

PEOPLE AREN'T MAKING THE LINK BETWEEN TAKING POSITIVE ACTION ON CLIMATE CHANGE AND THE POTENTIAL UPLIFT TO THEIR QUALITY OF LIFE, THROUGH WARMER HOMES, LOWER BILLS, CLEANER GREENER STREETS, A REDUCED RISK OF FLOODING, OVERHEATING ALONGSIDE THE CREATION OF MORE JOBS IN THIS GROWING SECTOR.



We have held many conversations as part of this programme of work, but this quote from Rhian Palmer, Strategic lead for Green Futures at Coventry City Council, encompasses the core of the issue.

Although awareness of climate change is widespread, and most local authorities have declared climate emergencies and developed action plans, there still seems to be a gap between the actions being taken or proposed and their actual impact on people's lives.

At a local level councils and authorities are faced with a multitude of challenges and with dwindling funds to deliver upon a long list of priorities.

Here we summarise the key learnings from speaking direct to people tasked with placemaking and regeneration at a local level and how they are integrating with the net zero transition. Each location is different and will need a different solution, but there are general trends we can all learn from.

This is what we want this report to be. A receptacle for progressive thinking that can help others facing similar challenges. There is no one answer. There is no right answer, but there are learnings that can help and inspire others.×





#### TAKING A HOLISTIC APPROACH

We've previously identified placemaking, regeneration, living, and the net zero transition as separate challenges, but our discussions have reinforced that these agendas are inherently linked and complementary. Achieving net zero is not an isolated goal; it is fundamental to successful place—making and city development. The aims, the objectives are interlinked and should be treated as such. Net Zero, like the other issues, are not special projects to be viewed in isolation, instead, they are "business as usual" issues and should be treated as such. The scale and volume needed to deliver decarbonisation means it needs to fit into broader activities such as regeneration, placemaking, and transport infrastructure. It requires cohesive strategies and innovative funding models at both a local and national level.

Contributors highlighted that the scale of the challenge is immense and that the urgency of the required pace of change is the most pressing issue. This means that delaying action is not an option. Instead embedding net zero and climate adaptation into all projects is crucial to creating a strategic framework that connects these priorities. One council Hull said, that if their activities did not account for their carbon impact or climate risk, then they were failing to deliver better local services.

This means sustainability can no longer be seen as an afterthought. It must become a core consideration in aligning budgets and solutions that support long-term investment and resilience. As many of our contributors highlighted, climate change has the ability to disproportionately affect the most vulnerable, so it is essential to connect this agenda also with social equity.

The ability to embed complementary goals helps to avoid the false choice between climate action and other priorities. As another contributor pointed out, decarbonisation is not only an environmental imperative, but it is also a social one.

This link between action and social value needs to be constantly made but it must be better articulated. This would help to address Rhian's point and help position how we link wider city-based activity with the climate change agenda. It should not be seen as either/or, instead it all needs to be embedded as a key objective.

Infrastructure is crucial to achieving net zero. This is as pertinent at a local level as it is at a national level. It is the fundamental. Without this being right we will only ever be net zero ready rather than net zero in operation. Therefore, this needs to be planned in tandem – transport, buildings, housing, place, regeneration, rewilding – it becomes one and the same at the end.×



#### **LOCAL KNOWLEDGE IS VITAL**

One thing that came through loud and clear was that you must embrace local knowledge. Nothing beats it. To deliver local solutions it is vital that you clearly understand "what" is needed on the ground This is because the solutions must be designed and implemented locally.

On a subject like climate change, national policy can provide a framework to work within, but each region needs a tailored, integrated approach to gain community buy-in. It is not just acceptance of the involved actions that is important here. The ability to integrate climate change activity into other council activity is intrinsic on building that local understanding. Writing for us just before the General Election this year, UK100,

the network for local authority leaders said the path to a cleaner, healthier, and more prosperous future is forged at the local level, not dictated from Westminster.

Net Zero is a national target, but it appears from our conversations that it is vitally important that local cities and regions work within defined frameworks to produce plans that resonate and deliver at a local level. Research from UKRI and PwC highlights that a locally-led net zero transition could reduce system costs by over two-thirds and nearly double consumer bill savings. This is evidence that "place-based" carbon reduction measures led by UK cities and towns could produce positive environmental, economic, and social results with a lower cost compared to a national "one size fits all" approach.

There is need for strong, open dialogue between national and local government. Whitehall controls levels of funding and through policy development has the power to unlock net zero potential, but it is local authorities and councils who are better equipped to combat misinformation and unite communities around climate action.

The net zero transition is perhaps the biggest change programme we will go through. An essential ingredient for it to succeed is trust. Access to impartial, trusted, and locally relevant advice is essential to succeed.

We are seeing greater examples of local power through devolution which empowers communities to make decisions that directly benefit them. For example, a housing improvement programme led by local decision-makers could generate multiple benefits from a single intervention. This becomes an example of a national policy – greater devolution – that is then executed at a local level – through housing policies, climate emergency delivery plans etc It was recognised by many that community groups bring to the table invaluable grassroots knowledge, energy, and the ability to highlight issues often overlooked by traditional decision-makers. Being closer to the problem makes it easier to design the appropriate solution.



#### LOCAL AREA ENERGY PLANNING

A lot of people we spoke to as part of this programme emphasised the importance of Local Area Energy Planning (LAEP) in the work they are doing. A LAEP is described as a process that has the potential to inform, shape, and enable key aspects of the transition to a net zero carbon energy system, at a local level. The plan provides a solid evidence base for action, allowing areas to prioritise projects that are not only cost-effective in delivery but also can deliver multiple benefits for residents beyond just the financial.

Decarbonisation is a complex activity. It is a systems challenge that requires a systems solution. That includes considering every aspect of life in the places that we live, work, and play within. It is why supporters of this approach such as the Energy Systems Catapult advocate for a place-based strategy and solution that integrates sources of decarbonised heat, renewable energy, and low-carbon transport into a cohesive system tailored to the unique needs of each local area. LAEPs are examples of a systems solution and one at a local level with specific objectives and outcomes in mind.

There is no one-size-fits-all path or solution to net zero for every place in the UK. LAEPs use a stakeholder-driven, evidence-based approach to map the optimal route to decarbonise. This becomes important when looking into the other responsibilities authorities and councils have. By building on a shared evidence base, it allows council planners, network operators, businesses, and community groups to align towards a common net zero goal based on evidence and not on ideology.

On this journey it is crucial to consider and capture the carbon impact of every decision, big or small. By doing this we can understand their cumulative effect and pinpoint areas for intervention and improvement. What a LEAP allows is the ability to embed carbon-conscious thinking into the plans for cities and regions.×



# LOCATION, LOCATION, LOCATION

Regional solutions will naturally vary. This is due to differences in local geographical infrastructure, different requirements for different locations, but there is real value in sharing and learning from others' experiences.

As we have noted devolved agendas are thriving as more and more regional and local governments are recognising that embracing sustainability can be a holistic approach to addressing a range of complex issues. It has multiple benefits not just carbon reduction in isolation. It can help across issues such as tackling inequality, the development of long-term skills, and the creation of well-paid new employment in the areas of the transition.

Devolution deals are agreements between the central government and local authorities to transfer certain powers, responsibilities, and funding to regional bodies. The intention is that this allows local areas to have greater control over policies that directly affect them, such as transportation, housing, skills training, and economic development. The intention is that this allows for more effective governance and better local outcomes.

#### **Key Aspects of Devolution Deals:**

- 1. Powers Transferred: these can vary but often include areas like transport, health and social care, housing, planning, and economic development.
- 2. Elected Mayors: some deals include the election of a directly elected mayor with executive powers over the devolved region.
- 3. Combined Authorities: groups of local councils collaborate to exercise devolved powers, often covering larger metropolitan areas or regions.
- **4. Fiscal Responsibility:** devolution deals typically involve agreements on funding and fiscal powers, enabling local authorities to raise and allocate funds for specific projects.
- 5. Economic Growth and Public Services: the goal is to boost local economic growth, enhance public services, and improve accountability and transparency at a local level.

Some of the notable UK devolution deals include Greater Manchester, the West Midlands, Liverpool City Region, Tees Valley, West Yorkshire, South Yorkshire and North of Tyne who each have directly elected mayors with executive powers. These deals represent various approaches to devolution, with different powers and governance structures tailored to the needs and priorities of each region. More deals continue to be announced with the latest being for Hull and East Yorkshire and Greater Lincolnshire.

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#### **BOLD LEADERSHIP IS REQUIRED**

Any successful change programme requires strong leadership. Leadership that is seen to be listening and responding. Following the devolution pathway, strong local leadership becomes even more important.

A key theme that emerged from our discussions was that leaders need to prioritise outcomes over outputs. It is the measurement of impact across these agendas which is important, not just the volume of work undertaken. A number of people we spoke to highlighted the belief that local councils have a crucial role to play in both setting an example and leading by their own action. From a decarbonisation perspective this includes operating in a low carbon manner as well as setting plans for the region to be low carbon in the future

The value of leadership local to communities is that it becomes better placed to foster and support innovation and change, with policymakers having a shared and consistent understanding for decarbonisation initiatives across the region.

The more time that can be dedicated to planning, the better the results will be. Across the agendas we focused on, the ability to view sustainability as a core standard helps to not only drive net zero ambitions forward but also other agendas. It was emphasised that plans and decisions should be grounded in robust local evidence and adopt a "positive but realistic" approach to implementation. This is if nothing else a journey that the whole community needs to go through.

Others recognised that failing to act now will only make addressing climate change more challenging and costly in the future. The argument is that by taking proactive measures today especially in designing buildings that are suited to our changing climate and enhancing wider city resilience to climate change this allows you to avoid the need for retrofits and prevent expensive repairs from future flooding and extreme weather.

Once again it reemphasises the need for holistic thinking that does not focus on single individual measures.



## **LEARN FROM DOING**

A key aspect across all agendas, was that we need to stop talking and do. This is particularly important under the net zero agenda as time is ticking on not only the national 2050 target, but also the wide number of regional aspirations and targets put in place through climate emergency plans.

Respondents highlighted that there is a real need to learn from experience and to improve how this knowledge is shared. This is because when it is broken down regions are confronting similar challenges. Here knowledge of understanding what works, and more importantly what does not work becomes invaluable. What has proven somewhat difficult for many is the move from conceptual strategies to practical implementation in the real world. This some say remains a significant hurdle because of a variety of issues, including funding and availability of qualified skills

All of this breeds a theme of learning from doing. In the net zero landscape this is particularly important, as decarbonisation has not been done before. Whilst we have a number of potential scenarios and solutions available, it will only be through testing them and analysing the results (in the real world) will we be able to improve and deliver solutions at the scale we need to. Many people recognised the importance of innovation to ultimately deliver on their objectives. True innovation involves challenging existing norms and taking calculated risks to drive progress and achieve meaningful outcomes. Therefore, it becomes essential to not only undertake but learn from pilot projects and to share this learning far and wide.

A recurring theme when discussing housing was that innovation is needed to ensure that we can build new homes that are future proof from the start. Many acknowledged how it does not make sense to be adding to an existing large housing stock that needs retrofitting with even more properties. This is where the need for long-term visions are required and whilst there will always be short-term challenges that need to be addressed, it should be approached through a lens which has the wider objective in mind. It was also noted that we should not underestimate the power of successful community projects. These can serve as immensely valuable demonstrators of what can be achieved. It is a valuable engagement tool which can help to inspire residents whilst also showcasing effective ways to reduce their environmental impact. In simpler terms the power of "show and tell" is influential when discussing new concepts, especially when it is built and delivered upon local trust ×



#### **EARLY ENGAGEMENT IS KEY**

At the heart of all local activity, is the people. All of these agendas are about people. This means that it is essential to engage communities early on and communicate in a way that resonates with everyone. Whatever aspect you are talking to them about, it is important to clearly outline the social, economic, and personal benefits of any change. Any large-scale transformation requires

earning trust and maintaining community support.

When we look towards the net zero agenda, achieving targets will depend on sustained community consent and involvement throughout. Communities need to understand what is happening, why it is happening, how it will happen and what will be the outcome of the activity. All these points need to be addressed in a language and manner they understand and resonates with their lives.

For some, a street-by-street approach is being used to encourage participation and foster local ownership for net zero activity. This is where there is a benefit to engaging with communities through a co-design process that involves residents and businesses, who understand their areas best. Change is a concept that is not always welcomed or understood by everyone. From our conversations it appears important to have people feel they are involved in the process and that it is not something that simply happens to them. This involves listening and responding to resident and community concerns. By involving people in the design and implementation of solutions, it helps to empower them, foster a sense of shared purpose, it can bridge divides, and ultimately can help encourage long-term stewardship of their local environment.\*



#### THIS IS NOT A RACE

Our national target for net zero is 2050. Whilst we need to get on and deliver, we also need to understand and communicate that this is about a transition. It does not have to be delivered tomorrow.

We very much welcome bold ambition, but we also need to have realistic plans in place. As we have noted engagement, and acceptance is so important and that will be built on trust. Trust to deliver what cities and local authorities say they are going to deliver.

If we accept the premise that nobody is net zero until everyone is net zero, then we need to avoid viewing this as a race to be first. Instead, focus should be placed on a well-defined, place-based approach to decarbonisation.

It is important that the net zero transition acquires and retains strong cross-party support delivered across a long-term perspective. Over the last few years, the political consensus about climate change has been challenged. It is important that this dialogue is not just focused on economic terms. We need to move on from a good vs bad narrative. To drive positive change net zero needs to be seen as aspirational. To do this we will need to talk "human" and at levels all can understand. This narrative needs to be clear and consistent but most of all we must make it relatable to individuals' lives. So, it is important that we remember as part of this communication, focus is provided on the fact that this is delivered as part of a transition and not as a sprint. A lot of the activity we discussed as part of this programme is based around the concept and effort involved in preparing projects to be ready for immediate action once funding is secured. This approach allows cities to be in the best position to action rapid, large-scale implementation, which is what will be required.×



#### **COLLABORATION IS VITAL**

No one organisation, no one government, no one local authority can deliver net zero in isolation. It must be done in partnership. This is the same for any large place-making, regeneration or infrastructure project. Partnerships are needed for delivery, and public / private partnerships need to be developed and fostered. As our editor-at-large on this programme, Sarah Daly says: "Greater market collaboration focused on decarbonisation is essential to making healthier, more liveable cities the norm."

All the cities we spoke to placed a strong emphasis on the importance of local partnership working. With a priority placed on place-based strategies, there was real belief that this approach

allows cities to foster local collaboration that has the potential to drive economic growth whilst at the same time reducing emissions. With an emphasis on climate change, partnerships are highlighted to be crucial to develop practical solutions that work and are embraced at a local level.

One city that has placed a real focus on developing strategic partnerships to deliver on their aspirations is Coventry. They have entered into the UK's first strategic energy partnership with E.ON. This 15-year partnership aims to transform energy use in the city and their approach to carbon reduction whilst at the same time seeking to help people save money and provide an economic boost to the local economy. What is important is that each project undertaken as part of the partnership is guided by a social value plan to ensure economic growth, improved outcomes, and reduced inequalities for communities and businesses you can read more about the partnership on page xx.

A clear message from our discussions was that achieving net zero and large city projects requires a collective effort from public and private sectors alike. Success depends on active participation across society and closer collaboration with all levels of government.×



#### COST

This is the elephant in the room.

Cost is a significant challenge in the decarbonisation agenda. Many of the people we spoke to believe that without innovation, financial constraints could limit the speed and scale at which we address climate goals. This is innovation in the design of financial instruments. The assets being funded here have long lifespans and as such the return and value of investment changes in a credit dynamic. Solutions put in place needs to reflect this. One of the advantages of a combined authority is its ability to develop support models that can be implemented across an entire region, together with the scope to leverage additional

resources and tools to help drive progress across several agendas.

The cost of climate action adds to the growing funding challenge that local authorities face. To be successful in our climate ambitions new financial innovation will be required to fund the scale of delivery we need to meet aspirations at both a local and national level.

The cost of achieving net zero is a critical factor for several reasons:

**Economic Impact:** The financial implications of transitioning to net zero can be substantial. Understanding these costs helps plan and budget effectively, minimising economic strain and ensuring that resources are allocated efficiently.

**Feasibility and Affordability:** Assessing the costs helps determine whether net zero targets are realistic and achievable within given financial constraints. It influences policy decisions and investment strategies, ensuring that net zero ambitions are practical and affordable.

**Funding and Investment:** Identifying and understanding the costs of net zero initiatives is crucial for securing funding and investment. It helps attract private sector investment, allocate public funds wisely, and leverage financial incentives and subsidies

**Cost-Benefit Analysis:** Evaluating the costs versus the benefits of net zero measures helps to justify expenditures. It supports the argument that the long-term benefits—such as improved health outcomes, reduced environmental damage, and enhanced economic opportunities—outweigh the upfront costs.

**Policy and Strategy Development:** Accurate cost assessments inform the development of policies and strategies. They help policymakers design effective regulations and incentives, tailor solutions to different sectors and regions, and prioritise actions based on cost-effectiveness

**Public Support and Buy-In:** Transparent cost information is essential for gaining public support. People are more likely to back net zero initiatives when they understand the financial implications and see a clear, justifiable path to achieving sustainability goals.

**Risk Management:** Understanding the costs helps in managing financial risks associated with the transition. It allows for better planning to mitigate potential economic disruptions and ensures that contingency measures are in place.

Understanding and articulating the cost of net zero is pivotal for planning, budgeting, securing investment, and ensuring the practical feasibility of sustainability goals. It impacts decision-making across locations and sectors and is key to achieving a balanced and effective transition to a low-carbon economy. But we need to be aware that net zero is not the only financial constraint on local authorities. This is where a more holistic approach at a local level can prove beneficial. It is why a number of local authorities we spoke to are employing Local Area Energy Plans, as this provides them with a robust data and evidence platform to make informed climate related decisions from.



## **COUNT THE BENEFITS**

Our conversations threw up a long list of benefits from implementing climate action at a local level. Some economical, some technical, some from a health perspective. What this shows is how a focused approach can produce healthier cities and environments to live and work within with multiple benefits for communities and residents

A key driver for many cities is the ability to implement strategies that ensure residents have access to job opportunities that are being created by any switch to a net zero economy. It drives a sense of developing a circular economy that helps to retain the benefits of the large investment within the community. By using locally sourced materials and by using local business to deliver

there is the ability to strengthen the local economy which in turn provides benefits for local communities.

For many interviewed they saw a truly sustainable city as one that attracts inward investment, helps to retain talent, which in turn enables residents and businesses to thrive.

The power of fostering community spirit was also a popular driver for many. The thinking being that locally focused activity can help to create communities that not only reduce their carbon footprint but also maximise efficiency. This means that the goal is not just simply to cut emissions, but also to empower communities to flourish sustainably at a wider level.

One of our contributors noted that low carbon projects go beyond being infrastructure projects. Delivered correctly they have the ability to enhance aesthetics, promote biodiversity, provide community spaces, instil local pride, and contribute to the overall well-being that defines vibrant neighbourhoods, producing a multitude of benefits from focused action.



# ALL ROADS LEAD TO A FOCUS ON PLACE-BASED DECARBONISATION

All of these learnings point to a clear takeaway from the programme, the need to look at decarbonisation not in a series of isolated activities but rather from a place-based perspective. Place-based decarbonisation refers to focused efforts to reduce carbon emissions in a specific geographic location or community, focusing on solutions tailored to the unique characteristics, needs, and resources of that particular area. Taking this approach recognises that different places—whether urban, rural, industrial, or coastal will have different economic structures, energy demands, local resources, and social dynamics, and therefore require localised strategies for achieving net zero emissions. Some key aspects of place-based decarbonisation are:

Local Context: the understanding of the specific energy needs,

economic activities, transportation systems, housing stock, and natural resources of a place to design effective decarbonisation solutions.

**Community Engagement:** involving local communities and stakeholders in the planning and implementation of decarbonisation efforts ensures that the solutions are inclusive, equitable, and beneficial to residents

**Sector-Specific Approaches:** different areas may focus on decarbonising particular sectors based on their economic activities

**Infrastructure and Technology:** local infrastructure availability, such as energy grids, transportation systems, or building stocks, plays a key role

**Policy and Governance:** local authorities and councils play a critical role in setting policies, allocating resources, and coordinating efforts in light of national or global climate goals and its application at a local level

Resilience and Adaptation: place-based decarbonisation can also include climate adaptation strategies that enhance resilience, such as improving flood defences or designing cities to be more climate-resilient while also reducing emissions.

Employing this approach ensures that decarbonisation strategies are practical, sustainable, and scalable by leveraging the unique strengths and addressing the particular challenges of different regions.

Cities we spoke to have recognised the need to develop new skills and perspectives at a scale and pace that will fundamentally reshape their approach to place-making. By building more sustainable neighbourhoods this can have a profound impact on local services and help to reduce inequalities.

Coventry highlighted a number of areas where they see this is

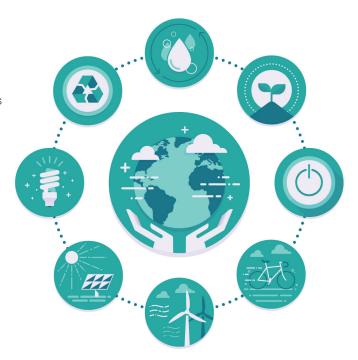
applicable including expanding green spaces to address urban deprivation, improving air quality, reducing flood risks, and enhancing biodiversity. They feel that retrofitting homes not only improves their energy efficiency, making them warmer, but also supports better public health, especially for those with respiratory conditions. And, by creating active transport infrastructure it helps to boost social mobility and provide better access to services, education, and employment opportunities.

Local Area Energy Planning fits into this place-based approach. The Energy Systems Catapult who has pioneered work in this area recognises that we need to accelerate place-based decarbonisation within a national framework. But they point out that it is at the local level where people and communities make decisions that drive us towards net zero, and where organisations, businesses, and democratic institutions can align their actions and investments.

The driver is that a systems approach which is tailored to the unique needs of each area, becomes essential to achieve meaningful results. Results that are delivered at a community level come with multiple benefits. A place-based approach can transform the built environment, economic landscape, and social dynamics creating solutions to meet local needs.

There is no one size fits all solution. It is very much a combination of regional individual solutions that will allow the UK to meet its net zero ambitions. This is why a local approach to practically delivering is so important. Through our conversations we have seen the level of engagement in these issues is strong and there is a move to make net zero a business–as–usual activity not a special project. We are not there yet, but as we have said it is a transition and there are plenty of learnings for us to take as we go. What is important is that these learnings are shared far and wide for others to benefit from

At the end of the day, we return to the fact that net zero is a collective challenge that requires a collective response.



#### SUMMARY OF CLIMATE PLEDGES ACROSS THE UK

- 1. Belfast: 66% reduction by 2025, 80% by 2030 and 100% by 2050
- 2. Bradford: part of Leeds City Region Climate Coalition pledge to be a net zero carbon region by 2038
- 3. Cardiff: carbon neutral city by 2030
- 4. Derby: net zero by 2035
- 5. Exeter: net zero city by 2030
- 6. Hull: 2030 carbon neutral strategy
- 7. Leicester: become a carbon neutral and climate adapted city by 2030 or sooner
- **8. London:** net zero carbon by 2030
- 9. Newcastle: net zero emissions by 2030
- 10. Plymouth: council is a net zero organisation by 2030
- 11. Sheffield: net zero carbon city by 2030
- **12. Birmingham:** "the council and city to become net zero carbon by 2030, or as soon as possible"
- 13. Bristol: become carbon neutral and climate resillent by 2030
- 14. Coventry: no defined timeline, but committed to national target of net zero by 2050
- 15. Edinburgh: net zero climate ready by 2030
- 16. Glasgow: net zero carbon emissions by 2030
- 17. Leeds: carbon neutral by 2030
- 18. Liverpool: net zero carbon city by 2030
- 19. Manchester: carbon neutral city region by 2038
- 20. Nottingham: first carbon neutral city in the UK by 2028
- 21. Southampton: zero carbon city by 2035

