

Net Zero Carbon (NZC) 2024 Annual Report for Diocesan Synod

(Prepared in February 2025)

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Steve Collins, NZC Programme Manager

Executive Summary

This report begins with a reminder of theological and missional reasons for why we are working on this theme, and the commitments already made by our Diocesan Synod and General Synod.

The report then provides headline findings of the first ever Annual Carbon Emissions Reports for Guildford prepared by the National Church Office. It explains how, whilst the apparent rise in emissions in 2023 appears disappointing on first reading of the reports, the amount and quality of the data significantly increased in 2023 and hence the 2023 emission figure of 8,573 tonnes should be seen as a re-baselining of our diocesan carbon emissions.

The rest of the report particularly focuses on 'process' and building the necessary base of understanding and motivation. This focus is very intentional, bearing in mind that the programme was in a 'start-up / scale-up' phase in 2024, particularly with regards to the Parish workstream. The NZC Programme has been set up with a strong emphasis in gathering good data, identifying learning, and sharing that learning. This is reflected in the new systems and processes established. This mirrors the approach promoted by the National Church of England Route Map to NZC, progress towards which our diocese reports each year.

Progress in implementing the NZC strategy in 2024 is set out focusing on:

Schools (32% of our overall diocesan carbon footprint)

In 2024, the implementation of our Public Sector Decarbonisation Scheme (PSDS) funded project continued. This is now installing Air Source Heat Pumps (ASHPs) in 11 schools and in the last 12 months involved a redesign due to the need to completely re-cost the project. Despite having to deal with significant challenges of administering high compliance government funding, and other emerging pressures across the schools portfolio (eg RAAC), the project is on target for completion in 2025. The project generates immense learning which positions us well to manage similar funding streams in future.

Parishes (church and church hall buildings account for 33% of our overall carbon footprint)

Heart, minds and wider missional considerations - During 2024, we saw a 25% increase in the number of parishes with Eco Church awards, and within this a 56% increase in those with the silver award. There was an increased incorporation of Creation Care and NZC-related training into our programmes for training for Clergy, Ordinands and Lay Ministry. There was also a deepening realisation of how Creation Care and NZC work can enable wider missional objectives, especially with Young People. More learning and evidence is required on how to practically realise this potential opportunity.

Parish buildings – the NZC Team continued to build a bank of data on which to base future decisions, improving on already high parish EFT submission rates. 36 energy audits were complete for parishes with the highest emitting buildings, providing recommendations which will inform parish NZC action plans. The NZC team is accompanying and supporting these parishes through visits, and helping to gather and share learning. Grants totalling in the region of £150k were secured from the National Church through the 'Quick Wins' and 'Demonstrator' initiatives. Through our relationship with Surrey County Council we supported parishes to apply for UK government capital funding, with two parishes securing grants totalling £295k.

Vicarages and other DBF residential properties (23% of our diocesan carbon footprint)

'Energy Assessment Reports (EARs)' have now been obtained for 120 properties (as part of Quinquennial Inspections). These provide detailed data on what is required in each property to reach NZC (and costings). 'Easy win' NZC work (eg improving insulation) has been undertaken as standard on properties in vacancy and £50k of funding has been secured from the National Church for a clergy housing 'Demonstrator Project'.

Church House Guildford Office

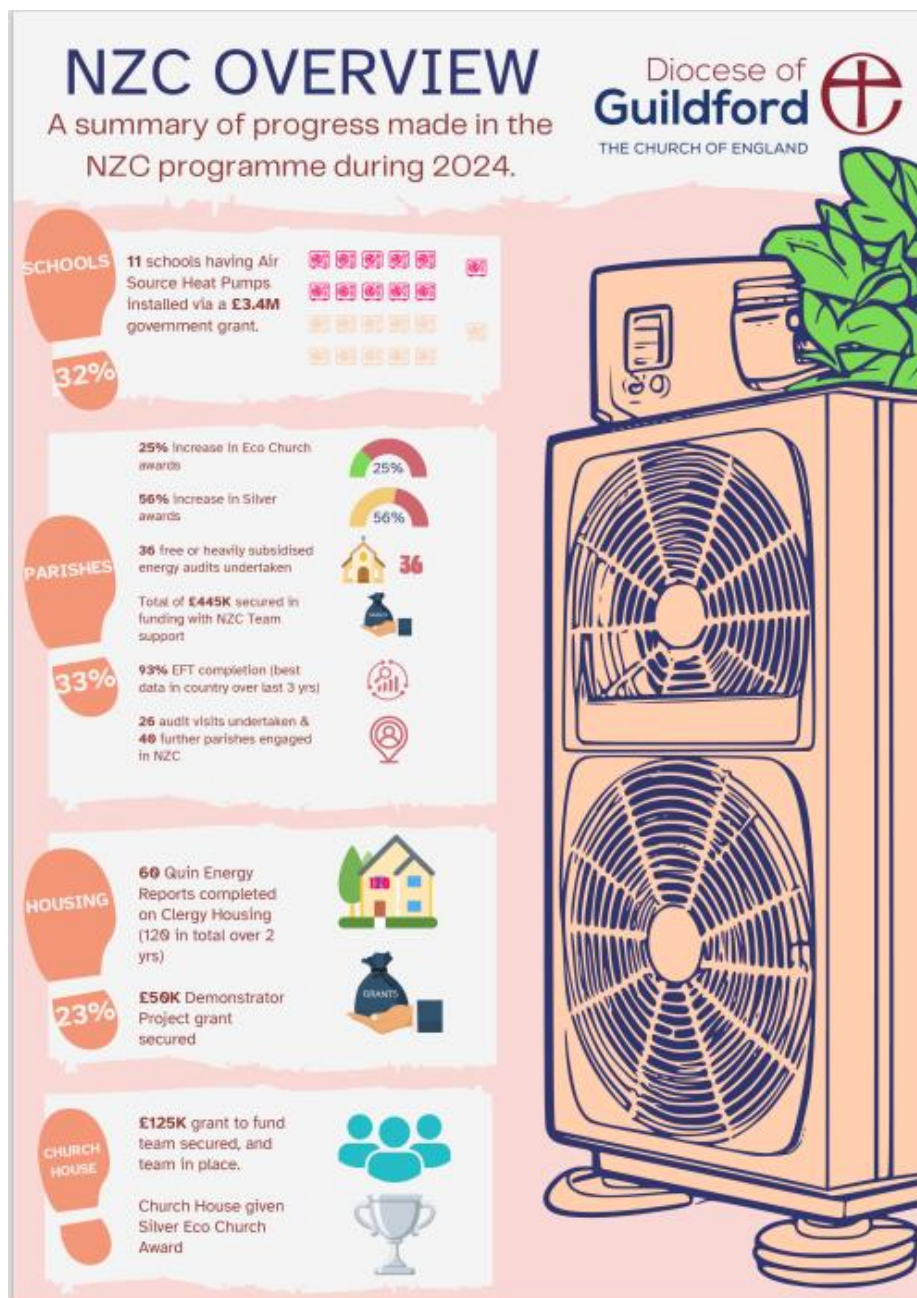
Building works at the Stag Hill office will ensure the new office is as energy efficient as possible within budgetary constraints, and in 2025 we expect to achieve an Arocha Eco Diocesan Office Silver award.

Throughout 2024 the NZC Steering Group (a sub-committee of Bishop's Council) has met on a quarterly basis to provide oversight of the programme, including the development and implementation of its delivery plans to meet agreed Key Performance Indicators.

NZC Team reached full strength in September '24, as per the structure stipulated in the NZC Strategy approved by Diocesan Synod. A £112K grant from the National Church supports most of the roles. Advantages of sharing our NZC Programme Manager across 3 dioceses have become increasingly evident throughout the year.

This report concludes by setting out our focus for 2025 which will include:

- ~ Embedding ownership of NZC with school leadership teams, and how our future NZC fundraising efforts will be shaped by the schools' own Carbon Action Plans;
- ~ Parishes – enabling more parishes to develop their NZC action plans with the diocesan NZC Team enabling increased leverage of external funds to support parishes' capital works;
- ~ Increased collaboration with the DBF Mission Team to strengthen the way that Creation Care and NZC work enables our wider TCTL missional aims.



1. Background – a brief reminder

'This programme of work is not something to be added to mission, evangelism and worship. It is part of our mission, evangelism and worship because Christian discipleship is lived out in creation care.' **Bishop of Norwich and Church of England Lead Bishop for the Environment** (Extract from the National 2024 NZC Impact report).

The Theology and Missional foundation of our NZC work

This was set out in the 2023 Annual NZC Report and remains unaltered (see Appendix 1), shaping our motivation for all we do in this area of work and how it interacts with and enables other areas of our wider diocesan TCTL strategy.

National Church – General Synod

General Synod voted in February 2020 for the whole of the Church of England to achieve Net Zero Carbon (NZC) by 2030. The vote recognised that the global climate emergency is a crisis for God's creation and a fundamental injustice.

A plan was then made – the 'Route Map' - setting out how to get to NZC. The Route Map, was approved by General Synod in July 2022.

The Route Map acknowledges that *'the 2030 target is hugely ambitious, but the process is as important as the target. Every month or year that we delay our progress towards NZC will lead to suffering and even death for our human neighbours and the rest of God's creation.'*

Guildford – Diocesan Synod

In its meeting on 14 November 2020, Diocesan Synod agreed to create an action plan for NZC by 2023. In 2022, the diocese employed a consultant to create a NZC strategy which was then agreed by Bishop's Council on 17 October 2022. Appendix 2 provides an outline of the approved NZC Strategy.

The Diocese's refreshed strategy - "Transforming Church, Transforming Lives" – included NZC as a specific strategic area of work.

2. Annual Carbon Emissions Report

For the first time, in 2024, the National NZC Programme has employed an external specialist Statistical consultancy firm to undertake in-depth analysis of each diocese's Energy Footprint Tool (EFT) submissions and provide a diocesan Annual Carbon Emissions Report (for data provided covering 2022 and 2023).

The headline annual emissions for the Diocese of Guildford from the two annual emissions report are set out in Figure 1.

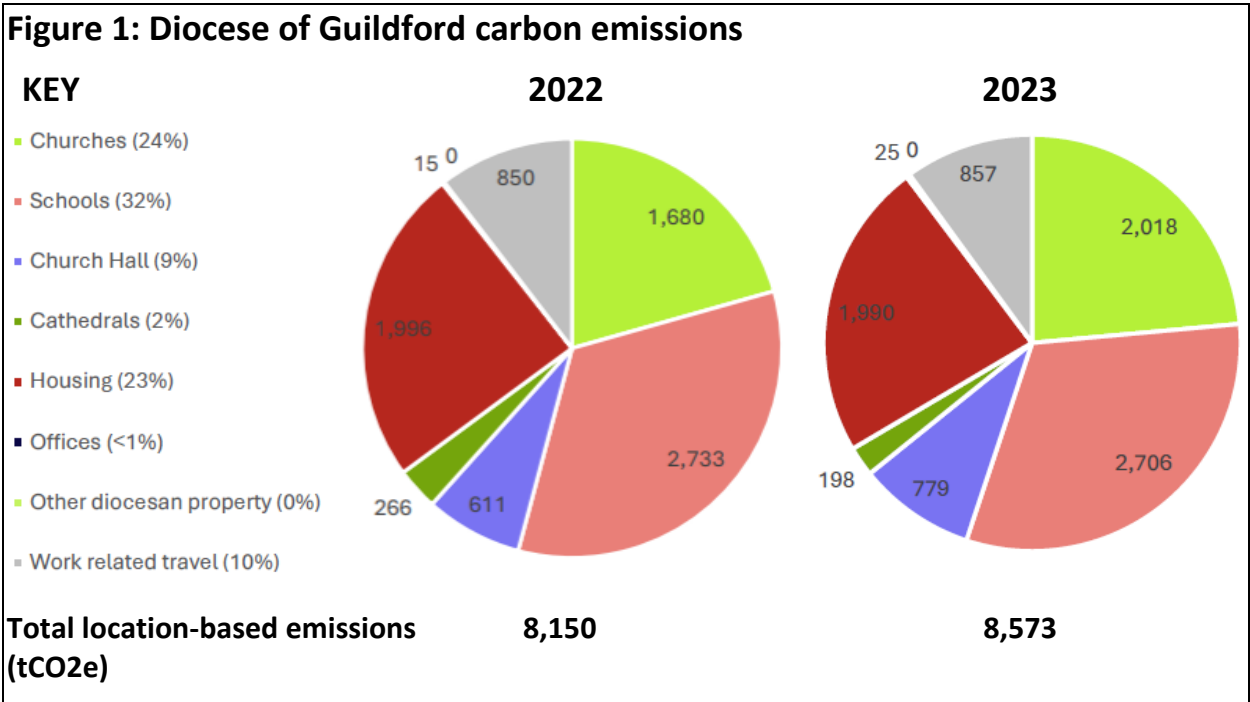
The Energy Footprint Tool (EFT)

Over the life of the NZC strategy implementation, the EFT (part of the national Parish Returns platform) will be the principal means for measuring the baseline emissions and then our progress towards the 2030 target of Net Zero Carbon. The EFT collects emission data from across all the main carbon emitters in our diocese, namely:

- ~ Our Church of England Schools
- ~ Our Parishes (their buildings)
- ~ The Cathedral
- ~ Vicarages and other DBF residential properties
- ~ The CHG office and our DBF work related travel

The apparent rise in emissions in 2023 appears disappointing on first reading of the reports. However, we would endorse the caution expressed by the specialist consultancy firm and National NZC Programme Manager when briefing diocesan NZC Teams on the reports because:

- ~ The amount and quality of the data significantly increased in 2023 and hence the 2023 figures should be seen as a re-baselining of our carbon emissions;
- ~ The impact of diocesan NZC programmes will not be seen in these figures. Guildford’s NZC team was not established until 2024 and the full team was not in place until September’24. Furthermore, as per the approach set out in the National Route Map to NZC, activities in the current trimester are primarily focused on ‘hearts and minds’ (raising awareness and changing attitudes), gathering data on which to base future decisions, and undertaking small scale capital decarbonisation projects (especially for the purpose of learning);
- ~ In a long term programme such as this, “small ups and downs cannot convey as true sense of long term trends”.



3. Progress during 2024

3.1. Schools Workstream

Our schools buildings account for 32% of our overall diocesan scope 1 and 2 carbon emissions¹.

Improving our data to inform future allocation of resources

During 2024, we were able to support 98% of our in-scope schools to submit their energy usage data into the EFT platform. This compared to just 50% in 2023.

¹ According to the 2023 Carbon Emissions Report for the Diocese of Guildford produced by the National NZC Programme.

Headline achievements of the Public Sector Decarbonisation Scheme (PSDS) project in 2024

The context at the beginning of 2024

We had secured a grant of £3.7M from the Public Sector Decarbonisation Scheme (PSDS) to install Air Source Heat Pumps (ASHPs) in 22 schools. However, the budgets for our grant application were done prior to the cost of living crisis and did not include detailed DNO² costs.

Hence, at the beginning of 2024 we were still in a complicated redesign stage, managing major risks to the future of the project, having realised that we could not include all of the 22 schools within the previously agreed budgets. We only got clearer insights into the DNO costs in February and March 2024 and then, due to the high costs being quoted³, and due to other emerging pressures (eg the discovery of RAAC several of the schools) the focus of the project was reduced to just 11 schools and the amount of PSDS grant was renegotiated to £3.4M (in order to meet the PSDS compliance requirements in terms of carbon reduction per £ of grant).

The position at the end of 2024

There are now:

- ~ 5 schools with ASHPs up and running;
- ~ 4 schools with ASHPs installed and being set up;
- ~ 2 schools where all plans are in place to install the ASHPs in January'25.

Key learning - Challenges faced and overcome

The learning curve for managing these type of highly technical projects with high compliance government funding has been incredibly steep, with learning most notably in the areas of:

- ~ How to efficiently and effectively manage a technical project management firm who has been employed to run and oversee the day to day details of the project;
- ~ The impact on projects like this of the DNOs – we have no negotiation power as they are effectively have a monopoly. The result is that a very significant proportion of government PSDS grants end up being paid to power distribution companies who will profit from sale of electricity enabled by the upgrading work that the PSDS grants pay for!
- ~ The PSDS compliance requirements. These are not designed well to take account of the context of the schools (among other beneficiaries) they are supposed to be assisting;
- ~ Rapid advances in technology. Some delays we faced dealing with the above challenges worked in our favour, meaning that we were able to access new generation ASHPs that would not have been available earlier. These were much quieter than the previously available models and able to heat water to higher temperatures more efficiently. In one listed village school this meant that we were able to retain traditional radiators, reducing capital costs and retaining more of the historic character of the building.
- ~ Stakeholder management. By organising a formal briefing event with key schools leaders we were able to give them insights into all the key aspects of the project that would affect them in the short and long term, and respond easily to their concerns and questions. We found that schools that did not attend this event required much more effort on our part to deal with their doubts and misconceptions.

² DNO = District Network Operator. 'DNO costs' is a term generally referred to the costs charged by the DNO to upgrade the capacity of the electricity supply when the load demand from a particular customer increase, eg when a school installs an electric ASHP.

³ In some cases, the DNO was indicating costs of around £250k to upgrade the electricity supply to a school.

3.2. Parishes workstream

Our parish church and church hall buildings account for 33% of our overall diocesan scope 1 and 2 carbon emissions⁴.

The NZC Programme's approach to supporting parishes

We aim to support parishes on their journey towards NZC as follows:

1. Hearts and Minds – we encourage all parishes to engage with Arocha's 'Eco Church' initiative which provides an excellent pathway for building understanding on why, as Christians, we are called to care for God's creation (which includes addressing climate change), and how to do this. As part of this approach we join Deanery Synod meetings to provide further information and stimulate discussion.
2. Having good data to track CO₂ emissions – encouraging all parishes to complete their annual EFT
As well as enabling us to monitor emissions and see the impact of interventions, the EFT data can help strengthen funding applications and our discussions with other strategic partners who might be able to provide other assistance in our journey to NZC.

Then, focusing on the parishes with the top CO₂ emitting building (ie the buildings where our support can have the most impact in reducing CO₂ emissions) and other highly engaged parishes we:

3. Support parishes to undertake an Energy Audit - linking them with free audits provided by the National Church (the top 600 emitting buildings nationally) or by providing significant a significant subsidy to the auditor fee.
4. Support parishes to develop a NZC action plan – based on the recommendations in their energy audit report.
5. Support parishes to access technical resources, funding and other learning to implement their plan

We do this through various means including targeting parishes with information we believe will be particularly appropriate for their circumstances, enabling parishes to share learning with each other, holding webinars and other events, sharing case studies, and through developing relationships with other organisations (such as Surrey County Council) who can provide guidance through funding applications.

Hearts and Minds

Arocha Eco Church

The National Route Map to NZC and our own diocesan NZC Strategy recognise Arocha's Eco Church initiative is an important tool in our NZC strategy for inspiring parishes to adapt creation care practices, which include in practices related to NZC. During 2024, we have seen a 25% increase in the number of our parish buildings with Eco Church awards, and within this a 56% increase in those with the silver award. Accordingly, this evidences not only more churches engaging with Creation Care and NZC, but a more in-depth engagement among many.

Table 1: Arocha Eco Church awards in the Diocese of Guildford

Year	Type of award			Total
	Bronze	Silver	Gold	
2022	49	20	1	70
2023	53	23	1	77
2024	58	36	2	96

⁴ According to the 2023 Carbon Emissions Report for the Diocese of Guildford produced by the National NZC Programme.

Deanery Synods

Our Diocesan Environment Officer (DEO) has spoken at five Deanery Synods⁵ since starting in the role in March'24. These talks and the subsequent discussion always focus on a brief introduction to the Climate Emergency and its relevance to our mission as Anglicans, and how we can work together to make meaningful steps on creation care and NZC.

Training for Clergy, Ordinands and Lay Ministry

The DEO has provided training⁶ as part of the Foundations in Ministry (FiM) for 2 hours in September reaching approx 70 people. We have also worked with the Mission Team to agreed that Creation Care and NZC work will be included in the following training streams / orientations in 2025 and beyond:

- ~ Caleb (the fast-track ordination programme for people over 60yrs old);
- ~ The Local Ministry Programme study weekends;
- ~ Orientations for new Incumbents.

Increased awareness of how Creation Care can enable wider missional objectives

Throughout 2024, we have heard many accounts of how Creation Care work have been an enabler of the wider missional objectives of parishes. Incumbents whose churches have been involved in Eco Church for several years have told us that:

- ~ It deepens the congregation's understanding of the breadth of discipleship, providing a structure for how to apply intentions to care for creation;
- ~ It enables mission in the surrounding community – it makes the church relevant to big issues the world is facing;
- ~ It has increased commitment and involvement of people outside of the 'core' leadership.

Likewise, Arocha regularly hear stories of:

- ~ local churches to which younger people are going because they are attracted by their care for the environment;
- ~ churches who have built much stronger relations with the wider community, and broken down misunderstandings about Christians, because they are now collaborating with others on the environment;
- ~ MPs and government ministers taking more note of this issue and the Church itself, because Christians and Churches are speaking up.

Creation Care and action to address Climate Change in particular can enable evangelism and discipleship among young people. Research from Youthscape and Tearfund in 2020 explored teenage Christians' views on the climate, the Church and their faith and found that among 14-19yr olds:

- ~ 9 out of 10 are concerned about the Climate Crisis;
- ~ Only 1 out of 10 think their churches are doing enough about it;
- ~ 8 out of 10 think Christians should respond to Climate Change.

"All the research shows that young people are only interested in joining churches that make a difference in the world around them". Alastair Etheridge (Mission Enabler) when reflecting on his background research when designing our current Youth Catalyst project.

There are clear opportunities for engaging with young people in view of the above which the NZC Team should be working on in a collaborative way with the Mission team in 2025 (see section 4.2. below).

⁵ Farnham, Surrey Heath, Aldershot, Emly, Guildford (a joint meeting with ZERO, a local coalition of residents, local community groups, businesses, and organisations putting collaboration and community building at the centre of a climate action plan).

⁶ Covering similar themes as the interactions with Deanery Synods.

Improving our data to inform future allocation of resources

Among all dioceses in the country, Guildford continues to have probably the best NZC-related data in the country due to the hard work we put into encouraging and supporting parishes to submit their annual Energy Footprint Tool (EFT) data.

Table 2: Parish Energy Footprint Tool Submission rates

	2022 data (submitted in '23)	2023 data (submitted in '24)
Diocese of Guildford	86%	92%
National average for all dioceses	45% (approx)	60%

Energy Audits

The NZC Team has enabled the following numbers of parish buildings to have energy audits in 2024:

- ~ Free audits provided through the Parish Buying Scheme: 23
- ~ 80% subsidised⁷ audits from a highly regarded firm specialising in church energy audits: 13

All these are parishes identified within our priority target group – churches with the highest carbon emitting building and engaged parishes, keen to progress towards NZC and model their work to others.

The audit reports provide recommended actions for parishes to reach NZC, which may include small low/no cost behaviour changes as well low and/or higher cost capital works. The report sets out outline 'payback periods' and carbon emission savings for each recommendation.

Enabling efficient data management

The NZC Team will be analysing the audit recommendations to identify the best ways in which it can support parishes with their implementation plans. This will involve managing a huge amount of data. In order to be able support parishes effectively we are in process of working with an external IT firm to bring the NZC work into the 'Nexus' system (which is also used by the Mission Team for the Parish Needs Process).

Ongoing support and accompaniment of parishes on their NZC journey

Visits and strengthened relationships

Since coming into post in September, our NZC Project and Engagement Lead has worked with the above and other parishes to accompany them on the early stages of their journey to NZC by undertaking the following:

- ~ 23 parish visits as part of energy audit process;
- ~ 9 parishes visits to follow-up the audits to support ongoing NZC planning;
- ~ 10 online meetings for engagement and planning;
- ~ 3 parishes visited to assess for Quick Wins grants (see 'funding' below);
- ~ Additional contact with about 40 parishes by email.

NZC Communications

Over the second half of 2024 we have:

- ~ Completely revamped our Creation Care and NZC webpages on the Diocesan website;
- ~ Run 4 webinars for parishes focusing on audits, funding and learning from focus churches;
- ~ Started a termly NZC newsletter;
- ~ Run monthly online drop-ins for parishes to ask questions and share experiences.

⁷ Subsidised by DBF funds.

Establishing a learning community

We have set up a Eco and NZC 'Community of Practice (CoP)' using the 'Slack' app to enable people in parishes to ask each other questions, and share experiences, learning and encouragement. The purpose of this CoP has been to ensure that the limited capacity of the NZC Team is not a barrier to parishes learning from each other, recognising that the NZC Team itself is on a learning journey. This initiative has not been as successful as we had hoped but we have learnt some valuable lessons and want to persevere with the principle in 2025.

Enabling parishes to access NZC funding

Funding from the National Church

Quick Wins:

£48,850 has been secured to support churches and church halls in delivering small scale NZC works, with grants between £3k and £10k. This sum is being 'topped up' with £10,000 from GDBF funds in our core NZC budget. So far three grants have been approved with the remaining budget expected to be fully allocated in Q1 and Q2 2025, focusing especially on supporting the recommendations in energy audit reports, or other churches that have engaged with the Pathway to NZC for Churches self-assessment tool.

Parish Demonstrators

This nationally administered scheme aims to provide a network of 100 parishes around the country which are 'exemplar' projects for how NZC can be achieved in a range of different building types.

Following the 'call' for applications in 2023, the NZC Team supported parishes with applications, with the following parishes being accepted into different phases of the scheme:

Stage 1: Holy Trinity Knaphill and Christ Church Epsom Common. Both churches will be supported to work through possible solutions to reaching NZC, taking into account the specific design of the buildings and their usage patterns.

Stage 2: St John's Stoke-Next-Guildford has been invited to apply for a 'direct to stage 2' Demonstrator Church grant, towards the associated capital works for the main church building and the church hall. Stage 2 support includes up to 25% of the capital cost of the project, up to £50k.

Boiler hardship fund

St John's Egham was supported to submit a grant application under this nationally administered scheme after the boiler for their main church building failed and needed replacing. If successful, this grant will support temporary heating measures and enable them to install an ASHP rather than a like-for-like gas boiler that they would have otherwise been forced to fit.

External government funding

In the summer of 2024, we became aware of a major grant scheme run by the UK Government Department for Culture, Media and Sport, known as the VCSE⁸ scheme. Through our strategic relationship with Surrey County Council, we support 8 parishes to submit applications, resulting in two parishes (St John's Stoke-Next-Guildford and Holy Trinity Knaphill) securing grants of approx. £145k each. *See Appendix 3 for a full case study.*

Developing Strategic Relations (helping manage the programme's principle risk)

The principle risk in the delivery of the NZC programme⁹ is the lack of funds to access the necessary technical resources and for the implementation of the capital decarbonisation work needed to reach NZC. The necessary funding will not be available from the GDBF, or even the national church. Hence, we

⁸ VCSE = Voluntary, Community, and Social Enterprise.

⁹ See Appendix 2 for a summary of the top NZC programme risks and mitigation measures.

need to build strategic collaborative relations to enable the NZC Team to leverage resources for the different workstreams.

During 2024 we have:

- ~ Strengthened our relationship with the Greener Futures Team in Surrey County Council (SCC). The benefits of this to date have been mainly with regards to the VCSE grant scheme but SCC team are often in touch with us regarding other possibilities and ideas they are exploring.
- ~ Initiated discussions with the University of Surrey with the aim of establishing some areas of collaboration with their Sustainability Innovation Hub¹⁰

3.3. Vicarages and DBF residential properties workstream

Vicarages and other DBF residential properties account for 23% of our overall diocesan carbon emissions¹¹.

Improving our data to inform future allocation of resources

During 2024, for the first time we were able to submit 100% of our residential EPC data into the Energy Footprint Tool (EFT) platform. While EPCs do not give a full picture of carbon emissions from these properties, they provide the best current way of doing so.

The Property Team commissioned a Quinquennial Inspection report on further 60 properties, these reports containing 'Energy Assessment Reports (EARs)' for the second year running. Accordingly, we now have EARs for a total of 120 properties, providing us with detailed data on how a range of different types of work will contribute towards reaching NZC on each property (together with financial cost and carbon emission savings for each type of work).

Physical NZC-related work on DBF clergy housing

During 2024, much of the Property Team's resources have been focus on repairs and upgrades to properties during clergy vacancies. During vacancies the team consider and undertake where possible as standard the following maintenance / upgrading as standard:

- ~ Ensuring all loft insulation is 400mm thick;
- ~ Insulation to unlagged pipes;
- ~ Installing Thermostatic Radiator Valves (TRVs);
- ~ Fitting LED bulbs (with upgraded fittings) where not already installed;
- ~ Fitting double glazing where not already fitted / upgrade older style double glazing where frames are deteriorating;
- ~ Ensuring good draft proofing (mindful of the need to maintain adequate ventilation);
- ~ Offering SMART heating controls to new occupier (eg Hive or Nest).

Identification of suitable surplus / 'high maintenance properties for potential sale

During Q4 of 2024, the Property Team has undertaken significant work to identify dispose of 4 properties for sale and obtained Bishop's Council approval for disposal of a further 16 properties. As well as realising income to support other DBF TCTL priorities, the sale of these properties will obviously reduce our carbon emissions significantly.

¹⁰ Sustainability Innovation Hub is 'a dynamic centre of transdisciplinary activity' which 'promote innovation, collaboration and the adoption of sustainable practices, products, or services'.

¹¹ According to the 2023 Carbon Emissions Report for the Diocese of Guildford produced by the National NZC Programme.

Funding - Demonstrator and process of identifying (£50k)

The NZC Programme Manager liaised with the Property Team and the Archdeacons to identify a vicarage suitable for the National NZC Clergy Housing Demonstrator project. Subsequently, an funding application was submitted and £50k was secured from the National Church to support decarbonisation of the vicarage's heating.

The actual works will be undertaken in 2025 and will, along with other similar projects in dioceses across the country will provide valuation learning for the clergy housing workstream in the next trimester.

3.4. CHG office workstream

Looking ahead to the move of the DBF staff team from the office in the Surrey Research Park to Stag Hill, within budgetary limitations the Office Move Project Manager has ensured that the renovation and building extension works include:

- ~ Installation of good insulation (winter and summer);
- ~ electric heating

The current and new offices are/will be on a green energy tariff meaning our carbon emissions from heating and lighting will be virtually zero.

The installation for EV charging points has been explored but the necessary £100k+ cost quoted by the DNO to upgrade network supply to site meant that this work was unviable.

We have advanced significantly towards meeting criteria for an Arocha Eco Diocesan Office Silver award and expect to achieve the award in Jan'25, retaining it in our new Stag Hill building.

3.5. Leadership & Governance

In February, Kate Darwent (Head of Operations and Governance) took over as 'Senior Responsible Officer (SRO)' for NZC and as the new Chair of the NZC Steering Group.

Steve Collins (former Deputy Diocesan Secretary) stepped into the new role of NZC Programme Manager, a post that is financed by the National Church NZC Programme and is split 40:40:20 between the dioceses of Guildford, Chichester and Portsmouth.

Throughout 2024 the NZC Steering Group (a sub-committee of Bishop's Council) has met on a quarterly basis to provide oversight of the programme, including the development and implementation of its delivery plans. Members of the Steering Committee include:

- ~ A Clergy member of Bishop's Council
- ~ The Chair of the DAC
- ~ An external member with expertise in Programme Assurance
- ~ An external member with technical NZC-related expertise

At each Steering Group meeting the agreed Key Performance Indicators (KPIs) for the programme are reviewed:

1. Reduced carbon emissions in order to reach the Net Zero Carbon aim;
2. Achieving key agreed milestone deliverables by the target dates;
3. Budget spend – Meeting the annual approved programme budget;
4. Risk Management - Risk mitigation action plan in place and maintained;
5. Stakeholder Feedback - Diocesan leadership engaged, understand the Net Zero objective, 'case for change' and implications for the diocese.

In his role of providing 'a strategic head and pastoral heart' to stewardship of our environment, Bishop Paul attends some of the Steering Group meetings and also meets at least quarterly with Steve Collins and other NZC Team members.

3.6. HR resources

The current NZC Team comprises (as per the staffing structure agreed by Diocesan Synod in November'22):

NZC Programme Manager

Steve Collins (recruited in February'24)

Full time but shared 40:40:20 between Guildford, Chichester and Portsmouth dioceses

Fully funded by the National Church NZC Capacity Building grant

Diocesan Environment Office (DEO)

Alison Moulden (recruited in March'24)

0.4FTE

Part funded by the National Church NZC Capacity Building grant

Net Zero Project Officer (Education Team)

Delphina Rose (recruited in November'23)

Full time

Part funded by the National Church NZC Capacity Building grant

Project and Engagement Lead (working mainly to support parishes)

Martin Carr (recruited September'24)

Full time

The NZC Team works particularly closely with the DAC Secretary (Wendy Harris), the Communications Team, the Archdeacons, the Property Team and increasingly so with the Mission Team (Mission Enablers and LMP).

Emerging advantages of sharing our NZC Programme Manager across 3 dioceses

There are multiple efficiencies of this shared, including:

- ~ Being able to develop shared communications materials;
- ~ Shared inter-diocesan learning webinars;
- ~ Sharing learning (Guildford to Chichester) on managing Schools PSDS funding;
- ~ Sharing learning (Portsmouth to Guildford) on engaging with universities;
- ~ Sharing approaches and documentation relating to governance;
- ~ Influence 'upwards' into the National NZC Programme leadership through our shared Programme Manager (PM) having regular catch-ups with the National Programme Manager (the only diocesan PM that does so).

3.7. 'Core' funding

A 'core resource budget' has been set up for the staffing structure approved by Diocesan Synod in November 2022. This 'core budget' also provides some seed funding for supporting those parishes among top 30% carbon emitters and other highly engaged parishes. In 2024, this 'seed funding' has helped support parishes through subsidies to the independent energy audits facilitated by the NZC Team and by contributing to the salary costs of the Project and Engagement Lead. In 2025, this funding will also provide 'top-up' funding to the Quick Wins grant scheme for parishes.

The following sources provide funding for the 'core budget':

- a) A total of £127k from the National Church NZC 'Capacity Building' fund;
- b) An annual allocation (£40k) from the total Parish Share receipts across the diocese, as agreed by Diocesan Synod in November'22;
- c) £180k from the Diocesan Mission Fund (spread across 2023 – 2026).

The roles supported by the 'core budget' have been vital in securing and managing further funds benefiting NZC work of parishes, schools and the clergy property portfolio as detailed in this report.

4. Expectations for the next 12 months

4.1. Schools Workstream

NZC work with schools will primarily focus during Q1 on successfully completing the implementation of the current PSDS project. We will go on to monitor continuing acceptance and impact of the ASHPs and identify/document key learning from the design and implementation of the project for application in further funding bids.

Stretch objectives for 2025 – Schools Workstream

We want to significantly increase the ownership of a NZC vision within schools' leadership, rather than much of the NZC agenda being driven by the Diocesan Education Team. Success will be evidenced by:

- ~ The number of sustainability champions appointed within school leadership structures;
- ~ The number of schools facilitated by the Education Team to engage with DfE NZC-related strategic aims. This will include the ways that Creation Care and addressing Climate Change are integrated within teaching curriculum;
- ~ The number of schools facilitated to develop their own Climate Action Plans.

The shift of ownership of Creation Care and Climate Change related work will result in our plans to enable schools to access external resources (funding and technical) aligning and being shaped by the schools' Climate Action Plans (ie driven by demand from and opportunities identified by schools rather than the Education Team). The Diocesan Education Team are thinking of submitting further bids for external funding (eg from the PSDS) but this will probably be in 2026 so that such bids are driven by demand from the schools themselves.

We also realise that a few schools are well advanced in their Creation Care and Climate Change related work, and that we need to learn from them and enable them to share their learning with other schools.

4.2. Parishes Workstream

Our focus for 2025 will be

- ~ Eco Church: Further building engagement with the scheme among parishes (recognising that the award criteria have recently been updated by Arocha and are now much more demanding);
- ~ Collaborations with the Mission Enablers, specifically to identify and promote learning (especially practical examples with underlying guiding principles) on how Creation Care and NZC work can be an enabler of evangelism and discipleship, especially among young people;
- ~ EFTs: Maintaining high rates of completion to enable us to credibly track our carbon emissions and as a 'lever' for attracting funding and developing new strategic collaborations;
- ~ Running a major energy tariff switching scheme, informed by research soon to be released by the National NZC Team;
- ~ Energy Audits: enabling at least a further 15% of our target parishes to access a free or heavily subsidised audit;
- ~ Parish NZC Action Plans: accompanying parishes to develop and start implementing SMART¹² NZC action plans based on energy audit recommendations;
- ~ Parish-to-Parish learning: finding a way to use technology to efficiently enable this in practice, with minimal 'management' from the NZC Team.

¹² SMART = specific, measurable, achievable, relevant, and time-bound

- ~ Identifying and sharing learning from major NZC-related capital projects in 2025. There are around half a dozen parishes with major capital projects being undertaken in 2025. We will be intentionally gathering capital cost data and identify specific lessons learnt from the implementation of these projects. Whilst we have good energy costs and carbon footprint data for each of these churches from the EFT for 2024, we will not have a full year of such data after the projects have been completed until the beginning of 2027 when the 2026 EFT data is submitted.

Stretch objectives for 2025 – Parish Workstream

We want:

1. To develop and nurture new strategic and collaborative relations which will enable a very significant increase in the amount of external (non-Church of England) funding that our parishes are able to access for their NZC-related capital work;
2. To identify and celebrate our first NZC church buildings in the diocese (following criteria soon to be shared by the National NZC programme team).

4.3. Vicarages and DBF residential properties Workstream

We plan to:

- ~ Clergy Housing Demonstrator project: complete the project and identify/share key learning identified;
- ~ During vacancies, continue to undertake where possible 'easy win' energy efficiency work as standard, setting up mechanism to more clearly track and report on what work is being done, thereby increasing 'visibility' and accountability;
- ~ Energy Assessment Reports (part of Quin surveys): Through a detailed analysis of the data, identify strategic recommendations and planning principles identified and communicated to relevant DBF Committees.

4.4. CHG office workstream and diocesan-wide personal/household lifestyles

We aim to achieve the Arocha Eco Diocese 'silver' award in 2025, perhaps being the first diocese to do so.

As part of this work we aim to develop regular ideas and guidance for CHG staff on practical environmentally sustainable lifestyles which will also be promoted among parishes and clergy for application at personal and household level.

4.5. Planning for the next triennium (2026, '27 & '28)

The period over which we receive funding from the National NZC programme (under the Capacity Building Grant) runs out at the end of December 2025. Capacity building funding has specifically been focused on resourcing the staffing needs of diocesan NZC programme, without which these programmes would not be able to function. Details of funding National Church for the new triennium are not expected to be confirmed until Q3 2025. This creates a degree of uncertainty for NZC teams across the country and a risk that NZC post holders will look for and take new roles with other organisations.

A review of the team structures across NZC programmes in Guildford, Chichester and Portsmouth will need to be undertaken in mid-2025 to identify various models to adapt to changing needs and the possibility of various different funding possibilities in the new triennium. The type of support we can provide to parishes and schools in 2026 and beyond will significantly depend on the core funding available through the National Church NZC capacity building grants.

APPENDIX 1

A reminder of the theological and missional reasons underpinning our NZC work

There are all sorts of very good secular reasons for the Net Zero Carbon (NZC) agenda which are well rehearsed and widely supported. The foundation of *our* 'Why', however, is deeply theological and rooted in our faith.

At the heart of Christian discipleship is relationship: with God; with each other; and with creation. Caring for creation honours each of these relationships. First, it honours the God who loved creation into being and made human beings in his own image to care for it. Secondly, it honours other people - for it is a common home and our abuse of creation is increasingly causing devastation in other people's experience of it. Thirdly, it honours the gift itself - which Scripture reminds us reflects God's handiwork and which we wish pass to on to our children's children.

As we implement our Diocesan NZC Strategy, it will make significant contributions to our wider the vision of a Transforming Church, Transforming Lives. Our NZC Strategy will contribute to our aspirations for:

Growing Disciples: engaging with NZC can enable us to both deepen our understanding of how we encounter God in worship, prayer and through the outworking of our everyday faith. Many of our parishes are also finding it also i) increases the number of people involved in their core leadership as it brings into play passions and skills not previously mobilised; ii) increases the way in which they can reach out through mission activities to people currently outside of their church and present the gospel in a way that is highly relevant to key issues faced by our world today.

Growing Diversity: Climate change and the journey towards NZC is particularly important for younger people. By engaging in NZC we are better able to engage with, and actively involve, young people from our surrounding communities and from our Church of England schools.

Growing Community: Our NZC strategy enables us to build on the community partnerships of our parishes, chaplaincies and schools, many of which were developed throughout the pandemic.

APPENDIX 2

Outline of the approved Diocesan NZC Strategy

The Strategy can be summarized at a high level as follows:

- By 2030: Address 'scope 1 and 2' emissions:
 - ~ Energy use of our buildings - churches, halls, cathedrals, schools, offices
 - ~ Work related travel
- After 2030
 - ~ Purchasing, waste, water, contractors, IT, air-conditioning gases.

Not in scope

- ~ Commuting, congregational travel, staff and clergy family lifestyles, church members' emissions, school buildings over which the Church has little influence.

What is meant by 'Net Zero Carbon' emissions is described below



Workstreams

The strategy set out various foci of work which are now being referred to as 'workstreams':

Schools Workstream

Following the completion in mid-2022 of 41 Estate Decarbonisation Plans with a grant from the Government Low Carbon Skills Fund, the DBE applied for funding under the Public Sector Decarbonisation Scheme (PSDS) for NZC-related work with 41 Voluntary Aided (VA) schools. The DBE was awarded £3.7m of PSDS funding and has identified 21 schools where ageing boilers will be replaced by air source heat pumps.

The work included in the strategy for this workstream can be summarised as:

- Implement the PSDS funded work and review the impact of these projects.
- Consider whether to seek additional funding to deliver further work to reduce the carbon footprint off VA schools
- Explore funding options for all Multi-Academy Trusts including The Good Shepherd Trust.

Vicarages and DBF property Workstream

Up to the end of 2025

- Reduce the overall footprint of DBF property portfolio by disposing of surplus property;
- Optimise the thermal efficiency of our current properties – glazing & insulation;
- Educate occupiers to be environmentally aware and expect that LED lighting, Smart technology (to control boilers i.e. Nest), and green energy (where it is within the price cap) will be adopted by default;
- New build vicarages will be built to be as close to NZC as practicably possible;
- Use the EPC and Quinquennial Projects to help identify suitable 'pilot' properties where solar panels and air source heat pumps could be installed.

From 2026

- Install commercially viable low-carbon heating technologies in vicarages and the remaining investment properties.

Parishes (Church buildings and halls)

The approach involves the diocese supporting parishes in areas such as:

- Advising on value for money and lowest cost solutions with maximum impact
- Finding sources of funding
- Expertise & sharing good practice
- Procurement
- Project and contract management
- Monitor and Evaluation of project impact
- Communications and training

Guildford Cathedral

The approach involves supporting the Cathedral in:

- Procuring an energy consultancy to develop a site-wide energy masterplan,
- Commissioning such a plan and delivering the plan.

The Cathedral site is sufficiently large and varied to consider a NZC Strategy on its own – or with integration with a potential neighbour's / University of Surrey energy system.

Church House Guildford Office

The approach involves work to reduce emissions from work related travel and ensuring planning for the move of CHG to the Cathedral site appropriately takes into account NZC thinking.

APPENDIX 3

Case Study – leverage of significant government funding for parish NZC work

Background: In the summer of 2024, we became aware of a major grant scheme run by the UK Government Department for Culture, Media and Sport (DCMS), known as the 'VCSE scheme', which offered capital grants of up to £150k for energy efficiency measures for community based organisations providing frontline community services in their buildings. The scheme's eligibility criteria with regard to church applications were not entirely clear and the application process was very demanding. We soon learnt that the company contracted to administer the scheme often did not respond to questions from potential applicants.

How we supported parishes: Surrey County Council (SCC) Greener Futures Team managed to establish a contact within the scheme administrators who responded quickly to queries. With SCC, we organised two online briefings for parishes to guide them through the eligibility criteria and application process. Through SCC's contact in the scheme administrators we provided parishes with regularly updated Q&A sheet to deal with ongoing questions parishes had while completing their applications.

Aware that the application success rate could be very low and only parishes with staff/volunteers able to manage high compliance funding requirements and demanding capital requirements, we worked with the Archdeacons to target a selection of parishes able to meet these demands, rather than promoting the scheme among all parishes. Of the parishes contacted, we eventually supported 7 parishes to submit capital grant applications.

It became clear after the application deadline that the scheme was in heavy demand and funding decisions would not be made until the end of October. As the scheme required all grant money to be spent by the end of March'25, this put heavy pressure to spend quickly and within the compliance requirements on any successful applicants.

The outcome for parishes: 2 of the 7 parishes we supported were successful with their applications, securing grants of approx £145k each. These parishes were some of the most capable of running their projects within the tight timescale, having experienced project manager volunteers in their congregations to support his work.

Learning and wider impacts: As part of our reflections on how we had approached this opportunity, we undertook a short survey among parishes which had submitted funding applications. They gave us a 4.75/5 overall rating for the support provided.

The survey also enabled us to collect general feedback on the VSCE scheme. From this we put together a short evaluation of the scheme (with recommendations for improvements if it was relaunched). Aware that we were the only diocese which had engaged with parishes on this funding scheme, we provided our evaluation to the National Church NZC Team so that they could share it with the Government DCMS. We have since been asked by the DCMS to help them revise the application criteria and form for any relaunch of the scheme.

Further application of learning future success rates: Now we have a complete diocesan NZC Team we have the capacity to analyse the submitted application forms of our parishes to help identify the factors that contributed to successful outcomes. If/when a similar government scheme is relaunched, due to the data we have from energy audits and our increasing collaboration with the Mission Team, we will be able to identify parishes which will have a better chance of successful applications and will then be able to focus the support we give on them, hopefully enabling a much higher level of capital grants to be secure next time.