

Forward Plan reference number: Not applicable

Report title: Review Net Zero and Climate Action	
Report to: Cllr Peter Harris – Leader of the Council	
Report author: Samantha Kennedy – Director, Environment and Climate Action	
Date: 3 August 2026	For: Decision
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County Divisions affected: All Essex	

1. Introduction and Purpose

- 1.1 Climate action in relation to the net zero agenda is not a strategic priority for this administration.
- 1.2 Essex County Council (ECC) has undertaken a review of all policy commitments and operations set out in the Council's Climate Action Plan, with the aim of ceasing discretionary activity and releasing resources to support other political priorities.
- 1.3 Essex County Council remains committed to supporting a clean and healthy environment, including nature recovery, improved air and water quality.

2 Recommendations

- 2.1 Remove net zero and greenhouse gas reduction from ECC's policies.
- 2.2 Acknowledge the review of the Essex Climate Action Plan and agree to discontinue discretionary net zero policy commitments and to stop discretionary delivery activity, as set out in paragraph 3.4 below.
- 2.3 Agree to reduce planned revenue spend with the aim of realising a cashable saving of £3m before the one-off costs associated with redundancy and pension strain liabilities. Some of this will result in an underspend in the current service budget and some will avoid the necessity for further drawdowns from reserves to fund current activities.
- 2.4 Agree in principle that the one-off costs associated with redundancy and pension strain liabilities can be funded from the Transformation Reserve and note that a future decision paper will come forward quantifying these costs and seeking a drawdown from the Transformation Reserve.

3 Background and Proposal

- 3.1 The Council's policy – including the former corporate strategy – Everyone's Essex, which expired at the annual meeting - included multiple commitments to net zero and greenhouse gas reduction.
- 3.2 Net Zero is not a strategic priority for the new administration and it has indicated that it does not wish to pursue these policies. A new corporate strategy will be forthcoming later in the year, as set out in the 100-day plan but, for the time being, the Council does not have a corporate strategy.
- 3.3 ECC has undertaken a review of all policy commitments and operations set out in the Council's Climate Action Plan (FP/242/11/25). It should be noted that some significant parts of the Climate Action Plan are things which the Council must do by law or to which it is contractually committed, and these elements have not been considered for savings.
- 3.4 The review has focused on discretionary policy commitments and ECC funded activity, and has identified the following items that are proposed to be changed:

The Essex Climate Action Commission (the Commission)

- 3.4.1 The Commission was set up by the previous administration and its thinking informed significant activity. ECC is grateful for the support and engagement over many years from Members of the Commission, including the chair, Professor Jules Pretty, and two co-chairs from the Essex Youth Assembly. However, given this area of work is no longer a political priority, ECC will withdraw secretariat support for the Commission from 31 July 2026.

Discretionary activity

- 3.4.2 ECC will stop discretionary net zero policy commitments with immediate effect and will :
- No longer commit to being a net zero organisation by 2030.
 - No longer commit to electrifying its vehicle fleet ahead of standard replacement cycles.
 - Remove the internal requirement to incorporate a climate weighting in the evaluation of all new tenders.
- 3.4.3 ECC will therefore revise its Procurement Strategy, Environmental Policy and Supplier Sustainability Charter to ensure they reflect the new policy approach. However, where existing contracts contain climate commitments and/or refer to the existing environmental policy, these commitments will remain unaltered. ECC will continue to adhere to national procurement policy guidelines with regard to net zero.
- 3.4.4 ECC will withdraw from membership of climate focused local authority networks and groups by 31 July 2026 including: UK100; the Local Government Association's Climate Forum East; and the Energy & Resilience Anchor

Network (previously Climate Action Anchor Working Group) under the Essex Partnership.

- 3.4.5 ECC will no longer produce an annual climate report nor undertake any further benchmarking of climate action. ECC will therefore not submit a CDP annual return in 2026 or beyond; nor respond to the local authority climate scorecard run by Climate Emergency UK. The CDP scorecard evaluation will be removed as a corporate KPI.
- 3.4.6 ECC will reprioritise and refocus climate communications activity and will move to close all communication and engagement activity focussed on net zero and climate action.
- 3.4.7 ECC will move to close its Community Energy programme, recognising that there is now a substantial cohort of community energy groups across Essex and emerging support for this sector from Great British Energy.
- 3.4.8 ECC will retain energy planning capacity to inform Ofgem's Regional Energy Strategy Plan, and support Local Growth planning and the Greater Essex Spatial Development Strategy.
- 3.4.9 ECC will no longer apply for net zero related grant programmes including to Innovate UK and Ofgem unless it demonstrates clear financial benefits for the Council and if this is considered to be the case we will no longer have the internal capability of applying for such funding. ECC was the lead authority in a successful consortium bid to Government which was awarded £6m in Warm Homes Grant funding and will continue to deliver this grant programme out to 2028.
- 3.4.10 ECC will de-prioritise work to produce or update climate focused planning advice and guidance for the Essex Design Guide for developers.
- 3.4.11 ECC will reduce funding in the 'sustainable growth' service which is focused on net zero.
- 3.4.12 ECC will reduce self funded discretionary activity working with schools to encourage active travel to schools, but is expecting to support this with external funding. ECC will maintain investment into active travel infrastructure within the ECC budget alongside delivery of substantial active travel investment funded by the Department for Transport.
- 3.4.13 ECC will continue to support delivery of the Local Nature Recovery Strategy, within the new burdens funding envelope provided by Government. This will ensure ECC continues to support improving our local environment across the county, recognising the value of our green spaces for both residents and local wildlife.
- 3.5 These changes in will deliver cashable revenue savings over 4 years as set out in the financial implications section of the report (Section 6.2 below).

- 3.6 Nothing in these changes mean that the council will cease to comply with legal requirements or statutory duties and we will, for example, ensure that building work we commission complies with environmental standards in the building regulations. We will also continue to apply national policies when making decisions as planning authority etc.

4 Links to our Strategic Ambitions

This review will release resources to support emerging priorities.

5 Options

- 5.1 **Do nothing:** The Everyone's Essex Strategic Commitments to net zero will remain in place. The Essex Climate Commission will continue to March 2027. The Climate Action Plan sets out activity out to 2028 and will continue to be delivered in line with the published plans and committed funding investing a further £41.6m over that two-year period. This will ensure that ECC maximises its activity to reduce greenhouse gas emissions and build climate resilience within its own operations, its contracted services and across the county.
- 5.2 **Deprioritize Net Zero (Recommended):** The proposed changes ensure ECC meets its statutory obligation while delivering these proposed changes in line with the 100-day plan. In summary the changes would:
- Result in staff redundancies
 - Remove Strategic commitment to net zero and climate action in ECC's policy framework.
 - Reduce the Climate Action Plan by:
 - Removing ECC's discretionary net zero and climate policy commitments.
 - Removing discretionary operations and investments.
 - Avoiding £3m of revenue investment which can be re-prioritised to other strategic objectives
- 5.3 This will mean ECC will decarbonise its own operations more slowly. ECC will remove discretionary investment in net zero across the county, which may slow decarbonisation efforts across the county.
- 5.4 The Director of Public Health advises that by taking this decision, there is a risk that ECC may reduce active travel planning with schools, which promotes safe walking, cycling, and wheeling, which not only keeps our children safe but also helps them reach their 60 minutes of activity per day, reduces local traffic congestion, and lowers emissions around school gates. As well as contributing to increasing physical activity, reducing obesity and improving air quality, Essex also has higher rates of road traffic accidents, safe active travel routes reduce the number of cars on the road and reduce the likelihood of this.
- 5.5 The government has just launched its 'active travel initiative' which sets a national goal for 55% of short trips in towns to be walked, wheeled, or cycled by

2035, and for 60% of children to travel actively to school. Any reduction in our ability to deliver active travel planning will have a negative impact on us being able to meet national government targets.

6 Issues for consideration

6.1 Impact of Local Government Reorganisation and Devolution

6.1.1 There are no impacts for LGR and Devolution.

6.2 Financial implications

6.2.1 The 2026/27 Medium Term Resource Strategy (MTRS) provides for £80.04m of revenue and capital investment to deliver the commitments set out in the Climate Action Plan up until the end of financial year 2027/28 when the current plan ceases (£51.70m 2026/27 and £28.34m 2027/28). There is provision for further investment of £44.8m (£22.14m then £22.67m) over the remaining 2 years that the MTRS plans for. Total planned investment over the MTRS period is £124.86m (£93.62m revenue and £31.23m capital).

6.2.2 Of the capital investment, 70% (£21.75m) is externally funded. There is 19% (£18.12m) of the revenue investment that is externally funded. This is set out in Table 1 below. Externally funded activity has been excluded from the review because it is either delivered at nil cost to ECC or requires immaterial investment by ECC meaning the return on investment is high.

Table 1- 2026/27 MTRS - Climate action plan investment 2026/27 - 2029/30

£ms	2026/27	2027/28	2028/29	2029/30	Total
Revenue investment - ECC funded	18.88	16.92	19.51	20.20	75.51
Revenue investment externally funded	12.63	4.88	0.39	0.22	18.12
Total revenue investment	31.50	21.81	19.89	20.42	93.62
Capital investment - ECC funded	6.01	1.23	1.13	1.13	9.48
Capital investment - externally funded	14.19	5.31	1.13	1.13	21.75
Total capital investment	20.20	6.53	2.25	2.25	31.23
Total investment	51.70	28.34	22.14	22.67	124.86

6.2.3 The majority of the budgeted investment provides for statutory services or contractual commitments which would incur material financial penalties if ceased or exited early. The mix of investment is set out in Table 2 below.

Table 2 - Breakdown of investment in climate action plan by nature of service 2026/27 - 2029/30

£ms	2026/27	2027/28	2028/29	2029/30	Total
Statutory	4.32	3.94	6.38	6.59	21.22
Contractual	11.07	11.14	11.58	12.03	45.81
Externally funded	12.63	4.88	0.39	0.22	18.12
Discretionary	3.49	1.85	1.55	1.58	8.47
Total revenue investment	31.50	21.81	19.89	20.42	93.62
Statutory	-	-	-	-	-
Externally funded	14.19	5.31	1.13	1.13	21.75
Contractual	-	-	-	-	-
Discretionary	6.01	1.23	1.13	1.13	9.48
Total capital investment	20.20	6.53	2.25	2.25	31.23
Total investment	51.70	28.34	22.14	22.67	124.86

6.2.4 The review, which focused on discretionary services only, has identified activities that can be ceased at a planned investment value of £3m over the four-year MTRS period. This generates a gross cashable saving of £3m, before allowing for any one-off redundancy costs and pension strain.

6.2.5 The ceasing of these services will mean deletion of substantive posts and a re-organisation design will need to be undertaken to establish a new operating model for the services that will continue. Future redundancy costs and pension strain may accrue which are unfunded. If this is the case, a future decision paper will come forward seeking to drawdown from the Transformation Reserve to fund these costs.

6.2.6 The makeup and profile of the cashable saving is set out below in Table 3. As potential redundancy costs and pension strain are subject to change there are no estimates set out in the table below.

Table 3 Profile of gross cashable saving by nature of spend 2026/27 - 2029/30

£ms	2026/27	2027/28	2028/29	2029/30	Total
Staffing	0.54	0.77	0.49	0.50	2.31
Non-staffing	0.09	0.10	0.06	0.06	0.30
Substituting ECC Resources with External Funding	-	0.14	0.14	0.08	0.36
Total gross cashable saving	0.63	1.01	0.69	0.64	2.97

6.3 Legal implications

6.3.1 The Climate Change Act 2008 imposes a binding duty on the Secretary of State to ensure that the UK's climate emissions are net zero by 2050. This duty has been the subject of legal challenges. In 2022 the Government's own plans to deliver net zero were quashed by the high court for not meeting the legal criteria.

6.3.2 The Council is not under a legal duty to prioritise work or expenditure to deliver net zero or to encourage others to do so. That said, the Council must have regard to all material considerations when making decisions and in this case

the national duty would be a material consideration. The Government's strategy said in 2021 that *'devolved and local government play an essential role in meeting national net zero ambitions'* because it *'is best placed to integrate activity on the ground'* and to inspire *'action by, local businesses, communities, and civil society'*.

6.3.3 Provided due consideration has been given to the duty placed on the Secretary of State at a national level it is lawful for the Council to make this decision.

7 Equality and Diversity Considerations

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will have a disproportionately adverse impact on any people with a particular characteristic. All cohorts and groups across Essex are at risk from the effects of climate change. Although actions to mitigate negative impacts will not be as robust as they were previously, due to the cessation of discretionary activity in the Essex Climate Action Plan and discontinuation of net zero commitments. However, the overall contribution of ECC discretionary policies and activities, which are proposed to be stopped, will only have a marginal impact on climate change globally or even within the UK.
- 7.4 Older people and people with a disability are more likely than others to live in a home which is at higher risk of flooding. The elderly, pregnant women, those with pre-existing medical conditions, and ethnic minority groups are more at risk of overheating with excess deaths due to heat in the summer overwhelmingly older people. Detailed evidence for the impacts of climate on groups with protected characteristics is set out in the latest report from the Climate Change Committee, 'A Well-Adapted UK' (CCRA4-IA), Annex 3.
- 7.5 ECC will of course continue to statutory obligations will provide a base level to tackle key risks. Further discretionary elements have been retained, notably in relation to areas such as flooding and active travel.

- 7.6 The Director of Public Health advises that by taking this decision there is a risk that ECC may reduce active travel planning with schools, which promotes physical activity, reducing obesity and improving air quality Essex also has higher rates of road traffic accidents, safe active travel routes reduce the number of cars on the road and reduce the likelihood of this.

8 List of Appendices

- 8.1 Appendix 1 Equalities Comprehensive Impact Assessment.

9 List of Background papers

- 9.1 FP/242/11/25, Essex Climate Action Plan (2025/26 – 2027/28)
- 9.2 Essex Climate Action Plan, 2021-2028, ECC Environment and Climate Action, January 2026
- 9.3 FP/148/07/25, Proposal for Extension of Essex Climate Action Commission to March 2027
- 9.4 FP/563/11/22, UK100 Membership
- 9.5 Essex County Council Environmental Policy, ECC Environment and Climate Action, December 2025
- 9.6 Essex County Council Procurement Strategy Feb 2026 – April 2028, ECC Procurement Team, February 2026
- 9.7 Essex County Council Supplier Sustainability Charter, ECC Procurement Team, May 2023
- 9.8 Essex Electric Vehicle Charge Point Strategy 2023-2025, Essex Highways, January 2024

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor Peter Harris, Leader of the Council	3 August 2026

In consultation with:

Role	Date
Councillor Russell Quirk, Deputy Leader of the Council	30 July 2026

Councillor Christopher Benn, Cabinet Member for Waste & Recycling	7 July 2026
Councillor Mark Webster, Cabinet Member for Highways and Infrastructure	10 July 2026
Councillor Jeff Bray, Cabinet Member for Regeneration, Planning and Heritage	13 July 2026
Tom Walker Executive Director: Policy, Economy, Investment and Property	7 July 2026
David Gibson Executive Director: Place and Customer	7 July 2026
Director, Finance (S151 Officer) Stephanie Mitchener	7 July 2026
Director, Legal and Assurance (Monitoring Officer) Paul Turner	6 July 2026