

Climate change

Purpose of report

For direction.

Summary

This report summarises the LGA's policy and improvement programmes on climate change mitigation and adaptation.

Recommendation

1. The Executive are asked to consider:
 - 1.1. Feedback on priority issues for future climate change policy and improvement activity, and how the LGA delivers those priorities

Action

To be taken forward by officers as directed.

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Climate change

Background

1. Local government has recognised climate change as a significant and urgent issue and councils are leading impactful action. Councils are taking forward action to decarbonise their own operations and to lead decarbonisation across the wider community.
2. Councils and fire and rescue authorities have:
 - 2.1. some influence over 80 per cent of emissions from their places – including through leadership, behaviour change, community engagement
 - 2.2. direct influence over around 30 per cent of emissions – including through levers in housing, planning, transport, energy
 - 2.3. direct responsibility for 3 to 5 per cent of emissions – including through buildings, transport fleets
 - 2.4. direct responsibility for planning for and responding to extreme climate events such as floods, heatwaves and the associated risk of wildfires.
3. Councils and fire and rescue authorities report a wide range of significant challenges and opportunities to realise their full potential in both reducing emissions and supporting communities to adapt to the impacts of a changing climate. Primarily the challenges call for a framework for action, facilitation and support, funding, and local flexibility of delivery.
4. The LGA seeks to support councils and fire and rescue authorities with this effort, to promote the work with Government and partners, and to deliver on the vast opportunities for sector-led improvement.
5. **Progress to date - the role of councils is recognised in words though not action**
6. The LGA and our partners have had some success in ensuring councils are recognised as crucial to responding to climate change, and the need for action to realise this potential. For instance, within in the last year:
 - 6.1. LGA leaders at COP26 spearheaded the international effort to ensure the final international agreement of national governments included a recognition of the importance of local and regional government in reducing emissions, which wasn't present in the previous agreement.
 - 6.2. LGA political and senior officer engagement with Government Departments across Whitehall secured a chapter in the Government's Net Zero Strategy dedicated to local net zero, acknowledging the importance of councils and committing to address a range of issues the sector has identified, including on providing a simpler more

consistent funding landscape, providing clarity of the delivery ambition, supporting councils to build capacity, and developing data and understanding.

- 6.3. LGA are working closely with Government to shape and provide policy input on a range of issues including roles and responsibilities, funding, data, and capability and capacity.
7. Further, a range of influential voices have pressed for more local approaches including the National Audit Office, the Climate Change Committee, UKRI, CBI and many others.
8. There is positive national policy exploration on the role of councils and we need to ensure this leads to significant policy and funding change.
9. **Building on progress – headline policy offers and asks**
10. There is a national strategy for achieving emissions reductions and is taking forward a range of activity. The Climate Change Committee’s latest progress report to Parliament found the UK did not have a clear plan for reducing around 62 per cent of UK emissions. This includes issues on which councils have a critical leadership and delivery role, such as decarbonising heat and buildings. Further, last year the Climate Change Committee found that adaptation action was not at pace with the worsening reality of climate risk¹.
11. ***Local government’s offer - headlines***
12. ***Councils can help lead place-based approaches to hit net zero targets in ways that cost three times less than a centralised approach and deliver twice the social and financial returns.***
13. New research has revealed dramatic benefits of joined-up, place-based approaches which can achieve significantly greater returns on investment, achieved primarily through decarbonising heat, buildings, and travel.
14. Accelerating Net Zero Delivery. from the UKRI report with PWC, University of Leeds, and Otley Energy, found that a centralised – or ‘place-agnostic’ - approach would take £195 billion of investment in things like heat pumps, insulation, and electric vehicles, to meet the targets set out in the sixth carbon budget; and would release £57 billion of energy savings, and £444 billion of wider social benefits over the next 30 years.
15. By contrast, under a scenario taking a place-specific approach, £58 billion of investment would be needed to meet the same targets. In the process it would generate £108 billion

¹ <https://www.theccc.org.uk/publication/independent-assessment-of-uk-climate-risk/>

of energy savings for consumers, and £825 billion of wider social benefits over the next 30 years.

16. *Councils can help make and shape net zero markets, and leverage in private capital, as the central driver of future economic growth*

17. Local approaches to net zero are critical for understanding, planning, targeting, and connecting the range of interventions needed to enable the 'ready to pay' markets to grow, maximising the role of net zero in achieving growth and productivity.

18. For instance, regards housing, councils can develop strategies that link public investment in retrofitting homes to local efforts to build supply chains and green skills to pump-prime market growth. The LGA has demonstrated there are opportunities for well-paid careers in the green economy. Councils can set the signals on the most appropriate technical solutions for different areas and help strategically build the necessary grid capacity.

19. As leaders in the community, councils can connect this with strategies to inspire households to invest themselves, connecting and mobilising public services and community groups – as they did in the Covid-19 pandemic – to create an offer that provides advice, protections, and incentives to support residents make the decision to decarbonise their homes.

20. Furthermore, there are projects beginning to demonstrate that councils are uniquely able to build a pipeline of net zero projects with the scale to crowd in significant levels of private capital. Subject to capacity, technical skills and a clear public finance landscape, councils can lead a step change in private investment essential to the transition.

21. *Councils can maximise the co-benefits to tackle the cost of living, protect health, build energy security*

22. Councils are uniquely able to connect the local path to net zero while helping resolve some of the immediate challenges and concerns facing families.

23. For instance, as a central fixture of the local welfare support system, councils can combine efforts to support people with the cost-of-living crisis with advice and the basic energy efficiency measures that reduce energy bills. Our LGA analysis shows that inefficient homes will lose a total of £8.6 billion in energy waste through leaky homes over the next two years. In addition, leaky homes will cost taxpayers over £4 billion as Government subsidises costs via the Energy Price Guarantee.

24. Similarly, the public health dangers of cold homes in the winter or extreme heat in the summer can be reduced by councils connecting health services with efforts to improve energy efficiency. For instance, over 60 per cent of over 65s live in the least energy

efficient homes. Wider action to promote active travel, increase the prevalence and availability of nature and green space, and improve air quality are also other primary objectives that councils can best bring together in places.

25. And councils are uniquely able to match growing demand with building the local skills and career pathways supporting social mobility. For instance, current salaries in the retrofit sector show that there is an opportunity to develop highly skilled vocational roles on good salaries that promote productivity and local prosperity.
26. ***Councils and fire and rescue authorities can help close the widening gap between the climate risks and our readiness***
27. Public interest, concern and engagement with our adaptation effort will likely grow in the years ahead as the frequency and intensity of extreme weather events escalate, and the impacts on health, quality of life, and the economy grow.
28. Councils, along with fire and rescue authorities, will play a central role in adapting, preparing, and responding to the majority of the sixty-one climate risks identified by the UK's Climate Change Risk Assessment. They can leverage their influence as community leaders and conveners, with responsibilities across housing, planning, transport, infrastructure, environment, environmental health, public health, welfare, emergency planning and response, community safety and more.
29. Like net zero, the adaptation effort will require every part of our society and economy, the scale of adaptation is significant and predominately place-based. Councils and fire and rescue authorities can be central to closing the widening gap between the level of risk we face and the level of adaptation underway. For many local authorities, this starts with considering the level of vulnerability and role of their own services in extreme weather.
30. ***Local government's ask – the headlines***
31. ***Rapidly tackle the energy crisis in ways that accelerate the long-term transition to net zero and drive economic growth***
32. Councils have the knowledge, levers and partnerships to move at pace in supporting communities with rising energy bills, while developing capacity for the transition to net zero in energy, housing, and transport.
33. In the short term, Government could bring forward net zero investments into a rapid decarbonisation delivery scheme, allocated to all councils to use in ways to achieve a set outcome free of all Whitehall restrictions, for instance on how funding is used and how quickly it is spent. This will give councils maximum flexibility to take the local opportunities or remove the local barriers to rapidly help communities to reduce energy

in short term while building capacity for the long-term transition to net zero. Further, every saved unit of energy would directly reduce the cost incurred by Government via the Energy Price Guarantee.

34. *Councils need a long-term climate change policy, delivery, and investment framework to 2050*

35. Councils and fire and rescue authorities want to be joint partners in the developing a net zero and adaptation delivery and investment framework. The framework would align and clarify national and local leadership and delivery roles across priority issues such as decarbonising heat and buildings, transport, energy, protection of habitats and ecosystems and nature recovery. It would seek to provide long-term certainty.

36. The current approach will unlikely leverage the potential of place-based approaches, due to gaps in powers, policy and funding barriers, and a lack of capacity and skills at a local level'. Without some level of local coordination, the UK risks pursuing a fragmented strategy towards net zero and climate adaption which is slower, more expensive, and less effective.

37. *Councils need place-based funding allocations over time*

38. The funding landscape is centralised, complex, increasingly competitive, and uncertain, where councils are forced into chasing for small pots of investment from a wide range of shifting funding streams.

39. The competitive approach limits the scope for strategic, coherent place-based approaches, and the social and financial benefits this returns. It doesn't enable councils to develop projects of the scale and ambition to attract the private capital. It creates bureaucracy and duplication within central and local government. It stifles innovation. And it means some areas do not receive any funding at all.

40. As part of a wider net zero delivery and investment framework, local and central government should work together to develop broad multi-year place-based funding allocations to deliver the range of agreed objectives – for instance to support housing retrofit and decarbonisation, decarbonise transport across places, and spearhead the nature recovery.

41. *Councils and fire and rescue authorities need support to help build organisational capacity and capability*

42. Most of the councils' revenue spend on climate change is from its core budget, through services like housing, economic development, planning, transport. Councils will find it more difficult to fund this work as wider cost and service pressures grow. This capacity is critical to developing the projects and attracting capital investment that deliver net zero

on the ground, however it is significantly limited due to wider financial and service pressures where councils have statutory duties.

43. Fire and rescue services need to be funded to risk. During this summer's heatwave and the resulting wildfires, a number of services saw their busiest days since the Second World War. 14 services declared major incidents due to the level of demand they faced and the impact on mutual aid arrangements of fires across wide geographic areas. Services are also responding to increasing numbers of flooding events during the winter months, and they need support to build the expertise and capabilities to respond to extreme weather events throughout the year.
44. Local and central government should review and explore the critical areas to build capacity in councils and fire and rescue authorities, linked to the wider delivery framework and place-based allocations. Working with the LGA, Government should help all councils and fire and rescue authorities build in-house capacity, to share and pool resources, and consider national or regional technical assistance support in key areas for instance in bringing forward projects suitable to private capital investment.
45. **Specific issues - LGA policy lobbying work programme**
46. The LGA is developing a range of activity to provide detailed propositions for how local and central government can work together to deliver decarbonisation. The tables below introduce some of the priority policy and improvement work packages either recently completed, underway, or in final planning.
47. Policy projects underway or planned:
 - 47.1. Supporting the sectors contribution to the national policy development.
 - 47.2. Local and national collaboration on climate change adaptation
 - 47.3. An offer on local role in decarbonising heat and buildings by 2050
 - 47.4. Energy efficiency and cost of living
 - 47.5. Power of neighbourhood decarbonisation
 - 47.6. Overcoming challenges in social housing decarbonisation
 - 47.7. Electrification, councils and the future of the grid
 - 47.8. Financing green ambition, options, and reforms
 - 47.9. Shaping the Electric Vehicle Charging Infrastructure
 - 47.10. Influence National Bus Strategy, support Bus Service Improvement Plans
 - 47.11. Case for resources into highways, cycling and walking
 - 47.12. Research into council views on road pricing
 - 47.13. Project on the opportunities and challenges in last mile freight
 - 47.14. Research into issues of shared micro-mobility and car clubs
 - 47.15. Convening partners shaping to Green Jobs Delivery Group
 - 47.16. Engagement on waste reforms, and promoting circular economy
 - 47.17. Position on Emissions Trading Scheme

- 47.18. Strategy for nature recovery – including bio-diversity net gain, local nature recovery strategies, nature recovery network
- 47.19. Responding to extreme weather events, wildfires, floods etc
- 47.20. Responding to a range of other Government led policy change.

48. Building on progress, the support offer to councils

49. The aim of the [LGA's Climate Change Sector Support Programme](#) is to help councils to reach their local carbon reduction and adaptation targets. We produce tools, guides, podcasts, webinars, action learning sets and projects to help build councils' capability and capacity in sustainability and the environment. To date this has included:

- a) 18 webinars attracting a total audience of almost 3,000;
- b) over 130 councillors attending one of our Leadership Essential courses
- c) 51 councils supported to develop climate action plans;
- d) 288 councils accessing our Greenhouse Gas Accounting Tool

50. More detail about these and other support around climate change can be found through the following link: [Climate change hub | Local Government Association](#)

51. Since April 2021, 98 per cent of English councils have engaged with the LGA Climate Change Sector Support Programme. The LGA climate change 2021 survey found that 95% of respondents reported that the LGA Climate Change Sector Support Programme has had a positive impact on their council.

52. LGA political governance

Policy

53. The LGA's Environment, Economy, Housing and Transport Board has overall policy lead for climate change and environment policy, as well as the detail of decarbonisation of homes, transport, and energy. All LGA policy Boards consider climate change to varying extents. For instance, the LGA City Regions and People and Places Boards lead on green skills, and the LGA Safer and Stronger Communities Board leads on resilience and emergency planning.

54. The LGA has also established a Climate Change Task Group, providing the central interface with Ministers and senior partners on climate change matters.

Improvement

55. The LGA Climate Change Sector Support Programme reports to the LGA Improvement and Innovation Board.
56. In 2020, an Improvement and Innovation Board climate change working group was set up. This is chaired by Councillor Liz Green, Vice Chair of the Improvement and Innovation Board. The group is cross-party and is in-line with LGA proportionality. The primary objective of the working group is to provide advice and guidance on the development of the LGA's Climate Change Sector Support Programme around supporting councils to address climate change at a local level.
57. It is funded by the Department of Levelling Up, Housing and Communities as part of the sector support programme. The LGA and DLUHC have a grant agreement setting out key performance objectives for the 2022/23 financial year. Discussions are about to begin with the department about the sector support programme for 2023/24 and the Executive Advisory Board views are sought on the current programme of support on climate change and whether there are new areas of support that councils would benefit from.

Implications for Wales

58. Climate change is a devolved issue, and the Welsh Government sets its own emissions reduction targets. It has set a binding target for Wales to reduce its emissions 63% by 2030 and achieve net zero by 2050. The LGA and WLGA meet regularly to discuss joint approaches to supporting improvement and policy development.
59. Some issues require collaboration between English and Welsh local government, for instance working on nutrient neutrality in river catchment areas.

Financial Implications

60. All within the LGA's policy and improvement budget

Equalities Implications

61. Climate change impacts and opportunities do not impact equally at the global, national, or local level.
62. The LGA is committed to supporting a 'just transition', that is to ensure that the substantial benefits of a green economic transition are shared widely, while also supporting those who stand to lose economically, whether that is regions, industries, communities, workers, or consumers.

63. A just transition concept links to 14 of the 17 Sustainable Development Goals and forms an integral part of many of the global commitments adopted by countries, including the international agreement reached at COP26 in Glasgow.

Recommendations and next steps

64. The Executive are asked to consider:

64.1. Feedback on priority issues for future climate change policy and improvement activity, and how the LGA deliver those priorities