

NOTES OF MEETING

LIVERPOOL CITY REGION CLIMATE PARTNERSHIP

Thursday 23rd November 2023, 4.00pm

Attendees:

Chair Gideon Ben-Tovim	Nature Connected, Climate Partnership
Rachel Waggett	LCRCA, Principal Environment Officer (meeting admin)
Tracy Gordon	LCRCA, Lead Officer, Housing Partnerships
Sean Maher	LCRCA, Place & Net Zero Policy Officer
Laura Ward	LCRCA, Environment Officer
Archie McCluskey	LCRCA, Environment Officer
Nick Thompson	CPRE – The Countryside Charity, Sefton Coastal Landscape Partnership
Cllr Liz Grey	Wirral BC
Mike Wolffe	St Helens BC
Megan Bennett	Knowsley BC
Jeni Brittlebank	Environment Agency
Owen Thorne	Merseyside Pension Fund
Beth Breen	Merseyside Pension Fund
Cllr Laura Robertson-Collins	Liverpool City Council

Apologies received from:

Vice Chair Cllr Gill Wood	Wirral BC, LCR Deputy Portfolio Lead Net Zero & Air Quality, Climate Partnership
Nicky Crosby	Extinction Rebellion
Vicki O’Kelly	University of Liverpool
Peter Owen	Energy Project Plus, Cool Wirral Partnership
Cllr Paulette Lappin	Sefton Council
Mike Cockburn	Wirral Council
Paul Nolan	Mersey Forest
Andrew Evans	Friends of the Earth
Andrea Watts	Sefton Council
Colm Bowe	Liverpool John Moores University
Dave Sweeney	Cheshire & Merseyside Healthcare Partnership

1. Welcome and introductions/ apologies for absence

GBT (Gideon Ben-Tovim) welcomed attendees and attendees introduced themselves as above.

2. Declarations of interest

There were no declarations of interest noted.

3. Notes of last meeting for agreement

Minutes from previous meeting agreed, noting one change from Nick Thompson ‘Conflicts not contradictions’ in minutes.

4. Matters arising

- Matter 1 – Nick Thompson – Cites a good example of contacts within the LCRCA who were able to put him into contact with the Local Authority representatives who are working on EVs.

5. Merseyside Pension Fund – Climate Strategy (*Owen Thorne and Beth Breen, Merseyside Pension Fund*)

- Owen Thorne – Shares slides
- Defined benefit pension scheme which is open to new members and accrual, which is relatively unusual.
- Highlights local LCR investments such as Wirral/Liverpool Waters, as well as investment share in different sectors, but also that Merseyside Pension Fund (MPF) invest globally.
- Merseyside Pension Fund:
 - Is part of CA100+ - an investor engagement initiative committed to engaging with the most carbon intensive companies and pressuring them effectively to develop net zero targets and transition plans.
 - Has pioneered a new low carbon index fund, which is a new kind of targeted low carbon fund incorporating a different kind of methodology to shift assets away from highly carbon intensive exposures towards companies with growing green revenues.
 - Has been expanding its portfolio into the infrastructure asset class, e.g.: invested £50 million into a large portfolio of hydroelectric power stations in Portugal
 - Committed to TCFD statement in financial reporting
 - Has a low carbon fund as part of a climate risk strategy
- MPF has calculated the footprint of around 55% of their assets portfolio
- Significant part of emissions fall into scope 3 which reflects the nature of the global investments across the market, meaning that there is exposure to the full spread of market risk in terms of climate exposure.
- MPF has charted portfolio emissions against low carbon pathways in-line with the Paris Agreement
- Actions to tackle climate risk included in the MPF action plan
- MPF recognise that there's a huge capital requirement to achieve the goals under the Paris Agreement, so MPF is interesting in understanding their role.
- MPF has an overall net zero target for 2050 but have an interim target to reduce scope 1 and 2 emissions by 50% by 2030 compared with a 2019 baseline. This will have implications for who is included or not in the future portfolio of investments.
- MPF have a 2nd target, which is to require all assets in scope to be on the 'below 2 degrees warming' trajectory by 2030.
- Working on another goal to set a high level goal to increase overall investment in climate solutions and to work with more partners in the industry.
- MPF aim in 2024 to look more into opportunities to invest in natural capital and how biodiversity and natural capital loss overlaps and intersects with analysis of climate risk.
- MPF will be looking also at what assets they need to exclude from their portfolio, which is never ideal as it effectively divests your responsibility for the emissions and doesn't address the underlying problem, but must happen in order to achieve ambitious targets.
- Other actions involve trying to engage the banking sector to promote real change in the economy. Successes have been with HSBC and Barclays who have filed shareholder resolutions which are effective in moving these businesses faster and further in this space to a point where they have ambitious commitments in terms of what they will finance.
- Approximately 5% of the MPF is invested into the climate solutions and renewable energy space.

Questions:

- Cllr Liz Grey – How vulnerable is all the ESG work to political change, such as changes to your committee?
- Owen Thorne – Now chaired by a Labour Councillor but has changes political hands many times over the years. The committee has however had a balanced political makeup at all times and it has not been the case that the committee has had a complete change of strategy upon experiencing political change of leadership, which is done deliberately to ensure continuity of

approach. ESG has become a more politically involved question so it is important to be more widely aware of national or global discourse, but equally MPF is accountable to stakeholders and democratic accountability is woven into the MPF governance model.

- Laura Robertson-Collins – Notes conflict of interest as a deferred member of the MPF.
- Nick Thompson – Also a beneficiary of the MPF. Is the MPF a possible source of finance for the 6 Local Authorities and the CA to meet their climate change targets?
- Owen Thorne – MPF in active discussions with a number of partners across the LCR, including the CA, about where MPF can be supportive. MPF is not a grant giving body but rather makes investments, so for stakeholders, the benefit of the investment can be defined more broadly in terms of impacts such as on the local economy and on health. MPF have extensive contacts and networks. Certainly natural capital solutions, having a real kind of place based dimension to them, are definitely on the radar.

6. Public sector buildings update (Tracy Gordon, LCR Combined Authority)

- Tracy Gordon – Shares slides
- Presents baseline data on LCR buildings emissions:
 - o Public buildings are only around 2% of our emissions
 - o Housing is around 2 thirds of all buildings emissions
 - o Drop-off in emissions largely due to grid decarbonisation.
- The listed pots of money on the slide totals around £100 million and has to date delivered decarbonisation of around 5000 homes, with around 5000 more homes planned to deliver energy efficiency improvements on.
- The LCR has delivered 15% of the outputs nationally in the Sustainable Warmth Fund programme, despite having only 2% of England’s households (2850 out of 18,000 homes nationally).
- HUG2 funding available for around 500 homes and eligible homes must not be connected to the gas network. Only 96 registered for improvements so far so here is a link is for those who think homes may be eligible for HUG2 funding: <https://www.liverpoolcityregion-ca.gov.uk/home-upgrade-grant-two>
- Though a local contractor, Eco G, has been appointed who are based in Sefton to deliver that, if you think you know anybody or any groups that might be interested, then the CA would love to support by spreading the message.
- Tracy’s team has quantified emissions of public buildings across all 7 authorities in the LCR.
- Low Carbon Skills Fund money to examine 52 public buildings to see what is needed to get them to net zero led into bidding for the Public Sector Decarbonisation Fund.
- £34m grant application submitted under the Public Sector Decarbonisation Scheme (PSDS). Outcome known in early 2024.
- In discussions with the UK Infrastructure Bank who have a goal to invest in net zero carbon initiatives. They are looking to provide remaining 12% of funding needed, should the PSDS bid be successful.
- Part of returning the funding will be by including a photovoltaic element into most of the schemes, which will generate savings and pay back the 12% investment, probably over a 10 year period with a very low interest rate.
- Hoping that the bid is successful to enable a strong partnership with the UK Infrastructure Bank and more ambition towards getting the net zero agenda moving faster in the future.

Questions:

- Cllr Laura Robertson-Collins – Thanks Tracy and her team for the hard work.
- Gideon Ben-Tovim – What would the decarbonisation of St George’s Hall look like?
- Tracy Gordon – Currently unsure about St George’s Hall but using the Cunard Building as a similar example: it is a listed building heated by gas and there is not much that can be done to the fabric of the building. This building will join the Mersey Heat Network which will extend south from the Liverpool Waters area with an offer to join Mann Island to this network. The CA has won an

award at the National Energy Efficiency Awards for the £1.9 million retrofit of the CA maintenance depot in Wallasey.

- Gideon Ben-Tovim – Tracy, could you tell us a little more about the UK Infrastructure Bank and how it may be similar to the MPF?
- Tracy Gordon – Similar in the way that it is the same type of capital. The UK Infrastructure Bank is a government backed bank and obviously they're here to fund infrastructure, but they consider all the green infrastructure to be appropriate. So it's not just roads etc. The CA is having a number of conversations with them, looking at whether or not they'd invest in green buses, for example. They've actually looked at whether or not they might invest in some of the new heat networks that we're investigating through some feasibility studies as well at the moment.
- Owen Thorne – Relatively recently, the UK Infrastructure Bank has stepped-up its activities as a lender to these kinds of projects and the MPF is investing alongside them in a number of quite big projects, e.g.: the UK Solar Fund. MPF interested in taking part in a blended investment approach in a similar way to the UK Investment Bank.

7. AOB

- Nick Thompson – 13th November workshop at Liverpool University where various in-depth papers were presented. Wonders whether any papers were being circulated following this?
- Nick Thompson – Are there any other major ethical investors that we could be talking to for funds? Might be useful on a future agenda if we can find others.
- Owen Thorne – MPF happy to support this.
- Rachel Waggett – Wednesday 29th Scaling up to Net Zero event, hosted by the North West Net Zero Hub at the World Museum. Notes will be circulated afterwards, as well as videos.
- Rachel Waggett – Wirral event on Tuesday 5th December called Cool Yule in the Williamson Gallery and Museum in Birkenhead. <https://www.floralpavilion.com/event/cool-yule-climate-action-across-wirral/>
- Laura Robertson-Collins - Liverpool City Council moving forward with Citizen's Jury on Climate Change. No further details yet.
- Rachel Waggett – Spatial Development Strategy consultation going out for consultation on 24.11.2023 and is open until February. The consultation is here: <https://www.liverpoolcityregion-ca.gov.uk/sdsengagement>

8. Next Meetings

Thursday 11th January 2023 4pm – 5.30pm

Thursday 29th February 2023 4pm – 5.30pm

Thursday 21st March 2023 4pm – 5.30pm