

LOW CARBON (DRAFT) ANNUAL REPORT 2021/22

REPORT OF THE ASSISTANT DIRECTOR OF ECONOMIC REGENERATION

1.0 Purpose of the Report

- 1.1 This report provides an overview of the context for the Council's low carbon activity and annual reporting, summarises the structure of the Draft Low Carbon Annual Report 2021/22, highlights overall emissions data for the Council and City in 2021/22 and 2020 respectively, and notes publication by BEIS of a new dataset which it is proposed will form the basis of reporting in future years.
- 1.2 The report will be supplemented with a presentation at Committee to take Elected Members through key detail included within the draft Annual Report document which is attached.
- 1.3 Following discussion with Committee Members, the draft Annual Report will be finalised prior to consideration by Cabinet in November 2022.

2.0 Context

- 2.1 Climate change represents a significant challenge for our generation. Over the past 50 years, the average global temperature has increased at the fastest rate in recorded history and the trend is accelerating. According to the World Meteorological Organization, the last seven years represented the seven warmest years on record globally. It is a global issue in relation to which every person, every organisation and every place has a role to play. Sunderland is committed to playing its part in tackling the global climate change emergency.
- 2.2 In March 2019, Sunderland City Council acknowledged the scale of this challenge by declaring a Climate Emergency at Full Council, recognising the immediate action required, and agreed to the following motion:

"In recognition of the threat posed to our environment by climate change Sunderland City Council will declare a climate emergency. Numerous local authorities around the country have declared climate emergency and it is important for the council to show it takes the issue seriously. Recent weather and changes in ecosystems show that we are already seeing changes as a result of climate change so it is important to join other councils in giving the issue suitable attention and clearly setting out how we will meet our targets on cutting emissions."

- 2.3 Over the past decade Sunderland has responded to the climate change crisis in a number of ways and taken steps to reduce its carbon emissions. This work has been advanced significantly since the Council declared a Climate Emergency.

- 2.4 A partnership board, known as the 2030 Shadow Board, was set up in 2019 and on a quarterly basis brings together representatives from across the city including Gentoo, the NHS Foundation Trust, University of Sunderland, Sunderland College, Together for Children, NE Chamber of Commerce, Transport North East as well as Elected Member representation from each Group on the Council. The 2030 Shadow Board shaped the development of the city's Low Carbon Framework, adopted in December 2020, and its purpose is to work collectively to drive forward Sunderland's ambitions and commitment to tackling climate change. Representation has since been broadened to include the Voluntary Sector Alliance and representatives from the young people's Environmental Green and Sustainable (EGS) Group
- 2.5 In January 2021, Cabinet endorsed the Sunderland Low Carbon Framework. This recognised the need to work together to reduce carbon emissions across the city and set an overall ambition to become carbon neutral as a city by 2040. The Framework is established around seven strategic priorities which are equally important in helping to achieve the overall ambitions. At the same meeting, Cabinet also approved the City Council's initial Low Carbon Action Plan, which set out an ambitious target to become carbon neutral as an organisation by 2030. The Action Plan set out a range of actions and against each of the seven strategic priorities.
- 2.6 In July 2022, the Council published an updated Low Carbon Action Plan which builds upon the significant low carbon activity undertaken by the Council to date, and an increased understanding of the level and nature of the Council's emissions.

3.0 Annual Reporting

- 3.1 In January 2022, the Council published its Annual Carbon Data Report 2020/21. This report provided an estimation for the annual greenhouse gas (GHG) emissions for Sunderland City Council in the 2020/21 financial year, as well as citywide carbon emissions for Sunderland in the 2019 calendar year (the latest for which city-wide data was available at the time). This was the first annual carbon data report published since the city-wide Low Carbon Framework was adopted by Sunderland Partnership, and then endorsed alongside the City Council's Low Carbon Action Plan by the Council's Cabinet in December 2020. The report also included data not previously published between 2016/17 and 2020/21.
- 3.2 In-line with the GHG Protocol Corporate Standard, Sunderland City Council's GHG emissions are categorised into three scopes:
- Scope 1 emissions refer to direct emissions from owned or controlled sources, for example the combustion of fuel;
 - Scope 2 emissions include emissions from the generation of purchased energy, for example electricity purchased from the National Grid; and
 - Scope 3 emissions refer to all indirect emissions which occur in the value chain of a reporting company, for example employee commuting and

emissions from purchased goods. The Council's carbon neutral target covers scope 1 and 2 emissions.

- 3.3 The Council's carbon neutral target, as set out within the Low Carbon Action Plan, currently covers scope 1 and 2 emissions.
- 3.4 For reference, the 2020/21 report outlined that the Council's scope 1 and 2 carbon footprint during 2020/21 was 8,546tCO₂e, representing a 13.2% reduction from 2019/20 and a 62.5% reduction over the five year period since 2016/17. Just over half of this reduction was due to the decarbonisation of the National Grid, with the rest due to lower energy consumption. The main sources of emissions from Council operations in 2020/21 were gas consumption and purchased electricity for Council buildings. It is recognised however that emissions within the 2020/21 financial year were heavily impacted by Covid-19.

4.0 Low Carbon Annual Report 2021/2022

- 4.1 The Low Carbon Annual Report 2021/22 provides an estimation for the annual GHG emissions for Sunderland City Council in the 2021/22 financial year, emissions since the base year of 2017/18, as well as citywide carbon emissions for Sunderland in the 2020 calendar year (the latest for which city-wide data is now available).
- 4.2 Section 1 of the Annual Report summarises the emissions data for the Council and then for Sunderland as a city. This data is set out and analysed more fully in Sections 4 and 5 respectively. Section 2 briefly sets out the global context, including the Paris Agreement. Section 3 covers Sunderland's wider reporting mechanisms, in addition to this annual report, including the establishment of quarterly reporting and an annual submission to CDP (formerly Carbon Disclosure Project). The report then moves to focus in more detail on the City Council's annual carbon emissions followed by those for the city as a whole. Section 4 defines the Council's current organisational boundary and provides an overview of the Council's scope 1, 2 and 3 footprint for each financial year since 2017/18 (which is used as the baseline for reporting), before going into further depth for each key source of emissions in turn. Section 5 provides a brief overview of city-wide emissions, before breaking this down into the main sources of emissions within each sector and comparing this to the regional and national averages. Section 6 summarises key low carbon activity progressed during the year 2021/22 in relation to each of the seven strategic priority area. Finally, section 7 provides a conclusion and summarises the key findings from the report.
- 4.3 The Council's scope 1 and 2 carbon footprint during 2021/22 was 7,497.52tCO₂e, representing a 12.4% reduction from 2020/21. Approximately 20% of this reduction was due to the decarbonisation of the National Grid, with the remainder due to lower energy consumption. The main source of emissions from Council operations in 2021/22 was the generation of purchased electricity for Council buildings. The Council's greenhouse gas emissions continued to be impacted by the COVID-19 pandemic during this period.

- 4.4 The Council is also continuing to develop its scope 3 datasets, in line with the recommendations of the Greenhouse Gas Protocol. Based on the current data available, scope 3 emissions for the Council are estimated to have accounted for 37,803.09tCO₂e in 2021/22 (82% of the Council's overall emissions). Focus on scope 3 emission sources (our indirect emissions) will continue and increase as we move forward, to bring our value chain with us on our Low Carbon journey.
- 4.5 In 2020, Sunderland as a whole emitted a net 1,039,057tCO₂, representing an 11.5% decrease from 2019 levels. Against the science-based interim target set by the Tyndall Centre, city-wide emissions were reduced by 26.1% over the period from 2015-2020, which exceeded the target for a 16.1% reduction over this period. Sunderland has met the initial target of a 16.1% reduction in citywide emissions from 2015 levels by 2020. However, it is recognised that decarbonisation will have to significantly accelerate beyond 2020 to meet the more ambitious longer-term target of a 14.4% annual reduction moving forward
- 4.6 For the first time BEIS have also now published a dataset which outlines city-wide carbon emissions within the scope of influence of local authorities. It is therefore proposed that this dataset will be utilised for the city-wide emissions monitoring and reporting moving forward, as it more accurately reflects the emissions that the Council can contribute towards reducing and is more closely aligned with the Tyndall Centre methodology. The data in the new dataset will be backdated to 2005 for accuracy and transparency in monitoring and reporting.
- 4.7 Following discussion with Scrutiny Committee, the Low Carbon Annual Report 2021/22 will be finalised for consideration by Cabinet. It will also then be reported back to partners of the 2030 Shadow Board and published on the MySunderland webpages.

5.0 Recommendation

- 5.1 Scrutiny is asked to consider and discuss the draft 2021/22 Low Carbon Annual Data Report.