

SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3 - WEDNESDAY, 4 JANUARY 2023

**MINUTES OF A MEETING OF THE SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3
HELD HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET,
BRIDGEND, CF31 4WB ON WEDNESDAY, 4 JANUARY 2023 AT 16:00**

Present

Councillor P Davies – Chairperson

S J Bletsoe	N Clarke	C Davies	P W Jenkins
MJ Kearn	W J Kendall	J E Pratt	G Walter
I Williams	MJ Williams		

Apologies for Absence

M J Evans, T Thomas

Officers:

Rachel Keepins	Democratic Services Manager
Meryl Lawrence	Senior Democratic Services Officer - Scrutiny
Jessica Mclellan	Scrutiny Officer
Kelly Watson	Chief Officer Legal, HR and Regulatory Services

24. DECLARATIONS OF INTEREST

None.

25. CALL IN OF CABINET DECISION: BRIDGEND 2030 NET ZERO CARBON STRATEGY

The Senior Democratic Services Officer - Scrutiny presented the report the purpose of which was to enable the Committee to scrutinise the decision of Cabinet of 13 December 2022 in relation to the report on Bridgend 2030 Net Zero Carbon Strategy.

She advised that, in accordance with Section 7.23 of the Council's Constitution, three Members of the Overview and Scrutiny Committees, and one Scrutiny Chair, had requested that an Executive decision made by Cabinet on the 13 December 2022 be Called-In.

She advised that the Committee was recommended to consider the Cabinet decision of 13 December 2022 relating to Bridgend 2030 Net Zero Carbon Strategy and to determine whether it wished to:

- i) refer the decision back to Cabinet for reconsideration, setting out in writing the nature of its concerns; or
- ii) decide not to refer the matter back to the Cabinet.

The Chairperson invited the Members who had supported the Call In to speak on the reasons for the Call In.

Members stated the main reasons for the Call In included:

- Shortcomings in the Strategy and in the questioning by the Cabinet when making the Decision.
- There was no real information or understanding of the financial impact of the policy decision.
- A lack of clarity as to how performance would be monitored.

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- Whether the Strategy was being given the correct oversight and governance and whether it should sit at a higher level.
- There was a lack of clarity about how the delivery of the Strategy would be resourced.
- Concern regarding the 34,000-tonne shortfall in achieving the target of net zero carbon, the cost of it and what was being done to mitigate against it.

The Leader of the Council (the Leader):

- Highlighted the importance of the topic of climate change and the need for all to play a part in the response to it.
- Advised that the monitoring of the target and delivery of the Strategy would be through the Corporate Plan which is scrutinised on at least a quarterly basis through the Corporate Performance framework
- Advised that the performance measures around the net zero plan would be identified and measured at a corporate level and that directorate business plans would also include relevant targets and performance indicators.
- Informed that the Strategy would be owned by full Council at the highest level of planning framework for the Authority.
- Advised that they were committed to fully reviewing the strategy in 2024 and 2027 due to the decarbonisation industry and technology changing and welcomed Scrutiny input into the review.
- Highlighted the volatility of costs and the need to adapt to changes.
- Advised that it was a shared agenda with Welsh Government and the UK Government and recognised that some changes would be expensive, and that significant financial support was required from central government.

The Cabinet Member for Communities:

- Advised that the Strategy was a corporate document and whilst managed by the Communities Directorate, there were regular meetings of the Carbon Reduction Board which were attended by Officers from all Directorates and following which, actions were put into the Corporate Performance Assessment (CPA).
- Highlighted the difficulty in putting a cost on the delivery of the Strategy including its possible inaccuracy and the resource required to reach a figure.
- In relation to performance, highlighted that the Strategy has 6 action plans with lead officers identified for each theme.
- Advised that there was more work and learning to be done to achieve net zero carbon in 7 years.

The Head of Operations - Community Services:

- Agreed that a Strategy would normally be accompanied by costings but that this Strategy was a very fluid, dynamic and developing one.
- Highlighted the dynamic development of technology, the volatility of cost of replacing equipment, and uncertainty around grant funding.
- Advised that any costing would be subject to so many variables that it would only be a 'best guess' and that the focus ought to be on the approach and individual initiatives.
- In relation to performance and monitoring, reminded Members that the topic had been taken to a Scrutiny Committee in July 2021, where discussions were held around key performance indicators (KPIs) and the development of an annual monitoring tool and that much of what was in the Strategy was informed by that Scrutiny discussion.

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- Highlighted areas of the report which demonstrated performance monitoring and that the level of detail being asked requested would be more appropriate for CPA, Scrutiny meetings and a delivery plan.
- In relation to oversight and governance, he highlighted the journey the Strategy had taken through various meetings and public consultation and the opportunities for Members to be involved in the development of the Strategy before it was approved by Cabinet in December 2023.
- Advised that the Strategy was managed by the Communities Directorate because it was largely evolved from that Directorate but that what was important was for it to be given the resources needed to drive it forward.
- Highlighted that the linear charts in the report were for illustrative purposes and would change with the implementation of initiatives.

The Chairperson invited any other Members who had supported the Call-In to speak and then invited any other Members of the Committee to ask questions or comment.

In relation to a Member query regarding the cost of offsetting the residual carbon and whether the cost would be spread over 7 years or evaluated and paid in 2030, the Head of Operations – Communities Services cautioned against trying to cost individual elements, as each initiative would have cost differentials which could narrow or grow and could produce a wildly inaccurate figure. In terms of offsetting, he advised that it needed to be considered prior to 2030 because there would be a requirement and timescale to deliver the offsetting.

The Cabinet Member for Communities advised that the level of predicted shortfall might also be subject to change as technology changes and highlighted the extent and benefits of tree planting.

The Leader advised that the Council should view carbon offsetting options as opportunities and highlighted the importance of the review due to the changing technology and costs meaning future financial implications were harder to forecast.

Whilst future costs might be difficult to calculate and technology might change, a Member queried why there could be no certainty regarding initiatives and costs for the delivery of the reduction over the next 12 to 18 months.

The Cabinet Member for Communities advised that there were 6 action plans contained within the Implementation Plan with set targets and dates, some of which could be measured by the end of the year.

In response to a question as to whether there had been any discussion about the Strategy being managed by a different Directorate and whether an additional Cabinet post was required for it, the Leader advised that whilst it had evolved, many of the areas requiring significant change were within the Communities Directorate and, therefore, there were natural synergies and links with that Directorate but that there would be a requirement for Officers from across the Authority to contribute. He advised that there were no plans for another Cabinet post and highlighted the commitment and passion of the Cabinet Member for Communities and the Corporate Director for Communities.

A Member felt that an indicative cost needed to be assigned to the Strategy to inform the public and queried why there was no reference in the Strategy to the protection of mature trees, highlighting that they capture more carbon than newly planted trees.

The Head of Operations - Community Services advised that they could put together some broad-brush costs but, due to the volatility, it could show a distorted and misleading picture which detracted from the Strategy itself.

The Cabinet Member for Communities highlighted the work being done to manage mature trees and agreed that the plan may need to be updated to reflect that.

In response to a query why the Strategy contained KPIs agreed in 2021 with the Carbon Trust but no financial or performance targets, the Head of Operations - Community Services clarified the work that the Carbon Trust had been commissioned to do that had been relayed to a Scrutiny Committee in July 2021 and advised that he would only be repeating his earlier points regarding cost.

In response to a query regarding the finance for the Strategy, the Head of Operations - Community Services advised that there was a budget pressure revenue growth proposal of £883,000 for consideration next year or finance would come from the revenue budget which would create its own budget pressure.

In relation to whether the budget pressure would mean a cut to services or an increase in Council Tax, the Leader advised that there was a long list of compelling proposals for budget growth for next year for consideration as part of the budget setting process, but highlighted the need to limit growth in order to keep any Council Tax increase as low as possible.

In response to a concern from a Member that Swansea City Council had put a cost to their Strategy whilst Bridgend had not, the Head of Operations – Community Services advised that whilst they could produce a number and publish it, it would be subject to such variation due to volatility of costs and changing technology that it would almost immediately be out of date.

In response to a question regarding whether there was a financial penalty for failing to reach net zero carbon, he advised that it was not currently statutory so there were no targets or fines. However, he highlighted previous Welsh Government Strategies and targets which had followed a route of introduction of an ambitious target, followed by grant funding to support achievement of the target and then the introduction of a fine for not achieving it.

The Leader advised that the public were more interested in the action taken and delivery rather than the production of a figure and highlighted that the figure produced by Swansea City Council was not a complete figure as it did not include their commitment to decarbonising housing. He continued that they would consider how best to communicate a summary of the action plans and timescales to the public and Members.

In response to a query as to whether there was a need for a study of the complexity and cost of carbon reduction and the necessity for such a forward-looking Strategy, the Cabinet Member for Wellbeing and Future Generations highlighted that the United Nations, UK Government and the Council had declared a climate emergency and that the Strategy is to combat that.

A Member queried whether Council reports should include a carbon cost measure and the Head of Operations – Community Services advised that it had been a recommendation from Scrutiny which had not yet been implemented, but agreed that it should be included in standard report templates.

The Chief Officer - Legal & Regulatory Services, HR & Corporate Policy advised that there was to be a commitment to review the corporate template to align with the Council's duties and new Corporate Objectives, once adopted. It was also hoped that an executive summary would also be included.

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The Leader advised that it was important for a carbon consideration to be included in the template as it affected every decision made and suggested that it could sit with the heading in the template regarding the Well-being of Future Generations (Wales) Act 2015 implications.

The Chairperson advised that Members of the Committee who wanted to ask questions had all spoken, so as there were no further questions for the invitees, thanked them for their attendance and they left the meeting.

The Chairperson invited Members of the Committee, having regard to whether it was satisfied with the responses, whether it wished to:

- a) Refer the decision back to the Cabinet for reconsideration, setting out the reasons and rationale for the request;
- or
- b) Decide not to refer the matter back to the Cabinet.

Members of the Committee discussed the following:

Members considered that such a significant strategy ought to have some form of credible cost attributed to it. It was acknowledged that there should be a way of communicating indicative costs which would not be too unreliable or too misleading rather than providing no costs at all. It was discussed how costs for the full strategy would evolve over time.

Reference was made to the identified key milestones to be achieved by 2024 within the 'Route map to a Net Zero Bridgend', contained in Appendix 1 to the Strategy, and that Cabinet could consider how best costs could be applied to these planned actions to achieve the significant carbon savings identified.

Members noted that residents would be concerned about the cost of their council tax and impact on council services considering the significant budget pressures expected in the coming years and considered that both the short term and longer-term financial implications of the strategy should be made public to inform residents on where their money would be used.

RESOLVED: Following its examination of the decision, and having regard to the above, the Committee decided to recommend that the decision be referred back to Cabinet for reconsideration for the following reason:

Concerns were expressed about the lack of costing information contained in the original Cabinet report and Members felt that Cabinet needed to consider the wider financial costs before making the decision, with indicative longer term financial implications and more detail on the costs of achieving the 2024 milestones.

The meeting closed at 18:55