

Adaptation Reporting Power
Climate Ready
Defra
Area 5B
Ergon House
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12 February 2013

Dear Sir or Madam

Government's proposed approach to the second round of the Adaptation Reporting Power (ARP)

I write to respond to your consultation on behalf of the London Climate Change Partnership (LCCP), following a discussion at our steering group meeting and subsequent written collaboration between members. In particular, we would like to highlight the challenges raised by adaptation planning and reporting in a complex urban environment such as London.

Q1: If you are planning to report, when would be the most appropriate time for your organisation to submit an adaptation report to Government?

As a partnership of organisations, some of our members will be reporting and others won't. We welcome the more flexible approach to timescales, which will allow organisations to report and update at times which are relevant to their activity. The ARP guidance will need to reflect the purpose and value for responding organisations and Defra in terms of determining the most appropriate time.

In particular, we see the updating facility for those who have already reported as particularly useful in assessing progress to the UK's adaptive capacity. However, this benefit can only be realised if organisations are able to see the usefulness of the process from their first round of reporting. What impact the reports will have on national assessment of climate risks, or national adaptation planning, is a crucial question: we had feedback from some stakeholders that they had expected the first round of reports to be incorporated into the CCRA and the NAP, and did not feel that they had been, but that they had simply been collected and published. This perception of failure to meet expectations is a risk to repeat reporting, and will need to be addressed when Defra communicates the new arrangements.

Q2: How can we implement a *voluntary* approach most effectively?

Implementing a voluntary approach will require a clear articulation of the value of reporting and intended purpose: does this include evaluation of the ARP report and / or sharing of the reports? The sharing of experiences about the benefits of going through the reporting process will also be a way of encouraging other organisations to report.

LCCP does have concerns that a voluntary approach will cause a drop in the number of organisations reporting to Government. This may result in a reduction in the benefits listed in the appraisal of the first round of reporting, such as better understanding of interdependencies and barriers. However, we agree that it is

important that Adaptation Reporting does not become a 'tick box' exercise, and voluntary reporting with more flexible guidelines will allow organisations which value the activity to report in a way which suits their needs.

We suggest that the risks described above can be tackled by proactively engaging with the organisations involved, providing clarity on the process and emphasise the opportunity for benefits, which include: protection of organisational reputation; more resilient operations; enhancement of the organisations risk register; and contributing to development and growth in the context of addressing the existing adaptation deficit and projected changes. The voluntary approach could usefully be repositioned as managing climate risk **and** reporting. The reporting itself has benefits in terms of communication, transparency, and government oversight and intervention. But there is a greater opportunity here: the process of assessment that must happen prior to reporting allows organisations to be aware of the issues, to review their risks and vulnerabilities and to plan for doing something about the priority issues. Reporting back on how that's going is an additional benefit to this important activity. In addition to providing the opportunity to consider adaptation in the context of addressing risks, the ARP could also be a vehicle to motivate organisations to act on adaptation in a regulatory framework that is currently driven by consensus and cost saving.

The organisations that are responding through other mechanisms, such as Local Authorities via Climate Local and Businesses via the Carbon Disclosure Project will still require engagement and support if they are going to respond in significant numbers. This will require resource: is this currently accounted for?

Q3: Do you agree that the criteria for identifying eligible authorities are reasonable? Are there others that might be useful?

The 'no duplication' requirement is sensible, but if the ARP is intended to provide a useful overview of the readiness of the UK's critical systems, there must be a mechanism by which the various other reporting systems can be drawn back together and compared with one another. Will there be resources in place to support this activity? Providing this link between reporting systems could encourage responses through the potential value added.

Q4: Are there any other sectors which you believe should be included?

The Venn diagram on p16 of the consultation document shows Ofsted and the Post Office as falling outside the circle of vulnerability to climate change. Given their role as a major regulator and employer respectively, with influence over a large number of staff, estates and services that will be vulnerable to climate risks it is unclear why they have been excluded.

As the ARP is proposed now on a voluntary basis, we suggest that the scope could be expanded somewhat to reflect its role as an opportunity rather than a duty. The consultation document outlines its approach as *identifying those authorities that are vulnerable to the projected impacts of climate change as according to the UK's Climate Change Risk Assessment (CCRA)*. While there is a core of organisations that are of vital importance to the CCRA's priority risks, there are also many organisations that may be interested in reporting and which could provide a fuller and richer picture of the UK's adaptation efforts if included. We suggest that the lower-priority organisations such as these could have less resource put into proactively engaging them on the ARP, but still be welcome to report if they wish.

Q5: Are there any authorities that the Government proposes to invite to report which you believe should not be included; or any authorities which have not been included which you believe should be?

We believe that voluntary reporting from interested organisations will be beneficial, provided that expectations of the outcomes from the process are managed up front (as touched upon in Q1).

Q6: Given the importance of the Telecoms Sector, what sorts of organisations should Defra engage as part of the ARP process?

The telecoms sector is important. As a first step, Defra should specifically address the telecommunication risks as perceived by other sectors: address the interdependencies.

An area where Defra could encourage greater participation is in the telecoms retail area. Although there is an increasing resilience in the infrastructure to weather (climate) events this does not necessarily extend to retail where there is likely to be common reliance on the same infrastructure but which is not visible. This potentially means that an organisation with multiple supply options for telecoms provision could see all of them fail with the loss of a single common piece of infrastructure.

Another area that could usefully be brought into the process is resilience of telecoms to the impacts of space weather i.e. loss of satellites and knock on consequences for business delivery.

Q7: What role, if any, should joint reporting across sectors play in the second round strategy of the ARP?

As the review identified greater awareness of interdependencies as a benefit from the first round of reporting, this could provide an initial mapping of the areas where joint reporting could be useful. Reporting organisations could provide joint updates on those issues that are specifically shared with others, rather than drafting an entire joint report, which may have elements that are better left separate.

Joint reporting has some merits but it can result in loss of granularity both to participating organisations and to the Government. Such reporting also smoothes out regional differences and customer preferences (which the water sector, for example, is required to take into account). In addition, for organisations who contribute to joint reporting there will be additional costs as they still need to undertake the assessment work to understand the impacts of climate change on their activities.

Q8: How would you identify authorities to report jointly, for instance on a spatial basis?

Spatially-based joint reporting is one basis that can be appropriate, but it is also important to consider service, social and environmental systems as bases that may be more appropriate in some cases.

We recognise that the decision to make adaptation reporting voluntary, and to allow organisations to report through other mechanisms, is part of a package of measures by government to reduce regulatory burden. However, as a partnership of organisations concerned with maintaining and improving London's resilience, there are some considerations we feel we must highlight as crucial:

1. London is more vulnerable due to its size and density, and strategically more important in a changing climate. Our capital covers just over 600 square miles, and has a growing population of 8.1 million. London's economy contributes over 21% to the UK's GDP, it is the major national hub for transport, the base for Government and in population terms the densest part of the UK.
2. London is managed by 33 authorities, which have different political and local priorities. But for tackling issues such as the Urban Heat Island, a strategic cooperation is needed: if some Boroughs act and their neighbours don't, their efforts can be negated. We are concerned that the 'Duty to Cooperate' in its current form does not provide adequate mandate for these authorities to work together on issues such as climate risk.
3. Loss of function of the central business district in London during a prolonged heat wave, or any other extreme weather event, causes a huge cost to the economy: employers lost an estimated £154M per day in productivity during one week of the July 2006 heatwave, due to travel disruption and staff arriving late.¹ It is estimated that work levels dropped by almost a third when temperatures topped 30°C. And when temperatures rose to 35°C on 19 July 2006, it is estimated that UK businesses lost £119M through absenteeism in a single day.²

In a local government world of limited resources and new local priorities is this a risk that Government is willing to take for London? Last year we were weeks away from stand pipes, and the year before that we had mini-floods in key areas. We have recently been hit by several episodes of snow which halted business and services, affecting airports and rail networks, and in 2003 we had a heatwave that killed 600 people in London and reduced productivity. Extreme weather is already an issue in London and there are challenges it throws up that need to be tackled strategically, across local authority boundaries. Often there is not one clear actor that can solve the issue, but many, each of whom have a small part to play. This lack of clarity over responsibility, combined with a lack of legal requirement, leads to inaction. Most local authorities in London still cover aspects of adaptation, but this tends to be at the emergency planning end of the spectrum, which is reactive, not proactive. LCCP continues to work with Boroughs, providing a forum to discuss London-wide adaptation issues, but we've had feedback from local authority members that their ability to act is hindered by the lack of a Government mandate.

We believe that while it is important to support localism and local decision-making, there must be an overarching regard for national issues of public safety, prosperity and wellbeing.

Q9: Can joint reporting play a role in addressing interdependency risks?

Yes, as touched upon in Q7 we believe it can. At the recent Climate Ready Infrastructure Operators' Forum, some of our members heard proposals from a number of speakers, including Dr Nicola Ranger of the London School of Economics, which supported joint approaches to making business decisions in times of uncertainty. LCCP believes that while there is no single approach, there is value in a

¹ Centre for Economics and Business Research, as cited in the City of London Corporation Climate Change Adaptation Strategy, 2010.

² Occupational health provider Active Health Partners (AHP), as cited in the City of London Corporation Climate Change Adaptation Strategy, 2010.

number of different approaches to collaboration which address the different circumstances and levels of uncertainty faced by organisations.

We believe that this approach is useful, and support the formation of a working group to consider the scope and nature of efforts within the Forum on developing a consistent approach.

Q10: What, if any, help, guidance and support might you as a Reporting Authority want from the Climate Ready Programme?

LCCP believes that the Climate Change Partnerships, and Climate UK, have a role to play in encouraging organisations to take part in Adaptation Reporting, and see the process as not only a way of assessing the vulnerabilities, resilience and adaptive capacity of London and the UK, but also as a way of gathering case studies and promoting cross-sectoral learning and sharing.

Q11: Do you agree with the additional situations in which Reporting Authorities may be asked to report? Are there any others that you can suggest?

We generally support this. However, there needs to be further consideration about what constitutes poor performance e.g. decisions to adopt a 'respond and recover' approach which are acceptable to the cabinet office but may not meet the aspirations of other stakeholders.

Q12: Do you agree with the analysis of costs and benefits in the attached Impact Assessment and the methodology used? Are there any additions that you would make? Are you aware of any data or evidence that could assist in quantifying any of these costs or benefits?

The costs and benefits are more robust than for the first cycle of reporting but probably still represent an underestimate of the underlying cost.

The assumed number of new reporting authorities responding voluntarily may be overstated at 83 per cent. In addition, the number of first round reporters may also be reduced where joint reporting is adopted.

I would like to thank you for the opportunity of responding to this consultation, and please feel free to contact us if you would like clarification on any of these points.

Yours faithfully



Juliette Daniels
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London Climate Change Partnership