

# LEVELLING UP, EMISSIONS DOWN



## Accelerating Net Zero across the Key Cities: Executive Summary

### EXECUTIVE SUMMARY

Produced as a result of extensive research assessing progress towards local net zero plans, undertaken with the 27 key cities, this report presents the major barriers to progress, recommendations for success and case studies of where local councils are leading the charge towards net zero. Home to a population of 6.2m residents and contributing £150bn to the UK's economy – and distributed across England and Wales – the experience of the Key Cities is highly relevant to the rest of the UK.

The engagement with member cities has presented a number of emerging trends including:

- Since 2019, all Key Cities have declared a Climate Emergency. This has been backed by a stronger strategic emphasis in Councils which is epitomised by:
  - All 27 Key Cities have net zero strategies in place or currently in development.
  - These strategies set ambitious timescales for net zero in local areas and contain a combination of organisational and wider territorial place-based actions.
  - Many cities have and still strive to improve the profile of net zero within their organisational structure, with dedicated and larger teams, improved links with other departments within local government, and better decision-making processes to increase the focus on net zero.

- Strong partnerships are bringing together the local public sector, business, and community groups.
- Councils are working collaboratively and effectively with one another, with improved networking between groups of councils.
- A large number of projects addressing the framework's net zero themes have already been delivered successfully.



Despite this positive progress, Key Cities – and local authorities more generally – experience a number of challenges that prevent them from accelerating their work on net zero:

#### 1. Funding for net zero is insufficient

Local authorities already face long-term funding challenges and given that net zero is not a statutory responsibility, it can fall victim to the need to address other pressing local priorities, especially given the current economic situation. The available government funding pots suffer from tight deadlines, both for initial response and delivery. Specifications often narrow options for local authorities and are typically oversubscribed.

#### 2. Capacity

Local authorities have taken significant steps to develop capacity over the last three years, but there is clear need for more capacity within

local authorities in order to be able to scale up activity around net zero, including developing business cases for investment, managing and commissioning projects, and monitoring progress. This is challenging due to a lack of many net zero-related skills across the labour market as a whole. Local authorities also need access to specialist technical skills which is sometimes available via Combined Authorities (where these are in place), net zero hubs, Catapults, or via private consultancies – though there are varying levels of accessibility to these skills, with cost also being a barrier.

#### 3. Lack of clarity about local government role

The role of local authorities in delivering net zero is not well articulated, leading to differing levels of coverage across different local authorities, and making it harder to earmark dedicated funds for investment.

#### 4. There are several long-term implementation challenges:

- **Transport decarbonisation and EVs:** The transition to electric vehicles is a complex and challenging process that requires significant investment and resources. One of the major challenges is the high cost of EVs, which can make it difficult for fleet operators to make the transition. Additionally, the installation, operation and maintenance of EVs can also be complex and time consuming, particularly when it comes to establishing the public-private partnerships that are needed to make this transition possible.



- **Retrofit:** Though there have been some promising initial programmes, the challenge around retrofit remains vast and complex. The government offers funding for low-income residents through the Social Housing Decarbonisation Fund and Sustainable Warmth Fund, but the amount offered is insufficient for the scale of the problem, and there is little financial support available for retrofitting non fuel poor residents. Apart from issues around funding, Key Cities members have struggled with low worker capacity and breaking into the private sector market. Therefore, better communication and support to the business trades industry is required to entice them into the retrofit market and create a more cohesive plan of action.



- **Grid constraints and challenges engaging with Distribution Network Operators (DNOs):** Local authorities seeking to invest in renewable energy generation face significant barriers from the electrical grid. One of the biggest challenges is a lack of capacity, which can limit the scale of renewable energy projects that can be delivered. The National Grid has estimated that the government target of 50 GW of offshore wind by 2030 will require six times the amount of transmission infrastructure that was delivered in the previous three decades. This means local authorities will need to work closely with distribution operators to ensure the grid can support the delivery of projects.

- **Climate adaptation requires more strategic cross boundary collaboration:** The UK's National Program of Adaptation highlights the vital role of local government in adapting to climate change and stresses the importance of collaboration across boundaries, where risks are shared and systemic. However, there are challenges to implement cross boundary working due to varying responsibilities and capabilities among local authorities, which leads to inconsistent prioritisation of climate adaptation efforts.

- **Political challenges where policies are unpopular:** the transition to net zero also brings with it several political challenges, particularly in areas where policies are unpopular. For example, measures to promote active travel, restrict car use and create bus and cycle lanes can be controversial and difficult to implement. At the same time, there is also pressure to move more quickly on these policies in some places. One of the biggest challenges, is making the case for net zero policies in areas with high levels of deprivation and serious economic challenges, particularly when resources are scarce. This can make it hard for councils to allocate resources to net zero projects whilst also meeting the needs of their communities.



### RECOMMENDATIONS TO GOVERNMENT

This report has been prepared at the same time the Government has been undertaking its own Net Zero Review. We welcome the findings of the Net Zero Review which emphasise the important role played by local government and envisage a stronger and better-defined role for local authorities. We agree with the Review that significant Government action is needed to achieve UK and local targets on net zero. Specifically, our members call on Government to:

- (1) **Define the role of local government in achieving net zero** – The UK government needs to establish a clear strategy for the role of local councils in achieving net zero emissions and provide devolved funding with net zero powers to local areas, covering services such as installation of EV charging infrastructure and retrofit. It should also create a monitoring framework for accountability and provide sufficient, long-term funding for local authorities. The government should work towards creating an environment for private finance and support initiatives like SCI.



- (2) **Invest in capacity and specialist skills** – The UK government must offer targeted financial support to train and develop necessary staff and skills, addressing the lack of specialist skills and capacity. It should build on the Green Jobs Taskforce and provide additional specialist capacity through combined authorities or net zero energy hubs. The Environment Agency should conduct climate adaptation audits in collaboration with Key Cities to reduce climate change risks and provide guidance and support.

- (3) **Establish new regulations within an investment ecosystem** – The UK government plays a crucial role in establishing regulations to support the transition to net zero, especially for the energy grid. Distribution Network Operators (DNOs) should be required to align their plans with local development plans, and there should be investment in upgrading the grid to handle increased renewable energy generation. The government should also provide clarity on a city's responsibilities in planning consent and building regulations and promote sustainable development through guidelines for environmental impact assessments.



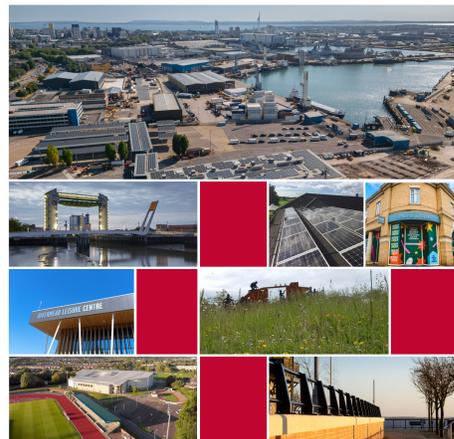
### FRAMEWORK FOR NET ZERO

Alongside this report, the wider research has involved the preparation of a framework for net zero. This is a significant resource to help Key Cities members (though is also relevant for other local authorities). The framework explores nine thematic areas in depth, identifying current and future initiatives alongside an overview of relevant support and funding mechanisms, and sharing best practices from across the 27 Key Cities members as well as other relevant case studies from around the UK.

This research has also involved the development of a data dashboard which provides baseline data on greenhouse gas emissions and other indicators which help track progress towards net zero. Please visit the dashboard on this [link](#).



To read the full report visit: [www.keycities.uk](http://www.keycities.uk)



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