

# Heart of the City: supporting SMEs to reach Net Zero in the City of London

Heart of the City, The City of London Corporation  
Tuesday 29 March 2022

## Council Leader's Statement

*"We are delighted to support SMEs on their path to Net Zero. A Net Zero journey can be complicated, even more so for SMEs with fewer resources to dedicate to this alongside the "day job", that's why we're pleased to be working with Heart of the City to help small and medium sized businesses in the Square Mile to achieve Net Zero. The Climate for SMEs: 4 Steps to Action course offers accessible, practical resources and access to sustainability experts from across industries to help SMEs prepare to reach Net Zero by 2040. SMEs are a key part of the Square Mile, so encouraging them to achieve Net Zero is a key part of our Climate Action Strategy"*

Catherine McGuinness, Chair of the Policy & Resources Committee at The City of London Corporation.

## Summary

The City of London Corporation is funding the charity Heart of the City to support SMEs in the Square Mile to conduct their business responsibly by launching a brand new course — Climate for SMEs: 4 Steps to Action. The course aims to give SMEs the tools and knowledge necessary to reach Net Zero. It will also contribute to the City Corporation achieving its 2040 Net Zero target for the Square Mile, as set out in its Climate Action Strategy.

## Overview

The City of London Corporation is supporting businesses within the Square Mile to align with its Net Zero target in the Square Mile by 2040 — as set out in its Climate Action Strategy. The City Corporation has partnered with the charity Heart of the City to reach small and medium-sized enterprises (SMEs) operating within the Square Mile. Heart of the City is a charity that has supported SMEs for over 20 years through its Foundations of Responsible Business programme.

The partnership, which began in February 2021, represents £800k in funding, over four years, to Heart of the City from the City of London Corporation. The support was aimed at developing a climate action toolkit and supporting the delivery of a brand new course.

"Climate for SMEs: 4 Steps to Action" is available to SMEs based or with significant operations within the Square Mile. The course uses live workshops, pre-recorded webinars and online resources to guide participants through four modules:

1. Jargon busting and demystification
2. Building the business case
3. Measuring your carbon footprint
4. Creating a Net Zero action plan

The first two modules are carried out at a flexible pace and seek to give SMEs a basic understanding of Net Zero in business. The last two include live events, and each has a four-month completion time frame.

Heart of the City brought together sustainability and climate change experts from its responsible business ambassadors network to develop the Climate for SMEs course. The working group met three times to steer the development of the programme crafted by Heart of the City staff. As well as the charity, these partners are available for advice surgeries and contribute to the delivery of live workshops.

An initial pilot project with 21 SMEs enrolled served as a learning exercise for Heart of the City. It allowed for several modifications of the course curricula before its full-scale rollout.

Heart of the City is also running ongoing “Lunch and Learn” sessions for prospective members and alumni of the course that go beyond the core content and explore emerging technologies and policy. This is so Heart of the City can share wider knowledge with members who have completed the course and want to take their plans further. That way, we can also offer insights to SMEs thinking about doing the course.

The course content can be adapted for use by other Local Authorities and is available for corporate sponsorship by large companies outside of the City of London to disseminate the learnings through their supply chains.

Companies who go through the course are encouraged to align with the City of London’s Net Zero target of 2040 and will report their annual carbon footprint to Heart of the City.

## **Timeline / project progress**

- February - April 2021: Working group of industry experts is drawn together. Group meets three times to steer course development.
- March 2021: The City of London Corporation approves funding from this date for the project and instructs Heart of the City to develop a programme to help SMEs meet Net Zero by 2040.
- June 2021: Programme pilot launched.
- September - December 2021: Reflections on the pilot and improvements to the programme are made.
- October 2021: The climate action toolkit is launched as an open-access resource on Heart of the City’s website.
- January 2022: The ‘Climate for SMEs: 4 Steps to Action’ course is launched and available for all SMEs in the City of London.
- Ongoing/future: Alumni events, including Lunch and Learn sessions and in-person events. Reporting of annual carbon footprints by SMEs to Heart of the City.

## **Stakeholders**

- A working group of sustainability experts of large companies from within Heart of the City’s existing Responsible Business Ambassador Network was formed to help steer the development of the course, deliver workshops, record webinars and write resources. This included experts from Buzzacott, David Miller Architects, Deloitte, Fooditude, Green and Good Consulting, Grosvenor, JLL, Nando’s, PwC, RSA, Sapphire Systems, Siemens, Turner and Townsend, and UBS.
- SMEs taking part in this course are able to connect with sustainability and climate change professionals who will support them in developing their plans to reach Net Zero.
- By working with Heart of the City, the City of London Corporation was able to leverage its expertise in engagement with SMEs.
- The City Corporation was clear it wanted a programme that offered varying levels of support for SMEs that may have more or less time and resources to engage.

## Finances

- The City of London Corporation funds 'Climate for SMEs: 4 Steps to Action' as part of its Climate Action Strategy. Funding is £200k per year for four years — £800,000 total.
- Large businesses can now engage Heart of the City to deliver the course to SMEs in their supply chains to help reduce their own Scope 3 emissions.
- In the future, SMEs outside of the City of London will be able to purchase a place on the course.

## Impact

- The project will contribute to achieving the City of London Corporation's 2040 Net Zero target in the Square Mile.
- Over four years, up to March 2025, Heart of the City plans to have helped 330 SMEs operating in the Square Mile develop a Net Zero action plan, helped 900 SMEs operating in the Square Mile understand the importance of climate action through educational sessions, and have 1,600 SMEs download the climate action toolkit.
- Heart of the City has offered one-to-one advice sessions with course participants. These sessions have had good success in answering detailed or industry-specific questions about how SMEs can decarbonise. These have been particularly valuable in SMEs where there is buy-in from a small number of committed individuals who want to drive company-wide change.
- SMEs who have Net Zero action plans as a result of the course will benefit commercially; being a sustainable supplier will help them to keep current contracts and win new ones.
- Large companies can now engage Heart of the City to deliver the course content and learnings to SMEs in their supply chains. Participation in the course allows SMEs to be prepared for future regulation around Net Zero.
- The benefit for Heart of the City is connecting with new SMEs in the City and being a part of the City of London Corporation's Climate Action Strategy.
- As businesses in the area transition to Net Zero, there will be cleaner air and improved health and wellbeing which will positively impact the people who live and work in the area.
- The project is scalable – the course is run online so content can be delivered to multiple businesses at any one time. The online learning platform means businesses can follow the programme at a time that best suits them. It is also replicable — we can deliver this course content on behalf of local authorities across the UK.

## Learnings and legacy

- This course is still running with its first cohort and is in the process of developing key learnings that may be useful for future replication.
- The feedback from SMEs has been positive so far, noting how clearly presented the course is and how well it supports SMEs to take in information that can feel daunting. This makes the course accessible to people new to Net Zero concepts.
- In the early stage of development, Heart of the City sent out a survey to their existing network of SMEs to gauge appetite for the programme and ask what SMEs wanted from the programme. This was a valuable process in steering the development of the programme. Some SMEs wanted a short course, others a more detailed one. This drove the flexible nature of the course delivery, to accommodate companies who had more or less time to put into the programme.
- The climate action toolkit provides a practical guide to meeting Net Zero and is available to download for free.
- COVID-19 has put extra strain on many SMEs and made recruitment for the programme difficult. Centring the user-friendly and time-flexible nature of the course was crucial to getting SME participants on board.

Effectively communicating the commercial benefits of Net Zero was also key in getting SMEs to sign up.

- The “Lunch and Learn” sessions have been successful in getting some new SMEs to sign up for the course, but it usually takes more than one session before a sign-up.

## Contact details

Contact details