

OWNING NET ZERO - BACKGROUND PAPER



Introduction

In April 2023, Plymouth City Council was successful in securing Phase 1 funding to develop a project called 'Owning Net Zero', as part of Innovate UK's 'Net Zero Living: Pathfinder Places' initiative. Innovate UK is part of UK Research and Innovation.

The bid was submitted on behalf of the Plymouth Net Zero Partnership. £15,490 was awarded to the City Council, along with £43,077 to other partners (making a total grant award of £58,567). The project explored non-technical systemic barriers to organisational and wider city ownership of and engagement in the net zero mission, with a view to supporting a Phase 2 bid for Pathfinder funding from the programme.

The Net Zero Partnership has now been invited to submit for Phase 2 funding. Innovate UK's investment in Phase 2 projects is intended to support Phase 1 projects to deliver and demonstrate their innovative approaches to unlock non-technical systemic barriers to the delivery of net zero targets.

Phase 1

The Phase 1 project team presented their findings to the Net Zero Partnership Executive Board on 11 August 2023. Key messages and findings included the following:

- There is a genuine ambition amongst many stakeholders in the city to collaborate on the net zero challenge.
- Many stakeholders expressed the view that they have a responsibility to the city, not just to their own organisation.
- The lack of active ownership of the net zero challenge by many local stakeholders, and the barriers to them collaborating effectively on projects, is a significant contributor to the slow progress on net zero. Collaboration is vital.
- Plymouth has significant strengths to build upon with active networks of stakeholders who are taking responsibility for their own emissions. The Net Zero Partnership is an important foundation for launching and coordinating future action.
- Efforts to address more specific non-technical barriers will be more effective if done with others.
- Success in reducing emissions at scale can only happen with organisations acting in partnership.
- A variety of barriers to this effective collaboration exist, particularly:
 - The complex mix of pressures on organisations including internal and external targets for net zero, different priorities tied to different business models, competing sustainability projects, internal and external funding timeframes etc.
 - Lack of leadership and coordination capacity when it comes to facilitating collaboration on specific projects
 - Availability of time / funding.

We have received positive feedback on the Phase 1 work, and therefore encouragement to pursue a Phase 2 bid.

Phase 2

Innovate UK's aim of the competition for Phase 2 funds is to:

- Demonstrate how market barriers can be broken down in practice, and for businesses to access the market opportunity available.
- Build capacity and capability in places to address the net zero transition challenge
- Enable knowledge exchange between places, to learn, adapt and accelerate their own plans.

Key points relating to Phase 2 bids include the following:

- £2-5m is available for each project, from a national funding pot of £25m. This could comprise a combination of revenue and capital, but probably with emphasis on revenue costs related to delivering a systems approach to net zero collaboration and engagement.
- Each project will have 18-21 months for implementation.
- The deadline for submissions is 6 September 11am.
- Bids either need to be led by Local Authority or by a business with at least one SME partner.
- Bids must consider the whole net zero system in their area, addressing a minimum of two systems such as heat, power, mobility and manufacturing, or other major emissions sources in the locality.

The Partnership's Executive Board on 11 August 2023 requested that Plymouth City Council be the lead organisation for the Phase 2 bid, and therefore also the accountable body.

The core ideas behind the Phase 2 bid proposed for the Partnership are as follows:

- To expand active ownership of the challenges amongst city organisations and stakeholders and supporting them to collaborate effectively on the solutions.
- To deliver a shift change in the resource available for local inter-organisation collaboration and to focus this on the key areas where local action will be a key lever in the City's net zero journey.
- To test and learn new ways of creating active ownership of specific projects and organising the collaborative structures necessary to address them.
- To build upon the foundations that have already been laid in the Partnership's governance model.
- To complement and reinforce other existing areas of collaboration and project focus. E.g. the Net Zero Partnership's theme groups, Health, VCSE Sector, Plymouth Energy Community. The resulting collaborative groups would be focused on delivering specific projects, this will encompass addressing the relevant non-technical barriers. These collaborative groups would benefit from the expertise, connections and financial resource of a 'Collaboration Hub' virtual team to successfully deliver their projects.

The following 'collaborative theme areas' were agreed by the Executive Board for the bid:

- Leadership Collaboration - Supporting collaboration amongst senior decision-makers across the city.
- Anchor organisations based collaboration - Plymouth Net Zero Action Group, procurement, offsetting, staff engagement.
- Local Market Development based collaboration - i.e. Retrofit SMEs, Green Skills, Net Zero Construction, Future Plymouth 2030.
- Policy focused Collaboration i.e. JLP Review
- Community Outreach & Engagement - Collaboration required to build capacity and capability of local VCSE network
- Digital based collaboration – Climate Connections platform.

The bidding document itself will need to cover the following:

- Details of all partners and sub-contractors working on the project.
- A narrative about the need or challenge that the project is responding to, following from the Phase 1 work, including the specific non-technical barriers that will need to be resolved.

- The key objectives that we want to achieve from Phase 2 project.
- The overall approach and focus of the innovation.
- The net zero systems that we will be focussing on.
- How the project it will help accelerate our progress towards net zero targets and how we will build on the learnings from this project to influence net zero plans beyond the funding period.
- Details of the project team, resources needed and vital external parties, including sub-contractors.
- The resources, equipment and facilities needed for the project and how you will access them.
- Details of key stakeholders.
- Description of what citizen engagement is required, and how it will be made representative.
- Details of what collaboration mechanisms we currently have in place that will be used and what new mechanisms we will need to set up for this project.
- Description of our governance, and how equality, diversity and inclusion has been incorporated into the project.
- Explanation of how we are going to deliver long term accelerated progress towards net zero as a result of the project.
- An explanation of project costs and the grant being requested, including match funding from partners. Each organisation involved will need to identify their own project costs.

The project itself is not fully developed at this stage, but the focus here is on process, systems, objectives and being clear about the barriers being addressed to accelerate progress to net zero.

Next steps

- Net Zero Partnership project team to work up detailed bid for submission.
- Cabinet Member for Environment and Climate Change Executive Decision, 24 August 2023.
- Submission of bid by 11am 6 September
- Net Zero Partnership project team to continue to work up detailed project for implementation, in event that funding secured.