



Local Government Association

Developing low carbon local economies

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National Carbon Action Network
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promoting better local government

What is a low carbon economy?

The low carbon economy is a carbon constrained economy. One in which our use of fossil fuels, oil gas and coal is cut dramatically. The targets in the Climate Change Act require an 80% cut by 2050.

The low carbon economy; the council role; the opportunities.

The economic situation

- Unemployment 2.1 million
- Inflation -0.4%
- Oil price volatility \$55 now, but \$147 last July
- House prices year on year fall 18%
- Food price inflation 9%
- Energy bills reached £1400 up from £572 in 2003
- Green jobs, home improvement, energy and fuel efficiency, local production

The implications for low carbon economies

Press ahead with greater urgency:

- Failure to invest now will cost more in the long run
- Householders looking for help to save money
- Job opportunities/low carbon sector is high growth
- Convergence with social and environmental objectives

The low carbon economy taking shape...

- Legislation and regulation
- Energy costs and security
- Carbon reporting and disclosure
- Carbon foot-printing
- Insurance costs
- Carbon pricing

Low carbon economy – national or local?

- National/international dimensions – vehicle technology and product standards, zero carbon homes, fiscal framework, public subsidy and carbon trading
- Local – supply side and household interventions:
 - Local clusters (environmental technology and services, energy efficiency and planning)
 - High growth rates in low carbon goods and services
 - Regulatory/legislative impact on fuel/energy intensive sectors (transport, manufacturing)
 - Service sectors – growth de-coupled from emissions
 - Opportunities vary locally (e.g. energy generation and housing stock)
 - Demand shifts (local suppliers)

Council role - householders

- Householders seeking affordable solutions, councils offer:
 - Targeting
 - Contact with households
 - Local knowledge
 - Local scale economies
 - Levers (planning, partnership, procurement, political leadership and demonstration)

Council role – securing local comparative advantage?

- Energy supply
- Energy efficiency and cost reduction
- Existing housing stock
- Spatial planning
- Business advice
- Identifying vulnerable sectors
- Supporting clusters and innovation
 - procurement and demonstration
 - Higher education
- AGMA Climate Change Agency

Not new territory...

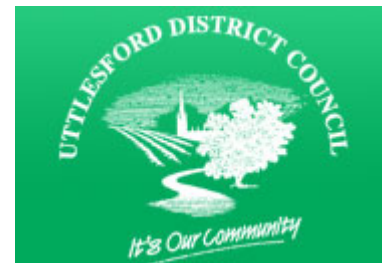


Cornwall Sustainable Energy Partnership

Working together to achieve a low carbon economy for Cornwall



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Domestic energy efficiency

- Area based approach
- Scale economies, household engagement and targeting
- Integration with wider economic strategies
- Draw down supplier funding (and other funding streams)
- Delivery through local partnerships

Renewable energy

- More emphasis on community, mid-scale renewable energy generation
- New funding streams – feed-in-tariff and renewable heat incentive
- Council role in pro-actively identifying opportunities – LDF
- Sector led support – commercial, financial, technical and legal models

- Alleviate unemployment through job creation programme
- Boost to green economy
- Future Jobs Fund
- <http://www.dwp.gov.uk/campaigns/futurejobsfund/>

- Low carbon economy – fundamental transformation
- Strong local dimension
- Opportunities for councils to play a leading role:
 - on job creation,
 - domestic energy efficiency
 - subsidy for renewable energy.

Thank you for listening

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