Resilient Recovery Taskforce

Declaration of action from Local Leaders and Mayors to the UK Government Spending Review consultation for a resilient recovery enabling ambitious local action towards Net Zero

September 2020





Section I:

Introduction

The Covid-19 pandemic has exposed our fragile economic structures and the need to support our most vulnerable communities. The urgent need for an economic recovery has given us an opportunity to create a healthier, safer, more prosperous and resilient society, actively tackling climate change across the UK: a risk to our wellbeing at least as severe as the global pandemic. This challenge can be met by reskilling our workforce and creating jobs, while allowing the nature upon which we all rely to thrive.

Action now to revive our economy must be built on tackling climate change in our local communities, in ways that create benefits for people in the short term and builds support among our communities for a rapid and fair transition away from dirty fossil fuels. Only this will enable the UK to meet its commitments to bring all greenhouse gas emissions to Net Zero by 2050.

The UK government needs the involvement of local leaders to meet its Net Zero commitment that is enshrined in law. They understand the local context, respond effectively to local crises, and have democratic legitimacy to lead their communities to bounce back.

A group of 24 mayors and local leaders, representing 24 million people across the country have established a new Resilient Recovery Taskforce. They are calling on the Chancellor to commit to a 'New Deal for Green Skills and Growth', alongside a major push on infrastructure investment, public transport and retrofitting homes.

New research from UK100 indicates that a "retrofit army" of nearly half a million builders, electricians and plumbers will be needed to help meet the government's objective of becoming Net Zero by 2050. It also shows that more than 3.1 million job posts affected by the shift to green jobs will need access to skills and training from government and industry.¹

1 - Call for Green New Deal as 1 in 10 jobs (3.1 million) needs reskilling as part of green recovery, UK100, July 2020, www.uk100.org/wp-content/uploads/2020/07/REVISED-FINAL-Resilient-Recovery-Taskforce-Launch-200702.pdf



The opportunity for an economic recovery package that creates resilience in our communities and sets the country on a prosperous, healthy and fair path to Net Zero is more possible now than it has ever been. We urge the Chancellor to give it priority in his forthcoming Comprehensive Spending Review.

Our communities need us now more than ever to pull together, shaping the places in which they live and work in a way that gives them hope for the future.

The following members of the Resilient Recovery Taskforce have signed up to our declaration:

Leeds City Council

Bath and North East Somerset

Belfast City Council

Birmingham City Council

Bristol City Council

Cambridge City Council

Cambridgeshire County Council

London Borough of Camden

Cardiff City Council

Cornwall Council

Leicester City Council

Liverpool City Region

Greater London Authority

Greater Manchester Combined

Authority

Manchester City Council

Newcastle City Council

North of the Tyne Combined

Authority

Nottingham City Council

Oxford City Council

Sheffield City Council

Sheffield City Region Combined

Authority

Southampton City Council

West Midlands Combined

Authority

West of England Combined

Authority

Professor Andy Gouldson at University of Leeds is the adviser to the Taskforce. UK100 is acting as the Resilient Recovery Taskforce secretariat.

Section II:

Declaration

23rd September 2020

The need for an economic recovery package that creates resilience in our communities and reduces carbon emissions has never been greater. The Covid-19 crisis has highlighted the fragility of our economic structures, their exposure to external shocks and the need to support people in our poorest communities. We must seize the opportunity to create healthier, safer, greener and more prosperous communities, building in resilience to climate change through investing in the green economy. Such an approach will enable us to reskill our workforce, enable job creation, create cleaner, healthier, safer places to work and live, and restore the nature upon which we all rely.

As elected leaders of our communities, we are playing an essential role in tackling the current Covid-19 crisis, and we are fulfilling our role in building a resilient recovery from it. Our knowledge and understanding of our communities means that we are well placed to design and deliver solutions that improve health, prosperity and the environment. Adequate UK government investment, ambitious national frameworks and the necessary powers to accelerate local change, would enhance our ability to act in partnership to tackle the threat of climate and to reskill our workforces to set them on a path to a flourishing Net Zero economy.

Together, we can renew our communities by working in partnership with government if action is taken forward across government to:

- Increase local Net Zero investment by establishing a Net Zero

 Development Bank to bring together appropriate UK government

 financing for the transition to Net Zero. The bank should have both an

 obligation and the capacity to work with Local Energy Hubs and support local
 authorities to develop place-based Net Zero projects and programmes, leveraging
 additional private investment to kickstart local energy schemes which are at too
 early a stage to be attractive to private finance.
- Invest in renewing the electricity grid to ensure a smart decentralised energy system, enabled by a national framework for local area energy planning. The Core mandate of Ofgem and of devolved nation energy regulators should be expanded to include supporting the delivery of Net Zero emissions, and we support the regulation of future investment in Distribution Network Operators so that a greater role can be given to regional and sub-national plans and ambition.
- Ensure that the nation's homes and buildings are retrofitted to be energy efficient by designing and delivering, with local government, a government-led long-term plan to decarbonise buildings and heat that sets out actions and investment needed to enable all existing homes and buildings to be Net Zero carbon by 2050 at the very latest. The plan should at least meet the manifesto commitment of £9bn public investment to deliver Net Zero in our homes and buildings and seeks to crowd in further private investment to meet this goal.
- Speed up the transition to low and zero emission travel and enable the UK to be a global leader in developing zero emission vehicles including buses and freight. This should include a commitment to providing seamless access to electric vehicle charging infrastructure across the UK. Further support should be provided to citizens and businesses to switch from polluting vehicles to greener ones while also providing long-term investment in public transport networks and in creating built environments that prioritise walking and cycling.
- **Expand local powers to take action on Net Zero** by enabling the national Net Zero effort through **an enhanced devolution settlement**, combining ambitious national strategy with a fresh and fair mix of powers and resources for local & combined authorities; enabling clear & accountable local Net Zero carbon delivery that unleashes the social and economic potential of every community.

Section III:

Areas of challenge and opportunity



Powers and finance

Local leaders are uniquely positioned to help deliver significant climate action. With the critical public services they provide, the businesses they work with, and the communities they serve as elected leaders, the potential impact is huge.

And yet there is currently no national framework that enables and funds ambitious local action on climate change.

In June 2020, the Committee on Climate Change said: "Local authorities are not required to monitor or report their emissions, although many do so. An array of information on possible emissions reductions is available from numerous sources, although there is currently no standard approach for target setting or developing action plans at a local level."²

That is why joined-up national policies, adequate funding, and collaboration across tiers of government will be essential to provide a supporting framework for local action that is needed to meet the national Net Zero target.

In July 2020, UK100 research recommended increased local development capital in the form of a Net Zero Development Bank, which would mobilise private investment, enabling finance to flow strategically to place-based clean energy projects.

A development bank would mean disciplined allocators of capital deploying appropriate UK government financing for the transition to Net Zero and supporting local authorities to develop place-based Net Zero projects and programmes. It would also leverage additional private investment to kickstart local energy schemes that are at too early a stage to be attractive to private finance.



Energy systems

Reaching Net Zero will require extensive changes to the UK's fossil fuel-heavy energy infrastructure. Our switch to renewable generation requires us to develop a balanced energy system, which combines a mix of large-scale power generation with local decentralised energy systems.

While there has been progress, with renewables outpacing fossil fuels for the first time in the third quarter of 2019,³ and total renewable generation increasing by 30% in QI of 2020 on Q1 of 2019,⁴ at least £25 billion is still needed to transform the country's energy networks.⁵

With the generation of electricity from wind and solar now up to 50% cheaper than 2016 figures suggested,⁶ and at a time when we are considering how to build back our economy after the Covid-19 pandemic, there is a huge opportunity to ramp up new capacity. But this requires the policy frameworks and regulations to enable greater investment and deployment of energy storage and smart local grids so that more power can be generated and consumed locally, reducing costs. More clean power will be needed to heat our homes and power our transport. Developing the systems that will enable that to happen will require a transformation of the places in which we live and work.

Local authorities are uniquely placed to help in this process. Their democratic accountability requires them to engage with their populations and encourages them to establish political consensus to bring about long term change.

- 2 Reducing UK emissions: 2020 Progress Report to Parliament, Committee on Climate Change, June 2020, https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/
- 3 Analysis: UK renewables generate more electricity than fossil fuels for first time, Carbon Brief, 14 October 2019, https://www.carbonbrief.org/analysis-uk-renewables-generate-more-electricity-than-fossil-fuels-for-first-time
- 4 Energy Trends June 2020, National Statistics, June 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/894917/EnergyTrends_June_2020.pdf
- 5 Ofgem proposes £25 billion to transform Great Britain's energy networks, Ofgem, July 2020 networks https://www.ofgem.gov.uk/publications-and-updates/ofgem-proposes-25-billion-transform-great-britain-s-energy-networks
- 6 Wind and solar are 30-50% cheaper than thought, admits UK government, Carbon Brief, 27 August 2020, https://www.carbonbrief.org/wind-and-solar-are-30-50-cheaper-than-thought-admits-uk-government





Low and zero emission travel

Restructuring transport on the UK's roads and railways will be critical to getting to Net Zero, with the sector accounting for nearly a quarter of emissions in 2019.⁷

In March 2020, the Department for Transport set the challenge for the UK to be an 'internationally recognised leader in environmentally sustainable, low carbon technology and innovation in transport', with a final plan due in autumn 2020.8 And considerable progress has been made by the UK government, devolved governments and local authorities to improve cycling and walking levels.

But the challenge to decarbonise transport is significant. The car continues to dominate, making up over 60% of trips in 2019, while bus use is seeing a year-on-year decline. Even before the dramatic drop in demand for public transport due to Covid-19, bus use in England outside London had already been on a downward trend since 2008/9. Considerable long-term investment is required if the UK is to decarbonise all vehicle fleets and associated infrastructure, and the involvement of empowered local transport authorities will be critical in any effective decarbonisation plan.



Building retrofitting and heating

Retrofitting existing buildings in the UK is arguably the most important infrastructure challenge for reaching Net Zero emissions and will require investment at scale alongside planning. We will need to roll out district heating networks, heat pumps, off-grid gas homes and hydrogen technology. And as housing still represents around 15% of UK's emissions through its use of oil and gas for heating and hot water, is significant investment will be needed to retrofit housing for low carbon heating in the next five years.

The opportunity to restructure how money flows is now. As we rebuild our economy post Covid-19, local energy systems, backed up by appropriate UK government financing for the transition to Net Zero, are essential to achieve Net Zero across these critical areas.

- 7 Reducing UK emissions: 2020 Progress Report to Parliament, Committee on Climate Change, June 2020, https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/
- 8 Decarbonising Transport: Setting the Challenge, Department for Transport, March 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/878642/decarbonising-transport-setting-the-challenge.pdf
- 9 Transport Decarbonisation Plan call for ideas, Urban Transport Group, August 2020, https://www.urbantransportgroup.org/system/files/general-docs/Transport%20Decarbonisation%20Plan%20-%20UTG%20consultation%20response%20%28Aug%202020%29.pdf
- 10 Annual bus statistics: England 2018/19, Department for Transport, December 2019, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852652/annual-bus-statistics-2019.pdf
- 11 Transport Decarbonisation Plan call for ideas, Urban Transport Group, August 2020, https://www.urbantransportgroup.org/system/files/general-docs/Transport%20Decarbonisation%20Plan%20-%20UTG%20consultation%20response%20%28Aug%202020%29.pdf
- 12 UK housing: Fit for the future?, Committee on Climate Change, February 2019, https://www.theccc.org.uk/publication/uk-housing-fit-for-the-future/

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