

**To:** Future Oxfordshire Partnership

**Title of Report:** Oxfordshire Net Zero Route Map & Action Plan Update

**Date:** 26 November 2024

**Report of:** Sarah Gilbert, Head of Climate Action, Oxfordshire County Council

**Status:** Open

**Executive Summary and Purpose:**

The Future Oxfordshire Partnership (FOP) endorsed the Oxfordshire Net Zero Route Map and Action Plan in March 2023, including a phased approach to the delivery of the identified joint actions.

This report updates the FOP on the steps taken to operationalise the actions agreed for inclusion in the first delivery phase.

**How this report contributes to the Oxfordshire Strategic Vision Outcomes:**

This work supports the FOP Strategic Vision to be carbon neutral and accelerating toward a carbon negative future by 2050. Current and planned deliverables contribute to a number of additional outcomes, including:

- Improving wellbeing, equality and inclusivity
- A globally competitive, sustainable, diverse and inclusive local economy
- Energy efficient and affordable homes in the right number, location and tenure

**Recommendations:**

The Future Oxfordshire Partnership is asked to:

1. Note the report and activity underway to implement the Oxfordshire Net Zero Route Map and Action Plan.
2. Note the countywide greenhouse gas emissions update.

**Appendices:**

Appendix 1: Oxfordshire Countywide Greenhouse Gas Emissions Report

## Introduction

1. To support the objective of a carbon neutral Oxfordshire, accelerating towards a carbon negative future, the Future Oxfordshire Partnership (FOP) commissioned the development of a route map and action plan for the county to identify areas for joint actions that the Oxfordshire local authorities can take together to accelerate progress to net zero.
2. The resulting Oxfordshire Net Zero Route Map and Action Plan<sup>1</sup> sets out sectoral pathways to net zero (with milestones at 2030, 2040 and 2050) in line with the 'Oxfordshire leading the way' scenario endorsed by FOP in the Pathways to Zero Carbon Oxfordshire (PAZCO) report<sup>2</sup>, and recommends a series of 15 priority areas for joint action.
3. At its meeting in March 2023, FOP endorsed the Route Map and Action Plan and agreed a phased approach to the delivery of the identified joint actions, reflecting existing resources and funding.
4. This report provides an overview of Oxfordshire's progress towards net zero, and an update on the development and delivery of the phase one work programme.

## Enabling Oxfordshire's Transition to Net Zero

5. An annual update on the greenhouse gas emissions for the county is provided in Appendix 1 from national data published by the Department of Energy Security and Net Zero two years in arrears.
6. Sources in Oxfordshire accounted for 4,063.9 ktCO<sub>2</sub>e in 2022, equivalent to 5.5 tCO<sub>2</sub>e per person, above the national average (5.1 tCO<sub>2</sub>e) following national trends for emissions to correlate with household income. Transport continues to be the highest emitting sector, accounting for over one third (38%) of all Oxfordshire emissions.
7. The COVID-19 pandemic had an impact on global, national and county CO<sub>2</sub> emissions through widespread lockdowns and changes to business as usual behaviours. Greenhouse gas emissions rebounded in 2021 at global, national and local levels, however in 2022 national and local greenhouse gas emissions reduced in England and Oxfordshire.
8. The Oxfordshire Net Zero Route Map and Action Plan (ONZRMAP) has provided five-yearly countywide carbon budgets which map the county's total CO<sub>2</sub> emissions under a trajectory to net zero in 2050. These budgets were set under the 'Oxfordshire Leading the Way' scenario, which combined widespread cultural and behavioural change with high deployment of new local electricity generation. This is an ambitious pathway that goes beyond national commitments, and the carbon budgets reflect this level of ambition.
9. The ONZRMAP requires an annual average reduction of 9% between 2021 and 2025 to stay within the five-year cumulative budget. Divided equally this allows for 3,374 kt CO<sub>2</sub> to be emitted each year for the first budget period. A total of 3,413 kt CO<sub>2</sub> was emitted in 2022, accounting for 20.2% of the 2021-2025 budget. Between 2021 and 2022 CO<sub>2</sub> emissions decreased by 5%.

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<sup>1</sup> [Net Zero Route Map and Action Plan](#) (City Science, 2023)

<sup>2</sup> [Pathways to a zero carbon Oxfordshire](#) (Environmental Change Institute, 2021)

10. Since the COVID-19 pandemic, emissions have rebounded, and have not decreased at the rate necessary to stay within the carbon budgets outlined in the ONZRMAP. Oxfordshire is still within the carbon budget set by the Climate Change Committee. Extrapolation of historic CO<sub>2</sub> emissions data suggests that the county may recover its position in relation to the ONZRMAP carbon budgets within this budget period.
11. A comparison with other local authorities in England with a similar profile to Oxfordshire shows that the changes in annual emissions within the county is consistent with these comparator authorities.
12. External factors affect Oxfordshire's carbon emissions, such as the carbon intensity of the grid. This increased up to 2021 due to the proportion of gas and coal in the fuel mix but has been decreasing since this point.
13. Further action is needed particularly on the two areas which make up the majority of the county's annual emissions: transport and domestic emissions including work with central government on policy and funding. There is a key opportunity to realign Oxfordshire's ambitions with the new government given its push to accelerate grid decarbonisation, continue with domestic retrofit programmes, reform national planning policy and pledge to restore the petrol and diesel ban to 2030.

### Net Zero Route Map and Action Plan – Phase 1

14. Joint actions grouped together under five broad themes have been prioritised for delivery in the first phase of the work programme (Figure 1 below).

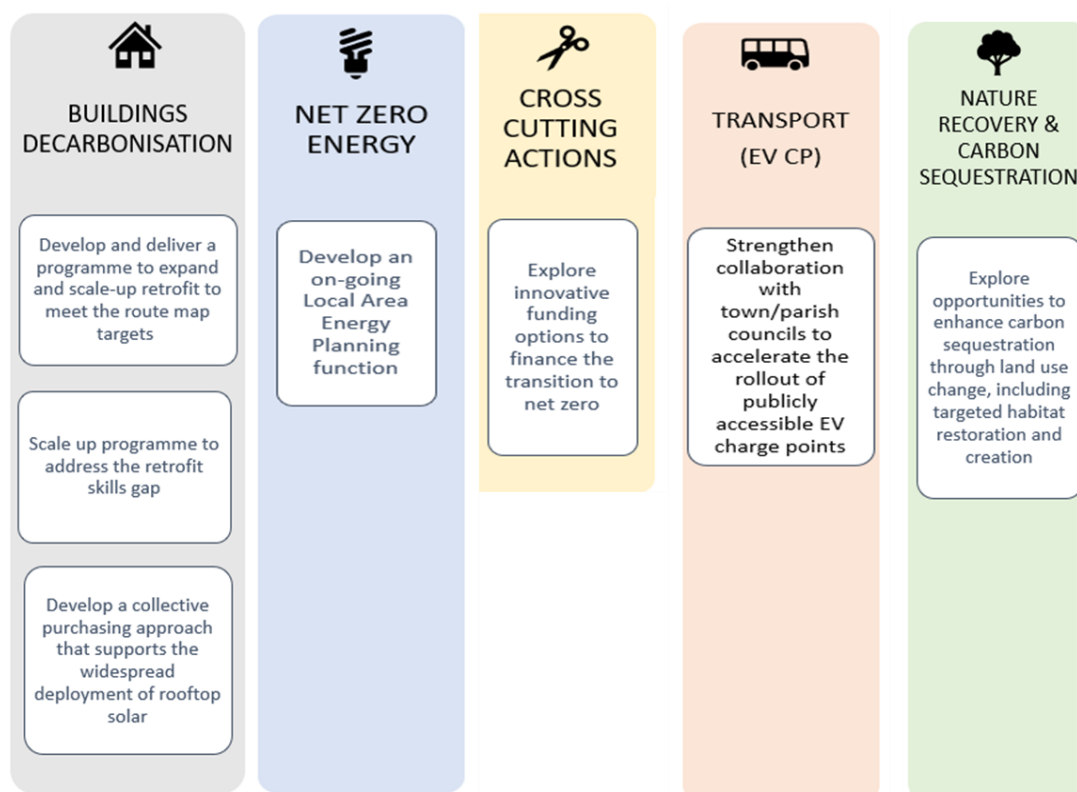


Figure 1: Joint actions for delivery in first phase of work programme

15. Officers and convening leads have worked together to draw up a programme to implement each of the actions included in the first delivery phase.

## **Progress Update: Phase 1 Priority Actions**

### **Buildings Decarbonisation**

#### **ACTION 1: EXPAND AND SCALE UP RETROFIT DELIVERY**

**Governance:** Environment Advisory Group

**Convening lead:** Retrofit Manager, Oxfordshire County Council

**Objectives:**

- Build on existing local retrofit programmes and best practice (e.g. shared learning) to take advantage of funding opportunities.
- Coordinate the scaled-up delivery of retrofit across all markets (e.g. low-income households, able-to-pay, unable to pay customers and renters).
- Improve engagement with hard-to-reach households (especially those in fuel poverty) and suppliers.
- Reduce energy consumption and carbon emissions from existing domestic and commercial properties.
- Ensure standard of works undertaken at each property with a range of appropriate measures ensuring its high efficiency and low reliance on fossil fuels post-works.

16. The Retrofit Delivery working group brings together officers with the expertise and experience gained from existing programmes to coordinate activity on retrofit across all customer groups. Oxfordshire County Council received a special commendation at the National Energy Efficiency Awards 2024 in recognition of the impact achieved by delivering across a range of retrofit schemes.

17. According to the ONZRMAP route maps, by 2025 there will need to be a reduction in domestic emissions of 10% against the base year of 2019, with 18% of properties at Energy Performance Certificate (EPC) B or higher. Data from the Department for Energy Security and Net Zero<sup>3</sup> (DESNZ) shows that between 2019 and 2022 (the latest available data), domestic emissions have decreased by 9%. Energy performance from buildings data from the Department for Levelling Up, Housing and Communities<sup>4</sup> shows that 18.1% of domestic properties in Oxfordshire achieved an EPC B rating or above as of the end of September 2024.

18. These findings show that the county is likely to be ahead of the milestones set out in ONZRMAP for the domestic retrofit sector. However, future targets such as a 41% reduction in domestic emissions by 2030 indicate that the rate of progress will need to accelerate in order to maintain the pathway to net zero by 2050.

### **Delivery of Grant-Funded Retrofit**

<sup>3</sup> <https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-statistics-2005-to-2022>

<sup>4</sup> <https://epc.opendatacommunities.org/downloads/domestic>

## *Home Upgrade Grant Phase 2*

19. Oxfordshire County Council was awarded over £6 million of capital retrofit grants through a government-backed scheme, Home Upgrade Grant phase two (HUG2). The purpose of this scheme is to tackle fuel poverty by upgrading the worst performing off-gas grid domestic properties.
20. 2024 is the second and final year of the HUG2 scheme. Delivery of retrofit initiatives has scaled in year two and almost £1.2 million has been delivered in the 2024/25 FY (April to end-August); half of the target for the year.
21. This programme has significant challenges, but the consortium led by Oxfordshire County Council (consortium of the four district council regions in Oxfordshire - with Oxford City having an alternative route to access HUG2 capital funds via the Greater South East Net Zero Hub) are now delivering at a pace that is predicted to deliver on our £2.4m target for the year.
22. 50 properties were completed in the first quarter of the 2024/25 financial year, compared to a target of 40, with the average spend per property being just under £15,000 capital. 42 properties were completed in the second quarter, compared to a target of 30.
23. A marketing push has been undertaken on the HUG2 programme until the end of October 2024 as installs need to be complete by the end of March 2025.
24. The government has now released details of the scheme to follow HUG; the Warm Homes Local Grant. This scheme will be open to both on and off gas properties, run for 3-5 years and be allocated via Expressions of Interest. The County is working to coordinate a consortium bid on behalf of Oxfordshire.

## Retrofit Engagement

### *Better Housing Better Health*

25. The Better Housing Better Health service continues to be jointly funded to help people in fuel poverty.
26. This service provides advice on keeping warm at home and access to grant funding.

### *A House Like Mine*

27. In June 2024 the 'A House Like Mine' project to create retrofit engagement materials was completed.
28. A House Like Mine is a project that created engagement materials based on common house archetypes in Oxford.
29. Twelve common archetypes were selected and whole house plans and case studies have been undertaken by Retrofitworks. As part of the project an engagement plan has also been developed with the Low Carbon Hub to maximise the engagement potential of the materials.
30. The engagement plan will now be used as an internal document to inform resourcing and actions on retrofit engagement and working with partners.
31. The engagement materials have been published using a creative commons license and they are intended to be used and shared widely across the county.

## Heat Pump Ready Programme

## *Clean Heat Streets*

32. Clean Heat Streets has been confirmed as the only capital DESNZ Heat Pump Ready programme to have proceeded to capital installation stage. This programme supports the development and demonstration of air-source heat pump technologies, tools and solutions for optimised deployment at scale within a defined area.
33. Clean Heat Streets is being led by Samsung, and is focused on an area of Rose Hill within Oxford City. A celebration was hosted at the Rose Hill community centre to update the local community and stakeholders with project progress one year on.
34. 150 homes have registered for a free survey, of which 130 qualified. Heat pumps have been installed in 20 homes to date.

## Retrofit Innovation

### *Energy Saver App*

35. Oxfordshire County Council's Energy Systems & Investment team has been working on the Alternative Energy Markets programme, funded by DESNZ.
36. The Energy Saver App was launched in July 2024, offering energy insights to residents across Oxfordshire with a smart meter, plus the offer of smart technology to a select group of app users later in the year. The app is also a finalist in the Unlocking Data category of the Utility Week awards 2024.
37. The project is built on an innovative Intelligent Smart Energy Engine that is able to assess and recommend a combined tariff and technology offer, personalised for app users to their energy profile.
38. The project aims to see c. 500 households be offered heat pumps, batteries, and solar PV, testing the impact of modelled tariffs not currently available on the market on the take up of energy smart appliances. The offer will be on a monthly fee basis, removing a significant barrier to adoption.
39. The app has surpassed 1,000 downloads, however, many more active users are required in order to drive the other innovative elements of the trial. This therefore continues to be promoted both internally and externally to increase uptake.
40. Please see [energysaverapp.com](https://energysaverapp.com) for more information and a link to download the app.

## **ACTION 2: ADDRESS THE RETROFIT SKILLS GAP**

**Governance:** Environment Advisory Group

**Convening lead:** Oxfordshire Local Enterprise Partnership (OxLEP)

### **Objectives:**

- Increase the capacity of the local supply chain to enable scaled up delivery of homes retrofit to at least EPC B standard.
- Establish a network of training courses to help increase the number of skilled installers, address barriers and meet the future uplift in demand.
- Promote social value across all sectors through green skills training and employment opportunities.

- Provide and build on existing local training and apprenticeship opportunities through collaborative working.

41. The [Oxfordshire Local Skills Improvement Plan](#) provides the overarching strategic context for skills improvement in the vocational sector. It has identified 'skills for a net zero economy' as one of its four priority transferrable skills that underpin and support all other sectors.
42. In response to identified need OxLEP has been awarded £1.7m to deliver [Skills Bootcamps](#). In the first wave of delivery Reed in Partnership are delivering heat pump bootcamps for 40 learners up to March 2025.
43. The second wave of delivery will include bootcamps in engineering and manufacturing, e-bikes, green construction and green sustainability. A further 130 outcomes are expected from second wave activity. OxLEP is currently scoping an expression of interest for 2025/26 bootcamps that could see further net zero activities added.
44. In parallel to the bootcamps, each local authority has adopted E39 – Green Skills as a UK Shared Prosperity Fund priority, and delivery has commenced with outcomes required by March 2025. South Oxfordshire and Vale of White Horse District Councils used this funding to offer 82 residents fully funded places on green building and constructions courses at Abingdon and Witney College.
45. OxLEP is leading the Apprenticeship Levy retention programme locally that has seen c. £3.7 million generated and retained in Oxfordshire which is now being deployed to support apprenticeship growth in SMEs - including those in low carbon sectors.

The OxLEP Careers Hub continues to promote the importance of green skills in its work with secondary schools, and oversees a pipeline of c. 30 Community Employment Plans that support developers of major sites in providing local skills and training opportunities arising from the development.

### **ACTION 3: DEVELOP A COLLECTIVE PURCHASING APPROACH TO ACCELERATE ROLL OUT OF ROOFTOP SOLAR PV**

**Governance:** TBD  
**Convening lead:** TBD

**Objectives:**

- Work together to create a county-wide green procurement route to help reduce costs and scale up and accelerate the roll out of rooftop solar projects.
- Expand and maximise supply chain opportunities.
- Identify potential opportunities to deliver solar PV in appropriate locations alongside supporting infrastructure, achieving end-user buy in.

46. Whilst this project had been paused, allowing for staff resourcing to work on the FutureFit Oxford(shire) bid to Innovate:UK, and more recently to work on the

Energy Saver App project, colleagues have now approached three organisations to discuss their approach/offer.

## Net Zero Energy

### **ACTION 4: LOCAL AREA ENERGY PLANNING**

**Governance:** Infrastructure Advisory Group

**Convening lead:** Energy Systems and Investment Manager, Oxfordshire County Council

**Objectives:**

- Identify optimal pathway for local energy system decarbonisation, including costed infrastructure and investment needs.
- Establish an energy planning approach which enables continuous review and improvement.

## Local Area Energy Planning

47. A Local Area Energy Plan (LAEP) is a 'data-driven, whole system approach that considers how to decarbonise the entire energy system at least cost'. It considers all energy types, uses and the complete supply chain. A LAEP identifies optimal pathways to enable local authorities, distribution network operators, community and industry stakeholders to take targeted action to reduce energy constraints and identify the most feasible projects to achieve full and timely decarbonisation.
48. Following early market work, the programme scope for OxLAEP was completed and agreed by the Energy Planning Working Group and Executive Steering Board. A budget of £600,000 for OxLAEP was allocated from the Capacity Fund.
49. Following permission to go to market through the Oxfordshire Commercial Board, Oxfordshire County Council hosted two pre-procurement open days, which were attended by over 20 organisations, to promote the pending procurement and get feedback from potential bidders on the draft service specification.
50. The invitation to tender closed on 30 September 2024, and applications are currently being reviewed. Notification of the award outcomes is expected at the end of November, with the contract to start in mid-December 2024.
51. The programme will run for up to 24 months with the first 12 for the production of the plans (1 per district council area) and the second 12 for improving local authority capability to do in-house LAE Planning in the future.
52. It should be noted that the governance for OxLAEP under FOP includes representation from all the DNOs / DSOs that serve the county. This has provided the opportunity to engage directly with them on a number of current energy related issues. The Energy Planning Working Group has also been key to the development of a much-improved 2024 DFES submission for the county and a response to the latest consultation on the Regional Energy Strategic Plan by OFGEM which was picked by a number of other consultee responses.

## Local Energy Oxfordshire - Neighbourhood



53. The partnership bid for a 4-year multi-million pound programme to continue the work programme under LEO was unsuccessful in the current funding round with Ofgem.
54. This partnership project would have allowed continuation of the partnership work between Low Carbon Hub, SSE, Oxford University and the councils to grow the Smart and Fair Neighbourhood trials addressing grid constraints and decarbonising communities.
55. The partnership will be looking for alternative ways to fund the multi-year programme.

#### Zero Carbon Oxford Partnership (ZCOP) Industrial Decarbonisation Programme

56. The objective of the Industrial Decarbonisation Programme is to develop a Roadmap and Action Plan, working with key Industrial Partners in Oxford. It will complement the existing ZCOP Roadmap and Action Plan and provide much needed detailed analysis for industry to act confidently on decarbonisation measures. A series of workshops were held with local stakeholders to gather inputs and validate the work.
57. To this end, the following work has been undertaken or is in progress.
58. Completed:
- Baseline assessment and understanding local industry.
  - Analysis of technologies' suitability to Oxford's industry.
  - Business as usual (BAU) emissions pathway.
59. In progress:
- Modelling optimal decarbonisation pathway for industry
  - Assessments of enabling factors including finance, skills and supply chain and collaboration 'structures'
  - Collaboratively develop an Action Plan that outlines the optimal way for organisations to work together and act individually to decarbonise industry in Oxford.

#### Net Zero Transport: EV Charging Infrastructure

##### **ACTION 5: ACCELERATE THE ROLL OUT OF PUBLICLY ACCESSIBLE ELECTRIC VEHICLE (EV) CHARGING POINTS**

**Governance:** Infrastructure Advisory Group

**Convening lead:** Zero Emissions Vehicle and Energy Integration Manager, Oxfordshire County Council

**Objectives:**

- Improve access to charging points especially in rural areas and urban residential streets without off-street parking to facilitate the uptake of electric vehicles.
- Secure funding towards publicly accessible installation points in appropriate locations.

- Support the delivery of the Oxfordshire Electric Vehicle Infrastructure Strategy, building on existing trial projects.

60. This action aims to accelerate the roll out of EV charging infrastructure, supporting increased uptake of electric cars and small vans by improving access to public charge points, particularly in rural areas where gaps in the charging network remain. The work complements existing projects and supports delivery of the Oxfordshire Electric Vehicle Infrastructure Strategy and the linked Oxford Electric Vehicle Infrastructure Strategy.

61. According to the ONZRMMap route map for transport, emissions from the sector should decrease by 6% in 2025 compared to 2019. Data from DESNZ indicates that the county has seen a 14% decrease in transport emissions between 2019 and 2022. DESNZ data is published two years in arrears (see Appendix 1 for more details), so future datasets will provide a clearer picture of the overall impact of EV charging infrastructure roll out and other modal shift initiatives on transport emissions.

62. ONZRMMap also sets a target of 25,000 electric cars and motorcycles in the county by 2025. The uptake of EVs has been steadily increasing over time, with the latest figures from the Department for Transport<sup>5</sup> showing a total of 12,053 registered battery electric vehicles (BEVs) in the second quarter of 2024. This is more than a 400% increase in BEVs since the same quarter in 2020. Assuming the same rate of increase in uptake between now and 2025, it is likely that there will be 16,000 BEVs in the county, 9,000 less than the target.

### EV Charging Innovation

63. Several innovative EV infrastructure projects are being delivered in partnership with the Office for Zero Emission Vehicles (OZEV) and Innovate UK. The lessons from these trials will inform the wider roll out of EV infrastructure across Oxfordshire:

- **Park and Charge:** 20 hubs of fast charging points have been rolled out across publicly-owned car parks, with overnight charging facilities and free parking to nearby residents, as well as top-up charging to visitors and commuters during the daytime. This scheme is now complete.
- **OxGul-e:** A pilot has been developed of dedicated pavement cable gullies for residents without off-street parking in both rural and urban locations from a home charge point unit at the kerbside to their vehicle. This minimises disruption to dedicated parking provision and impact on the historic built environment.
- **DoorSTEP:** DoorSTEP is testing a different solution that allows residents who lack access to private off-street parking to install a home EV charger from their domestic electricity supply and share it with their neighbours.

### Oxfordshire Local Electric Vehicle Infrastructure (OxLEVI) Programme

64. The OxLEVI programme is set to deliver at least 1,200 public EV chargers and 500 cable gullies across Oxfordshire by the end of 2026.

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<sup>5</sup> <https://www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-tables>

- 65. Procurement is underway with final tender documents near completion and awaiting final sign off from all partners and the funders, the Office for Zero Emissions Vehicles (OZEV).
- 66. Pending OZEV approval, we are due to tender for two charge point operator concession contracts and a cable gully supplier in October 2024, leading to contract award in February 2025 and contract start in March 2025.
- 67. Procurement of charge point operators has been delayed due to the need to use an open tender approach rather than the Oxford dynamic purchasing scheme, due to a legal challenge around the legitimacy of using frameworks to procure high value concession contracts. This has affected many other local authorities and their LEVI plans.

#### Community Micro-Hubs

- 68. The decision has been taken to move the provision of EV charging infrastructure to be under the Oxfordshire County Council concession contract as opposed to 'gifting' the equipment as originally planned.
- 69. This follows feedback from both the potential recipients and colleagues at other councils who have been pioneering this solution.
- 70. In addition, a workshop has been held with 10 pilot groups who will assist in developing the legal structures and operational methodologies for the micro-hubs in advance of the main roll-out of sites.

#### Nature Recovery and Carbon Sequestration

**ACTION 6: EXPLORE OPPORTUNITIES FOR CARBON SEQUESTRATION THROUGH THE LAND-BASED CARBON SEQUESTRATION OFFSET MODEL, INCLUDING TARGETED HABITAT RESTORATION AND CREATION**

**Governance:** Oxfordshire Local Nature Partnership (LNP) finance subgroup.

Progress reports to Environment Advisory Group

**Convening Lead:** Oxfordshire Local Nature Partnership Manager

**Objectives:**

- Support habitat protection, recovery and creation alongside a range of other co-benefits (e.g. flood risk and air quality management and green space) through the identification of suitable sites to store or capture carbon.
- Support the development of Oxfordshire's nature recovery network and delivery of Oxfordshire's Local Nature Recovery Strategy.
- Support the delivery of locally based carbon off-setting or in-setting solutions, based on robust financial models, where appropriate.

- 71. This action is identified to explore opportunities to enhance carbon sequestration through land use change, including targeted habitat creation, restoration and protection projects which maximise co-benefits including around flood risk and air quality management and creating green spaces for recreation.
- 72. A bid to Innovate UK for the Net Zero Living: Fast Followers funding was successful. £300,000 of funding has been confirmed and the project has commenced. The bid which was led by South Oxfordshire District Council is funding new project officers at West Oxfordshire District Council and Cherwell

District Council as well as capacity funding for South Oxfordshire and the Vale of White Horse District Councils’.

73. The sequestration methodologies review is ongoing. Further work is being undertaken to evidence soil carbon sequestration across different habitat types.
74. The LNP is currently drafting criteria/principles for a high integrity marketplace in Oxfordshire for trading of ecosystem services more widely. The LNP is working with districts to identify a solution for a nature-based carbon/retrofit registry and sharing experiences in accessing different providers of capital (e.g. smaller organisations/charities, NGOs, institutional investors). Joint workshop was held with Oxford City Council and County Council to explore approach to insetting as well as offsetting (see paragraphs 79-81).
75. A market survey with local businesses to understand their requirements for carbon or nature-based credits is on-going.
76. The scope of projects under this workstream has been widened to include biochar in light of growing interest in the sector and a number of local organisations who are considering it given the potential for greater performance, shorter lead-in times and co-benefits compared to other solutions. The LNP convened a biochar workshop on 15 October bringing together organisations across the county and the UK biochar demonstrator project in Nottingham to discuss potential and applications.
77. The LNP team met with Department of Environment, Food and Rural Affairs green finance representatives to discuss current challenges in delivering nature finance at scale (including the need for clarity on stacking/bundling and expanding buyer interest across wider range of ecosystem services).
78. The LNP is working with Trust for Oxfordshire’s Environment (TOE) on the development of a local nature-recovery investment facility (ONCIF).

### **Cross Cutting Actions**

79. A number of actions are being undertaken which seek to bring together different strands of work and encourage partnerships across the county. One such example of this is ongoing work to expand ZCOP to form a county-wide climate partnership. The expanded Zero Carbon Oxfordshire Partnership will act as a forum to bring together public and private sector partners to accelerate climate action and harness collective skills and knowledge across Oxfordshire. The expanded partnership is expected to launch in early 2025.

#### **ACTION 7: EXPLORE INNOVATIVE GREEN FINANCE**

**Governance:** reporting to Environment Advisory Group

**Convening Lead:** TBC

**Objectives:**

- Develop new innovative funding mechanisms (e.g. green bonds and insetting) to finance net zero actions at significant scale.
- Promote local ownership of assets and local investment opportunities.
- Support the provision of private finance into county programmes

80. Recognising the scale of investment required to deliver net zero<sup>6</sup>, this action aims to develop innovative funding mechanisms to finance delivery of net zero actions at scale and support the provision of private finance into county-wide net zero programmes.

### *100 Together Programme*

81. Oxfordshire County Council ran the first 100 Together green finance conference in January 2024. A full programme of work has been developed to deliver on the actions that came out of the conference.

82. This includes the development of a Green Prospectus for Oxfordshire which aims to market Oxfordshire's green vision and investment potential, securing commercial partnerships to enable investment at the scale and pace required, and building an evidence base to support a just transition.

83. The next 100 Together conference will be held in June 2025, and the Green Prospectus will be launched at the event.

### *FutureFit Area Based Insetting Project*

84. This project commenced in February 2024 and will run until July 2025, led by Oxford City Council in partnership with the Low Carbon Hub.

85. The project is defining what local carbon insetting could look like, utilising building retrofit for non-domestic buildings, and is undertaking real world testing (as a pilot trial) of an existing insetting methodology developed by Anthesis Consulting (Area Based Insetting).

86. This will create a local voluntary carbon market within Oxford. Three organisations are currently being onboarded to test the process, with Oxford City Council simulating the role of the funder using some of the grant funding awarded for the project by Innovate UK. A further two retrofit projects are being investigated where there is a known possibility for third party funding to facilitate insetting.

### **Financial Implications**

87. The latest greenhouse gas data and wider climate trends highlight the need to continue to invest in climate action and work with partners to stay on course for FOP's net zero ambitions.

88. The majority of financing for the net zero transition will come from private sources and the FOP is seeking to create policy and partnerships that enable that investment.

89. The cost of climate impacts such as that of recent flooding in the county will be increasingly felt as national and global emissions are not reducing fast enough to prevent climate breakdown. The FOP funded climate adaptation routemap which will accelerate work to prepare for climate impacts is currently being developed and will be considered by the FOP Board in January 2025.

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<sup>6</sup> Investment of around £3.5 billion would be needed by 2030 to deliver the measures identified in the PaZCO report.

## Legal Implications

90. In May 2019 the Government committed to achieving net zero carbon emissions by 2050, recognising much of this reduction must happen before 2030. Local councils play a vital role in making sure the UK is prepared for the impacts of climate change at a local level and are able to decide how best to address these challenges. The taking of such action is lawful under the general power of competence in Section 1 of the Localism Act 2011.

## Other Implications

91. This report does not raise any specific equalities implications. The work outlined within this report support's FOP's guiding principles which include creating the conditions for a diverse and inclusive economy, improving health and wellbeing and reducing inequalities, and supporting communities and individuals to achieve positive change.

## Conclusion

92. This report has provided an overview on the countywide greenhouse gas emissions for Oxfordshire for 2022, and given an update on the ONZRMAP activities being actioned through phase one.

93. In general, progress is being made in all areas. In particular the appointment of a consultant to support the delivery of OxLAEP, and the scale up of domestic retrofit to meet HUG2 targets represent a step forward in energy and domestic decarbonisation. Oxfordshire Local Nature Partnership is also leading the way on nature finance.

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