

<b>Title of Report:</b>	<b>Climate Change Management Officer</b>
<b>Committee Report Submitted To:</b>	<b>Environmental Services Committee</b>
<b>Date of Meeting:</b>	<b>12<sup>th</sup> December 2023</b>
<b>For Decision or For Information</b>	<b>For Decision</b>

<b>Linkage to Council Strategy (2019-23)</b>	
Strategic Theme	Improving Economic Prosperity
Outcome	Using our resources as efficiently as possible to deliver value for money for our ratepayers
Lead Officers	Head of Capital Works, Energy and Infrastructure

<b>Budgetary Considerations</b>	
Cost of Proposal	Salary cost to be confirmed
Included in Current Year Estimates	<b>YES/NO – N/A</b>
Capital/Revenue	To be Determined
Code	N/A
Staffing Costs	N/A

<b>Legal Considerations</b>	
Input of Legal Services Required	<b>NO</b>
Legal Opinion Obtained	<b>NO</b>

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date: N/A
	EQIA Required and Completed:	Yes/No	Date: N/A
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date: N/A
	RNA Required and Completed:	Yes/No	Date: N/A
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date: N/A
	DPIA Required and Completed:	Yes/No	Date: N/A

## 1.0 Purpose of Report

- 1.1 To seek members approval to create a new permanent employee position to co-ordinate and manage Councils climate change responsibilities both statutory and non-statutory initiatives across all of its functions. The new post would be titled “**Climate Change Management Officer**”.

## 2.0 Background

- 2.1 Council has new additional Statutory responsibilities under the NI Climate Change Act (CCA)2022. A copy of the Act is attached – appendix 1.

- 2.2 Section 42 of the Act imposes climate change reporting duties on specified public bodies. The Act secured its Royal Assent in June 2022 with the associated regulation coming into effect 18 months from the Assent. DAERA is the body who has the compliance responsibility for this Act.

- 2.3 Under section 42, subsection 3 - The climate change reporting duties that may be imposed on a body under subsection include duties to prepare reports containing any of the following (quoted from the Act)—.

- an assessment of the current and predicted impact of climate change in relation to the body’s functions
- a statement of the body’s proposals and policies for adapting to, or mitigating the effects of, climate change in the exercise of its functions
- a statement of the time-scales for implementing those proposals and policies
- an assessment of the progress made by the body towards implementing the proposals and policies set out in any previous reports prepared under the regulations.

The Act shall impose significant responsibilities across Council’s functions, increasing the existing climate change initiatives which also require significant.

- 2.4 At previous ES Committee meetings, the below **two** notices of motions were agreed at full Council.

### **Motion 1 (Sept 2019)**

Proposed by Councillor Dallat O’Driscoll and seconded by Councillor Beattie

*“This Council acknowledges the scale of the climate crisis and the impact it will have on people and communities in Northern Ireland, resolves to establish an all-party working group on climate change resilience exploring how we can mitigate this crisis and protect our citizens from the existing and future effects of climate breakdown and; investigate measures the council can take to limit its impact on climate change.”*

## **Motion 2 (June 2020)**

Proposed by Councillor Peacock and seconded by Councillor Bateson

*Council notes:*

*that the impacts of climate breakdown are already causing serious damage around the world.*

*that the 'Special Report on Global Warming of 1.5° C', published by the Intergovernmental Panel on Climate Change in October 2018, (a) describes the enormous harm that a 2° C average rise in global temperatures is likely to cause compared with a 1.5° C rise, and (b) confirms that limiting Global Warming to 1.5° C may still be possible with ambitious action from national and sub-national authorities, civil society and the private sector.*

*that all governments (national, regional and local) have a duty to act, and local governments that recognise this should not wait for their national governments to change their policies;*

*that strong policies to cut emissions also have associated health, wellbeing and economic benefits;*

*and that, recognising this, a growing number of local authorities have already passed 'Climate Emergency' motions.*

*In recognition that a more ambitious and urgent target for net zero carbon emissions than 2050 is required, Council therefore commits to:*

*Declare a 'Climate Emergency' that requires urgent action.*

*Using renewable energy sources across the council's full range of functions by 2030.*

*Ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to net zero carbon*

*Support and work with all other relevant agencies towards making the entire area zero carbon within the same timescale;*

*Ensure that political and chief officer leadership teams embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's activities, ensuring that any recommendations are fully costed and that the Executive and Scrutiny functions review council activities taking account of production and consumption emissions and produce an action plan within 12 months, together with budget actions and a measured baseline;*

*Request that Council Scrutiny Panels consider the impact of climate change and the environment when reviewing Council policies and strategies;*

*Work with, influence and inspire partners across the district and region to help deliver this goal through all relevant strategies, plans and shared resources by developing a series of meetings, events and partner workshops;*

*Request that the Council and partners take steps to proactively include young people in the process, ensuring that they have a voice in shaping the future;*

*Consider other actions that could be implemented, including (but not restricted to); renewable energy generation and storage, providing electric vehicle infrastructure and encouraging alternatives to private car use, increasing the efficiency of buildings, in particular to address fuel poverty; proactively using local planning powers to accelerate the delivery of net carbon new developments and communities, coordinating a series of information and training events to raise awareness and share good practice.*

- 2.5** In alignment with the UK government's position and the declared climate emergencies outlined above, the ES Committee agreed to establish a working group to manage the climate emergency (including de-carbonisation) by signposting necessary Council actions with milestones. The Climate Emergency Forum (CEF) was proposed and subsequently adopted. It was further agreed that the chair of the ES committee would chair the forum and that all ES committee members would become forum members / participants. (previous TOR of the CEF attached (appendix 2). The CEF was created with ultimate ambition to support the development of a Climate Emergency Strategy (CES).
- 2.6** Council have an Energy Management Strategy 2015-2025 (EMS) which now needs updating as a result of the new legislation (CCA NI 2022), and to align with Northern Ireland's Energy Strategy (Net Zero by 2050) where necessary (subject to Members decision). It was anticipated that the wider CES would amalgamate and supersede the EMS.
- 2.7** An audit on Energy Management & Climate Change was completed in May 2023, and was subsequently presented and adopted by the Audit Committee in June 2023. It noted that in addition to the largely mitigation actions identified in the EMS Council must consider and quantify what adaptation is required to help withstand and minimize the effects of climate change that are already affecting the Council district.

Some of the following observations / findings were made within the adopted audit.

- 2.71 Issue 1 Implication** excerpt - that although Council declared a Climate Emergency in 2020, and there are a number of climate emergency initiatives taking place, this is not happening in a joined-up manner. Climate emergency matters have not been assigned to any individual officer or group of officers.

**Issue 1 Recommendation** – The recommendation is that Council should identify a climate champion (or champions) amongst its Councillors, and SLT should identify, or engage, a climate change officer. This is necessary to ensure that there is leadership and clear understanding of who is responsible to:

- coordinate identification of Council's climate goals (re mitigation and adaptation)
- ensure climate goals are interlinked with other Council priorities.
- ensure Council is considering climate change responsibilities attributed to local Councils in legislation and through regional and national initiatives such as NICCAP etc., and
- ensure Council has appropriate mechanisms in place to meet statutory (and possibly voluntary) reporting obligations.

Council should consider developing a cross Council working group to support the climate change officer and to ensure a coordinated approach across Council in responding to the declaration of a Climate Emergency.

**2.72 Issue 2 Implication** excerpt - the absence of a Climate Emergency Strategy including details of how Council will manage climate change mitigation and adaptation, leads to uncoordinated climate change activities across Council. This increases the risk of unclear climate change commitments, possible delays in addressing climate change mitigation and adaptation, and being ill-prepared for statutory (and voluntary) climate change reporting obligations.

**Issue 2 Recommendation** - Council should put in place a plan to develop a CES. The CES should lay out a cohesive strategy on climate change initiatives for the coming years, what Council plans to do in terms of climate change mitigation and adaptation. The CES should be supported by more detailed and costed action plans.

**2.73 Issue 3 Implication** excerpt - the absence of an adaptation plan increases the risk of possible damage to Council's reputation.

**Issue 3 Recommendation** - Council should consider preparing an adaptation plan in line with the NICCAP target of having adaptation plans in every Council by 2024. A Toolkit is available (free) from NI Adapts to all Northern Ireland public sector organisations which would be a good basis for developing an adaptation plan.

**2.74 Issue 4 Implication** excerpt - The costs to tackle climate emergency are likely to be substantial and may increase over time. In the absence of estimated costs to address the climate emergency or even to develop a CES there is a risk that Council will have insufficient financial resources available when it is required.

**Issue 4 Recommendation** - Council needs to identify and secure funding from existing resources and future national and regional programmes and mechanisms which support carbon reduction, energy efficiency, waste reduction, air quality, biodiversity, climate action partnerships, etc.

*A copy of the Audit report is attached for ease of reference – (appendix 3)*

### 3.0 Proposal

- 3.1 Climate change reporting together with the associated necessary mitigations / adaptations plans and strategies are across all Councils functions and is multi directorate. An internal Climate Project Team (CPT) has already been established to facilitate and lead the multi directorate functions across the organisation.
- 3.2 The CPT shall also be members of the CEF (when required) to inform and collaborate climate change impacts and mitigation measures with Members to ensure all the functions within the organisation are discussed and addressed within the climate emergency strategy (CES).
- 3.3 The CPT shall establish the following five information across the function of Council– including
- Identify climate change impacts and risks
  - Collect baseline data and arrange workshop with officers.
  - Identify objectives and targets with performance measures (KPI's)
  - Develop monitoring and report system (internal and external DAERA CCANI reporting)
  - Review
- 3.4 Currently no officer or resource is in place across departments to manage climate change adaptations / mitigations on all Councils functions and to complete and deliver a CES to do so. Given the scale and scope of Councils functions and to resource and focus all the functions, it is proposed to employ an additional member of staff. The suggested post would be for a position of ***Climate Change Management Officer***.
- 3.5 Duties for the officer would include:
- To support the leadership, co-ordination, management and development of the Council's response to the challenges of climate change mitigation and adaptation to achieve net zero targets, including research, development, and performance management across all Council's functions.
  - Lead the multi-stake holder collaborative working groups.
  - Implement, co-ordinate & manage an integrated Climate Emergency Strategy (CES) encompassing Councils statutory responsibilities and objectives across all its functions.
  - To monitor the implementation of the Climate Emergency Strategy and/or Action Plan against agreed KPI's, and ensure appropriate measures are implemented to deliver efficient and effective performance management.

- Lead on Statutory Reporting – relating to Climate Change across the organisation.
  - Co-ordinate & deliver Climate Management and Mitigation workshops / forums with Elected Representatives and stake holders.
  - To ensure Council meets its statutory and strategic objectives in relation to climate change across the organisation & its functions.
  - To manage the financial and physical resources assigned to the climate change and resilience activity, including the preparation of an annual estimate, and the management of approved budgets.
  - Develop effective collaborative relationships between Council and relevant external stakeholders, including government departments, researching, developing implementing and monitoring actions and initiatives.
- Co-Ordinate and lead economically advantageous Borough wide projects in the pursuit of carbon emission reductions where economies of scale assists Council and multi stakeholders.
  - Ensure that Council complies with all statutory and legislative requirements by adhering to these requirements and working in accordance with good governance and health and safety requirements.
  - To work in collaboration with appropriate Council officers to identify possible funding opportunities for Council climate and resilience activities and support the preparation of funding bids to the appropriate bodies in relation to climate mitigations initiatives.

#### **4.0 Recommendation:**

To resource the measures identified, including the actions adopted within the Audit Committee (June 2023) to address climate change responsibilities with the organisation - it is recommended that Members grant officers permission to appoint a Climate Change Management Officer.



# Climate Change Act (Northern Ireland) 2022

## 2022 CHAPTER 31

An Act to set targets for the years 2050, 2040 and 2030 for the reduction of greenhouse gas emissions; to provide for a system of carbon budgeting; to provide for reporting and statements against those targets and budgets; to confer power to impose climate change reporting duties on public bodies; to provide for reports and advice from the Committee on Climate Change; and for connected purposes. [6th June 2022]

BE IT ENACTED by being passed by the Northern Ireland Assembly and assented to by Her Majesty as follows:

## PART 1

### Emissions Targets And Sectoral Plans

#### *The emissions targets*

#### **The emissions targets for 2050**

1.—(1) The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2050 is at least 100% lower than the baseline.

(2) The Northern Ireland departments must ensure that the net Northern Ireland emissions account for carbon dioxide for the year 2050 is at least 100% lower than the baseline for carbon dioxide.



(3) The duty in subsection (1) does not require the net Northern Ireland emissions account for methane for the year 2050 to be more than 46% lower than the baseline for methane.

#### **Emissions targets for 2030 and 2040**

2.—(1) The Department must set targets for the years 2030 and 2040 that are in line with the target for the year 2050.

(2) Proposed targets for the years 2030 and 2040 must be laid before the Assembly within 24 months of this Act receiving Royal Assent and be approved by draft affirmative resolution.

#### **The emissions target for 2040**

3. The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2040 is in line with the target for the year 2050.

#### **The emissions target for 2030**

4. The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2030 is at least 48% lower than the baseline.

#### *Power to amend targets*

#### **Power to amend emissions targets**

5.—(1) The Department may by regulations amend section 1, 3 or 4 so as to specify—

- (a) for a particular emissions target, an earlier year than that for the time being specified;
- (b) for a particular year, a higher percentage than that for the time being specified.

(2) The Department may by regulations amend this Part so as to impose a duty on the Northern Ireland departments to ensure that the net Northern Ireland emissions account for a specified year is at least a specified percentage lower than the baseline.

(3) See section 54 for restrictions on the powers conferred by subsections (1) and (2).

### **Duty to consider whether to revise targets**

6.—(1) The Department must consider whether the targets in sections 3 and 4 are consistent with meeting the emissions target in section 1(1).

(2) In relation to each of the targets in sections 3 and 4, the Department must either—

- (a) lay before the Assembly draft regulations under section 5 to amend the target so as to be consistent with the target in section 1(1), or
- (b) lay before the Assembly a statement explaining why it considers that the target does not need to be amended.

(3) The Department must lay draft regulations or a statement in relation to each target within the period of 2 years beginning with the day on which this Act receives Royal Assent.

(4) Section 54(2) does not apply to regulations laid before the Assembly under subsection (2)(a).

### *Meaning of key concepts*

#### **Meaning of “baseline”**

7.—(1) The baseline is the aggregate amount of net Northern Ireland emissions of each greenhouse gas mentioned in the following table in the year specified in relation to that gas—

<i>Greenhouse gas</i>	<i>Year</i>
Carbon dioxide	1990
Methane	1990
Nitrous oxide	1990
Hydrofluorocarbons	1995
Perfluorocarbons	1995
Sulphur hexafluoride	1995
Nitrogen trifluoride	1995

(2) The baseline for carbon dioxide is the amount of net Northern Ireland emissions of carbon dioxide in 1990.

(3) The baseline for methane is the amount of net Northern Ireland emissions of methane in 1990.

(4) The Department may by regulations amend—

- (a) the table in subsection (1) so as to specify a different year in relation to a greenhouse gas, or
  - (b) subsection (2) or (3) so as to specify a different year in relation to carbon dioxide or methane.
- (5) See section 55 for restrictions on the powers conferred by subsection (4).

### **Meaning of “net Northern Ireland emissions account”**

**8.—(1)** The net Northern Ireland emissions account for a year is determined as follows—

- (a) take the aggregate amount of net Northern Ireland emissions of each greenhouse gas for that year (which is to be determined in accordance with sections 9 and 10),
- (b) deduct the amount of carbon units that are to be credited to the net Northern Ireland emissions account for that year (in accordance with regulations under section 11), and
- (c) add the amount of carbon units that are to be debited from the net Northern Ireland emissions account for that year (also in accordance with regulations under section 11).

(2) Subsection (1) does not apply in relation to the net Northern Ireland emissions account for carbon dioxide for 2050 or the net Northern Ireland emissions account for methane for 2050 (see subsections (3) and (4)).

(3) The net Northern Ireland emissions account for carbon dioxide for 2050 is determined as follows—

- (a) take the amount of net Northern Ireland emissions of carbon dioxide for 2050 (which is to be determined in accordance with sections 9 and 10),
- (b) deduct the amount of carbon units that are to be credited to the net Northern Ireland emissions account for carbon dioxide for 2050 (in accordance with regulations under section 11), and
- (c) add the amount of carbon units that are to be debited from the net Northern Ireland emissions account for carbon dioxide for 2050 (also in accordance with regulations under section 11).

(4) The net Northern Ireland emissions account for methane for 2050 is the amount of net Northern Ireland emissions of methane for 2050 (which is to be determined in accordance with sections 9 and 10).

### *Meaning of underlying concepts*

#### **Meaning of “net Northern Ireland emissions”**

9.—(1) The amount of net Northern Ireland emissions of a greenhouse gas for a period is—

- (a) the amount of Northern Ireland emissions of the gas for the period (see subsection (2)),  
minus
- (b) the amount of Northern Ireland removals of the gas for the period (see subsection (3)).

(2) The Northern Ireland emissions of a gas for a period are—

- (a) emissions of the gas from sources in Northern Ireland in the period, and
- (b) emissions of the gas from international aviation or international shipping that count as Northern Ireland emissions for the period (as determined by regulations under section 10).

(3) The Northern Ireland removals of a gas for a period are removals of the gas from the atmosphere in the period due to—

- (a) land use in Northern Ireland;
- (b) land-use change in Northern Ireland;
- (c) forestry activities in Northern Ireland; and
- (d) the use of carbon capture and storage technology in Northern Ireland.

(4) The Department may by regulations amend subsection (3) so as to amend the definition of Northern Ireland removals.

(5) The amounts of Northern Ireland emissions and Northern Ireland removals of a gas for a period must be determined consistently with international carbon reporting practice (see section 63).

#### **Meaning of “Northern Ireland emissions”: international aviation and shipping**

10.—(1) The Department may by regulations make provision for emissions of a greenhouse gas from international aviation or international shipping to count as Northern Ireland emissions of the gas.

(2) The regulations may—

- (a) specify activities which are to be regarded as international aviation or international shipping;
- (b) specify the circumstances in which, and the extent to which, emissions of a greenhouse gas from international aviation or international shipping are to count as Northern Ireland emissions of that gas;

- (c) specify the period (whether past or future) for which emissions of a greenhouse gas from international aviation or international shipping are to count as Northern Ireland emissions of that gas;
- (d) make provision about how emissions of a greenhouse gas from international aviation or international shipping are to be taken into account in determining Northern Ireland emissions of that gas for the year specified in section 7(1) in relation to it.

### **Crediting and debiting of carbon units**

11.—(1) The Department may by regulations make provision about—

- (a) the circumstances in which carbon units may or may not be credited to the net Northern Ireland emissions account for a period,
- (b) the circumstances in which carbon units may or may not be debited from that account for a period, and
- (c) how that is to be done.

Section 59 explains what a “carbon unit” is.

(2) The regulations must contain provision for ensuring that carbon units that are credited to the net Northern Ireland emissions account for a period cease to be available to offset other greenhouse gas emissions.

(3) The regulations must set a limit on the net amount of carbon units by which the net Northern Ireland emissions account for a period may be reduced as a result of applying provision made under subsection (1)(a) and (b); and that limit must not be greater than 25% of the aggregate amount of net Northern Ireland emissions of each greenhouse gas for that period (as determined in accordance with sections 9 and 10).

(4) The regulations may provide that carbon units of a description specified in the regulations do not count towards the limit.

(5) The regulations may make provision about the crediting of carbon units to, and the debiting of carbon units from, the net Northern Ireland emissions account for carbon dioxide for 2050.

(6) The amount of carbon units that are to be credited to the net Northern Ireland emissions account for carbon dioxide for 2050 must not be greater than—

$$\text{Total credits} \quad \times \quad \frac{\text{CO}_2 \text{ emissions}}{\text{Total emissions}}$$

(7) If—

- (a) carbon units are credited to the net Northern Ireland emissions account for carbon dioxide for 2050, and

- (b) carbon units are debited from the net Northern Ireland emissions account for 2050,

carbon units must be debited from the net Northern Ireland emissions account for carbon dioxide for 2050; and the amount of carbon units so debited must not be less than—

$$\text{Total debits} \quad \times \quad \frac{\text{CO}_2 \text{ emissions}}{\text{Total emissions}}$$

- (8) In subsections (6) and (7)—

“Total credits” is the amount of carbon units that are credited to the net Northern Ireland emissions account for 2050;

“Total debits” is the amount of carbon units that are debited from the net Northern Ireland emissions account for 2050;

“CO<sub>2</sub> emissions” is the amount of net Northern Ireland emissions of carbon dioxide for 2050;

“Total emissions” is the aggregate amount of net Northern Ireland emissions of each greenhouse gas for 2050.

### **Carbon units: accounting scheme**

- 12.—**(1) The Department may by regulations make provision for a scheme—

- (a) for registering or otherwise keeping track of carbon units, or  
 (b) for establishing and maintaining accounts in which carbon units may be held, and between which they may be transferred, by the Department.

(2) The regulations may provide for an existing scheme to be adapted for those purposes.

- (3) The regulations may—

- (a) appoint a person or body (an “administrator”) to administer the scheme, or provide that the Department is to do so;  
 (b) establish a body for the purpose of administering the scheme and make provision in relation to the appointment of members, staffing, expenditure and procedure of that body;  
 (c) confer or impose functions on the administrator for the purpose of administering the scheme;  
 (d) confer power on the Department to give guidance or directions to the administrator;  
 (e) require the payment by persons using the scheme of charges (of an amount determined by or under the regulations) towards the cost of operating it.

(4) If regulations adapt an existing scheme or appoint an existing person to administer the scheme, the regulations may amend any statutory provision relating to the existing scheme or existing person.

### *Sectoral plans*

#### **Sectoral plans**

**13.**—(1) The Northern Ireland departments must develop and publish plans for areas of the economy, to be known as sectoral plans, setting out how the targets in sections 1, 3 and 4 will be achieved by sector.

(2) These must include proposals and policies to ensure the targets set out in sections 1, 3 and 4 are achieved.

(3) Interim sectoral reports must be published in line with the targets set out in sections 1, 3 and 4.

(4) Sectoral plans shall also support a just transition by—

- (a) supporting the creation of secure green jobs and building pathways into green careers in partnership with industry and unions, with workers' rights and health and safety at the centre;
- (b) ensuring that workers and communities dependent on the high carbon economy are supported with the transition;
- (c) supporting the transition to a green economy with net-zero carbon investment and infrastructure; and
- (d) tackling inequality and breaking down barriers of division.

(5) The Department must make arrangements with the other Northern Ireland departments to secure co-operation and the submission of information for subsection (1), including the format and detail of the requirement outlined in subsection (3).

#### **Sectoral plans for energy**

**14.**—(1) The Department for the Economy must develop and publish sectoral plans for the energy sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

(2) Sectoral plans for energy must include proposals and policies for energy production and the supply of private and public heating and cooling systems.

#### **Renewable electricity consumption**

**15.** The Department for the Economy must ensure that at least 80% of electricity consumption is from renewable sources by 2030.

### **Sectoral plans for infrastructure**

**16.**—(1) The Department for Infrastructure must develop and publish sectoral plans for the infrastructure sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

(2) Sectoral plans for infrastructure must include proposals and policies for planning and construction.

### **Sectoral plans for industrial processes**

**17.** The Department for the Economy must develop and publish sectoral plans for the industrial processes sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

### **Sectoral plans for waste management**

**18.**—(1) The Department must ensure that at least 70% of waste is recycled by 2030.

(2) The Department must develop and publish sectoral plans for the waste management sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4 and subsection (1) of this section.

### **Sectoral plans for agriculture**

**19.**—(1) The Department must develop and publish sectoral plans for the agriculture sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

(2) Sectoral plans for agriculture must contain proposals for carrying out fully funded carbon audits of farms to assess where performance improvements and savings can be made.

(3) As part of the carbon auditing process, carbon sequestration measures already being conducted by the sector should be calculated.

### **Sectoral plans for fisheries**

**20.**—(1) The Department must develop and publish sectoral plans for the fisheries sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

(2) Sectoral plans for fisheries must include proposals and policies for sea fisheries and the inland fisheries industry.



### **Sectoral plans for transport**

**21.**—(1) The Department for Infrastructure must develop and publish sectoral plans for the transport sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

(2) Sectoral plans for transport must include proposals and policies for public and private transport.

### **Active travel**

**22.** The Department for Infrastructure must develop sectoral plans for transport which set a minimum spend on active travel from the overall transport budgets of 10%.

## **PART 2**

### **Carbon Budgets**

#### **Carbon budgets**

**23.**—(1) The Department must by regulations set a maximum total amount for the net Northern Ireland emissions account for each budgetary period.

That amount is referred to as the “carbon budget” for that period.

(2) The Department must—

- (a) carry out a public consultation lasting at least 16 weeks on proposed carbon budgets,
- (b) commission a financial, social, economic and rural impact assessment on the effects of the carbon budget for that period, and
- (c) consult the Northern Ireland Climate Commissioner, the other Northern Ireland departments and the Just Transition Commission and lay proposals before the Assembly.

(3) When seeking advice on setting the carbon budget, or on other environmental issues, the Department is to give due regard to the expertise and advice of the following bodies—

- (a) the Republic of Ireland Climate Change Advisory Council; and
- (b) the Intergovernmental Panel on Climate Change.

(4) The budgetary periods are—

- (a) 2023 to 2027, and
- (b) each succeeding period of five years.

(5) The Department may by regulations amend subsection (4) so as to change a budgetary period.

(6) See—

- (a) sections 25 to 28 for provision about the setting and adjustment of carbon budgets, and
- (b) section 55 for restrictions on the power conferred by subsection (5).

### **Emissions not to exceed carbon budget**

**24.** The Northern Ireland departments must ensure that the net Northern Ireland emissions account for each budgetary period does not exceed the carbon budget for that period.

### **Setting of carbon budgets: principles**

**25.** The Department must—

- (a) set the carbon budget for each budgetary period up to and including the budgetary period 2048 to 2052 at a level that it is satisfied is consistent with meeting the emissions targets for 2050 (see section 1);
- (b) set the carbon budget for the budgetary periods 2033 to 2037 and 2038 to 2042 at a level that it is satisfied is consistent with meeting the emissions target for 2040 (see section 3); and
- (c) set the carbon budget for the budgetary periods 2023 to 2027 and 2028 to 2032 at a level that it is satisfied is consistent with meeting the emissions targets for 2030 and 2040 (see sections 3 and 4).

### **Setting of carbon budgets: social, environmental and economic factors**

**26.—(1)** In setting a carbon budget, the Department must take account of—

- (a) the objective of not exceeding a fair and safe emissions budget,
- (b) European and international law and policy relating to climate change (including the United Nations Framework Convention on Climate Change and the protocols to that Convention),
- (c) scientific knowledge about climate change,
- (d) technology relevant to climate change,
- (e) economic circumstances, in particular the likely impact of the budget on—
  - (i) the economy,
  - (ii) the competitiveness of particular sectors of the economy,
  - (iii) small and medium-sized enterprises,
  - (iv) jobs and employment opportunities,
- (f) fiscal circumstances, in particular the likely impact of the budget on taxation, public spending and public borrowing,

- (g) social circumstances, in particular the likely impact of the budget on those living in poorer or deprived communities,
  - (h) the likely impact of the budget on public health,
  - (i) the likely impact of the budget on those living in remote rural communities and island communities,
  - (j) energy policy, in particular the likely impact of the budget on energy supplies, the renewable energy sector and the carbon and energy intensity of the economy,
  - (k) environmental considerations, in particular the likely impact of the budget on biodiversity,
  - (l) the likely impact of the budget on the achievement of sustainable development, including the achievement of the United Nations sustainable development goals,
  - (m) current international carbon reporting practice,
  - (n) the special economic and social role of agriculture, including the distinct characteristics of biogenic methane,
  - (o) the risk of substantial and unreasonable carbon leakage.
- (2) “Carbon leakage” means the transfer of the production of goods (including agricultural goods) and the provision of services to countries without comparable climate change policies.
- (3) In subsection (2), “comparable climate change policies” are policies that are intended to achieve reductions in greenhouse gas emissions for the country in question which are equivalent to the targets set out in sections 1, 3 and 4, by the years set out in those sections.

#### **Setting of carbon budgets: timing**

- 27.—**(1) The Department must—
- (a) set the carbon budgets for the first three budgetary periods before the end of 2023, and
  - (b) set the carbon budget for the fourth and subsequent budgetary periods at least twelve years before the start of the period in question.
- (2) The Department may by regulations—
- (a) amend the carbon budget for any budgetary period before the start of the period (and not otherwise);
  - (b) amend subsection (1) so as to change the date by which a carbon budget must be set.
- (3) See section 54 for restrictions on the power conferred by subsection (2)(a).

### **Carrying amounts from one budgetary period to another**

**28.**—(1) The Department may decide to carry part of the carbon budget for a budgetary period back to the preceding budgetary period.

(2) If the Department carries back part of the carbon budget—

- (a) the budget for the later period is reduced, and
- (b) the budget for the earlier period is increased,

by the amount carried back.

(3) The amount carried back must not exceed 1% of the carbon budget for the later period.

(4) The Department may decide to carry any unused part of the carbon budget for a budgetary period forward to the next budgetary period.

(5) If the Department carries forward part of the carbon budget—

- (a) the budget for the later period is increased, and
- (b) the budget for the earlier period is reduced,

by the amount carried forward.

(6) The carbon budget for a period is “unused” to the extent that it exceeds the net Northern Ireland emissions account for the period.

(7) Before deciding to carry an amount back or forward under this section, the Department must consult—

- (a) the other Northern Ireland departments,
- (b) the Committee on Climate Change, and
- (c) the Northern Ireland Climate Commissioner.

(8) Each Northern Ireland department must provide such assistance as the Department requires when deciding to carry an amount back or forward under this section.

(9) Section 39 provides for the reporting of a decision under this section.

## **PART 3**

### **Reports and Statements against Targets and Budgets etc**

#### *Carbon budgets*

### **Proposals and policies for meeting carbon budget**

**29.**—(1) The Department must prepare and publish a report for each budgetary period setting out proposals and policies for meeting the carbon budget for that period.

(2) References in this Act to a “climate action plan” are to a report under this section.

(3) The report must set out proposals and policies covering the areas of responsibility of each Northern Ireland department.

(4) When developing policies each department must ensure they are consistent with the targets set out in the carbon budget.

(5) Having consulted the relevant sector-specific advisory groups, each Northern Ireland department must provide the Department with—

- (a) its proposals and policies in its areas of responsibility, and
- (b) such other assistance as the Department requires in the preparation of the report.

(6) Each Northern Ireland department must provide its proposals and policies for a budgetary period before the end of the first nine months of that period.

(7) The Department must lay the report for a budgetary period before the Assembly before the end of the first year of that period.

(8) The Department must publish the report for public consultation for a period of not less than 16 weeks ending on a day which is not less than 10 working days before that report is laid before the Assembly.

(9) The Department must lay the results of the public consultation in subsection (8) before the Assembly at the same time as it lays the report.

### **Requirements for proposals and policies under section 29**

**30.**—(1) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must—

- (a) have regard to the desirability of co-ordinating those proposals and policies with corresponding proposals and policies in other parts of the United Kingdom, in the Republic of Ireland (recognising that the island of Ireland is a single biogeographic unit) or elsewhere;
- (b) consult such persons as it considers appropriate (including, where appropriate, any public body responsible in any other jurisdiction for providing advice or making recommendations in connection with adaptation to, or the mitigation of the effects of, climate change);
- (c) commission a financial, social, economic and rural impact assessment on the effects of the proposals and policies; and
- (d) give due regard to the special economic and social role of agriculture, including the distinct characteristics of biogenic methane.

(2) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must also have regard to—

- (a) the just transition principle (see subsection (3)), and

- (b) the desirability of using and supporting nature-based projects (see subsection (5)), whether alone or together with other types of action.
- (3) The just transition principle is the importance, in taking action to reduce Northern Ireland emissions and increase Northern Ireland removals, of doing so in a manner which, so far as possible, achieves the objectives of—
- (a) supporting jobs and the growth of jobs that are climate resilient and environmentally and socially sustainable,
  - (b) in particular, supporting the agriculture sector and other sectors of the economy in Northern Ireland that are likely to be most affected by action to reduce those emissions and increase those removals,
  - (c) supporting low-carbon investment and infrastructure,
  - (d) developing and maintaining consensus through engagement with (among others) workers, trade unions, communities, non-governmental organisations and representatives of the interests of business and industry,
  - (e) creating decent, fair and high-value work in a way which does not negatively affect the current workforce,
  - (f) contributing to a resource-efficient and sustainable economy,
  - (g) supporting persons who are most affected by climate change, particularly those who may have done the least to cause it or may be the least equipped to adapt to its effects,
  - (h) reducing, with a view to eliminating, poverty, inequality and social deprivation,
  - (i) eliminating gender inequality and advancing equality of opportunity between men and women,
  - (j) supporting the social and economic needs of people in rural areas, and
  - (k) taking into account the future generations principle.
- (4) In this section—
- (a) “climate resilient” when used in relation to jobs and job growth, refers to the ability of social, economic and environmental systems to adapt to the effects of climate change;
  - (b) “environmentally and socially sustainable”, when used in relation to jobs and job growth, refers to the creation and promotion of jobs in a way which conserves and improves natural resources in accordance with the future generations principle;
  - (c) the “future generations principle” means acting in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- (5) “Nature-based projects” are projects to protect, restore or sustainably manage ecosystems in order to—

- (a) promote both human well-being and biodiversity, or
  - (b) provide other environmental, social and economic benefits.
- (6) Each climate action plan must explain how the proposals and policies set out in the plan take account of the just transition principle.
- (7) Each climate action plan must explain how the Department intends to mitigate any negative effects uncovered in the relevant financial, social, economic and rural impact assessment.
- (8) The duty under subsection (2) is in addition to, and does not limit, the duty under section 25 of the Northern Ireland (Miscellaneous Provisions) Act 2006 (sustainable development).
- (9) The Department may by regulations amend subsection (3).

### **Just Transition Fund for Agriculture**

**31.**—(1) The Department must by regulations establish a scheme for the administration of a fund to be known as the “Just Transition Fund for Agriculture” for the purpose of providing advice and financial assistance to the agriculture sector to deliver its contribution under proposals and policies for the purposes of section 29.

- (2) The regulations may make provision—
- (a) for determining eligibility or entitlement for advice or assistance under the scheme;
  - (b) regarding applications (if any) for advice or assistance under the scheme;
  - (c) imposing conditions or restrictions in connection with the scheme;
  - (d) requiring persons to provide specified information, or imposing other obligations on them, in connection with the scheme;
  - (e) conferring functions on the Department or other public bodies in connection with the scheme;
  - (f) about steps to be taken to bring the scheme to the attention of persons likely to be eligible for assistance under it;
  - (g) about the enforcement of obligations imposed by or by virtue of the regulations (which may include a power for the Department to impose financial penalties);
  - (h) about the general administration of the scheme, including provision for the review of decisions taken under the scheme and for dealing with disputes as to eligibility or entitlement under the scheme;
  - (i) about any other matter which appears to the Department to be necessary or appropriate for the efficient and effective administration of the scheme.
- (3) If the scheme provides for financial assistance, the regulations may make provision—

- (a) for the assistance to be given in any form, including, in particular, by way of a grant, loan or guarantee;
- (b) for determining the extent of assistance (including for the calculation of payments that are to be made);
- (c) for the assistance to be provided subject to such conditions as may be specified in, or determined in accordance with, the scheme;
- (d) for those conditions to include (in the case of a grant) conditions for repayment in specified circumstances;
- (e) for assistance to be provided—
  - (i) directly to those entitled to receive it under the scheme; or
  - (ii) indirectly (for example by being made to a public body on terms which require that body to provide financial assistance to those so entitled).

**Proposals and policies: targets**

**32.—**(1) Climate action plans must contain targets to be achieved during the relevant budgetary period in the following areas—

- (a) soil quality, and
- (b) biodiversity;

but these targets are subject to subsection (2) of this section.

(2) Targets under subsection (1) must be set in a way best calculated to achieve the relevant carbon budget after taking the following matters into account—

- (a) international law, including, in particular, the United Nations Framework Convention on Climate Change;
- (b) the impact of such targets on the environment of Northern Ireland;
- (c) the impact of such targets on public health and well-being;
- (d) the impact of such targets on fiscal, economic and social circumstances specific to Northern Ireland;
- (e) the just transition principle;
- (f) the transboundary impact.

(3) Climate action plans must also include annual targets on—

- (a) greenhouse gas emissions, and
- (b) air quality.

**Proposals and policies: further provision**

**33.** Proposals and policies under section 29 must ensure that the relevant carbon budget is achieved in the following sectors—



- (a) energy production and supply (including for residential, public and district heating and cooling purposes);
- (b) transport (including shipping and aviation);
- (c) infrastructure (including infrastructure for electric vehicular transport);
- (d) business and industrial processes;
- (e) residential and public (in relation to buildings in these sectors);
- (f) waste management;
- (g) agriculture;
- (h) land use and land-use change, including forestry;
- (i) fisheries; and
- (j) the provision of financial assistance to any person in connection with—
  - (i) the promotion of economic development in Northern Ireland or any part of Northern Ireland; and
  - (ii) the provision of infrastructure, goods or services in Northern Ireland or any part of Northern Ireland;

provided that, when setting out proposals and policies in respect of energy production and supply, the advices and recommendations of the SEM Committee regarding matters in relation to which it has functions under Article 6(2) of the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007 must be obtained and must be taken into account.

#### **Proposals and policies: nature based solutions**

**34.** Proposals and policies under section 29 shall as far as is practicable, support nature based projects that enhance biodiversity, protect and restore ecosystems, and seek to reduce, or increase the removal of, greenhouse gas emissions or support climate resilience.

#### **Proposals and policies: workforce, employers and communities**

**35.—(1)** Each climate action plan must—

- (a) explain how the proposals and policies set out in the plan are expected to affect the workforce, employers and communities; and
- (b) include proposals and policies for supporting the workforce, employers and communities.

(2) The explanation, proposals and policies included under subsection (1) must make particular reference to small businesses.

(3) In subsection (2), a “small business” is a business that employs fewer than 50 persons.

(4) The Department may by regulations amend subsection (3); and such regulations may define a small business by reference to such matters (or combination of matters) as the Department considers appropriate (including, in particular, the number of its employees, its turnover and its balance sheet).

### **Proposals and policies: carbon leakage**

**36.—**(1) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must take into account—

- (a) the risk that implementation of those proposals and policies will result in carbon leakage, and
- (b) the desirability of eliminating or minimising that risk.

(2) “Carbon leakage” means the transfer of the production of goods (including agricultural goods) and the provision of services to countries without comparable climate change policies.

(3) In subsection (2), “comparable climate change policies” are policies that are intended to achieve reductions in greenhouse gas emissions for the country in question which are equivalent to the targets set out in sections 1, 3 and 4, by the years set out in those sections.

### **Just Transition Commission**

**37.—**(1) The Department must by regulations establish a body to be known as the “Just Transition Commission”.

(2) The functions of the Commission are to—

- (a) oversee the implementation of the just transition elements of this Act, and
- (b) provide advice to the Northern Ireland departments on how to ensure that proposals, policies, strategies and plans required under this Act comply with the just transition principle.

(3) Regulations under subsection (1)—

- (a) must make provision for the constitution of the Commission (including, in particular, its membership, general powers and proceedings);
- (b) may provide that the Commission is established as a body corporate (and that section 19 of the Interpretation Act (Northern Ireland) 1954 applies to it with such modifications (if any) as may be prescribed in the regulations);
- (c) may make provision for the payment of remuneration and allowances to members of the Commission, and for the defraying of its expenses;
- (d) may make provision in relation to accounting, reporting and record-keeping by the Commission;
- (e) may make such further provision in relation to the Commission as the Department considers appropriate.

(4) Regulations made by virtue of subsection (3)(a) must provide for the members of the Commission to include a representative of each of the following—

- (a) the agricultural sector;
- (b) the fisheries sector;
- (c) academia;
- (d) trade unions;
- (e) youth groups;
- (f) civic society;
- (g) environmental groups.

(But this does not prevent the regulations from providing for other persons to be members of the Commission.)

(5) Regulations under subsection (1) may also make provision about the functions of the Commission, including provision specifying—

- (a) how the oversight function is to be performed;
- (b) what the just transition elements of this Act are.

#### **Interim progress reporting for budgetary period**

**38.**—(1) The Department must, during the course of each budgetary period, prepare and publish a report setting out what progress has been made in implementing the proposals and policies set out in the climate action plan prepared under section 29 for that period.

(2) Each Northern Ireland department must provide the Department with—

- (a) information on the progress it has made in its areas of responsibility in implementing its proposals and policies, and
- (b) such other assistance as the Department requires in the preparation of the report.

(3) Each Northern Ireland department must provide the information on its progress for a budgetary period before the end of the first 33 months of that period.

(4) The Department must lay the report for a budgetary period before the Assembly before the end of the third year of that period.

#### **Final statement for budgetary period**

**39.**—(1) The Department must—

- (a) prepare a final statement for each budgetary period in accordance with this section, and

- (b) lay the statement before the Assembly before the end of the second year after that period.
- (2) A final statement under this section must state, in respect of each greenhouse gas—
  - (a) the total amount of Northern Ireland emissions,
  - (b) the total amount of Northern Ireland removals, and
  - (c) the total amount of net Northern Ireland emissions,for the period.
- (3) It must—
  - (a) state the total amount of carbon units that have been credited to or debited from the net Northern Ireland emissions account for the period, and
  - (b) give details of the number and type of those units.
- (4) It must state the final amount of the net Northern Ireland emissions account for the period.
- (5) It must—
  - (a) state whether the Department has decided to carry an amount back or forward under section 28 so as to increase or reduce the carbon budget for the period, and
  - (b) if so, state the amount carried back or forward.
- (6) It must state the final amount of the carbon budget for the period.
- (7) Whether the carbon budget for a period has been met is to be determined by reference to the information in the statement for that period.
- (8) The statement must explain why the carbon budget for the period has, or has not, been met.
- (9) In particular, it must include an assessment of the extent to which the proposals and policies for meeting the carbon budget set out in the climate action plan under section 29 for the period—
  - (a) have been carried out, and
  - (b) have contributed to the carbon budget for the period being met or not being met.
- (10) The statement under subsection (8) and assessment under subsection (9) must cover the areas of responsibility of each Northern Ireland department.
- (11) Each Northern Ireland department must provide the Department with—
  - (a) an explanation of what it considers to be the reasons why the carbon budget for the period has, or has not, been met, so far as relating to its areas of responsibility,
  - (b) its assessment of the extent to which its proposals and policies for meeting the carbon budget—

- (i) have been carried out, and
  - (ii) have contributed to the carbon budget for the period being met or not being met, and
  - (c) such other assistance as the Department requires in the preparation of the statement.
- (12) Each Northern Ireland department must provide its explanation and assessment for a budgetary period before the end of the first 21 months after that period.

### **Proposals and policies where carbon budget not met**

**40.—**(1) This section applies if the Department has laid a final statement before the Assembly under section 39 in respect of a budgetary period for which the net Northern Ireland emissions account exceeds the carbon budget.

(2) No later than three months after laying the statement, the Department must lay before the Assembly a report setting out proposals and policies to compensate for the excess emissions in subsequent budgetary periods.

(3) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the report.

### *Emissions targets*

### **Statements on compliance with emissions targets**

**41.—**(1) The Department must—

- (a) prepare a statement for each of the years 2030, 2040 and 2050 in accordance with this section, and
- (b) lay each statement before the Assembly before the end of the second year after the year to which it relates.

(2) A statement under this section must state, in respect of each greenhouse gas—

- (a) the total amount of Northern Ireland emissions,
- (b) the total amount of Northern Ireland removals, and
- (c) the total amount of net Northern Ireland emissions,

for the year to which the statement relates.

(3) It must—

- (a) state the total amount of carbon units that have been credited to or debited from the net Northern Ireland emissions account for the year, and
- (b) give details of the number and type of those units.

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*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

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- (4) It must state the amount of the net Northern Ireland emissions account for the year.
- (5) The statement for 2050 must also state—
  - (a) the total amount of carbon units (if any) that have been credited to or debited from the net Northern Ireland emissions account for carbon dioxide for that year, and
  - (b) the amount of the net Northern Ireland emissions account for carbon dioxide for that year.
- (6) Whether the emissions target (or targets) for 2030, 2040 or 2050 has (or have) been met is to be determined by reference to the information in the statement for that year.
- (7) The statement must explain why the target (or each of the targets) for the year has, or has not, been met.
- (8) Each Northern Ireland department must provide the Department with—
  - (a) an explanation of what it considers to be the reasons why the target (or each of the targets) for the year has, or has not, been met, so far as relating to its areas of responsibility, and
  - (b) such other assistance as the Department requires in the preparation of the statement.
- (9) Each Northern Ireland department must provide its explanation before the end of the first 21 months after the year to which the statement relates.

#### *Other reports*

#### **Climate change reporting by public bodies**

**42.—**(1) The Department must make regulations that impose, on specified public bodies, specified climate change reporting duties.

“Specified” means specified in the regulations.

- (2) In this section “public body” means—
  - (a) a person or body with functions of a public nature;
  - (b) a person who is a statutory undertaker within the meaning of the Planning Act (Northern Ireland) 2011 (see section 250 of that Act).
- (3) The climate change reporting duties that may be imposed on a body under subsection (1) include in particular duties to prepare reports containing any of the following—
  - (a) an assessment of the current and predicted impact of climate change in relation to the body’s functions;

- (b) a statement of the body's proposals and policies for adapting to, or mitigating the effects of, climate change in the exercise of its functions;
  - (c) a statement of the time-scales for implementing those proposals and policies;
  - (d) an assessment of the progress made by the body towards implementing the proposals and policies set out in any previous reports prepared under the regulations.
- (4) The regulations may require public bodies to have regard to (among other things) the following, so far as relevant—
- (a) the most recent report under section 56 of the Climate Change Act 2008 (report on impact of climate change);
  - (b) the most recent programme under section 60 of that Act (programme for adaptation to climate change for Northern Ireland);
  - (c) the desirability of co-ordinating the proposals and policies referred to in subsection (3)(b) with corresponding proposals and policies in other parts of the United Kingdom, in the Republic of Ireland or elsewhere.
- (5) The regulations may make provision about—
- (a) the contents of a report (including the time period to which the report relates);
  - (b) the time period within which a report must be prepared;
  - (c) co-operation between public bodies in the preparation of a report, or the preparation of a joint report by two or more public bodies;
  - (d) the form of reports;
  - (e) the publication of reports.
- (6) The regulations may confer functions on the Department in connection with the duties imposed by the regulations.
- (7) The Department must consult such public bodies, and such other persons, as it considers appropriate before making the regulations.
- (8) The first regulations made under this section must come into operation before the end of the period of 18 months beginning with the day on which this Act receives Royal Assent.

## PART 4

### Reports by Committee on Climate Change

#### **Progress report during first budgetary period**

**43.—**(1) Before the end of 2027, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) the progress that has been made towards meeting—
    - (i) the emissions targets that have been set by section 1, 3 and 4, and
    - (ii) the carbon budgets that have been set under section 23,
  - (b) whether those targets and budgets are likely to be met, and
  - (c) any further measures that are needed to meet those targets and budgets.
- (2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

#### **Progress reports after statement about each budgetary period**

**44.**—(1) No later than six months after the Department lays the final statement for a budgetary period before the Assembly under section 39, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) the way in which the carbon budget for the period was, or was not, met,
  - (b) the action taken by the Northern Ireland departments to reduce net Northern Ireland emissions of greenhouse gases during the period,
  - (c) the progress that has been made towards meeting—
    - (i) the emissions targets that have been set by section 1, 3 and 4, and
    - (ii) the carbon budgets that have been set under section 23,
  - (d) whether those targets and budgets are likely to be met, and
  - (e) any further measures that are needed to meet those targets and budgets.
- (2) Subsection (1)(c) to (e) do not require the Committee to set out its views on the matters mentioned in those paragraphs to the extent that they concern targets and budgets relating to periods of time that end before the report is sent.
- (3) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

#### **Progress report after statement about emissions target for 2030**

**45.**—(1) No later than six months after the Department lays the statement under section 41 for 2030 before the Assembly, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) whether the emissions targets for 2040 and 2050 are the highest achievable targets,
- (b) if any of them is not the highest achievable target—
  - (i) what is the highest achievable target, and
  - (ii) what further measures are needed to meet the highest achievable target.



(2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

#### **Progress report after statement about emissions target for 2040**

**46.—**(1) No later than six months after the Department lays the statement under section 41 for 2040 before the Assembly, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) whether the emissions targets for 2050 are the highest achievable targets,
- (b) if either of them is not the highest achievable target—
  - (i) what is the highest achievable target, and
  - (ii) what further measures are needed to meet the highest achievable target.

(2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

#### **Response to progress reports**

**47.—**(1) The Department must prepare a response to the points raised by each report of the Committee on Climate Change under sections 43 to 46.

(2) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the response.

(3) The Department must lay the response before the Assembly within six months of receiving the report from the Committee.

#### **Adaptation programme reports**

**48.—**(1) This section applies where a programme is laid before the Assembly under section 60 of the Climate Change Act 2008 (programme for adaptation to climate change for Northern Ireland).

(2) No later than 3 years after the programme is laid, the Committee on Climate Change must send a report to the Department setting out—

- (a) the Committee's assessment of the progress made towards implementing the objectives, proposals and policies set out in the programme, and
- (b) the Committee's recommendations for the next programme to be laid under section 60 of that Act.

(3) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

**Response to adaptation programme reports**

**49.**—(1) The Department must prepare a response to the points raised by each report of the Committee on Climate Change under section 48.

(2) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the response.

(3) The Department must lay the response before the Assembly within six months of receiving the report from the Committee.

**PART 5****FURTHER OVERSIGHT****Northern Ireland Climate Commissioner**

**50.**—(1) The Executive Office must by regulations establish an independent office to be known as the “Northern Ireland Climate Commissioner”.

(2) The functions of the Commissioner are to oversee and report on the operations of this Act.

(3) Regulations under subsection (1)—

- (a) must make provision for the appointment of the Commissioner;
- (b) may provide that the Commissioner is to be a corporation sole;
- (c) may make provision about the general powers of the Commissioner;
- (d) may make provision for the payment of remuneration and allowances to the Commissioner, and for the defraying of the Commissioner’s expenses;
- (e) may make provision in relation to accounting, reporting and record-keeping by the Commissioner;
- (f) may make provision for the appointment of officers and staff by the Commissioner;
- (g) may make provision about the acquisition and disposal by the Commissioner of property, rights and liabilities (including land);
- (h) may make such further provision in relation to the Commissioner as the Executive Office considers appropriate.

(4) Regulations under subsection (1) may also make provision about the functions of the Commissioner, including provision specifying how the oversight and reporting functions are to be performed.

(5) The first regulations under subsection (1) must be laid in draft before the Assembly within the period of 2 years beginning with the day on which this Act receives Royal Assent.

### **Climate action plan**

**51.—**(1) The Department must lay before the Assembly and publish a plan, known as the climate action plan, within 24 months from the day on which this Act receives Royal Assent.

(2) Before laying each plan before the Assembly, the Department must commission a financial, social, economic and rural impact assessment on the effects of the draft climate action plan and carry out a public consultation on the draft climate action plan, including consultation with sector-specific advisory groups, lasting at least 16 weeks.

(3) Subsequent plans must be published within 5 years from the date on which the previous plan was laid before the Assembly.

(4) The climate action plan must set out how the interim targets and the target of net zero will be achieved by the year 2050.

(5) Climate action plans must be climate resilient and support an environmentally sustainable economy.

(6) The plans must include annual targets on—

- (a) greenhouse gas emissions, and
- (b) air quality.

(7) “Climate resilient” means the ability to minimise, mitigate or remedy the effects of climate change.

## **PART 6**

### **Supplementary**

#### *Duties in relation to emissions*

### **Duties to ensure that targets etc are met**

**52.—**(1) The duties mentioned in sections 1, 3 to 5 and 24 on the Northern Ireland departments (namely, to ensure that the net Northern Ireland emissions account is below a certain amount and that the net Northern Ireland emissions account for carbon dioxide for 2050 is below a certain amount) are duties on each of them—

- (a) to exercise its own functions, so far as is possible to do so, in a manner that is consistent with the achievement of that objective,
- (b) so far as is consistent with the proper exercise of its own functions, to cooperate with each of the other departments in the performance by the other department of the other department’s duty under paragraph (a), and

(c) to draw up and implement such plans, policies and strategies as may be appropriate for the purpose of performing its duties under paragraphs (a) and (b).

(2) The Northern Ireland departments should, as far as reasonably practicable, align such plans, policies and strategies to those of the Republic of Ireland.

(3) Subsection (1) is in addition to (and does not limit) the duties under other sections of this Act.

*Regulation-making powers: general*

**Regulations: general**

**53.—**(1) Regulations under this Act may make such consequential or supplementary provision as the Department considers appropriate.

(2) The provision that may be made under subsection (1) includes, in particular, provision that—

- (a) amends this Act, or
- (b) amends the carbon budget for any budgetary period before the start of the period (but not otherwise).

(3) Regulations may not be made under any provision of this Act unless a draft of the regulations has been laid before, and approved by a resolution of, the Assembly; but this is subject to subsection (4).

(4) Regulations under section 9(4) or 42(1) are subject to negative resolution, unless they contain consequential or supplementary provision of the kind mentioned in subsection (2).

(5) See sections 54 and 55 for restrictions on the power to make provision mentioned in subsection (2).

*Regulation-making powers: restrictions and considerations*

**Regulations that amend or add an emissions target or amend a carbon budget**

**54.—**(1) This section applies in relation to the making of regulations, under any provision of this Act, that—

- (a) amend an emissions target or add a new target in relation to emissions, or
- (b) amend a carbon budget.

(2) The Department may make such regulations only if—

- (a) it is satisfied that it is appropriate to do so as a result of significant developments in one or more of the following matters—

- (i) United Kingdom or international law or policy relating to climate change;
  - (ii) scientific knowledge about climate change;
  - (iii) technology relevant to climate change; or
- (b) the provision made by the regulations—
- (i) has been recommended by the Committee on Climate Change, or
  - (ii) is not substantially different from provision that has been recommended by the Committee.
- (3) When making such regulations, the Department must have regard to the following matters—
- (a) United Kingdom and international law or policy relating to climate change,
  - (b) scientific knowledge about climate change,
  - (c) technology relevant to climate change, and
  - (d) the views of the Northern Ireland Climate Commissioner and the Just Transition Commission.
- (4) But if the Department is satisfied that it is appropriate to make the regulations as a result of significant developments in a matter listed in subsection (2)(a) the Department is not also required by subsection (3) to have separate regard to that matter.

#### **Regulations that specify a different baseline year or change a budgetary period**

**55.—**(1) This section applies in relation to the making of regulations, under any provision of this Act, that—

- (a) specify a different baseline year for a greenhouse gas, or
- (b) change a budgetary period.

(2) The Department may make such regulations only if it is satisfied that it is appropriate to do so as a result of significant developments in United Kingdom or international law or policy relating to climate change.

#### *Regulation-making powers: advice*

#### **Requirement to obtain advice about proposals to make regulations**

**56.—**(1) This section applies in relation to the making of regulations under any provision of this Act, except regulations that are made in accordance with section 54(2)(b) (recommendation by the Committee on Climate Change).

(2) Before making regulations under section 9(4) or 42(1), or laying draft regulations before the Assembly under section 53(3), the Department must—

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- (a) request advice from the Committee on Climate Change about the proposal to make the regulations, and
  - (b) take the Committee's advice into account.
- (3) When the Department requests advice from the Committee on Climate Change under this section, it must specify a reasonable period within which the advice must be provided.
- (4) The Committee must provide the advice within that period.
- (5) The Committee's advice must set out the reasons for the advice.
- (6) The Department must publish the Committee's advice as soon as reasonably practicable after receiving it.
- (7) Subsections (8) and (9) apply where—
- (a) the Committee's advice includes recommendations as to provision that should be made by regulations, and
  - (b) the Department intends to make regulations that differ from that recommendation.
- (8) If the regulations are to be laid in draft before the Assembly, the Department must at the same time lay before the Assembly a statement setting out the reasons for the difference.
- (9) Otherwise, the Department must, on making the regulations, publish a statement setting out the reasons for the difference.

#### **Advice about proposed regulations relating to targets**

- 57.—**(1) Subsections (2) and (3) apply where—
- (a) the Department proposes to make regulations, under any provision of this Act, that—
    - (i) specify a different year for a particular emissions target, or
    - (ii) specify a different percentage for a particular year, and
  - (b) the Committee on Climate Change provides advice under section 56.
- (2) Where the Department proposes to make regulations that specify a different year for a particular target, the Committee's advice must include the Committee's opinion as to—
- (a) whether the year proposed is the earliest year for which the target could be achieved, and
  - (b) if not, what is the earliest year for which the target could be achieved.
- (3) Where the Department proposes to make regulations that specify a different percentage for a particular year, the Committee's advice must include the Committee's opinion as to—

- (a) whether the percentage proposed is the highest percentage achievable for the year, and
  - (b) if not, what is the highest percentage achievable for the year.
- (4) When giving advice in accordance with this section, the Committee must have regard to the following matters—
- (a) United Kingdom and international law or policy relating to climate change,
  - (b) scientific knowledge about climate change, and
  - (c) technology relevant to climate change.

### **Advice about proposed regulations relating to budgets**

**58.**—(1) This section applies where—

- (a) the Department proposes to make regulations, under any provision of this Act, that set or change a carbon budget for a budgetary period, and
  - (b) the Committee on Climate Change provides advice under section 56.
- (2) The Committee’s advice must include the Committee’s opinion as to—
- (a) the appropriate level of the carbon budget for the period;
  - (b) the extent to which the carbon budget for the period should be met—
    - (i) by reducing the amount of net Northern Ireland emissions of greenhouse gases, or
    - (ii) by the use of carbon units that, in accordance with regulations made under section 11, may be credited to the net Northern Ireland emissions account for the period;
  - (c) the respective contributions towards meeting the carbon budget for the period that should be made—
    - (i) by the sectors of the Northern Ireland economy covered by trading schemes (taken as a whole);
    - (ii) by the sectors of the Northern Ireland economy not so covered (taken as a whole);
  - (d) the sectors of the Northern Ireland economy in which there are particular opportunities for contributions to be made towards meeting the carbon budget for the period through reductions in emissions of greenhouse gases.
- (3) When giving advice in accordance with this section, the Committee must have regard to the following matters—
- (a) United Kingdom and international law or policy relating to climate change,
  - (b) scientific knowledge about climate change, and
  - (c) technology relevant to climate change.

(4) In subsection (2)(c), “trading schemes” has the meaning given by section 44 of the Climate Change Act 2008.

### *Definitions*

#### **Meaning of “carbon unit”**

**59.** In this Act, a “carbon unit” is a unit of a kind specified in regulations made by the Department and representing—

- (a) a reduction in an amount of greenhouse gas emissions,
- (b) the removal of an amount of greenhouse gas from the atmosphere, or
- (c) an amount of greenhouse gas emissions allowed under a scheme or arrangement imposing a limit on such emissions.

#### **Meaning of “greenhouse gas”**

**60.—**(1) In this Act, “greenhouse gas” means any of the following—

- (a) carbon dioxide;
- (b) methane;
- (c) nitrous oxide;
- (d) hydrofluorocarbons;
- (e) perfluorocarbons;
- (f) sulphur hexafluoride;
- (g) nitrogen trifluoride.

(2) The Department may by regulations amend the list of greenhouse gases in subsection (1) so as to add a gas.

#### **Meaning and measurement of emissions**

**61.—**(1) In this Act, “emissions”, in relation to a greenhouse gas, means emissions of that gas into the atmosphere that are attributable to human activity.

(2) Each of the following must be measured or calculated in tonnes of carbon dioxide equivalent—

- (a) emissions of greenhouse gases;
- (b) reductions in greenhouse gas emissions;
- (c) removals of greenhouse gases from the atmosphere.

(3) A “tonne of carbon dioxide equivalent” means one metric tonne of carbon dioxide or an amount of any other greenhouse gas with an equivalent global warming potential, calculated consistently with international carbon reporting practice (see section 63).



### Meaning of “sector”

- 62.** In this Act “sector” or “sectors” refers to one or all of the following—
- (a) energy production and supply (including for residential, public and district heating and cooling purposes);
  - (b) transport (including shipping and aviation);
  - (c) infrastructure (including infrastructure for electric vehicular transport);
  - (d) business and industrial processes;
  - (e) residential and public (in relation to buildings in these sectors);
  - (f) waste management;
  - (g) land use and land-use change, including forestry;
  - (h) agriculture; and
  - (i) the provision of financial assistance to any person in connection with—
    - (i) the promotion of economic development in Northern Ireland or any part of Northern Ireland; and
    - (ii) the provision of infrastructure, goods or services in Northern Ireland or any part of Northern Ireland.

### Other definitions

- 63.** In this Act—
- “the Committee on Climate Change” means the Committee of that name established by Part 2 of the Climate Change Act 2008;
  - “the Department” means the Department of Agriculture, Environment and Rural Affairs;
  - “emissions target” means a target set by section 1, 3 or 4;
  - “international carbon reporting practice” means accepted practice in relation to reporting for the purposes of—
    - (a) the protocols to the United Nations Framework Convention on Climate Change, or
    - (b) such other international agreements or arrangements as the Department may specify by regulations;
  - “Northern Ireland emissions” has the meaning given by section 9(2);
  - “Northern Ireland removals” has the meaning given by section 9(3).

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*General*

**Commencement**

**64.** This Act comes into operation on the day after the day on which it receives Royal Assent.

**Short title**

**65.** This Act may be cited as the Climate Change Act (Northern Ireland) 2022.

## **Appendix 3**

### **Terms of Reference    Update Dec 2023**

#### **Climate Emergency Forum CEF**

##### **Strategic Context**

Council has declared a climate crisis / emergency and has acknowledged the impact it will have on people and communities in Northern Ireland and required the formation of this Climate Emergency Forum (CEF). In conjunction with providing leadership, the forum will assess, collate, report and recommend strategies to ensure that decarbonisation within Councils Organisation is addressed and targeted to support Governments target of zero emission by 2050 as per the 2008 Climate Change Act.

##### **Terms of Reference (TOR)**

The CEF Members shall be ES Committee Members, Council officers and external agencies / specialists when necessary. Council already have an Energy Management Strategy (EMS), which contains quantum's of energy consumption by fuel type and already compares this with central government targets as of 2015. Since the time of the EMS adoption, central government targets have changed as a result of the legislation change to the Climate Change Act 2008 which was updated in June 2019 – and thus central government legislative target is now 100% reduction of Co2 emission as opposed to the previous 80% reduction - hence the term “Net Zero”.

Appendix 2 shows the flow of the TOR

The forum actions include;

1. Establish and approve a TOR
2. Establish Council & NI Executive responsibilities
3. Assess resource and cost impacts and agree Co2 CC&GBC emission reduction target and 5 year milestones together with KPI's with timings to track and react to decarbonisation target progress within the following SIX areas
  - Transport
  - Heating
  - Renewables
  - Smart Technology
  - Efficiency
  - Power
4. Agree resource - inclusive of scale and scope to deliver responsibilities.
5. Forward recommendations for Council decision and approval
6. Assess and access funding responsibilities on investments – including green transport (EV & Hydrogen), heating, smart technology and renewables.
7. Consult with NI Executive agencies to assess harmonisation to ensure scope of the CEF is complementary and not in parallel to the Executive agencies responsibilities.

8. Agree a reporting / communicating methodology and update programme to Council secure a decarbonisation political commitment pathway – every 1yr interim updates & 5yr updates
9. Ensure the impending pathway to statutory legislation (published by DAERA) is met or improved upon.
10. To ensure climate change ethos is communicated and integrated in all Council functions and policies.
11. The forum shall revise and update the existing EMS and transform to the Climate Emergency Strategy (CES) from the above actions thereby securing the resource / funding necessary and the political commitment.
12. Chair to secure business support and forward agendas prior meetings as per agreed schedules below. Commencing Feb 2024

### **Membership**

Climate Emergency Forum Chair (Chair of the ES Committee Meeting)

ES Committee Members

Council Borough Town Teams

Council funding unit

Council Head of Capital Works, Energy & Infrastructure

Council Energy Officer

Council Fleet Manager

Business Support – Members Services – minutes /schedules / reports / meetings

External partners (when necessary) –BEIS DAERA, LGCAN, Climate NI, NILGA, DAERA

Specialist/s when required

Neighbouring Councils – when necessary

### **Meeting Frequency**

Quarterly Feb, May, August & Nov

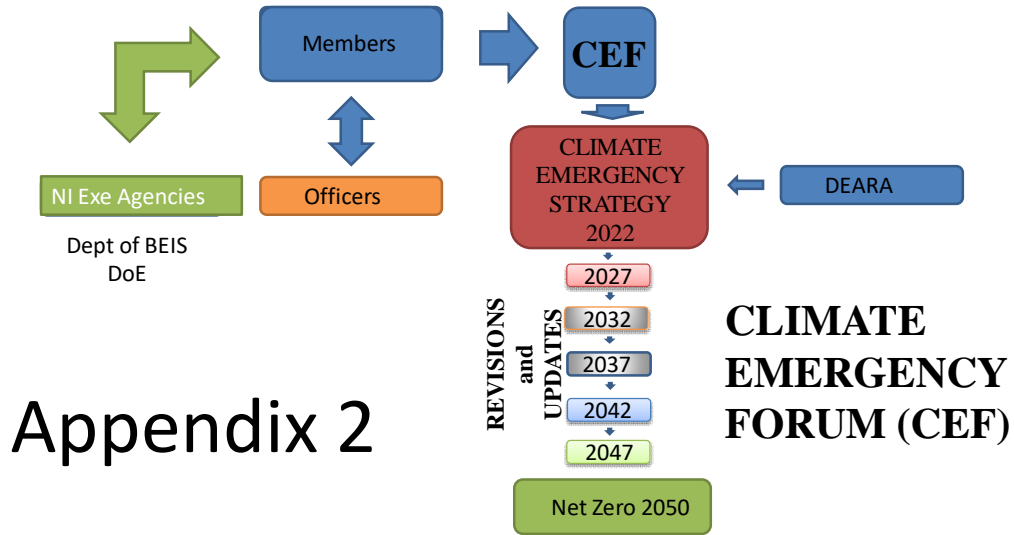
**Date of first meeting Feb 2024 – date to be co-ordinated**

### **Key**

NILGA – NI Local Government Association

LGCAN – Local Government Climate Action Network

CC&GBC – Causeway Coast & Glens Borough Council



# Appendix 2

**Causeway Coast & Glens Borough Council**

**Energy Management & Climate Change**

**May 2023**

## Contents

Executive Summary .....	3
1 Objectives.....	5
2 Background.....	5
3 Risks .....	7
4 Audit Approach .....	7
5 Audit Findings.....	9
Appendix A – Assurance Ratings .....	16
Appendix B – Summary of Controls Reviewed.....	17
Appendix C - Limitations and responsibilities .....	18

## Executive Summary

### Internal Audit Opinion / Assurance Rating

This internal audit was completed in accordance with the approved annual Internal Audit Plan for 2022/23. This report summarises the findings arising from a review of the Energy Management and Climate Change arrangements. The table below summarises the key areas of potential risk which were considered and reviewed (controls considered for each risk are detailed in Appendix B):

Risks Reviewed	Number of Recommendations and Priority Rating		
	1	2	3
There may be a risk that an appropriate framework is not in place to manage climate change issues, including the preparation for mandatory Climate Change Act reporting, leading to unclear climate change commitments, delays in addressing statutory climate change reporting obligations and damage to Council's reputation.	1	3	-
There may be a risk that the Energy Management strategy is not appropriately implemented leading to inefficient use of council resources and financial loss to the Council.	-	1	-
There may be a risk that energy costs are not consistently managed across Council Community centres.	-	1	-

Based on our audit testing we are able to provide the following overall level of assurance:

<b>LIMITED</b>	There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to system objectives not being achieved.
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Definitions of levels of assurance and the priority ratings for recommendations are included in Appendix A.



The weaknesses identified during our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the normal audit work and are not necessarily all the weaknesses, which may exist.

The content of this report has been discussed with officers and management to confirm factual accuracy. The assistance and cooperation received during our review is gratefully acknowledged.

## 1 Objectives

To ensure that:

- Coordinated efforts are underway within Council in relation to climate change including preparation for climate change (public bodies) reporting regulations.
- The Energy Management Strategy has been monitored, the outcome assessed and reported and the EMS fits with Council's wider climate change obligations.
- Consistent practice in managing energy costs for Community centres is applied across Council.

## 2 Background

Dealing with climate emergency requires acting on two fronts:

- Mitigation efforts to address the underlying problem by slowing or stopping the rise in fossil fuel emissions, which could irreversibly and catastrophically raise the Earth's temperature e.g., reducing carbon fuel emissions.
- Adaptation which is required to help withstand and minimize the effects of climate change that are already here or developing e.g. considering how to deal with increased flooding risks arising from changing weather patterns.

Causeway Coast and Glens District Council declared a climate emergency in May 2020. A decision was made that all Council new buildings would be net zero buildings, to take advantage at construction/design stages to assist with carbon reduction of the future organisation as opposed to costly retrofitting techniques which will be inevitable across the Council Estate, at a later date.

In 2018 CCAG developed and agreed an Energy Management Strategy (EMS) to control energy costs, be compliant with legislation, and promote awareness within Council of mitigation actions reduce the Council's own energy consumption. Two main areas were identified in which Council could aim to improve energy efficiency and reduce its own energy consumption and costs, Council owned property and Council's fleet of vehicles. 37 actions were identified to achieve these aims. The monitoring of this Strategy was last reviewed by internal audit in 2019/20. A lot has changed since the EMS was first developed. For that reason, Audit has been advised that Council plans to move towards a new and more comprehensive Climate Emergency Strategy (CES). A Climate Emergency Forum (CEF) was previously established by Council but is now dormant.

Energy management is only one aspect of the climate change transition process and there are a wider range of factors that Council, as a whole, needs to consider in relation to climate

change. In addition to the largely mitigation actions identified in the EMS Council must consider and quantify what adaptation is required to help withstand and minimize the effects of climate change that are already affecting the Council district.

The NI Evidence Report 2017 outlined many climate change impacts which are relevant to the responsibilities and services delivered by Local Government. The Climate Change Act (Northern Ireland) 2022 (Act) came into force on 6th June 2022 and sets targets for Northern Ireland to reduce its greenhouse gas emissions, including a target for net-zero emissions by 2050.

DAERA co-ordinates the delivery of the Northern Ireland Climate Change Adaptation Programme 2 – 2019-2024 (NICCAP2). The programme had its legal basis within the UK Climate Change Act (2008). NICCAP3 – 2024-2029 now includes key features of the Climate Change Act (NI) 2022 and will assess progress in preparing for climate change across 13 priority areas, integrating with the NICCAP2 priority areas. NICCAP includes specific actions to be undertaken by Local Government including every council having a published adaptation plan by 2024.

Section 42 of the Climate Change Act requires regulations to be made in regard to climate change reporting by public bodies. The Act requires these regulations to come into operation by 6th December 2023. Energy resilience and energy efficiency are key central aspects when considering delivery of specified carbon budgets to be set by DAERA. DAERA launched a consultation, in March 2023, on developing future regulations that will place climate change reporting duties on public bodies. The type of information that public bodies may be reporting to DAERA is likely to include:

- an assessment of the current and predicted impact of climate change in relation to the public body's functions, as a whole;
- proposals and policies, with associated timescales, that the public body is bringing forward for adapting to, or mitigating the effects of climate change; and
- assessments on the progress that the public body has made to implementing their proposals and policies.

All public bodies, including councils, will need to put a framework (clear roles and responsibilities, measured governance and adequate resources) in place, to support the collection and reporting of climate change data, in preparation for when the regulations required under Section 42 of the Climate Change Act (2022) are enacted.

### 3 Risks

This audit will consider what actions are underway within Council in relation to key aspects of the changing climate, consideration of Local Governments responsibility to climate change mitigation and adaptation and any preparation for climate change statutory reporting regulations e.g., Climate Change Act (2022) reporting on net zero emissions which are due to come into operation by 6th December 2023. This will focus on the risk associated with:

- Coordination of climate change activities and statutory reporting requirements for Council under the Climate Change Act (2022).

The audit will also review the arrangements in place within the Council in relation to the Energy Management Strategy, focusing on the main risks associated with:

- Adaption, implementation, and monitoring of the EM Strategy in response to wider climate change obligations

As Council's fleet fuel management was considered by internal audit in August 2020, this assignment will consider how Council is managing any risks related to energy costs in selected Council buildings and for the purposes of this Audit we will focus on:

- Energy costs associated with Community centres (17 Council owned Community Centres – 12 managed by Council and 5 managed by Community Groups)

### 4 Audit Approach

We conducted our internal audit work in accordance with the Public Sector Internal Audit Standards ("PSIAS"). We planned and performed our work to obtain assurance over the operating effectiveness of arrangements in place to address the agreed risks. However, you should not rely on our work to identify all instances of fraud or error which may exist. The responsibility for these matters rest with management of the organisation.

Our audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records

The table below shows the staff consulted with and Internal Audit would like to thank them for their assistance and co-operation.

<b>Job Title</b>
Director of Environmental Services
Head of Infrastructure
Energy Officer
Head of Sport and Wellbeing

## 5 Audit Findings

- 5.1 Risk 1 – There may be a risk that an appropriate framework is not in place to manage climate change issues, including the preparation for mandatory Climate Change Act reporting, leading to unclear climate change commitments and delays in addressing statutory climate change reporting obligations.**

### Issue 1 – Roles and Responsibilities

**a) Observation-** Council has an Energy Officer who was involved in the development of an Energy Management Strategy for Council (2018) and who is consulted on matters relating to energy management and occasionally relating to climate change. We were also advised of a number of initiatives taking place across Council related to climate change. Examples include a project looking at more sustainable options for Council’s fleet of vehicles, tree planting, the use of solar panels on Council buildings, environmental initiatives related to Council’s Community Plan etc. We also note that there are climate change related tenders under consideration in various operational areas relating to developing Energy Strategies & Action Plans, Climate Change reporting etc.

Although Council declared a Climate Emergency in 2020, and there are a number of climate emergency initiatives taking place, this is not happening in a joined-up manner. Climate emergency matters have not been assigned to any individual officer or group of officers.

**b) Implication-** The absence of clear roles and responsibilities in relation to climate change mitigation and adaptation, including the preparation for mandatory Climate Change Act reporting, leads to uncoordinated climate change activities being considered in isolation across Council. This increases the risk of unclear climate change commitments, possible inefficiencies in approach, missing opportunities for economies of scale, possible delays in addressing climate change mitigation and adaptation, being ill-prepared for statutory climate change reporting obligations and possible damage to Council’s reputation.

**c) Priority Rating- 1**

**d) Recommendation-** Council should identify a climate champion (or champions) amongst its Councillors, and SLT should identify, or engage, a climate change officer. This

is necessary to ensure that there is leadership and clear understanding of who is responsible to:

- coordinate identification of Council’s climate goals (re mitigation and adaptation)
- ensure climate goals are interlinked with other Council priorities.
- ensure Council is considering climate change responsibilities attributed to local Councils in legislation and through regional and national initiatives such as NICCAP etc., and
- ensure Council has appropriate mechanisms in place to meet statutory (and possibly voluntary) reporting obligations.

Council should consider developing a cross Council working group to support the climate change officer and to ensure a coordinated approach across Council in responding to the declaration of a Climate Emergency.

**e) Management Response-** Agree. At the SMT meeting on 12 June 2023 it was agreed that Environmental Services Directorate will take the lead on Climate Change matters.

**f) Responsible Officer & Implementation Date-** Aidan McPeake - March 2024

## Issue 2 – Climate Emergency Strategy (CES)

**a) Observation-** As noted in the background section of this report a Climate Emergency Forum (CEF) was created with the ultimate ambition to support development of a CES. However, CEF no longer operates and the development of CES stalled. The aim for 2023/24 (if the draft Business Plan 2023-24 for Environmental Services is agreed) is to take forward actions relating to a CES development.

**b) Implication-** The absence of a Climate Emergency Strategy including details of how Council will manage climate change mitigation and adaptation, leads to uncoordinated climate change activities across Council. This increases the risk of unclear climate change commitments, possible delays in addressing climate change mitigation and adaptation, and being ill-prepared for statutory (and voluntary) climate change reporting obligations.

**c) Priority Rating-** 2

**d) Recommendation-** Council should put in place a plan to develop a CES. The CES should lay out a cohesive strategy on climate change initiatives for the coming years, what

<p>Council plans to do in terms of climate change mitigation and adaptation. The CES should be supported by more detailed and costed action plans.</p>
<p><b>e) Management Response-</b> Agree. Council will put in place plans to develop a Climate Emergency Strategy.</p>
<p><b>f) Responsible Officer &amp; Implementation Date-</b> Aidan McPeake – June 2024.</p>

### Issue 3 – Climate Emergency Plans

<p><b>a) Observation-</b> Council declared a climate emergency in May 2020 has actioned several climate change mitigating actions under the guidance of the Energy Officer and through the Energy Management Strategy. In addition, there are a variety of climate related initiatives in various parts of Council.</p> <p>DAERA co-ordinates the delivery of the Northern Ireland Climate Change Adaptation Programme (NICCAP) which includes specific actions to be undertaken by Local Government including every council having a published climate change adaptation plan by 2024. Currently Causeway Coast and Glens Borough Council does not have an adaptation plan in place. As mentioned in the background section of this report independent assessment of future NICCAP’s progress will be a legal requirement under the Climate Change Act (Northern Ireland) 2022.</p>
<p><b>b) Implication-</b> The absence of an adaptation plan increases the risk of possible damage to Council’s reputation.</p>
<p><b>c) Priority Rating- 2</b></p>
<p><b>d) Recommendation-</b> Council should consider preparing an adaptation plan in line with the NICCAP target of having adaptation plans in every Council by 2024. A Toolkit is available (free) from NI Adapts to all Northern Ireland public sector organisations which would be a good basis for developing an adaptation plan. The toolkit is available here <a href="https://www.niadapts.org.uk/the-toolkit">https://www.niadapts.org.uk/the-toolkit</a></p>
<p><b>e) Management Response-</b> Agree. We will investigate how best to develop an Adaptation plan.</p>
<p><b>f) Responsible Officer &amp; Implementation Date-</b> Aidan McPeake – December 2023</p>



**Issue 4 – Resources for Climate Emergency**

**a) Observation-** As noted earlier the Council declared a climate emergency in May 2020 and has actioned several climate change mitigating actions under the guidance of the Energy Officer and has introduced other climate related initiatives in various parts of Council’s activities. However, Council has not yet developed either an Adaptation Plan or a Climate Emergency Strategy (CES).

The cost of mitigation to reduce emissions or become net zero, or the costs associated with adaptation have not yet been estimated.

**b) Implication-** The costs to tackle climate emergency are likely to be substantial and may increase over time. In the absence of estimated costs to address the climate emergency or even to develop a CES there is a risk that Council will have insufficient financial resources available when it is required.

**c) Priority Rating- 2**

**d) Recommendation-** Council needs to identify and secure funding from existing resources and future national and regional programmes and mechanisms which support carbon reduction, energy efficiency, waste reduction, air quality, biodiversity, climate action partnerships, etc.

**e) Management Response-** Agree. We will investigate prospective funding to support climate change initiatives.

**f) Responsible Officer & Implementation Date-** Aidan McPeake – September 2024

**5.2 Risk 2 – There may be a risk that the Energy Management strategy is not appropriately implemented leading to inefficient use of council resources.**

**Issue 5 – Energy Management Strategy (EMS)**

**a) Observation-** (As noted earlier) Council has an Energy Management Strategy in place since 2018 and some discussion to merge this into a wider Climate Emergency Strategy (CES) has taken place but has not progressed.

Progress against the EMS has been reported as part of updates on individual actions at various junctures to various Environmental Services Committee meetings. The EMS contains 37 actions. We reviewed the latest spreadsheet (May 2023) recording progress against each of the 37 actions:

- 17 actions are noted as complete.
- 5 actions are in the latter phases of a planned number of phases e.g., Action 19 - phases 1-3 out of 4 complete.
- Significant challenges and/or lack of dedicated funding have been noted in the spreadsheet against 13 actions.
- 2 actions are not yet addressed.
- There are no target dates in the Spreadsheet.

It is noted that some of the actions planned in the EMS have been impacted by new legislation and/or technological development meaning they are less relevant, no longer relevant or require adjustment.

The 2022-23 Environmental Services Business Plan outlined plans for the EMS to be reviewed to consider the NI Energy Strategy 2050 Net Zero Carbon Target and aligned to Council CES targets and objectives. As noted earlier a Climate Emergency Forum (CEF) was created with the ultimate ambition to support development of a CES. However, CEF no longer operates and the development of CES stalled. The aim for 2023/24 (if the draft Business Plan 2023-24 for Environmental Services is agreed) is to take these actions relating to EMS and CES forward.

There is currently no summary evaluation of the overall impact or effectiveness of the EMS and the 37 actions it contains.

**b) Implication-** In the absence of an evaluation of the EMS there is a risk that unresolved actions and lessons learned to date are not appropriately considered in any future CES mitigation actions.

**c) Priority Rating- 2**

**d) Recommendation-** An evaluation of the EMS which would include details of what has been successful, what should continue to be pursued, what challenges were faced and what actions are no longer viable, affordable, or relevant should be developed and presented to management and Committee.

**e) Management Response-** Agree. An evaluation of the EMS will be undertaken and reported.

**f) Responsible Officer & Implementation Date-** John Richardson – December 2023.

**5.3 Risk 3 – There may be a risk that energy costs are not consistently managed across Council Community centres.**

**Issue 6 – Community Centre energy costs**

**a) Observation** - Council owns 17 Community Centres – 12 are managed by Council and 5 are managed by Community Groups. Council has Shared Management Agreements in place for all 5 centres managed by Community Groups detailing who is responsible for the various costs associated with the building. We were provided with 3 signed agreements, and we were advised that 2 will be signed following the completion of an ongoing review of utility consumption and costs. Another SMA is being developed for a 6<sup>th</sup> Community Group to take over the management of another Council owned Community Centre.

A significant challenge in recent times for Community Groups managing Council Community centres has been the risk/uncertainty around energy costs while balancing the requirement to keep facility use prices at an affordable level for users. Council is in the process of consulting with Community Groups on this issue and are reviewing the energy usage/costs for each centre, and adjusting these for elements separate from the Community Group e.g., use of floodlights at one centre, hired out changing rooms at another etc. Based on the outcome of this analysis (currently being updated to reflect actual 22/2023 energy costs) options for Council paying a subsidy to these groups, towards energy and fuel costs will be presented in a report to Councillors in September 2023.

A lot of coordination across Council was required to obtain all the relevant information for this analysis to ensure it was useful and accurate.

**b) Implication-** In the absence of regular review and update of energy costs and SMAs there is a risk that subsidies become too low or overly generous in the future and/or that SMAs become outdated or ineffective in the future.

**c) Priority Rating- 2**

**d) Recommendation-** Council officers should ensure that an annual review of SMAs and energy costs for Community Centres is carried out. Now that a process has been developed to collate energy usage information for these buildings, to inform subsidies, this should be provided automatically to the respective operational officer in Sports and Community on at least an annual basis and trigger a review of subsidies and SMAs.

**e) Management Response-** Officers in Sport & Community Facility Management and Community Development will agree a timeframe for review of the agreed subsidy system for SMAs / Community Centres. In conjunction with Council's Energy Manager such a review will be timed to allow for adjustments of the subsidy if required and consultation with Community Groups – no later than one year from the implementation of the agreed subsidy to allow for accurate analysis of previous year's energy costs.

**f) Responsible Officer & Implementation Date-** Head of Sport & Wellbeing, on behalf of Community Development. Working Group to include SCFM team, Community Development Manager & Energy Manager. First meeting to be timetabled once Council approves proposed subsidy system (Quarter 3, 2023/24) with implementation of subsidy at an agreed time with SMA's, but no later than April 2024.

## Appendix A – Assurance Ratings

The framework for audit assurance is set out in DAO 07/16 and summarised below:

Level of Assurance	Definition
Satisfactory	<b>Evaluation opinion:</b> Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of the system objectives.
Limited	<b>Evaluation Opinion:</b> There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to system objectives not being achieved.
Unacceptable	<b>Evaluation opinion:</b> The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

The priority ratings are also set out in DAO 07/16. They are intended as guidance to help prioritise the impact and implementation of each finding identified, and recommendation made:

### Key:

Priority	Corresponding level	Definitions
1	High	Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.
2	Medium	Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.
3	Low	Failure to implement could lead to an increased risk exposure.

**Appendix B – Summary of Controls Reviewed**

Risk	Key Areas & Controls Tested
<p>There may be a risk that an appropriate framework is not in place to manage climate change issues, including the preparation for mandatory Climate Change Act reporting, leading to unclear climate change commitments and delays in addressing statutory climate change reporting obligations</p>	<ul style="list-style-type: none"> <li>• Council has a nominated officer(s) responsible for coordinating climate change matters across Council’s Directorates and operations e.g. liaising with DAERA on the ongoing consultation regarding developing future regulations that will place climate change reporting duties on public bodies, advising on climate change initiatives under consideration, ensuring synergy of climate change initiatives across Council etc.</li> <li>• Council has a cross Council plan in place to address climate change matters, coordination of climate change activities and statutory Climate Change Act (2022) reporting.</li> <li>• Council has clear objectives and targets in relation to climate change and its Management and staff clearly understand their responsibility in this regard.</li> <li>• Climate change plans and initiatives are supported by appropriate budget estimates.</li> <li>• Climate change plans and initiatives are subject to appropriate governance arrangements.</li> <li>• Council has considered the costs of climate change activities &amp; reporting and identified appropriate funding.</li> </ul>
<p>There may be a risk that the Energy Management strategy is not appropriately implemented leading to inefficient use of council resources.</p>	<ul style="list-style-type: none"> <li>• Performance against the targets and planned activities in the EMS were/are monitored and reported upon on a periodic basis.</li> <li>• The effectiveness of the EMS has been assessed and reported to management and Council.</li> <li>• The EMS has been reconsidered to reflect wider climate change obligations.</li> </ul>
<p>There may be a risk that energy costs are not consistently managed across Council Community centres.</p>	<ul style="list-style-type: none"> <li>• Council has an agreed policy on managing the energy costs of all 17 of Council owned Community Centres</li> <li>• Council has a clear policy or plan which identifies ways to make better decisions concerning energy use and consumption at Community Centres</li> <li>• Council has a standard/template agreement in place with Council owned Community Centres which are Community Managed.</li> <li>• The agreement covers responsibility for energy efficiency and energy costs.</li> <li>• The relevant community organisations have signed up to the agreements.</li> </ul>

## Appendix C - Limitations and responsibilities

### Limitations inherent to the internal auditor's work

We have undertaken this review subject to the limitations outlined below:

#### Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

#### Future Periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- The design of controls may become inadequate; or
- The degree of compliance with policies and procedures may deteriorate.

### Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

