

**CABINET – 15 JULY 2025****PROPOSAL TO REPRIORITISE NET ZERO ACTION PLANS****REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT****PART A****Purpose of the Report**

1. The purpose of this report is to seek the Cabinet's views on the reallocation of the £2m carbon reduction reserve and to change the focus of the activities delivered under the Net Zero Action Plan, as requested by the Leader of the Council.

Recommendations

2. The Cabinet is recommended to consider, if it wishes, to:
 - (a) Approve the reallocation of £2m from the earmarked reserve for carbon reduction work to flooding mitigation initiatives and to adapting services towards mitigating the impacts of severe weather events;
 - (b) Support a change of focus in the activities delivered under the Net Zero Action Plan from carbon reduction to:
 - i. Climate adaptation and responding to severe weather events.
 - ii. Projects that deliver financial savings.
 - iii. Projects that deliver additional social, economic or environmental benefits, in support of the Council's Strategic outcomes.

Reasons for Recommendation

3. The Leader of the Council has requested the opportunity to reconsider the allocation of the earmarked reserve and change in focus of activity under the Net Zero Action Plan.

Timetable for Decisions (including Scrutiny)

4. Subject to the approval of the recommendation as outlined in paragraph 2 (b), the Net Zero Action Plan will be reviewed. The revised Action Plan will be presented to the Environment and Climate Change Overview and Scrutiny Committee for comments alongside the annual Environmental Performance Report in January 2026, before being presented to the Cabinet for approval.

Policy Framework and Previous Decisions

5. The County Council approved the revised Environment Strategy 2018-2030 on 8 July 2020. The vision of the Strategy is that 'Leicestershire County Council will minimise the environmental impact of its activities and will improve the wider environment through local action. We will play our full part to protect the environment of Leicestershire. We will tackle climate change and embed sustainability into what we do.'
6. In December 2022, the County Council adopted the 2030 Net Zero Council Action Plan and the 2045 Net Zero Leicestershire Strategy and Action Plan. The vision of the Net Zero Strategy is that 'In 2045, Leicestershire has ended its contribution to global warming and had adapted to the impacts of climate change. The transition to net zero has created a cleaner, greener Leicestershire for people, prosperity and planet; supporting healthy, resilient communities, enabling sustainable growth, and enhancing biodiversity.'
7. Since these commitments were made, the Council has been subjected to an increasingly constrained financial position with a significant deficit forecast. In February 2024, in light of this and the estimated increased resources required to reach net zero, the Council resolved to extend the net zero targets to 2035 for Council operations and 2050 for Countywide emissions, in line with the national target.
8. The Cabinet approved a revised Environment Strategy Action Plan, 2035 Net Zero Council Action Plan and 2050 Net Zero Leicestershire Action Plan in February 2025.
9. The Net Zero Leicestershire Strategy and Net Zero Council Action Plan and the Environment Strategy support the delivery of the Clean and Green outcome in the Council's Strategic Plan Refresh (2024-2026).
10. National legislation is in place to support the UK's transition to net zero – the Climate Change Act 2008 (2050 Target Amendment) Order 2019 commits the Government to a 100% reduction of greenhouse gas emissions by 2050 compared with 1990 levels.

Resource Implications

11. The £2m carbon reduction reserve was set aside in 2022 to create a fund to pump prime new carbon reduction initiatives. The Leader of the Council has proposed that this reserve is reallocated from net zero activities to flooding initiatives and adapting services to mitigate the impacts of severe weather events.

12. Subject to the approval of the recommendations in this report, existing staff resources will be reallocated to reflect the proposed change in delivery priorities.
13. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

14. This report will be circulated to all Members.

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PART B

Background

15. The current Net Zero Action Plan was approved by the Cabinet in February 2025.
16. The Leader of the Council has requested that the Council repositions the Council's approach to the net zero agenda, focussing on dealing with the impacts of climate change and extreme weather (e.g. flooding and extreme heat), wider projects that deliver financial savings (e.g. staff business mileage and LED street lighting) and projects that deliver additional social, economic or environmental benefits, in support of the Council's Strategic outcomes (e.g. the Warm Homes scheme and Council building upgrades) rather than carbon reduction activities.
17. Subject to the approval of the recommendations in this report, the Net Zero Strategy will be reviewed, taking into account the change of approach outlined above.

The Legal Position

18. The main primary legislation in the United Kingdom, which aims to tackle climate change, is the Climate Change Act 2008 (the "2008 Act"). The 2008 Act places the legal duty for tackling climate change onto the Secretary of State for Energy Security and Net Zero rather than requiring local authorities to help mitigate climate change.
19. Whilst local authorities have used various statutory powers to participate in net zero projects¹, at present, there is no overarching legal duty on local authorities to contribute towards achieving net zero.
20. However, there is a patchwork of obligations which requires local authorities to take climate change into account in the performance of their functions. A table of some relevant legislation is appended to this report.
21. Although it has² been argued that local authorities have a "critical" role to play in delivering net zero, in practice the role of local government in combating climate change has been constrained by a lack of a clear legal duty as well as a lack of funding from the Government.
22. Going forward, local authorities may be legally required to take positive action to combat climate change. The Environmental Targets (Public Authorities) Bill is currently before Parliament, and it aims to make provision for a statutory

¹ Section 1 of the Localism Act 2011 (power of competence); Section 3 of the Local Government Act 1999 (Best Value duty) and Section 1 of the Local Government Act 2003

² This is position of the Climate Change Committee (CCC), the National Audit Office, and the Levelling Up, Housing and Communities (LUHC) Select Committee

objective requiring public bodies to contribute to delivery of targets set under the Environment Act 2021 and the Climate Change Act 2008.

23. The Local Government Association has also recently carried out a consultation exercise which closed on 11 June 2025 seeking the views of councils and other interested parties on whether councils should be set a statutory duty or duties to act on climate change.
24. In summary, the proposal under consideration presently appears lawful. However, the Cabinet should have in mind that, in the coming years, Parliament may well expand the Council's legal duties.

Consultation

25. The proposal under consideration is in the nature of a high level policy change (i.e. intended to provide a strategic direction and context for future operational decisions). If approved, the proposal would mark a shift away from focusing on carbon reduction initiatives towards different environmental priorities (e.g. adaptation and mitigation) as well as non-environmental initiatives (including projects that deliver social or economic benefits). The proposal would also involve the redesignation of the purpose for which £2m of reserves are held.
26. Whilst the redesignation of reserves earmarked may not be supported by individuals and operators hoping to see future action in the sphere of carbon reduction, the redesignation does not appear to give rise to an actionable duty to consult based on current law.
27. Subject to the approval of the recommendations in this report, the revised Net Zero Action Plan will be presented to the Environment and Climate Change Overview and Scrutiny Committee for its comments before the Action Plan is considered by the Cabinet.

Equality Implications

28. The Courts recognise that climate change can have a disproportionate effect on groups with different protected characteristics³. For example, the Courts recognise that a failure to mitigate climate change can have a disproportionate effect on older persons.
29. It should also be borne in mind that many individuals who believe in climate change and climate action may possess a protected characteristic related to their beliefs.⁴
30. Decision makers should therefore take account of the Public Sector Equality Duty (PSED). Although not climate specific, this duty requires authorities to consider how their policies affect different groups which can intersect with climate justice concerns.

³ KlimaSeniorinnen v Switzerland (ECtHR) 2024

⁴ See Section 10(2) of the Equality Act 2010.

31. Compliance with the PSED places the County Council (or a third party exercising function on its behalf) under a duty to have 'due regard' to the need to eliminate unlawful discrimination and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not.

Human Rights Implications

32. Climate change touches upon an individual's human rights including Article 2 (Right to Life), Article 8 (Right to Respect for Private and Family Life) and Article 1 of Protocol No. 1 (Protection of Property).
33. It is conceivable then that individuals or groups may bring Human Rights Act Challenges. However, in the absence of a clear statutory duty being placed on the Council obligating it to take specific steps, it would seem very difficult for such action to succeed.

Environmental Implications

34. There are likely to be both positive and negative environmental implications linked to the reallocation of resources from carbon reduction activity to climate adaptation and flooding initiatives.

Background Papers

Report to County Council on 8 July 2020 – Revised Environment Strategy and Action Plan

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6040&Ver=4>

Report to County Council on 7 December 2022 – Net Zero Leicestershire Strategy and Action Plan

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6912&Ver=4>

Report to the Cabinet on 7 February 2025 – Revised Environment Strategy and Net Zero Action Plans

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=7873&Ver=4>

Appendix

Table of Legislation