

Climate Change and Ecology Policy and Accountability Committee

Agenda

Monday 2 February 2026 at 7.00 pm

145 King Street (Ground Floor), Hammersmith, W6 9XY

Watch live on YouTube: youtube.com/hammersmithandfulham

MEMBERSHIP

Administration	Opposition
Councillor Nicole Trehy (Chair) Councillor Callum Nimmo Councillor Omid Miri Councillor Nikos Souslous	Councillor Liam Downer-Sanderson

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Members of the public are welcome to attend but spaces are limited. To register for a place, please contact Amrita.White@lbhf.gov.uk. The building has disabled access.

Climate Change and Ecology Policy and Accountability Committee

Agenda

2 February 2026

<u>Item</u>		<u>Pages</u>
1. APOLOGIES FOR ABSENCE		
2. DECLARATIONS OF INTEREST	<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>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>	
3. MINUTES		4 - 11
	To approve the minutes of the previous meeting and note any outstanding actions.	
4. OVERVIEW OF H&F'S DIRECT DEVELOPMENT SCHEMES RESPONSE TO THE CLIMATE CHANGE AND ECOLOGY STRATEGY		12 - 21
	This report provides an update on the Council's development pipeline and how it aligns with the Climate and Ecology Strategy.	
5. 2026/27 REVENUE BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY (MTFS)		22 - 35
	This report provides an update on the overall preparation and proposals for the 2026/27 revenue budget, risks, financial resilience, and the impact of those proposals.	

6. WORK PROGRAMME

The Committee is asked to consider items for inclusion in its work programme.

7. DATES OF FUTURE MEETINGS

To note the dates of future meetings:

- 21st April 2026

Agenda Item 3

London Borough of Hammersmith & Fulham

Climate Change and Ecology Policy and Accountability Committee Minutes



Wednesday 24 September 2025

PRESENT

Committee Members:

Nicole Trehy (Chair)
Callum Nimmo
Liam Downer-Sanderson
Omid Miri

Other Councillors:

Councillors Wesley Harcourt (Cabinet Member for Climate Change and Ecology) and Florian Chevoppe-Verdier (Cabinet Member for Public Realm)

Officers:

Bram Kainth (Executive Director of Place)
Hinesh Mehta (Assistant Director Climate Change)
Tim Pryce (Head of Clean Energy)
Meghan Kingsley-Walsh (Heat Decarbonisation Lead)
Ian Hawthorn (Assistant Director – Highways and Parks)
Liam Oliff (Committee Coordinator)

External:

Peter Runacres (Earls Court Development Company)
Liz Celis (Norman Rouke Pryme)
Jamie Orme (Norman Rouke Pryme)

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

RESOLVED:

That the minutes of the meeting held on 1st July 2025 were approved.

4. PUBLIC REALM WORKS PROCUREMENT

Ian Hawthorn (Assistant Director – Highways and Parks) introduced the report which outlined the procurement of the Public Realm Works Contract with a focus on Climate Change requirements that will form part of the new contract. Jamie Orme (Norman Rouke Pryme) presented slides which included new Key Performance Indicators (KPIs) that would be required as part of any Public Realm procurement, these included carbon reduction, waste reused and recycled, waste diverted from landfill and hard to recycle waste diverted. There would also be innovation requirements built into the contract, such as trialling new low carbon technology and sharing best practice. Non-compliance would be dealt with through financial penalties or termination of the contract if it wasn't corrected within 28 days.

The Chair raised a query regarding the option for contractors, asking what would happen if a variety of contractors didn't meet the minimum standards. Jamie Orme responded that there was a set of required standards that all contractors were obliged to comply with. He explained that the tender process included a negotiation period, during which bidders who did not initially meet the standards could engage in discussions to improve their standards.

The Chair further asked whether, in light of supply chain issues, there was scope to negotiate upwards and support contractors in reaching the required standards. Jamie Orme noted that in recent years there had been a significant push from contractors to decarbonise, driven in part by local authorities, particularly London Borough of Hammersmith and Fulham (LBHF), which had been instrumental in raising the standards expected of contractors.

The Chair expressed concern about competition with other boroughs, suggesting that LBHF could be undercut. Jamie Orme reassured that LBHF was at the forefront of contractor requirements and had benefited from years of investment by contracting organisations aiming to meet these standards. He stated that LBHF was now in an ideal position to leverage this investment and maintain higher standards than other local authorities.

Councillor Callum Nimmo questioned whether there were mechanisms within contracts to support ongoing improvements towards Net Zero 2030. Jamie Orme explained that contracts included KPIs, monthly monitoring, and procedures for addressing non-compliance. Ian Hawthorn added that contractors were required to report monthly against KPIs and that the industry had progressed significantly in its response to climate change. He noted that all contractors now had climate plans and that the widespread use of asphalt had contributed to flood risk mitigation.

Councillor Callum Nimmo queried how stringent requirements could be balanced with encouraging innovation, given there could be a low appetite for risk as contractors didn't want to underperform. Jamie Orme responded that contractors

were expected to incorporate a degree of risk. He emphasised the willingness of contracting organisations to improve efficiency and innovate. He also noted that LBHF retained control over technical specifications and could, for example, ban certain items if necessary.

Councillor Liam Downer-Sanderson raised concerns that scope 3 emissions had doubled since the climate emergency was declared and asked whether Jamie Orme had been appointed to address this, and what targets were in place to reduce emissions. Jamie Orme replied that contractors were expected to present plans to reduce scope 3 emissions and that reporting requirements would allow the Council to establish baselines and assess bidders' approaches. Bram Kainth (Executive Director – Place) clarified that Jamie Orme's role was specifically related to Public Realm procurement. Councillor Liam Downer-Sanderson asked whether a cost analysis had been conducted to determine whether LBHF would need to spend more to achieve higher standards. Bram Kainth responded that decisions regarding materials were made by the local authority.

Councillor Florian Chevoppe-Verdier (Cabinet Member for Public Realm) shared that LBHF had ranked second in the climate emergency scorecard, which assessed how effectively local authorities were acting on climate change and had committed to achieving 25 green flags by 2025, reflecting the biodiversity of its green spaces.

Councillor Liam Downer-Sanderson pointed out that while total emissions had decreased without procurement, emissions associated with procurement had increased, jeopardising the Net Zero 2030 target. Councillor Florian Chevoppe-Verdier added that many existing contracts had been inherited from the previous administration and were not conducive to climate goals. Councillor Liam Downer-Sanderson stressed that the rate of emissions reduction was insufficient and did not account for procurement-related emissions.

The Chair summarised Jamie Orme's earlier point that new procurement contracts included KPIs, requiring contractors to meet elevated standards. He acknowledged that carbon was embedded in all aspects of procurement but noted efforts to mitigate this as much as possible. He also emphasised that scope 3 emissions were difficult to control and required behavioural change. Jamie Orme acknowledged the potential for increased costs but stated that, having supported several boroughs, he had not observed significant cost increases following tender exercises. He explained that price adjustments were based on industry data.

A resident asked about KPIs for transport and how they aligned with the new transport strategy, and when the strategy consultation would open. Hinesh Mehta (Assistant Director – Climate Change) clarified that the KPIs were separate from the transport strategy and related to operational work. He stated that the strategy was still being drafted, with no confirmed timeline, but that it would align with the Mayor's transport strategy.

Another resident asked how the public could contribute ideas to the procurement strategy. Bram Kainth explained that new ideas could be discussed during monthly meetings with contractors, who were responsible for delivering the Council's plan. He noted that price negotiations might be necessary and that no contract was entirely

fixed. Councillor Florian Chevoppe-Verdier welcomed public input and encouraged the sharing of ideas.

RESOLVED:

That the Committee noted the report.

5. H&F CLEAN ENERGY TRANSITION

Tim Pryce (Head of Clean Energy) presented the report which set out key achievements and opportunities to deliver net zero energy, with a particular focus on decarbonising heating systems in buildings and reducing energy bills. A high proportion of energy used in the borough came from buildings and reducing this was key to reaching the target of Net Zero. LBHF had most control over emissions from corporate assets and maintained schools. Large amounts of emissions also came from social housing and LBHF was looking to work with tenants to decarbonise their home. LBHF had launched the Healthy Homes initiative. This programme offered expert advice, home visits, and grant application support to help residents reduce energy bills and carbon emissions. Meghan Kingsley-Walsh (Heat Decarbonisation Lead) presented slides to the committee which outlined heat networks. This was being looked at as it was the cheapest way for LBHF to decarbonise heat. There was an aim for 20% of the UK's heat to be produced by heat networks by 2050, this was currently at 3%. Peter Runacres (Earls Court Development Company) gave a presentation on a proposed heat network at Earls Court.

The Chair welcomed the ambition shown in the programme.

Councillor Omid Miri mentioned that critics of Net Zero say that there are costs involved to those in poverty, he asked how many residents had been helped through LBHF's Healthy Homes Scheme or its predecessors. Tim Pryce responded that over 2,000 homes had been supported through previous programmes, including the Winter Ready Homes initiative. He explained that the intention was to consolidate all such programmes under the Healthy Homes umbrella. He added that a significant amount of advice had been provided to help residents identify financing options to decarbonise their homes.

Councillor Liam Downer-Sanderson noted that 546 homes had received upgrades in the past two years, with a further 516 scheduled, he questioned whether this was quick enough to reach Net Zero by 2030. Tim Pryce confirmed that, as part of the overall plan, thousands of homes had received some form of upgrade over time. He added that clean energy networks would enable many homes to benefit quickly and cost-effectively.

Councillor Liam Downer-Sanderson asked whether it was viable to reach the Net Zero target by 2030. Tim Pryce replied that the intention was to progress as quickly as possible, he mentioned that they were looking at bringing in capital investment to accelerate the process. Councillor Liam Downer-Sanderson asked what level of capital investment was needed to reach the target. Tim Pryce stated that he would follow up with further information after the meeting.

Action: Tim Pryce

Councillor Liam Downer-Sanderson queried whether offsetting would be considered if the target of Net Zero by 2030 could not be met. Tim Pryce responded that offsetting was not the preferred approach. Bram Kainth added that electricity was now renewable and clean, and that if the government acted swiftly, clean energy could be scaled up. Councillor Liam Downer-Sanderson asked whether achieving Net Zero was within the control of local authorities. Bram Kainth acknowledged that it was a challenging and ambitious target, and that large-scale projects, such as Earls Court, alongside government funding, would be necessary. He noted that the local authority could not achieve this alone.

The Chair referred to residents in the Civic Campus who were already benefiting from the scheme, asking how the benefits, such as cheaper energy, could be extended to residents outside of those directly purchasing energy. Tim Pryce explained that the electricity contractor would purchase heat from the heat network rather than relying on gas. He acknowledged that it was difficult to share the benefits directly, though there were wider advantages such as improved air quality and fewer gas boilers. Peter Runacres added that the benefits extended beyond energy costs, including improved health and wellbeing and reduced maintenance charges. He cited the Kings Cross regeneration project, where energy suppliers had been required to keep prices 5% below the average market rate.

Councillor Florian Chevoppe-Verdier commended the progress made in West Kensington and congratulated officers on their work.

Councillor Wesley Harcourt reported that he had attended a meeting of all London local authorities, where heat networks had been discussed. He noted that LBHF's approach was innovative, offering both heating and cooling. He added that new data centres were being built, presenting opportunities to integrate with the heat network. He acknowledged that the targets were challenging and expressed personal disagreement with the use of offsetting.

The Chair observed that LBHF's high population density might work in its favour when it came to heat networks. Meghan Kingsley-Walsh emphasised the importance of spreading the benefits of heat networks to residents, highlighting the potential for job creation and economic growth. She noted that for every 10 green jobs created, an additional 92 jobs could be supported across the wider economy.

A resident expressed appreciation for the presentation and the work being undertaken by LBHF. They highlighted the role of energy champions, noting that using the passion of residents to engage with others was an effective and inclusive approach. They emphasised that while housing and heating were the largest sources of emissions, the importance of transport should not be overlooked, particularly due to its visibility. They noted that although cycling levels were high, more was needed. They suggested that the layout of the King Street cycle lane should be reconsidered to encourage families to use it more, adding that they would not currently feel comfortable allowing their children to use it. They stressed the need to reduce car usage. Councillor Wesley Harcourt responded that King Street represented an

improvement, and that further work was planned for Uxbridge Road, with designs being developed in collaboration with TfL and funding expected in a couple of years. He added that work had begun on a North to South cycle lane, and that consultation was ongoing with TfL regarding a cycle lane across Shepherd's Bush Roundabout. He acknowledged that King Street could still be improved and explained that it had originally been part of a much larger scheme, with £20 million in funding from TfL prior to the COVID-19 pandemic, but that the scheme had since been scaled down, due to losing the funding.

A resident asked how motorised vehicles could be permanently prevented from using the King Street cycle lane, particularly outside the Civic Campus, which they described as a grey area where cars were unaware and had to be waved down. Councillor Harcourt acknowledged that improvements were needed and stated he was not aware of that specific issue. Bram Kainth added that once the construction work at the Civic Campus was completed, the entire carriageway would be reviewed, noting that the site had been under construction for six years and that works needed to be tied up first. Councillor Florian Chevoppe-Verdier noted that no comments had been made on the King Street layout due to an ongoing investigation with the Metropolitan Police. He added that while some people would always need to use cars, Wood Lane had been signed off, and the Council were keen to see more cycle lanes across the borough.

The Chair reminded attendees that transport had been discussed extensively two meetings prior and was not being deprioritised. Ian Hawthorn confirmed that higher-level strategies for transport were currently being developed.

Another resident raised a question about Olympia. Councillor Chevoppe-Verdier explained that the area was currently affected by ongoing works and that the Council was working closely with TfL. Olympia had indicated a phased opening beginning in Q4 2025. The Chair advised that no one in the room had sufficient detail to add regarding Olympia and asked that this be followed up with the Planning team.

Action: Bram Kainth

The resident also asked about the difference between heat pumps and heat transfer systems, noting that most installations had been for heating, and queried whether there was a direction to maximise usage for both heating and cooling. Tim Pryce responded that climate change was increasing the need for cooling, particularly in London, where demand had previously been lower. Meghan Kingsley-Walsh added that the Civic Campus included cooling for residential units but noted that cooling systems were different and more feasible in new developments. Retrofitting existing buildings was more complex. Peter Runacres confirmed that air source heat pumps could provide cooling. Councillor Harcourt agreed that adaptation was becoming increasingly important and highlighted the role of greening, noting that green areas contributed to cooling. He referenced urban cooling projects that used phase change materials to regulate temperatures between 18–25°C.

The resident raised a concern about operational implementation, stating that they had contacted the housing repairs service regarding single-glazed windows and were told it did not fall within their remit. Meghan Kingsley-Walsh confirmed that work

was ongoing for council housing and that improvements were being embedded into general maintenance. The Chair added that stock condition surveys had been conducted on social housing and that properties were being addressed in groups based on type. Meghan Kingsley-Walsh reiterated that properties were being categorised and that the worst-performing homes were being prioritised. Bram Kainth confirmed that Cabinet had approved the housing retrofit strategy. Councillor Harcourt announced that the Council had just received a £5.7 million grant to support these improvements. The Chair asked whether the Healthy Homes programme was part of this work. Tim Pryce clarified that Healthy Homes applied to private housing.

The resident asked whether, when repairs such as broken windows were being carried out, there was an effort to upgrade rather than simply replace. Meghan Kingsley-Walsh responded that specific schemes were in place for certain estates and that the asset management plan aimed to incorporate improvements during repairs, though cost considerations always had to be taken into account. Councillor Chevoppe-Verdier noted that in the West Kensington refurbishment project, double glazing had been retained.

The resident also raised the issue of School Streets. Councillor Chevoppe-Verdier stated that one scheme was currently being tested. A survey had been conducted at one school, where parents had expressed concerns and a petition was submitted by parents to remove the School Street. He added that LBHF were looking to work with all schools regarding School Streets.

Another resident reported that they had spoken to the Planning team regarding Olympia but had been referred to the developer. They had forwarded the correspondence to Councillor Chevoppe-Verdier and the Chair. Councillor Chevoppe-Verdier confirmed he was happy to engage. The Chair noted that the west side of the railway had gone through the Planning Committee. The Chair explained that she would contact the resident regarding this specific case, after the meeting.

RESOLVED:

That the Committee noted the report.

6. WORK PROGRAMME

The Chair requested that any suggestions for future agenda items to be submitted to her directly. She invited residents to send in any suggestions of future agenda items too.

7. DATES OF FUTURE MEETINGS

The next meeting will take place on 2nd February 2026.

Meeting started: 7:00pm
Meeting ended: 9:07pm

Chair

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Agenda Item 4

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Climate Change and Ecology Policy and Accountability Committee

Date: 02/02/2026

Subject: Overview of H&F's Direct Development schemes response to the Climate Change and Ecology Strategy

Report author: Will Noton, Head of Development

Responsible Director: Bram Kainth, Executive Director of Place

SUMMARY

Hammersmith & Fulham Council has set one of the most ambitious local climate and ecological agendas in London, targeting net zero carbon emissions borough-wide by 2030 and prioritising enhancements in biodiversity, air quality, and sustainable urban living through its Climate and Ecology Strategy.

The Council's Climate and Ecology Strategy provides the overarching framework for new housing developments. It commits to:

- Delivering net zero carbon outcomes across all Council operations and assets, including housing developments.
- Embedding sustainability standards that go beyond statutory building regulations, notably through Passivhaus design principles to minimise energy demand and operational emissions.
- Enhancing local biodiversity and ecological resilience in tandem with climate mitigation.

These strategic goals are directly reflected in the Council's development programme, including Hartopp & Lannoy, Farm Lane, and Lillie Road. This report provides updates on the Council's development pipeline and how it aligns with the Climate and Ecology Strategy and will be supported by a presentation to committee.

RECOMMENDATIONS

1. That the Committee note the report and the contents of the accompanying presentation.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Corporate Plan and the H&F Values
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Building shared prosperity	Affordable housing and modern social infrastructure sit at the heart of the mission to build shared prosperity. Fair and equal access to secure housing and good services is vital to ensuring that the borough's economic growth is shared across residents of all backgrounds
Creating a compassionate and inclusive council	The development programme aims to ensure that residents from the borough's most deprived and disadvantaged communities have fair and equal access to secure homes and good services
Doing things with local residents, not to them	According to the principles of the Defend Council Homes Policy, each development proposal is subject to a comprehensive process of resident engagement and co-production in order that schemes truly reflect the priorities and needs of local communities.
Being ruthlessly financially efficient	One of the founding principles of the development programme is that all schemes must be able to self-finance on an ongoing basis in order to be deemed viable.
Taking pride in H&F	Through comprehensive procurement processes, the council ensures that the consultant teams involved in the design of new homes and community assets are of the highest standard in order to protect the quality of the built environment in Hammersmith and Fulham.
Rising to the challenge of the climate and ecological emergency	As evidenced by a number of schemes currently on site, the council is committed to – wherever possible – designing and building homes and community assets to the highest possible sustainability standards.

Background Papers Used in Preparing This Report

None.

DETAILED ANALYSIS

Background

1. The development programme, established through Cabinet's decision to endorse the Building Homes and Communities Strategy in 2019, is a self-financing programme to build and to co-produce new, sustainable, affordable housing and modern social infrastructure tailored to the needs of local communities.
2. The programme, which consists of a combination of council-led projects and partnership schemes, is on track to deliver approximately 1,800 homes and additional community assets within the next five years. A number of schemes, delivering 725 homes, have already been completed, with the remainder on-site or in the planning process.
3. The council is committed to fostering diverse, mixed communities and therefore must supply new homes of all different tenures with a strong geographic spread across the borough. To this end, the programme has been recently supplemented by a number of opportunities to purchase, rather than build, new affordable homes.
4. This approach has the effect of enabling the council to deliver quickly, spread risk, and provide a true range of affordable housing tenures including Council Shared Equity, a low-cost homeownership tenure.
5. The table below provides a high-level overview of the current direct delivery schemes on site, secured planning or awaiting planning approval.

Direct Delivery Programme							
Project	Affordable Homes				Market Homes		Total Homes
	Genuinely Affordable	Intermediate	Total Affordable	%	Homes	%	
Springvale (Completed)	10	0	10	100%	0	0%	10
Education City (Completed)	33	99	132	100%	0	0%	132
Hartopp and Lannoy Site	67	67	134	100%	0	0%	134
Farm Lane Site	10	6	16	52%	15	48%	31
Lillie Road Site	12	9	21	50%	21	50%	42
White City Central	76	51	127	50%	126	50%	253
Avonmore School	28	18	46	51%	45	49%	91
Mund Street Site	33	21	54	50%	53	50%	107
Barclay Close	1	1	2	67%	1	33%	3
Becklow Gardens	6	14	20	100%	0	0%	20
The Grange	2	2	4	50%	4	50%	8
Pearscroft Road	12	7	19	50%	19	50%	38
Old Laundry Yard	24	16	40	100%	0	0%	40
Commonwealth Avenue	24	16	40	100%	0	0%	40
Flora Gardens School	32	22	54	50%	55	50%	109
Hemlock Garages	2	1	3	50%	3	50%	6
Pipeline Site	11	7	18	50%	18	50%	36
Total	383	357	740	67%	360	33%	1100

6. The tables below provides a high-level overview of the partnerships programme and acquisitions programme.

Partnerships Programme							
Site / Scheme	Affordable Housing				Market Homes		Total Homes
	Genuinely Affordable	Intermediate	Total Affordable	%	Homes	%	
Lavender Court (Completed)	24	21	45	100%	0	0%	45
Emlyn Gardens (Completed)	14	0	14	100%	0	0%	14
Mo Mowlam House (Completed)	18	12	30	100%	0	0%	30
Civic Campus (Completed)	69	36	105	51%	99	49%	204
Watermeadow Court (Completed)	83	50	133	50%	133	50%	266
Edith Summerskill House	133	0	133	100%	0	0%	133
Total	341	119	460	68%	232	32%	692

Acquisitions			
Site / Scheme	Affordable Housing		
	Genuinely Affordable	Intermediate	Total
Supported Housing Acquisitions (Completed)	6	0	6
Refugee Housing Programme (Completed)	18	0	18
Quayside Lodge	21	16	37
Total	45	16	61

Climate and Ecology Targets for New Build Developments

7. The table below sets out a summary of H&F's Climate and Ecology Strategy and Planning Policy requirements specifically related to new build developments.

Category	Requirement	Purpose
Net Zero Carbon Target	<ul style="list-style-type: none"> • New development design should contribute toward H&F's net zero borough by 2030 vision and reduce lifecycle emissions. 	Aligns development with borough-wide carbon reduction commitments.

Sustainable Design & Construction	<ul style="list-style-type: none"> Guidance on whole-building sustainability: building fabric, orientation, minimising energy demand, ventilation and overheating mitigation. 	Reduces energy consumption and improves occupant comfort.
Energy & Low-Carbon Heating	<ul style="list-style-type: none"> Incorporate low-carbon energy sources and technologies (e.g., heat pumps, renewables), and plan for future connection to heat networks where possible. 	Supports low emissions from building energy use.
Air Quality & Pollution	<ul style="list-style-type: none"> Developments must address and minimise air quality impacts during construction and occupation. 	Improves local health and complies with environmental standards.
Flood Risk & Adaptation	<ul style="list-style-type: none"> Flood risk and climate resilience measures must be integrated into design; suitable mitigation where development is in flood-prone zones. 	Builds resilience to climate change impacts like surface water flooding.
Ecology & Biodiversity	<ul style="list-style-type: none"> Developers must maximise Biodiversity Net Gain on site wherever possible in line with statutory requirements (nationally applicable but enforced locally through planning conditions). 	Improves ecological value and habitat creation.
Green Infrastructure	<ul style="list-style-type: none"> Encourages features such as green roofs and street greening as part of development where feasible. 	Enhances biodiversity, reduces heat island effects and supports stormwater management.
Site Waste & Resource Management	<ul style="list-style-type: none"> Guidance to plan for waste minimisation, recycling during construction and occupation. 	Reduces construction impact and waste generation.
Transport & Travel	<ul style="list-style-type: none"> Developments are expected to support sustainable travel options, such as cycle storage and EV charging infrastructure. 	Reduces emissions from transport associated with new developments.

Direct Delivery schemes and how we're meeting out climate change and ecological targets

Hartopp and Lannoy

8. Hartopp and Lannoy is the council's most advanced scheme in the direct delivery programme. The scheme has progressed well on-site and is expected to be handed over later this summer.
9. The scheme provides 134 homes, all of which are affordable following recent work to lever grant funding to convert the scheme's 22 market sale homes to Council Shared Equity (Discounted Market Sale).

10. The development therefore offers a mix of social rent, shared ownership, and Council Shared Equity in order that it can both alleviate pressure on the council's housing register, which currently contains just under 3,000 households, and offer low-cost homeownership options to the 9,000 households on the council's Home Buy register.
11. Moreover, the scheme has continued to embed the principles of co-production and resident engagement outlined in the council's Defend Council Homes Policy. In Winter 2024, the council hosted an event at a local primary school to celebrate the social value delivered through the main construction contract, which included refurbished playground equipment and new planting.
12. Resident Advisory Panels have continued throughout the construction period. Significantly, local residents have been involved in determining the names for the new blocks and the landscape design process. Through this process the council hopes to improve the sense of identity and place, and to help the new homes to embed seamlessly into the local community.
13. The scheme, in line with the council's H&F 2030 Climate and Ecology Strategy, performs exceptionally well from a sustainability perspective; it continues to be built to Passivhaus standard – the highest energy efficiency standard for new build homes in the United Kingdom. The scheme will also achieve:
 - Enhanced **building fabric** specification to **Passivhaus standards** applied to achieve Passivhaus Classic certification.
 - Improved fabric performance will result in **lower heating bills** for residents.
 - **CO2 emission reduction** of 86% achieved over Part L of the Building Regulations.
 - Communal Air Source Heat Pumps (**ASHPs**) provide annual space heating and hot water demand across the development.
 - **Solar PV panels** - roof level providing electricity for communal lighting and equipment.
 - Sustainable Urban Drainage Systems (**SUDS**) minimise surface water run-off on site and reduce load into local sewer systems.
 - **Permeable paving** used with footpath run-off diverted into soft landscaping.
 - Large volume below-ground attenuation tanks also installed.
 - **Green roofs (sedum & wildflower mix)** assist SUDS and promote biodiversity.
 - New trees, hedges / general planting across the development to improve the health-and wellbeing of local residents, as well as provide additional habitats for wildlife.
 - Potential **biodiversity net gain of 0.93** units
 - **Triple glazed windows** to improve insulation and mitigate against noise nuisance from road traffic (particularly Dawes Road) and sized to allow sufficient daylight to enter habitable rooms and arranged to minimise overheating in summer months.
 - **Mechanical Ventilation and Heat Recovery (MVHR)** units to provide fresh air and extract heat from stale air minimising the need to open

windows for ventilation. NOX filters installed to homes facing Dawes Road to improved air quality for residents.

Farm Lane

14. Farm Lane is a development of 31 new homes, 50% of which are affordable. The scheme has progressed well on-site and is expected to be handed over later this summer.
15. The homes are being built to Passivhaus Classic standard, which translates into an expected 60% reduction in future residents' energy bills relative to homes designed and constructed to normal regulatory standards. The scheme will also achieve:
 - **Enhanced building fabric** specification with Passivhaus standards applied to achieve Passivhaus Classic certification. Improved fabric performance lower heating bills for residents.
 - Estimated **CO2 emission reduction of 84%** achieved over Part L of the Building Regulations.
 - **Individual Air Source Heat Pumps** (ASHPs) to provide the annual space heating and hot water demand to each dwelling.
 - **Solar PV panels maximised** across the development at roof level providing electricity for communal lighting and equipment.
 - **Sustainable Urban Drainage Systems** (SUDS) implemented to minimise surface water run-off on site and reduce load into local sewer systems.
 - **Permeable paving** used with footpath run-off diverted into soft landscaping. Below-ground attenuation tanks also installed.
 - **Green roofs (sedum and wildflower mix)** to assist SUDS and promote biodiversity.
 - New trees, hedges and general planting across the development will improve the health-and well-being of local residents as well as provide additional habitats for wildlife.
 - **Potential biodiversity net gain** improvement 0.025 units (2.51% improvement ecological value)
 - Triple glazed windows to improve insulation and mitigate against noise nuisance from road traffic (particularly Farm Lane)
 - **Windows sized** appropriately to allow sufficient daylight to enter habitable rooms. Windows arranged to minimise overheating in summer months.
 - **Mechanical Ventilation and Heat Recovery (MVHR)** units installed to provide fresh air and extract heat from stale air minimising the need to open windows for ventilation.

Lillie Road

16. The Lillie Road scheme provides 42 new affordable homes, 50% of which are affordable. The homes are designed to Passivhaus Classic standard. The scheme has progressed well on-site and is expected to be handed over later this autumn.
17. In the last year, a number of resident engagement events have taken place such as a meet the contractor event to enable residents to convey their

priorities and concerns to the contractor in the interest of a smooth build period. Resident Advisory Panel sessions with the local community and regular drop-in sessions.

18. The project also re-provides the former tenant and resident hall for the West Kensington community. The hall is an important community asset that has been co-designed with the local community and will provide flexible spaces for community and engagement events to take place for years to come. A range of bookable meeting rooms have also been included to provide local community groups with spaces to organise, plan, and come together.
19. Outside learning and play space will also provide opportunities for local organisations and schools to adapt and improve their events and offers to young people.
20. In line with the council's ambition to act with ruthless financial efficiency, it has worked hard to secure external funding towards the re-provision of social infrastructure. The community hall is part-funded by £620,000 from the GLA's Good Growth Fund in recognition of its place-shaping and regeneration benefits.
21. The homes are being built to Passivhaus Classic standard, which translates into an expected 60% reduction in future residents' energy bills relative to homes designed and constructed to normal regulatory standards. The scheme will also achieve:
 - **Enhanced building fabric** to Passivhaus standards to achieve Passivhaus Classic certification.
 - **Improved fabric performance** will ultimately result in lower heating bills for residents.
 - An estimated **CO2 emission reduction of 71%** over Part L of the Building Regulations.
 - **Replacement TRA hall** targeting BREEAM 'Very Good' rating.
 - **Individual combined heating and ventilation** system to provide the annual space heating and hot water demand to each dwelling.
 - **Solar PV panels** at roof level providing electricity for communal lighting and equipment.
 - **Sustainable Urban Drainage Systems (SUDS)** implemented to minimise surface water run-off on site and reduce load into local sewer systems.
 - **Permeable paving** used with footpath run-off diverted into soft landscaping. Below-ground attenuation tanks also installed.
 - **Blue and green roofs** (sedum and wildflower mix) to assist SUDS and promote biodiversity.
 - New trees, hedges and general planting across the development will improve the health-and well-being of local residents as well as provide additional habitats for wildlife.
 - **Potential biodiversity net gain** improvement of 1.17 units.
 - **Triple glazed windows** to improve insulation and mitigate against noise nuisance from road traffic (particularly on Lillie Road elevation)

- **Windows sized appropriately** to allow sufficient daylight to enter habitable rooms. Windows arranged to minimise overheating in summer months.
- **Mechanical Ventilation and Heat Recovery (MVHR)** units installed to provide fresh air and extract heat from stale air minimising the need to open windows for ventilation.

Avonmore Primary School

22. Avonmore Primary School is a significant primary school redevelopment within the council's Community Schools Programme. It provides 91 new homes (50% affordable) and a new one-form entry primary school.
23. The proposal successfully gained planning consent in November 2024 and since then the council is due to complete the procurement process for a main construction in February 2026, with start on site due shortly afterwards.
24. There are a range of place-shaping benefits associated with the scheme, not least the reprocision of a modern, sustainable primary school on the site of the rundown buildings which are in disrepair and expensive to maintain. The scheme will also achieve:
 - School targeting BREEAM 'Excellent' rating.
 - An estimated CO2 emission reduction of 57.6% (site wide) is achieved over Part L of the Building Regulations. (n.b. *estimated CO2 emissions reduction of 71.9% for the Residential, 22% for the School, 57.6% Site wide)
 - It is a "No Gas" development with all electric plant equipment.
 - Communal Air Source Heat Pumps (ASHPs) to provide the annual space heating and hot water demand across the development.
 - Solar PV panels maximised across the development at roof level providing electricity for communal lighting and equipment across both the residential blocks and the school.
 - Sustainable Urban Drainage Systems (SUDS) implemented to minimise surface water run-off on site and reduce load into local sewer systems.
 - Blue roofs (residential) and green roofs (school) to assist SUDS and promote biodiversity.
 - New trees, hedges, general planting across the development into local area will improve health-and well-being of residents and provide additional habitats for wildlife.
 - An Urban Greening Factor of 0.4, with additional trees planted in local open spaces.
 - Triple glazed windows to improve insulation and mitigate against noise nuisance from road traffic (particularly on Avonmore Road elevation)
 - Windows sized appropriately to allow sufficient daylight to enter habitable rooms. Windows arranged to minimise overheating in summer months.
 - Mechanical Ventilation and Heat Recovery (MVHR) units installed to provide fresh air and extract heat from stale air minimising the need to open windows for ventilation.

25. The table below summarises at a high level the key achievements achieved by schemes currently on-site and due to be completed in 2026 and 2028.

Scheme	Hartopp & Lannoy	Farm Lane	Lillie Road	Avonmore Primary School
Net-Zero Operational Performance & Low-Carbon Design Passivhaus or Passivhaus-aligned design to reduce energy use and emissions (part of the Council's strategic response to climate change).	✓	✓	✓	Dramatically lower operational carbon compared to conventional builds
Renewable Energy & Fossil-Fuel-Free Buildings Renewable systems (solar PV, heat pumps) and gas-free design contributing to lower carbon emissions.	✓	✓	✓	✓
Biodiversity & Green Infrastructure Green and blue roofs, native trees, landscaped greenspace, and outdoor play areas appear across direct delivery schemes, aligning with ecology objectives.	✓	✓	✓	✓
Community & Sustainable Travel EV charging and cycle storage and sustainability of location/design bolster low-carbon travel. Community halls and green spaces enhance wellbeing and social outcomes alongside ecological goals.	✓	✓	✓	✓
Co-Production & Social Value Resident engagement in design supports locally grounded sustainability outcomes. Social value (jobs, training, local benefits) is part of delivery, resonating with broader climate-ecosystem action that includes equitable outcomes.	✓	✓	✓	✓

LIST OF APPENDICES

None.

Agenda Item 5

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Climate Change and Ecology Policy and Accountability Committee

Date: 02/02/2026

Subject: 2026/27 Revenue Budget and Medium-Term Financial Strategy (MTFS)

Report authors: James Newman, Assistant Director – Finance (Deputy s151)
Kellie Gooch – Head of Finance (Place)

Responsible Directors: Sukvinder Kalsi, Executive Director of Finance and
Corporate Services
Bram Kainth, Executive Director of Place

SUMMARY

Cabinet will present their revenue budget and Council Tax proposals to Budget Council on 25 February 2026. This report provides an update on the overall preparation and proposals for the 2026/27 revenue budget, risks, financial resilience, and the impact of those proposals.

This report also sets out the budget proposals for the services covered by this Policy and Accountability Committee, and the committee is invited to comment on the budget proposals set out in detail in the appendices. Risk schedules and Equalities Impact Assessments of any budget changes are provided in the appendices alongside an update on any proposed changes in fees and charges in the budget where applicable.

This report sets out the Council's Revenue Budget for 2026/27 (including the key assumptions, details of new additional investment proposals and the efficiencies that are expected to be delivered by services). The report also provides an update on the Council's Medium Term Financial Strategy (MTFS) including the adequacy of the balances and reserves to ensure that the Council can maintain long term sustainability and maintain the strong financial governance of the resources.

The strategic operating environment for public services (including local government) remains challenging. While inflationary pressures have eased and interest rates are reducing, there are demand-led pressures in Adult Social Care, Children's Services and Homelessness. Combined with the impact of Fair Funding Review 2.0 and the reset of the Business Rates Retention System from April 2026, this Council will continue to face financial challenges in the years to come.

For the first time in many years, the government has confirmed a multi-year settlement from 2026/27 to 2028/29 alongside the funding formula reform. Hammersmith and Fulham is eligible for transitional funding relief over the three years to 2028/29.

The overall objectives of the revenue budget proposals for 2026/27 are intended to:

- continue to protect the delivery of core services valued by residents, businesses and visitors

- ensure the safety of our borough
- support prosperity across Hammersmith and Fulham
- promote an exceptional, innovative and efficient Council
- maintain strong financial governance and resilience across the Council

A balanced budget for 2026/27 is proposed (whilst protecting our reserves) including £9.5m of efficiencies. The budget will allow the continued delivery of the best services to our residents, businesses and visitors. This builds on the administration's record of prudent financial management, and delivering a modest budget surplus in the last three full financial years (from 2022/23 to 2024/25) and increasing reserves at a time when many other councils are utilising them to balance the annual budgets

The proposed increase of Council Tax by 2.99% and the additional social care precept (which equates to an increase of 92p per week for Band D properties) will generate an additional £4.4m (or 2% of the council's net budget) per annum to fund Council services. This is essential funding for the Council to ensure continuing financial resilience, protect its funding position over the medium term, meet the challenges posed by increasing demand and inflation, whilst balancing the impact on local council taxpayers.

RECOMMENDATIONS

1. That the Policy and Accountability Committee considers the budget proposals and makes recommendations to Cabinet as appropriate.
2. That the Committee considers the proposed changes to fees and charges and makes recommendations as appropriate.

Wards Affected: All

Our values	Summary of how this report aligns to the H&F values
Being ruthlessly financially efficient	The council has a proud record of maintaining low Council Tax to its residents. The revenue budget for 2026/27 proposes savings and efficiencies across services and corporate functions that rationalise its estate and reduce its operating costs, whilst also delivering value for money from external contractors.
Creating a compassionate council	The proposals in the revenue budget for 2026/27 supports the ongoing investment in services that directly support residents in living, healthy and independent lives. This includes continuing to provide free homecare for older residents, continuing to provide comprehensive Council Tax support to those eligible and increasing investment to tackle homelessness and rough sleeping.

Building shared prosperity	The budget proposals support the launch of the next phase of the industrial strategy (Upstream London) which sets a clear strategy to grow a localised economic ecosystem, with a focus on the sectors that are set to grow and that are deemed right for the local area.
Doing things with residents, not to them	The budget for 26/27 will continue investment in our Family Hubs, ensuring that every child, young person, and family is able to access the right support at the right time. The Hubs will also be developed by collaborating with children and young people and their families, family groups, the local third sector, the NHS and the council's children's services in genuine partnership.
Taking pride in H&F	The council's revenue budget will invest over £50m in public realm services. These services will provide access to safe clean, green spaces for all to enjoy, visit and live in. It will deliver improvements to highways, whilst continuing to invest in the Law Enforcement Team and regulatory services to crack down on anti-social behaviour and rogue traders.
Rising to the challenge of the climate and ecological emergency	The council has an ambitious target to become a net zero borough. To help achieve this, the budget will support work to increase engagement and investment in green energy and technologies, increase investment in its waste services, continue to keep our streets and parks clean, and take a tough stance against anyone dropping litter, creating graffiti, or dumping rubbish.

Background Papers Used in Preparing This Report

None.

THE REVENUE BUDGET 2026/27

1. The proposals for balancing the budget for 2026/27 are included in table 1 below.

Table 1: 2026/27 Budget Summary

	(£m)
Base Budget 2025/26 (Balanced Budget)	-
Provision for Price Inflation (3.2%)	6.9
Provision for Pay Inflation (2.5%)	4.0
Essential pressures	3.2
Other Changes (concessionary fares/interest on balances/ other)	(4.9)
Reduction in LGPS employers pension contribution	(2.1)
Savings and Efficiencies	(9.5)
Resources	

Government	
Increase Central Govt Grants	(13.2)
Decrease in Business rates	30.7
Increase in Council Tax resources	(7.7)
Local	
Collection Fund – year on year reduction in surplus	3.3
Collection fund	(4.0)
CIL	(0.7)
Fair Funding - Transitional Relief	(6.0)
Budget Gap 26/27	-

Savings

2. The total proposed Council savings for 2026/27 are set out in Table 2.

Table 2: 2026/27 savings proposals

Department	£m
People	(4.2)
Place	(2.8)
Housing Solutions	(1.2)
Finance and Corporate Services	(0.6)
Centrally Managed Budgets	(0.7)
Subtotal Service Savings	(9.5)
Collection Fund Savings	(8.4)
Total	(17.9)

3. There are no proposed revenue savings relevant to this committee for 2026/27.

Fees and Charges

4. The Council provides an extensive range of services to local businesses and residents that are chargeable. Charges governed by statute are set in accordance with those requirements and not varied in accordance with inflation. For non-statutory fees and charges, levied by Hammersmith & Fulham, it is recommended that:

- they are frozen for Adult Social Care and Children's Services in line with administration policy.
- commercial services that are charged will be reviewed on an ongoing basis in response to market conditions and varied up and down as appropriate, with appropriate authorisations according to the council Constitution.
- parking charges and fines are set in line with transport policy objectives and not considered as part of the budget process.
a standard uplift of 3.8% (in line with September CPI) is applied for other non-commercial and non-parking fees.

5. There are no fees and charges to be considered by this Policy and Accountability Committee.

Equalities Implications

6. Each budget proposal has been subject to an Equalities Impact Assessment (EQIA) review. And a consolidated EQIA report will be presented to Budget Council in February 2026. As there are no proposed revenue savings relevant to this Committee, there are no EQIAs to be considered by this Committee.

Comments of the Executive Director of Place on the 2026/27 Budget Proposals

7. Although the Climate and Ecology team is budgeted for within the Place Department, its role is to influence spending across the wider Council to ensure that spending overall is aligned with the Council's ambitious Climate and Ecology aims.
8. Additionally, the team is focussed on securing external funding, both within the Place Department and across the Council, in order to maximise Climate Action at the least cost to the Council. Since 2021 the team has successfully brought in approximately £19m of external funding, enabling the delivery of climate projects with a total value of approximately £34m (including match funding of approximately £15m). This includes £7.5m recently secured from the Government's Local Electric Vehicle Infrastructure Fund to deliver more than 240 new local charging points working in partnership with five other boroughs. With nearly 2,800 charging points already installed across the borough, H&F is supporting residents to switch to electric by having the highest number of charging points per person, anywhere in the country.
9. The Council continues to encourage developers to build low carbon developments, and collects Carbon Offset Funding payments to mitigate the climate impact of developments where desired standards are not met. This income is ringfenced for reinvestment in projects that deliver a like for like reduction in CO2 emissions.
10. Beyond the revenue budget, the Council's capital budget is also helping to tackle the climate and ecological emergency and improve resident's lives, with £30.6m set aside in the Council's general fund capital strategy for green investment projects, transport schemes and emission reduction schemes. The Council's Housing Revenue Account is also investing more than £1m a week to refurbish and modernise council-owned homes. This helps to address three major challenges for residents: the climate crisis, the high cost of living and the need for safe, warm housing. Over the past two years the Council has delivered more than 3,200 energy efficiency upgrades in 1,546 homes, including new windows and doors, roof replacements, and wall and loft insulation. These improvements are helping residents cut energy bills and reduce carbon emissions. The Council is also building 1,800 new genuinely affordable homes for local people, including current council tenants, over the next five years. These new homes will meet the highest energy efficiency standards and feature solar panels, green roofs and water harvesting systems.
11. The Climate Change & Ecology team is also driving forward the Council's H&F Green Investment, an innovative community investment scheme primarily aimed at engaging

local residents and businesses in H&F's climate change objectives. At the time of launch this was the largest green investment scheme of its kind, targeting £5m for investment in the Council's Climate and Ecological strategy, at a cheaper rate than borrowing from more traditional means. This funding is being sought in a phased way, across a number of tranches, in order to build and sustain effective communication, engagement and support of the Council's green agenda. To date almost £4m has been raised across five tranches, more than any other Council, with the fifth tranche still open and a sixth tranche planned for March 2026. The funds raised to date have been invested in a number of successful green initiatives, focussed on active travel measures, improving urban green spaces, and helping to roll out sustainable drainage. For example, new rain gardens have been installed in King Street that not only look good but also act as natural green shields that better protect homes and businesses during heavy rainfall. These were planted with the help of residents from Hammersmith Community Gardens Association.

12. For 2026/27 the Climate Change and Ecology team staffing budget will increase for annual pay inflation. The service also has an ongoing budget of £120,000 to allow for additional investment in Climate Change projects and activities (agreed as part of the 2025/26 budget proposals). For example, the continuation of energy efficiency grants, rewilding campaigns, ecology projects, climate engagement and low-level match funding for grants. This ongoing annual funding is supplementary to a one-off reserve of £750,000 that was established in 2021/22 for the sole purpose of investment in Climate Action.

List of Appendices

None.

Budget 2026/27

Overview

- Strategic Context (including Chancellor's Budget Statement)
- Policy Statement (Fair Funding Reforms 2.0)
- Budget 2026/27
 - Strategy and Objectives
 - Budget Plans
- Timelines and Plans

Strategic Context

- Chancellor's Budget
- Local Demographic/Resident/Legislative Expectations
- Greater Regulation (Housing Inspection/SEND)
- Local Regeneration Schemes (Civic Campus, Housing, Bridge)
- Data Security and IT Issues

Policy Statement - Fair Funding Review

- Policy Statement Released 20 November (PLGFS on 17 December)
- Changes Made – IMD, Housing, Children Service Costs
- 3 Year Settlement and Consolidation of Grant Regimes
- Significant Pressures in 2027/28+
- Lobbying ongoing

Revenue Budget Strategy 2026/27

- Ensure Sustainable, Legal and Balanced Budget
- Protect Key Policy and Resident Priorities
- Continued Long Term Financial Resilience
- Essential Pressures Only in 2026/27
- Service Demand Pressures Will Need To Be Mitigated
- Review of Capital Strategy To Minimise Revenue Pressures
- Focused Strategic Savings Proposals (Not A Long List)

Budget 2026/27

	£m
Pay Inflation (2.5%)	4.0
Price Inflation (3.2%)	6.9
Essential Pressures (see later)	3.0
Impact of FFR	8.9
Collection Fund (Prior Years)	3.3
LGPS Employers % Reduction	(2.1)
Savings Proposed (see later)	(17.9)
Corporate Changes (contributions to programmes)	(1.7)
Damping Payment for FFR	(1.7)
Policy Contingency Reductions	(2.7)
Net Position (after Council Tax)	-

Essential Pressures 2026/27

	Dec £m
Reduction in Interest Receivable due to interest rate cuts	2.4
Concessionary Fares	0.8
Collection Fund Resources	0.5
Council Tax Discretionary Reliefs (Carers/War Pensions)	0.2
Governance changes	0.3
Contribution to Reserves & One-Off Items	(0.9)
Prior Year Growth (Upstream London)	(0.3)
Total	3.0

Savings Proposals 2026/27

		£'m
Housing	Homeless Reduction Strategy	(1.2)
People	Adult Social Care Transformation (Care Packages/New Residential Care – 4%)	(3.2)
FCS	Improving collection of Housing Benefits/Recovery of Summons Costs	(0.4)
FCS	Funding of Local Support Payments by Crisis & Resilience Fund	(0.5)
FCS	Credit Card Transactions Fees	(0.5)
Place	Commercial Income	(1.3)
All	Redesign Service Staff Teams (Agency/Vacancy Management – 1.5%)	(2.2)
Place	Waste Disposal (Increasing Recycling – 50% in street properties)	(0.2)
Total Service Savings		(9.5)
Resources	Council Tax (Collection Rates/Reducing Arrears/Second Homes Premium - £0.9m / CTB1 Tax Base)	(4.6)
Resources	Business Rates (Collection Rates/Arrears)	(3.8)
Total		(17.9)

Next Steps

- PACS - End of January/Early February
- Cabinet – 9th February
- Budget Council - 25th February