
Corporate Scrutiny Committee

10 November 2025

Report of the Chief Strategy Officer

Climate Change Audit Report 2025

Summary

1. City of York Council's Climate Change Programme was selected for internal audit in October 2024. The audit was undertaken by Veritau.
2. The audit covered the council's Climate Change Action Plan (CCAP) and emissions reporting process (both city-wide and corporate emissions reports).
3. The audit was completed in July 2025, with a conclusion that:

“A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. Our overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance.”
4. The audit report included key findings, recommendations and actions relating to the Climate Change Action Plan and Annual Carbon Emissions Reports:
 - i. Wording and categorisation of the actions within the Action Plan
 - ii. Actions are updated based on unverified information
 - iii. Reporting of biomass-related Scope 2 emissions
 - iv. Expanding the range of emissions sources covered in Scope 3 and Outsourced Scope 3
5. This report sets out the proposed response to the key findings, recommendations and actions in the audit report. Feedback from Corporate Scrutiny Committee is requested to ensure the response to the audit report's conclusions are sufficient and appropriate.

Background

6. City of York Council's Climate Change Programme was selected for internal audit in October 2024 by Veritau. The scope of the audit was agreed as to:

Provide assurance to management that procedures and controls within the system will ensure that:

- A suitable action plan is in place that supports the achievement of the council's Climate Change Strategy and enables monitoring of progress against this strategy.
- There is a robust procedure in place to identify, collect, accurately assess, and report on council and city-wide carbon emissions data.

7. The audit covered the council's Climate Change Action Plan (CCAP) and emissions reporting process (both city-wide and corporate emissions reports), and consisted of the following phases:

- i. Information request
- ii. Field work and analysis
- iii. Midpoint meeting
- iv. Assessment and review of initial findings
- v. Endpoint meeting
- vi. Draft report
- vii. Final report

8. The final report was issued on 21/07/2025. The key findings, recommendations and actions are summarised in the table within the report (Annex 1). Findings are rated using the following scale:

Critical	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Significant	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Moderate	The system objectives are not exposed to significant risk, but the issue merits attention by management.
Opportunity	There is an opportunity for improvement in efficiency or outcomes but the system objectives are not exposed to risk.

9. The proposed actions in response to the audit findings are set out below:

Finding	Action	Timescale	Owner
Wording and categorisation of the actions within the Action Plan	<p>The Carbon Reduction Team will revise existing actions to ensure they meet S.M.A.R.T. goal criteria wherever possible, as part of the biennial review cycle.</p> <p>A key and legend will be added to the next iteration of the Action Plan.</p>	To be incorporated as part of the 2026 review cycle	Shaun Gibbons (Head of Carbon Reduction)
Actions are updated based on unverified information	<p>As part of the Action Plan update process, the Carbon Reduction Team will request evidence of progress against actions from action owners.</p> <p>Evidence could include: Decision papers, funder reports, photographs, dashboards, installation sign-off, project evaluation, public reports and press releases.</p>	To be incorporated as part of the 2026 review cycle and every subsequent update	Shaun Gibbons (Head of Carbon Reduction)
Reporting of biomass-related Scope 2 emissions	<p>The Carbon Reduction Team will include emissions derived from biomass-generated electricity consumption in the next annual emissions report.</p> <p>Where this figure is known, emissions factors will be calculated and report.</p> <p>As part of our REGO arrangement, it may not be possible to calculate the exact percentage of energy derived from biomass. The Carbon Reduction Team will work with our energy provider to calculate this figure.</p>	As part of the reporting period for November 2025	Shaun Gibbons (Head of Carbon Reduction)

Expanding the range of emissions sources covered in Scope 3 and Outsourced Scope 3	<p>Previous emissions reports have included Scope 3 based on availability of data, with some suppliers being more pro-active in providing this data than others.</p> <p>For the reporting period of 2026, the Carbon Reduction Team will work with Procurement to undertake a priority assessment of scope 3 emissions sources and request evidence from suppliers.</p>	As part of the reporting period for November 2026	Shaun Gibbons (Head of Carbon Reduction)
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10. Following a decision at the Executive Member Decision Session on 19 November 2024, updates to the Climate Change Action Plan have reverted to biennial. The next scheduled updated Climate Change Action Plan is therefore due 2026, when the relevant actions will have been implemented.
11. Carbon emissions reporting is undertaken annually. The inclusion of biomass-related scope 2 emissions will be incorporated into the 2025 report. The updates to prioritising and recording Scope 3 emissions require an assessment of existing procurement contracts and input from suppliers. Work will begin in 2025 but will not be incorporated until the 2026 emissions report, at the earliest.
12. Overall, the audit report concluded that:

“A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. Our overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance.”

Consultation

13. The internal Climate Change and Natural Capital Programme Board have reviewed the audit report and suggested actions in response to the audit findings.

Options

14. Option 1: Do not implement the proposed actions in response to the audit findings

Option 2: Amend the proposed actions in response to the audit findings

Option 3: Implement the proposed actions in response to the audit findings

Analysis

15. Implementing the proposed actions from the audit report will address the identified areas of concern of the Climate Change Action Plan and Carbon Emissions Reporting process. The changes will improve accuracy, confidence and transparency.
16. The proposed actions will be implemented by the Carbon Reduction Team, and the updates can be accommodated within the current update and reporting cycles.
17. Implementing the proposed action to evidence progress against climate actions will require greater input from service areas within the council.

Council Plan

18. The recommendation directly contributes to the Climate and Environment core commitment in the Council Plan 2023-27. Implementing the identified actions improves transparency and improves monitoring of the action plan and progress towards our net zero carbon ambition.

Implications

- **Financial** – implementing the actions can be incorporated into the existing workstream of the Carbon Reduction Team, with no additional budget requirements.
- **Human Resources (HR)** – No HR implications have been identified.

- **Equalities** – No Equalities implications have been identified.
- **Legal** – There are no legal obligations for local authority's reporting carbon emissions or progress against climate change.
- **Crime and Disorder** – No Crime and Disorder implications have been identified.
- **Information Technology (IT)** – No IT implications have been identified.
- **Property** – No property implications have been identified.
- **Other** – None

Risk Management

19. If the findings of the audit report are not actioned, the areas for improvement associated with the Climate Change Action Plan and Carbon Emissions Reports will not be addressed. This may reduce limit the council's ability to monitor progress towards our net zero carbon ambition and erode trust in the approach.

Recommendations

20. Scrutiny Committee is asked to consider the options presented in response to the audit findings of the Climate Change Action Plan and Carbon Emissions Reporting.

Reason: Inform the council's response to the audit findings.

Contact Details

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Chief Officer Responsible for the report:

Claire Foale
Chief Strategy Officer

Report
Approved



Date 21 October
2025

Specialist Implications Officer(s) None

Wards Affected: List wards or tick box to indicate all

All

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For further information please contact the author of the report

Background Papers:

York Climate Change Strategy (2022-2032)

<https://www.york.gov.uk/downloads/file/8948/york-climate-change-strategy-2022-to-2032>

York Climate Change Action Plan

https://democracy.york.gov.uk/documents/s179441/Annex%20A_York%20Climate%20Change%20Action%20Plan_2024.pdf

Update of Climate Change Action Plan (2024)

https://democracy.york.gov.uk/documents/s179440/EMDS_Climate%20Action%20Plan_2024.pdf

Annual Carbon Emissions Report (2023/24)

<https://democracy.york.gov.uk/documents/s179414/Report.pdf>

Annexes

Annex 1 – Climate Change Audit Report (2025)

Abbreviations

ACER – Annual Carbon Emissions Report

CCAP – Climate Change Action Plan

REGO – Renewable Energy Guarantee of Origin

SMART – Specific, Measurable, Achievable, Reasonable, Time-bound