

# Research into a National - Local Net Zero Delivery Framework

**Researched and produced by Quantum Strategy & Technology Ltd. for UK100**

**October 2021**



Supported by

**UK:  
100**

**Quantum**

**SIEMENS**

# Executive Summary

## The Net Zero Challenge

The Prime Minister describes the UK's international leadership on climate change as 'game-changing', pointing to a 44% reduction in UK emissions on 1990 levels. He acknowledges that Government is making the tough decisions to make Net Zero possible, but also that Government can't do it alone. As over half the emissions cuts require decisions made at the local level, the biggest challenge ahead is the local delivery of effective projects and programmes that accelerate the delivery of Net Zero.

The empowerment of local leaders and communities is essential, ensuring that they have adequate powers, resources and partnerships to deliver the large changes that are needed to achieve Net Zero and to unite and level up the whole of the UK. While local authorities are already at the vanguard of delivering climate change action on the ground, they know that they need to do so much more.

However, local authorities face multiple plans, strategies and funding pots relating to Net Zero from the UK Government and without a unifying plan or framework - action is being stifled. There is consensus between local leaders and organisations, including the Climate Change Committee<sup>1</sup> (CCC) and the National Audit Office<sup>2</sup> (NAO), that the partnership between local authorities and national government must improve if we are to deliver Net Zero.

## Enhancing partnership with a Net Zero Delivery Framework

UK100's Power Shift report<sup>3</sup> is the most comprehensive examination of the powers local authorities have and need to deliver on climate ever undertaken. It explores the wide range of powers already available to local authorities, the barriers to local authority action and how these could be removed or overcome, and the additional powers local authorities need. For example, local authority powers to require buildings to connect to district heating schemes in identified district heating zones and to require existing developments to connect would greatly improve the potential to upgrade the UK's housing stock.

It's central recommendation was that there needs to be a Local and National Net Zero Delivery Framework that supports seamless working and enhanced partnership between the UK Government and local authorities, if we are to deliver Net Zero.

The efficiency and effectiveness that comes from working in partnership needs to be capitalised on. Working through a Net Zero Delivery Framework - a deal between local authorities and national Government - can increase the understanding within local contexts of the powers they have and build a systematic understanding of where the gaps are. This in turn will clarify what delivery needs to look like - enabling place-based solutions that work in local communities and progress towards the delivery of Net Zero.

## Recommendations

This research presents a potential framework to enable delivery of Net Zero at the local level.

The following steps should be factored into the introduction of the framework:

- 1.** A National and Net Zero Delivery Board to deliver the framework and tackle blockages and barriers where the Delivery Unit (see below) notes systemic policy or funding barriers and contradictions. An independent Chair reporting directly to the Cabinet Office with members from across local authorities, devolved administrations and national Government.
- 2.** A new National and Net Zero Delivery Unit to deliver the support programme, collect and analyse data and act as a channel between individual authorities and the Board and government departments, with wide representation from across the UK Government and informed by local and combined authorities and national Government.
- 3.** A Local Net Zero Local Powers Bill, via new primary legislation designed to introduce the whole framework in a single piece of legislation – which permits, obliges and supports relevant levels of authority to undertake climate change action to satisfy the Climate Change Act, meet carbon budgets and deliver an effective pathway to Net Zero.

1 <https://www.theccc.org.uk/publication/local-authorities-and-the-sixth-carbon-budget/>

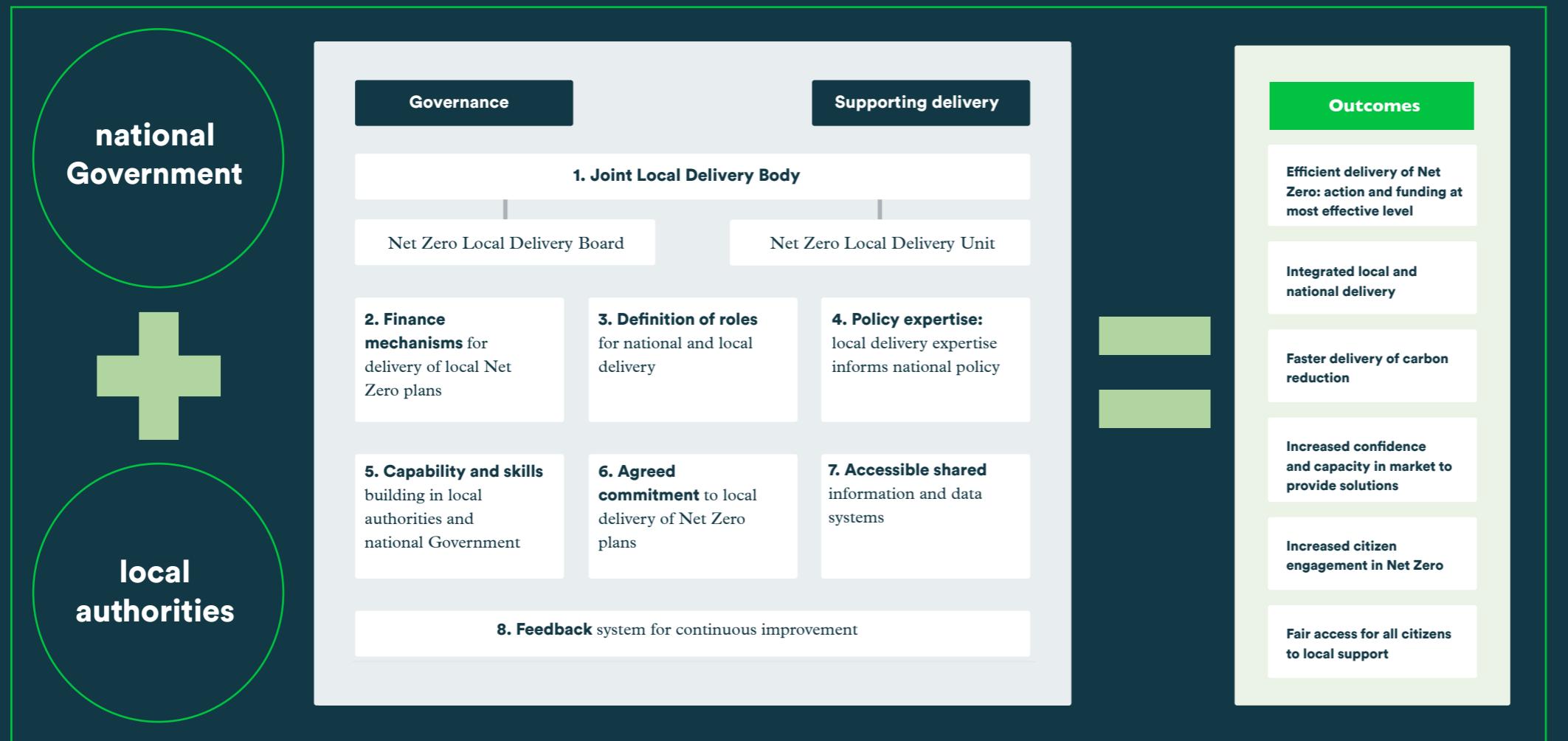
2 [https://www.nao.org.uk/report/local-government-and-netzero-in-england/](https://www.nao.org.uk/report/local-government-and-net-zero-in-england/)

3 <https://www.uk100.org/publications/power-shift>

# Enhancing partnership with a Net Zero Delivery Framework

There needs to be an expectation on local authorities to deliver, many are already acting alone - but successful strategies cannot deliver unless they are supported by a delivery infrastructure and adequate resourcing. Here we present a system of eight components that, combined, enable national Government and local authorities to work effectively together with clear roles to develop policy and programmes, skills, capacity and finance that delivers across all emissions areas.

## Net Zero Strategy: Should include National Routemap and a Framework for Local Delivery of Net Zero



This framework outlines the mechanics of a productive, positive and delivery-focused relationship between national Government and local authorities.

**1. Joint Delivery Body:** Delivery Board - a joint board of national Government and local authority representatives and Delivery Unit - manages support programme, collects/analyses data, channel between local authorities, the Board and Government departments.

**2. Finance mechanisms:** Funding mechanism to support Net Zero delivery via local authorities, including support to underpin private and business investment and local community action.

**3. Definition of roles and responsibilities:** An agreement on the most appropriate levels of decision-making and operational delivery for Net Zero, taking into account the wide range of levers and powers that local authorities can use to influence climate action beyond their direct area of control.

**4. Policy expertise:** Net Zero Delivery Board workstream which enables national Government and local authority representatives to discuss and operationalise policymaking at very early stages so it is most effective.

**5. Capability and skills:** Funded multi-year programme (five years minimum) equipping civil servants, MPs, local officers and elected Members to deliver Net Zero. Designed to fill the gaps in capability, skills and confidence.

**6. Agreed commitment:** Local authority commitments to deliver Net Zero actions and outcomes within their area within a specified timescale. Greater national Government funding and support for local delivery would follow commitments.

**7. Shared information and data:** Action-focused information sharing system between national Government and local authorities and between local authorities.

**8. Feedback system:** Formalised feedback loops, particularly re. blockages; but also opportunities for open and informal feedback about how components of the framework are working / could be improved.

# Contents

Pg. 8	1	Introduction
Pg. 10	2	The role of local authorities in delivering Net Zero
Pg. 14	2.1	Evidence of need for a Framework
Pg. 20	3	Net Zero Local Delivery Framework
Pg. 23	3.1	Structure: A joint local delivery body
Pg. 27	3.2	Financing: A mechanism to finance delivery of local Net Zero
Pg. 32	3.3	Governance: Definition of roles and responsibilities for national and local delivery
Pg. 34	3.4	Policy Expertise: Local delivery expertise to inform national policy
Pg. 35	3.5	Delivery Support: Building capability and skills in local authorities and national government
Pg. 40	3.6	Agreed commitment to local delivery of Net Zero Plans
Pg. 42	3.7	Information: Accessible shared information and data systems
Pg. 45	3.8	Feedback: System for continuous improvement
Pg. 47	4	Recommendations for action
Pg. 48	A.	Annex 1 - Methodology
Pg. 56	B.	Annex 2 - Contributors
Pg. 60	C.	Annex 3: NAO Report on Organisation Management Maturity



# 1. Introduction

This framework aims to address the key issue identified by many national organisations: national Government and local authorities do not yet have an integrated or systematic way to discuss, support and facilitate local Net Zero delivery in the short and longer term.

This report provides evidence and presents recommendations for the components of a framework of UK Government support to enable ambitious local action and connect local action with the planned UK Government Net Zero Strategy. It was commissioned by UK100 with the aim of supporting local authorities to achieve Net Zero and contribute to the national target. The framework has been developed in collaboration with local authorities, government officials and key stakeholders. Details of this input, the methodology used and those contributing are provided in the appendices.

The framework underpins delivery of the Communiqué by West Midlands Combined Authority (WMCA) and UK100, signed by over 30 cross-party local leaders at the International Net Zero Local Leadership Summit and Conference on 13 July 2021.<sup>4</sup>

There is an existing evidence base underpinning the need for greater clarity and support for a framework to facilitate local authorities in the delivery of Net Zero has been widely voiced by a number of organisations, most notably:

- CCC report “Local Authorities and the Sixth Carbon Budget”<sup>5</sup> (and wider CCC publications)
- NAO reports “Achieving Net Zero” and “Local government and net zero in England”<sup>6</sup>
- Housing, Communities & Local Government (HLCG) Select Committee ongoing inquiry into Local government and the path to net zero - evidence<sup>7</sup>

4 [https://www.uk100.org/publications/netzero-local-leadership-communique-delivering-netzero-uk](https://www.uk100.org/publications/net-zero-local-leadership-communique-delivering-net-zero-uk)

5 [www.theccc.org.uk/wp-content/uploads/2020/12/Local-Authorities-and-the-Sixth-Carbon-Budget.pdf](https://www.theccc.org.uk/wp-content/uploads/2020/12/Local-Authorities-and-the-Sixth-Carbon-Budget.pdf)

6 [www.nao.org.uk/report/local-government-and-netzero-in-england/](https://www.nao.org.uk/report/local-government-and-net-zero-in-england/)

7 [committees.parliament.uk/work/1081/local-government-and-the-path-to-netzero/](https://committees.parliament.uk/work/1081/local-government-and-the-path-to-net-zero/)

- UK100’s “Power Shift” report<sup>8</sup>
- Green Alliance’s “Local Climate Challenge” report<sup>9</sup>
- Local Government Association (LGA) briefing to the House of Lords “The integration of policy-making in national and local government to achieve net zero carbon emissions”<sup>10</sup>
- The Blueprint Coalition report: “A blueprint for accelerating climate action and a green recovery at the local level”<sup>11</sup>
- A range of recent sector reports including UCL’s recent overview of local authority Climate Emergency Action Plans<sup>12</sup> and the Net-Zero Infrastructure Industry Coalition report: “A place-based approach to net-zero”<sup>13</sup>
- Feedback from a range of events during 2020 and 2021 organised by for example the CCC, LGA, Association for Public Service Excellence (APSE), Local Government Chronicle, UK100, London Climate Action Week.

8 [www.uk100.org/publications/power-shift](https://www.uk100.org/publications/power-shift)

9 [green-alliance.org.uk/the\\_local\\_climate\\_challenge.php](https://green-alliance.org.uk/the_local_climate_challenge.php)

10 [www.local.gov.uk/parliament/briefings-and-responses/integration-policy-making-national-and-local-government-achieve](https://www.local.gov.uk/parliament/briefings-and-responses/integration-policy-making-national-and-local-government-achieve)

11 [www.adapt.net.org.uk/documents/blueprint-accelerating-climate-action-and-green-recovery-local-level](https://www.adapt.net.org.uk/documents/blueprint-accelerating-climate-action-and-green-recovery-local-level)

12 [climateemergency.org.uk/wp-content/uploads/2020/11/Declaring\\_a\\_Climate\\_Emergency\\_76-end.pdf](https://climateemergency.org.uk/wp-content/uploads/2020/11/Declaring_a_Climate_Emergency_76-end.pdf)

13 [www.mottmac.com/download/file?id=39870&isPreview=True](https://www.mottmac.com/download/file?id=39870&isPreview=True)



## 2. The role of local authorities in delivering Net Zero

**The UK can realistically only achieve Net Zero if national Government, regional organisations and local authorities work effectively together.** Local authorities have direct access to citizens and businesses and their policies and decisions directly influence people's ability to make zero carbon choices.

To date, emissions cuts have been delivered through a centralised approach to decarbonising the energy sector and historically overseen by government departments such as the Department for Business, Energy and Industrial Strategy (BEIS) and its predecessors. The urgent action required to tackle buildings and transport emissions requires policy and practice changes that are enacted at local levels. To deliver effectively across the very different areas of England, from inner cities to dispersed rural areas, requires a place-based approach built on local knowledge; there is no one-size-fits all policy that can deliver effectively without local flexibility and local plans. National policy is vital. Local authorities can translate and refine this to target local needs and conditions so actual delivery can take place.

Local authorities are important partners for national Government, delivering through a coherent framework and harmonised policy. This will be efficient, more cost-effective and more likely to deliver a range of benefits aligned to the levelling up agenda: health, housing, transport and a more prosperous economy, better quality of life for all. A stable policy and investment environment will deliver the good quality, green jobs and skills needed to deliver Net Zero projects on the ground across the whole country. Such policy will also create a more resilient country, able to better predict and handle shocks such as those we see in the COVID-19 pandemic and gas price rises.

Local authorities influence at least one-third of local area emissions, both directly through their own emissions, procurement and policies and indirectly through local partnerships, access to communities and through leadership roles (see Figure 1).

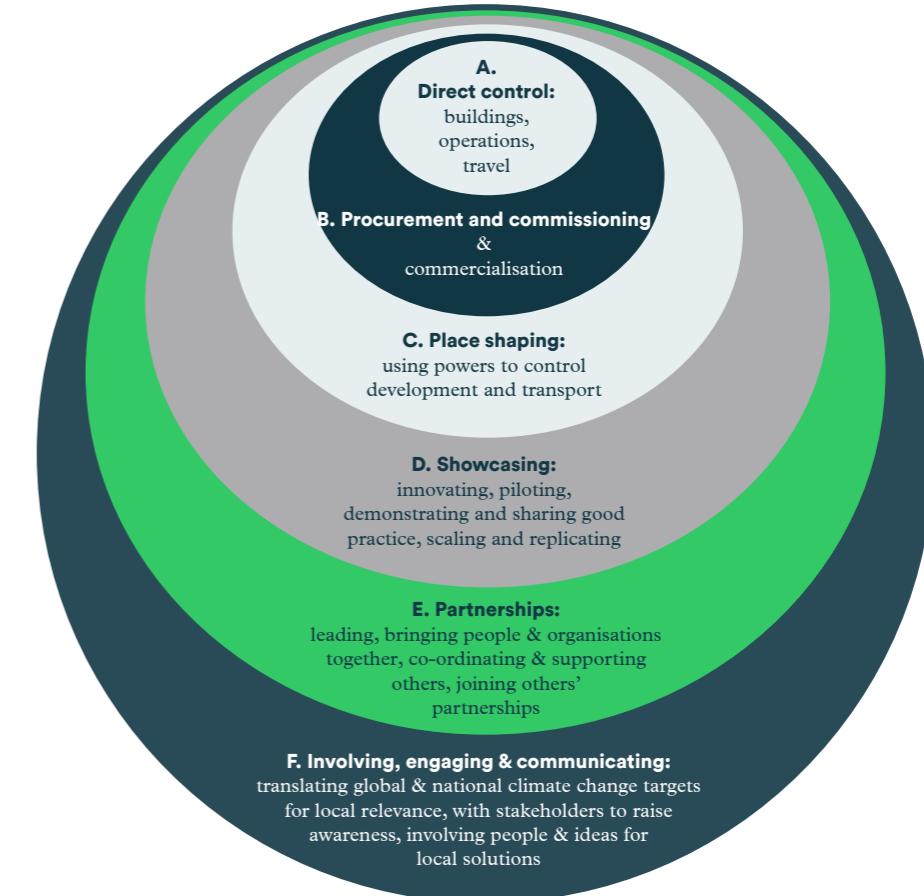


Figure 1: Spheres of local authority influence over emissions<sup>14</sup>

In particular, local authorities have the means to influence people and businesses to take action, and the ability to provide the supporting infrastructure required to deliver Net Zero, for example:

- Direct access to householders, landlords, social tenants and vulnerable households
- Indirect access to households through support service providers
- Access to smaller businesses through business rates and local enforcement roles
- Support for business through the economic development role – setting priorities for local growth, encouraging businesses in specific sectors, setting the agenda to develop local skills, attracting private sector investment into new low carbon markets
- Direct influence over planning decisions and delivery of national policy
- Direct influence over transport planning and provision of walking and cycling infrastructure
- In larger urban areas and under-serviced rural areas, influence over public transport provision.

<sup>14</sup> From the CCC Local Authorities and the Sixth Carbon Budget Report December 2020 (adapted from The Centre for Sustainable Energy's onion diagram)

## The UK100 research “Local Authority Contributions to Net Zero<sup>15</sup>” found that:

“UK local authorities [...] have indirect control over a larger percentage of UK emissions than was previously estimated. Our analysis suggests that, in total, UK local authorities can control between 4 and 9% of overall UK emissions, the equivalent of 28,000 ktCO<sub>2</sub>e. But UK local authorities have influence across the majority of wider area-based emissions from their administrative area, and emissions sources can be grouped by the degree of potential influence which local authority can exert into high, medium and low influence. This influence reflects their critical role in local place-making, and the increasing recognition of the importance of a place-based approach to the system changes needed to transition to a zero carbon economy at both local and national levels.”

The research concludes that: “with more enabling powers, supported by the skills, knowledge, and capacity to use them well, UK local authorities can deliver more impact on a significant proportion of UK emissions.”

This reach is not yet recognised in national strategies. Recent strategies barely reference local authorities, and their role is not strongly acknowledged. They get a single mention (in relation to active travel) in the 31-page Ten Point Plan for a Green Industrial Revolution.<sup>16</sup> However, the Environment Bill<sup>17</sup> and Transport Decarbonisation Plan<sup>18</sup> begin to recognise the importance of the role of local authorities in shaping strategy and coordinating and implementing actions, but details on how to operationalise this role are sparse. All government departments need to recognise local authority roles and such an approach needs to be fostered between government departments, using the collaborative framework proposed. Policy needs to be translated into delivery.

As the COVID-19 response has shown, some policies are most effectively delivered at the local level, where flexibility allows decisions and actions to be tailored to local circumstances, while still being in line with and contributing to national ambitions.

## Lessons from the COVID-19 pandemic

Wider lessons from the pandemic<sup>19</sup> are helpful in framing the Net Zero local delivery framework. “The local authority role was rediscovered through their core function of providing public health and wellbeing in local places. Their granular understanding of local people and their needs and their links to the voluntary sector meant they could reach everyone. Local authorities were the gateways to the community via local professionals. Most government departments do not understand local capacity – MHCLG<sup>20</sup> demonstrated a good understanding of the civil sector and local government, but their influence in Whitehall is considered low.”

Our research has reviewed feedback on the COVID Contain Framework. The lessons from this have been taken into account in the design of the framework for local Net Zero delivery.

*This framework’s strengths are that it recognises a **need for local action and locally-led plans embedded within a system**; it also recognises **the interaction between institutions and organisations**, and a coordinated or sequenced approach. Furthermore, it refers to the need for **co-design between government and local teams to tailor the local approach**. The support mechanism recognises **feedback loops**, with good practice being incorporated into an updatable Toolkit.*

## The UK100 report “Economic Benefits of Local Climate Action<sup>21</sup>” highlights that:

*“The role of local authorities in driving economic development and attracting private investment aligns with the task of rewiring the UK’s financial system to deliver Net Zero. Harnessing the economic and social benefits of climate action requires local authorities to take a major role in planning and delivering on funding. It means investment in capital and infrastructural projects on a major scale, and in committing operating expenditure to climate action through targeted local employment initiatives. Green economic interventions of this kind can have transformative impacts on local economies, and it is important that these benefits are widely shared in terms of employment, better health outcomes, a cleaner environment, and improved services, for example.”*

<sup>15</sup> <https://www.uk100.org/publications/local-authority-contributions-net-zero>

<sup>16</sup> <https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution>

<sup>17</sup> <https://bills.parliament.uk/bills/2593>

<sup>18</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1009448/decarbonising-transport-a-better-greener-britain.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1009448/decarbonising-transport-a-better-greener-britain.pdf)

<sup>19</sup> How to respond to a crisis: lessons from the Covid pandemic; Institute for Government event 27 April 2021

<sup>20</sup> Former Ministry of Housing, Communities and Local Government, as of September 2021 the Department of Levelling Up, Housing and Communities

<sup>21</sup> <https://www.uk100.org/publications/economic-benefits-local-climate-action>

## 2.1 Evidence of the need for a framework

Local authorities are already working to tackle climate change and to adapt to its impacts. Individual government departments are acting and starting to coordinate between themselves. Ahead of COP26, the Net Zero Strategy must join up disparate departmental approaches and include local authorities to deliver at the scale and pace required by the UK's climate commitments.

**It is widely acknowledged that the current system is not working. It is not just local authorities that are asking for greater clarity on their role and support to deliver Net Zero. Numerous reports to government are making the same points.**

The CCC's 2021 Progress report to Parliament<sup>22</sup> states that the forthcoming Net Zero Strategy “should initiate a strengthened role for local delivery. All levels of government have committed to ambitious climate action: UK, devolved administrations, city regions and local authorities. Better coordination and support is required across these levels, including workable business models, the removal of barriers to action, dedicated funding and an approach that enables sub-national action to complement action at the national level.” This builds on the CCC report, “Local Authorities and the Sixth Carbon Budget”<sup>23</sup> which called for a framework to enable better coordination between national and local authorities.

The Public Accounts Committee report “Achieving Net Zero”<sup>24</sup>, March 2021, observed that “The Department has not sufficiently engaged with local authorities on their role in the achievement of net zero across the UK” and recommended that: “Government should respond with a coherent National Fiscal and Policy Framework. This should set out Government’s national responsibilities, Local Authorities local and regional responsibilities and be clear how government proposes to work with local authorities to secure the funding, skills, resources and outcomes required to deliver Net Zero.”

The findings of the NAO’s report into “Local Government and Net Zero in England”<sup>25</sup>, July 2021 mirror those of this report, including that:

- “Central government has not yet developed with local authorities any overall expectations about their roles in achieving the national Net Zero target
- Government has not yet set out to local authorities how it will work with them to clarify responsibilities for Net Zero
- Overall, local authorities find it hard to engage with central government on Net Zero
- Local authorities have varying levels of capacity to engage with Net Zero
- Funding is a critical issue for local authority work on Net Zero.”

The Blueprint Coalition Report “Recognising Local Authorities as key partners in the Net Zero Strategy”<sup>26</sup>, June 2021 also states: “Empowering local authorities is not a ‘nice to have’, it is essential to delivering long-term, sustainable emissions reductions for local places. National government now has a chance to embed local authorities into the Net Zero Strategy as delivery partners through a commitment to a mutually agreed central framework, to address climate change and rebuild local economies which are fit for the future.”

The LGA’s forthcoming report, “Delivering Local Net Zero”, will outline the economic, social and environmental value that can be created if councils are given the right investment and the right investment conditions (with these conditions including longer term investment certainty, more capability and information, as well as strategic policy clarity and direction from central government). It will look at the value that could be created specifically for buildings and transport infrastructure, as well as some context around energy infrastructure.

Energy Systems Catapult<sup>27</sup> has also called for funding for place-based low carbon systems:

- “Led by local and regional authorities, alongside consortia of private sector partners and Local Enterprise Partnerships
- Funded by a combination of post-Brexit regional funding (the ‘Shared Prosperity Fund’ proposal), aligning existing sources (e.g. ECO) and leveraged private sector contributions
- Co-ordinated place-based targeted investment at scale (£10’s of million) in energy efficiency, fabric improvement/retrofits, low carbon heating technologies, regional supply chain improvement and skills development
- National guidelines and quality control set by the BEIS, but with space for regional leadership, innovation and specification (ideally informed by robust local area energy planning).”

22 <https://www.theccc.org.uk/publication/2021-progress-report-to-parliament/>

23 <https://www.theccc.org.uk/publication/sixth-carbon-budget/>

24 <https://committees.parliament.uk/publications/4921/documents/49419/default/>

25 [https://www.nao.org.uk/wp-content/uploads/2021/07/Local-government-and-netzero-in-England.pdf](https://www.nao.org.uk/wp-content/uploads/2021/07/Local-government-and-net-zero-in-England.pdf)

26 [https://www.adeptnet.org.uk/system/files/documents/Blueprint\\_net%20zero%20strategy%20briefing\\_June%202021.pdf](https://www.adeptnet.org.uk/system/files/documents/Blueprint_net%20zero%20strategy%20briefing_June%202021.pdf)

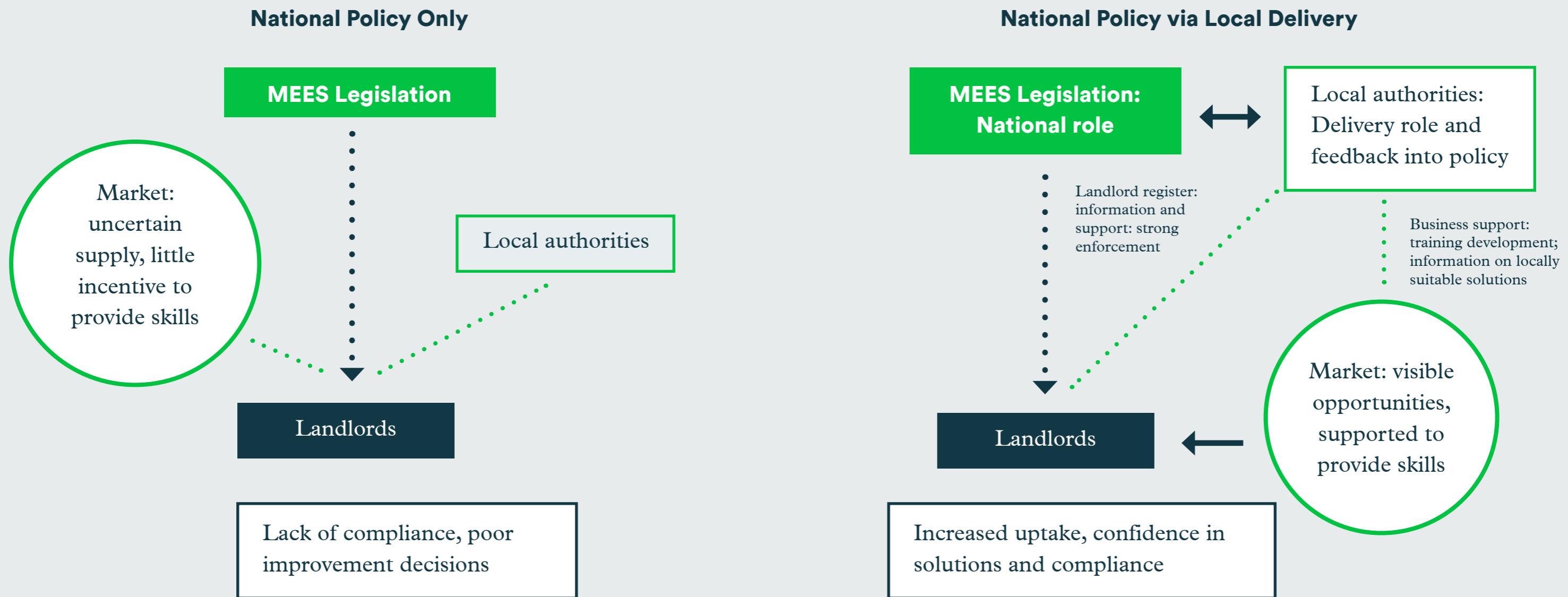
27 <https://es.catapult.org.uk/policy-briefs/six-steps-to-zero-carbon-buildings-step-one/>

The changes needed are complex, so involving those that understand the delivery mechanism in policy making from the outset will result in better delivery. The need to adopt a whole systems approach to tackling climate change has been highlighted by the NAO in their report “Improving operational delivery in government.”<sup>28</sup>

As an example, the Minimum Energy Efficiency Standards (MEES), a key plank of national policy to improve energy efficiency in tenanted properties,

omitted to include a role for local authorities in helping to identify problem homes, and develop the local market and skills needed to address issues. Rather local authorities have been left with an unfunded and weak enforcement role, reliant on tenant complaints, which can risk eviction, so are not generally forthcoming.

**Figure 2: MEES policy delivery**



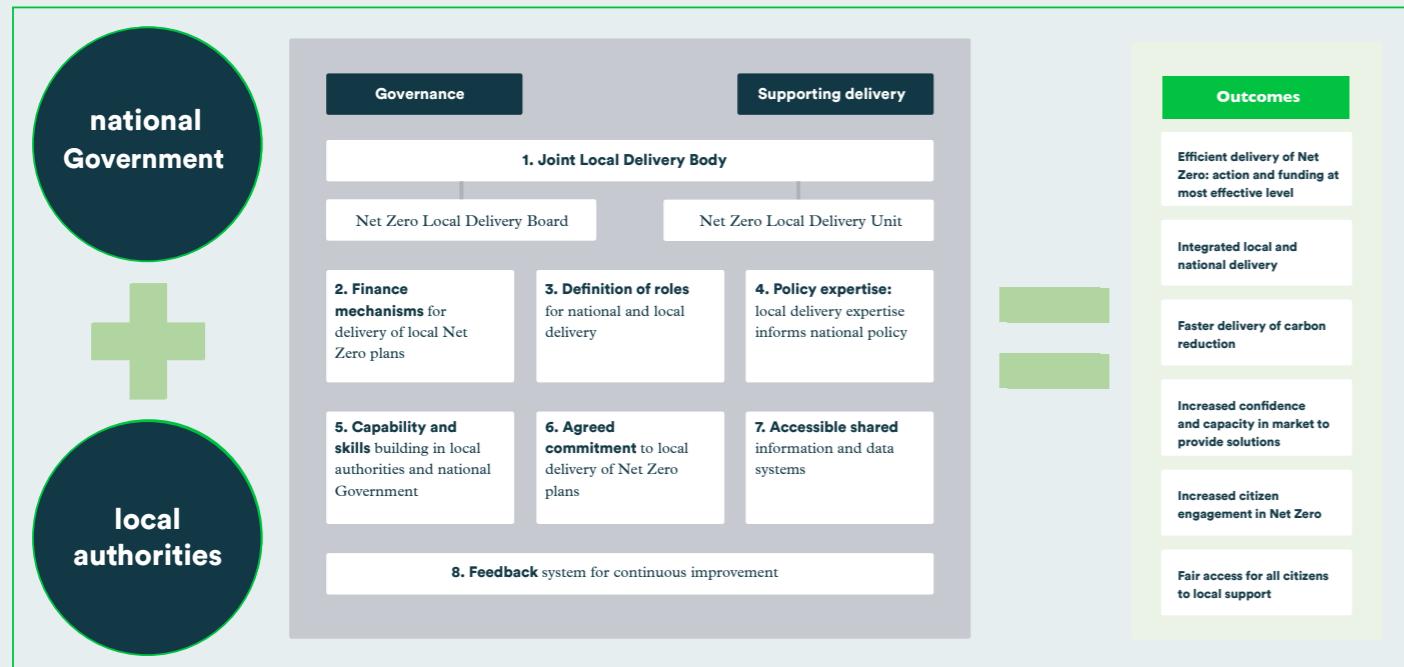
<sup>28</sup> <https://www.nao.org.uk/report/improving-operational-delivery-in-government/>



### 3. National - Local Net Zero Delivery Framework

**This report proposes a framework that connects national Government and local authorities to deliver Net Zero actions at the appropriate level.**

This Net Zero Delivery Framework aims to help national Government improve its operational management capability<sup>29</sup> and adopt a whole systems approach to Net Zero with local authorities.



It proposes a new way for national Government and local authorities to work together, on a scale bigger and just as urgent as that used to tackle the COVID-19 pandemic. It aims to tackle the tensions in the existing system by putting in place supporting and connecting structures ensuring that each constituent part play their roles most effectively and collaboratively to deliver Net Zero in reality. It will help to bridge the ambition-policy-delivery gaps we currently face.

This framework will help make the national Government's task in meeting its Net Zero commitments easier by providing a route to develop policy that is deliverable in practice, across all local areas. Likewise, it will make the local authority delivery easier by providing clarity on and support for what is best done at each level. It also builds in continuous feedback and adjustment, so policy can be improved rather than abandoned if it does not deliver as expected from the outset.

It should support HM Treasury (HMT) in developing evidence of which actions are most effectively delivered locally and nationally, and assist HMT in embedding Net Zero into spending decisions.

Putting in place the key elements of this framework will also make it easier for the private and community sectors to play their vital roles in delivering Net Zero at a range of scales. It will help provide market certainty to build supply capacity, delivering good quality green jobs and sustainable growth across the country.

#### The Scope

This framework focuses on the mechanics of a productive, positive and delivery-focused relationship between national Government and local authorities.

It does not specifically address the wider context of wellbeing, jobs, health, clean air and post-pandemic economic growth, although these co-benefits will arise through better working relationships and greater implementation-focused coordination between national Government and local authorities.

Similarly, it does not deal with other relationships such as the private sector, wider public sector and other community or NGO stakeholders. The working context for these organisations will be clearer and more productive for Net Zero if this framework is enacted.

<sup>29</sup> Operational Management Capability was highlighted as a key element of tackling climate change in the NAO document, Improving operational delivery in government: A good practice guide for senior leaders March 2021, <https://www.nao.org.uk/report/improving-operational-delivery-in-government/>

## **Principles and Assumptions**

The framework has been developed based on the following **principles**:

- It should be accessible to all local authorities across the UK, regardless of their current ambitions or plans to deliver Net Zero, or lack of these. Smaller authorities in particular should have a route to access support and provide input, which is currently only available to the larger or more progressive authorities
- It supports a just transition, leaving no one behind. The distribution of the impacts and opportunities of Net Zero must be addressed, in terms of consumer protection, social groups, job opportunities and local areas. This is critical to public acceptance and support
- Citizen engagement is essential for achieving Net Zero and is best achieved at the local level through partnerships with community and business groups
- A new approach to financing and investment for local Net Zero delivery is urgently needed alongside long-term funding to unlock private sector investment
- Ambitious local authorities should not be held back from innovating to deliver ahead of national targets. Innovation is a critical element in delivery, providing new investment and business models for wider roll-out. The Net Zero Strategy should contain a routemap for Net Zero; this would mitigate the risk of local innovation exceeding acceptable risks and causing stranded assets or misguided investment (e.g. prioritising electricity or hydrogen for heating).
- The role of private finance is absolutely critical to delivering Net Zero as most of the investment required will come from private investment, including private individuals. But the distribution of the risk and profit associated with the transition should be shared between the public and private sectors
- Integrated place-based solutions and whole systems thinking deliver greater co-benefits, cost-effectiveness and economies of scale than sector-specific approaches to Net Zero.

The background **assumptions** the framework makes are that:

- A routemap from Government will be provided in the Net Zero Strategy, outlining the key dates and policies that will be put in place through to 2030 and 2050
- The Net Zero Strategy will include this or a similar framework for local delivery
- National Government and local authorities can act quickly when they want to – delivering Net Zero relies on significant and urgent delivery during the 2020s to be on target for all choices and investments to be zero carbon by the 2030s in line with CCC advice

- Structures in place to coordinate action in Scotland and Wales continue to operate effectively and are included in the framework
- Elected representatives and officers/civil servants in national Government and local authorities want to work more effectively together to deliver Net Zero along with the wider economic, social and environmental benefits it will provide for the UK
- The Climate Change Act and the work of the CCC in advising on carbon budgets and monitoring progress, with its new focus on delivery, continues
- Local authority plans and targets that move ahead of national plans are not a barrier to coordinated action, but contribute to knowledge and innovation for others to follow
- Climate adaptation and nature recovery are vital to and integrated into approaches to delivering Net Zero.

## **3.1 Structure: A joint delivery body**

### **The challenge**

- National Government policymakers have to deal with a large number of different, duplicating organisations
- Local authorities do not have a formal point of contact in national government on Net Zero: only the larger or more ambitious authorities have a voice and only in some departments
- National and local delivery of Net Zero is not integrated so opportunities can be missed to achieve economies of scale, identify key intervention points and deliver co-benefits
- There is no mechanism to support all local authorities to develop and deliver their Net Zero plans and contribute to delivery of national policies.

“

**Local government is an essential part of delivering the battle against climate change. And at the moment we are not doing any of the things that we ought to do. Because we've got local government on one hand which is largely committed to very sensible policies to reach Net Zero and the Government on the other hand which have certainly got the right policies, not necessarily the delivery, but certainly the right policies and delivery depends on the linking of those two.**

**Lord Deben, Chair of the CCC, UK100/WMCA International Net Zero Local Leadership Summit, 13th July 2021**

## What

- A joint body bringing together national Government and local authorities to define which elements of Net Zero are best delivered at the local level and to support this delivery
- Formal structure(s) owned by the Cabinet Office (it could fit within the existing committee structure alongside the Climate Change National Strategy Implementation Group for example)
- Reporting back to the Cabinet Committee on Climate Change
- National government representatives reporting back to Ministers
- Local authority representatives report back to clusters/regional groupings
- A central strategic Board and an operational Delivery Unit with hubs based in regions/combined authorities (CA)
- Approach is not defensive but active and has the ethos of commitment to problem solving
- An organisation that could become statutory in the future alongside a Duty for local authorities/public bodies to align with delivery of Net Zero.

**The Partnership Council for Wales** is the equivalent of the Delivery Board in this framework. It enables joint working between Welsh Government and local authorities on a range of issues including Net Zero. It comprises senior figures from the Welsh Government and 22 local authorities, plus strategic partners including WCVA (third sector), One Voice Wales (representing town and community councils), TUC and health and police sectors. It has developed an approach that recognises and enables connection and support between them. This arena for robust dialogue and focus on delivering action means there is a good relationship between the levels of government. Skills and supply chains remain an issue but there is a positive collaboration and alignment of work streams across silos. It provides a strategic direction and considers operational delivery at the local level. Its 6th October 2021 'Joint Cabinet' meeting convened all 22 council leaders and all members of the Welsh Government Cabinet to develop joint solutions focused on the social care crisis and climate change. It was described by Wales' First Minister as "*developing bold, creative, innovative solutions jointly ... to help us achieve a better Wales.*" The Minister for Finance and Local Government explained "*Discussions focused on both strategic ambitions and practical actions to take this work forward in the immediate and longer term...[with] a shared determination and clear commitment to work closely together to deliver the change that is needed.*"

## Who

- Net Zero Delivery Board – a joint board of national Government and local authority representatives
- External Chair – not from either national Government or local authority – with a focus on delivery
- Local authority representatives from the nine English regions (and/or CAs) and NI, Scotland, Wales [plus LGA]
- Senior officers from local authorities representing a range of areas and authority types: a balance of CA, Unitary, City, County and District across rural/urban
- Formal obligation for decision-making level representatives from Government departments including BEIS, Department for Levelling Up, Housing and Communities (DLUHC)<sup>30</sup>, HMT, Department for Transport (DfT), Department for Education (DfE), Department of Health (DoH), Department for Environment, Food and Rural Affairs (Defra), Department for Digital, Culture, Media and Sport (DCMS) and The Cabinet Office
- Ability to co-opt external experts as needed or require people to attend and give evidence/respond.

## Net Zero Delivery Unit

- Unit to deliver the support programme, collect and analyse data and act as a channel between individual authorities and the Board and government departments
- Staffed by people with expertise in climate change, local authorities and national government
- Senior enough to be taken seriously by HMT and other government departments.

<sup>30</sup> Formerly Ministry of Housing, Communities and Local Government (MHCLG)

The **Sustainable Scotland Network** (SSN) is the equivalent of the Delivery Unit outlined in this framework in Scotland. It has a Steering Group drawn from a range of public sector bodies, with a Secretariat to deliver the support programme and manage the information reporting and analysis role. The Scottish Government and strategic partners hold observing roles on the Steering Group.

In England, the five **Energy Hubs** are a welcome recent support structure but these have a focus on the delivery of energy projects only and do not have the staff or funding to provide the required skills and capacity support needed across local authorities. They could form the basis of regional support units however.

## **Role**

### **Net Zero Delivery Board**

- Operating plan to be set up: with immediate operational actions (setting up network to build capacity, addressing blocks) and longer-term strategic development
- Looking both ways: operational input into national strategies and examination of the effectiveness of different local authority strategies
- Guiding funding and investment via HMT through to local level
- Potential to form Task and Finish Groups
- Sub-groups to develop and test details of each part of the framework – which don't all need to be complete before anything can start (e.g. capacity support can start while the finance model is under development)
- Potential to link with other collaborative structures
- Ability to escalate and tackle blockages and barriers where the Delivery Unit notes systemic policy or funding barriers and contradictions
- Board meeting monthly
- Scrutiny via NAO.

### **Net Zero Delivery Unit**

- Provides dynamic administration for the Board
- Amalgamates issues from across local authorities and national government as well as a forum for direct discussion
- Manages two-way feedback with local authorities not directly involved with Board,

(providing access for smaller authorities) but doesn't stop those with links to Board and government departments continuing to use those routes

- Manages the capability and skills development programme
- Supports local authorities to develop and deliver Net Zero strategies
- Manages information and data gathering, analysis and sharing
- External evaluation at defined points after set up.

## **3.2 Financing: A mechanism to finance delivery of local Net Zero**

### **The challenge**

- Local authorities could deliver/enable investment into more, joined-up Net Zero actions if funding were available, and could be accessed to support integrated Net Zero programmes and projects that operate across place-based systems
- Local authorities have to prioritise their statutory duties, and balance their budgets, and some think that this means they cannot afford to take on climate change responsibilities. They need to be supported to align spending with Net Zero, and there are gaps that need filling
- Short-term, highly specific funding pots for discrete projects do not allow local authorities to maximise the benefits of Net Zero actions, capture the co-benefits, and address locally-specific issues – in fact they can cause supply chain and materials shortages and price rises
- Competitive funding streams disadvantage smaller authorities and those that have made less progress with Net Zero already, resulting in greater disparity between local authorities' ability to deliver and considerable time wasted in authorities that do not win the bids
- Local authorities, through their purchasing and contracting decisions, have the potential to create and accelerate markets for zero carbon services and providers, but that potential is hampered by the limitations of current funding mechanisms.

The NAO Local Government and Net Zero report<sup>31</sup> noted that: “21 funds provided £1.2 billion to local authorities in 2020-21” but there is a huge disparity in access to these funds: “14 local authority areas received £50 or more per person from these funds, while 67 received less than £12.50 per person.” 38 authorities received no direct funding from Net Zero pots. The competitive nature of these funding structures exacerbates existing inequalities: “a fragmented funding landscape dominated by competitive funds brings the risk that money does not go to where the need or opportunity is greatest, and it can make it difficult for local authorities to plan for the long term. It can also mean that local authorities that have been successful in winning funding previously continue to win most of the funding, because they have people with the expertise and time to identify suitable grants and apply.”

The UK100 research “An Opportunity for the UK Infrastructure Bank to Accelerate the Pace of Net Zero Investment in our Cities”<sup>32</sup> reports that a key barrier to local authority investment in Net Zero is the constraints imposed by government funding: “the terms of government funding to support local energy investment often prevent the optimum potential bids being made (for example, project scale thresholds, detailed bid criteria, process and timescale requirements). Local authorities typically ‘respond to funding’ which in some cases may limit capacity to develop a more strategic approach.” This report also noted that Leeds Climate Commission “has identified technically viable investments of c.£1.1 billion a year through the 2020s which could close the gap to Net Zero by 60%, reducing Leeds’ annual energy bill by £555 million and creating over 30,000 years of extra employment.”

One local authority interviewed for UK100 commented that they had spent a huge amount of time bidding for seven separate funds but were only awarded one, and they could no longer afford to waste that amount of time on developing the detail for projects that were unlikely to go ahead.

**It is not appropriate to define the exact funding mechanism here – but set out principles. Details will need to be defined and agreed between the Net Zero Delivery Board and HMT as part of their early work.**

<sup>31</sup> [https://www.nao.org.uk/report/local-government-and-netzero-in-england/](https://www.nao.org.uk/report/local-government-and-net-zero-in-england/)

<sup>32</sup> [https://www.uk100.org/publications/opportunity-uk-infrastructure-bank-accelerate-pace-netzero-investment-our-cities](https://www.uk100.org/publications/opportunity-uk-infrastructure-bank-accelerate-pace-net-zero-investment-our-cities)

## What

- Funding mechanism to support Net Zero delivery via local authorities, including support to underpin private and business investment and local community action
- Guided by input from the Net Zero Local Delivery Board and Unit.

## Principles

- Long-term funding mechanism (to 2035/2050) with multi-year agreements (similar to Salix or Public Works Loan Board (PWLB) agreements)
- Basic mechanism is non-competitive – available to all local authorities
- Funding in return for commitment to deliver a specified place-based climate action plan
- Potentially a combination of grant and loan funding
- Based on existing local authority climate action plans where these are already in place – with no requirement to redo these to a standard formula (but with help to upgrade if needed later)
- Non-statutory (at least to start with)
- Ring-fenced to delivery of actions in climate action plan, but within that, freedom for local authorities to choose how best to spend their climate budget as long as they can demonstrate a reduction in carbon emissions (in line with targets). This may be subject to a hierarchy of actions linked to the agreed roles for local authorities
- Should be based on principles for maximising synergies across interdependent infrastructures and services, for example, links between active travel and health (this should not entail cuts to funding, but flexibility to blend budgets and maximise co-benefits)
- Must demonstrate how this funding mechanism provides value for money compared with an uncoordinated approach
- Provides suitable levels of funding for local authorities at different stages on the climate change action: leaders, mid-range, just starting out, and support to move to the next level
- Provides revenue support to build capacity in local authorities where there is little/none to help get to the basic level of having a climate action plan – new plans must meet a minimum standard
- Provides support to build capacity in other areas of a local authority e.g. increasing finance capacity to deliver green policies/investment
- Focus on just transition – a commitment to levelling up but also to tackling fuel poverty
- Should be supplemented by competitive funds for specific actions e.g. pathfinder/innovative projects

- Potential for wider input from finance and investment sector – which wants to see scaled investment opportunities and portfolios – e.g. ESG investing, green mortgages, greener and more resilient property investments
- Potential to combine with/attract private, other public or community investment and align with DNO investment; it can be used to generate an ongoing (ringfenced) profit to subsidise other emissions reductions investments
- Encourages joint innovation between local authorities
- Enables spending across organisations/departments to deliver shared outcomes/co-benefits (e.g. health, nature, climate resilience, green jobs and skills, regeneration)
- Feeds back lessons and transferable models for replication through the Delivery Unit – do it once, scale it up
- Will need to sit alongside other funding and investment means: UK Infrastructure Bank (UKIB), PWLB borrowing, community bonds (small scale e.g. £1m at the moment), impact investment, environmental investment funds (e.g. Biodiversity Net Gain funds, GM's Environment Fund, Habitat Banking), joint ventures
- Should reference the Fair Funding Review, Levelling Up Fund, Community Renewal Fund (ahead of the UK Shared Prosperity Fund launch in 2022).

## **Who**

- Net Zero Delivery Board
- HMT, DLUHC, BEIS
- Local authority representatives: Finance and climate change specialists
- External experts.

An evaluation of the (non-competitive) Salix Scheme,<sup>33</sup> which was replaced by the competitive Public Sector Decarbonisation Fund, noted that “*it is observable that some of the scheme’s success comes from its long-standing existence, awareness and reputation which have been built up through continued successful delivery since 2004. [...] the consistency of the offer, over time, has also been linked to its success, as, particularly for large-scale projects, long-term confidence in the finance availability is key to success.*” UK100’s report “*Accelerating the Rate of Investment in Local Energy Projects*”<sup>34</sup> identifies “*the potential to unlock over £100 billion of investment in local energy systems by 2030 through partnership approaches, which would enable industry and private capital to work with the UK’s local authorities to scale up investment initiatives.*”

<sup>33</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/730976/Public-sector-energy-efficiency\\_loan\\_scheme\\_evaluation\\_Interim\\_Report\\_Final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/730976/Public-sector-energy-efficiency_loan_scheme_evaluation_Interim_Report_Final.pdf)

<sup>34</sup> <https://www.uk100.org/publications/accelerating-rate-investment-local-energy-projects>



### 3.3 Governance: Definition of roles and responsibilities for national and local delivery

#### The Challenge

- National Government does not fully recognise the importance and potential of local government roles in delivering Net Zero, through local leadership, place-shaping, showcasing, partnership and engagement roles, or the diversity of actions needed in different types of place
- Local authorities are developing climate action plans based on their own local priorities in the absence of national guidance: which leads to inconsistencies and inefficiencies, making scalable solutions more difficult to identify and execute, but also highlights areas where local authorities are forging ahead of national policy
- Local authorities cannot plan ahead and demonstrate how they deliver key elements of national Net Zero policy as their role is not specified, even though their actions are contributing to national delivery
- Local demand and market supply chains to support delivery are not emerging fast enough.

Bristol City Council is forging ahead with a strategic approach to local energy planning and delivery – including heat networks and building energy efficiency retrofit.

Since September 2020, Bristol City Council has been undertaking a procurement exercise to identify a future Strategic Partner for the 20-year joint venture for City Leap. The partner will join with Bristol City Council to deliver up to £1 billion of investment towards Bristol becoming a zero-carbon, smart energy city by 2030.

#### What

- An agreement on the most appropriate levels of decision-making and operational delivery for Net Zero, taking into account the wide range of levers and powers that local authorities can use to influence climate action beyond their direct area of control
- Recognition in national Government and policy that local authorities are a necessary partner in delivery of national Net Zero strategies, through their local climate action plans as well as through direct local responsibility and areas of influence
- Guidance to support local authorities to prioritise their local climate action plans
- Clarity on understanding at what level of government interventions provide best value for money. Such evidence will guide the financing of Net Zero locally (see 3.2 Financing).

#### Who

- Net Zero Local Delivery Board

#### How

- Open and honest discussion and challenge
- Formal structure to hold discussions
- The use of key questions or flow-charts to inform where different types of decisions and action are best placed
- Iterative development of the roles with flexibility for different roles and responsibilities in different local authority areas and structures
- Agile and flexible to reflect changes in regional and local authority structures and associated regional bodies, plus able to deal with progress in devolution
- Recognition that not all local authorities will be able to take on all the roles immediately, but can be supported to develop capacity to do so.

## 3.4 Policy expertise: Local delivery expertise to inform national policy

### The Challenge

- National policy exists that is not readily deliverable across local authorities or local areas; or that conflicts with other policies
- Policy is developed without enough local experience which means it does not fully deliver its intended outcomes
- Government consistently overestimates the impact that national policy can deliver directly from the centre without local input.

### What

- A workstream for the Net Zero Delivery Board
- Enabling national Government and local authority representatives to discuss and operationalise policymaking at very early stages so it is most effective
- Early dialogue and sense checking to help avoid problems and conflicts and produce coherent, effective policy to help deliver Net Zero in practice
- A means to bring in the local delivery expertise and lived experience of local authorities.

### Who

- Net Zero Delivery Board
- Supported by the Net Zero Delivery Unit.

### How

- The Board will have input on forthcoming policies from national Government
- The Board will be able to raise issues where policy or powers are incomplete or incoherent
- The Delivery Unit will have reach into local authorities through its capability and skills programmes
- The Board will be able to form Task and Finish Groups including national and local policymakers and implementers in testing out early ideas
- The Delivery Unit will also work with existing groups to test ideas and feed these back

- A trusting, collaborative yet challenging and rigorous approach will be taken
- A focus on delivery will be forefront
- The outcome should be that when policy is developed to go to consultation, it is very much ‘oven-ready’ with a more coherent and detailed focus on what it means for local authorities.

Centralised government energy efficiency schemes such as the Green Deal and Green Homes Grant, which were designed as direct mechanisms to reach householders without local intermediaries, have failed. Local authorities had already shown how they can take national schemes and deliver locally, such as through WarmFront, the Carbon Emissions Reduction Target (CERT) and the Community Energy Saving Programme (CESP). Refocusing the Green Homes Grant via the Local Authority Delivery Scheme increased the take-up of measures.

The Home Energy Efficiency Programme for Scotland is an excellent example of a national programme that delivers through area-based schemes. These are designed and delivered by the local authority in partnership with local supply chains, so aligning with local conditions and support determined by local needs. The programme targets fuel poverty, but can also include able-to-pay householders.

## 3.5 Delivery Support: Building capability and skills in local authorities and national Government

### The Challenge

- There is a knowledge-action gap and patchy coverage of the key skills needed to deliver Net Zero across all levels of government
- A lack of understanding that Net Zero is a cross-cutting issue that everyone working in national Government and local authorities needs to address
- While some local authorities have a high level of knowledge and skills in the Net Zero arena, overall an insufficient number of politicians, civil servants and local authority officers have the basic or specialist skills required to develop the strategic policy or operational programmes to deliver Net Zero

- There is a lack of support for effective policy and practical place-based delivery at scale
- An environment for risk-taking innovation and culture change is lacking.

Some local authorities have large teams working on climate and energy. But the NAO Local Government and Net Zero report,<sup>35</sup> quoting the climate change survey undertaken by the LGA in 2020, found that 79 out of 90 respondents (88%) to a question on barriers thought a lack of workforce capacity was a moderate or significant barrier to tackling climate change; and 70 out of 90 respondents (78%) identified skills and expertise as a moderate or significant barrier.

## What

- Funded multi-year programme (minimum five years) aimed at equipping civil servants, MPs, local authority officers and elected Members to deliver Net Zero
- Available to local authority officers and Members, national civil servants and politicians
- Designed to fill the gaps in capability, skills, confidence: not a one-size-fits-all programme
- Specialist skills provided regionally or centrally in combined or groups of authorities, where it is not efficient to embed them in all local authorities
- Builds on/will fund existing training and providers where available e.g. it doesn't reinvent Carbon Literacy or Royal Town Planning Institute training
- Specific training and competencies needed should be developed from skills needs assessments amalgamated across many organisations
- Incorporated into Civil Service Competencies and training programmes
- Outcome is that everyone in national Government and local authority roles and all politicians understand how Net Zero is relevant to their role, and the basics of what to do about it (similar to universal training in Health and Safety, Diversity, Safeguarding etc.).

## Who

- Net Zero Delivery Unit – will need people with specific different expertise e.g. rural issues, transport planning, buildings
- Local/regional/CA hubs – reporting to Delivery Unit, Board and local authorities: on-the-ground dealing with locally specific issues, feeding back areas of concern to Net Zero Delivery Unit

<sup>35</sup> [https://www.nao.org.uk/report/local-government-and-netzero-in-england/](https://www.nao.org.uk/report/local-government-and-net-zero-in-england/)

- Hubs staffed to engage and support the local authorities in their patch – using an account manager approach of active contact with each authority. Sourcing, designing and providing a range of resources.<sup>36</sup> Mutual opportunities for shadowing and seconding between national Government and local authorities – to improve understanding of operational delivery and impacts of poor/effective policy making or poor delivery
- Opportunity to bring in specialist expertise from private and voluntary/community sectors.

## How

- System to identify capacity needs/gaps: likely to be regional (this exists in Scotland and Wales)
- Range of training offered from basic carbon literacy type skills plus environment/nature recovery training to technical skills in the right place: specific training for different disciplines e.g. policy development, finance, housing, planning, transport
- Mix of mechanisms e.g.:
  - Regular local/national workshops on specific topics – online or in person
  - Online forum/network/support groups
  - Resources: fact sheets, case studies, how-to guides, updates on technology and business models, procurement support, energy planning support, legal guidance etc.
  - Visits, sharing good practice, networking events
  - Phone or web chat support
- Must provide a safe space to share issues: confidentiality/confidence to share
- Coordinated mechanism for making links
- Mentoring programme to bring on new leaders from diverse backgrounds
- A programme to enable culture change, innovation and a fresh approach to empowered project delivery
- Agreement to sharing information essential to access the support (unless confidential).

The CLASP Programme supported local authorities in the North West on climate change from 2008-17. It was accessed by over 800 officers and provided over 4,000 person-hours of training, as well as resources, peer support and networking. A 2015 evaluation of its work found that "*CLASP is very well regarded by its users and seen as an important source of information. CLASP has delivered real value for many of its users. Users valued the fact that CLASP was a central place for information that was relevant and timely and that built bridges between local, regional and national delivery.*"<sup>37</sup> The resources developed are archived on [www.claspinfo.org](http://www.claspinfo.org).

<sup>36</sup> Similar to the former IDeA unit and regional support organisations e.g. CLASP in the North West, Sustainability West Midlands, Regen South West etc.

<sup>37</sup> CLASP 2015 Evaluation report - Paper copy

**Figure 3: Delivery Support**



### **1. Specialist technical skills**

- National or regional support units e.g. HNDU, OZEV, Local Energy Hubs
- Regional /sub-regional specialists pooled across local authorities
- Innovation partners

### **2. Delivering Net Zero: Topic and role-specific skills for civil servants and local authorities officers**

- Knowledge and skills for Net Zero places, energy, buildings, travel and transport, land use, waste, business and industry, jobs and skills transition
- Leadership for Net Zero
- Innovation
- Finance, business models, project design, policy design, procurement and commissioning
- Planning, building regulation, waste managers, facilities managers
- Communicating and engaging on climate change
- Monitoring, reporting and scrutiny

### **3. Carbon literacy and Net Zero foundation understanding and training**

- All MPs and Elected Members
- All civil servants
- All local authorities officers and contractors



## 3.6 Agreed commitment to local delivery of Net Zero plans

### The Challenge

- There is a wide range of commitments, targets, scope and delivery actions across the local authorities
- There is a perception that government may act as a brake on ambitious leading authorities
- There is no obligation or Duty for local authorities to act (in England and NI), and there are considerable, well-articulated pressures on existing statutory functions<sup>38</sup>
- There is a risk of inaction in some local authorities waiting for national programmes to deliver and a risk that leading authorities' actions may be put at risk by subsequent changes to national policy
- National Government (especially HMT) needs assurance that local Net Zero funding will have the planned impact; currently this is achieved for a few local authorities through competitive, piecemeal and short-term funding with tight criteria.

### What

- Local authority commitments to deliver Net Zero actions and outcomes within their area within a specified timescale
- The “quid pro quo” for greater central government funding and support for local delivery
- Commitments to include at least a minimum set of key actions and reported progress in areas with the greatest local impact e.g. buildings; travel and transport; community engagement
- Shared experience of good practice to support the development of more ambitious delivery plans
- Local authorities assess themselves against benchmarks: entry level (adequate), good, leading.

### Who

- All local authorities
- Net Zero Delivery Board, Net Zero Delivery Unit and regional hubs
- Supported by data team, BEIS, Office of National Statistics (ONS).

### How

- Based on existing local authority climate action plans where these are already in place – with no requirement to redo these to a standard formula (but help to upgrade these if needed)
- Minimum entry level commitment: set of minimum actions/outcomes that need to be taken by certain deadlines aligned to the national routemap
- Flexibility for local areas to determine their own priority activities as long as the minimum actions/outcomes are delivered
- Must include area-wide emissions, which must include land use (need accurate data for this)
- “Good practice” and “leading practice” action plan standards set up and shared
- Support to develop and deliver action plans provided in capability and skills building
- Leading/pathfinder authorities supported to go further – innovation support and funding tied to commitment to transparently share good practice, lessons learned, business models and data, and to act as mentors/supporters in their regional hubs
- Where partnerships are needed for delivery, a commitment to participate in these must be included in the action plan (e.g. over wider areas such as counties, CA, National Park Authorities and wider Climate Partnerships/LEPs)
- Support to assess carbon impact of plans
- Feedback on key components of action plans included in annual reporting.

The UK100 Power Shift<sup>39</sup> report noted that previous government-directed climate change commitments were effective in instigating action by local authorities.

*“For a brief period (2008-11) Local Strategic Partnerships (lead by local authorities) signed up to report on and deliver against national performance indicators related to climate change:*

- NI185: reducing carbon emission from local authority activities
- NI186: reducing carbon emissions from across the local authority area
- NI188: adapting to climate change.

*The existence of these indicators gave recognition and political support to area-wide climate action. Although Local Strategic Partnerships could choose which to adopt, two-thirds signed up to NI186, making it the fifth most popular indicator, frequently prompting action on climate change for the first time.”*

<sup>38</sup> e.g. NAO <https://www.nao.org.uk/wp-content/uploads/2019/01/Local-authority-governance-Summary.pdf>, Institute for Fiscal Studies <https://ifs.org.uk/publications/15371>

<sup>39</sup> <https://www.uk100.org/publications/power-shift>

## 3.7 Information: Accessible shared information and data systems

### The Challenge

- Local authorities express a need for more/better information on the impact of climate measures in order to prioritise actions: but also often delay action until numerous baseline studies are carried out. This can be costly and inefficient if each area commissions its own
- Local authorities are currently developing a range of tools to assess the climate impacts of policy, programme and investment decisions when a centralised resource may be more effective to avoid endless duplication and costs
- National Government needs to understand what local authority measures are being carried out or planned in order to understand the contribution to national policies
- National Government needs data to understand the value of local action
- There is no consistent mechanism to measure the carbon footprint of local areas, or guidance on what to include (e.g. emissions related to consumption of goods and services).
- Local authorities have direct control over a relatively small proportion of UK emissions, but indirect control and influence over a much wider scope, so the parameters for emissions reporting must be carefully determined
- The current local emissions data and models are based on allocations and assumptions, and old data, so are difficult to use for tracking specific local progress
- The power of data cannot be harnessed without a coordinated information and data system so opportunities for learning and step changes are missed.

The NAO report “Local Government and Net Zero in England”<sup>40</sup> concludes: *“There is little consistency in local authorities’ reporting on net zero, which makes it difficult to get an overall picture of what local authorities have achieved. Local authorities have taken many different approaches to reporting their activities and progress. BEIS has taken steps to help local authorities understand and measure their carbon emissions and to promote consistent voluntary emissions reporting, including by funding the development of an emissions calculating tool that is free for local authorities to use. Given the pace of change required to get to net zero, it will be important for all bodies involved in delivery to learn from what works so they can make progress at the pace and scale required.”*

40 [https://www.nao.org.uk/report/local-government-and-netzero-in-england/](https://www.nao.org.uk/report/local-government-and-net-zero-in-england/)

### What

- Action-focused information sharing system between national Government and local authorities and between local authorities
- Local access to national datasets and national guidance on their use, relevance and methodological drawbacks, to assist local authorities to understand the impacts of different actions and prioritise
- Datasets or methodologies that contribute to understanding and prioritising actions and can demonstrate the impact of local measures
- A dataset that is independently verified or auditable
- Agreement on which data is best provided locally or centrally, and how to include local specificities e.g. building types, population density, existing infrastructure
- A mechanism and guidance for local authorities to assess and report their data for their own and area-wide emissions
- A mechanism for the Net Zero Delivery Unit to track how well local authorities are progressing with climate action plans to feed into capacity support and policy development/delivery
- A system to identify significant data gaps that are causing problems for local delivery and assess the best means to address these, e.g. detailed data on energy use in specific areas, or uptake of electric vehicles (EVs), heat pumps, solar photovoltaic (PV) installations etc.
- A system to feed in learning from the collected data into policy assessment and to inform policy review
- Providing a ‘library’ role for research, think tanks, NGOs etc. to submit reports to.

### Who

- Net Zero Delivery Unit with input from Net Zero Delivery Board and regional hubs
  - will need a data team to analyse, assess and provide guidance on local and national information and data
- Input from existing organisations handling local level data, e.g. Place Based Carbon Calculator [www.carbon.place](http://www.carbon.place), LG Inform, Waste Data Flow (Defra) and WRAP (waste data benchmarking), Local Government Intelligence Unit (benchmarking), Natural England etc.
- Support from ONS, DLUHC, BEIS, Defra.

## How

- Local authority annual reporting required in return for access to the capacity, support and data sharing systems to enable this to happen
- Reporting system similar/identical to SSN template<sup>41</sup>
- Data query service – easy access to central data team with questions
- Information fed back and forth to identify key areas on which to focus delivery
- Working to improve quality of data through dialogue with government and local authorities to understand how it is used
- Capacity to support local authorities to understand, collect and report relevant data
- Capacity to support local authorities in understanding the climate and emissions impacts of different policies, programmes and decisions they have to take (building on existing tools in development by local authorities e.g. Cornwall Council Decision Wheel, Tyndall Centre's carbon assessment tool for Greater Manchester Combined Authority etc).
- Providing and liaising with regional intelligence/employment – to identify hotspots and areas on which to focus for emissions reductions
- Data analysis discussed with local authorities and fed back to Net Zero Delivery Board – to identify trends, blockages, unintended consequences, perverse incentives or disincentives (e.g. not saving electricity if carbon intensity is low)
- Innovation – systems to help understand impacts of pilots/pathfinders.

Scotland introduced mandatory climate change reporting for public sector bodies in 2015. These reports require information on internal plans and targets (Scopes 1 and 2) and also request information on actions with influence in the wider area. Each organisation's report is published along with a summary report, so that it can be shared widely.<sup>42</sup>

## **3.8 Feedback: system for continuous improvement**

### The Challenge

- Both national Government and local authorities can be defensive about their separate approaches to Net Zero: without a forum to listen and learn from each other, there is little opportunity for improvement
- Project-based funding mechanisms tend to report on successes but do not provide an opportunity for reflection on the process from organisations not directly involved
- In order for the framework itself to be effective and continually improving, it needs a mechanism to gather information from all sources on its impact, and to implement any changes needed
- There is a culture across all levels of government that does not admit to failure, so the opportunities to learn from any failures is lost, and cannot be used to prevent other organisations from wasting time and money, making similar mistakes
- At present there is no voice for smaller authorities that have no direct access to government departments
- While there is a consultation system in place for government to gather feedback on their Net Zero policies, there is no similar mechanism to provide feedback into local authority Net Zero policies.

### What

- Formal mechanism for gathering feedback to improve the framework processes
- Mechanism for identifying and addressing significant blocks to action (at local or national level, or in external agencies).

### Who

- Local authorities
- Government departments
- Net Zero Delivery Board
- Net Zero Delivery Unit (collects feedback).

<sup>41</sup> <https://www.gov.scot/publications/public-sector-climate-change-duties-annual-reports-template-2020/>

<sup>42</sup> <https://sustainablescotlandnetwork.org/reports>

## How

- Feedback loops need to be formalised, particularly around blockages; but also opportunities for open and informal feedback about how components of the framework are working or could be improved
- Must be a culture of listening and of non-defensiveness – so that policy and activities can be adjusted along the way in light of learning
- Regular review of formal feedback and recording action taken
- Reporting mechanism set up
- Net Zero Delivery Unit to be hub for collecting and assessing feedback and directing it to remove barriers; significant feedback would be reported back to the Net Zero Delivery Board for action
- Open feedback system between local authorities to share experiences
- Feedback and shared learning to be collected, analysed and disseminated within and wider than this network
- Able to look at practice across national and local authorities to identify areas that could be linked and optimised – building on the NAO operational effectiveness steps
- Mechanism set up to assess and prioritise serious blocks
- Access to other organisations that may need or want to be involved e.g. public bodies – NHS, higher education establishments, Highways Agency, Environment Agency, DNOs, NGOs, sector/trade Associations
- External evaluation to check how well this feedback system is working.

Lessons from a highly regulated business with licence obligations, show that it is possible to develop a culture of reflecting and acting on feedback. The District Network Operators have taken a new approach and incorporated both long and short term feedback loops. They develop their long-term business plans with thorough engagement and consultation with customers and stakeholders. Electricity North West's support for community and local energy uses ongoing feedback and to continuously improve and adjust their services. For example, stakeholders said that "*it's not always easy to find the right person to talk to*" so ENW appointed a dedicated community energy manager whose role was defined by stakeholder feedback. This role in turn encourages further open communication and better project delivery at a local level.

## 4. Recommendations for action

This research presents a recommended framework to enable faster delivery of Net Zero and maximise the potential for delivery at the local level.

The recommendation to Government is:

**Adopt a whole systems approach as recommended by the NAO and commit to developing and delivering this Net Zero Delivery Framework: it is not a set of pick and mix options and enacting some parts without the whole will not help to make the major and urgent changes needed.**

### Next Steps

The immediate next steps are to:

1. Cost out the operation of the support structure and programme of capacity building
2. Obtain commitment from one government department to "host" the framework
3. Gain commitment to funding
4. Identify members of the Net Zero Delivery Board
5. Establish the Net Zero Delivery Unit
6. Develop and organise the implementation of the delivery programme.

Following the development of the framework, it should be underpinned by a Net Zero Local Powers Bill, via new primary legislation designed to introduce the whole framework in a single piece of legislation – which permits, obliges and supports relevant levels of authority to undertake climate change action to satisfy the Climate Change Act, meet carbon budgets and deliver an effective pathway to Net Zero.

## A. Annex 1 - Methodology

This research aimed to address the key questions:

- What is the role of local authorities and local leadership in delivering Net Zero and why is a delivery framework needed?
- What are the barriers preventing local authorities using their powers to deliver Net Zero?
- What is the perception of local authorities' action on climate change from the Government perspective?
- What are the components of a framework to ensure the delivery of Net Zero at the national, regional and local levels?
- How could such a framework connect with the Government's planned Net Zero Strategy?
- What clear outcomes could a framework enable?
- What should be done to implement the framework?

**A note on scope:** this research and resulting framework covers the relationship between national Government and local authorities. It does not directly include other actors, such as business and communities or NGOs. Relationships between governmental and other actors are vital; and action by all sectors is needed to deliver Net Zero. A coherent and robust framework across levels of government will help deliver better action across all sectors.

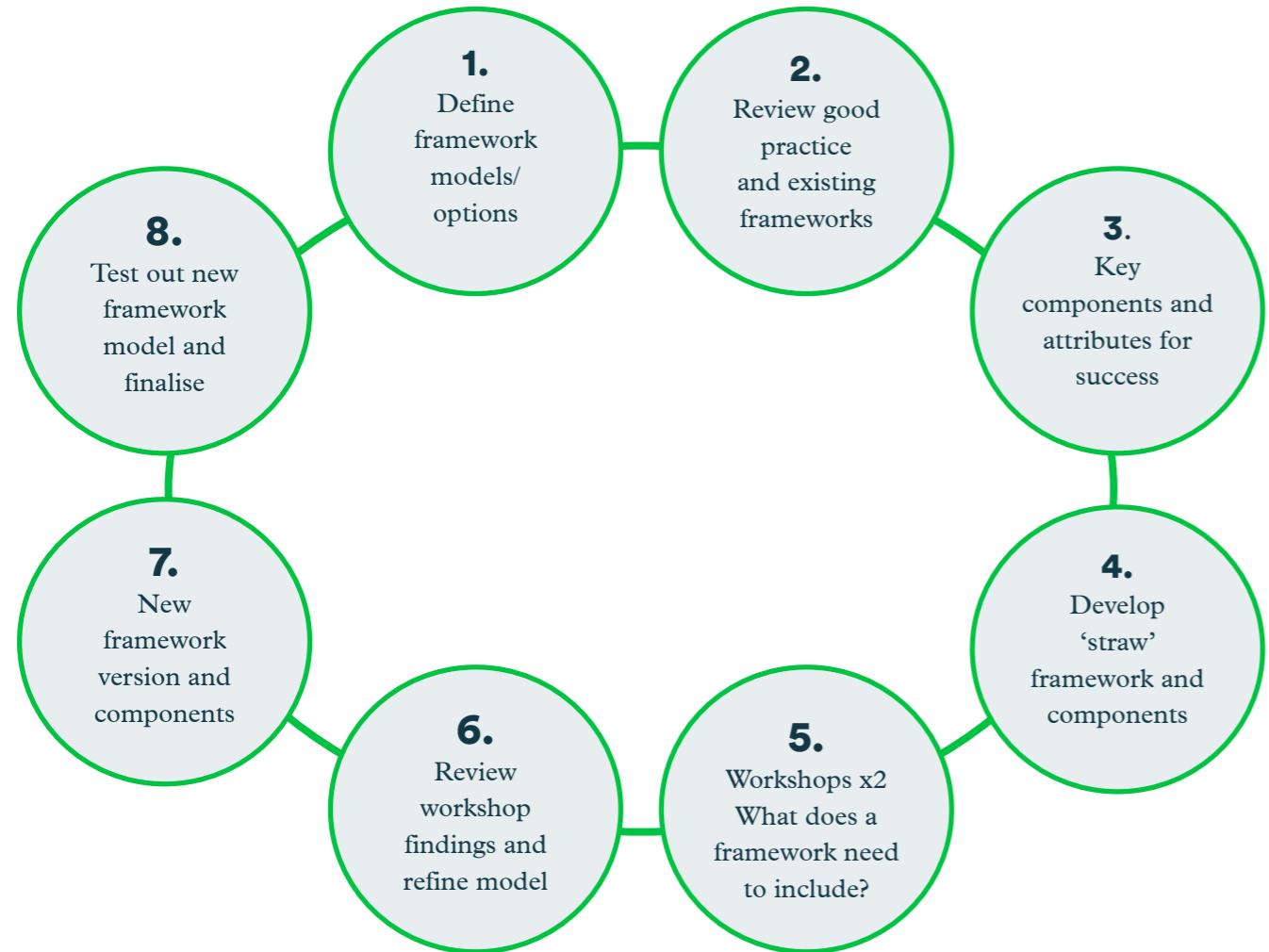
The framework has been developed through extensive research and engagement with national Government and local authority representatives and others to unpick the challenges and solutions. It takes into account:

- Evidence of under-delivery of government policy that has relied on national delivery only, overlooking the added value of local initiatives
- Evidence of missed carbon saving opportunities which mean investment in identifying opportunities and chances to deliver are missed
- Lessons from the COVID-19 pandemic response: which showed that in the face of an emergency, Government and local authorities can develop systems to work together collaboratively and quickly, and that decision-making at the correct level is key to effective action.



The steps below show the approach taken in developing and testing the framework and its components:

**Figure 4: Framework development and testing**



## A.1. Steering Group

The project was guided by a Steering Group which held three meetings in March, May and June. The Steering Group comprised members of three government departments (MHCLG, BEIS and DfT), WMCA, local authorities, business, NGOs and a University. Members are listed in Annex 2.

## A.2. Desk Research

The desk research included analysis of existing frameworks and delivery models that join national policy with local authorities, including:

- The National Planning Policy Framework, which provides for some local flexibility
- The Environment Bill, which provides clear roles for local authorities
- Previous domestic energy efficiency mechanisms: CESP, CERT and Warmfront
- The COVID Contain Framework (July 2020/updated March 2021) and feedback on it
- Previous National Indicators for climate change and related resourcing and support
- Scotland Climate Change Act, new reporting duties on public authorities and the SSN.

The research also benefited from insights generated by parallel work and discussions underway including a review of the anonymised notes of two Blueprint Coalition workshops with Government and discussions on the Collective for Climate Action<sup>43</sup> Slack channel.

## A.3. Stakeholder Interviews

Over 20 semi-structured interviews were carried out as well as participation in events, workshops and discussion groups. A range of stakeholders from across national government, local authorities, NGO and academic sectors collaborated to provide a thorough and rigorous challenge to the process, assumptions and details of the framework. A full list of people who kindly contributed to interviews, workshops and the Steering Group is provided in Annex 2.

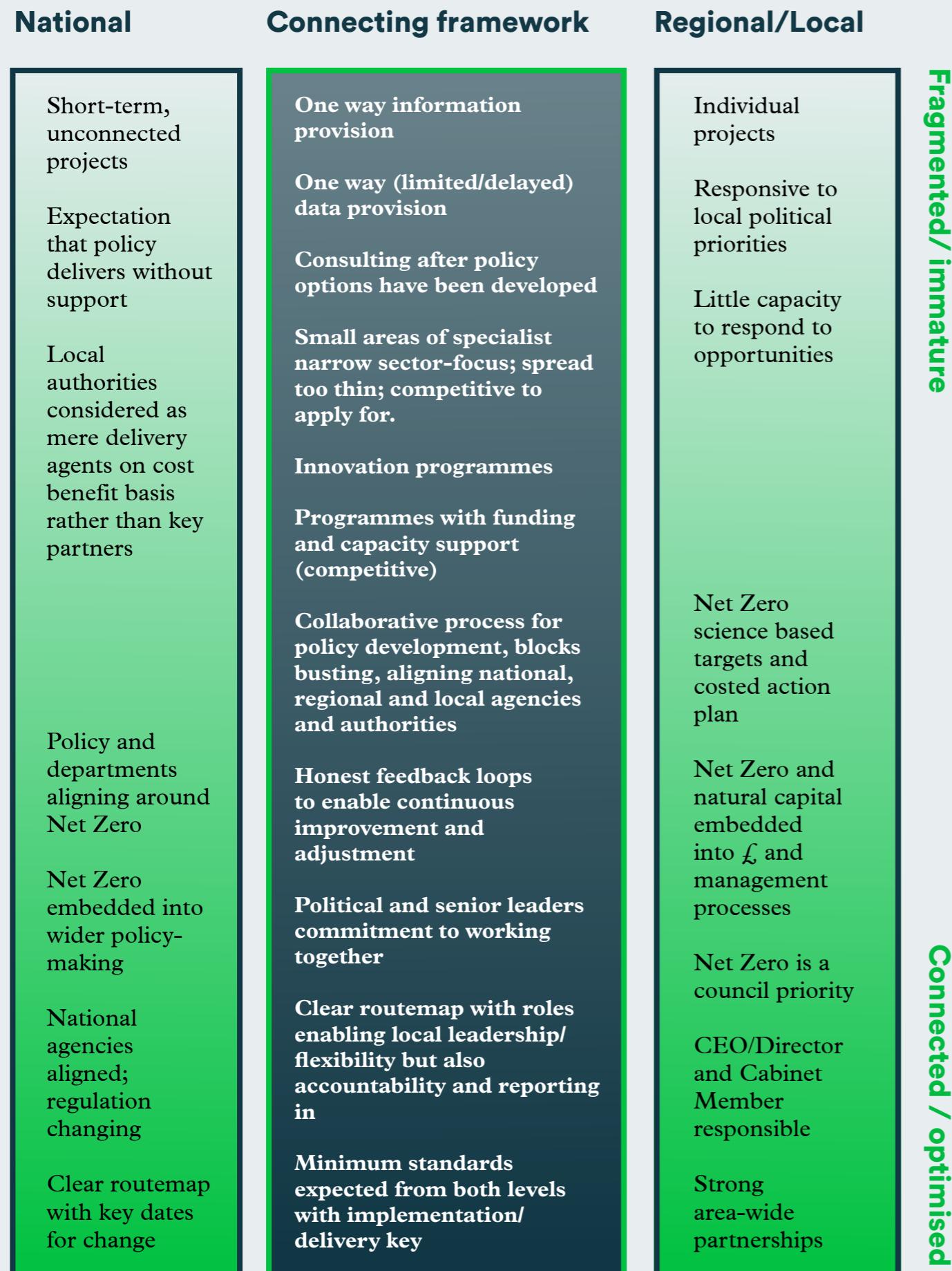
The desk research and stakeholder interviews lead to:

- An initial model identifying the issues the connecting framework should address
- Evidence from existing frameworks and support components
- Key components and attributes of an effective framework.

The model was pictured as the 'jam' in the national to local 'support sandwich': the joining links that make the whole work. The diagram below shows the stakeholders' views of the current fragmented approach, and the potential for a more coherent approach.

<sup>43</sup> CfCA is a self-organised network of public sector employees from more than 200 different government organisations from around Britain, including 70 councils

Figure 5: Initial framework model



## A.4. Workshops

The initial framework was tested out in an online workshop in May with 16 participants. The workshop aimed to build on the NAO's recommendations related to organisation management maturity,<sup>44</sup> with a view to fostering characteristics that reduce current reactive behaviours and enable system management and system continual improvement (See Annex 3).

The findings of this workshop challenged the initial format of the framework and influenced the components included in the second version. The key areas identified for the framework to address were:

- Clarity on the local and national roles in Net Zero and where decisions are best made
- Clarity on how support is best provided
- Policy drivers to deliver action (not simply 'engage')
- A new economic funding model for local authority action (not bidding for limited funds)
- Shared and readily accessible resources: good practice, experiences, networking, discussion, technical support
- Formal partnerships across local authorities to deliver action at the most appropriate area scale
- Skills and capacity built within local authorities (individual, or across areas)
- Training and collaboration on training programmes
- Data flow and information sharing to provide evidence (current, not two year time lag)
- Dialogue to develop better policy that can really deliver locally.

Feedback from this workshop combined with further research and interviews lead to a more detailed framework definition which was tested out at a second stakeholder workshop with 21 people in June.

<sup>44</sup> <https://www.nao.org.uk/report/improving-operational-delivery-in-government/>

# Net Zero Strategy: Routemap and Framework

Figure 6: Revised framework model



During this workshop the participants discussed the details of each of the seven elements and again confirmed or challenged the evidence of the need for each element. Alongside feedback from the Steering Group, the results of this workshop lead to the final definition of eight framework components, which are outlined in the final framework description in Section 3 above.

Some views expressed during this research demonstrate why this collaborative role has not been developed. The framework seeks to address these.

- The extent of the role of local authorities is underestimated by national government departments, and the wider benefits of local delivery cannot be taken into account in Value for Money calculations
- National policy thinking is highly centralised, including around tax raising and funding powers, and doesn't allow for local place-based solutions. Net Zero can be delivered by businesses without any need for local authority involvement
- Local authorities are not accountable to the centre, they are independent organisations accountable to local voters. They are variable in quality and capacity and do not have the capacity to deliver Net Zero
- There appears to be an adversarial or patronage culture that leaves out local authorities that don't have a loud voice and resources to spend lobbying and building relationships with civil servants and politicians
- Local authorities hold place-based expertise on their local areas but are rarely experts in wider national policy delivery.



## B. Annex 2 - Contributors

We are grateful to everyone who contributed their time and thinking to this project. These include:

### B1. Net Zero Delivery Framework Research Steering Group

Charles Abel Smith, Research Associate, UK100  
Jon Alker, Director of Policy and Places, UK Green Building Council  
Patrick Allcorn, Head of Local Energy, BEIS  
Greg Archer, UK Director, Transport & Environment  
Karen Barrass, Policy and Research Manager, UK100  
Cllr. Dean Carroll, Shropshire Council  
Sheryl French, Programme Director, Mobilising Action on Climate Change and Local Energy Investment, Cambridgeshire County Council  
Aaron Gould, Head of Local Government Climate Change, DLUHC  
Zoe Guijarro, Policy Manager, Citizens Advice  
Jackie Homan, Head of Environment, West Midlands Combined Authority  
Prof. Carly McLachlan, Director, Tyndall Centre for Climate Change - Manchester  
Alex Minshull, Sustainable City and Climate Change Manager, Bristol City Council  
Mareike Schmidt, Head of Innovation, Innovate UK  
Jason Torrance (Chair), Assistant Chief Executive, UK100  
James West, Head of Climate Change Strategy, DfT  
Tom White, Sales & Project Development Manager, Siemens Energy Solutions

### B2. People interviewed

Charlotte Banks, Energy Research and Project Officer, APSE Energy, APSE  
Polly Billington, Chief Executive, UK100  
Philippa Borrowman, Policy Advisor, Green Alliance  
Phil Brennan, Head of APSE Energy, APSE  
Eoin Devine, Senior Analyst, Transport, CCC (plus the CCC team x 6)  
Aaron Gould, Head of Local Government Climate Change, DLUHC  
June Graham, Data and Network Engagement Officer, SSN  
Kate Hand, Head of Climate Change, London Councils  
Prof. Michael Jacobs, Professorial Research Fellow in the Sheffield Political Economy Research Institute (SPERI), University of Sheffield

Judi Kilgallon, Climate Change Project Manager, Improvement Service, Scotland  
Polly Lord, Policy Lead for Local Government, Climate Change and the Environment, DLUHC  
Katy Losse, Audit Manager, NAO  
Anees Mank, Housing Development and Contracts Manager, Oldham Council  
Prof. Carly McLachlan, Tyndall Centre for Climate Research, University of Manchester  
Anthony Rae, Cutting Carbon Now  
Ben Sears, Environment and Sustainability Policy Officer, Welsh Local Government Association  
Hilary Tanner, Advisor, LGA  
George Tarvit, Director, SSN  
Steve Turner, Director, Connected Cities Catapult  
Bethany Vella, Policy Advisor, Climate Change and Economic Recovery, LGA  
Clare Wildfire, Global Practice Leader – Cities, Mott MacDonald (for the Net Zero Infrastructure Coalition)  
Stephanie Woodrow, Audit Principal, NAO

### B3. Workshop Participants

#### Workshop 1: 13 May 2021. Testing v1 of the framework

Tess Ax, Senior Policy Officer, Cornwall Council  
Prof. John Barry, Co-Director of the Centre for Sustainability, Equality and Climate Action, Queen's University Belfast  
Cllr. Rachel Coxcoom, Cotswold District Council/ClimateGuide  
Eoin Devine, Senior Analyst, Transport, CCC  
Steve Ford, Head of Environmental Growth, Climate Change and Heritage, Cornwall Council  
Cllr. Kevin Frea, Lancaster City Council/Climate Emergency UK  
June Graham, Data and Network Engagement Officer, SSN  
Kate Hand, Head of Climate Change, London Councils  
James Harries, Principal Technical Consultant, Ricardo Energy and Environment  
Michael Hemmingway, Principal Officer Climate Change, Salford City Council  
Angie Jukes, Technical Policy and Planning, Stockport Council  
Judi Kilgallon, Climate Change Project Manager, Improvement Service, Scotland  
Hywel Lloyd, Research Associate, UK100  
Cllr. Joe Porter, Staffordshire Moorlands Council  
Jamie Saunders, Policy Officer, Bradford Council  
Bethany Vella, Policy Advisor, Climate Change and Economic Recovery, LGA

Patrick Allcorn, Head of Local Energy, BEIS

Kat Armstrong, Calderdale Council

Mark Atherton, Director of Environment, Greater Manchester Combined Authority

Joe Baker, Head of Carbon Management, London Borough of Haringey

Emma Beal, Managing Director, West London Waste Authority

Ian Cable, Education Lead, Environment Agency/Collective for Climate Action

Cllr. Rachel Coxcoom, Cotswold District Council/ClimateGuide

Pete Daw, Assistant Director, Environment and Energy, Greater London Authority

Eoin Devine, Senior Analyst, Transport, CCC

James Doig, Head of Decarbonisation, Ofgem

Richard Elliot, Interim Policy and Strategy Advisor, Manchester Climate Change Agency

Paul Gilbert, Policy and Technical Advisor, Scottish Government

Isabelle Guyler, Climate Change Policy Assistant, Lancaster City Council

Susan Halliwell, Executive Director - Place, West Berkshire Council/ADEPT

Nichola Hughes, Director, Sustainable Northern Ireland

Andrew Hunt, Programme Manager - Community Wealth Building, Oldham Council

Polly Lord, Policy Lead for Local Government, Climate Change and the Environment, DLUHC

Laurence Mallows, Smart Meter Data Innovation Lead, BEIS

Ben Sears, Environment and Sustainability Policy Officer, Welsh Local Government Association

Jez Tweed, Environmental Management, Calderdale Council

Clare Wildfire, Global Practice Leader – Cities, Mott MacDonald

We are grateful to the Green Alliance and Blueprint Coalition for sharing their anonymised workshop notes; and to the Collective for Climate Action for admitting Quantum to the network in support of this project.

#### B4. Events and Groups (engagement through presentation or discussion)

PCAN+ (Place-Based Climate Action Network) meeting 15 April 2021 attended by 32 people

Collective for Climate Action: Government Climate Work Show and Tell (190 people in network; c30 people at event)

Connected Places Catapult – UK Cities Low Carbon Investment Commission, Investment

Portfolio Research - Reference Group

#### B5. Written feedback on the framework v2 in June from:

Philippa Borrowman, Policy Advisor, Green Alliance

Steve Hughes, Associate Economist, WPI Economics

Anthony Hurford, Zero Carbon Britain Hub Project Manager, CAT

Clare Wildfire, Global Practice Leader – Cities, Mott MacDonald

## C. Annex 3 - NAO Report on Organisation Management Maturity

**Figure 7: Behaviours observed at different levels of operational management maturity<sup>46</sup>**

We have often seen reactive behaviours limiting an organisation's ability to systematically learn and improve



Description	Firefighting	System administration	System management	System continual improvement
<b>Characteristics we observe</b>	<p>Surviving from day to day</p> <p>Few systems or processes in place to understand what is happening</p> <p>Much time spent dealing with recurring issues</p>	<p>Largely reactive, some decisions based on a medium-term view</p> <p>Ways of working in place – but often applied inconsistently</p> <p>Focusign on outputs from the process</p> <p>Spotting problems as they arise – an ad hoc approach to solving them</p>	<p>Taking a longer – term perspective with plans for patterns of demand</p> <p>Locally designed, data-led service management – e.g. measuring process performance based on what matters for the diversity of users, not just counting output</p>	<p>Using long-term trends to manage emerging issues</p> <p>Aligning improvement activity to shared priorities</p> <p>Whole-system learning – beyond individual functions, organisations or sectors</p>

#### Note

1 Organisations may exhibit characteristics from different stages of this model concurrently and progress may not be linear. For example, an organisation may be predominantly “firefighting” but exhibit characteristics of higher maturity in some teams.

46 <https://www.nao.org.uk/report/improving-operational-delivery-in-government/>

Quantum  SIEMENS

[www.UK100.org](http://www.UK100.org)