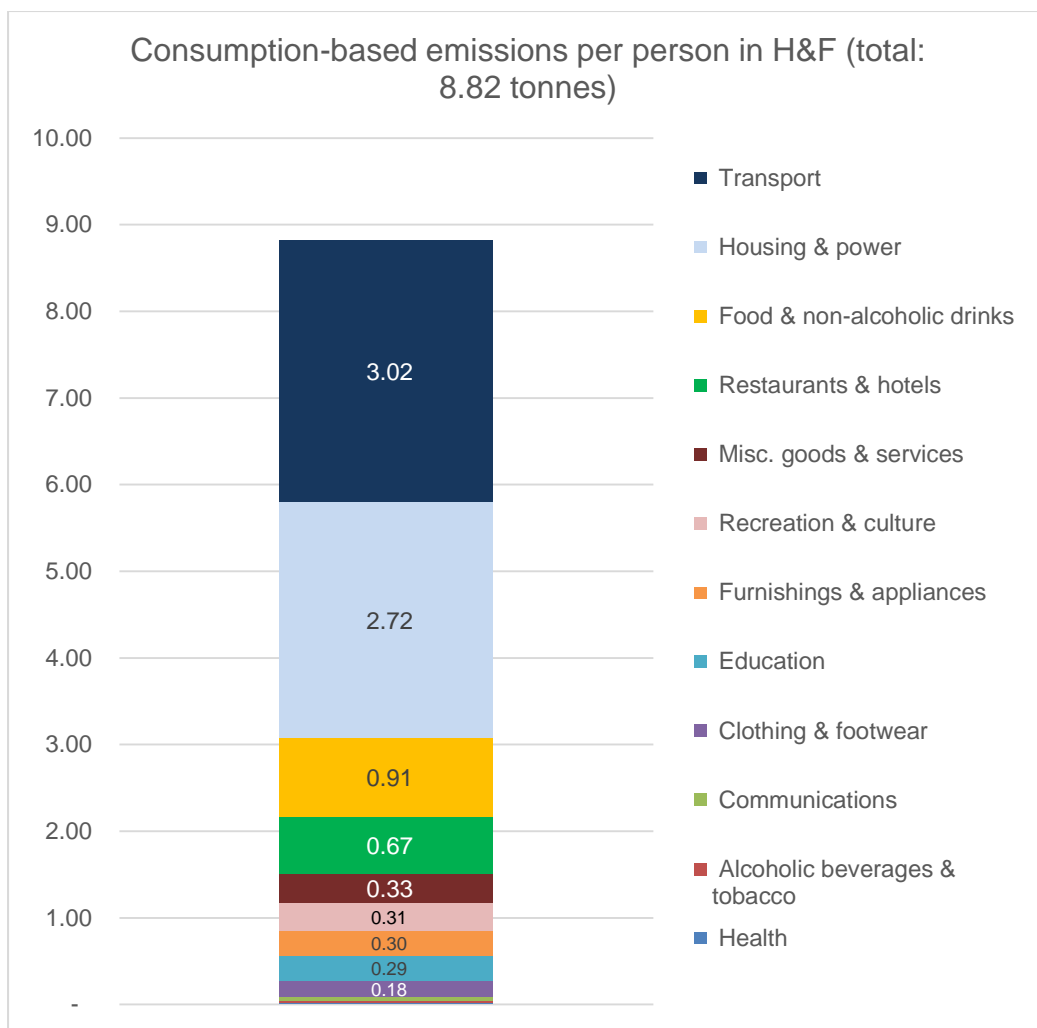
Includes: vehicle use (within borough); heating and powering buildings; goods and services produced in H&F



Includes: H&F residents' vehicle use (within and outside the borough); heating and powering buildings; food consumed locally; goods and services consumed locally; residents' travel and flights.

Excludes: goods and services produced in H&F, but consumed elsewhere.

Comparison of H&F's production-based and consumption-based footprints. Note that many sources of emissions are included in both approaches to calculating local emissions, such as electricity and fuel used within the borough.



Consumption-based emissions per capita for H&F, 2018 (tonnes CO₂e)³

Using a consumption-based approach, the greatest sources of emissions remain transport, and heating and powering our homes. However, the inclusion of flying (representing 0.63 tonnes CO₂e per person), and travel beyond the borough, moves transport to the greatest source of emissions per person. Other significant sources of emissions include household food, restaurants and hotels, and the devices, equipment and appliances we buy.

This gives an estimated average of emissions for the borough's residents. These are likely to be unevenly spread however, with higher-income groups typically responsible for a greater share of emissions⁴.

Closely linked to what we buy is what we throw away. An estimated 8,516 tonnes of CO₂e were emitted disposing of our waste in 2019/20. Conversely, an estimated

³ 'Misc. goods and services' includes a range of professional, financial and personal services such as legal services, banking, insurance, hairdressing and childcare. 'Recreation & culture' includes personal equipment such as computers and TVs, games and toys, other recreational materials, and live entertainment.

⁴ Oxfam (2020), *Confronting Carbon Inequality*, <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621052/mb-confronting-carbon-inequality-210920-en.pdf>

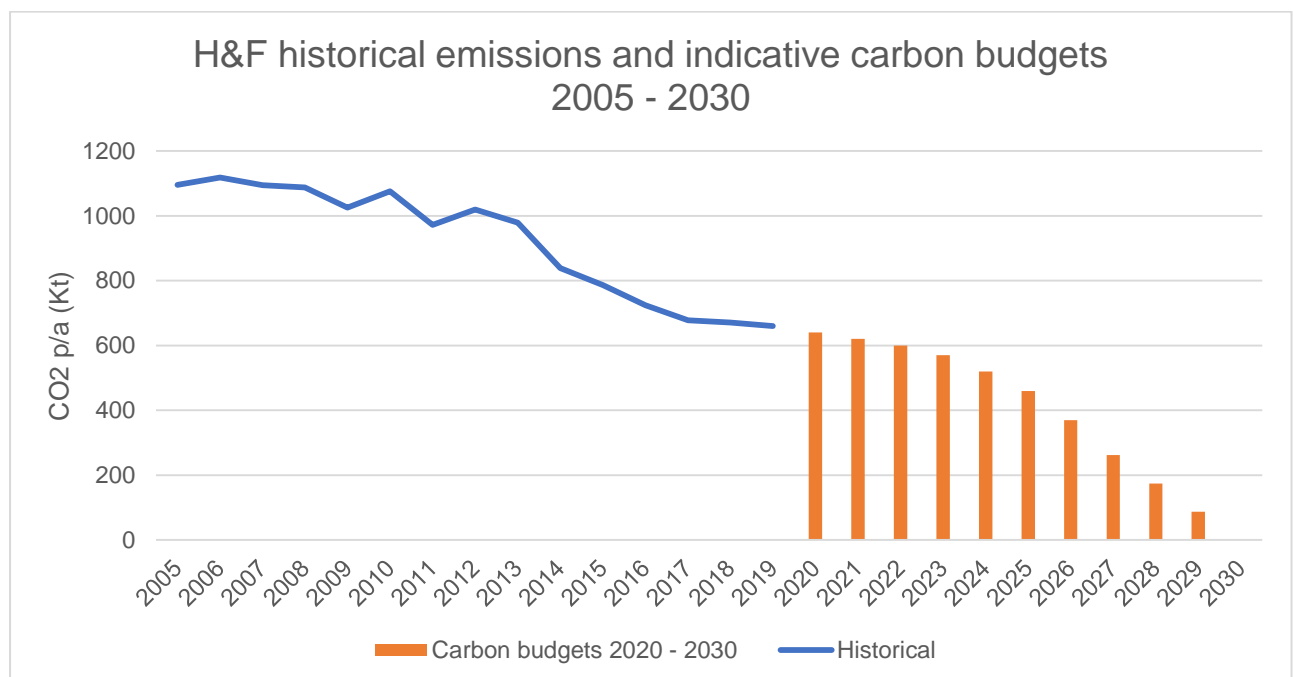
8,114 tonnes were saved through the materials we recycled replacing virgin materials⁵.

Consumption-based emissions are not yet measured in a way that allows H&F to track its progress in reducing these, and can only be partially influenced by action taken locally. While these emissions are therefore excluded from the 2030 net zero target, taking action to reduce consumption emissions is nevertheless integral to H&F’s strategy, and is largely covered in the ‘Things we use’ workstream. The council will continue to explore approaches that would allow valid monitoring of these emissions at a local level.

Cumulative emissions

The overall target of achieving net zero by 2030 is highly ambitious. However, to meet the aim of keeping global temperature rise under 1.5°C, in line with the principles of the Paris Climate Agreement, the borough should seek to also limit its *cumulative* emissions. H&F’s maximum share of cumulative emissions has been calculated at 4.8 million tonnes (Mt) of CO₂e⁶. At current emissions levels this would be exhausted within seven years; cutting emissions early counts for more than cutting late.

Visualising carbon ‘budgets’ within this 4.8Mt cumulative limit can help H&F understand how fast cuts in emissions are needed, and track progress against these. The chart below shows historical reductions in H&F’s production-based emissions to 2019, with indicative annual carbon budgets to 2030 in line with 4.3 Mt CO₂e cumulative emissions. The budgets reflect a steady decline to 2025, followed by an acceleration in the second half of the decade as low-emissions technologies such as heat pumps and electric vehicles become more widespread.

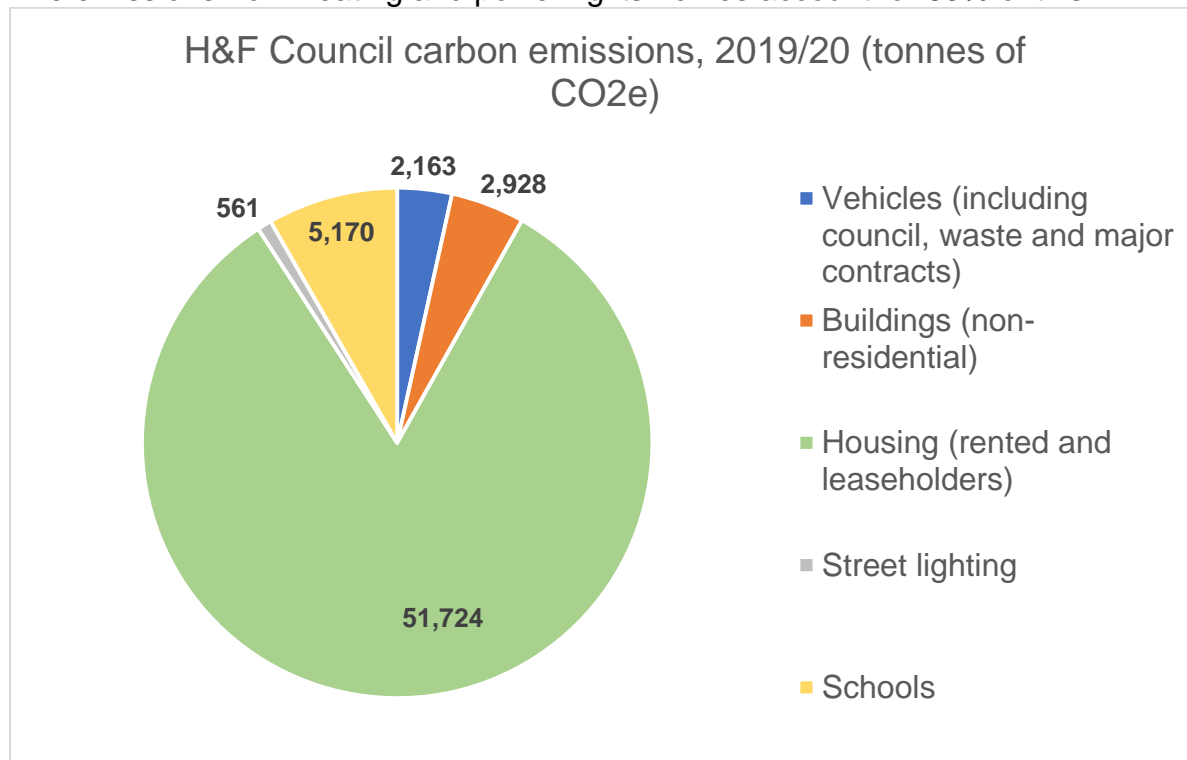


⁵ H&F Carbon Footprint report, conducted for H&F Council by Eunomia.

⁶ Tyndall Centre

The council's carbon emissions

The council's carbon footprint from its own operations and assets, including its housing, accounts for 9.6% of the borough's emissions at **62,546 tonnes of CO₂e**⁷. The emissions from heating and powering its homes account for 83% of this.



The council also procures many goods and services, with another estimated **65,360 tonnes of CO₂e** associated with these. Reduction of these emissions lies outside of the council's direct control, relying on action from our suppliers. It is therefore not within scope of the council's net zero target for its own operations. The council nevertheless recognises its influence over these emissions through its commissioning and procurement, and will develop its approach to sustainable procurement and efficient models of resource use.

The scope of H&F's net zero targets

The council has set targets for the organisation and borough to be 'net zero carbon' by 2030.

⁷ This footprint includes the council's scope 1 and 2 emissions from directly owned and operated assets, plus scope 3 emissions from its housing. It excludes emissions associated with water and waste (included within the borough-wide footprint), and scope 3 emissions from its supply chain.

Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (such as in the production and transportation of food and goods consumed within the borough).

The target for the borough will be measured against the scope 1, 2, and 3 emissions of its production-based footprint⁸, relating to fossil fuels and electricity consumed within the borough, as well as disposal of the waste it produces. This footprint corresponds to the areas within the direct control of the borough's residents, businesses and organisations, and is the most reliably measured footprint. Tackling consumption-based emissions is recognised as critical and within our indirect influence, so remains as one of the five climate challenges around which the strategy is organised.

The target for the council will be measured against its scope 1 and 2 emissions, as well as emissions from the buildings it owns and for which it has responsibility for the fabric and fuel sources, including council housing. Scope 3 emissions from procurement fall outside of the net zero target as they are only partly within the council's influence, but we recognise our role in tackling these, so this again forms an integral part of the strategy and action plan.

⁸ Scope 1 emissions are those emitted through the direct use of fossil fuels (such as oil and gas) within the borough boundary. Scope 2 emissions are those emitted in the production of electricity consumed within the borough boundary. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (such as in the production and transportation of gas consumed within the borough in this instance).

Agenda Item 8

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/09/2021

Subject: Schools Capital Programme 2021 - 2024

Report of: Councillor Larry Culhane - Cabinet Member for Children and Education

Report author: Anthony Mугan, Service Manager Education Operations

Responsible Director Jacqui McShannon – Director of Children’s Services

Summary

The council receives grant funding annually from the Department for Education for the school condition and maintenance programme. This grant covers major programmes of work relating to the condition and maintenance of school building, material infrastructure upgrades and key reactive maintenance projects.

Many of the schools in the borough are relatively old and therefore have significant condition issues. This report sets out a proposed programme of £10,318,807 over three years to significantly enhance the condition of school buildings and reducing carbon emissions.

Recommendations

1. To approve a schools capital budget of £10,318,807 over the three years 2021-2024 for the programme of works as set out in Appendix A.
2. To delegate the decision to commit expenditure within the schools’ capital programme to the Director of Education, in consultation with the Director of Children’s Services, the Director of Finance and with the Cabinet Member for Children and Education.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Creating safe, high performing learning environments for our children and young people.
Creating a compassionate council	Providing modern fit for purpose working environments.
Doing things with local residents, not to	Collaborative approach to programme

them	working with headteachers and governing bodies (e.g. proposal for school led projects).
Being ruthlessly financially efficient	Preventative maintenance to avoid reactive responses.
Taking pride in H&F	Learning spaces that facilitate the borough's children acquiring the skills necessary to compete successfully in the future knowledge economy.
Rising to the challenge of the climate and ecological emergency	Investment in measures to reduce carbon emissions. The programme will prioritise energy source and efficiency within project specifications, beginning to prepare the school stock for the net-zero by 2030 target.

Financial Implications

1. The principal sources of funding are the School Condition Allocation grant, carry forward balances from the former School Maintenance Grant, the High Needs Pupil Capital Allocation and the Special Provision Capital Fund totalling £8,765,890.
2. Additional capital grant income is confirmed for 2021/22 totalling £2,616,757 providing total capital funding of £11,382,647. This programme allocates £10,318,807 across the three years with a carry forward of £1,063,840 into 2024-25 planned at this stage.
3. £350,000 of expenditure planned over the medium term from Special Provision Capital is linked to and providing match funding for a further capital funding bid of £1,350,984 to the Department of Education with respect to the High Needs Provision Capital Allocation. £1,109,106 of High Needs Provision Capital Funding is already approved and confirmed for 2021/22.

Table 2: Proposed capital grant allocation to capital programmes 2021-24

Grant Name	Funding c/f 21/22	Funding due 21/22	Proposed funding used 21/22	Funding c/f 22/23	Proposed funding used 22/23	Funding c/f 23/24	Proposed funding used 23/24	Funding c/f 24/25
School Condition Allocation	4,975,372	1,507,651	- 1,911,515	4,571,508	- 1,787,051	2,784,457	- 1,787,051	997,406
School Maintenance Grant	3,347,743	0	- 1,049,590	2,298,153	- 1,141,800	1,156,353	- 1,141,800	14,553
Special Provision Capital Fund	442,776	0	-60,000	382,776	-195,000	187,776	-187,776	0
High Needs Pupil Capital Allocation	0	1,109,106	-140,000	969,106	-455,000	514,106	-462,224	51,882
Total	8,765,890	2,616,757	- 3,161,105	8,221,542	- 3,578,851	4,642,691	- 3,578,851	1,063,840

4. The split of funding to projects has been apportioned based on available balances of each grant and any conditions and purposes they have. Details of eligible spending for each grant are contained in appendix 1.

Table 3: Proposed capital grant funding allocated to projects 2021-24

Funding (£)	School Condition Allocation	School Maintenance Grant	Special Provision Capital Fund	High Needs Pupil Capital Allocation	Totals
Planned Programme	4,268,807	0	0	0	4,268,807
Reactive maintenance	1,200,000	0	0	0	1,200,000
SEN Sufficiency	0	0	442,776	1,057,224	1,500,000
Windows	16,810	2,033,190	0	0	2,050,000
Climate emergency projects (outside planned and windows programmes)	0	300,000	0	0	300,000
Historic commitments	0	1,000,000	0	0	1,000,000
Total spend	5,485,617	3,333,190	442,776	1,057,224	10,318,807
Budget	6,483,023	3,347,743	442,776	1,109,106	11,382,647
Balance remaining	997,406	14,553	0	51,882	1,063,840

The Basic Needs Grant is not considered in this report and is not allocated to the school capital programme. The Basic Needs Grant is allocated for additional school places, which are not required in the foreseeable future. It is un-ringfenced and there are no conditions attached to the grant. A separate

report will recommend the use of available Basic Needs Grant funding of £5,843,971.

5. It is planned to review and update this plan annually, forming a rolling three-year capital plan. The second and third years of the programme are likely to be adjusted at these review points to reflect emerging school condition issues and strategic priorities and will be updated in the annual capital programme or within quarterly capital monitoring reports to Cabinet if required.
6. Scheme budgets include assumed capitalisation of direct project management of capital works. These have been estimated based on 2021-22 post level budgets and factored into the planned maintenance forecast.

Legal Implications

The Council has an obligation to ensure that the premises of schools which it maintains are maintained to prescribed standards in accordance with section 542 of the Education Act 1996 and regulations made under that section. The Schools Capital Programme contributes to the fulfilment by the Council of that obligation.

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Background Papers Used in Preparing This Report

N/A

DETAILED ANALYSIS

Proposals and Analysis of Options

Proposals

This report seeks approval for the proposed schools maintenance and condition capital programme for 2021-2024. The programme proposes investment in the school estate of £10,318,807 over the three years of this plan. In addition, the report seeks approval to progress works of £1,350,894 subject to the success of a current bid for additional High Needs Pupil Capital Allocation grant that, at the time of writing, is under evaluation by the DfE.

The report proposes that Cabinet delegates the decision to commit expenditure within the schools' capital programme and the High Needs Capital bid to the Director of Education, in consultation with the Director of Children's Services, the Director of Finance and with the Cabinet Member for Children's Services

Table 1: Proposed allocation of funding to the different elements of the programme for each year.

<u>Total Spend</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Totals</u>
Planned programme	1,511,105	1,378,851	1,378,851	4,268,807
Reactive maintenance	400,000	400,000	400,000	1,200,000
SEN sufficiency	200,000	650,000	650,000	1,500,000
Windows	50,000	1,000,000	1,000,000	2,050,000
Climate emergency	0	150,000	150,000	300,000
Historic commitments	1,000,000	0	0	1,000,000
Total spend	3,161,105	3,578,851	3,578,851	10,318,807
Capital grant balances (less Basic Needs)	11,382,647	8,221,542	4,642,691	
Remaining balances	8,221,542	4,642,691	1,063,840	

Options and analysis of options

Option 1 – Do nothing

6. This option is not recommended. Our school estate features several prefabricated buildings built after the second world war. These buildings are past their intended life span and make it harder for our schools to deliver an excellent education. Without the maintenance and capital programmes children will miss the opportunity to be educated in modern, fit-for-purpose schools. Schools will also experience greater financial pressures with money diverted from teaching resources into maintaining and repairing buildings.

Option 2 – Modify the Capital Programme

7. This option is not recommended. The planned maintenance programme is based on a detailed evaluation of stock condition surveys whilst the budget for urgent reactive maintenance is based on recent experience of the typical rate of reactive maintenance issues that occur in schools. Significant increases in the programme would raise issues of deliverability and sustainability longer term, of what is already a challenging programme, whilst significant reductions would reduce the benefit to schools.

Option 3 – Progress with capital programmes of maintenance

8. This option is recommended. There is a clear requirement to maintain our school estate to ensure our children are educated in safe, modern environments. Maintaining the estate will also help mitigate against unexpected expenditure across the portfolio whilst ensuring the buildings remain safe and compliant for our residents to be educated in whilst also progressing towards the decarbonisation target of net-zero by 2030.

Reasons for Decision

9. The plan enables the Council to renew and maintain school buildings and help improve children's educational outcomes by utilising the grant funding received from the Department for Education for the school condition and maintenance programme.
10. The decisions enable the programme of works to anchor future collaboration between the Council and the wider school community.
11. A prioritised investment programme is required to enable planning and delivery of a structured capital programme over the medium-term. Future years' School Condition Allocation grants are yet to be confirmed.

Equality Implications

12. The programme of works will benefit all pupils and students in schools where works are undertaken, selection of which will be based on school condition issues. As a result, no Equality Impact Assessment is required.

Risk Management Implications

13. Investment is necessary to keep school buildings safe and in good working order by tackling:
 - Health and safety issues, reducing the potential of incidents that may lead to injury or health conditions and possible insurance claims that could result as a consequence of an incident occurring. This contributes to keeping costs low and to maintaining our duty of care at school premises.

- Poor building condition, reducing potential interruption to classes and education through well maintained buildings and providing positive assurance to the council's insurers of well-maintained premises. Insurers have demonstrated that well maintained properties are less prone to vandalism and fire risks. A well-maintained premise adds value to the local area and presents an attractive and welcoming site for local residents and communities who may use the facilities. This also contributes to being Ruthlessly Financially Efficient through a programme that tackles issues early, preventing the possibility of additional costs of smaller scale fixes or repairs.
- building compliance, ensuring that the premises remains in accordance with appropriate laws and regulations.
- energy efficiency, contributing to keeping energy costs and consumption low benefitting the climate and responding to the ecological emergency.

Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, telephone 020 8753 2587.

Climate and Ecological Emergency Implications

14. The programme of works proposed includes £300,000 to specifically support decarbonisation projects in schools in addition to incorporating climate and ecological emergency implications into the specification of planned works. The upgrading of windows at several schools will also contribute towards decarbonisation. The service is working as part of a corporate project with the climate unit to include selected schools in the GLA retrofit accelerator programme which will support the service in bidding for addition funding to accelerate decarbonisation in schools.

Implications verified by: Hinesh Mehta, Strategic Lead – Climate Emergency, tel 07960 470125.

Other Implications

N/A

Consultation

15 The planned maintenance programme draws heavily on stock condition surveys undertaken with schools.

LIST OF APPENDICES:

Appendix 1- Schools Capital Plan 2021 – 2024

Appendix 2: The 2021-24 Capital Plan Planned Maintenance Programme

Schools Capital Plan 2021 – 2024

1. Background

This plan sets out the proposed H&F schools capital programme for the three-year period 2021-2024. It is intended that the plan should be revised annually, forming a rolling three-year programme.

Overall, the programme sets out plans totalling £10,318,807 over the three years, with the possibility of expansion by a further £1,350,984 High Needs Pupil Capital Allocation to significantly improve provision for SEN learners in mainstream setting subject to the success of a current bid to the DfE.

The schools' capital programme makes a significant contribution to

- Supporting outcomes for children and young people
- Supporting schools in terms of enhancing the suitability of their facilities, both indoor and outdoor, reducing energy costs and maintaining business continuity
- Impacting on corporate priorities including: building shared prosperity; and taking pride in Hammersmith & Fulham

A capital plan is required to:

- Prioritise pre-planned works against clear criteria
- Set out a clear approach to emergency or reactive maintenance
- Set out clearly the mix of responsibility for maintenance and capital works between schools and the Local Authority
- Set out robust procurement strategy.

2. Sources of capital and what the funding can be used for

This plan primarily deals with projects funded by the Schools Condition Allocation (SCA) the School Maintenance Grant (SMG), the Special Provision

Capital Fund (SPCF) and the new High Needs Pupil Capital Allocation (HNPCA). It also aims to clarify the split of responsibilities between schools and the Local Authority where schools use their own Devolved Formula Capital (DFC) or revenue budgets for routine maintenance.

The DfE set out clear criteria for the type of works that can be met by different capital funding streams.

i. School Condition Allocation¹

Investment should be prioritised on keeping school buildings safe and in good working order by tackling:

- health and safety issues,
- poor building condition,
- building compliance,
- energy efficiency.

ii. Devolved Formula Capital (DFC)

DFC funding is delegated to maintained schools and the guidance states that this is:

“Funding for individual institutions to maintain their buildings and fund small capital projects or can be pooled across the LA with the schools’ agreement.”

The schools in H&F don’t pool their DFC allocations so their allocations are paid out to them individually. Establishing clear, consistent, and fair criteria for the division of works between SCA and other centrally managed budget and DFC is an important part of this plan.

iii. Special Provision Capital Fund (SPCF)²

The special provision capital fund will enable local authorities to invest in improving the quality and range of provision for children and young people with SEN and disabilities aged 0-25. It is intended for children and young

people with education, health, and care plans for whom the local authority is responsible. Local authorities can invest their share of the special provision capital fund in:

- Creating new (additional) places at good or outstanding provision
- Improving facilities or developing new facilities. This can be through:
 - Expansion(s) to existing provision, including at the same site or at a different site.
 - Reconfiguring provision to make available space for additional places or facilities.
 - Re-purposing areas so that they meet the needs of pupils with special educational needs and disabilities.
 - Other capital transactions that result in new (additional) places or improvements to facilities.
 - Investing in provision that is located in another local authority where this supports providing good outcomes for children in their area.

iv. High Needs Pupil Capital Allocation (HNPCA)³

The HNPCA is a new grant in 2021 and is in many ways similar to the SPCF. DfE guidance notes that it is intended for:

“...providing new places or to improve existing provision for pupils and students with high needs across a range of different educational settings. Whilst the funding is predominantly intended for school aged children, local authorities are free to choose to spend it across the 0-25 age range, for example in post-16 institutions. This funding is mainly intended to meet the additional capital needs associated with new places for young people with complex needs, or who have Education, Health and Care plans (EHCPs). However, it can also be used to support SEND pupils without an EHCP where an LA considers this appropriate (for example to improve accessibility within mainstream schools). This funding is also intended to help local authorities

create new places and improve existing provision for children who require alternative provision (including children in AP settings without an EHCP).”³

v. School Condition Grant

The Local Authority also has some retained reserves from the School Condition Grant. This is not ringfenced beyond the requirement to use it for schools capital works and to comply with the requirements for capital funding.

3. Priorities

The capital plan aligns closely with the Council’s values, as summarised in the table below.

Table 1: Alignment of the capital programme and our values

Table: Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Creating safe, high performing learning environments for our children and young people.
Creating a compassionate council	Providing modern fit for purpose working environments.
Doing things with local residents, not to them	Collaborative approach to programme working with headteachers and governing bodies.
Being ruthlessly financially efficient	Preventative maintenance to avoid further deterioration in the condition of school buildings and therefore avoiding higher costs at a later date.
Taking pride in H&F	Learning spaces that facilitate the borough’s children acquiring the skills necessary to compete successfully in

	the future knowledge economy.
Rising to the challenge of the climate and ecological emergency	Investment in services and equipment that is modern and fit for purpose reducing eco footprint.

In line with H&F’s values and the grant criteria outlined above, the LA has identified the following priorities for allocating funding (with 1* being the highest priority).

Table 2: Prioritisation of the capital programme

<u>Priority ranking</u>	<u>Description</u>	<u>Funding Source</u>	<u>Examples (not intended to be an exhaustive list)</u>
Unplanned Urgent Works			
1*	Urgent maintenance	SCA	Urgent H&S or business continuity issues that occurs unexpectedly (e.g. storm damage that needs urgent making safe / repair, loss of utility supply, loss of heating etc.) and match the criteria of the grant.
The Planned Maintenance Programme			
1	Health and Safety and building compliance	SCA	Issues that would become urgent health and safety issues or a risk to business continuity if not addressed and are not routine maintenance. Building compliance issues that would lead to significant deterioration to school’s

			condition if not addressed that are not routine maintenance.
2.1	Improving Poor Building Condition and energy efficiency	SCA / SCG	Schemes that match the criteria for the grant and provide significant improvements to building condition, suitability or energy efficiency. Examples include windows replacements, decarbonisation, playgrounds and improving outdoor learning facilities etc.
2.2	SEN Sufficiency	SPCF / HNPCA	Urgent works at Special Schools and other SEND provision. Supporting the implementation of the SEN Sufficiency Review including enhanced SEN provision in mainstream and other settings.
3	Non-urgent works		Schemes that do not meet a higher priority score but match the criteria for the grant

4. School and LA Responsibilities for Funding Repairs, Maintenance and Capital Works in Schools.

DfE guidance on schemes for financing schools⁵ states:

“Local authorities should delegate funding for repairs and maintenance to schools; only capital expenditure is to be retained by authorities.

For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the local authority for financial accounting purposes in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on local authority accounting.

Schemes should state any de minimis limit the local authority intends to use for the definition of capital and revenue in assigning responsibility for types of work.”

For H&F, the de-minimus level for capital works is £5,000 and most LAs use a £10,000 de-minimus (often higher for larger schools). The H&F Scheme for Financing Schools (section 12.1 and appendix C)⁶ gives illustrative examples, drawn from CIPFA guidance, of the types of works that would typically class as revenue or capital works.

Therefore, apart from in exceptional circumstances, the LA will be funding capital spend in the following categories:

- Urgent reactive works of at least £5,000 as below this value would not class as capital expenditure
- Planned maintenance over £5,000 for Nursery schools and schools with less than 250 pupils on roll (excluding nursery cohorts).
- Planned maintenance over £10,000 for schools with 250 or more pupils on roll (excluding nursery cohorts).

5. The Planned Maintenance Programme

School stock condition surveys and intelligence from ongoing visits to schools by surveyors in the Education Service have been used to identify and prioritise a planned maintenance programme for the years 2021-2024. This is set in the budget tables in section 7 and in appendix 1. Items that meet priority 1 constitute a £4,268,807 programme over the three years of the plan.

The planned maintenance programme is approximately evenly spread over the three years in terms of budget, although it is expected that some schemes commissioned in 2021-22 will not complete until 2022-23 and so on.

In line with general good practice nationally, the planned maintenance programme focuses on works where the total project costs are:

- At least £5,000 for Nursery schools and schools with less than 250 pupils on roll (not including Nursery cohorts) at the most recent Census date
- At least £10,000 for schools with 250+ pupils on roll (not including Nursery cohorts) at the most recent Census date.

It is expected that the plan will be reviewed annually and updated as new issues with condition become evident across the school estate. It is likely therefore that the actual 2022-23 and 2023-24 programme will be different in detail to that outlined here, and this may involve some re-prioritisation with lower urgency work being delayed to allow for more urgent projects.

6. Reactive Maintenance

In addition to the planned maintenance programme it is almost inevitable that urgent reactive works (priority 1*) will occur throughout the plan period. The plan includes a budget of £400,000 per annum for priority 1* works.

In line with DfE guidance and good practice nationally, it is proposed that the LA would undertake reactive works in schools that:

- Meet the criteria for 1* urgent reactive works
- Are above the de-minimis level for capital schemes of £5,000
- Do not represent routine maintenance.

Schools would normally be expected to use DFC or their revenue budget for routine maintenance or smaller items.

7. Strategic Projects

There are several strategic developments which are incorporated into this plan, including:

- The SEN Sufficiency Review, which is underway at the time of writing

- The need to significantly improve the quality of windows for several schools (those that were to have been in phase 2 of the windows programme)
- The Council's commitment to decarbonisation

To progress these projects:

- £1,500,000 over three years has been allocated to support works arising from the SEN Sufficiency Review. This is an estimate as the outcomes of the review will not be available for several months at the time of writing, but possible examples include expanded resourced provision, capital works at special schools and enhanced provision for SEND pupils in mainstream schools. In addition, a bid for £1,350,984 has been submitted to the DfE to support significant improvements in provision for SEND learners in mainstream settings including both indoor and outdoor multifunction spaces, improved accessibility and to contribute towards delivering the SEN Sufficiency Review's outcomes.
- £1,000,000 per annum is allocated for windows in 2022/23 and 2023/24, plus historic commitments and restarting a phased windows programme for schools with the windows in worst conditions. This project is likely to make a significant contribution to decarbonisation and allowing improved ventilation (and therefore Covid security) in several schools.
- In addition to the windows and relevant elements of the planned programmes, a further £300,000 is allocated for additional climate emergency / decarbonisation schemes, and opportunities for securing further capital funding to support additional decarbonisation measures will be pursued.

8. Budget Model

The overall capital programme totals £10,318,807 over the three years of this plan is set out in table 3 and the allocation of capital budgets to the programme is summarised in table 4. The £1,350,984 High Needs capital that is contingent on the success of the bid for this funding is not shown in table 4,

but if successful would increase HNPCA funding allocated to the SEN Sufficiency programme by this amount, split across 2021/22 and 2022/23.

The budget available represents funds already allocated to the LA. No assumptions are made concerning future capital allocations, so the carry forward into 2024/25 is likely to be higher than illustrated here.

Table 3: Schools capital programme budget 2021-2024

<u>Total Spend</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Totals</u>
Planned programme	1,511,105	1,378,851	1,378,851	4,268,807
Reactive maintenance	400,000	400,000	400,000	1,200,000
SEN sufficiency	200,000	650,000	650,000	1,500,000
Windows	50,000	1,000,000	1,000,000	2,050,000
Climate emergency	0	150,000	150,000	300,000
Historic commitments	1,000,000	0	0	1,000,000
Total spend	3,161,105	3,578,851	3,578,851	10,318,807
Capital grant balances (less Basic Needs)	11,382,647	8,221,542	4,642,691	
Remaining balances	8,221,542	4,642,691	1,063,840	

Table 4: Capital budget allocation to capital programme 2021-24

Grant Name	Funding c/f 21/22	Funding due 21/22	Proposed funding used 21/22	Funding c/f 22/23	Proposed funding used 22/23	Funding c/f 23/24	Proposed funding used 23/24	Funding c/f 24/25
School Condition Allocation	4,975,372	1,507,651	- 1,911,515	4,571,508	- 1,787,051	2,784,457	- 1,787,051	997,406
School Maintenance Grant	3,347,743	0	- 1,049,590	2,298,153	- 1,141,800	1,156,353	- 1,141,800	14,553
Special Provision Capital Fund	442,776	0	-60,000	382,776	-195,000	187,776	-187,776	0
High Needs Pupil Capital Allocation	0	1,109,106	-140,000	969,106	-455,000	514,106	-462,224	51,882
Total	8,765,890	2,616,757	- 3,161,105	8,221,542	- 3,578,851	4,642,691	- 3,578,851	1,063,840

(note: carry forward balances beyond 2021/22 do not include any future capital grants)

9. Procurement Strategy

The schools' capital plan represents a significant programme of works. A robust procurement strategy is essential to ensure delivery on schedule and budget within the necessary regulatory and legal frameworks.

- Lower value items will be procured in line with C.S.O 9.1 and approved in line with Children's Service scheme of delegation and C.S.O 10.

Estimated Value	Advertising Requirement	Competition requirement ³
£1 to £10,000	None	Either: <ul style="list-style-type: none"> ○ At least one written Quotation obtained with preference to sourcing from providers based in the borough; or ○ Call-off from suitable third party or Hammersmith & Fulham Framework or DPS (rules of the Framework or DPS to be followed).
£10,000 to £49,999	None	Either: <ul style="list-style-type: none"> ○ Written Quotations or Tenders with a minimum of three companies invited to Quote or Tender through the e-tendering system with a preference to sourcing from providers based in the borough; or ○ Advertised opportunity inviting Quotations or Tenders – use e-tendering system and Contracts Finder (latter within 24 hours of appearing in e-tendering system); or ○ Call off from suitable third party or Hammersmith & Fulham Framework or DPS using the e-tendering system.

- Medium value (£50,000 to the Service Threshold (currently £189,330) will be procured in line with the Children's Services Scheme of Delegation and C.S.O.s 11-15.

Competition Requirement (capital)	Advertising Requirement
1. Invitation to submit Quotations through the e-tendering system (though Tenders can be invited where considered appropriate).	For 1: Advertised opportunity – use capital e-sourcing and Contracts Finder (latter within 24 hours of appearing in e-tendering system)

<p>Or</p> <p>2. Call off from suitable third party or Hammersmith & Fulham Framework or DPS (rules of the Framework or DPS to be followed)</p>	<p>Where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers;</p> <p>OR</p> <p>Invite at least four written Quotes or Tenders preferably from suppliers based in the borough</p> <p>For 2: Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p>
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- Medium value projects above £100,000 must be submitted to the Contracts Assurance Board before a final decision report to the Director of Children’s Services.
- Higher value (>£189,330) projects will be procured in line with C.S.O.s 16-21.
 - A Service Review Team will be established to undertake all pre-procurement related activity and prepare a procurement strategy for consideration by the CAB and then approval by the Director of Children’s Service (high value contracts up to £1,500,000) or the Cabinet Member (above £1,500,000 to £5,000,000).
 - The procurement routes for high value capital works are then set out in C.S.O 19. The process is managed by a Tender Approval Panel (TAP).

Requirements for Works contracts (meeting the definition in the Regulations)		
Value	Competition requirement	Advertising Requirement
From Services Threshold (currently £189,330 ⁹) to Works Threshold (currently £4,733,252)	Either: 1. the use of a suitable Framework or DPS; OR (if not appropriate)	For 1: Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions For 2:

	<p>2. Either a single-stage (open) tender procedure or two-stage (with pre-qualification stage) tender procedure as set out in the Procurement Strategy and where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers;</p>	<ul style="list-style-type: none"> • Contracts Finder • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides)
<p>Above Works threshold (currently £4,733,252)</p>	<p>Either:</p> <ol style="list-style-type: none"> 1. Use of an existing Framework or DPS which is compliant with the Regulations; or 2. Procedure selected in accordance with the Regulations as approved through the Procurement Strategy. 	<p>For 1:</p> <p>Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p> <p>For 2:</p> <ul style="list-style-type: none"> • Contracts Finder • Contract Notice published in Find a Tender Service • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides).

- The tender process is set out in C.S.O. 20 and references therein.
- The contract award process is for the TAP to take a decision report to the Director of Children’s Services (for high value items up to £1,500,000) in consultation with the Cabinet Member. For items above £1,500,000 and up to £5,000,000, the decision maker is the Cabinet Member after approval by the SLT member, and Cabinet for above £5,000,000.

10. References

1. DfE, 2020, *Condition Grants Spend Guidance*,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879370/Condition_Spend_Guidance.pdf

2. DfE, 2019, *Special Provision Capital Fund Guidance*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/773706/SPCF_Guidance.pdf
3. DfE, 2021, *The High Needs Pupil Capital Allocation*
[High needs provision capital allocations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/high-needs-provision-capital-allocations)
4. LBHF, 2021, *School Organisation and Sufficiency Strategy*
5. DfE, 2020, *Schemes for Financing Local Authority Maintained Schools*
[Schemes for financing local authority maintained schools - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/schemes-for-financing-local-authority-maintained-schools)
6. LBHF, 2020, *Scheme for Financing Schools, June 2020*

Appendix 2: The 2021-24 Capital Plan Planned Maintenance Programme

- The specific projects listed are indicative, based on the most recent conditions survey information. The final list of works will be co-produced with schools within the budget envelope.
- Works are programmed across two financial years to allow for time from commissioning to completion
- Work prioritisation is based on data from most recent condition surveys
- Work is subject to re-prioritisation as new condition information emerges and practical factors may impact on scheduling
- Appendix 2 does not include strategic projects (e.g. windows programme, decarbonisation and SEN Sufficiency etc.).
- Items marked * are potentially available to support the support the suitability and condition of decant sites during school rebuilding projects.

Indicative projects:

School	Wards	School Type	Work Type	£ (estimate)	Contingency	Total including Contingency	FY
Addison Primary School	Addison	Maintained	CCTV	10,000	1,000	11,000	2022-23 or 2023-24
Addison Primary School	Addison	Maintained	Professional Fees - Addison Annex	10,000	1,000	11,000	2022-23 or 2023-24
Addison Primary School	Addison	Maintained	Roof Repairs	45,000	4,500	49,500	2022-23 or 2023-24
Addison Primary School	Addison	Maintained	Fire Door Surveys	52,500	5,250	57,750	2021-22 to 2022-23
Addison Primary School	Addison	Maintained	General Build Works	52,000	5,200	57,200	2022-23 or 2023-24
Addison Primary School	Addison	Maintained	Downpipes/Guttering	20,000	2,000	22,000	2022-23 or 2023-24
Avonmore Primary School*	Avonmore and Brook Green	Maintained	Intercom/Security	7,500	750	8,250	2021-22 to 2022-23
Avonmore Primary School*	Avonmore and Brook Green	Maintained	Fire Door Surveys	17,500	1,750	19,250	2021-22 to 2022-23
Avonmore Primary School*	Avonmore and Brook Green	Maintained	Urgent Build Works	21,000	2,100	23,100	2021-22 to 2022-23
Bayonne Nursery	Fulham Reach	Maintained (Nursery)	General Build Works	28,000	2,800	30,800	2022-23 or 2023-24
Bayonne Nursery	Fulham Reach	Maintained (Nursery)	Scaffolding	1,000	100	1,100	2022-23 or 2023-24
Brackenbury Primary School	Hammersmith Broadway	Maintained	General Build Works	113,000	11,300	124,300	2022-23 or 2023-24
Brackenbury Primary School	Hammersmith Broadway	Maintained	Fire Door Surveys	15,500	1,550	17,050	2021-22 to 2022-23
Brackenbury Primary School	Hammersmith Broadway	Maintained	Groundworks	35,000	3,500	38,500	2021-22 to 2022-23

School	Wards	School Type	Work Type	£ (estimate)	Contingency	Total including Contingency	FY
Brackenbury Primary School	Hammersmith Broadway	Maintained	Downpipes/Guttering	13,000	1,300	14,300	2022-23 or 2023-24
Cambridge School	Wormholt and White City	Maintained (Special)	Scaffolding	3,000	300	3,300	2022-23 or 2023-24
Cambridge School	Wormholt and White City	Maintained (Special)	Roof Repairs	8,000	800	8,800	2022-23 or 2023-24
Cambridge School	Wormholt and White City	Maintained (Special)	Fire Door Surveys	26,000	2,600	28,600	2021-22 to 2022-23
Cambridge School	Wormholt and White City	Maintained (Special)	Intercom/Security	32,000	3,200	35,200	2022-23 or 2023-24
Cambridge School	Wormholt and White City	Maintained (Special)	Fire Door Works	9,500	950	10,450	2021-22 to 2022-23
Cambridge School	Wormholt and White City	Maintained (Special)	Downpipes/Guttering	5,000	500	5,500	2022-23 or 2023-24
Cambridge School	Wormholt and White City	Maintained (Special)	Windows	30,000	3,000	33,000	2022-23 or 2023-24
Flora Gardens Primary School*	Ravenscourt Park	Maintained	Fire Door Surveys	9,500	950	10,450	2021-22 to 2022-23
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	CCTV	10,000	1,000	11,000	2022-23 or 2023-24
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Scaffolding	10,000	1,000	11,000	2022-23 or 2023-24
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Fire Door Surveys	21,435	1,550	17,050	2021-22 to 2022-23
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Roof Repairs	16,500	1,650	18,150	2021-22 to 2022-23
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Intercom/Security	20,000	2,000	22,000	2022-23 or 2023-24
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	General Build Works	165,000	16,500	181,500	2022-23 or 2023-24
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Windows	15,000	1,500	16,500	2022-23 or 2023-24
Jack Tizard School	Shepherds Bush Green	Maintained (Special)	Groundworks	30,000	3,000	33,000	2022-23 or 2023-24
James Lee Nursery	Avonmore and Brook Green	Maintained (Nursery)	General Build Works	12,000	1,200	13,200	2022-23 or 2023-24
Kenmont Primary School	Hammersmith Broadway	Maintained	Roof Repairs	10,000	1,000	11,000	2021-22 to 2022-23
Kenmont Primary School	Hammersmith Broadway	Maintained	Scaffolding	10,000	1,000	11,000	2022-23 or 2023-24
Kenmont Primary School	Hammersmith Broadway	Maintained	Fire Door Surveys	68,500	6,850	75,350	2021-22 to 2022-23
Kenmont Primary School	Hammersmith Broadway	Maintained	Groundworks	40,000	4,000	44,000	2022-23 or 2023-24
Kenmont Primary School	Hammersmith Broadway	Maintained	General Build Works	47,500	4,750	52,250	2022-23 or 2023-24

School	Wards	School Type	Work Type	£ (estimate)	Contingency	Total including Contingency	FY
Melcombe Primary School	Fulham Reach	Maintained	CCTV	10,000	1,000	11,000	2022-23 or 2023-24
Melcombe Primary School	Fulham Reach	Maintained	Roof Repairs	20,000	2,000	22,000	2021-22 to 2022-23
Melcombe Primary School	Fulham Reach	Maintained	General Build Works	225,500	22,550	248,050	2022-23 or 2023-24
Melcombe Primary School	Fulham Reach	Maintained	Downpipes/Guttering	20,000	2,000	22,000	2022-23 or 2023-24
Melcombe Primary School	Fulham Reach	Maintained	Windows	20,000	2,000	22,000	2022-23 or 2023-24
Miles Coverdale	Shepherds Bush Green	Maintained	Fire Door Surveys	17,500	1,750	19,250	2021-22 to 2022-23
Miles Coverdale	Shepherds Bush Green	Maintained	CCTV	20,000	2,000	22,000	2022-23 or 2023-24
Miles Coverdale	Shepherds Bush Green	Maintained	General Build Works	79,000	7,900	86,900	2022-23 or 2023-24
Norman Croft Community school	North End	Maintained	Fire Door Surveys	47,000	4,700	51,700	2021-22 to 2022-23
Norman Croft Community school	North End	Maintained	General Build Works	16,000	1,600	17,600	2022-23 or 2023-24
Old Oak Primary School	College Park and Old Oak	Maintained	CCTV	12,000	1,200	13,200	2021-22 to 2022-23
Old Oak Primary School	College Park and Old Oak	Maintained	Kitchen	12,000	1,200	13,200	2021-22 to 2022-23
Old Oak Primary School	College Park and Old Oak	Maintained	Scaffolding	14,000	1,400	15,400	2022-23 or 2023-24
Old Oak Primary School	College Park and Old Oak	Maintained	Intercom/Security	15,000	1,500	16,500	2021-22 to 2022-23
Old Oak Primary School	College Park and Old Oak	Maintained	Groundworks	20,000	2,000	22,000	2021-22 to 2022-23
Old Oak Primary School	College Park and Old Oak	Maintained	Roof Repairs	20,000	2,000	22,000	2022-23 or 2023-24
Old Oak Primary School	College Park and Old Oak	Maintained	General Build Works	71,500	7,150	78,650	2022-23 or 2023-24
Old Oak Primary School	College Park and Old Oak	Maintained	Downpipes/Guttering	20,000	2,000	22,000	2022-23 or 2023-24
Randolph Beresford School	Wormholt and White City	Maintained (Nursery)	Fire Door Surveys	12,000	1,200	13,200	2021-22 to 2022-23
Randolph Beresford School	Wormholt and White City	Maintained (Nursery)	Roof Repairs	83,000	8,300	91,300	2022-23 or 2023-24
Randolph Beresford School	Wormholt and White City	Maintained (Nursery)	General Build Works	25,000	2,500	27,500	2022-23 or 2023-24
Randolph Beresford School	Wormholt and White City	Maintained (Nursery)	Groundworks	10,000	1,000	11,000	2022-23 or 2023-24
Sir John Lillie Primary School	North End	Maintained	Fire Door Surveys	50,500	5,050	55,550	2021-22 to 2022-23

School	Wards	School Type	Work Type	£ (estimate)	Contingency	Total including Contingency	FY
Sir John Lillie Primary School	North End	Maintained	Downpipes/Guttering	25,500	2,550	28,050	2022-23 or 2023-24
Sir John Lillie Primary School	North End	Maintained	Windows	53,560	5,356	58,916	2022-23 or 2023-24
Sir John Lillie Primary School	North End	Maintained	General Build Works	57,000	5,700	62,700	2022-23 or 2023-24
Vanessa Nursery	Askew	Maintained (Nursery)	General Build Works	43,000	4,300	47,300	2022-23 or 2023-24
Wendell Park School	Askew	Maintained	CCTV	25,000	2,500	27,500	2022-23 or 2023-24
Wendell Park School	Askew	Maintained	General Build Works	107,000	10,700	117,700	2022-23 or 2023-24
Wendell Park School	Askew	Maintained	Downpipes/Guttering	55,500	5,550	61,050	2022-23 or 2023-24
William Morris 6th Form School	Fulham Reach	Maintained	Scaffolding	35,000	3,500	38,500	2022-23 or 2023-24
William Morris 6th Form School	Fulham Reach	Maintained	Fire Door Surveys	86,500	8,650	95,150	2021-22 to 2022-23
William Morris 6th Form School	Fulham Reach	Maintained	Roof Repairs	427,000	42,700	469,700	2021-22 to 2022-23
William Morris 6th Form School	Fulham Reach	Maintained	Downpipes/Guttering	12,000	1,200	13,200	2022-23 or 2023-24
William Morris 6th Form School	Fulham Reach	Maintained	General Build Works	48,000	4,800	52,800	2022-23 or 2023-24
Woodlane High School	College Park and Old Oak	Maintained (Special)	Fire Door Surveys	22,500	2,250	24,750	2021-22 to 2022-23
Woodlane High School	College Park and Old Oak	Maintained (Special)	Groundworks	16,500	1,650	18,150	2022-23 or 2023-24
Woodlane High School	College Park and Old Oak	Maintained (Special)	General Build Works	74,500	7,450	81,950	2022-23 or 2023-24
Woodlane High School	College Park and Old Oak	Maintained (Special)	Windows	323,987	32,399	356,386	2022-23 or 2023-24
Wormholt Park Primary School	Wormholt and White City	Maintained	Scaffolding	3,000	300	3,300	2022-23 or 2023-24
Wormholt Park Primary School	Wormholt and White City	Maintained	General Build Works	22,500	2,250	24,750	2022-23 or 2023-24
Wormholt Park Primary School	Wormholt and White City	Maintained	Groundworks	37,000	3,700	40,700	2021-22 to 2022-23
Queensmill Special School		Maintained (Special)	Fire stopping works	97,200	0	97,200	2021-22 to 2022-23
Melcombe Primary School	Fulham Reach	Maintained	Boiler	29,840	0	29,840	2021-22 to 2022-23
Sir John Lillie Primary School	North End	Maintained	Water supply and underground pipes	39,905	0	39,905	2021-22 to 2022-23
Norman Croft Community school	North End	Maintained	Boiler	14,710	0	14,710	2021-22 to 2022-23

School	Wards	School Type	Work Type	£ (estimate)	Contingency	Total including Contingency	FY
Brackenbury Primary School	Hammersmith Broadway	Maintained	Replacement lighting	4,800	0	4,800	2021-22 to 2022-23
All	All	All	Salary capitalisation year 1	132,800	0	132,800	2021-22 to 2022-23
All	All	All	Salary capitalisation year 2 & 3	265,600	0	265,600	2022-23 to 2023-24
Totals:				<u>3,939,837</u>	<u>334,905</u>	<u>4,268,807</u>	

Agenda Item 9

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 06/09/2021

Subject: Housing Revenue Account (HRA) 12 year Asset Management Capital Strategy

Report of: Cabinet Member for Housing – Councillor Lisa Homan

Report author: David McNulty, Assistant Director Operations

Responsible Director: Emily Hill – Director of Finance

Summary

This report sets out an HRA Asset Management Capital Strategy (the Strategy) detailing the spending priorities for the twelve-year period between 2022/23 and 2033/34, priorities that represent £728.6m of capital spend. The purpose of the Strategy is to inform the four-year Capital Programme budget that will be submitted for Full Council approval in February 2022. The Strategy will inform every subsequent annual revision of the Capital Programme budget for the duration of the 12 year Strategy period, subject to annual reviews of the Strategy.

The aim of the Strategy is to direct capital investment to where it will make the biggest impact on residents' quality of life, health and wellbeing. The programme of capital investment will deliver housing assets that residents can be proud of and that will serve as a foundation for healthy, happy lives. We know that poor quality housing has a huge impact on physical and mental health and can impede people from reaching their full potential. Addressing structural damp and mould issues a key theme of this strategy. The programme will deliver 21st century assets that are fit for the future. Many of the projects detailed in the Strategy involve new windows, kitchens and bathrooms, things that we know make a big difference to resident quality of life.

The main headings of the Strategy are:

- Fire Safety
- Structural Safety
- Asset Replacement
- Disabled Adaptations
- Stock Condition Survey findings
- Climate Emergency
- Estate Improvements
- White City Estate
- Charecroft Estate Phase 2
- West Kensington Estate

The number one priority of the Strategy is health and safety and compliance. While safety and compliance come first, every capital project covered in this programme will be designed to maximise the impact on reducing carbon emissions. Wherever possible works will use methods and materials that improve energy efficiency and will be increasingly delivered as part of comprehensive whole-home retrofit schemes. The programme features more than £100m specifically earmarked for decarbonisation projects, to be supplemented by other financial mechanisms as they become available and government funding bids.

A capital programme of this size presents significant opportunities to leverage additional Social Value, in terms of increased local employment, apprenticeships and opportunities for local suppliers. When procuring contracts to deliver the capital works described in this Strategy, we will follow the Council's Social Value Policy in order to maximise the Social Value commitment from contractors. Here we will build on recent experience of commissioning £75m of capital spend and achieving a Social Value commitment of 15.1% (c£11m), which will primarily be achieved through local supply chain, local employment and apprenticeships. If 10% Social Value can be achieved across the entire capital programme it would represent c£73m of Social Value.

These new works are different to the current four-year programme due for completion in 2024/25 covering Major Refurbishments, Fire Safety, Lifts, Boilers, Structural Safety, Electrical, Voids and Miscellaneous schemes.

Recommendations

It is recommended that Cabinet:

1. Approves the HRA 12 year Asset Management Capital Strategy detailed in this report.
2. Approves the Procurement Strategy, as described in appendix 2, for five contracts to support the delivery of the first phases of the 12 year HRA Asset Management Capital Strategy.
3. Delegates authority to the Strategic Director for The Economy, in consultation with the Cabinet Member for Housing, to amend or make changes to the proposed packaging of projects in the Procurement Strategy, as described in appendix 2, for operational reasons, where such amendments can be contained within the overall approved budget envelope and available resources.
4. Notes that the Strategy be reflected in the four-year Capital Programme Budget that will be submitted for Full Council approval in February 2022. The Strategy will inform every subsequent annual revision of the Capital Programme budget for the duration of the 12 year Strategy period, subject to annual reviews of the Strategy.

Wards Affected: All

Our Values	Summary of how this report aligns to the Hammersmith and Fulham (H&F) Values
Building shared prosperity	The Council's number one priority is the safety and welfare of all its residents. This programme will remedy building defects and improve energy efficiency.
Creating a compassionate council	There is extensive potential for job creation in the borough, bringing highly skilled, technical, and high paying job opportunities, as well as apprenticeships for those looking to upskill. The programme has been designed after considering every aspect of health and safety to ensure our residents are at the forefront of our intentions.
Doing things with local residents, not to them	We will actively engage with residents to ensure they are aware of the projects and their benefits. The Tenant and Residents' Association (TRAs) will also be informed and given opportunity to comment on the proposed works.
Being ruthlessly financially efficient	The works will be tailored to deliver the best value for money and will be procured through competitive tender exercises, ensuring quality standards and value for money are achieved. The expectation is that there will be an improvement in stock condition and therefore a medium-term reduction in repairs and maintenance costs.
Taking pride in H&F	These works will improve the condition of the Council's housing stock and have health and wellbeing benefits for our tenants.
Rising to the challenge of the climate and ecological emergency	The Council aims to be net zero carbon by 2030. Housing accounts for 35% of the Council's direct and indirect emissions, mostly through the use of gas for heating and hot water. This Strategy makes a substantial stride towards the net zero target, providing for retrofitting with energy efficiency measures and low-carbon heating, along with other energy saving measures such as LED lighting. In so doing, it will also deliver higher comfort and lower bills for tenants.

Financial Impact

This report sets out plans for a significant 12-year asset management investment programme that is predominantly health & safety and compliance based. The report also includes a programme of climate emergency investment. The two programmes cover the period 2022/23-2033/34 and are estimated to cost a combined £728.6m at today's prices before recovery of estimated recharges. If approved, the above sum would replace the existing compliance capital budget for the 3-year period 2022/23-2024/25 set out in the Compliance and Asset Management Strategy as approved by Cabinet at its meeting in December 2018.

The funding of the compliance programme (£622.1m) will be met from Housing Revenue Account long-term borrowing and estimated recharges. The climate change investment (£213m) is assumed to be funded by 50% borrowing/recharges

and 50% government grant although at this stage no grant funding has been identified/awarded. The figure of £106.5m is the amount we aspire to obtain via multiple grant applications over the next ten years. Scope for the servicing of the above loans (i.e. interest costs) is expected to be met by a combination of revenue savings and growth in income generating assets from the new build affordable housing development programme included in the latest draft HRA Business Plan.

This programme therefore places significant additional revenue costs and therefore pressure on the financial sustainability of the HRA. This is affordable within the current business plan modelling but requires significant additional savings to be made within the HRA of c.£4.9m (equivalent to 5.5% of total HRA Revenue expenditure in 2021/22) and includes a number of important assumptions which will need to be kept under close review. Specifically, the affordability of the 12 year programme proposed is predicated on:

- Maintenance of an ongoing sustainable minimum HRA General Reserve balance of £4m. This will require **a further annual revenue saving of £4.9m from 2022/23** in addition to the £3.8m already identified as part of the previous target of £5.7m.
- Future rent increases in line with published guidance; currently CPI +1% until 2024/25 inclusive.
- Development programme benefits (in terms of rental income and shared fixed costs) from new build social housing progressing in line with the programme reflected in the draft business plan.
- Recovery of recharges of at least £103m.
- Reduction in ongoing maintenance costs flowing from this investment; currently assumed as a modest 1% per annum, reduction from year seven for five years, amounting to a cumulative c.£1.25m reduction in the annual base cost of c.£25m.
- Reduction in accommodation charges of HRA staff following return to the new Civic Campus.
- Continuation of low medium-term interest rates.

All of the above are necessary to ensure a sustainable General Reserve position in the HRA. A targeted level of £10m by 2030/31 is included in the draft HRA Business Plan which is seen as the minimum required to provide cover for contingencies and emerging risks (such as Covid resurgence, government rent policies, abortive development costs etc). These issues are reviewed more fully, including key sensitivities in the draft HRA Business Plan. The HRA Business Plan covers a 40 year time period and seeks to ensure the sustainability of the Housing Revenue Account over that period. The 12 Year HRA Capital Strategy clearly has a significant impact on the 40 year plan. Critically, if any of the above assumptions are not delivered or offset by other means, further savings would be required to fund the full proposed programme.

Whilst compliance and safety issues are the key priority, without the proposed investment, housing stock units could become unlettable if not fit-for-purpose leading to lower rental and service charge income.

Risks and Key Sensitivities

By its nature a 40-year business plan has multiple interacting assumptions and risks. As such, stress testing a selection of these shows the strength and resilience of the plan to withstand given changes in assumptions that may be experienced over time. Testing has been undertaken on three key assumptions of new development, rent regulation and interest rates.

New Development: Building additional homes not only provides much needed affordable housing for the boroughs' residents but is also a key factor in the HRA's future viability. If new build developments ceases completely an additional £800,000 savings above the base model savings requirement of £4.9m would be required. Without development the HRA's general reserve balance would be c.£170m less by year 40 of the Business Plan, demonstrating its' significant contribution.

Rent Regulation: Current government rent standard guidance is for an increase in rents of CPI +1% until 2024/25 inclusive which is used in the base case Business Plan. However, there is no guidance after 2024/25 and the base case uses CPI + 0.5%. However, if increases were limited to CPI only, this results in an additional £1.2m savings than the base case savings requirement of £4.9m. At the end of the 40-year period, the HRA balance would be c.£373m less than it would be if the rents had been maintained in line with the current formula (i.e. only £71m compared to £444m). This shows the plan's overall sensitivity to changes in statutory rent guidance - in this scenario, the removal of the current "plus element" in the rent guidance but still maintaining CPI increases.

Interest Rates: These are currently extremely low by historical standards due to the reaction of financial markets to the global economic situation and central governments pump-priming economies during the ongoing pandemic. The base case uses borrowing rates after consultation with the Council's Treasury advisors. However, there are growing signs that in reaction to inflation increasing above government targets that interest rates may will rise sooner than expected. The scenario assumes interest rates are increased by 1.5% for each year of the plan from year 3 onwards. The result is an additional £6.9m savings more than the base model savings requirement of £4.9m (i.e. an unaffordable total of £11.8m from 2025/26). At the end of the 40-year period, the HRA balance would be marginally better than it would be if interest rates had not been increased, this is due to the significant cumulative effect of early large annual savings and that once scheduled, financing costs, unlike income and other expenditure, are not affected by inflation. Interest rate movements will be monitored and amendments made to the Business Plan as necessary to ensure future sustainability.

There are many other risks that impact the HRA on a day-to-day basis, including, for example, rent collection performance, the benefits system, further health and safety requirements and grant availability for climate change works. The latter may also represent an opportunity for increased contributions towards the costs of any necessary expenditure relating to climate change.

Legal Implications

Recommendations 1), 3), 4)

There are no particular legal implications arising out of the recommendations for the approvals and delegations.

Recommendation 2)

The recommendation to approve the Procurement Strategy, as described in Appendix 2, for five contracts to support the delivery of the first phases of the 12 year HRA Asset Management Capital Strategy on the same model as the Responsive Capital contract, ie JCT Measured Term Contracts from which the Council can order work as and when needed via a series of Task Orders. There is no guarantee or warranty as to the number of orders placed under the Contracts. The contracts are to be for a period of 5 years with the option of extending them for 2 further periods, each of a year. The estimated value of each proposed contract exceeds the threshold for works contracts (currently £4,733,252) under the Public Contracts Regulations 2015 ('PCR'). Therefore, they must be procured in accordance with Part 2 of the PCRs, that is using one of the procedures set out in Part 2. This report recommends using the Competitive Procedure with Negotiation under regulation 29, one of the permitted procedures. The procurement will be run in stages with selection stage, initial tender stage and final tender stage. The tender documentation will include award criteria applied at each stage. At the Final Tender Stage, the evaluation criteria will be applied to determine the most economically advantageous tender.

Each of the contracts is a High Value Contract under the Council's Contract Standing Orders. For every High Value Contract, the SLT Member must establish a Service Review Team comprising: a Contract Officer, client-side officers, relevant stakeholders, and relevant professional officers (including legal, finance, procurement, IT and HR as appropriate). Once approval for the Procurement Strategy is granted in accordance with CSO 18, a Tender Appraisal Panel (TAP) must be established to take responsibility for managing all aspects of the procurement process.

The Council has adopted a Social Value Policy which applies to all its contracts above £100,000 and this requires that 10% of the total scoring is for social value which will be subject to assessment by an external assessor, a company called Social Value Portal. The requirements of the assessor and the Council's policy will need to be built into the tender competition. This report indicates that the procurement will take account of social value.

If the Contracts involve works to housing premises where the Council could make recovery of costs from recharges pursuant to s20 of the Landlord and Tenant Act 1985 the rights of the leaseholders must be taken into account when considering the competition for the works.

The decision to approve the strategies is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council's website.

The Cabinet has authority to approve the Procurement Strategy.

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Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. **Option 1:** Do not implement this 12 year HRA Asset Management Capital Strategy. This option is not recommended for the following reasons:
 - a. The Council has a duty to keep its residents safe and in compliant homes.
 - b. The Council has the option to invest less in its housing stock however this approach would lead to higher repairs and maintenance costs and would be a 'false economy' in the long term.
 - c. The Council has an ambition to reduce carbon emissions to net zero by 2030 and has stated that 'residents deserve a place that is safe, clean and green'.

2. **Option 2:** Carry out the Compliance based 12 year HRA Asset Management Capital Strategy of £622.1m, implementing the recommendations within this report, achieving:
 - a. Safe and compliant homes.

- b. Strategic long-term planning enabling effective maintenance of assets to achieve value for money in programming with synergies in delivery.
3. Although this option is recommended to meet the Council's commitment to ensure that our housing assets are kept safe and compliant, option 3 below is recommended to achieve this whilst delivering efficiencies to reduce carbon emissions to net zero by 2030.
4. **Option 3:** Carry out the Compliance and Climate Emergency based 12 year HRA Asset Management Capital Strategy of £728.6m, implementing the recommendations within this report, achieving:
 - a. Safe and compliant homes.
 - b. Strategic long-term planning enabling effective maintenance of assets to achieve value for money in programming with synergies in delivery.
 - c. The decarbonisation of housing stock, rising to the challenge of the climate and ecological emergency. The Council has an ambition to reduce carbon emissions to net zero by 2030 and has stated that 'residents deserve a place that is safe, clean and green'.
5. This option (3) is recommended because it not only meets the Council's commitment to ensure that our housing assets are kept safe and compliant but also ensures cost and programme efficiencies in the decarbonisation of our housing stock.

Compliance based Asset Management Strategy

6. The Asset Management Strategy (approved by Cabinet in December 2018) establishes how the Council will prioritise investment. The Strategy makes clear the Council's commitment to achieve a compliance-based asset management approach to its housing stock and through its capital programme deliver a higher standard of safety and compliance.
7. While safety and compliance come first, every capital project covered in this programme will be designed to maximise the impact on reducing carbon emissions. Wherever possible works will use methods and materials that improve energy efficiency and will be increasingly delivered as part of comprehensive whole-home retrofit schemes. The programme features more than £100m specifically earmarked for decarbonisation projects, to be supplemented by other financial mechanisms as they become available and government funding bids.
8. The current approved four-year plan due for completion in 2024/25 focusses on Major Refurbishments, Fire Safety, Lifts, Boilers, Electrical, Structural safety, Voids and Miscellaneous schemes. The schemes included in this revised 12 year HRA Asset Management Capital Strategy, as outlined in the below sections, are:
 - Fire Safety
 - Structural Safety
 - White City Estate

- Charecroft Estate Phase 2
- West Kensington Estate
- Asset Replacement
- Stock Condition Survey findings
- Climate Emergency
- Estate Improvements
- Disabled Adaptations

Fire Safety

9. In addition to the four-year capital programme approved in 2019, the additional works are identified to achieve fire safety and compliance across our housing stock which include means of escape, sprinkler systems, fire detection, removing combustible material, ventilation, partitions and emergency lighting.

Name	Issue	Cost (£m)	Timetable
Additional works to legacy properties to make compliant	Fire doors, LED and safety works	6.50	2024 - 2033
Edward Woods Tower Blocks	Lobby works to 24 x 3 towers blocks ventilation and means of escape work	4.00	2022 - 2023
Edward Woods Tower Blocks	Upgrade of external wall system. Window and penthouse refurbishment to make safe.	15.50 (£8.9m funding in existing programme)	2022 - 2023
Install sprinklers in all tower blocks	Administration commitment and new Government requirement	20.00	2024 - 2033
External Wall System works on 27 tower blocks	Replacement of combustible spandrel panels	6.00	2024 - 2026
Cheeseman's	Urgent means of escape, fire safety issues: 59 flats, internal partition works, fire doors and L1 fire detection	1.00	2021 - 2023
100 plant rooms	Safety measures from emergency lighting to boarding out floors so that they are safe for engineers to enter	1.75	2024 - 2027
Charecroft* [Subject to ongoing review]	Window and spandrel panel replacement and external upgrade works	12.00 (£16m funding in existing programme)	2022 - 2026

10. Extensive works required to the Edward Woods tower blocks include:

- Installation of lobby doors and ventilation.
- Remedial works to the façade.
- Window and penthouse refurbishment to make safe.

11. Engineering firm Arup are finalising their investigative works to determine the overall scope of work that will be required. The Ministry of Housing Communities and Local Government requested funding toward the cost of the work at the Charecroft Estate and the Edward Woods Estate is unlikely to be approved and the full cost of remedial works have been allowed for in the 12 year programme.

12. Leaseholders will not be charged for fire safety related works in the programme in line with the Council's policy. The Council is committed to a policy of 'Fire Safety Plus' whereby the very highest possible standards of fire safety are always pursued fully funded from Council resources.

Structural Safety

13. In addition to the four-year capital programme approved in 2019 addressing key safety and compliance work around gas, electrical, asbestos and water, the below additional structural works have been identified:

Name	Issue	Cost (£m)	Timetable
Becklow Gardens & Emlyn Gardens	Structural safety works to balconies, soffits and roof details	7.80	2022 - 2024
Mackay House	Structural safety works to balconies, soffits and roof details	1.75	2024 - 2025
60+ estates	More than 60 estates have been identified to date that have concrete/steel structural issues	56.00	2024 - 2033
Cranbury Street terraced properties	Identified structural issues requiring strengthening of roofs and rebuilding of upper window arches	2.50	2024 - 2026

Disabled Adaptations

14. The Council has an independent living strategy which states that:

Independent living means Disabled people living in the community with the same choices, control and freedom as any other citizen, with the removal of barriers to equality of opportunity, and where any practical assistance is based on Disabled residents' choices and aspirations. Independent Living is not just about 'social care' and it does not mean Disabled People doing everything for themselves.

15. Sometimes people need additional support. Adaptations are a key enabler of this, it is important that this remains at the forefront of the Councils priorities.

16. Adaptations are carried out to support residents to live safely and independently within their existing homes. This investment is an important part of how the Council's pursues its commitment to Equality and Diversity as it helps disabled residents to realise their full potential. Co-production with disabled residents is at the heart of the Aids and Adaptations service – working closely with residents to understand their unique needs and deliver the most effective solutions.
17. The scope of works ranges from handrails to level access showers and stairlifts. Funding of £1.2m per annum, rising to £1.3m in 2027/28, is included in the Strategy to allow the adaptation programme to continue and meet the expected increased demand in the future.

White City Estate

18. There are 46 housing blocks on the White City Estate providing 1,968 homes. These buildings are post war structures and are aged and suffer from major structural defects, resulting in the spalling of concrete and significant cracks and rotting steelwork. They suffer from excess cold, condensation, damp and mould problems estate wide. Analysis of the housing stock to meet H&F's 2030 zero carbon target highlights that this estate accounts for the largest emission of carbon in the Borough. It also means residents are paying more to heat their homes, adding to resulting in fuel poverty for many.
19. The Asset Management Team, Property Team, Compliance Teams and Climate Emergency Unit have compiled a major works programme to remedy these urgent safety building defects, remedy category 1 hazards as required in law, help tackle fuel poverty and decarbonise the estate to meet the 2030 zero carbon target and extend the life of the stock for another 30 to 40 years.
20. The Strategy includes £50m funding for the major works programme at White City Estate and consist of the following:

- Category 1 Hazards
- Structural safety repairs
- Ventilation
- Heating (including alternative to gas)
- Doors/Windows
- Fire Safety
- Insulation
- Roofing
- Drainage
- Water infrastructure

West Kensington Estate

21. Certain important external works on the West Kensington Estate were expected to be covered the Conditional Land Sale Agreement (CLSA) estate regeneration

programme, which ultimately did not proceed. Therefore, those external works, including new windows, have been included in this Strategy.

22. There will be opportunities for further investment in 2022/23 which closely relate to the Climate Emergency goals. These opportunities would be supported with grant funding from BEIS and the GLA.

- a) The innovation project, EnergieSprong, to update 27 Council homes to a net zero standard is being completed in 2021/22. Depending on the success of this and approval of a business case, the next stage would commence in 2022/23. The goal of this next step would be to apply the same approach to an apartment block on the estate.
- b) 'Future neighbourhoods' funding is available from GLA and aims to support investment in disadvantaged and climate vulnerable areas. West Kensington is seen as a possible area for funding. Various projects could be supported relating to housing, energy and biodiversity. No such grant funding has been factored into this Strategy; however this may represent an opportunity. Including Climate Emergency spend in our capital programme means that we are well positioned to take advantage of grant funding opportunities at short notice.

Charecroft Estate Phase 2

23. Charecroft Phase 1 is currently on site and includes:

- Fire Doors/Compartmentation
- Door Entry
- LED Lighting
- CCTV
- Lifts

24. This Strategy includes the Charecroft Phase 2 works:

- Replacement windows and infill panels
- Roof
- External/structural repairs
- Sprinklers

25. The work is more complex due to the location of the blocks, making site access difficult. Replacement of the windows would address issues of fire safety with panels and problems of poor installation when the windows were previously fitted. Owing to the issues of the previous window replacement and Fire Safety issues linked to the panels which are part of the window, the Council has committed not to recover costs from leaseholders for the specific work of installing windows.

26. All the blocks are leased by the Council, with 57 and 85 years remaining on the leases with two different freeholders. Such major works require freeholder permission which needs to be agreed as per the terms of the lease which is currently being reviewed.

27. Installing windows at Shepherds and Bush is more complicated as they are surrounded by a shopping centre that restricts access to enabling works. Further feasibility work is required with specialist technical consultants programming and planning of the work. Due to the two locations, it is proposed to split the project into 2 – Shepherds and Bush and Roseford and Woodford.

Asset Replacement

28. This Strategy proposes to replace the below assets coming to the end of their life and which are at risk of no longer being maintainable and serviceable. Such proactive replacement will prevent the loss of these critical services to maintain the compliance of our stock and health of our residents.

Name	Issue	Cost (£m)	Timetable
Lateral Mains to majority of blocks but at least 70	Over 40 years old and require replacement	21.00	2024 - 2030
30 commercial boilers	Upgrades due to asset age	10.00	2024 - 2028
Commercial boilers	Enhancement to maintain boiler running	1.00	2024 - 2026
Booster pumps to transport water in tower blocks	Replacement of aged water distribution in tower blocks	0.50	2024 - 2026
Windows	Window replacements which were last replaced over 30 years ago	70.00	2024 - 2033
Lifts	Renewal of lifts and associated works	10.00	2022 - 2033
Miscellaneous	Including CCTV	1.50	2024 - 2025
Decent Homes programme	Including Kitchens and bathrooms	32.50	2024 - 2033

29. With the Decent Homes programme ceasing in 2010 all the internal works will over the life cycle of this Strategy, require refurbishment.

30. Officers are constantly reviewing boiler technology and markets to find alternatives to gas. Replacement boilers will always be much more efficient than the assets currently in use and the Council will look to find the most sustainable solutions.

Stock condition surveys and fees

31. The information from these surveys commencing in July 2021 for two years will enable the Council to plan its longer-term investment decisions which maximise the value of investment on capital works.

32. The surveys will allow us to analyse data of the condition of the dwellings and blocks and focus on key areas such as doors, windows, ventilation, rainwater goods, insulation, etc. The data from the surveys will be stored on the Asset Management Database and will be used for multiple purposes such as planned maintenance, cost planning and energy data intelligence.
33. Resident safety is paramount and therefore we will be carrying out a HHSRS (Housing Health and Safety Rating System) survey at each dwelling and block. This survey will pick up any risks to resident safety and we have mechanisms in place for reporting any concerns immediately. These matters will then be processed and actioned by the Asset Management and Customer Service teams.
34. Under the HHSRS there is a legal requirement to review housing stock against 29 defined hazards from excess cold to carbon monoxide. It is a legal requirement to address Category 1 hazards. Under the Homes (Fitness for Human Habitation) Act 2019 residents can take action against the Council for failure to address Category 1 Hazards within their homes.
35. This Strategy includes £50m to address the above, subject to findings/results of stock condition surveys due to commence in July 2021.
36. Data gathered from the Stock Condition Survey will also help plan programmes of retrofit for decarbonisation.

Climate Emergency

37. The Council's housing accounts for 35% of its total emissions and is a priority area that the Council can directly influence through retrofit programmes. Three quarters of CO2 emissions from homes come from heating and hot water, mostly powered by gas. To achieve net zero, the majority of H&F's homes must be retrofitted with energy efficiency measures, and gas boilers replaced with low-carbon heating such as air-source heat pumps, by 2030.
38. H&F Council can influence this through:
- Investment in retrofitting Council homes. This will reduce the borough's emissions and grow the market for retrofit, driving down cost.
 - Energy planning and investment to bring about district heating networks.
 - Information and incentives to homeowners and landlords encourage retrofit.
 - Enforcement of Minimum Energy Efficiency Standards for landlords.
39. £213m has been identified as required to decarbonise our housing stock. This Strategy costs of 50% at £106.5m with a view to bidding for government funding and in achieving cost and programme synergies of carrying these works out in conjunction with the other works identified.

Name	Issue	Cost (£m)	Timetable
Feasibility work	Surveys and	2.00	2022/23

	feasibility studies		
Energiesprong (whole-house retrofit) pilots	Whole-house retrofit in West Kensington Estate	19.38	2022-2024
Future carbon reduction projects	Capital works to improve the energy efficiency of the Council's housing stock, building on the whole-home retrofit pilot in West Kensington	85.12	2024-2031

Estate Improvements

40. £7.5m has been allocated to estate/environmental improvements that will allow us to carry out works as per the table below:

Scheme	Cost (£m)
Garages	1.00
Community Halls	2.00
Neighbourhood and Estate Improvements	4.50

41. Garages and community halls across the Borough need refurbishment. The roads within a number of estates have become potholed over time and resurfacing is required.

Capitalisation

42. In addition to the programmed work carried out by the Delivery Team within the Economy Department there are other areas of expenditure that may be included in Capital Works.

43. Repairs Contracts

Responsive repairs contractors carry out works which may be capitalised including kitchens, bathrooms and windows. This Strategy therefore includes £2m per annum for repairs capitalisation.

44. Voids

The works carried out in void properties prior to reletting include works that may be capitalised including replacing kitchens and bathrooms. This Strategy therefore includes £1.2m per annum for repairs capitalisation relating to voids.

45. DLO

The Direct Labour Organisation (DLO) carries out repairs to communal areas across the Borough and is expected to increasingly carry out Planned, Preventative Maintenance which may be included in capital expenditure. The nature of the works will include roofs, drainage and scaffolding allowing the expenditure to be capitalised, this Strategy includes £1.5m per annum for DLO.

46. Gas

The Leader's Urgency Decision report 'Gas Servicing & Maintenance' dated 7 May 2020 anticipates an annual capital expenditure of £2.469m. This Strategy therefore includes £2.469m per annum gas capitalisation.

47. Electrical

The Leader's Urgency Decision report 'Electrical Servicing' dated 7 May 2020 anticipates an annual capital expenditure of £1.86m. This Strategy therefore includes £1.86m per annum for electrical capitalisation.

48. Procurement support

To support the procurement of contractors required to deliver the first phases of the Strategy it is proposed that a specialist procurement officer be recruited to work exclusively on the HRA Capital Programme, and that their full salary costs be 100% capitalised (£150k over two years). As well as carrying out procurement exercises the officer will also support the contract administration of the contracts procured – particularly the preparing of specific works orders.

Estimated recharges

49. Leaseholders are required to contribute to the cost of qualifying major works as per the terms of their lease which are expected to include:

- Asset Age
- Health
- Estate Improvements
- Climate Emergency works
- Structural Safety

50. The anticipated recovery is based on the percentage of leaseholders set at 29% with a 5% allowance for non-rechargeable elements and a further 4% for bad debt. The anticipated leasehold recovery of 20% is set out in Table 1 in Appendix 1 below.

Reasons for Decision

51. The Council is the responsible landlord for 16,851 homes across H&F. The resources required to maintain this housing stock are significant and therefore a strategic approach to long-term investment is needed to ensure we achieve the Council's objectives.

52. The Council's number one priority is the safety and welfare of all residents. This programme will ensure the Council delivers against this duty of care towards its residents by following a compliance-based approach in investment decisions about the housing stock.

53. The Council has an ambition to reduce carbon emissions to net zero by 2030 and has stated that 'residents deserve a place that is safe, clean and green'. This programme will ensure efficient decarbonisation works of our housing stock.

Equality Implications

54. There are no direct equalities implications in relation to this report. The primary purpose of the Capital Programme is to ensure all of our social housing tenants are able to live in homes that are safe. Each capital project will have specific impacts and the potential to impact on tenants with protected characteristics (particularly elderly and disabled people). These impacts will be considered in the Procurement Strategy for each specific project when they come to be procured.

Risk Management Implications

55. The Council needs to put in place an appropriate capital programme to invest in its housing stock, including a range of safety works and to respond to the stock condition survey findings. The capital programme will enable the Council to meet its objectives, keep its tenants and leaseholders safe and ensure it is compliant with relevant statutory requirements and insurers expectations for maintenance and repairs

56. In line with its ruthlessly financially efficient priority, the Council also needs to demonstrate that all works carried out under the capital programme are subject to appropriate competition, in line with Council policies and statutory requirements. This will help to demonstrate and deliver value for money in managing and maintaining its housing stock to an appropriate standard. Officers will need to ensure that robust arrangements for monitoring and reporting expenditure to management and Members for works being delivered from approved capital schemes to ensure that they are being managed within in the available financial envelope.

57. It is essential that appropriate programme and client management resource and governance arrangements are put in place and that the programme risks are reviewed and managed by the appropriate governance board. The programme risk register needs to include key interdependencies with other delivery and change programmes both within housing and across the Council, and the mitigations which need to be put in place to minimise impact on meeting the objectives of this and other programmes.

58. Officers will need to ensure that leaseholder consultation requirements are fully complied with prior to the decision to award specific works so that all eligible works carried out under the contracts can be fully recharged to leaseholders.

59. Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, telephone 020 8753 2587.

Climate and Ecological Emergency Implications

60. The Strategy includes £106.5m over ten years for capital works aimed at tackling the Climate Emergency. This would primarily involve works to improve the energy efficiency of the Council's housing stock, building on the whole-home retrofit pilot that will take place in West Kensington at the end of 2021. More than a third of the Council's carbon emissions come from heating our housing stock so this additional capital spend is a crucial part of the Council's Climate strategy.
61. When the Council procures contractors to deliver any of the capital works within the capital programme, officers will seek to procure solutions that minimise carbon emissions – through carefully designed specifications and evaluation criteria and employing the full potential of the Council's Social Value methodology.
62. Implications verified by: Jim Cunningham, Climate Policy Lead, Environment, 07468 365829

Other Implications

Procurement

63. The Procurement Strategy in Appendix 2 describes a first phase strategy designed to equip the Council with sufficient provider options to be able to deliver the works scheduled to start in 2022/23, whilst maintaining a high degree of flexibility to change the mix and use of provider as circumstances require, including the addition of supplementary providers. It involves the procurement of five contracts designed on the same basis as the Responsive Capital contract that was awarded in May 2021. This procurement exercise was able to attract a significant number of major national construction/maintenance firms and was a highly competitive exercise, resulting in bids that scored highly for quality and offered what are considered to be good value prices. The expectation is that the strategy will similarly deliver good value providers for the first phase of the Capital Programme.
64. The procurement exercises will be carried out by the Governance and Commissioning team within the Economy department. This team has experience of high value procurement – having delivered the suite of Long Term Housing Repairs contracts and the Responsive Capital contract.
65. Implications by: William Shanks, Head of Contract Governance (Economy), 0781 858 1911

Consultation

66. The Council is committed to putting residents at the heart of their capital compliance strategy. Subject to Cabinet approval, officers will undertake a rigorous consultation process involving residents, groups, stakeholders and others.

Public Health

67. Research shows that one in five homes present a risk to health and wellbeing, particularly from excess cold and falls.
68. The impact on physical health is clear, for example damp surroundings cause respiratory diseases or a broken stairwell can lead to trips and falls. But poor housing also has a serious bearing on mental health and wellbeing, particularly cold homes, unsuitable homes and overcrowded homes.
69. Covid 19 has brought health inequalities to the front of people's minds, one of the greatest contributors to this is poor housing. This Strategy enables the Council to have a strong foundation in our fight against Covid and our ability to improve population health and wellbeing.
70. Implications by: Linda Jackson, Director COVID-19 response & recovery, 07776 673085

Local Economy and Social Value

71. This large capital programme will adhere to the Council's Social Value policy which requires a minimum of 10% in social value outcomes. Commissioners should be seeking increased local employment, apprenticeships and opportunities for local suppliers. A key growth opportunity for future employment centres around green jobs and addressing the climate emergency. There are skills shortages in this area as well as a lack of awareness amongst residents around the types of jobs which will be available. Local training providers should also be engaged by the suppliers to support development of relevant curriculum. Commissioners are requested to engage with the economic development team to ensure that contractors can support greater access and awareness to green sector jobs and to facilitate contacts with local training providers.
72. Although this opportunity has been identified as being most suitable for larger contractors due to complexities and managing risk, it is essential that local firms are supported to access supply chain and subcontracting opportunities. Commissioners will need to work with contractors and the economic development team to facilitate engagement and awareness sessions as well as support local supply chain initiatives.
73. Implications by: Kamal Motalib, Head of Economic Development, 07773353914

List of Appendices:

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| Appendix 1 | List of schemes with estimated budget |
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Appendix 1 - List of schemes with estimated budget

Table 1: Summary - profile of the 3 options and estimated re-charges

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Totals
	£m												
Existing Budgeted AMP	33.7	27	28										88.7
New AMP (including existing HRA committed capital & new work)	60.9	60.2	75.1	49.8	60.8	61.8	50.3	47.0	44.0	39.0	39.3	34.0	622.1
New AMP (with above climate emergency for decarbonising housing)	68.5	74.0	85.3	59.8	70.8	71.8	60.3	57.0	54.0	44.0	44.3	39.0	728.6
Anticipated recharges	10.3	10.6	12.9	8.2	10.4	11	8.8	8.1	7.7	5.6	5.6	4.7	103.9

NB: Recharges are based on 20% of all non-fire safety, disabled adaptations and repairs capitalisation

Table 2: Compliance based categories with forecasted spend (beyond existing committed HRA Capital Budget of £87m)

Category	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	£m												
Fire Safety (excl Charecroft)	9.50	10.00	5.40	5.40	5.45	3.25	3.00	3.00	2.50	2.5	2.75	2	54.75
Structure Safety	5.00	2.80	3.80	4.10	6.25	5.00	5.00	7.50	7.50	7.50	7.50	6.00	67.95
White City Estate	2.50	5.00	7.50	7.50	12.50	15.00	0.00	0.00	0.00				50.00
Charecroft Estate P 2	1.50	4.00	6.50										12.00
Asset Age and Replacement	0.60	1.10	11.50	13.57	17.26	19.50	20.75	17.75	15.50	10.2	10.2	8.97	146.90
SCS & further findings	1.00	1.50	2.00	5.00	5.00	5.00	7.50	5.00	5.00	5.00	5.00	3.00	50.00
Estate Improvements	1.00	1.50	1.30	0.70	0.75	0.50	0.50	0.25	0.25	0.25	0.25	0.25	7.50
Disabled Adaptations	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30	15.10
Repairs Captilisation (DLO, Electrical, Gas, Voids, Repairs, Procurement Support)	3.50	5.10	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	78.60
	25.80	32.20	46.20	44.47	55.41	56.55	45.05	41.80	39.05	33.75	34.00	28.52	482.80

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Table 3: Climate Emergency

Category	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Climate Emergency	7.60m	13.78m	12.16m	12.16m	12.16m	12.16m	12.16m	12.16m	12.16m	£106.50m

Table 4 - List of works with forecasted spend

Name	Type	Issue	Cost (£m)	Timetable
Lateral Mains to majority of blocks but at least 70	Asset Age & Replacement	Over 40 years old and require replacement	21.00	2024 - 2030
30 commercial boiler schemes	Asset Age & Replacement	Required upgrades due to asset age	10.00	2024 - 2028
Commercial boiler	Asset Age & Replacement	Enhancement to maintain boiler running	1.00	2024 - 2026
booster pumps to transport water in tower blocks	Asset Age & Replacement	Replacement of aged water distribution in tower blocks	0.50	2024 - 2026
Windows	Asset Age & Replacement	Window replacement Last replaced over 30 years ago	70.00	2024 - 2033
Lifts	Asset Age & Replacement	Renewal of lifts and associated works	10.00	2022 - 2033
Additional works to legacy properties to make compliant	Fire Safety	Fire doors, LED and safety works	6.50	2024 - 2029
Edward Woods Tower Blocks	Fire Safety	lobby works to 24 x 3 towers blocks ventilation and means of escape work	4.00	2022 - 2023
Edward Woods Tower Blocks	Fire Safety	Upgrade of external wall system. Window and penthouse refurbishment to make safe.	15.50	2022 - 2023
Install sprinklers in all tower blocks	Fire Safety	Administration commitment and new Govt requirement	20.00	2024 - 2027
External Wall System works on 27 tower blocks	Fire Safety	Replacement of combustible spandrel panels	6.00	2024 - 2026
Miscellaneous	Asset Age	including CCTV	1.50	2024 - 2025
Cheeseman's:	Fire Safety	Urgent means of escape, fire safety issues: 59 flats, internal partition works, fire doors and L1 fire detection	1.00	2024 - 2026
100 plant rooms	Fire Safety	Required safety measures from emergency lighting, to boarding out floors so that they are safe for engineers to enter	1.75	2024 - 2027
Charecroft Phase 2	Fire Safety	Window and spandrel panel replacement and external upgrade works	12.00	2022 - 2024

Name	Type	Issue	Cost (£m)	Timetable
White City	Health	Condensation, damp and mould – ventilation, drip details, heating, windows and insulation	50.00	2022 – 2027
Becklow & Emlyn	Structure Safety	Structural safety works to balconies, soffits and roof details	7.80	2022 - 2024
Mackay House	Structure Safety	Structural safety works to balconies, soffits and roof details	1.75	2024 - 2025
60+ estates	Structure Safety	Identified to date with concrete/steel structural issues	56.00	2024 - 2029
Cranbury Street terraced properties	Structure Safety	identified structural issues requiring strengthening of roofs and rebuilding of upper window arches	2.50	2024 - 2026
Allocation to SCS findings	Compliance, Safety, Asset Replacement	Identification of risks to resident safety	50.00	2022 - 2033
Decent Homes	Asset Age	Kitchens, Bathrooms etc..	32.50	2024 - 2033
Disabled Adaptations	Safety	Adaptations recommended by Occupational Therapists	15.10	2022 - 2033
Neighbourhood, Environmental and Estate Road Improvements	Estate Work	Improvements to estates and refurbishment of garages	7.50	2022-2031
IT		IHMS installation	0.33	2022 - 2023
Total			404.20	

Summary indicating breakdown of expenditure by work and capitalisation

Item	Cost (£m)
Works	404.20
Works capitalisation	78.60
Staff capitalisation	50.60
Climate change	106.50
Existing programme	88.70
Total	728.60

Appendix 2 – Procurement Strategy

HOUSING REVENUE ACCOUNT (HRA) 12 YEAR ASSET MANAGEMENT CAPITAL STRATEGY

Contract Specifications Summary

1. A variety of different provider solutions will need to be procured in order to deliver the 12 year Asset Management Capital Strategy (the Strategy) described in the paper above. The procurement strategy will need to evolve over time, responding to new information, new needs, changes in the market, and lessons learned from previous procurements and experiences of provider delivery.
2. This procurement strategy does not attempt to describe the procurement solution for every aspect of the Strategy. Instead it describes a first phase strategy designed to equip the London Borough of Hammersmith & Fulham (LBHF) with sufficient provider options to be able to deliver the works scheduled to start in 2022/23, whilst maintaining a high degree of flexibility to change the mix and use of provider as circumstances require, including the addition of supplementary providers.
3. Responsive Capital
4. During 2020/21 LBHF procured Kier services limited to deliver a highly flexible five year capital works contract, called ‘Responsive Capital’, up to a maximum value of £75m but with no guaranteed work. The contract provides for design and build services and features two different pricing mechanisms. The contract is designed to accommodate almost any capital project, with Kier expected to use their extensive supply chain to offer a solution for any project we commission through the contract.
5. Responsive Capital was procured using competitive procedure with negotiation. While this is a lengthy and labour intensive process, it is a process that delivered highly satisfactory results: all of the four bids invited to final tender scored highly on quality (Kier’s quality score was nearly 90%) and the tendered prices were deemed to be highly competitive with all four bidders tendering the minimum Central Overhead and Profit margin that was permitted (a floor was set by the tender rules to avoid unsustainable bids).
6. The intention is that the Responsive Capital/Kier contract will be used to deliver a significant amount of the works described in the Fire Safety section of the Strategy, particularly the works scheduled for the earlier years.
7. Five additional Responsive Capital style contracts
8. The procurement strategy proposed in this paper is that LBHF procures five additional contracts on the same model as the Responsive Capital contract. These contracts would be flexible vehicles able to cover any form of capital work over a period of 5 years, with no guaranteed work but maximum contract values

of up to £50m each (see table in section 12). The strategy would be that the five contracts would align with, and deliver the work described in, the following sections of the Strategy:

- Structural Safety (outside of White City)
- White City 1
- White City 2
- Charecroft Estate Phase 2
- Asset Replacement (including West Kensington estate assets)

9. White City is a large estate with 46 blocks so it is felt that there should be two contractors to prevent over reliance on any one contractor and to enable comparative benchmarking of cost and performance.

10. Future procurement strategies need to be informed by the results of the Energiesprong pilot taking place in 2021/22 and by future bids for Government funding for domestic retrofit. All works covered by the contracts listed above will seek to maximise Climate Change (zero carbon) measures.

11. Package design

12. A table showing the full range of contracts proposed is set out below:

Procurement	Contract	Description	Value	Length
Exercise 1 (two lots)	Structural Safety (outside of White City)	Balconies, soffits and roof details at Becklow & Emlyn and Mackay House. Concrete/steel structural issues on 60 estates. Strengthening of roofs and rebuilding of upper window arches at Cranbury Street terraced properties.	£50m	5 years + 1 +1
	Asset Replacement (including West Kensington estate assets)	30 commercial boiler schemes. Booster pumps to transport water in tower blocks. Window replacements. Kitchen and bathrooms replacements.	£50m	5 years + 1 +1

		With the Decent Homes programme ceasing in 2010 all the internal works will over the life cycle of the Strategy, require refurbishment.		
Exercise 2 (two lots)	White City 1	Major works programme at White City Estate consisting of the following: <ul style="list-style-type: none"> • Category 1 Hazards • Structural safety repairs • Ventilation • Heating (including alternative to gas) • Doors/Windows • Fire Safety • Insulation • Roofing • Drainage • Water infrastructure <p>Two providers to ensure there is sufficient capacity to proceed with pace.</p>	£37.5m	5 years + 1 +1
	White City 2		£37.5m	5 years + 1 +1
Exercise 3 (one lot)	Charecroft Estate Phase 2	Completion of the Charecroft Phase 2 works delivering: <ul style="list-style-type: none"> • Replacement windows and infill panels • Roof • External/structural repairs • Sprinklers <p>A specialist project due to freeholder complexity, site access challenges, and historic issues.</p>	£25m	5 years + 1 +1

13. For maximum procurement, governance and leasehold consultation process efficiency the five contracts will be procured across 3 separate procurement

exercises. One will be for borough wide contracts, whereas the other two will be estate specific. This split is required for leaseholder consultation purposes.

14. It is not possible to accurately predict the financial value of any particular lot. Indicative values will be provided for each lot in order to support market engagement in the lead-in to the procurement process. Contracts of this kind will generally be of the term variety whereby no volume of work is committed to but where the contractual conditions are set out for any work which is instructed. Without wishing to mislead the market, higher value lots are generally better than lower value lots. There are two reasons for this: firstly, because higher value lots tend to be more attractive to bidders and can result in better quality bids. This is LBHF's experience with setting a £75m value for the Responsive Capital contract. The second reason is that spending beyond the published value of any lot is against EU and UK procurement rules whereas an under spend is more understandable given that these are all estimates.

15. Contract length

16. The contract length is suggested as 5+1+1 years with a 6-month no fault termination at will clause. The five to seven year contracting arrangement is long enough to review and refine the various contracts and to develop good working relationships, but short enough not to allow complacency to set in. A formal contract review will take place at the end of every year of the contract.

17. The longer contract duration means theoretically higher value contracts which should be attractive to bidders and, hopefully, result in a higher quality and lower cost service. Each lot will result in one supplier with the second highest scoring being kept as a reserve in case of poor performance or financial collapse. A six-month no-fault termination clause in line with industry best-practice across the sector.

18. The option to access two one-year extensions at the end of the five-year period will give the Council flexibility to ensure that high-performing providers can be rewarded for sustained positive resident and client feedback.

Procurement Route Analysis of Options

19. The four main procurement routes are:

- Open
- Restricted
- Competitive with negotiation
- Competitive dialogue

20. Under the open procedure any company which is interested may submit a tender in response to a contract notice. There is therefore no process of shortlisting in this procedure and it does not allow the authority to undertake any process of negotiation with the contractor. There are two potential disadvantages to this procedure. First, in a field of activity where there are a large number of potential providers (which is the case here), there is a danger that the Council will receive

an unmanageably large number of bids. These would all need to be evaluated in accordance with the published criteria. This could be a demanding task and require considerable resources to undertake it. An open procedure could have adverse consequences in terms of the quality of the bids. If a contractor knows that it is only one of a relatively small number of companies invited to submit a tender it will be incentivised to put in a high quality and competitive bid. This incentive is less likely to apply with the open procedure.

21. The restricted procedure allows the Council to restrict the number of companies invited to submit a tender. This has the advantage that the Council can decide the number of bids it needs to provide reasonable competition. The participants know that they are competing with a relatively small number of competitors and therefore have an incentive to devote a reasonable level of resource to their bid and to be competitive. There is no power under the restricted procedure to engage in any negotiation in relation to the bid. However, it is possible to provide explanations and clarifications so that all potential bidders are clear about what they are applying for and how their bids should be structured.
22. Under the competitive procedure with negotiation the authority must, in the tender documents provide a description of their needs and the characteristics required of the works/services to be procured. The authority can limit the number of participants. Negotiations take place to improve the contents of the bids. However, authorities can award on the basis of the submitted tenders only (meaning without negotiations) provided they have reserved the right to do this.
23. The competitive dialogue procedure requires the authority to define their needs and requirements in a descriptive document. There is then a dialogue to identify and define the means best suited to satisfying their needs. There is no option of simply accepting a tender without dialogue. If this procedure is chosen, the authority is committing itself to a dialogue. There is usually a process of successive stages of dialogue with the number of participants reduced at each stage. Once the dialogue is concluded the remaining participants are invited to submit final tenders based on their solutions.
24. The open and restricted procedures can be used for any procurement exercise taking place under the Public Contracts Regulations. The competitive procedure with negotiation and the competitive dialogue procedure can only be used in the situations specified in regulation 26(4). In the case of this procurement it would be because of "specific circumstances related to the nature, the complexity or the legal or financial makeup or because of risks attaching to them".
25. There are clear disadvantages for this procurement in using the open or competitive dialogue procedures. The open procedure may result in an unmanageably large number of bids without sufficient incentive to ensure these are of a high quality. The competitive dialogue is likely to be demanding in terms of resources and may commit the authority to negotiations which are unnecessary.
26. Whether the restricted procedure or the competitive procedure with negotiation is preferable will depend on (1) whether the Council regards the procurement as

sufficiently complex for this to be a situation where the competitive procedure with negotiation can be used and (2) whether there is in fact likely to be a need for negotiations

27. Options appraisal

28. Option 1 - Appoint contractors from frameworks to carry out all of Hammersmith & Fulham's capital work
29. Frameworks are likely to feature in future procurement strategies covering other aspects of the Strategy. They can be a useful option, enabling much quicker procurement. The drawback is that the Council has to use 'off the shelf' framework contracts that are not to LBHF needs or incorporate 'lessons learned' from LBHF's experience of clienting contractors. There is a risk that a framework contracts might include clauses that undermine effective clienting or don't fit in with LBHF's clienting practices (the advantage of creating multiple Responsive Capital style contracts is that it enables the Economy department to embed a single clienting methodology that officers can become experts in). Using frameworks can also impede leaseholder recharging, and framework contracts can only be used for 4 years.
30. Option 2 – Procure a mix of long-term contracts via Competitive procedure with Negotiation (CPN) (this is the recommended option)
31. Whilst procuring via CPN is more time consuming than using frameworks it does allow for contracts which can run for longer than 4 years. It also allows the Council to specify exactly what it requires; to require its precise standards and to set the terms under which it is prepared to transact. This provides the Council with a more bespoke end product and should result in greater levels of protection and quality of service for both residents and the Council. Over long periods of time these advantages could be significant and should substantially outweigh the extra time and resource required in terms of procurement. Should it be necessary for any particular reason then the option of making an award from an existing Framework Agreement for any particular requirement is always open to the Council.

32. Recommendation:

33. It is recommended that the Competitive Procedure with Negotiation (CPN) is adopted, on the basis that the operation of the contracts is likely to be complex and require some form of negotiation in order to secure best value. The route also allows the Council not to negotiate if it feels that bids are sufficiently clear that an award can be made without any prior negotiation.
34. The Economy department has recent experience of delivering CPN procurements for major contracts – with the Responsive Repairs contracts and the Responsive Capital contract. In both cases, Negotiation proved a valuable undertaking as it led to bidders having greater clarity around the commercial models underlying the contracts, which led to more sustainable bids being submitted. The Council's

commitment to Social Value was underlined in Negotiation sessions and led to bidders making more ambitious Social Value commitments.

Market Analysis, Local Economy and Social Value

35. This is a very mature market made up of large national providers, many of which LBHF has experience of working with in the recent past. There are likely to only be 6-10 bidders per lot/contract, and likely that every lot/contract will attract the same set of bidders. Rules will be set to ensure that within a procurement exercise no contractor can win all of the lots, to ensure that we end up with at least three contractors for the five contracts.
36. There are likely to be opportunities for local suppliers to serve in the supply chain of the five contracts. Indeed, the Responsive Capital contractor has engaged with the Small and Medium Enterprise (SME) Forum to flag up opportunities in their supply chain. There will be no reservation to London or SME businesses – these contracts will work best when delivered by large firms able to handle a variety of different work because they have extensive supply chains. The work will often be highly complex and specialist, with major Health and Safety implications.
37. The opportunity for Social Value is significant. The Responsive Capital contractor has committed to 15.1% Social Value which is more than £11m over 5 years (or less depending on the profiling of the work). The greatest impact is likely to be local employment and apprentices, but also local supply chain spend. The likely bidders in the market have great experience of delivering Social Value, with established programmes for outreach and employment support that they can roll out to LBHF.

Risk Assessment and Proposed Mitigations

38. Key risks are that there are too few bidders (less competition, less value) or that one single bidder wins the maximum number of contracts possible (three out of five), making LBHF too reliant on a single firm for the delivery of the first phases of the capital programme (making us vulnerable to contractor failure). Mitigations are that the procurement will be well designed and professionally run – there will be a market shaping day to advertise and explain the opportunities, ample time for bids will be provided, with a responsive and timely approach to answering clarifications questions. The use of a Negotiation stage should ensure all bidders reach full understanding of our requirements. This rigorous approach should maximise the number of bidders and the competitiveness of all bids, such that there should be variety in the final outcomes. The procurement is complex but the Governance and Commissioning Team in the Economy department have the experience of Competitive Procedures with Negotiation and the capacity to deliver. A dedicated Capital Procurement Officer will be recruited and they will focus primarily on these procurements.

Timetable

Key Decision Entry	April 2021
Contracts Assurance Board (CAB)	23 rd June 2021
Cabinet Sign off	6 th September 2021

Find a Tender Service Notice	September 2021
Evaluation of Tenders	December 2022
Key Decision Entry (Award)	December 2022
CAB (Award)	January 2022
SLT/Cabinet Member (Award)	January 2022
Find a Tender Service Contract Award Notice	January 2022
Contract engrossment	February 2022
Contract mobilisation and implementation	February 2022
Contract Commencement date	April 2022

Selection and Award Criteria

41. Each contract will be awarded to the most economically advantageous tender based on a combination of price and quality. Tenderers for each contract will be evaluated based on their Quality (Technical) submission and Price (Commercial) submission. This will be at a ratio of 60/40 of Quality and Price in line with the Council's standard evaluation practice set out in its standard procurement procedures, and the ratio that was used for the procurement of the Responsive Capital contract.
42. Pricing will be similar to the Responsive Capital contract. Bidders will be required to submit a fixed Central Overhead and Profit % that will apply to all projects. This will be capped between 3% and 10% to prevent unsustainable bids or poor value bids. Bidders will also submit a set of generic project preliminaries (primarily related to key labour roles and to key site facility/welfare costs) that will apply to all projects. Wherever appropriate, we will seek schedule of rate discounts, but the nature of the work is such that these will rarely be appropriate (given how the projects will be large and complex, whereas schedule of rates works best for very standard, routine work). Project pricing will primarily revolve around open book tendering of sub-contractors – and each contract will give LBHF strong rights to demand and scrutinise this tendering process, building on the process in the Responsive Capital contract.
43. Social Value
44. The procurement process will follow the Council's Social Value policy by setting aside 10% of the evaluation score for Social Value questions (10% Social Value, 50% other quality questions, 40% price). For each contract, bidders will be required to tender a minimum Social Value % that will represent the level of Social Value, relative to the project cost, that they will deliver, and that will apply to every project commissioned through that contract. This was the approach that was applied to the Responsive Capital contract and resulted in the successful bidder committing to 15.1% Social Value for every project.
45. Environmental performance will also be considered through the procurement process, including examining transportation options, use and recycling of materials, waste management, service delivery practices, as well as seeking to

stimulate technological innovation to enable environmental advances in the performance of Council in its heating, lighting and fabric of its housing stock

Contract Management

46. The Assistant Director of Resident and Building Safety will be the named Contract Administrator for all of the contracts. Operational contract management will sit with the Direct Capital Delivery team.
47. A similar suite of Key Performance Indicators (KPIs) will be used as for the Responsive Capital contract – focusing on delivery of project milestones to time, quality standard and agreed price. There will be Health and Safety KPIs, and KPIs around the delivery of the Social Value Plan. There will be monthly contract governance meetings and quarterly core groups with a more senior audience.
48. The contracts will stipulate that contractors must sign up with the Social Value Portal to enable the monitoring of their social value commitments. The contracts will lay out the fee structure for the Social Value Portal.
49. The pricing mechanism revolves around a fixed profit and central overhead margin and open book tendering of sub-contractors, which negates the need for inflationary uplifts. There may be scope to fix certain generic project preliminaries (ie Site Manager, Quantity Surveyor labour rates), where it would be appropriate to have inflationary clauses to reflect wage increases. This would be CPI.

Climate and Ecological Emergency Implications

50. The Strategy includes £106.5m over ten years for capital works aimed at tackling the Climate Emergency. This would primarily involve works to improve the energy efficiency of the Council's housing stock, building on the whole-home retrofit pilot that will take place in West Kensington at the end of 2021. More than a third of the Council's carbon emissions come from heating our housing stock so this additional capital spend is a crucial part of the Council's Climate strategy.
51. When LBHF procures contractors to deliver any of the capital works within the capital programme, officers will seek to procure solutions that minimise carbon emissions – through carefully designed specifications and evaluation criteria and employing the full potential of the Council's Social Value methodology.
52. Implications verified by: Jim Cunningham, Climate Policy Lead, Environment, 07468 365829

Local Economy and Social Value Implications

53. This procurement strategy is seeking approval to progress with the procurement of the first phase of the Strategy. The first contract was awarded to Kier for the Responsive Capital project, with 15.1% social value commitments secured. This procurement strategy is proposing to procure five additional contracts on the same model to cover any form of capital work over a 5 years period, with no

guaranteed work but maximum contract values of up to £50m for each contract awarded.

54. This strategy explains that for each contract, bidders will be required to tender a minimum 10% Social Value relative to the project cost that they will deliver, and that will apply to every project commissioned through that contract. This is in line with Social Value Strategy.
55. Bidders will be required to register on Social Value Portal to enter social value quantitative responses. The Successful Bidder is responsible for paying the Social Value Portal Management Fee for the initial term of the Contract (5 years).
56. Contract managers will need to work with the Council's Social Value Officer to ensure commitments are being effectively monitored and delivered. The final contract should contain appropriate social value clauses so that the Council can enforce its right to compensation if social value commitments are not delivered.
57. Implications verified/completed by: Ilaria Agueci, Social Value Officer, tel. 0777 667 2878

Report to: Cabinet

Date: 06/09/2021

Subject: Termination of contract for responsive repairs (housing) and appointment of new contractor

Report of: Councillor Lisa Homan, Cabinet Member for Housing

Report author: William Shanks, Head of Contract Governance (Economy)

Responsible Director: Emily Hill, Director of Finance

SUMMARY

This report seeks authority for the Council to give notice to one of the contractors for responsive repairs (housing) and to mobilise the reserve contract that is in place. It also makes recommendations for ensuring that the amount of Work In Progress (WIP) is minimised at the point the exiting contractor leaves, and that the additional cost to the Council is minimised.

This is an urgent Cabinet decision because it is imperative that the demobilisation of the exiting contractor, and the re-mobilisation of the reserve contractor, be completed before the winter months, when demand for responsive housing repairs typically increases significantly. Wet weather exposes problems with roofs and drainage. More repairs are called in and the issues are more urgent. It is important that the changes described in this report have been fully mobilised and embedded before the peak demand months, which tend to be December to February. The process of demobilisation and re-mobilisation is expected to take two months, as it involves a TUPE transfer of staff between the exiting contractor and the reserve contractor.

RECOMMENDATIONS

1. To note that Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).

Cabinet is asked to:

2. Seek authority for an additional budget as set out in the exempt Appendix 1 for the remaining four years of the responsive repairs contracts (to 31st July 2025).
3. Authorise the termination of the contract for responsive repairs (housing) with United Living Property Services Limited (ULPS) on or before 29th October 2021 subject to the finalisation of approved terms between the parties, the

negotiation of which is delegated to the Director of Finance in consultation with the Assistant Director of Legal Services.

4. Authorise the activation of the reserve contract for lot 2 (central area) through formal written instruction to Morgan Sindall Property Services Limited subject to the termination of the United Living Property Services Limited contract. That the Director of Finance be delegated authority to undertake any negotiations to finalise terms in respect of this contract award.
5. Authorise a contract variation to the lot 1 (North area) contract to include an updated property list as the definition of the reserve contract properties.
6. Authorise a contract variation to the Responsive Capital contract with Kier Services Limited to add prices for responsive works to void (empty) properties as detailed in Appendix 1.
7. Authorise a contract variation to the Morgan Sindall lot 1 (North area) contract to add prices for the completion of a programme of Work In Progress to be transferred from ULPS, as detailed in Appendix 1.
8. That the Director of Finance, in consultation with the Assistant Director of Legal Services, be authorised to enter into agreements as necessary to bring the decisions in this report into effect.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The responsive housing repairs contracts are major vehicles for apprenticeships and local employment opportunities. It is crucial that LBHF has contractors who can deliver the Council's aspirations.
Creating a compassionate council	The recommendations are designed to drive improvement in the responsive housing repairs service to improve satisfaction and wellbeing outcomes for residents.
Doing things with local residents, not to them	A customer satisfaction system is in place and informs the view of contractor performance. A Residents' Voice event was held in July 2021 which provided further evidence of residents' views.
Being ruthlessly financially efficient	The recommendations are those that

	deliver the best possible financial deal for the Council. They are the product of the rigorous application of contractual rights and/ or a process of negotiation.
Taking pride in H&F	The recommendations are designed to drive improvement in the responsive housing repairs service to achieve a service that residents can be satisfied with.
Rising to the challenge of the climate and ecological emergency	The recommendations are designed to make the repairs contracts more sustainable, such that they can deliver the full level of environmental commitment that was tendered.

Financial Impact

See exempt Appendix 1, for exempt financial implications.

The termination of the ULPS contract and the use of the reserve contract results in an increased contract cost. The majority of the cost increase will be a revenue charge against the Housing Revenue Account although part of the estimated voids cost increase may be a charge against the HRA capital programme. This will need to be reviewed on a job by job basis.

Currently, the HRA is budgeting to draw down £7.187m from general balances in 2021/22, which will reduce the general balance to £10.696m. This cost increase will place further pressure on the current year HRA and will add to future HRA budget pressures. This will need to be addressed as part of the 2022/23 HRA budget planning and business planning process.

The report sets out that are financial risks regarding Work in Progress (WIP) jobs. These are currently around 1,500 works orders. If these are not completed by the end of the contract the cost of completing each work order by the reserve contractor will be higher. The financial value attached to this risk is estimated at £200k in a worst-case scenario where ULPS leave behind significant number of WIP jobs. This will be allowed for and reported within the current HRA budget monitoring as a risk.

Contact Officers

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Background Papers Used in Preparing This Report - None

Proposals and Analysis of Options

1. The reserve contract for lot 2 (central area) is held by Morgan Sindall the contractor for lot 1 (North area). Activating the contract would mean that Morgan Sindall would deliver responsive repairs in lots 1 and 2. Morgan Sindall are also the borough-wide Gas contractor. There is evidence that they are committed to a long-term partnership with Hammersmith & Fulham, as they are the repairs contractor that has delivered the most Social Value in year one, doing the most to overcome the challenges of Covid and recruit apprentices and engage with local schools.
2. There are alternative options to activating the lot 2 reserve contract with Morgan Sindall:
 - Carry out a full 'Find A Tender' (formerly OJEU) procurement. This would take a minimum of 6 months and then 2 to 3 months of mobilisation. It would mean that ULPS would have to continue into the winter months. The risks to resident satisfaction and wellbeing would be significant.
 - Procure a contractor from a framework. This would be a quicker process (perhaps only 2 months of procurement) but would still require 2 to 3 months of mobilisation. The issue with framework procurement is that the contractor is not signing up to the Council's full requirements and model. The Council's IT requirements alone are significant and would mean there would be intense pressure on the contractor to rapidly adapt to our requirements during mobilisation. The risk of ongoing misunderstandings and disputes would be high.
 - Mobilise the in-house Direct Labour Organisation (DLO) to take on lot 2. This option would require a much longer lead in period because the DLO is not equipped to carry out responsive repairs. It is configured to carry out communal repairs on a planned basis – shifting to responsive repairs would require a major staff restructure and a major reconfiguration of supply chains and processes. The construction/maintenance sector is facing significant challenges around the cost of labour and materials and the DLO would be entering a very competitive environment and might struggle to recruit staff and source supplies. This option is also likely to much more

expensive in terms of staff costs and the lack of economies of scale/purchasing power.

3. For the reasons above, the recommended option is to activate the Morgan Sindall lot 2 reserve contract as Morgan Sindall present the best value route to a high performing service.
4. Additional benefits include the scope to increasingly treat lot 1 and 2 as a single contract. This would make contract management simpler and enable the Repairs Client Team to client in a 'smarter' way – analysing data and dedicating more time to specific issues. There may also be scope to use future Annual Reviews to negotiate savings across the two Morgan Sindall repairs contracts. The expectation is that Morgan Sindall can mobilise well and quickly with an infrastructure already in place, deliver a high performing service, realise economies of scale, manage demand better, and deliver future savings.
5. It is also recommended that Morgan Sindall be asked to sign a contract variation to correct an error in the lot 1 contract. The reserve contract clauses state that the lot 2 properties will be added to Morgan Sindall's area of responsibility. However, the list of 'lot 2' properties attached to the contract are incorrect and the correct lot 2 property list will be substituted for the erroneous list.

Reasons for Decision

6. To effect rapid and sustainable improvement in the responsive housing repairs service to deliver the service that residents expect. To make the changes before the onset of winter, when demand for repairs typically increases significantly as wet weather exposes problems with roofs and drainage.
7. To control the costs of the service through commercially astute application of contracts and negotiated agreements with contractors.

Equality Implications

8. Equalities Impact Assessment:

Age	<p>Social housing tenants in Hammersmith & Fulham tend to be older than the wider borough population. Older residents are at higher risk of adverse outcomes when they are living in properties in a state of disrepair. This strategy has the potential to improve outcomes for this cohort by returning properties to standard quicker through a better repairs service.</p> <p>Older residents may be adversely affected by any disruption caused by demobilising one contract and mobilising the replacement contract – missed appointments, delays in completing works and poor quality works are all risks.</p> <p>The Repairs Client Team and Customer Services Centre will take steps to identify and prioritise works where there are vulnerable</p>
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	<p>residents and liaise with the contractors to ensure that risks are mitigated. 30% of works completed by the outgoing contractor will be post inspected to detect inadequate workmanship and ensure speedy resolution. The outgoing contractor's supervisory team must evidence that they had a phone call with every resident once a works order is completed – to ensure the resident is satisfied the work has been carried out.</p>
Disability	<p>Social housing tenants in Hammersmith & Fulham tend to have a higher incidence of disability than the wider borough population. Disabled residents are at higher risk of adverse outcomes when they are living in properties in a state of disrepair. This strategy has the potential to improve outcomes for this cohort by returning properties to standard quicker through a better repairs service.</p> <p>Disabled residents may be adversely affected by any disruption caused by demobilising one contract and mobilising the replacement contract – missed appointments, delays in completing works and poor quality works are all risks.</p> <p>The Repairs Client Team and Customer Services Centre will take steps to identify and prioritise works where there are vulnerable residents and liaise with the contractors to ensure that risks are mitigated. 30% of works completed by the outgoing contractor will be post inspected in order to detect inadequate workmanship and ensure speedy resolution. The outgoing contractor's supervisory team must evidence that they had a phone call with every resident once a works order is completed – to ensure the resident is satisfied the work has been carried out.</p>
Gender reassignment	<p>No impacts have been identified that are associated with these protected characteristics.</p>
Marriage and Civil Partnership	
Pregnancy and Maternity	<p>Pregnant residents, or residents with young children are at higher risk of adverse outcomes when they are living in properties in a state of disrepair. This strategy has the potential to improve outcomes for this cohort by returning properties to standard quicker through a better repairs service.</p> <p>Pregnant/young family residents may be adversely affected by the works being carried out – as tenants or as neighbours. The Repairs Client Team will scrutinise the resident liaison and tenant experience requirements of the contract for the works and negotiate additional protections where necessary.</p>
Race	<p>Social housing tenants in Hammersmith & Fulham tend to be more ethnically diverse than the wider borough population. This strategy has the potential to improve outcomes for this cohort by improving the repairs service.</p>

	Language barriers may cause difficulties when works are being carried out. The Repairs Client Team will scrutinise the resident liaison and tenant experience requirements of the contract for the works and negotiate additional protections where necessary.
Religion and Belief	No impacts have been identified that are associated with these protected characteristics.
Sex	
Sexual orientation	

Climate and Ecological Emergency Implications

9. Morgan Sindall made environmental commitments as part of their Social Value commitments (see section 17 below) for both lot 1 and lot 2. They are full participants in the monthly Environment working group that brings all of the repairs and maintenance contractors together with colleagues from the Council's Climate Change Team. Morgan Sindall have made the most progress in adopting electric vehicles. As the borough wide Gas contractor (lot 4) they are an important partner helping the Council develop its policy on the move away from gas boilers to more sustainable sources of heat. We expect that Morgan Sindall taking over lot 2 is likely to facilitate greater progress towards the Council's environmental goals.
10. *Implications verified by: Hinesh Mehta, Strategic Lead (Climate Change) 020 8753 6703*

IT Implications

11. IT Implications: Digital Services is already working in partnership with the Economy on aspects of this proposal. The Economy's Operations division has assembled a project team, working with colleagues from Corporate Digital Services, to deliver the IT mobilisation (integration of the contractors' systems with the Council's Northgate Housing Management system). This builds on the successful mobilisation of Morgan Sindall to deliver lot 1/North area contract.
12. Digital Services must be consulted where proposals require new systems to be procured, existing systems to be modified, or IT enhancements to be considered. As such, if further requirements arise, Digital Services must be advised as early as possible to ensure prompt service delivery and coordination of all necessary safeguards, permissions and budgets.
13. IM Implications: A Privacy Impact Assessment was produced at the point Morgan Sindall were mobilised into lot 1 to ensure all potential data protection risks resulting from this proposal were properly assessed with mitigating actions agreed and implemented.

14. Suppliers will be expected to have a General Data Protection Regulation (GDPR) policy in place and all staff will be expected to have received GDPR training.
15. Contracts should include H&F's data protection and processing schedule, which is GDPR compliant.
16. *Implications completed by: Karen Barry, Strategic Relationship Manager – 020 8753 3481.*

Local Economy and Social Value

17. Morgan Sindall included specific Social Value commitments in their lot 1 and lot 2 tenders. The tender exercise took place before the Council's current Social Value policy was in place, so their commitments take the form of specific activities, rather than a 10% contribution relative to contract value, measured by TOMs. The Social Value Portal do not monitor the Social Value delivered by this contract (just as they do not monitor social value delivered by any contract awarded before they were commissioned by the Council). Instead, Social Value is monitored internally by Economy Department officers. Work is underway to integrate this monitoring with Social Value Portal monitoring.
18. Morgan Sindall have made the most progress towards delivering their Social Value commitments of all of the repairs and maintenance contracts awarded in summer 2020. It would be reasonable to expect that Morgan Sindall taking over lot 2 is likely to lead to more social value being delivered over the remaining 4 years of the contract.
19. *Implications verified by: Karen Galey, Assistant Director for Economic Development, karen.galey@lbhf.gov.uk*

Consultation

20. A system is in place to gather satisfaction from customers once repairs are completed. This data has informed the view of contractor performance that is outlined in this report. A Residents' Voice event was held in July 2021 which provided further evidence of residents' views about the repairs service. The recommendations in this paper are designed to affect a major improvement in resident satisfaction.

LIST OF APPENDICES

Exempt Appendix 1



NOTICE OF CONSIDERATION OF A KEY DECISION

In accordance with paragraph 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Authority hereby gives notice of Key Decisions which the Cabinet, Cabinet Members or Chief Officers intend to consider. The list may change from the date of publication as further items may be entered.

NOTICE OF THE INTENTION TO CONDUCT BUSINESS IN PRIVATE

The Authority also hereby gives notice in accordance with paragraph 5 of the above Regulations that it may meet in private to consider Key Decisions going to a Cabinet meeting which may contain confidential or exempt information.

Reports relating to Cabinet key decisions which may be considered in private are indicated in the list of Cabinet Key Decisions below, with the reasons for the decision being made in private. Any person is able to make representations to the Cabinet if he/she believes the Cabinet decision should instead be made in the public at the Cabinet meeting. If you want to make such representations, please e-mail Katia Neale on katia.neale@lbhf.gov.uk. You will then be sent a response in reply to your representations. Both your representations and the Executive's response will be published on the Council's website at least 5 working days before the Cabinet meeting.

KEY DECISIONS PROPOSED TO BE MADE BY THE AUTHORITY FROM AUGUST 2021 UNTIL APRIL 2022

The following is a list of Key Decisions which the Authority proposes to take from August 2021. The list may change over the next few weeks.

KEY DECISIONS are those which are likely to result in one or more of the following:

- Any expenditure or savings which are significant (ie. in excess of £300,000) in relation to the Council's budget for the service function to which the decision relates;
- Anything affecting communities living or working in an area comprising two or more wards in the borough;
- Anything affecting the budget and policy framework set by the Council.

The Key Decisions List will be updated and published on the Council's website at least on a monthly basis.

NB: Key Decisions will generally be taken by the Executive at the Cabinet, by a Cabinet Member or by a Chief Officer.

*If you have any queries on this Key Decisions List, please contact
Katia Neale on 07776 672 956 or by e-mail to katia.neale@lbhf.gov.uk*

Access to Key Decision reports and other relevant documents

Key Decision reports and documents relevant to matters to be considered at the Authority by Cabinet only, will be available on the Council's website (www.lbhf.org.uk) a minimum of 5 working days before the Cabinet meeting. Further information, and other relevant documents as they become available, can be obtained from the contact officer shown in column 4 of the list below.

Decisions

All Key Decisions will be subject to a 3-day call-in before they can be implemented, unless called in by Councillors.

Making your Views Heard

You can comment on any of the items in this list by contacting the officer shown in column 4. You can also submit a deputation to the Cabinet related to Cabinet Key Decisions only. Full details of how to do this (and the date by which a deputation must be submitted) will be shown in the Cabinet agenda.

LONDON BOROUGH OF HAMMERSMITH & FULHAM CABINET

Leader:	Councillor Stephen Cowan
Deputy Leader:	Councillor Sue Fennimore
Cabinet Member for the Environment:	Councillor Wesley Harcourt
Cabinet Member for Housing:	Councillor Lisa Homan
Cabinet Member for the Economy:	Councillor Andrew Jones
Cabinet Member for Health and Adult Social Care:	Councillor Ben Coleman
Cabinet Member for Children and Education:	Councillor Larry Culhane
Cabinet Member for Finance and Commercial Services:	Councillor Max Schmid
Cabinet Member for Public Services Reform:	Councillor Adam Connell
Cabinet Member for Strategy:	Councillor Sharon Holder

Key Decisions List No. 108 (republished on 25 August 2021)

KEY DECISIONS LIST – FROM AUGUST 2021

The list also includes decisions proposed to be made by future Cabinet meetings

Where column 3 shows a report as EXEMPT, the report for this proposed decision will be considered at the private Cabinet meeting. Anybody may make representations to the Cabinet to the effect that the report should be considered at the open Cabinet meeting (see above).

* All these decisions may be called in by Councillors; If a decision is called in, it will not be capable of implementation until a final decision is made.

Decision to be Made by	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
CABINET MEMBER AND OFFICER DECISIONS				
Finance				
Cabinet Member for the Environment	August 2021	<p>Annual Highways Maintenance Programme</p> <p>This report seeks approval of the annual highway maintenance work programme for 2020-2021. A key driver for this work is improving the quality of our street scene to give residents and businesses pride in the borough. This work is planned preventative maintenance, aimed at prolonging the life of the Highway infrastructure within the borough.</p> <p>We aim to improve efficiency and provide maximum value for money co-ordinating as far as possible maintenance works with the implementation of LIP projects. We are coordinating footways with the need to plan more trees so use our planned maintenance on footways to increase opportunities for adding tree pits.</p>	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet Member for the Environment	August 2021	<p>Highways Planned Maintenance Programme 2020-21</p> <p>Highways Maintenance programme to renew a number of carriageways and footways in the borough as part of the asset management of the boroughs highway network. To ensure safety requirements under the Highways</p>	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any
	Reason: Expenditure/Income above £300K - Revenue up to £500k		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
	and Capital up to 1.5m	Act 1980.	ian.hawthorn@lbhf.gov.uk	supporting documentation and / or background papers to be considered.
Cabinet Member for the Environment	August 2021	Proposals for the Noise and Nuisance team's revised service hours Review of the Hours of operation of the borough's Noise & Nuisance service	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet Member for Housing	August 2021	Replacement of Spandrel Panels (Medium and Low Risk Properties) Replacement of Spandrel Panels at the identified properties covering the stripping out of existing panels and renewing panels including carrying out, as required, all associated works.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Strategic Director for the Environment	August 2021	Climate and Ecological Emergency – Expansion of Lamp Column Electric Vehicle Charge Points Having successfully secured £215,175 funding from OLEV for residential lamp column EV charge points, and negotiated the necessary 25% match funding of	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any
	Reason: Expenditure/Income above £300K - Revenue up to £500k		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
	and Capital up to 1.5m	£72,000 from FM Conway, we are seeking permission to expand the network by a further 152 charge points using the existing LBHF term contract with FM Conway and CityEV.		supporting documentation and / or background papers to be considered.
Deputy Leader	August 2021	Third Sector Investment Fund Report to agree forward plan for 3SIF.	Deputy Leader	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Director Children's Services	August 2021	Climate Education Activity to promote education, awareness and participation in climate change activities among children and young people	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for Health and	August 2021	Public Health Budget Approval - Primary Care Activity		A detailed report for this item will be

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
Adult Social Care	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m	Budget approval report for public health funded services within primary care from April 2021- March 2024.	Ward(s): All Wards Contact officer: Nicola Ashton Tel: 020 8753 5359 Nicola.Ashton@lbhf.gov.uk	available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Chief Executive	August 2021 Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m	Collaborative Delivery Agreement Variation This workstream follows the January 2021 Cabinet report on disaggregation from LSCP and Placements. The January report contained a recommendation to delegate authority to the Chief Executive to make variations/extensions to the Collaborative Delivery Agreement from April 21 onwards - this report presents recommendations for both variation and extension.	Ward(s): All Wards Contact officer: Will Parsons Tel: 0776 848 6764 Will.Parsons@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Strategic Director of the Economy Department	August 2021 Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m	Modification of construction Contract of 10 genuinely affordable new homes in Spring Vale Estate Report on the progress of the construction of the 10 new genuinely affordable homes in Spring Vale Estate (which is near completion) and request for approval of Variation of contracts connected to the construction.	Cabinet Member for the Economy Ward(s): Avonmore and Brook Green Contact officer: Matthew Rumble matt.rumble@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
Strategic Director for the Environment	August 2021	<p>Healthy School Streets- a public health approach to infrastructure on highways and air quality monitoring</p> <p>This report seeks approval to start a programme of low level infrastructure improvements on the public highway around schools, undertake air quality audits for a number of schools who are in areas of poor air quality (of which there are 28), install air quality monitors and deliver an education programme to schools about the projects with a focus on STEMs. This would be the first year of the programme, with further reports for future years to recommend and apply mitigations for all schools on the list. The programme will report back to the Cabinet member and there will be continuous monitoring. This is a joint programme working with colleagues in Public Health and Education.</p>	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet Member for the Environment	August 2021	<p>Decarbonising Macbeth and Broadway Centres</p> <p>Public sector decarbonisation grant funding and match funding to implement air source heat pumps and energy efficiency measures at Macbeth and Broadway Centres.</p>	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	

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Chief Housing Officer	September 2021	Sale of Land next to 2 Effie Place Sale of land next to 2 Effie Place for the construction of block of three flats.		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Town	
Cabinet Member for the Environment	14 Sep 2021	£750k Climate Action Fund A one-off initial Climate Action Fund of £0.75m has been agreed within an allocated budget. It has been established from savings within Environment delivered in 2020/21 to help fund projects already underway or to support grant-funding applications that require match-funding.		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Resources				
Cabinet Member for the Environment	Before 1 Sep 2021	VPACH - EV Charge Point Framework VPACH (Virgin Park & Charge) project will provide electric vehicle charging in residential areas as a proxy for home charging for residents without access to off-street parking ("the Project"). The Project recognises that the economics for on-street residential charging are challenging and so VPACH is a consortium supported by Innovate UK to install on-street charging solutions for hard to	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be
	Reason: Affects 2 or more wards		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
		<p>address areas using the network assets of Virgin Media.</p> <p>This report requests that the Council enter into a Framework Agreement and subsequent Call-off Contracts with the consortium's only approved charge point operator, Liberty Charge Limited ("Liberty Charge"), to supply, install, maintain and operate the charge points in H&F at identified sites in the borough.</p>		considered.
Strategic Director of the Economy Department	<p>August 2021</p> <hr/> <p>Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m</p>	<p>Procurement Strategy - Roof Repair Programme</p> <p>To repair and replace roofs at 4 locations</p>	<p>Cabinet Member for the Economy</p> <hr/> <p>Ward(s): College Park and Old Oak; Fulham Reach; Hammersmith Broadway; Town</p> <hr/> <p>Contact officer: Nilesh Pankhania</p> <p>Nilesh.Pankhania@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet Member for Housing	<p>August 2021</p> <hr/> <p>Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m</p>	<p>Procurement Strategy – Dry to Wet Riser Conversion Works in Six (6) Blocks</p> <p>To appoint a Contractor to undertake conversion works of Dry Risers to Wet Risers in Six (6) Blocks to enhance fire safety.</p>	<p>Cabinet Member for Housing</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Richard Buckley</p> <p>richard.buckley@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Strategic Director for the Environment	August 2021	<p>Procurement strategy in relation to the procurement of books and audio materials for the libraries via a framework agreement</p> <p>For the Council to call off from the new two-year (plus two-year extension) framework agreement for the supply of library books and audio-visual materials at a total estimated cost for the initial two years of £200,000 (plus potentially a further £200,000). The award by WSCC will take place in mid-December 2019 and the new framework agreement will begin 1 April 2020.</p>	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Director Children's Services	August 2021	<p>Call-off Contract Extensions for Semi-Independent Living Support Providers</p> <p>Decision report recommending short-term extensions of up to six months from 12 April 2020 to 12 September 2020 to 16 call-off contracts to secure continuation of existing provision of semi-independent living (SIL) accommodation arrangements for Looked After Children and Young People leaving care to enable continuity of these valuable services during the current Covid-19 outbreak.</p>	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for the Environment	August 2021	<p>Procurement Strategy for Land and Property System</p> <p>The IDOX Group currently provides the Council's land and property-based IT case management system (Uniform) for multiple regulatory services across the authority.</p> <p>The software is highly embedded within the organisation and underpins a large number of business processes and casework</p>	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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		management. Its contract has expired and needs to be reproced.		papers to be considered.
Director Children's Services	August 2021	Approval to agree contract with Family support Service (FSS) To enable to enter in to a contract with Family Support Service (FSS).	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Contact officer: Lesley Bell Lesley.Bell@lbhf.gov.uk	
Cabinet Member for Children and Education	August 2021	Contract Extensions on Family Support (FS) Framework To extend a series of contracts on the Family Support Service (FSS) framework and deliver savings required.	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards Contact officer: Lesley Bell Lesley.Bell@lbhf.gov.uk	
Cabinet Member for the Economy, Cabinet Member for Finance and Commercial Services	August 2021	Egyptian House - new housing and community facilities A property transaction that will result in housing units including affordable housing and community facilities PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the	Cabinet Member for the Economy, Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Wormholt and White City Contact officer: Nigel Brown Tel: 020 8753 2835 Nigel.Brown@lbhf.gov.uk	

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		financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		background papers to be considered.
Strategic Director of the Economy Department	August 2021	<p>Procurement Strategies for White City Central</p> <p>Approval of two procurement strategies for the White City Central scheme.</p>	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Wormholt and White City	
Contact officer: Ayesha Ovaisi Tel: 020 8753 5584 Ayesha.Ovaisi@lbhf.gov.uk	Cabinet Member for Finance and Commercial Services	August 2021	<p>MFD Reprourement</p> <p>The Council has a contract for the provision of multi-functional devices (printers, scanners and copiers) so that its staff can have access to print services in its offices. The contract is due for renewal in 2021.</p>	
Ward(s): All Wards				
Contact officer: Josh Hadley Tel: 020 8753 1980 Josh.Hadley@lbhf.gov.uk	Cabinet Member for the Economy	August 2021	<p>Mund Street Site - Contract Award for Design Team</p> <p>This decision is to appoint a Design Team for the redevelopment of Mund Street. In</p>	Cabinet Member for the Economy
Ward(s): North End				

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	Revenue between £500,000 and £5m and Capital between £1.5m and £5m	particular, the decision seeks to appoint a Lead Designer and Architect along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement).	Contact officer: Labab Lubab Tel: 020 8753 4203 Labab.Lubab@lbhf.gov.uk	before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet Member for the Economy	August 2021	<p>Mund Street Site - Contract Award for Control Team</p> <p>This decision is to appoint a Control Team for the redevelopment of Mund Street. In particular, the decision seeks to appoint an Employers Agent and Project Manager along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement).</p>	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): North End	
Cabinet Member for the Economy	August 2021	<p>Farm Lane Site - Contract Award for Design Team</p> <p>This decision is to appoint a Design Team for the redevelopment of 11 Farm Lane. In particular, the decision seeks to appoint a Lead Designer and Architect along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement).</p>	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): Fulham Broadway	
Cabinet Member for the Economy	August 2021	<p>Farm Lane Site - Contract Award for Control Team</p> <p>This decision is to appoint a Control Team for the redevelopment of 11 Farm Lane.</p>	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days
	Reason: Expenditure/Income		Ward(s): Fulham Broadway	

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	Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m	In particular, the decision seeks to appoint an Employers Agent and Project Manager along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement)	Contact officer: Labab Lubab Tel: 020 8753 4203 Labab.Lubab@lbhf.gov.uk	before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet Member for the Economy	August 2021 Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m	Lillie Road Site - Design Team Award Report This decision is to appoint a Design Team for the redevelopment of Lillie Road. In particular, the decision seeks to appoint a Lead Designer and Architect along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement).	Cabinet Member for the Economy Ward(s): North End Contact officer: Labab Lubab Tel: 020 8753 4203 Labab.Lubab@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet Member for the Economy	August 2021 Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m	Lillie Road Site - Control Team Award Report This decision is to appoint a Control Team for the redevelopment of Lillie Road. In particular, the decision seeks to appoint an Employers Agent and Project Manager along with specialist technical sub-consultants to allow for the completion of LBHF Development Gateway 2 (planning) and LBHF Development Gateway 3 (procurement).	Cabinet Member for the Economy Ward(s): North End Contact officer: Labab Lubab Tel: 020 8753 4203 Labab.Lubab@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Cabinet Member for Health and Adult Social Care	August 2021	Contract extension for Floating Support Service Agree a contract extension as permitted under the original contract award for plus 2 years to Hestia for floating support services	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Strategic Director of Social Care	August 2021	Day Opportunities Contract awards Contract awards for three day centres for older people	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet Member for Health and Adult Social Care	August 2021	Extension of Incumbent Homecare Contracts This report seeks Cabinet member approval for the extension of the existing homecare contracts for 1year + 6 months + 6months.	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Contact officer: Christine Williams Christine.Williams@lbhf.gov.uk				

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Director of Resources	August 2021	<p>Procurement Strategy - Caretakers Lodges</p> <p>The aim of the scheme is to generate income by redeveloping caretakers lodges into low rental, short term accommodation for teaching staff employed in H&F schools, after which they will have the option of accessing the Council wider affordable housing offer e.g. Shared Ownership or Help to Buy.</p> <p>The discovery work has enabled a business case for investment in repurposing four lodges as affordable key workers houses to house a first cohort of teachers from September 2021.</p> <p>This is expected to deliver the Council immediate revenue benefits of between £63k and £113k from the schemes launch with a breakeven point from 2025/26 considering the upfront capital invested.</p> <p>Works scheduled for 2021 are estimated to cost £555,481 and be paid for from Capital Planned Maintenance Budget. Due to the high pre-tender estimated costs for refurbishment to two of the lodges, a procurement strategy will be drafted for approval. This will account for £407,481 of the total pre tender estimated value.</p> <p>The Corporate Landlord Board, Children's Leadership Team and Cabinet Member have approved the business case for progression of the first four lodges.</p>	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	

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Cabinet Member for Children and Education	August 2021	FSS Framework Extension 2021/22 Extension of FSS framework for 1 year April 2021 - March 2022	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for Children and Education	August 2021	Procurement Strategy for Young Persons and Care Leaver's Semi-independent Living The purpose of this strategy is to set out proposed changes to in-borough commissioned supported housing services for young people at risk of becoming homeless and or at risk of entering the care system as a result of becoming homeless.	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s):	
Cabinet Member for Housing	August 2021	Contract Award, Edward Woods external wall safety works This report seeks approval from the Cabinet Member for Housing to award a contract for the External Wall Safety Works at Edward Woods Estate	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): Shepherds Bush Green	

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Deputy Leader	August 2021	Procurement Strategy for Violence Against Women & Girls services		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m	Procurement strategy for VAWG Services - Coordination and Integrated Support Services	Ward(s): All Wards Contact officer: Felicity Charles Tel: 02087534311 Felicity.Charles@lbhf.gov.uk	
Cabinet Member for Health and Adult Social Care	August 2021	Direct Award to Incumbent Substance Misuse Service Providers	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m	This report seeks the approval of a direct award of one year plus six months, (1+6m) to the provision of three substance misuse contracts and two grants to be delivered by the four incumbent providers CGL, Turning Point, Outside Edge and Build on Belief	Ward(s): All Wards Contact officer: Rebecca Richardson Tel: 07827879659 rebecca.richardson@lbhf.gov.uk	
Strategic Director for the Environment	August 2021	Refuge Direct Award	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards	Direct award refuge provision - 1st April 2021 - 31st March 2022.	Ward(s): All Wards Contact officer: Felicity Charles Tel: 02087534311 Felicity.Charles@lbhf.gov.uk	

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Strategic Director of Social Care	August 2021	Extension of Healthy Hearts Contract Extension of contract with Thrive Tribe to provide a stop smoking service and a cardio vascular disease prevention programme.	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for Finance and Commercial Services	August 2021	Procurement strategy - Revenue and Benefits Procurement strategy for software solution	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for the Environment	August 2021	Contract Award - Revenue and Benefits Contract for the supply of software and associated support		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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Director Children's Services	August 2021	<p>Child and Adolescent Mental Health Services (CAMHS) for 21/22</p> <p>Exceptional circumstances related to the Covid vaccine roll-out mean that NHS partners are not sufficiently resourced at this time to enter into intended Section 75 arrangements. Therefore, in order to remain within governance requirements, this report seeks approval to directly award contracts for CAMHS services for 2021/22.</p>	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Commercial Revenue Committee	August 2021	<p>The winding-up and dissolution of H&F Bridge Partnership Limited</p> <p>With HFBP being dormant for a number of years to finally close the company and distribute the retained profit in line with the existing shareholdings.</p>	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Strategic Director of the Economy Department	August 2021	<p>Procurement Strategy for direct award of a contract for a multi-disciplinary consultant for the major refurbishment of Charecroft Estate W12</p> <p>The report seeks approval of a procurement strategy proposing a direct award of a contract for multi-disciplinary consultancy services to develop, plan and manage the major refurbishment works at Charecroft estate W12</p>		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Addison	

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Cabinet Member for Finance and Commercial Services	September 2021	Cloud Hosting Strategy A decision is required on where H&F line of business systems are hosted, e.g. Academy, ArcGIS. Currently these are hosted by BT and the report will make a recommendation on the future strategy for these services.		A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for Children and Education	August 2021	Award to the Travel Care Tax Services Framework Award of providers to the Travel Care Tax Framework	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): All Wards	
Cabinet Member for the Economy	August 2021	Procurement Strategy for direct award of a contract for a multi-disciplinary consultant for various housing capital workstreams W12 This report seeks approval of a Procurement Strategy for the direct award of a contract to Baily Garner to provide multi-disciplinary consultancy support for various housing capital workstreams	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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Cabinet Member for Housing	August 2021	Contract Award report: whole-house retrofit Contract Award report to award a contract to a provider of whole-house retrofit for 27 properties in West Kensington, as part of a part-GLA funded pilot aimed at radical improvement in energy efficiency in line with LBHF Climate Change goals. Approved procurement strategy is to procure via an Innovation Partnership run by GLA. This procurement will culminate in late May with a provider being matched with LBHF.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for the Economy	August 2021	CONTRACT AWARD REPORT: Responsive Capital reserve contract On 24th March 2021 the Cabinet Member for Housing approved the award of the Responsive Capital contract to Kier Services Limited for five years from 1st May 2021 (with an option to extend for two additional years). Approval is now sought to appoint a reserve contractor to deliver the Responsive Capital contract.	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet Member for the Environment	August 2021	Procurement strategy - Contract for Parking Suspension System This is a procurement strategy for a Parking Suspension System to replace the existing system that has come to its end of life.	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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Cabinet Member for Children and Education	August 2021	Financial contributions to CCG-held contract to Central London Community Healthcare NHS Trust Report seeks approval to financial contributions to CCG-held contract to Central London Community Healthcare NHS Trust) for 21/22.	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for the Environment	September 2021	Infrastructure Asset Management System Procurement This is the procurement of an infrastructure asset management system which is used primarily by Highways and Parking services. The system currently in use is Confirm on Demand.	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Strategic Director of the Economy Department	August 2021	White City Central redevelopment - Contract Award Mechanical, Electrical and Public Health Engineer (MEP) Consultant to support the White City Central redevelopment project	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): Wormholt and White City	

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Deputy Leader	August 2021	Procurement Strategy for Refuge Services Reprocurement of refuge services for victims of domestic abuse and violence against women and girls.	Deputy Leader	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Leader of the Council	August 2021	Request for a Re-Purposing of the Stock Condition Capital Budget for the IHMS The purpose of the report is to request approval for the re-purposing of the Capital Budget for the Stock Condition surveys to meet the cost of implementing the new Integrated Housing Management System for The Economy.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for Children and Education	August 2021	Caretaker Lodges- Letting Agency Procurement To lease the four caretaker lodges in the first phase of the Caretaker Lodge project to a letting agency to manage the tenancies & properties in partnership with H&F- details of allocations of responsibilities to be agreed. This is part of the Caretaker Lodges Project to provide local low rent teacher accommodation to increase teacher retention in LBHF and maintain outstanding	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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		education provision in the borough.		
Deputy Leader	August 2021	Award for Violence Against Women and Girls Services Award report for VAWG services - Integrated Support Service	Deputy Leader	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for Housing	August 2021	Rough Sleeping Supported Housing Contract Award Award of a contract to deliver supported housing for rough sleepers and other homeless people following a tender.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Strategic Director of the Economy Department	August 2021	Relief contractor for Housing Repairs Procurement Strategy for procuring a contractor from a framework to address a backlog of disrepair cases, voids and major repairs.	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and		Ward(s): All Wards	

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	£5m			papers to be considered.
Cabinet Member for Housing	6 Sep 2021	Controlled Access Programme: Contract Award Decision to Award a Contract for a Controlled Access Programme where the existing door entry systems of housing blocks are upgraded using a cloud-based information system and GSM technology.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	
Cabinet Member for Housing	September 2021	Procurement Strategy for H&F Maintenance 'DLO' Roofing Subcontractor This report seeks approval to procure a roofing subcontractor to carry out roofing repairs, on behalf of H&F Maintenance 'the DLO', via a restricted tender process to Small and Medium-sized Enterprises (SME's). This is permitted for high-value contracts under contract standing order 4.8. The DLO has responsibility for carrying out repairs to communal areas for the majority of our council housing stock and requires a subcontractor to refer roofing repairs to, due to the specialist nature of these works, in order to fulfil our duties as landlord to keep our buildings safe and in good repair.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for Housing	Before 1 Sep 2021	Procurement strategy for DLO vehicle supplier Hammersmith and Fulham Maintenance and the Fire Safety Works team, aka the 'DLO' has	Cabinet Member for Housing	A detailed report for this item will be available at least five working days
	Reason: Expenditure/Income		Ward(s): All Wards	

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	above £300K - Revenue up to £500k and Capital up to 1.5m	been delivering communal repairs and maintenance across the borough since April 2019. It's initial procurement approval for vehicle hire expired in June 2020. However, it has continued to lease vehicles from Northgate Vehicles on a flexi-contract since then. This paper seeks approval to note and ratify that use, and to approve procurement of a new contract going forward.	Contact officer: Claire Horn Tel: 07860 649 918 Claire.horn@lbhf.gov.uk	before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet Member for Strategy	6 Oct 2021	<p>Grounds Maintenance Procurement</p> <p>Grounds maintenance procurement strategy was approved by Cabinet on 1st June 2020. This procurement has 4 Lots: Lot 1 Parks, Highways and Cemeteries, Lot 2 Housing (Economy department), Lot 3 Wormwood Scrubs, Lot 4 Trees. Each lot will need approval to accept the best tendered offer.</p>	Cabinet Member for Strategy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income above £300K - Revenue up to £500k and Capital up to 1.5m		Ward(s): All Wards	
Cabinet Member for Children and Education	13 Sep 2021	<p>School Meals contract award</p> <p>Award of school meals contracts</p>	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

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Cabinet Member for Housing	1 Oct 2021	<p>Contract award for major refurbishment works to Sullivan Court estate SW6 - Phase 2</p> <p>This report seeks approval to award a contract for the major refurbishment of thirteen residential blocks forming part of the Sullivan Court estate SW6. The project is one which the Council has committed to deliver as part of the Asset Management Compliance Strategy and Capital Programme approved at Cabinet on 1 July 2019.</p> <p>A previous award approved on 4 August 2021 has been rendered null and void by the subsequent decision of the first-ranked contractor to withdraw their tender.</p>	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): Sands End	

CABINET - 6 September 2021

Finance

Cabinet	6 Sep 2021	<p>CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2020/21 (OUTTURN)</p> <p>This report provides a summary of the Council's capital programme outturn for the financial year 2020/21 and requests approval for budget variations to the capital programme.</p>	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): All Wards	
Cabinet	6 Sep 2021	<p>2020/21 PROVISIONAL REVENUE OUTTURN REPORT</p> <p>Provision 2020/21 Outturn report</p>	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days
	Reason: Affects 2 or more wards		Ward(s): All Wards	

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			Contact officer: Gary Ironmonger Tel: 020 8753 2109 Gary.Ironmonger@lbhf.gov.uk	before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	6 Sep 2021 Reason: Affects 2 or more wards	2021/22 Corporate Revenue Monitor - Month 2 (May 2021) Update on financial forecast at end of May. Request for virements.	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Gary Ironmonger Tel: 020 8753 2109 Gary.Ironmonger@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	6 Sep 2021 Reason: Affects 2 or more wards	Climate and Ecology Strategy This paper presents the council's draft Climate and Ecology Strategy for cabinet approval. The strategy responds to the council's declaration of a climate and biodiversity emergency in July 2019, and is the proposed approach to meet the council's target for net zero greenhouse gas emissions within the borough by 2030.	Cabinet Member for the Environment Ward(s): All Wards Contact officer: Jim Cunningham, Bram Kainth Tel: 07468 365829, Tel: 07917790900 Jim.Cunningham@lbhf.gov.uk, bram.kainth@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	6 Sep 2021 Reason: Expenditure/l	12-year HRA Asset Management Capital Strategy This programme uplifts the previously approved four-year Asset Management Compliance	Cabinet Member for Housing Ward(s): All Wards	A detailed report for this item will be available at least five working days

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	income over £5m & policies or new income, reserves use, overspend over £100K	<p>Strategy and Capital Programme to deliver additional compliance and climate emergency based items identified for the Council's housing stock outside of the current budget from 2022-23 until 2030-31.</p> <p>The overarching priority of the programme is to deliver the overall aims of the Asset Management Strategy agreed by Cabinet in December 2018 which focusses on health and safety and compliance.</p> <p>Please note these new works are different to the current four-year programme due for completion in 2023-24 covering Major Refurbishments, Fire Safety, Lifts, Boilers, Electrical, Voids and Miscellaneous schemes.</p>	<p>Contact officer: William Shanks Tel: 020 8753 6007 william.shanks@lbhf.gov.uk</p>	before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	<p>6 Sep 2021</p> <p>Reason: Expenditure/income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m</p>	<p>Schools Capital Programme 2021-24</p> <p>The council receives grant funding annually from the Department for Education for the school condition and maintenance programme. This grant covers major programmes of work relating to the condition and maintenance of school building, material infrastructure upgrades and key reactive maintenance projects.</p> <p>Many of the schools in the borough are relatively old and therefore have significant condition issues. This report sets out a proposed programme of £10,318,807 over three years to significantly enhance the condition of school buildings.</p>	<p>Cabinet Member for Children and Education</p> <p>Ward(s): All Wards</p> <p>Contact officer: Anthony Mugan Anthony.Mugan@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Resources

Cabinet	6 Sep 2021	<p>Responsive repairs contracts for housing</p> <p>This paper recommends the steps necessary to address the performance issues impacting the responsive repairs contracts for housing.</p> <p>Reasons for urgency: The paper will recommend that LBHF give notice to one of the three contractors and mobilise the reserve contract that is in place. The decision needs to be taken urgently so the demobilisation and remobilisation process can commence immediately and conclude before the winter months, when demand for housing repairs typically increases significantly. The strategy outlined in the paper is for the handover date to be 29th October - something that is only possible if the decision is made via Leader's Urgency, as the demobilisation/remobilisation process will take two months (it will involve a TUPE transfer between contractors). If demobilisation and remobilisation is delayed there is a major risk of service failure during the winter months and a negative impact on tenant satisfaction and wellbeing.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the</p>	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		

CABINET - 11 October 2021

Finance

Cabinet	11 Oct 2021	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2021/22 (FIRST QUARTER) This report provides a financial update on the council's capital programme and requests approval for budget variations to the capital programme.	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): All Wards	
Cabinet	11 Oct 2021	Equalities Plan Council's Equalities Plan 2021-2024. The plan sets out the Council's commitment to tackling inequalities and creating new opportunities for all our residents. The plan also sets out the Council's draft Equality objectives in accordance with the requirements to support the public sector Equality Duty	Deputy Leader	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
Cabinet	11 Oct 2021	Infrastructure Delivery Team Leader The Council is required to use funds received from planning obligations to address the impact of developments carried out. This report sets out the use of funds received through Section 106 agreements and received as a result of the Community Infrastructure Levy (CIL) schedules in force in the Borough. It seeks approval to the drawdown of these funds for projects which have been delivered in 2020/21.	Cabinet Member for the Economy	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Resources				
Cabinet	11 Oct 2021	Procurement for the provision of the agency interim and temporary workers contract Procurement for the provision of the agency interim and temporary workers contract PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for Public Services Reform	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): All Wards	

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CABINET - 1 November 2021

Finance

Cabinet	1 Nov 2021	2021/22 Corporate Revenue Monitor - Month 4 (July 2021) Financial Forecast as at the end of July	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards Contact officer: Gary Ironmonger Tel: 020 8753 2109 Gary.Ironmonger@lbhf.gov.uk	

Cabinet	1 Nov 2021	Fixed Penalty Notices to be issued by LET team Update to several of the existing amounts	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards Contact officer: Beth Morgan Tel: 020 8753 3102 beth.morgan@lbhf.gov.uk	

Resources

Cabinet	1 Nov 2021	Procurement Strategy for Mental Health Supported Housing Procurement strategy for our mental health supported housing	Cabinet Member for Health and Adult Social Care	A detailed report for this item will be available at least five working days
	Reason: Expenditure/Income over		Ward(s): All Wards	

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	£5m & policies or new income, reserves use, overspend over £100K	<p>in borough contracts.</p> <p>PART OPEN</p> <p>PART PRIVATE</p> <p>Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Contact officer: Joanna McCormick, Michele Roberts Tel: 0741207694, Tel: 020 8834 4734 Joanna.Mccormick@lbhf.gov.uk, Michele.Roberts@lbhf.gov.uk</p>	<p>before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>1 Nov 2021</p> <p>Reason: Expenditure/ income - Revenue between £500,000 and £5m and Capital between £1.5m and £5m</p>	<p>Harm Reduction, Treatment and Prevention Procurement Strategy</p> <p>The council plans to recommission its substance misuse services for adults and integrated substance misuse and sexual health wellbeing services for young people. The current contracts give provision for core drug and alcohol services, peer support and young people's health and wellbeing services covering substance misuse and psychosexual support.</p> <p>This report seeks approval of the Procurement Strategy which sets out the intention to tender the delivery of a more efficient and high-quality substance misuse services through:</p> <ul style="list-style-type: none"> • an adults' substance misuse service • an integrated young peoples' sexual health and substance misuse service 	<p>Cabinet Member for Health and Adult Social Care</p> <p>Ward(s): All Wards</p> <p>Contact officer: Joanna McCormick, Julia Woodman Tel: 0741207694, Joanna.Mccormick@lbhf.gov.uk, Julia.Woodman@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
CABINET - 6 December 2021				
Cabinet	6 Dec 2021	Short Breaks Statement and Eligibility Criteria Short Breaks Statement update May 2021. This Statement is about the offer of short breaks available for children with disabilities and their families in Hammersmith and Fulham. It sets out how the services are organised, and routes to access them. This short break statement is published as a requirement of the Children and Families Act 2014.	Cabinet Member for Children and Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Budg/pol framework		Ward(s): All Wards Contact officer: Lesley Bell Lesley.Bell@lbhf.gov.uk	
Cabinet	6 Dec 2021	Improving private renting through discretionary property licensing The council has two discretionary property licensing schemes which expire in June 2022. The proposal is from June 2022 to June 2027 to continue to licence all Houses in Multiple Occupation and introduce a new Selective Licensing scheme to cover specific roads in the borough	Cabinet Member for the Environment	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards Contact officer: Ed Shaylor Ed.Shaylor@lbhf.gov.uk	
CABINET - 10 January 2022				
Cabinet	10 Jan 2022	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2021/22 (SECOND QUARTER) This report provides a financial update on the council's capital programme and requests approval for budget variations to the capital programme.	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend		Ward(s): All Wards Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@lbhf.gov.uk	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
	over £100K			background papers to be considered.
Cabinet	10 Jan 2022	2021/22 Corporate Revenue Monitor - Month 6 (September 2021)	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards	Update of Financial Forecast for 2021-22 financial year	Ward(s): All Wards	
			Contact officer: Gary Ironmonger Tel: 020 8753 2109 Gary.Ironmonger@lbhf.gov.uk	
Cabinet	10 Jan 2022	Managed services for temporary agency resources - approval to utilise previously agreed one year extension	Cabinet Member for Public Services Reform	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/ income over £5m & policies or new income, reserves use, overspend over £100K	re-procurement of temporary agency resources	Ward(s): All Wards	
			Contact officer: Mary Lamont mary.lamont@lbhf.gov.uk	
CABINET - 7 February 2022				
Cabinet	7 Feb 2022	FOUR YEAR CAPITAL PROGRAMME 2022/23 AND CAPITAL STRATEGY 2022/23	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting
	Reason: Expenditure/ income over £5m & policies or new income, reserves	This report presents the Council's four-year Capital Programme for the period 2022 to 2026.	Ward(s): All Wards	
			Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@lbhf.gov.uk	

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	use, overspend over £100K			documentation and / or background papers to be considered.
Cabinet	7 Feb 2022	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2021/22 (THIRD QUARTER) This report provides a financial update on the council's capital programme and requests approval for budget variations to the capital programme.	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure/Income over £5m & policies or new income, reserves use, overspend over £100K		Ward(s): All Wards	
		Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@lbhf.gov.uk		
Cabinet	7 Feb 2022	REVENUE BUDGET AND COUNCIL TAX LEVELS 2022/23 The 2021/22 revenue budget proposals regarding Council tax levels, investment and savings proposals, changes to fees and charges, budget risks, reserves and balances and equalities impact assessments.	Leader of the Council	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
		Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@lbhf.gov.uk		
CABINET - 19 April 2021				
Cabinet	19 Apr 2022	2021/22 Corporate Revenue Monitor - Month 9 (December 2021) Update of 2021-22 financial forecast	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include
	Reason: Affects 2 or more wards		Ward(s): All Wards	
		Contact officer: Gary Ironmonger		

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			Tel: 020 8753 2109 Gary.Ironmonger@lbhf.gov.uk	details of any supporting documentation and / or background papers to be considered.