

# The local delivery of clean heat

## Levelling up heat decarbonisation

July 2022



*This project has been supported by the European Climate Foundation, who cannot be held responsible for any use which may be made of the information contained or expressed therein.*

# Executive summary: A local approach to decarbonise heat is the most effective way to bring down bills and cut carbon.

Heat decarbonisation is the biggest challenge on the path to net zero. But it also has the potential to bring the most immediate benefits – from warmer homes and healthier communities to independence from global fossil fuels and protection from rising gas prices.

Local government and local leaders, with their unique reach into communities, will be critical to successfully delivering the heat transition. This is because the solutions for heat are necessarily local and complex, varying by each region, building and household.

There are many inspiring examples of local leadership and the government's Net Zero Strategy recognises the importance of local delivery. However, the local role has not yet been well articulated.

Each locality is spending significant resource carving out an independent path to decarbonise heat, leading to replication of effort and increasing the cost of net zero.

There are also significant disparities in capabilities and resources between local authorities that are perpetuating inequalities and leaving already disadvantaged areas missing out on the benefits of decarbonised heat.

**Empowering local leadership to deliver clean heat is vital to ensure every region in the UK reaps the rewards of reducing our reliance on fossil fuels for heat – helping to bring down bills, cut carbon and create new green jobs.**

## The role of local leadership

This report provides a framework for how national and local government can best work together to take the most cost-effective, place-based approach to heat decarbonisation, with clear roles and responsibilities split between local and national actors.

The local government landscape is complex, with regional bodies, districts and local authorities each possessing different abilities and priorities. Any framework for the local delivery of heat will need to be clear and flexible.

Regen's research has identified two broad roles for local government in heat decarbonisation. These are:

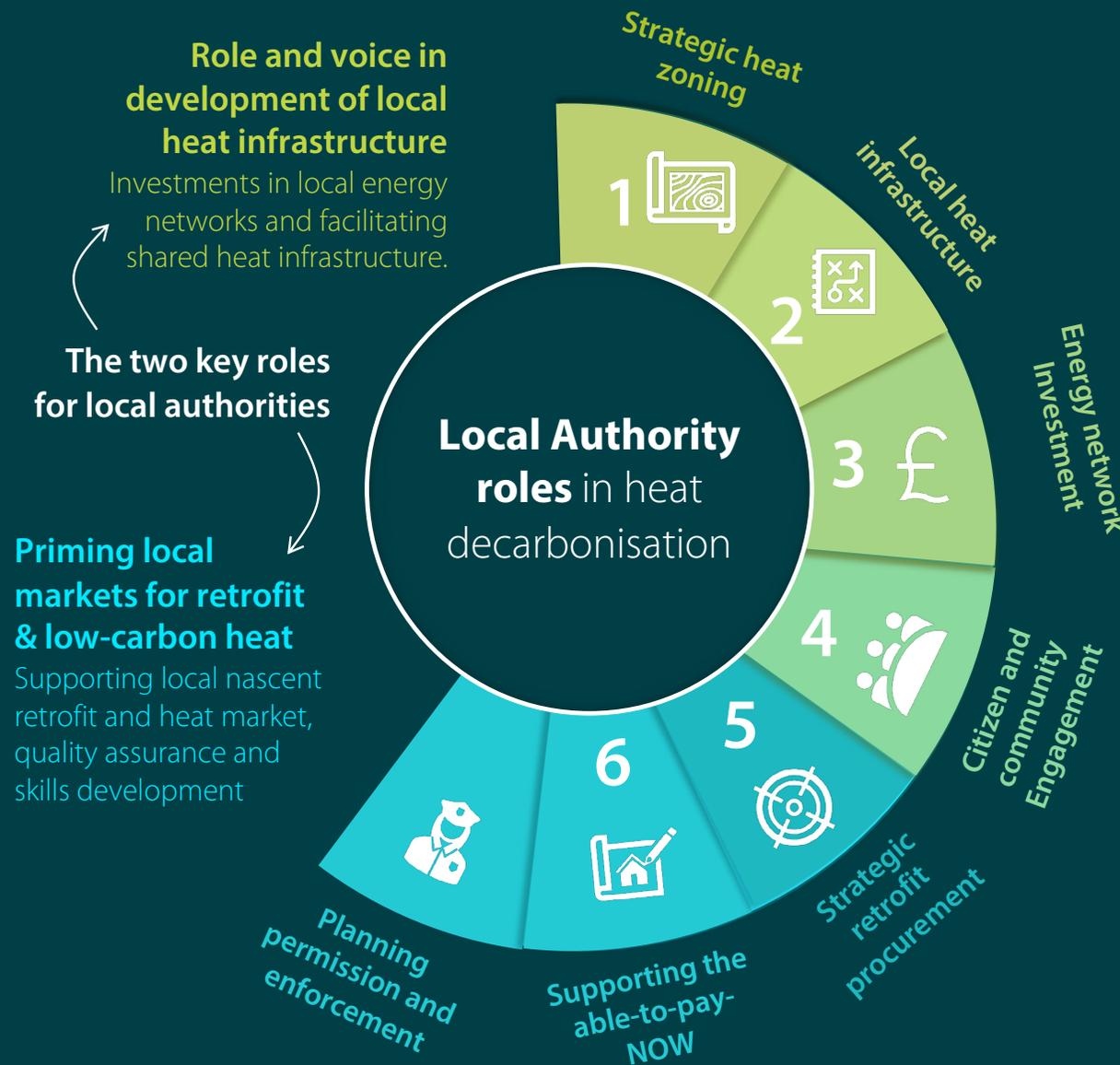
- **A strong voice and role in the development of local energy and heat infrastructure.** Local authorities should have a central role in developing critical energy network infrastructure and facilitating investment in shared heat infrastructure.
- **A key role in priming local markets for retrofit and heat decarbonisation.** Local authorities should be empowered and funded to make strategic use of public sector procurement, develop local supply chains and ensure high quality 'whole house' assessments available to the able-to-pay early adopters.

## A partnership between national and local government

With the right powers, local authorities could provide the catalyst to the government's ambition to decarbonise heat. To unlock the potential of local leadership the government needs to ensure there are the right powers, resources and support. The report sets out three key areas where a local approach to clean heat will be more efficient and effective:

1. **Heat zoning and planning:** a locally-led approach to zoning that draws on links with existing planning responsibilities.
2. **Citizen and community engagement:** locally-delivered and tailored messaging on the benefits of heat decarbonisation.
3. **Supply chain and skills:** locally-driven measures to stimulate the retrofit market through procurement activity and communications.

The role of national government is, therefore, not just to empower local government to play a core role in delivering clean heat, but to provide flexible and tailorable methodologies, data and policy frameworks to support local authorities to effectively deliver these roles.



**Recommendation 1: Energy efficiency zones**

Develop England-wide methodology and local authority requirement to develop energy efficiency zones to fairly target and distribute energy efficiency funding

**Recommendation 2: Framework for community heat infrastructure**

Develop a process for 'bottom up' heat zoning along with a framework and funding models for community heat infrastructure.

**Recommendation 3: Statutory role in energy network investment**

Give local authorities a statutory role in Ofgem's Energy Network Price Control process to ensure that critical energy network infrastructure meets local needs.

**Recommendation 4: Future homes communications**

Nationally coordinated "future homes" communications methodology and resources for local authorities, local leaders, businesses and communities.

**Recommendation 5: Strategic procurement supporting local skills**

Explicit use and support of local government procurement to build the market for retrofit and heat, linking procurement to skills funding and apprenticeships.

**Recommendation 6: Future Home Assessments**

Facilitating the provision of a Future Homes Assessment service to build the market through supporting the early adopters.

**Existing role: Planning permissions and enforcement**

National government to provide resource and capacity to ensure quality planning, building control and MEES enforcement at local level.

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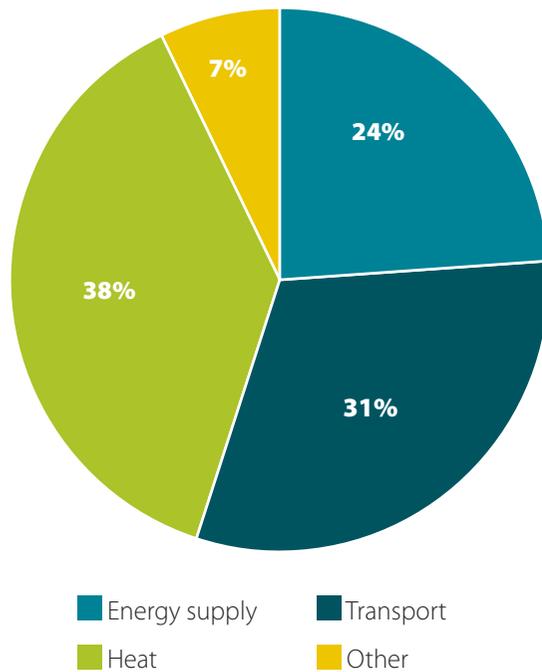
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# Setting the scene

# Decarbonising heat – a win-win for climate and cost of living

**2021 provisional % of carbon emissions by sector**



## The scale of the challenge of decarbonising heat cannot be overstated

Power, transport and heat are three key system transformations needed to achieve net zero carbon emissions.

Of all these challenges, the path to decarbonise how we heat our homes and buildings is the least clear. And we are significantly behind on our targets.

“ *The UK is currently only installing 6 per cent of the heat pumps, 9 per cent of the cavity wall insulations, 3 per cent of the loft insulations and 2 per cent of the solid wall insulations needed by 2028 to keep pace with net zero.* ”

IPPR, Pump Up the Volume. p.7.

According to IPPR, we need to change the fabric of 21 million homes in England to be as energy efficient as possible, installing heat pumps in 19 million homes.<sup>2</sup>

To do this, the Construction and Leadership Council has suggested we need around **500,000 new professionals and trades to tackle this challenge.**

## The benefits of taking action will pay off

The Climate Change Committee has estimated that **the pathway to net zero for buildings will have a net cost of around £7 billion per year to 2050.**<sup>3</sup>

However, the benefits are considerable – and not just in carbon emissions.

- Greater energy security with our heating provided by domestic energy sources
- Warmer, cheaper to heat buildings
- Reduced local air pollution
- New green jobs and innovation opportunities for UK businesses
- More resilient local communities

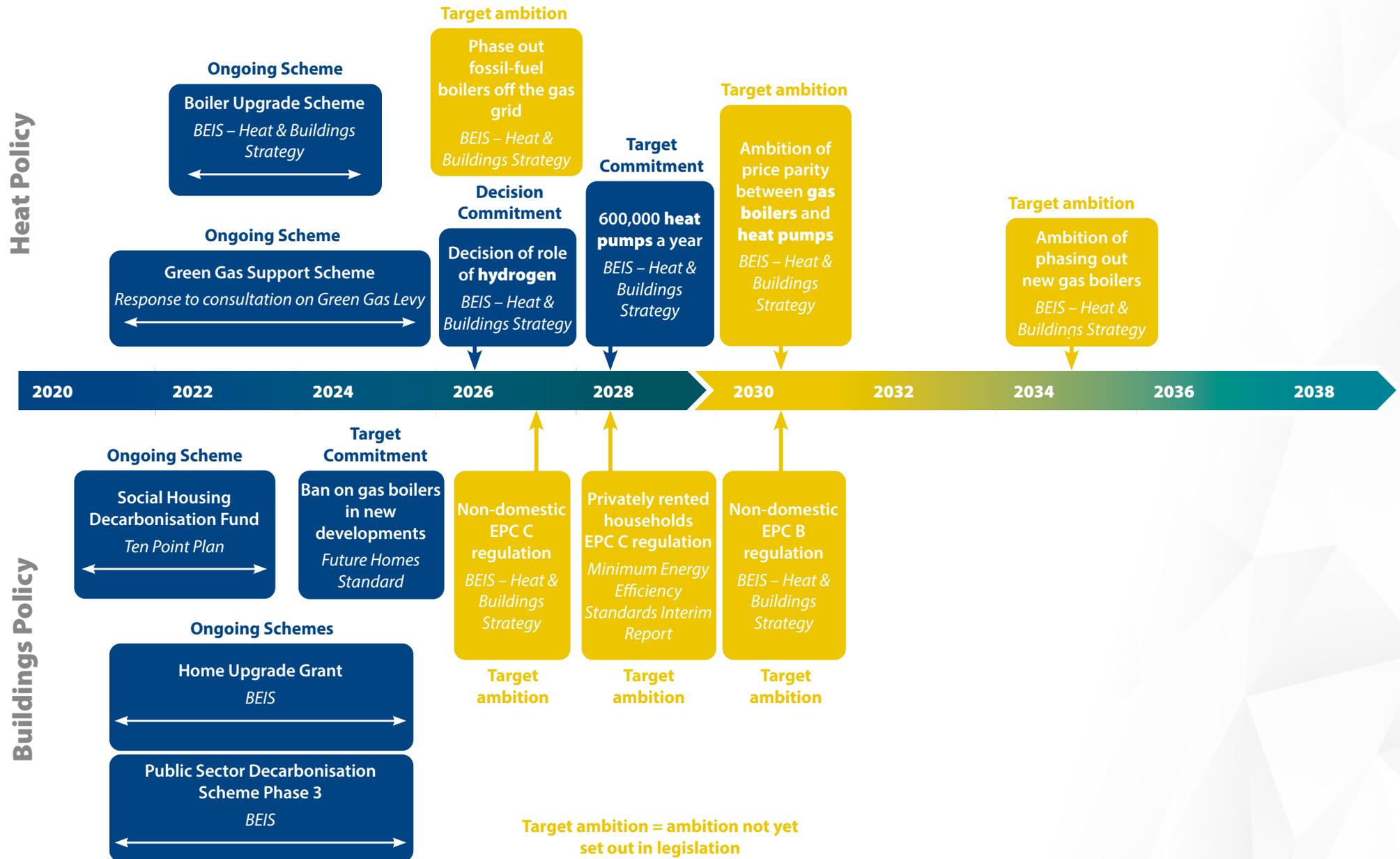
## Government policy is evolving

The UK government has begun to respond to this imperative and the issue is now firmly on the agenda at both local and national government levels.

The government's Heat and Buildings Strategy published in 2021 sets out the direction of travel – key policies and timelines are outlined in the diagram on page 6.

The Department for Business, Energy and Industrial Strategy (BEIS) is also now chairing a cross-government Local Net Zero Forum to develop a partnership approach, bringing together relevant government departments, in collaboration with local leaders. This is a key opportunity to implement the place-based approach that the government has committed to, drawing on the findings of this report and other work.

# UK government has high ambition in heat and buildings



# The solutions for heat decarbonisation are local

The Heat and Buildings Strategy published in 2021 acknowledged that the decarbonisation of heat:

“ *will involve large-scale transformation and wide-ranging change to energy systems and markets, including the development of UK-based, green industrial capability and capacity.* ”

*It is a challenging undertaking that has no single solution and will require a combination of leading-edge technologies and innovative consumer options. However, it also presents enormous opportunity.*

Kwasi Kwarteng, *Heat and Buildings Strategy*, p.9

Within the **Net Zero Strategy**, the UK government acknowledges that the scale of the net zero transition will require an effective working partnership between national and local government.

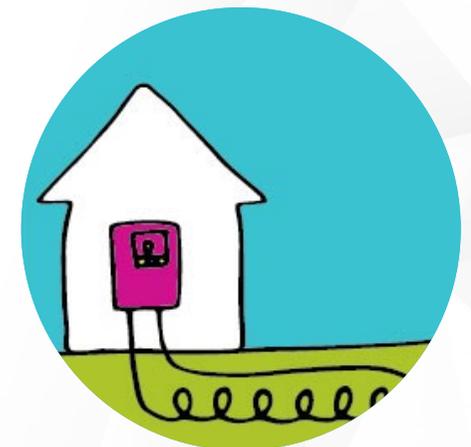
## Complexities for heat decarbonisation include:

- 1 Unlike transport where people can buy electric vehicles, **decarbonising heat can never be ‘off the shelf’**. It requires delivering 21 million different domestic ‘projects’ in England along with 1.6 million commercial ones<sup>4</sup> with 58 million decision makers who are all in variety of financial positions.
- 2 England has **several different tiers of local authorities** from district and county councils to unitary authorities and City Region Combined Authorities. All have different powers, resources and competencies to lead heat decarbonisation in their communities.
- 3 **Geography really matters.** It is important to recognise the varying climates across the UK will also have a big impact. You need to design a heat pump system for -3°C operation in Cornwall but allow for -10°C in the North East.
- 4 **We have very diverse local economies.** A £20,000 retrofit is 10% of an average property price<sup>5</sup> in the North East but only 4% of the average value in the South East. The financial solutions and funding, even for those ‘able-to-pay’, also need to vary by region.

Addressing this complexity with the diversity of actors and projects involved will necessarily require empowering local approaches, not just at a local government level, but also at the level of individuals, communities and streets.

“ *We want to work in partnership with people and communities across the country. To do so, we will empower local leaders to kickstart their own net zero initiatives, taking responsibility for improving their areas and shaping their own futures.* ”

Net Zero Strategy, p.50



# The heat challenge lacks a clear framework for local action

The Net Zero Strategy and Heat and Buildings Strategy acknowledge the importance of local delivery. However, as the Climate Change Committee's independent assessment highlighted, there is little clarity on how this will be achieved:

“*The Net Zero Strategy recognises that 30% of the emissions reductions that will be needed depend on actions that involve local authorities.*

*It represents a positive first step in acknowledging the role that local leaders can play in engaging their communities and delivering change that works within their local contexts, and in identifying steps to unlock effective local delivery.*

*However, greater clarity is needed on the roles of different layers of Government to enable a full contribution from local actors, along with adequate resourcing and strengthened capacity and capability.*

Independent Assessment: The UK's Net Zero Strategy p.18

Without a strategic framework, local authorities are not clear how they can take a strategic approach to heat and energy efficiency. Regen's Local Authority Retrofit Forum in January 2022 concluded that no local authority area represented felt they had a full retrofit strategy in place.

## Local powers and responsibilities are unclear and under-resourced

Local areas do not have clear powers and responsibilities for heat beyond enforcement of Minimum Energy Efficiency Standards for rented properties (MEES) and powers related to EPCs and the Decent Homes Standard. Even the roles of Housing or Environment Officers and Trading Standards are complicated further by being split across the council tier structure. (Power Shift p.73)

The UK100 Power Shift report also noted that “Local authorities currently have powers to directly intervene to reduce the carbon emissions of at most 10% of existing homes” (p.69)

In addition, there is a critical lack of capacity and resource in local authorities to progress net zero plans. Many are struggling even with regulated activities, which means that proactive development of programmes and competitive funding bids is only possible for a well-funded and dedicated few.

A 2019 BEIS Strategy Committee report highlighted that in the context of MEES, “local authorities are responsible for enforcing the standards. Councils have the power to undertake checks of properties, issue compliance notes to landlords, and enforce financial penalties. But stakeholders were not convinced that the regulations are being enforced by local authorities due to a systemic lack of capacity.”<sup>6</sup>

**The result is local areas are either not acting on heat or taking significant resource to work out independently what they should do.**

**This is resulting in substantial inefficiencies from replication of effort, which is ultimately increasing the cost of net zero.**

The government's current plans for Heat Network Zoning<sup>7</sup> demonstrate the possibility of a much clearer approach, with a national and local operating model and a policy framework that has been design to support private investment in heat network infrastructure.



# The current approach is perpetuating inequality across England

## Local authorities have ambition but very disparate levels of action

The good news is that, at the local level, 74% of local authorities and eight out of ten combined authorities have declared climate emergencies<sup>8</sup>. But even within this group, there is a wide spectrum of activity. These disparities are mainly due to resource and capacity due to political will and prioritisation of other issues.

The majority of councils who responded to a electricity network request in 2021 had net zero ambitions, however most only had a written ambition and only 17% had a costed action plan. The local authorities were more likely to have a renewable energy or transport strategy than a heat or heat networks one.

Those that wish to take action heat will recognise they have different spheres of influence, direct, indirect and through partnerships (See info box).

Despite the wider market benefits, developing partnerships and influencing others is not something that can be delivered as a small part of an existing job, nor is it one that can be easily justified given the pressures on many councils' front line services.

As a result, those without significant resource may decide to focus on areas of direct influence - their own estate and housing.

## Energy efficiency and heat funding is not going to the areas of highest need

Many local authorities have been proactive in receiving pots of funding for energy efficiency including the Social Housing Decarbonisation Fund and the Green Homes Grants Local Authority Delivery scheme (GHG LAD). However, this funding is delivered via competitive and short term funding pots in order to screen out those authorities who are unable to competently and quickly spend the allocation.

“ *The time and effort required to bid for competitive funding acts against best value – the authorities most in need of support are those least likely to bid due to lack of capacity.* ”

Power Shift, p.81

This means that often only the best resourced local authorities receive the money and often have to spend it within a short period of time, hampering efforts to ensure the cash is spent most strategically.

Simple analysis of the numbers of homes retrofitted through the GHG LAD scheme on page 10, illustrates that **those English regions with the highest fuel poverty and coldest winter climates are not receiving the most funding.**

## Local authorities have varied levels of influence

Dorset's Climate and Ecological Emergency noted that they had three key roles:

### 1 Direct

Take DIRECT action to reduce our own carbon footprint in order to become a carbon-neutral Council by 2040, showing leadership as a large public sector organisation. As a large organisation, we directly account for at least 1% of Dorset's footprint.

### 2 Indirect (through services)

Take INDIRECT action to facilitate change by ensuring the range of services we provide across the County are delivered in a way that supports our journey towards a Carbon Neutral County. Dorset Council is responsible for the delivery of many key services, such as planning, housing, economic development, waste and transport.

### 3 Influence and partnership

Work in PARTNERSHIP with other organisations and communities to drive change across the county and put in place larger programmes and projects to support fundamental change required.

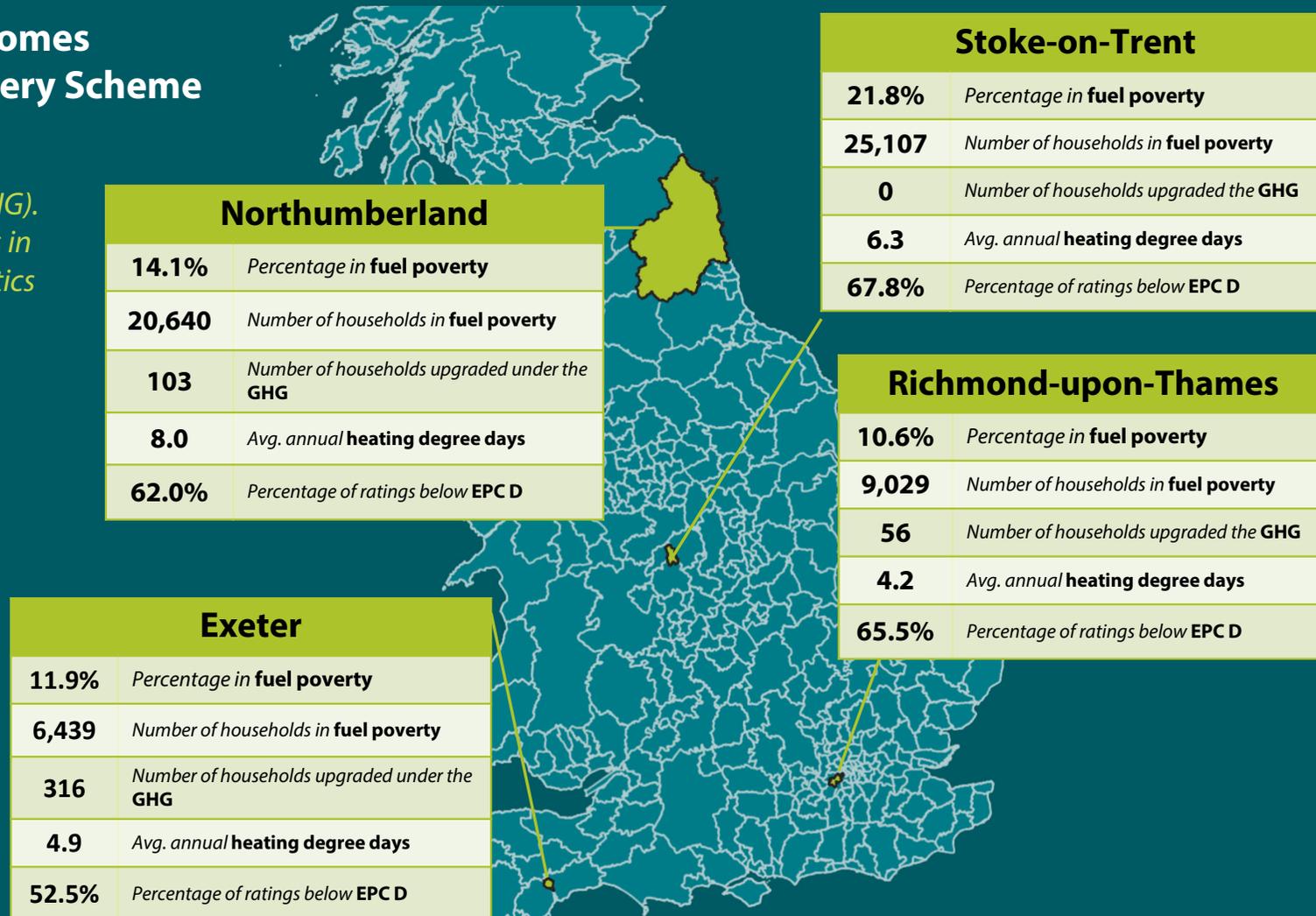
# Comparison of Phase 1 and 2 Green Homes Grant distribution

## Distribution of the Green Homes Grant Local Authority Delivery Scheme

66% of all local authorities received funding from Green Homes Grants (GHG). This graphic shows GHG funding levels in four local authorities along with statistics on fuel poverty, buildings and local climate to illustrate that funding is not currently correlated with need.

### Average Heating Degree Days:

Calculated as the difference between the daily average temperature (in degrees) and 15.5 °C, which is considered the temperature below which heating is required. This calculation is therefore indicative of energy demand.



Sources: [Weather Spark](#), [Energy Performance of Buildings Data](#), [BEIS GHG LAD April 2022](#), [BEIS Sub-regional Fuel Poverty England 2019](#), [Which English local authorities have received government grants for home decarbonization? - Nesta](#)

## Devolution - too slow to enable levelling up on heat?

Devolution or county deals are the government's main approach to designate further powers to local areas.

To date, 11 local areas, have agreed devolution deals with the UK government: all but Cornwall are Combined Authorities. Following the [Levelling Up White Paper](#) in February 2022, new counties have been invited to negotiate deals.

Devolution deals, although not directly related to net zero, could be key ways of empowering leaders to test out new approaches on heat and energy efficiency including:

- **Strategic energy planning responsibilities, including zoning and influence over network investment.** Leading local authorities are asking for a formal role and responsibility for co-ordinating energy infrastructure planning and investment to meet net zero goals.
- **Funding for delivery of heat and energy efficiency priorities.** In 2018, Cornwall notes that they have been able to use their powers to develop a more strategic and long term approach to energy efficiency in vulnerable households.
- **Adult education skills funds and sector skills.** Cornwall's assessment of its devolution deal also noted that it allowed them to have more control over and simplification of local skills programmes including delivery of 5,200 apprenticeship schemes.

However, the process of devolution to Combined Authorities is 10 years old and is still to some extent nascent and in the testing phase.

**The risk is that an approach of supporting leaders, learning about best approaches and then legislating to 'bring up the rear' is much too slow for our climate ambitions.**

The government will also need to bring forward policies that 'bring up the rear', setting out clear powers and responsibilities for local authorities on heat decarbonisation.

“*The [Devolution] Deal is also a crucial part of our strategy for tackling our higher than average levels of fuel poverty... Linking in with the Warm Homes Fund and SSE through their ECO obligation, our £11.5m energy efficiency programme is utilising the Flex Eligibility – secured through devolution – to target vulnerable householders for home improvements.*”

Cornwall Devolution Deal Impact Assessment, p.6

# Our approach

# Regen's workshops on local delivery in heat decarbonisation

The core of the research that informs this report involved three, two hour stakeholder workshops held in March, April and May 2022.

Key stakeholders from local authorities, regional bodies and other experts were invited to attend and input. The details of what was discussed is outlined below.

Other evidence used for this report included:

- Literature review including key documents: [Power Shift](#) (UK100), [Heat and Energy Efficiency Zoning](#) (ADE), [Pump up the Volume](#) (IPPR), [Greening our Existing Homes](#) (Construction and Leadership Council)

- Online survey of initial stakeholder views held in January and February 2022
- A series of 1:1 meetings and interviews with key stakeholders including Energy Systems Catapult, Association of Decentralised Energy, IPPR, E3G, Local Partnerships, Green Building Council and LGA.

## 1 Heat zoning and planning

44 participants explored whether heat zoning should extend from heat networks to other technology types or necessary actions such as energy efficiency. Can you have a targeted area-based approach to tackling fuel poverty, for example?

We also discussed ideas around compulsion and the requirement of households within designated zones to act.

### Breakout groups were asked:

- What actually needs to be zoned? Is it only areas involving new shared heat infrastructure?
- Who is best placed to identify zones? Is there a gap around communities and bottom-up designation?
- What policies are needed in those zones? what is needed to encourage infrastructure investment?
- Should there be a domestic 'compulsion'? What is the 'carrot and stick' in these areas?

## 2 Citizen and community engagement

48 participants discussed how to win hearts and minds over to the cause of decarbonising heat demand.

How do we get the budget holders from each of the 24 million households in England to understand why and how to reduce and decarbonise their heat demand? What role should local leaders play in informing and supporting households? How can community approaches be supported and rolled out?

### Breakout groups were asked:

- What is the role of government (national/regional/local) in raising overall public awareness on decarbonising heat?
- How do we ensure access to trusted advice and support across all localities?
- What are the roles of local authorities, businesses and communities?
- How can we best engage hard-to-reach groups?

## 3 Skills and supply chain development

41 participants discussed what on support was needed to ensure there are sufficient qualified and competent people able to work on delivering heat decarbonisation. Is there a role for local authorities to support supply chain development?

How can national government best work with local areas to deliver the training needed?

### Breakout groups were asked:

- How active or passive should local authorities be in supporting the existing low carbon heat supply chain to upskill?
- What is the local authority role in tackling emerging needs of the retrofit journey, such as retrofit assessor and coordinator?
- What is the local authority role in funding/shaping new courses and training, and recognising them in their own procurement?
- In general, how should national government best support local authority activity, to speed up low carbon heat deployment, across these themes?

# National roles to support action at the local level

As the government develops its approach to heat decarbonisation, it will need to be clear on what roles are best delivered nationally and where local delivery is the most effective. Regen's stakeholder workshops identified key roles and principles, outlined below, that national government need to undertake to support local authorities and other actors in retrofit and heat decarbonisation.

National government roles	Existing examples
 <p><b>Setting a clear goal</b> National government setting clear targets and ambitions. Moving the market requires clear signals.</p>	<p>Dates for gas boiler phase out and lowest energy efficiency standards for properties (MEES).</p>
 <p><b>Supporting the leaders</b> Provide powers through devolution to facilitate leaders to go further and support strategic decision making at the local level.</p>	<p>Devolution Deals, devolving some energy spending and Levelling Up</p>
 <p><b>Bringing up the rear</b> Setting minimum requirements for all local authorities with clear actions on decarbonisation of heat.</p>	<p>Heat Network Zoning MEES powers and requirements.</p>
 <p><b>Ensuring efficient local delivery</b> Provide resources, data and methodologies at a national level to ensure consistent cost-effective local action.</p>	<p>Catapult: Net Zero Go <u><a href="#">Local Area Energy Planning methodology</a></u></p>
 <p><b>Provide sufficient funding and resources</b> Provide long term funding and resources to support consistent focus and action at a local level.</p>	<p>Net Zero Energy Hubs LADs, HUGS, SHDS</p>

Area 1

# Heat zoning and planning

# 1 Heat zoning and planning

## The challenge – what solution is best, where?

### Different solutions in different places

The Climate Change Committee's 2021 report on trajectories for residential heat decarbonisation sets out transition **pathways** with a range of heating solutions including district heat, heat pumps, hydrogen and some resistive electric heating. The report makes clear that there is no single trajectory across the UK and that the decarbonisation pathway for the 86% of homes currently on gas<sup>9</sup> will be specific to each community and depend on variables including geography, local politics, legacy infrastructure and housing density.

The issue of different solutions in different places is a challenge for both property owners and policy makers. Importantly, this is something that requires a technical perspective but also a local one. Getting people to make changes in their homes and businesses is not solely a technical challenge – it is a human one.

“*A net zero heat pathway will require explicit, likely political, decisions. These decisions will be different in different parts of the UK, potentially from one town to the next, and have a profound impact on people and businesses.*”

Regen, Net Zero South Wales, p.14

### Zoning to achieve economies of scale

One of the key challenges of heat decarbonisation is that it involves millions of stakeholders making millions of individual decisions. As set out in the ADE's 2020 report on Heat and Energy Efficiency Zoning, there is value in zoning to achieve scale, pace and efficiency in decarbonisation.

Zones can provide a policy framework, carrots and sticks, that support individual decision making, but also achieve a level of coordination of action in geographical areas to achieve economies of scale.

This is particularly the case when there is a need for investment in new shared heat infrastructure such as heat networks but is also relevant to other shared infrastructure such as shared ground loop systems or community heat batteries.

“*Heat network zoning will provide clarity by demonstrating where heat networks are the most viable solution for decarbonising heat, will enable long term planning and coordination between stakeholders and increase investor certainty.*”

BEIS, Heat Network Zoning consultation, p.14

### Zoning as a tool for local messaging

Zoning is important too for providing clarity to householders and targeting areas of need. The social impact of being in a 'zone' gives clarity to people on the direction they should ultimately be taking in buildings, but also a sense that they are working towards a collective and community goal – and that something is 'expected', be it clean air, less traffic or decarbonising heat. That sense of community can be a powerful motivator in driving action and behaviour change.

The value of geographical heat zoning is, therefore, twofold. Aiding good decisions in terms of economics and investment but also sending a powerful local message.

“*Zoning creates a clear framework and pathway within which to commence a strategic consumer engagement strategy.*”

ADE, Heat and Energy Efficiency Zoning, p.23

# Existing policies, gaps and challenges

	What is happening now	Gaps, issues and challenges
<p><b>Heat Network Zoning</b></p> 	<p>In their Balanced Scenario, the Climate Change Committee includes the potential for heat networks to provide 20% of heat - and progress is now being made towards making that a reality. The government's <b>Heat Network Zoning consultation</b> launched in 2021 is a good example of well thought-out policy making with a clear picture of different roles and responsibilities at national and local government levels.</p> <p>The consultation proposes that an approach to planning heat networks will be required across England and involves a national level technical review of housing density and other variables to identify possible heat network areas. The proposal is that this would then be locally verified, allowing for local 'on the ground' differences.</p>	<p>The format and policies within the Heat Network Consultation relate to creating larger networks with a large or a number of large commercial loads to make the economic case. The structure does not support smaller or 'bottom up' community schemes with primarily domestic customers.</p> <p>Other technologies and other potential routes for decarbonising heat, such as energy efficiency or hydrogen networks also lack a clear framework for action, set at either a local or national level.</p>
<p><b>Local Area Energy Planning</b></p> 	<p>Local Area Energy Planning (LAEP) is a methodology process developed by the Energy Systems Catapult, looking at the whole energy system that is aiming to identify at a local level what the appropriate technology options are for specific locations.</p> <p>A LAEP for <b>Bury in Greater Manchester</b> was published in June 2021 and contains recommendations on heat priority areas including for retrofit, hydrogen and heat pumps.</p>	<p>The LAEP considers the whole energy system covering areas of generation, transport and heat together. The methodology can be costly. With continuing policy uncertainties on heat and the different pathways, clearly identifying electrified or hydrogen areas is not straightforward.</p>

## CASE STUDY: SCOTTISH GOVERNMENT

### Local Heat and Energy Efficiency Strategies (LHEES)

#### The ambition

LHEES are intended to drive action by local authorities on heat and energy efficiency in Scotland with the ambition to deliver a two-third reduction in emissions from heat by 2030.

#### LHEES approach

- 32 Scottish local authorities are required to develop LHEES by the end of 2023.
- Involves strategic zoning for heat networks, quadrupling what exists today.
- Prioritising areas for delivery including public sector buildings, fuel poverty and social housing.

#### Background

- Heat policy is a devolved responsibility in Scotland (the UK retains elements such as energy taxation and regulation).
- Before being established as a statutory requirement, LHEES were trialed in all 32 local authorities.
- In these trials, the local authorities choose different areas of focus including small domestic areas or industrial or commercial demand.
- The trial process created more capacity and understanding within local authorities about heat, including about the available data. It also created a network of experts and consultancies.

#### The Scottish government has a number of roles in supporting LHEES:



##### Setting a clear goal

They have established a statutory requirement for local authorities to do LHEES.

Setting clear dates and requirements for buildings to have zero carbon heating.



##### Supporting efficient local delivery

Providing data and methodologies for LHEES studies, conducting central studies (for example on heat networks)

Develop frameworks for local authorities to access consultancies and others with heat and energy efficiency expertise.



##### Providing sufficient resource

The Scottish government has a commitment to provide £1.8 billion for heat and energy efficiency over the next 5 years (£350 per person).

The intend to create a National Public Energy Agency by 2025 to support people and businesses to switch heating systems.



# Where are we now?

## The government is failing on energy efficiency

The government has taken an important step towards a more coherent local delivery framework with heat network zoning. However, in other areas, local authorities face a patchwork of funding and responsibilities that makes the joined up national and local action required to tackle a challenge of this scale difficult to achieve.

Despite energy efficiency being the first step in any pathway towards heat decarbonisation, it is the area of policy that most lacks a clear strategy.

The Climate Change Committee noted this gap in their review of the Heat and Buildings Strategy: “Material policy gaps remain, notably for energy efficiency in owner-occupied homes and social housing.<sup>10</sup> The IEA has also recently noted that:

“*Energy efficiency is a critical solution to so many of the world’s most urgent challenges - it can simultaneously make our energy supplies more affordable, more secure and more sustainable. But inexplicably, government and business leaders are failing to sufficiently act on this.*”

## Short term funding stifles a strategic approach

Short-term and incremental funding to local authorities for energy efficiency has meant that only a small number of local bodies have been able to take a strategic approach to heat and energy efficiency to support their local markets.

Local authorities have been provided significant funds for energy efficiency but these come from disparate pots in waves of competitive funding. Recent opportunities include the **Green Homes Grant Local Authority Delivery Scheme** (GHG LADs) now allocated to Net Zero Hubs.

There is also the **Sustainable Warm competition** for low income households and many also receive **Energy Company Obligation** (ECO) funding from energy suppliers. For local authorities with social housing, or working with social housing providers, there has been competitive funding available through waves of **Social Housing Decarbonisation Fund**. Those taking action on their own estates are able to access various phases of the **Public Sector Decarbonisation Scheme**.

## Unclear government ownership on heat

Part of the issue in the UK and England specifically is that no one central department has clear ‘ownership’ of heat, energy efficiency and retrofit.

Legislation levers related to heat and retrofit can be split across BEIS with an energy remit, Ofgem working with suppliers and networks, Department for Levelling Up, Housing and Communities (DLUHC) with the remit on housing and other departments such as Treasury on taxation.

There are also the wider beneficiaries of energy efficiency and retrofit including Department of Health along with the Department of Work and Pensions.

The **LHEES approach** in Scotland has shown how local authorities can be supported to develop a heat and energy efficiency strategy. Within England, some leading areas are looking to develop a strategic approach to heat such as the West Midlands Combined Authority Net Zero Neighbourhoods (see case study on page 20).

## National and local approaches to heat and energy efficiency need to be more strategic



“

Most councils run or contract into the main energy efficiency programmes, which typically support measures in a few hundred homes per year.

For deep retrofit or innovation competitions, it is noticeable that the winning councils are already considered leaders in the local authority energy field.

There are significant barriers to other councils in bidding for these schemes: particularly the time and resources to develop bids, which may not be successful.

”

*UK 100, Power Shift, p. 76*

# Where we are now?

## No local role in energy network investment

The availability of electrical network capacity to support decarbonised heat and power is an increasing problem for many areas.

At present, it is not clear how the local plans and aspirations on decarbonisation directly or indirectly feed into the plans for energy network investment or, in the case of gas, potentially managed decline or re-purposing of the gas network assets.

A number of local authorities have tried to articulate their plans in a way that can be reflected by energy networks. Local Area Energy Plans are one method that set out the local pathways and priorities for net zero, including identifying areas for different heat solutions.

The gas and electricity networks themselves also conduct future planning for local areas based on their infrastructure. These Long Term Development Statements are produced annually to inform operation, investment and business decisions.

However at present the local authority plans and that of the local energy networks are not well correlated.

## Little support for 'bottom up' solutions

There is currently little support for communities looking to establish a collective approach to heat and buildings. Despite commitments to empower local leaders to kick-start net zero initiatives in the Net Zero Strategy, the government has closed the Rural Communities Energy Fund which had been used at the start of many community-led projects including the trailblazer project at Swaffham Prior.

The government's Heat Network Zoning consultation sets a high bar on size of schemes, meaning that the framework is unlikely to be relevant to smaller residential and off-gas communities. These areas are also not likely to have the benefit of 'anchor loads' anticipated from large commercial properties to give investor certainty to develop heat network infrastructure.

However, there is significant potential in community-led heat projects as illustrated by Swaffham Prior.

In addition, recent analysis by Regen found that if there was a higher uptake of shared ground loop heat pumps in net zero scenarios, this could reduce peak electricity demand as well as have better outcomes for householders. (see page 19).

## Heating Swaffham Prior

**The decarbonised heat project in Swaffham Prior in Cambridgeshire is an inspiring example of a community approach to replacing high carbon oil heating in an off-gas village of 300 homes. The project was initiated by the community who then partnered with Cambridgeshire County Council to help them access project funding.**

The project uses innovative solutions such as combination of air source and ground source technology to deliver a district network that meets the needs of the very different building types in the village, including listed buildings. The heat network will be linked to a council-owned solar farm with an energy centre and the ground source boreholes also located on council land.

The Swaffham Prior project has broken new ground in terms of community approaches to heat decarbonisation and has been able to progress to construction and connections in 2022. It illustrates by its uniqueness the lack of a framework or guidance for how to fund and invest in collective community heat infrastructure.

More information can be found here:

- [Cambridgeshire County Council website](#)
- [CIBSE case study](#)

“ *Without a fair, consistent, crosscutting policy, political and financial framework for local government to work towards Net Zero – in other words, without the necessary powers and resources – our members, and the communities they serve, rely on creative approaches that will, by definition, remain exceptional.* ”

UK100, Power Shift, p.4

# Benefits of building a community level ground source heat pump (GSHP)

Regen's analysis suggests that supporting the deployment of more GSHPs in a net zero scenario could:

- > Unlock new business models that separate the capital cost of the ground array
- > Enable 11m more homes (49% of housing) to be suitable for a GSHP
- > Make GSHP costs comparable with ASHP, delivering better outcomes for householders



- > Reduce peak electricity demand by 10% in a scenario with 20m heat pumps deployed
- > Enable running costs to be minimised through flexibility in domestic heat demand
- > Support UK manufacturing and develop more jobs in the supply chain

As our energy system evolves to deliver net zero, we are likely to place a higher value on the scale and timing of domestic electricity demand, magnifying some of these benefits

# CASE STUDY: WEST MIDLANDS COMBINED AUTHORITY

## Net Zero Neighbourhoods

### The ambition

West Midlands Combined Authority (WMCA) is aiming to retrofit almost 1.2million homes by 2041, with an interim goal of 264,000 homes to reach carbon neutrality by 2026

The WMCA is investing more than £1.6m into the first Net Zero Neighbourhood demonstrator, with detailed plans developed for a further 5. These will explore a new approach to supporting communities through the transition to Net Zero.

### The approach

Develop a replicable model for the financing and delivery of home retrofit at a street-by-street level.

### The takeaways

- Exploring cost efficiencies of an area-based approach
- Combining transport, regeneration and housing investment
- Targeting a combination of tenures, including able-to-pay

### Find out more

- [Net Zero Neighbourhoods](#)

### What is a Net Zero Neighbourhood?

Net Zero Neighbourhoods are a bottom-up approach to reducing energy needs at a street-by-street level.

They involve:

- A capital investment plan, providing funding for retrofit measures, low carbon mobility, innovation grants and energy infrastructure amongst others.
- A community engagement plan, co-ordinating with existing initiatives for engagement, and co-operating with community groups, introducing an element of co-design.
- A project delivery plan, establishing the involvement of different partners in the phasing of the capital investment plan and their role in delivery.

### What are the demonstrator projects hoping to achieve?



**Community engagement:** The creation of a retrofit offer that achieves a high opt-in rate across all housing tenures.



#### Supply chain and delivery model:

A method of working with the supply chain to deliver cost-effective and high quality domestic retrofit, identifying cost efficiencies through working at a street-by-street level.



**Finance:** Demonstrate how to scale sustainable investment, and which structures support this, and establish how funding can encourage capital investment.



# Workshop findings: the local authority role

## Local authorities should lead the process of planning and zoning

Regen held a workshop to interrogate the national and local roles within heat zoning and planning with key stakeholders. The workshop participants concluded that:

- Local authorities should lead the process of zoning and planning because of their reach to communities and the links with their existing planning roles and responsibilities.
- National government should play a facilitating role with a particular focus on setting a clear methodology and data provision.

The participants broadly supported and welcomed the precedent set in the BEIS Heat Network Consultation around the split roles of national and local government which involved broadly:

- Central Authority (central government) roles to include standardising the methodology for zoning, level of 'compulsion' and Data Custodian.
- Local refinement to be carried out by local authorities as "zoning coordinator" along with engagement and enforcement.

## Heat zoning should be expanded to other technologies

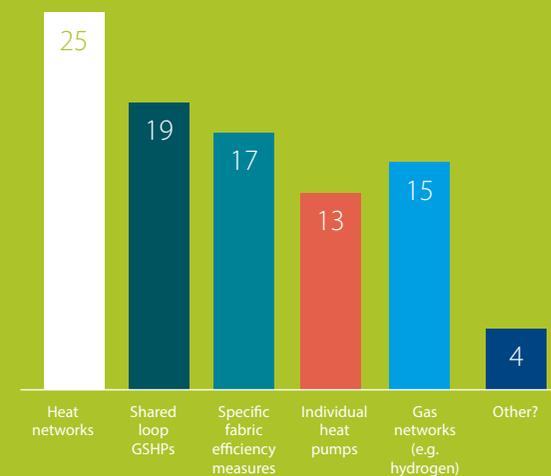
Stakeholders were clear that heat networks should not be the only type of heat 'zone'. There was particular support for zoning technologies which have a form of 'shared infrastructure' such as shared loop ground source systems.

Another popular zoning type discussed was for energy efficiency to support social objectives of local authorities by creating a focus on areas with poor housing and fuel poverty.

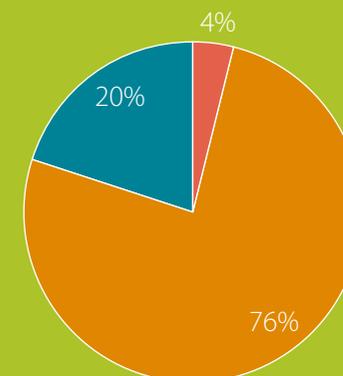
## A clear role for local communities

96% of participants agreed communities should also have a role in 'bottom-up' zoning – potentially drawing and building on the Neighbourhood Planning framework.

### What needs to be zoned?



**Bottom up designation: should communities, blocks of flats, rows of terraces etc. have the opportunity to designate zones?**



# Recommendations

**Heat decarbonisation is as much a human challenge as a technical one.**

**The value and cost of local and community level planning and engagement is often overlooked in technical evaluations.**

A transition that speaks to people is going to be a critical part of meeting this challenge. But for this local action and delivery to be successful and efficient, it needs to be supported by smart and targeted national policy.

Building on the heat network zoning proposals, the government should move towards delivering comprehensive heat zoning across England led by local authorities and communities with the support and guidance of central government.

Comprehensive zoning for heat delivers many benefits. It provides clarity for infrastructure investors, including existing energy networks, and certainty for people on what needs to happen in their communities.



## Energy Efficiency Zones

Develop an England-wide methodology and local authority requirement to develop energy efficiency zones to fairly target and distribute energy efficiency funding



## Framework for community heat infrastructure

Develop formal community heat zoning with policies to support the development of community level shared heat infrastructure



## Statutory role in energy networks

Give local authorities a statutory role in Ofgem's Energy Network Price Control process to ensure that critical energy network infrastructure meets local needs

## Recommendation 1: Energy Efficiency Zones as a next step towards comprehensive heat zoning

A strategic and comprehensive approach to energy efficiency at a local level is going to be critical to dealing with both the energy cost and climate crises.

As a next step towards comprehensive heat zoning across England, we recommend that an England-wide methodology is developed urgently along with a local authority requirement to develop energy efficiency zones. This will provide a comprehensive and consistent basis on which to fairly target and distribute long-term energy efficiency funding across all local authority areas.

**What:** Develop an England-wide methodology and local authority requirement to develop energy efficiency zones to fairly target and distribute energy efficiency funding – as a step towards comprehensive zoning for heat by 2026.

### Type of action:

- Support efficient delivery
- Bringing up the rear
- Providing sufficient funding

**National role:** Co-develop England-wide methodology on energy efficiency zoning for fuel poor areas to target energy efficiency and retrofit spending in areas of most need.

**Local role:** Use methodology to develop energy efficiency zones and strategies, targeting spending to those in most need through strategic area-based / zonal approaches.

### The detail

National and local government should work together on developing an England-wide methodology to consistently identify energy efficiency and fuel poverty alleviation needs for each local authority. This methodology should involve building fabric measures such as EPC ratings, but also reflect house prices, hard-to-treat properties, deprivation and fuel poverty plus heating needs as a result of the local climate. This can build on the work done in Scotland on LHEES and the associated methodology.

The local authority requirement should involve developing zones, as well as an annual reporting and national progress indicators. Reporting requirements could be set at a county and unitary or regional level to allow comparison and identify those that need more support.

Central government should then commit to providing long-term funding on the basis of the needs identified, rather than competitive funding pots. This will ensure the market-building benefits of this public sector procurement is spread across England. A long-term funding commitment will also enable the local authority to better support the nascent local market for retrofit and heat decarbonisation through more strategic procurement (see recommendation 5).

The local authorities working alone or together can also use this process to develop local strategies for energy efficiency to focus policies on area-based solutions and target available funding streams, such as infrastructure funding.

### Next steps

- BEIS to broaden heat network zoning powers within the Energy Bill to cover energy efficiency zoning.
- BEIS to launch consultation and pilots to develop energy efficiency zoning methodology and local authority requirements.
- BEIS/Treasury to commit to longer term single energy efficiency funding for local authorities, distributed based on this methodology. This could also involve devolving ECO spending from energy suppliers directly to local authorities.

## Recommendation 1: Energy Efficiency Zones as a next step towards comprehensive heat zoning

### Further considerations for Energy Efficiency Zones

An Energy Efficiency Zone will need a threshold for the size of the zone and effective timeframes and regular reviews. It will be important to test the approach with local authorities to establish the most effective zoning size and approach.

Policies and funding within these zones needs to recognise the different needs and tenures which will be found – and there will be no ‘one-size-fits-all’ approach.

#### Within the zones, the approach and policies could involve:

- Free home retrofit assessments
- A one-stop shop providing on the ground local advice and recommended/trusted supplier centres
- Enhanced funding or higher thresholds for means-tested grants if you live in a zone
- Ability to raise finance for home owners or landlords not eligible for grants; loans could be attached to properties (potentially paid back through council taxation)

This policy framework should involve a combination of increased financial support or additional payment options (for example, a green mortgage or loan attached to the property rather than the owner).

Within a national framework for Energy Efficiency Zones, local authorities could, as a final resort, have powers to help ensure participation within the zone in cases where the lack of participation significantly increases the cost of the scheme for others. For example, solid wall insulation across a terrace of houses or block of flats or private housing within social housing schemes.

## Recommendation 2: Framework for community heat infrastructure

Recognising the unique reach of communities, we recommend that the government develops a framework to facilitate 'bottom up' heat zoning and investment in shared heat infrastructure from organised communities as an important source of new heat decarbonisation projects and cost-efficient change.

We are recommending a series of pilots to explore, in particular, the local authority role in these projects and aim to provide a clear replicable model for investment in shared heat infrastructure and development of community heat utility model.

**What:** Develop a formal framework for community or 'bottom up' heat zoning with policies to support the development of community level shared heat infrastructure.

**How:** Aim to develop a set of pilots which would fund council/county owned shared heat infrastructure. The new Infrastructure Bank could play a key role in developing finance models.

**Type of action:**

- Supporting the leaders
- Efficient delivery

**National role:** Develop a policy framework for smaller heat networks/shared infrastructure. Infrastructure Bank funding for new shared heat infrastructure. Explore powers for county councils to act as heat utilities including compulsory purchase powers.

**Local role:** Support communities with capacity and advice to develop projects (directly or indirectly). Develop or facilitate development, funding and ownership of shared heat infrastructure.

### The detail

Social costs are often not well reflected in technical evaluations. It should be recognised that there is significant potential for communities themselves to develop small scale local solutions, including those that require some shared heat infrastructure, such as smaller heat networks, shared ground loops, connected boreholes or heat storage.

Regen research found that a small scale utility-based approach to decarbonising heat has the potential to significantly reduce the upfront and running costs for households and the cost for networks by reducing peak loads by around 10%.

We are recommending a series of pilots are established to develop a clear replicable model and framework for these projects to follow, setting out recommended approaches to feasibility, engagement, governance, status, ownership models and infrastructure funding for the shared infrastructure.

The pilots should also explore what role the local authority or council can play in these developments in addition to advice and support for communities. For example, the county or unitary authority could be the owner of the heat infrastructure as in the case of Swaffham Prior. They could collect a revenue from the investment collecting payments from those using it over a utility timescale (e.g. 50 years).

### Next steps

- BEIS to launch a series of pilots with communities to develop shared heat infrastructure. This could be targeted at off-gas communities in the first instance.
- This should aim to develop a template approach for communities and local authorities to follow to ensure efficiency of delivery and avoid replication. The pilots should also explore the local authority role in infrastructure development or funding.

## Recommendation 2: Framework for community heat infrastructure

### Considerations for pilot projects

BEIS should establish a series of pilot projects to develop the best approach to infrastructure development and ownership models and the local authority role. This would build on lessons and learnings from Swaffham Prior and [Heating the Streets](#) in Cornwall.

#### Key elements of this would involve:

- Assessing feasibility of development and ownership models for shared heat infrastructure
- Assessing opportunities for leveraging infrastructure funding from the UK Infrastructure Bank or other private equity.
- Understanding the best format to provide support for technical development and feasibility of new shared community utility infrastructure (e.g. Net Zero Hubs, private sector businesses, local authorities or central BEIS heat network support).
- Exploring the role of local authorities and councils. Assessing opportunity for councils to act as heat utility and being provided utility powers of compulsory purchase. For example whether service charges heat infrastructure payments could be within council tax. Special expenses are already used in council taxation for the maintenance of shared assets such as parks.
- Exploring the role of highway authority (unitary or county councils) and use of adopted highway for heat infrastructure.
- Developing a bank of supporting documents to reduce the cost of schemes. This might include standard terms and conditions, procurement frameworks for the delivery of heat infrastructure and guidance on the best approach to household engagement and business cases for household connections (including new £5,000 and £6,000 Home Upgrade Grants).

## Recommendation 3:

### A statutory role in energy network price controls

Energy and climate change have become local priorities for many devolved governments, regions, cities and local communities but many are facing challenges in delivery due to constrained energy infrastructure.

We are recommending that local government should have a formal role along with Ofgem over the future development of critical local energy infrastructure.

**What:** Create a statutory role for local authorities in the Energy Network Price Control process run by Ofgem so they can ensure the development of critical energy network infrastructure.

**Type of action:**

- Bringing up the rear
- Supporting the leaders
- Efficient delivery

**National role:** Agreeing statutory role with Ofgem and setting methodology and conditions for co-investment to support strategic investment in energy network infrastructure.

**Local role:** Statutory role in local decision making on investment in energy infrastructure.

### The detail

In 2019, a Regen paper explored how regulation and governance of the energy networks could evolve to support net zero objectives. A core finding included that energy networks needed to involve local stakeholders more systematically to bring forward the scale of infrastructure investment, non-network solutions and innovation needed to deliver net zero.

Ofgem has identified this issue and recently issued a call for input on the [Future of local energy institutions and governance](#). The document asked for views on options including a Regional System Planner and Operator.

We are recommending that local authorities at a county, unitary or regional level should have a formal governance role in energy infrastructure development, and along with Ofgem, should be part of the decision making around infrastructure investment needed to achieve local energy priorities.

This could involve regional energy governance bodies having a formal role to assist and oversee development of network business plans. These bodies could be defined at a geographical level to build public trust and engage local stakeholders. This structure would also allow the networks to leverage the investment potential of regional economic plans and local area energy plans.

It will be important that local authorities have the capacity and knowledge to be meaningfully involved.

### Next steps

- BEIS to publish consultation on devolution in energy governance on the back of recent call for evidence involving a formal regional governance body and devolution of governance functions from Ofgem.
- BEIS and Ofgem to develop replicable models and process for local authority and network co-investment or risk sharing where areas wish to strategically invest to support local growth strategies.

Area 2

# **Citizen and community engagement**



## 2 Citizen and community engagement

### The challenge – lack of understanding and awareness on decarbonising heat

#### There is no plan to address lack of awareness

The recent [BEIS Select Committee inquiry](#) into home decarbonisation noted that witnesses, including the UK government, agreed that raising consumer awareness of the heat transition and various technologies was critical, but currently lacking:

“ *Consumer engagement and awareness when it comes to the decarbonisation of domestic heat is low.* ”

*One of the greatest shortfalls of the Heat and Buildings Strategy is that it misses the opportunity to outline the Government’s plan to drive up consumers’ understanding of the importance of the transition to low carbon heating in homes.*

BEIS Committee, Decarbonising Heat in Homes, p.44

Currently nearly half of the public have some awareness of specific low carbon heating technologies such as heat pumps, biomass boilers, heat networks. This has increased from 2020, when, for example, only 23% of those surveyed knew about air source heat pumps.

Awareness of heat decarbonisation has been increasing following high profile policy announcements in 2021 including the Heat and Buildings strategy, COP26 in Glasgow and the announcement of the new heat pump grant of £5,000 in October 2021.

The BEIS Select Committee has recommended that:

“ *The Government should establish a national consumer awareness campaign that, as a minimum, informs the public on why the decarbonisation of heat is needed, what low carbon heating solutions are available and the changes that consumers may have to make in their homes to install low carbon heating.* ”

BEIS Committee, Decarbonising Heat in Homes, p.45

#### What works is positive and persistent messaging

Communications consultancy Futerra has highlighted the importance of having a constructive narrative on climate and net zero, rather than one based on the negative consequences of continuing on the existing path.

“ *There is one message that almost every audience responds to. A narrative that changes hearts, minds and even behaviours. An approach needed now more than ever before. And it’s the opposite of climate hell. We must build a visual and compelling vision of low carbon heaven.* ”

Futerra, [Sell the Sizzle](#), p.2

NESTA, in their presentation to Regen’s workshop, highlighted the example of Plymouth Community Energy attempting to get home owners to take up an offer of energy efficiency grants. The evidence showed that they were not influenced by one well-crafted letter, but instead people responded to repeated communication.

**It is consistent, positive and pervasive messaging that is needed to move awareness quickly.**

# Existing policies, gaps and challenges

	What is happening now	Gaps, issues and challenges
<b>National online advice</b> 	<p>The current provision of information and advice supports those proactively seeking help. The government is currently supporting the beta version of the website <a href="#">Simple Energy Advice</a>, that has an energy efficiency calculator.</p> <p>The <a href="#">Energy Savings Trust</a> is another source which has an energy efficiency tool and online advice.</p>	<p>Online advice can be useful but advice provision either tends to be generalised or based on limited data, such as EPC assessments. EPCs are also not always accurate.</p> <p>27% of the EPCs registered in the open EPC record are indicated as being incorrect, and one study done by Leeds Beckett suggests that the true error rate may be between 36% and 62%.  <a href="#">(Glew, D and Hardy, ALR)</a></p>
<b>Local authority online advice</b> 	<p>There is also information for households available via local authorities online, with websites and campaigns that have been created around the pockets of energy efficiency funding.</p> <p>This local information is tailored towards those who meet eligibility on need such as fuel poverty or benefits. The branding and services of these sites, however, varies across the country. Examples include the <a href="#">Warmer Homes brand</a>, <a href="#">Cosy Devon</a>, <a href="#">Healthy Homes Dorset</a> or <a href="#">Better Homes Yorkshire</a>.</p>	<p>The funding conditions often still allow for the option of installing new fossil gas central heating which is not consistent with net zero.</p>

# Where are we now?

## Some good practice but little action

As well as calling for a communications campaign, the BEIS Select Committee inquiry noted the important role expected of local authorities in this process.

“ *Whatever form of consumer engagement the Government adopts, stakeholders envisage a key role for local authorities in the delivery of that engagement.* ”

BEIS Committee, Decarbonising Heat in Homes, p.43

There is, however, little being communicated actively at present by national government or by local authorities.

The LGA has produced examples of good practice and case studies of local authorities who have taken different approaches to communication in their **best practice toolkit** for net zero communication. There have also been some important initiatives in listening to and understanding views of residents, including initiatives like the **Devon's Citizen Assembly**.

## Grassroots organisations taking the initiative

In addition to the local authority role, there are also now numerous grassroots climate organisations who are working within communities to promote climate friendly messaging. **250 Climate Action groups** are now working across England, along with approximately 275 **Community Energy Organisations**.

However, without a coherent national framework there is a risk of many organisations trying to identify how to engage their communities in heat decarbonisation effectively, leading to wasted effort and ineffective messages.

This need for better messaging and communication with residents and businesses has been recognised by many local authorities following their climate emergency declarations.

Many are now considering how to communicate effectively about net zero, heat decarbonisation and energy efficiency to people they want to take action, recognising that public perception is intimately linked with the ability to progress policy interventions.

## Best practice on behaviour change

The **WHO guidance on behaviour change** emphasises the use of trusted messengers who can add voices to a particular campaign to address social norms and model desired behaviour.

*“An effective campaign must also adapt to, and consider the context of, the community it serves.”*

This is also critical to the messaging that is needed on heat decarbonisation.

- **National messaging** = “we are all in this together for this purpose”
- **Community context** = “this directly applies to me and my community.”

There is clear benefit and opportunities for a wide variety of local actors, as well as local authorities in building this new social norm.

“ *The reality is that public attitudes and social practices almost always play a central role in political and technological decisions. Governments in democratic nations will not run significantly ‘ahead’ of where they perceive public opinion to be. The most carefully considered policy interventions will backfire if they don’t take account of how people will respond. Seemingly ‘win-win’ technologies and ideas (such as free home insulation schemes) will not be taken up if they are unpopular or viewed as irrelevant.* ”

Climate Outreach, A Fresh Approach to Public Engagement, p.5

# Workshop findings: the local authority role

## Locally relevant active communications are important but largely absent

There was agreement in our citizen and community engagement workshop that communication to engage households in the importance of heat decarbonisation and how to take action, is largely absent.

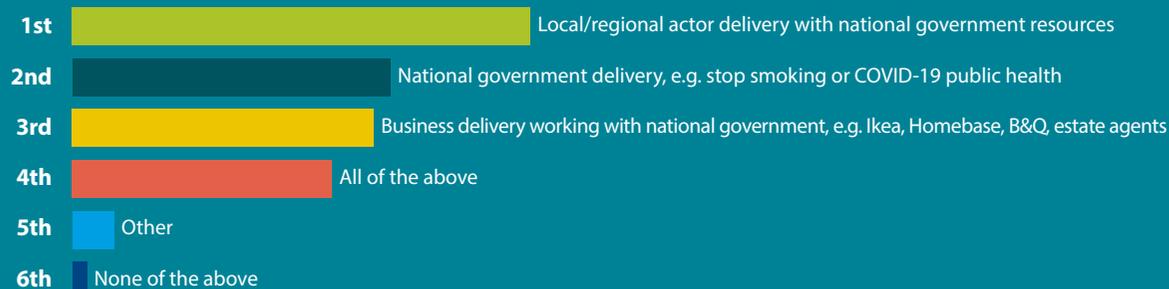
Stakeholders felt that local authority and local leaders were critical to communicating effectively, both in providing messaging that was locally relevant, but also facilitating or encouraging the provision of the right advice and information to help customers move along the customer journey (see page 33).

Stakeholders considered there was also an important national role to provide “central coordination to ensure consistent advice and quality, combined with regional/local delivery” and ensuring alignment with the heating industry and retailers’ communications.

Advising on behaviours and energy efficiency when people are struggling to heat homes needs very careful messaging to remain constructive, as energy supplier Eon discovered<sup>11</sup>. Participants recognised that for **local authorities and communities to communicate well** and persistently will require significant resource and toolkits. Without it, there is a real risk of duplication and wasted effort as well as ineffective messaging.

From the local authorities themselves, there was also clear demand for more central resources to better understand the needs in their areas, including housing data and analysis support.

## What type of campaign should we have to raise public awareness?



Regen’s local authority forum members noted that a number of local authorities were already working with Parity Projects to commission local datasets. The Regen forum concluded that:

***Understanding what people need and their barriers or enablers was important – some lessons could be drawn from national analysis or other areas, but it is still important to understand how it applies to your demographics and stock.***

***As a baseline for a strategy there was general consensus that baseline stock analysis is useful for all local authority areas, including credible pathways for each home.***

Stakeholders also identified an important role for businesses in making the messaging on homes more pervasive, to support the shift in understanding and awareness. Although this may need to be a national business campaign, local authorities would need to partner with local businesses to support locally relevant messaging.

Similarly, there is an important role for local authorities themselves to support local community actors, parish councils or other community organisations to proactively engage, particularly with an ambition to reach vulnerable or excluded groups. For example, Plymouth City Council created the now independent charity and social enterprise Plymouth Energy Community who partner with the Council helping to target and deliver funding pots, including ECO and the Green Homes Grant (see Plymouth Energy Community case study on page 34).

# The local authority role in engagement and the customer journey

## 1 Raising public awareness

National future homes campaign coordination with consistent and persistent messaging.

**Local role:** Leadership modelling behaviour. Echo messaging with locally relevant context.

## 2 Local trusted advice

Provision of independent, trusted and building specific support and advice.

**Local role:** Support or initiate provision of advice to local communities.

## 3 Locally led engagement

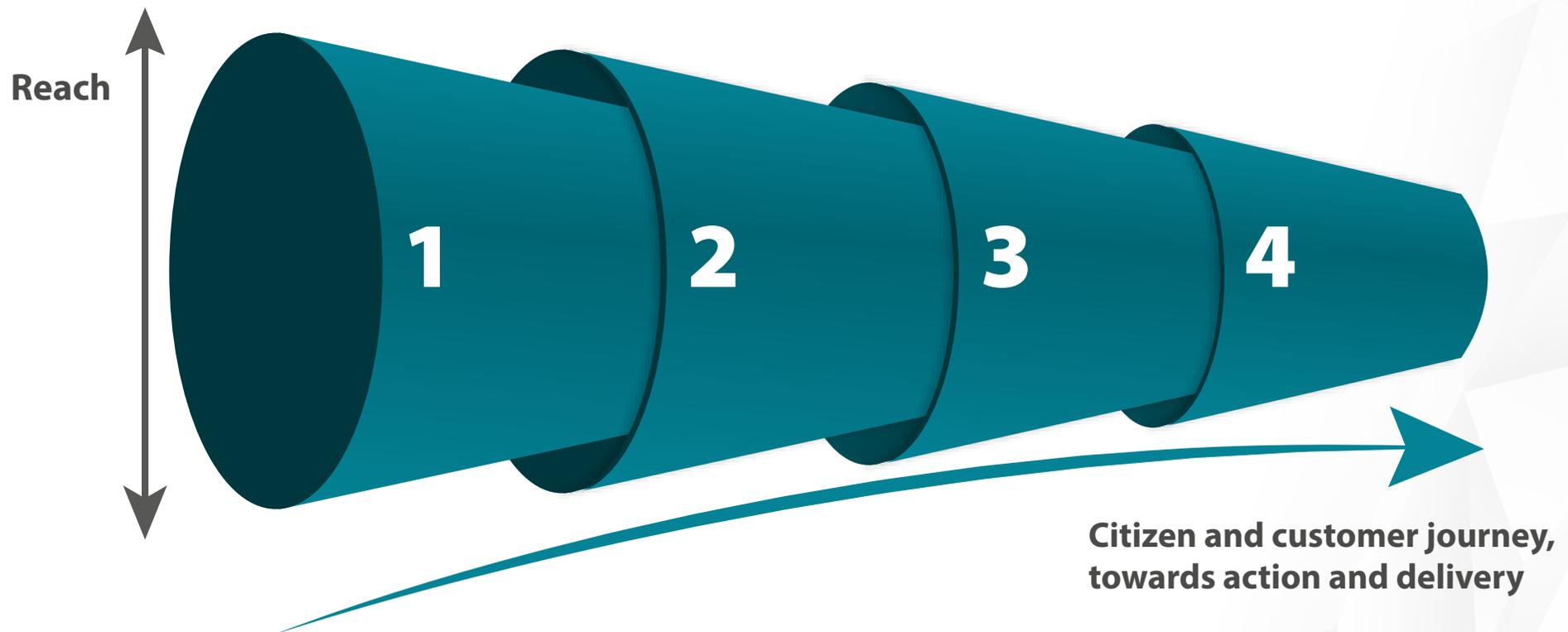
Targeted and proactive engagement and funding for vulnerable or hard-to-reach groups.

**Local role:** Partnership with community organisations to identify those in need.

## 4 Tradespeople and delivery

Advice from tradespeople and quality delivery of building retrofit.

**Local role:** Build market through procurement and quality standards. Signposting quality providers.



## CASE STUDY: PLYMOUTH ENERGY COMMUNITY

### Community success powered by local authorities

#### The ambition

In 2013, Plymouth City Council (PCC) set up, and helped find the founding members of, Plymouth Energy Community (PEC). The objective was to empower its citizens and improve the quality of energy services in the city.

#### The approach

PEC now works across renewable energy, retrofit, new build and fuel poverty issues. They offer a holistic, person-centred domestic energy advice and building retrofit support programme, that has delivered a significant increase in the decarbonisation of local homes.

#### The takeaways

- Achieving success through council and community energy groups working closely together.
- Investing in developing community energy can help support delivery of local authority policy priorities.

#### For more information see:

[plymouthenergycommunity.com](https://plymouthenergycommunity.com)

#### The model

PEC is a charity and a social enterprise who focus on:



Uniting local people and organisations on the issue of fuel poverty and the climate crisis



Increasing local ownership of local energy solutions



Enable people to heat and power their homes affordably

PEC provide extensive household support by partnering with the Council to deliver retrofit and energy efficiency advice work. This trusted advice is critical to ensure homeowners or tenants support what can be expensive and invasive changes to people's homes.

In 2021, PEC's Energy Team has helped over 6,600 households unlocking Green Homes Grants and other government funds to delivery around 200 different home improvements in less than 10 months.

PEC's role in the scheme meant they were able to ensure the scheme benefited the local economy, spending 99% of grant funds (£1.4m) with SMEs based in Plymouth and Devon areas. This programme is being extended to 300 homes during 2022/23.

#### Other partnership projects with PCC and PEC include:

- **Warm and Well:** Assisting residents with physical disabilities and mental health needs who are at risk of fuel poverty to access Energy Company Obligation and other funding sources to improve the thermal performance of their buildings.
- **Warm Homes Fund:** In partnership with PCC and Livewell Southwest, PEC have provided 46 families with new heating systems
- **Redress:** PEC are using payments from energy companies who have broken rules to target support for local refugee and low income families
- PEC helps delivery of the Council's retrofit and energy efficiency work, providing advice and including identifying people in need through outreach activities.
- Through a shared services agreement, the Council has provided PEC with expertise from within the Council on finance, legal issues and low carbon work. One member of PEC's board of trustees is a representative from the Council.



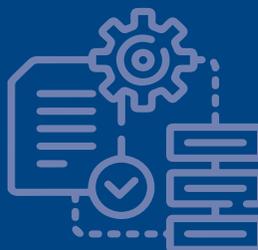
# Recommendations

**Both what is said, and how it is said, is going to be critical to turning the millions of decision makers into actors on decarbonising heat. What is missing currently is persistent and pervasive locally relevant communications and messaging, moving people from 'able-to-pay' to 'willing-to-act'.**

Local authorities are an important part of this process and should take a more active and consistent role in showing local leadership.

To support this, there needs to be a national campaign framework for communication, methodology and resources that can be tailored and used across England by local authorities and by a large number of community stakeholders, businesses and other interested actors.

Seeing the same message in a local authority communications, parish magazine, a local DIY shop and on websites for local tradespeople would help to build momentum on the changes we need to see.



## Future Homes Communications

Nationally coordinated 'future homes' communications methodology and resources for local authorities, local leaders, businesses and communities.

## Recommendation 4: Future Homes Communications

The lack of general awareness and understanding on the need and timetable for the decarbonisation of heat jeopardises the delivery of key net zero goals.

We recommend that communications methodology and resources are developed and coordinated at national level to inform people about 'future homes'. This communications toolkit could be used by local authorities and other stakeholders, including businesses to help make communications more effective, consistent and pervasive to support building awareness.

**What:** Nationally coordinated 'future homes' communications methodology and resources for local authorities, local leaders and communities to coordinate messaging.

### Type of action:

- Supporting the leaders
- Efficient delivery
- Providing sufficient resources

**National role:** Develop communications methodology and resources for local authorities. A long-term commitment to continuously update and provide new content and campaigns.

**Local role:** Facilitate communications on heating and retrofit locally. Adjust national resources for local priorities. Continue to present consistent and persistent messaging in council communications.

### The detail

Communications campaigns need to be consistent and persistent to be effective. There was a clear preference in our workshops that communications campaigns on heating were led locally by local government or via community and voluntary organisations. This reflected the importance of locally relevant and targeted messaging.

We recommend that local authorities are provided with a toolkit of tailorable communications methodology and guidance, providing clear engaging messaging on heating, energy efficiency and decarbonisation including target dates for changes. Local authorities also need advice on the correct 'voice', tailored to different segments and needs of their local population. Messaging should be positive and focused on what low carbon heating solutions are available now and the changes that consumers might have to make to their homes.

It is important that this is not just a 'one off' campaign. There needs to be a long-term commitment from national and local government to provide and update communications resources as required. The [Let's Do Net Zero](#) in Scotland and the NHS [Better Health or Change4Life](#) are good examples of these types of shared resources and coordination of campaigns.

We also recommend that BEIS should initiate a business-led campaign to include sectors and key businesses with the ability to 'nudge' people's awareness and action on decarbonising buildings. Examples of industry-led coordinated messaging are campaigns such as [DrinkAware](#). These messages and resources are regularly featured across brands to promote issues and resources, as well the businesses themselves. Businesses would also need to work with local authorities directly to signpost local resources and advice, grants and support.

### Next steps

- BEIS to develop methodology and toolkit for local authority and stakeholder communications.
- BEIS to facilitate a business-led campaign on heat decarbonisation coordinating sectors, including DIY and home improvement, letting, estate and managing agents, energy suppliers and networks companies, builders and installers working in heat decarbonisation.

Area 3

# Supply chain and skills

## 3 Supply chain and skills

### The challenge – future skills and stimulating new markets

#### People will not retrain without a strong market

The **Construction and Leadership Council** has suggested we need around 500,000 new professionals and trades to tackle this challenge, but at the moment the gas engineer workforce is **ageing, shrinking and male dominated**. Less than 1% of the workforce is female.

Though there is potential to train new professionals and to retrain those with existing skills in heating and plumbing, the heart of the challenge is that there is, at present, little real market or demand for energy efficiency and retrofit.

“ *The most significant barrier for interviewees to retrain (particularly in the near future) is low consumer demand for low-carbon heating systems, especially heat pumps.* ”

*Installing for Time, SMF, p.7*

When there is consistent demand for energy efficiency and low carbon heating driven by incentives and regulation, supply chains will develop and people will train or upskill to deliver against demand.

#### Creating diverse and aspirational careers

The good news is that there is significant potential for these new careers in low carbon heating to be redefined and aspirational.

Young people are increasingly worried about climate change and their futures and they seek careers with a purpose that help tackle the issue. 57% would prefer to work for an environmentally sustainable business.

The transition of the gas heating industry to a clean heat industry will require a more diverse workforce, needing a greater variety of skills, from technical and specialist knowledge to interpersonal skills to positively interact with every household in the country.

#### Re-imagining careers in heating

##### A career in clean heat might require a broad set of skills both technical and social:

- ✓ Technical capabilities like having an understanding of thermodynamics
- ✓ An understanding of local architecture, and the best low carbon heating solutions for them
- ✓ Business etiquette to help run a small business
- ✓ Being people friendly: having emotional intelligence, empathy, trustworthiness and ability to communicate verbally very well
- ✓ An appreciation for how a home functions and interior design
- ✓ Motivation to help others, reduce air pollution and/or save our planet
- ✓ Practical, hands-on skills, up and away from desk; comfortable solving new problems every day.



“ We believe the female population of this country is a massive untapped resource when it comes to the renewable heating industry. ”

*Leah Robson, Your Energy Your Way CIC*

# Existing policies, gaps and challenges

	What is happening now	Gaps, issues and challenges
<b>Ambitious installation targets</b> 	<p>The government has an ambitious target for 600,000 heat pumps a year by 2028. Current levels of installation are at about 35,000 a year.<sup>12</sup></p>	<p>The UK has an indicative target to stop gas boiler installations in 2035.</p> <p><b>Germany</b> has an equivalent target in terms of numbers of installations but with a date of 2024 for making the installation of heat pumps mandatory in all buildings replacing heat systems.</p>
<b>Grants for installations</b> 	<p>The Boiler Upgrade Scheme offers a flat rate grant of up to £5,000 for air source heat pumps and £6,000 for ground source heat pumps. These new grants were announced in the Heat and Buildings Strategy in October 2021 and are available from May 2022.</p> <p>This upfront grant replaces the more complex but potentially more generous Renewable Heat Incentive.</p>	<p>The grant may not be sufficient to level the cost of heat pumps with much cheaper gas boilers but it is hoped heat pump costs will reduce as the market increases.</p>
<b>Heat Pump Ready Programme</b> 	<p>This innovation programme supports the development and demonstration of heat pump technologies and tools, and solutions for optimised deployment of heat pumps.</p>	<p>Supporting innovation within the sector will not reduce the cost of heat pumps in the short term.</p>

# Where are we now?

## Inconsistent retrofit market stimulation and approach across England

Local authorities and social housing providers are currently key drivers of the retrofit market.

Some local authorities are able to attract high levels of retrofit funding, particularly where they have their own housing stock or have accessed innovation funding. For example, **The EnergieSprong ZEBcat project** was a three year project using ERDF to develop a local market for whole house retrofit. The local authorities receiving these types of funds are better able to support the development of the local supply chain and market to provide heat and energy efficiency retrofit.

Similarly, those local authorities who are working in partnership with communities can deliver big benefits. (see Devon case study on page 44). However, this local authority and community relationship is far from universal and there are several barriers to scaling up this approach.

Many do not have the skills and resources to bid for funding which means their areas are missing out on the local benefits and skills development from these state supported or funded schemes.

In addition, the sporadic and time-limited funding for schemes means that even leading local authorities are not providing consistent market stimulus. Projects with large centralised procurement for retrofit can also mean smaller local firms are not winning contracts or able to meet conditions set.

## Early adopters need more support to prime the market

Early adopters are also an important part of local market stimulation. Heat pump installations have increased from 26,500 in 2018 to 36,000 a year in 2020, a 36% increase in two years.

However, the high cost and relative complexity of heat pumps remain a barrier. Unlike a gas boiler, a building needs to be 'heat pump ready' and the system carefully designed to operate optimally.

There is a real risk that the quality of the installations does not meet expectations, which could create significant issues for wider roll out. Contributors to the third workshop identified questionable processes in the training and apprenticeship programmes that are leading to inconsistent quality. The Catapult report on **Skills for Net Zero Homes** noted the lack of a top-to-bottom quality assurance mechanism across the sector.

A key part of the solution is to ensure that the early adopters are intelligent customers. They need to have the skills to understand what they want to achieve, including the right comfort levels and running cost, and be supported to ensure the right quality of heat pump installation.

## No universal format for building specific advice

There is currently a number of services offering online advice for retrofit, but only in-home surveys will be able to accurately assess the level of work and cost in upgrading a property. This is a key missing element of the current system.

**PAS 2035** is a newly developed standard for retrofit that includes whole house assessments and associated roles including a retrofit assessor and coordinator. These are being delivered in some projects; however, the general awareness of these in-home assessments is low.

Studies by the Behaviour Change Unit and **NESTA** have highlighted that even for those that do actively want a heat pump (the able-to-pay NOW sector), the early stages such as getting the right information as to how they will work in your home, are significant hurdles. Presenting at Regen's workshop on citizen engagement in April 2022, NESTA highlighted the following issues for heat pump adoption:

- Researching is very time consuming
- Information online is often conflicting, even from trusted sources
- Personalised information is hard to find - 'what would work for me?'
- People don't have a lot of pre-existing knowledge about heat pumps, so are very swayed by the way they are presented to them

## CASE STUDY: DEVON COUNTY COUNCIL

### Community partnership for able-to-pay domestic retrofit

#### The ambition

Devon County Council is aiming to encourage the 540,000 able-to-pay homes in Devon to install energy efficiency measures.

#### The approach

A retrofit support scheme, including in-home assessments, delivered in partnership with Devon community energy groups and as a part of the South-West Energy Partnership.

Creation of an advisory website to unite/signpost work of the communities.

#### The takeaways

- Building the retrofit market by targeting the 'able to pay now' customers with in-home advice.
- Working in partnership with community energy groups

#### For more information see:

[www.cosydevon.com](http://www.cosydevon.com)

Devon County Council, in partnership with districts and unitaries, are trialling a support service for the able to pay households to undertake retrofit in 2022.

The councils have worked with the community energy organisations to create a 'code of conduct' to ensure the retrofit support service is achieves best practice and quality is assured from survey through to handover.

#### What will be offered

A singular brand, website and phonenumber is being developed to engage homeowners and provide initial advice and then signpost to the relevant community energy organisation.

The community energy organisations will be delivering paid-for services to the homeowners (c. £500-£700) to take them through the retrofit journey:

- Assessment of the building and the homeowners aspirations to create a detailed, long-term but staged retrofit plan
- Coordination of the works including support with procuring installers, quality controlling design and works and then evaluation at the end



Initial energy and retrofit advice



Whole home assessments



Retrofit coordination



# Workshop findings: the local authority role

## There are multiple skills challenges

Regen's workshop on the supply chain challenge identified the key elements of addressing the skills gaps in decarbonisation of heat as:

- Having the skills within a local authority to take proactive steps in procurement and partnerships.
- Having enough competent and quality installers to deliver twenty times the current level of heat pumps.
- Upskilling businesses and home owners to be intelligent customers on decarbonised heat.

## Supporting retrofit markets through local authority procurement is critical

Using projects on local authority owned or managed estates and social housing is a way to develop the right skills and quality of installations – as well as to support local jobs.

Key to this would be to have procurement frameworks that could be shared, similar to the [GLA London Framework](#). There also needs to be stronger direction from central government that these additional actions to build a local market are supported under value-for-money procurement.

These retrofit procurement conditions set at a national level could include for example:

- Requiring PAS2035 standards or certification
- Include social objectives on using SME and local firms for a proportion of spending
- Requiring firms to support a certain number of apprenticeships, potentially utilising adult education and skills budgets.

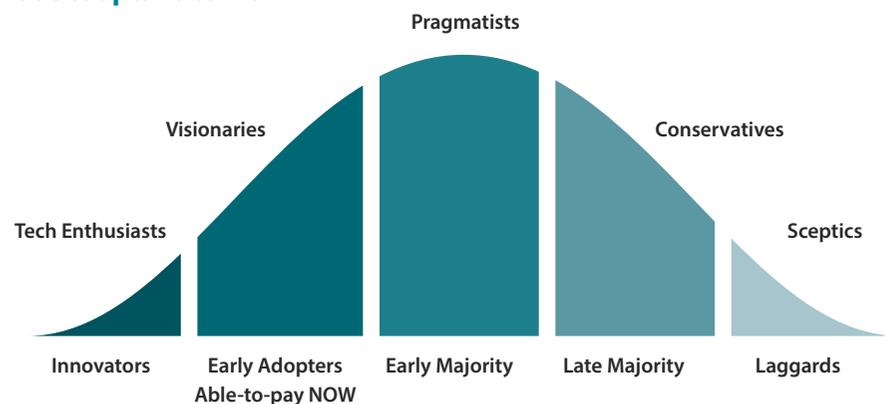
## Local authorities have a role to stimulate wider market development

The workshop highlighted relatively low cost actions that could be taken by local authorities to support the 'easy wins' of providing advice to the able-to-pay NOW customers.

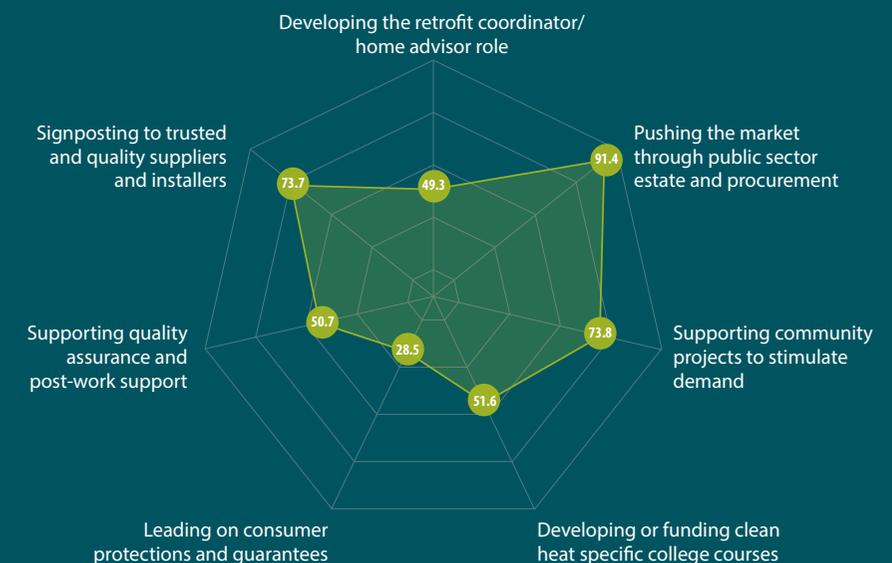
Stakeholders also believed local authorities should support and encourage development of the market by "supporting community projects to stimulate demand" and "signposting to trusted and quality suppliers and installers".

Models for this type of service included [Cosy Homes Oxfordshire](#) who in conjunction with [Retrofit Works](#) have delivered Whole House Plans to home owners on future actions to improve the efficiency and switch heating in a home. Another example is the [Your Home Better initiative](#) in Greater Manchester launched in 2022.

## The able-to-pay retrofit and heat pump market will likely follow a standard product uptake curve

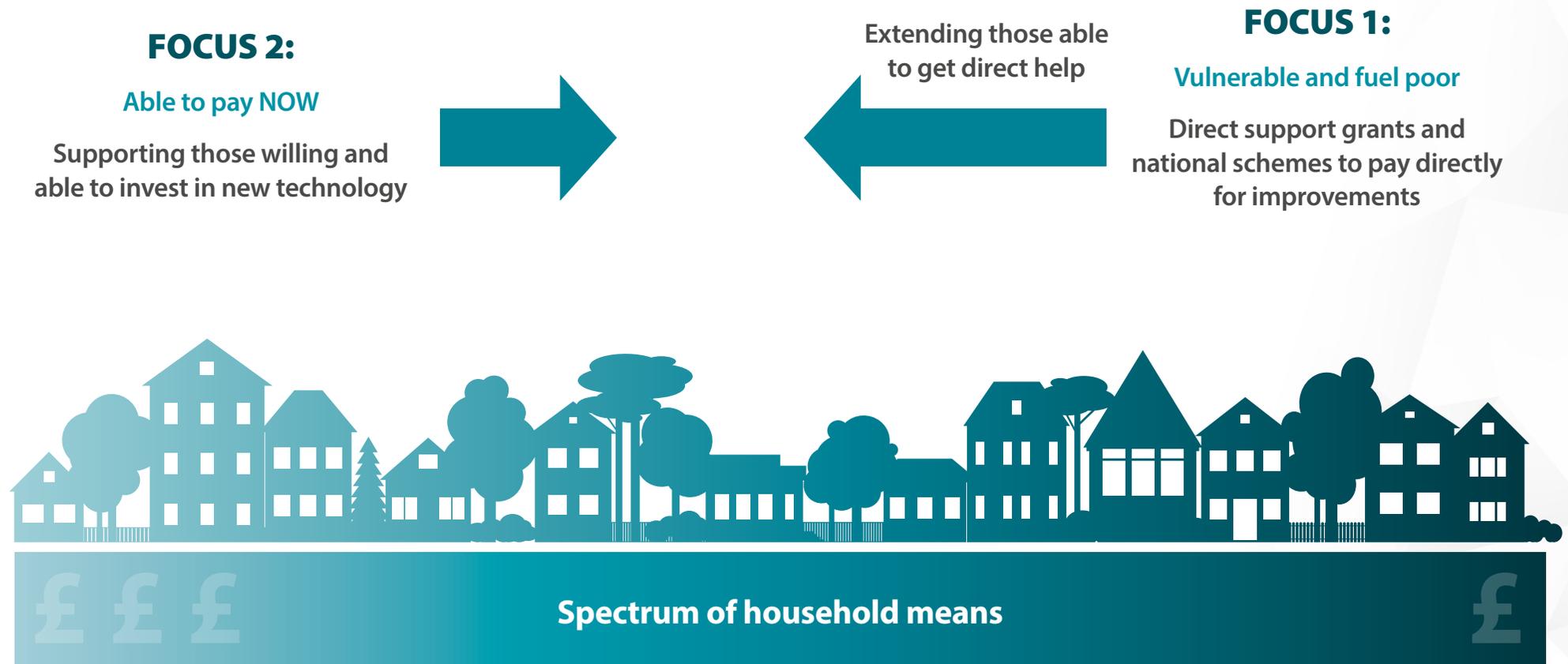


## What is the type of local authority intervention required?



# Local authorities should focus at each end of the spectrum

There are many barriers to developing the market for retrofit and decarbonised heating. For local authorities, the workshop emphasised that it will be important to identify the best use of limited resource. The conclusion was that local authorities should focus activities on each end of the spectrum to maximise impact and build the market.



# Recommendations

## Local supply chains for retrofit and low carbon heat need consistent demand to develop and upskill.

Local authorities can play a critical role in supporting that demand, through their procurement activity and communications with householders. The focus of local government should be where they can have the greatest impact, which is through public sector procurement of retrofit for own estates, the wider public sector and social housing. This will build skills and competence within the local economy to benefit from the transition.

A further objective should be to support the nascent market of the able-to-pay NOW customers who, with a small amount of support, will help to build a private sector market. Specific detailed advice for individual properties is a key missing element of the current system.



### Strategic procurement supporting local skills

Explicit use and support of local government procurement to build the market for retrofit and heat, linking procurement to skills funding and apprenticeships



### 'Future Homes Assessments'

Facilitating the provision of a Future Homes Assessment service to build the market through supporting the early adopters

## Recommendation 5: Strategic procurement supporting local skills

Local authorities can play a key role in building the market for retrofit and heat through their own procurement and supporting the wider public sector. Local authorities should align these programmes of work with adult skills budgets and apprenticeships to support the supply chain to invest in future heat and decarbonisation skills.

We recommend that this local market-building role is explicitly recognised and supported at national level through long-term funding, frameworks and standards.

**What:** National and local government to work together to use and support government procurement to build the market for retrofit and heat, linking to skills funding and apprenticeships.

### Type of action:

- Bringing up the rear
- Efficient delivery
- Providing resources

**National role:** Setting minimum procurement criteria to support local market development at national level to avoid replication of effort. Developing or supporting existing national frameworks for retrofit delivery

**Local role:** Using national frameworks and standards in locally relevant market building initiatives, e.g. SME support, adult education or apprenticeship funding to support local businesses to upskill.

### The detail

There was agreement from stakeholders that the key role for local authorities should be to explicitly build the heat decarbonisation and retrofit market through their own procurement of building upgrades. With long term funding for energy efficiency, they will be able to use the leverage of a significant programme of future work to attract new entrants into the market and enable local businesses to invest and upskill to provide the services at the right quality.

With greater freedom on state aid rules post-Brexit, local authorities could also explore the opportunity to link procurement with local skills funding and include requirements within procurement to support new apprenticeships or retraining.

National government should support local authorities to avoid replication of effort with procurement frameworks and standards through mechanisms such as the Crown Commercial Services and BEIS Local Net Zero Hubs. This should include setting high quality delivery standards, like PAS 2035, at a national level.

Local authorities (particularly those without their own housing stock) should aim to facilitate and support the same market-building approach from the wider public sector such as, schools, hospitals and social housing providers.

### Next steps

- National recognition of the role of local government in market building through retrofit procurement
- Development of minimum procurement standards attached to funding to support local market development.
- Long term funding for energy efficiency for all local authorities based on need (see recommendation 1)

## Recommendation 6: Facilitating the delivery of Future Homes Assessments

Early adopters or the 'able-to-pay NOW' customers will play a key role in scaling up the market for retrofit and heat pumps, but evidence suggests that these householders find it challenging to get independent 'whole house' advice they need to make investment decisions.

We recommend that national and local government work together to address this market gap by developing 'Future Homes Assessments' service provision across England, providing whole house plans for decarbonising buildings and upskilling people to become intelligent customers.

**What:** Facilitating the provision of a Future Homes Assessment service to build the market through supporting the early adopters.

**How:** Develop or promote existing national standards for Future Homes Assessment/ Whole House Plans that assess retrofit needs and building heat pump readiness.

**Type of action:**

- Supporting the leaders
- Efficient delivery

**National role:** Promote, support and set consistent delivery of standards and qualifications in the delivery of future home assessments.

**Local role:** Facilitating delivery of assessments to local homes and businesses. This could include through local community groups or bringing together private organisations to provide a paid-for service.

### The detail

The workshops identified a key gap in terms of people's access to quality independent whole building advice to help people become an 'intelligent customer' and develop a clear plan to follow to decarbonise homes and buildings. This service is already being delivered in some areas such as Greater Manchester's "[Your Home, Better](#)" initiative with [RetrofitWorks](#). However, this service is not available in most parts of the country.

[PAS2035](#) is an existing retrofit standard that could be used or re-purposed to provide this service. It sets out the roles and responsibilities related to the delivery of retrofit, including whole home assessments provided by retrofit assessors. Given the low recognition of the term 'retrofit', we propose using a more consumer friendly name such as 'future homes assessments'.

To conduct this service, there needs to be a cohort of diverse trained people with an understanding of the various heating technologies who can view properties holistically. The assessors should be able to understand heating, building materials and energy efficiency, but also appreciate how homes are used, to give quality tailored assessments.

Local authorities could have a role at this early market stage to facilitate, support or work with the emerging supply chain to make a Future Homes Assessment service available in all areas of England. They could also have a role in helping signpost to local trades and suppliers that are also qualified to deliver the service to the correct standards.

### Next steps

- National government to promote or develop service, quality assurance process, and brand for the whole home assessments.
- Local government to facilitate delivery of service locally. For example, bringing together community groups or private organisations locally to provide a paid-for service.

# Glossary

Term	Description
<b>ADE</b>	The Association for Decentralised Energy
<b>BEIS</b>	The department of Business, Energy and Industrial Strategy
<b>Boiler Upgrade Scheme</b>	Grant of £5,000 or £6,000 off of the cost and installation of air and ground source heat pumps and biomass boilers
<b>Decent Homes Standard</b>	Technical standard establishing minimum housing standards
<b>DLUHC</b>	The Department for Levelling Up, Housing and Communities
<b>Energy Company Obligation (ECO)</b>	The Energy Company Obligation, which obliges suppliers to promote measures that will improve the ability of fuel poor household to upgrade their heating system or energy efficiency
<b>Energy Performance Certificate (EPC)</b>	An assessment of a home's energy efficiency
<b>Green Gas Support Scheme</b>	Financial incentives for new anaerobic digestion biomethane plants
<b>Green Homes Grant Local Authority Delivery scheme</b>	Scheme focused on raising the energy efficiency of low income and low energy performance homes, particularly those with EPC ratings of E, F or G
<b>Heat zoning</b>	Heat zoning is the process of identifying areas of land upon which specific policies, laws, regulations or powers apply

Term	Description
<b>Home Upgrade Grant</b>	Financial support to help the upgrade of the energy efficiency of properties off the gas network
<b>IEA</b>	The International Energy Agency, an autonomous intergovernmental organisation
<b>IPPR</b>	The Institute for Public Policy Research
<b>LGA</b>	Local Government Association. The national membership body for local authorities
<b>LHEES</b>	Local Heat and Energy Efficiency Strategies. A systematic approach to improving the energy efficiency of buildings and decarbonising heat in Scotland's 32 local authorities
<b>Local Area Energy Planning</b>	An approach of investigating different future local energy scenarios to achieve decarbonisation
<b>Local Net Zero Forum</b>	A combination of local and national government officials who will meet on a regular basis to discuss policy and the delivery of Net Zero, as set out by the government's Net Zero Strategy
<b>MEES</b>	Minimum Energy Efficiency Standards
<b>NESTA</b>	Innovation agency focused on social good, including sustainable futures
<b>Net Zero Go</b>	A Net Zero delivery platform designed by the Energy Systems Catapult for local authorities

Term	Description
<b>Net Zero Energy Hubs</b>	A team of energy experts that provide Local Enterprise Partnerships and local authorities with support to develop local energy projects
<b>Ofgem</b>	The energy regulator. Office of Gas and Electricity Markets
<b>PAS 2035</b>	A specification for a "whole-building" retrofit. It is concerned with assessing domestic dwellings for retrofit
<b>Public Sector Decarbonisation Scheme</b>	Grants for the funding of heat decarbonisation and energy measures in the public sector
<b>Social Housing Decarbonisation Fund</b>	Financial support to registered providers of social housing to upgrade stock to EPC C
<b>UK100</b>	Network of local authority leaders that supports decision-makers in the transition to Net Zero

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