

Response to the Call for Evidence: Net Zero Review

27 October 2022

Dear Chair,

This response is submitted on behalf of West Sussex County Council. It is not confidential.

WSSC welcomes the opportunity to provide initial feedback and commentary now to the net zero review Chair, Chris Skidmore MP, and to share our insights as a local authority regarding the pursuit of carbon neutrality, climate resilience, and economic security at the local and national levels. Net zero work at WSSC is not new – our Council made achieving net zero a priority through its declaration of a climate emergency and unanimous adoption of a comprehensive Climate Change Strategy in 2019. Climate change solutions underline the WSSC Our Council Plan, providing strategic direction across the organisation and sending the clear message that climate change work is instrumental to the ongoing and successful delivery of our operations and services across West Sussex.

It is our belief that local action is critical to deliver on net zero and climate change action, and county councils like WSSC represent a vital bridge between Government's objectives and local delivery. This position is aligned with guidance from key actors working in climate change mitigation such as the Climate Change Committee (CCC), National Audit Office (NAO), the Association of Directors of Environment, Economy, Planning & Transport (ADEPT), and the Local Government Association (LGA).

We organise our responses into two sections: an [Executive Summary](#) that lays out our key challenges and opportunities, and a technical [Detailed Response](#). On behalf of WSSC, thank you for considering our response.

Yours sincerely,

Cllr Paul Marshall

Leader
West Sussex County Council

Executive Summary

1. How does net zero enable us to meet our economic growth target of 2.5% a year?

- i. The County Council's pursuit of net zero projects encourages innovation and helps facilitate economic growth in West Sussex. Our property construction and highways projects aligned with decarbonisation work procure millions of pounds of goods and services within the local economy and serve to future-proof essential functions and business activity across our community.
- ii. Given the uncertain economic landscape and energy cost crisis, net zero programmes offer resilience and certainty for businesses in West Sussex. Net zero construction and access to renewable sources of energy enable us to better predict and plan for major disruptions and work proactively with our business community.
- iii. To realise these benefits, Government funding will be essential to support businesses to develop and adopt net zero solutions. In West Sussex, the County Council has provided £100,000 match funding to the 'Low Carbon across the South & East' ERDF programme to support small and medium-sized enterprises in successfully transitioning to net zero.
- iv. By reducing energy costs and helping our corporate estate and schools better anticipate monthly energy spending, we enable key services to continue to operate efficiently, preventing service disruptions and ensuring that organisational priorities are met in an economically sustainable manner.

2. What challenges and obstacles have you identified to decarbonisation?

- i. Higher up-front costs to net zero construction and retrofit programmes, in combination with historic inflation, supply chain disruptions, and the ongoing energy crisis, have been a hindrance to wider-scale implementation of carbon neutrality for West Sussex residents and businesses. Dedicated funding from Government will be critical.
- ii. We consider that there is a deficit of funding to local government for targeted local solutions in rural areas. As West Sussex includes large rural regions, natural landscapes, and a sizable agricultural economy, we face unique challenges in achieving carbon neutrality in our communities and will require Government support.
- iii. There exists a critical need for coherent, long-term national Government policy and funding mechanisms around net zero. Uncertainty and instability in national messaging around net zero impedes progress and diminishes business confidence.

- iv. A major constraint to the expansion of renewable energy projects is the limitation of the current local electricity grid for new network connections. A more strategic approach to identifying opportunities to co-locate such projects with each other is needed. This could be achieved by requiring distribution network operators to invest in grid improvements and respond quickly to new developments with low carbon facilities.

3. What opportunities are there for new/amended measures to stimulate or facilitate the transition to net zero in a way that is pro-growth and/or pro-business?

- i. We know that climate-minded design encourages economic growth in the immediate term through the employment of local designers, technical contractors, suppliers, and skilled and semi-skilled labour. It yields long-term economic savings through increased resilience and energy security that can be reinvested into businesses and service provision. For example, we estimate our corporate decarbonisation work to generate £14.6 million in value to the local economy through 2024 and could total approximately £45 million through 2030.
- ii. The transition to net zero offers new revenue and training opportunities for localities across the United Kingdom. In West Sussex, we have participated in workforce development schemes such as Chichester College Group's Skills Development Fund, local business partnerships, and have supported the emergence of a green tourism sector within the County. These investments bring and train skilled workers into the region.

4. What more could government do to support businesses, consumers and other actors to decarbonise?

- i. There is a need for actors, both within the public and private sectors, to operate within a stable and consistent policy environment to justify long term investment that is dictated by net zero projects. The Government's Net Zero Strategy was only published in October 2021.
- ii. There is a need for clear action and leadership agenda from Government to support the net zero transition. Business confidence is dependent on messaging, funding, and focussed long-term planning from Government. Consistent policy and long-term funding are vital to growth as they give clear signals to markets and supply chains that it is worth investing in the assets and people needed to deliver green growth.
- iii. Government needs to define and expand the role of local authorities in serving as conduits between Government and local businesses. It should provide resources to effectively manage these relationships and support local entrepreneurs and businesses in developing their net zero plans, who collectively can and should be a large part of the climate solution.
- iv. Government needs to offer specific support and corresponding funding for achieving net zero in rural settings. Often, rural regions are asked to

support decarbonisation efforts (e.g., using unoccupied land for solar panels) without adequate support or financing to do so.

- v. The UK needs to set robust action points in the update to the Green Finance Strategy (GFS) to direct private investment into achieving net zero goals. The current strategy lacks clear directives, particularly regarding the role the private sector must play in the net zero transition.
- vi. A consistent, regulated process for appraising carbon offset projects will improve project reliability and fairness of capital allocation, and national-level direction and regulation on this issue will be necessary. The development of voluntary carbon markets could be further enhanced by providing incentives for companies that engage with the voluntary carbon market.

5. Where and in what areas of policy focus could net zero be achieved in a more economically efficient manner?

- i. By incorporating a more stringent environmental and social value framework into business planning—such as within tenders for large-scale infrastructure projects—we can ensure that net zero is complementary to economic efficiency and growth. In West Sussex, we embed this social value in procurement processes and have committed to ensuring that they are accessible to local providers.
- ii. Effective and purposeful design guidance for new buildings can ensure that net zero solutions are advanced in an economically efficient manner. Clear requirements for new and existing development gives structure to achieving net zero and provides statutory guidance for public construction and aspirational guidance for private development.
- iii. Government should reduce the time it takes for businesses to secure regulatory approvals to deliver new green business developments and green infrastructure projects. An abbreviated timescale for these approvals will reduce the costs to managing the processes and limit the uncertainty and risk associated with pursuing these projects.
- iv. WSCC has achieved success through group buying schemes, such as our Solar Together programme. These schemes need to be extended country-wide and include similar purchasing schemes directed at SMEs.

6. How should we balance our priorities to maintaining energy security with our commitments to delivering net zero by 2050?

- i. WSCC views energy security and net zero as mutually achievable and mutually reinforcing goals. Projects in West Sussex that have already contributed to the County's decarbonisation efforts simultaneously provide increased energy security for our operations, businesses, schools, and residents (e.g., Demand Side Response markets provide grid resilience, solar farms at Tangmere and Westhampnett).

- ii. WSCC works in partnership with others to help them collaborate and establish Local Energy Communities. A local energy community brings together users and small-scale energy generators in an area to influence the development of the local energy system and increase benefits for people. A model project is currently underway at Manor Royal Business Improvement District.

7. What export opportunities does the transition to net zero present for the UK economy or UK businesses?

- i. Growing global demand for environmental technologies, services, and products presents a major economic development opportunity for West Sussex businesses. The economic development function of local authorities has the engagement with local businesses to promote these opportunities in a targeted way.
- ii. The Sussex region is working to establish itself as a Research, Development, and Innovation Centre of Excellence for the transition to a hydrogen future. Backed by existing research capabilities, a strong academic network, the presence of technology companies, and existing support schemes, we recognise the potential to develop, commercialise, produce, and export technology while also creating high-quality jobs across skill levels.

24. What are the biggest barriers you face in decarbonising / enabling your communities and areas to decarbonise?

- i. Local authorities play a unique role in achieving net zero. At West Sussex County Council, we have committed not only to lead by example to decarbonise our own estate and operations, but also to serve as a resource for local businesses and residents. This dual mission requires us to be both implementers and convenors and necessitates sufficient funding, staff expertise, and mission-driven prioritisation.
- ii. Local authorities need secure, long-term funding for net zero programmes, without the need for places to compete against each other. Funding needs to be sufficient to cover the full range of statutory services that local authorities must provide.
- iii. In considering the carbon emissions that come only from WSCC operations and services, it has been challenging to define a nationally consistent baseline of our estate's emissions. Getting these data correct will be critical in tracking progress toward carbon neutrality, yet no single clear definition from the Government exists. This has forced WSCC, along with other local authorities, to develop their own greenhouse gas inventorying methodologies
- iv. Local businesses in West Sussex identify several barriers to decarbonise. These include a complex and difficult-to-navigate landscape of national net zero business support, lack of funding and access to green financing mechanisms, economic volatility and uncertainty, significant labour and

green skills shortages, and infrastructure and market lags that are out of sync with nationally ambitious net zero targets.

- v. There is lack of guidance from central Government on 'stacking' principles related to carbon offsetting. Thus far the Environment Act is silent on the ability to sell biodiversity credits and then carbon credits from the same piece of land. Given the significant delays affecting primary legislation and daughter secondary legislation and statutory guidance, we have a limited understanding of the applicability of stacking. Further delays remain a concern and a potential barrier.
- vi. Schools still lack suitable funding to help retrofit and decarbonise to achieve net zero by 2030. Within the complex regulatory framework that governs WSCC's role in managing and operating school buildings, it is unclear as of yet the most viable pathways to achieving net zero within our education estate will be. Government should clarify role of WSCC, and indeed all local authorities, in relation to the responsibility for decarbonising schools and provide funding to do so.

25. What has worked well? Please share examples of any successful place-based net zero projects.

- i. West Sussex Chargepoint Network: In partnership with six district and borough councils, we tendered a contract to create the largest-ever local authority roll out of a publicly accessible and affordable electric vehicle chargepoint network across the county.
- ii. Smarter Working Scheme: The County Council has instituted a Smarter Working programme to optimise building use and ensure staff satisfaction.
- iii. Solar Farm and Energy Storage: We currently own and operate two solar farms which make use of unused, low-grade land to generate renewable electricity and an income for the County Council. On-site batteries are used to store surplus energy generated by the 26,000 panels at our solar farms and release it to the grid when it is needed during peak periods.
- iv. Solar Together: In September 2020, the County Council launched the first round of its popular Solar Together Sussex scheme in partnership with councils across Sussex and iChoosr. More than 1,000 people registered to install a high quality and competitively priced solar PV and battery storage system at home during the first round alone.
- v. LED Streetlighting Project: We will deliver a 61% decrease on current energy use with the planned conversion of 64,000 streetlights to LED over the next six years. It will cost £26.5 million during a 25-year loan, but the total reduction in electricity and maintenance costs will save the Council a projected £90.1 million over the same period.
- vi. Heat Decarbonisation Plans: We have produced heat decarbonisation plans (HDPs) for 50 council buildings to identify how we could install new, low carbon heating systems to replace those currently running on fossil

fuels. Our Capital Programme will see £20 million invested over the period until March 2027 to cut carbon emissions from our County Council buildings and operations.

- vii. **Waste Reduction Campaigns:** The Recycling and Waste Team has worked with two district councils to test the extent to which introducing separate weekly collection of food and Absorbent Hygiene products alongside fortnightly recycling collections reduces the overall amount of waste presented by residents. The results have shown very marked drops in the tonnage of waste produced and corresponding improvements to recycling rates matching the general approval of the scheme by participants.
- viii. **LECSEA Pilot at Manor Royal Business Improvement District:** WSCC is working with the Manor Royal Business Improvement District near Gatwick Airport to create a local energy community (LEC). The LEC will enable companies to invest in clean energy technology together and share the benefits by trading the electricity and heat they generate locally. This will help businesses to reduce their carbon footprint, lower their operating costs and improve the district's reputation as a sustainable place to do business.
- ix. **Robust Governance Framework:** The integration of climate change strategy across the Our Council Plan has supported net zero projects across the organisation in line with corporate mission and values. The establishment of a Climate Change Board provides functional oversight across the estate.
- x. **Low Carbon and Green Business Support Programme:** In 2021-22, the West Sussex Councils allocated £250,000 from pooled businesses rates to fund a holistic Low Carbon & Green Business support programme. The County Council, together with all the District & Borough authorities of West Sussex, convened a professionally facilitated Green Business Advisory Group to provide a forum for dialogue between private and public sector.

26. How does the planning system affect your efforts to decarbonise?

- i. We share the view of the County Councils Network that wholesale review of planning reforms is needed if the Government is to achieve its targets in household and economic growth. The Government should review strategic planning arrangements and introduce new powers to empower counties through strategic planning any forthcoming Planning and Infrastructure Bill, where desired.
- ii. WSCC acknowledges that ensuring projects, plans, and processes reduce carbon and are resilient to climate change strengthens their ability to achieve their original objectives over the long term, helping local authorities achieve a wide range of other plans and ambitions. Local authorities should be empowered to mandate net zero processes within their spheres of influence (e.g., require the installation of energy efficiency measures when owners make change to their properties).

- iii. New planning policy needs to consider the barriers for smaller businesses in overcoming issues around property ownership, which currently can act as an inhibitor to retrofitting.
- iv. At present, national planning regulations prevent onshore wind development. We understand onshore wind to be the most effective and efficient way to generate zero carbon electricity and await the Government's amendment to this policy.

27. How can the design of net zero policies, programmes, and funding schemes be improved to make it easier to deliver in your area?

- i. There is a need for funding and specific programmes for local business to pursue net zero solutions. We know that a local solution will often work best for local businesses, and there needs to be funding and operational support for local authorities to work with their communities to innovate and develop these solutions.
- ii. Plans and policies need to be long term (five years or more) with stable and reliable funding mechanisms. Short-term thinking and changes in policy have seriously undermined confidence in net zero planning.
- iii. To date, it has been our experience that any money incoming to local government to deliver net zero has had to come from competitive bidding process (e.g., PSDS Fund), and that the structure of accessing that funding automatically excludes or favours some councils. Advantage goes to councils that can show evidence they have already done a certain amount of work, i.e., those that have resources and information to show progression toward net zero. This scheme has worked to the detriment of many local authorities at an early stage of their net zero journeys.
- iv. There is a need for clear policies and regulations that embed net zero thinking into all policy, programming, and funding schemes coming from the Government and influencing local authorities' ability to make net zero-informed decisions. For example, procurement and measurement policies with clear net zero agendas will be needed to facilitate the delivery of climate change strategies at the local level.

28. Are there any other implications of net zero or specific decarbonisation projects for your area that the Review should consider?

- i. WSCC has found that adopting net zero and decarbonisation projects makes our services more resilient to acute shocks. Adapting to climate change means that we can continue performing as our climate continues to change, with no breaks in service delivery. As we pursue net zero, we are at the same time safeguarding our assets.
- ii. Net zero strategies also offer the opportunity to engage with local communities around the topic of climate change. To date, this engagement at the national level has been limited given resource

constraints and competing priorities – however, it is clear that to achieve community-wide net zero goals, investments will need to be made in community engagement and interventions designed to assist people to reduce emissions.

- iii. There are many beneficial health outcomes for residents through decarbonisation programmes with better air quality and improved mental health as a result. By acting on the impacts of climate change local authorities can protect young people and vulnerable adults – for example by improving the resilience of schools and care home to hotter summers – to avoid costly health impacts.
- iv. As a coastal area, West Sussex will be threatened by sea level rise and will need to consider how to protect property and businesses against these changes and prevent widescale displacement of residents and commerce. By having a clear and organisation-wide mandate to enact a Climate Change Strategy, funding for these large-scale projects can be justified and allocated, yet support will be needed from Government to deliver large-scale resilient infrastructure projects.
- v. WSCC believes that there is great potential in offsetting projects that will not only allow for a carbon net zero Council, but also contribute to climate adaptation works that improve local climate resilience, biodiversity, air quality, and energy security, and provide financial opportunities to participating organisations.

Detailed Response

Overarching Questions

1. How does net zero enable us to meet our economic growth target of 2.5% a year?

1.1 At West Sussex County Council (WSSC), net zero is inextricably tied to our vision for economic growth for the county, as well as the broader community and the County's businesses. WSSC's [Our Council Plan](#) and its [Economy Plan](#) are both rooted in the understanding that a sustainable and prosperous economy is the key to the future wellbeing of the County and underpinned by the Climate Change Strategy, which was unanimously approved by the County Council.

The County Council has invested in net zero solutions that stimulate the economy and advance an organisation-wide commitment to green economic growth. For example, investments in green infrastructure projects and the delivery of significant Capital Projects have contributed to economic activity in the region while preparing WSSC, residents, and businesses for future climate changes. These investments improve sustainability and connectivity of transport and energy infrastructure for the benefit of residents and local businesses. Indeed, WSSC's significant Capital Programme, recently increased to £120 million of spend within the construction industry per annum, has been aligned to deliver net zero. The requirements on consultants and contractors to support the delivery of the net zero priority has led to a broadening of the supply chain and greater value contract awards, which carry with them a minimum addition of 10% social value. A portion of the Capital Programme has been dedicated exclusively to delivering on this Council's net zero commitment, resulting in Phase 1 of the Heat Decarbonisation Implementation Programme carrying a value of £15 million that will be procured within the local economy of West Sussex and the South East region. By investing in these projects now, the Council has started to future-proof essential functions and business activity from changing energy environments and cost increases.

In these ways, the pursuit of net zero in our locality has supported the development of a more engaged and greener local economy and supported regional economic growth. Businesses across our County will be able to have a competitive advantage by leading the way to a new, greener economic model and provide new secure-skilled local jobs for residents. However, while it is recognised that the low carbon economy is a growth area with the potential to create many skilled, well-paid jobs, and that the County Council is using its local levers, it is our belief that targeted interventions at a national policy level will be necessary to encourage investment in the required infrastructure, technology, and skills to realise this vision.

1.2 Since the disruptions caused by the pandemic over the last two years, our economy has begun to recover gradually (see [Business West Sussex](#)). As of September 2022, the number of new business formations and job postings in the County have tended to be at levels greater than those seen pre-pandemic. Over the last 12 months, there have been 5,812 new business incorporations registered across the County and over the last three months alone, there were

106 more new business incorporations than there had been for those which have dissolved. We are also grappling now with the nervousness in the economy due to rising inflation and energy/fuel costs as well as what is seen as a shortage of labour despite lower unemployment levels. Whilst Gatwick airport is recovering in terms of passenger numbers there is still a long way to go, and whilst it may continue to be the key economic driver for the north of the County and the wider region, it was significantly impacted the pandemic. Thus, though recovery is gradual and uneven in parts of the County—delayed further by a volatile economy—we believe that fostering a low carbon, green economy in West Sussex will bring added resilience and certainty for businesses. Further, building a sustainable economy brings additional social value for our communities that supports a pro-business agenda.

1.3 We have introduced new KPIs that advance a sustainability-focussed economic growth agenda – for example, new competitive tenders and their resulting contracts over the value of £500,000 to include ‘social value’ criteria as part of the evaluation and a focus on sustainable growth through modern, net zero-enabled infrastructure. By codifying these types of performance goals across the Council’s activities, we ensure that net zero and economic growth targets are not mutually exclusive, but interdependent and *mutually beneficial* objectives.

1.4 The transition to net zero brings increased up-front costs for many businesses (and for many smaller businesses in an uncertain economic climate, these costs are hard to afford in the short term) but, with the rising cost of energy, businesses stand to see a quicker and higher return on their investment in the medium to long term. Recognising this to be an issue in a small firm economy like West Sussex, the County Council has provided £100,000 match funding to the ‘Low Carbon across the South & East’ ERDF programme to support small and medium-sized enterprises to afford these up-front costs and make the transition to lower emissions. Our [video series](#) on the experiences of West Sussex businesses that have successfully pursued net zero solutions illustrates the impact that these schemes and Council support has had. Thus, approaches to achieving net zero serve to insulate the local economy from market volatility.

1.5 Moving to more local renewable energy sources instead of fossil fuels has meant that WSCC is less reliant on imported oil and gas. Over the past year, WSCC has generated 16GWh (16,000,000kWh) of energy from County-owned, renewable assets. By reducing energy costs and helping our corporate estate and schools better anticipate monthly energy spending, we enable key services to continue to operate efficiently, preventing service disruptions and ensuring that organisational priorities are met in an economically sustainable manner.

1.6 Net zero solutions offer the opportunity for businesses to work with local authorities to stimulate economic growth and provide pathways to local business innovation. An example of this is the pursuit of hydrogen fuel as an alternative to fossil fuels and the subsequent growth of a hydrogen economy. In West Sussex, [Hydrogen Sussex](#) is developing a regional hydrogen strategy with the help of funding from Greater Brighton and Coast to Capital LEP. It is expected to be completed in early 2023.

Through the development of this strategy, Sussex-based businesses (e.g., Ricardo, Bramble Energy, Ceres Power, Cox Powertrain, and the University of Brighton) have emerged as leaders in the growing hydrogen economy, particularly in the marine sector given the region's expansive coastline. This business innovation has spurred economic activity in the County, such as the announcement of the world's first hydrogen-fired brick in West Sussex and the roll out of hydrogen buses and refuelling infrastructure in Crawley. Shoreham Port has developed ambitious plans for hydrogen production and distribution while Gatwick airport offers a significant hub for hydrogen transport. These case studies highlight the potential that a carbon neutral development scheme can have on growing and supporting local and regional economies and business innovation.

2. What challenges and obstacles have you identified to decarbonisation?

2.1 Achieving carbon neutrality is more expensive than current revenue business as usual. Overall construction costs are rising given supply chain disruptions and global inflation. It is estimated that net zero design has increased up-front costs by approximately 5-15%. It should be noted that it is incredibly difficult to separate out the exact cost increases attributed to net zero building design and these initial expenditures do not factor in the lifetime cost savings associated with buildings that achieve carbon neutral status. Further, net zero uplift costs are conflated with the current inflationary pressures. Nonetheless, the costs associated with many decarbonisation projects—both during the design and construction phases and retrofit schemes—has been an obstacle for wider-scale implementation.

2.2 To that end, there has been a notable challenge in accounting for and quantifying the value of climate benefits in business planning and operational decision making. To date, we have been unable to present a full, quantifiable, and evidence-based picture of the costs or benefits at a service level. Although the Council is endeavouring to achieve this, it is difficult to do across a large organisation like WSCC. The costs are inarguably Capital, while practically all the benefits are Revenue (e.g., operational savings, service delivery benefits, demand avoidance over the long term, etc.). Services therefore have struggled to engage with this priority.

2.3 West Sussex is a predominately rural, geographically diverse county, with a strongly coastal economy. This diversity in economies, urbanicity, and landscapes can make it difficult to advance net zero solutions holistically. Differences in grid connectivity, broadband access, and access to transport, for instance, between West Sussex's urban and rural parishes require unique decarbonisation solutions that consider the unique economies of each region. We believe that decarbonisation of travel and industry in rural areas will be a major priority as the country moves to net zero targets, and these areas offer significant opportunities for the wider net zero agenda to be realised.

However, with our rurality comes significant obstacles to overcome to achieve net zero that will require specific attention and guidance from the UK

Government. It is our experience that rural areas are expected to bear the burden of providing net zero solutions, (e.g., reservoirs, solar farms, etc.) yet have very little by way of funding to achieve this. In pursuit of a national net zero agenda, it is critical to address these additional burdens on our rural economies and it is impossible to do so without additional funding. West Sussex is more rural and will subsequently require additional Government funding to achieve national carbon neutrality goals in support of the specific challenges faced by our county and other rural regions. Thus, it is evident that a 'one size fits all' approach in either funding schemes or operational support will not be feasible.

2.4 We consider that there is a deficit of funding to local government for targeted local solutions in rural areas. This is most acute when considering the work and funding required to decarbonise our schools and academies. Emissions from school buildings account for roughly half of the County Council's total emissions, and thus represent a significant portion of the decarbonisation projects that WSCC must complete. It is estimated that the cost of decarbonising our education estate will exceed £40 million, and WSCC is currently working on producing the 64 Heat Decarbonisation Plans (HDP) to specify the exact costs and priorities of achieving net zero in our schools. Thus, the Government must consider long-term funding to local authorities for achieving net zero. This inconsistency in funding support is made more evident within the context of an uncertain funding future in a post-EU membership United Kingdom – for example, LoCASE EU has historically funded low carbon business support across West Sussex. The piecemeal and short-term approach to funding post-Brexit is not encouraging strategic responses at a county level, which had previously been a key benefit for SMEs in our area. The UK Shared Prosperity Fund is provided at the District & Borough level, after ERDF. This exacerbates many of the challenges that we are seeing and hinders the County's ability to serve as a strategic collaborator with local small and medium sized businesses.

2.5 Thus, there exists a critical need for coherent, long-term national Government policy and funding mechanisms around net zero (e.g., to encourage investment, supply chain confidence, investment in green skills, etc.). However, this is of particular importance when addressing the needs of our residents on lower incomes that will be vulnerable and at risk of fuel poverty and acute climate impacts such as flooding. National policy and funding needs to be purposefully allocated to support a just transition to net zero to ensure that residents that are less able to pay are equally insulated from the current and projected impacts of climate change.

2.6 West Sussex is home to London Gatwick, by some margin the UK's second busiest airport and a significant bulk shipping hub at Shoreham Harbour. There are recognized challenges to accounting for emissions from and decarbonising air, freight, and sea travel/transport. Approaches to decarbonising these hubs will require significant support from Government and alignment across economic and net zero agendas. For example, the Gatwick Northern Runway Project (NSIP) must be undertaken with an eye toward decarbonising its operations alongside promoting increased travel capacity. Local authorities will require support from Government to decarbonise air and sea transport at these major infrastructure sites.

2.7 A major constraint to the expansion of renewable energy projects is the limitation of the current local electricity grid for new network connections. The County Council has significant brownfield holdings such as former landfill sites that, being non-productive land unsuitable for built development, would lend themselves to substantial solar schemes but are not economical to connect into the network. A more strategic approach to identifying opportunities to co-locate such projects with each other and/or potential off-takers would be helpful as would stimuli to strategic enhancement of network capacity.

3. What opportunities are there for new/amended measures to stimulate or facilitate the transition to net zero in a way that is pro-growth and/or pro-business?

3.1 All net zero construction projects in West Sussex are pro-growth and investments in sustainable transport, broadband, new building construction, and refurbishments are among the most viable ways to stimulate economic and business growth within the framework of climate change mitigation and adaptation. We estimate our corporate decarbonisation work to generate £14.6 million in value to the local economy through 2024 and could total approximately £45 million through 2030 as we decarbonise our entire corporate estate. These expenditures will be directly invested in our local economy through project managers, construction teams, technology, manufacturers, and more.

Given that investing in resilient and carbon-neutral design has long-term economic benefits and savings potential—for example, the [World Bank](#) concluded that there is a £3.56 benefit for every £0.89 invested in resilient infrastructure—it is important to price carbon neutrality into the costs of implementing public works programmes such as capital and highways projects. Not only can purposeful, proactive climate-minded design encourage economic growth in the immediate term through the employ of local contractors, officers, design staff, and labourers, but it yields long-term economic savings that can be reinvested into businesses and service provision.

3.2 The transition to net zero offers new revenue and training opportunities for localities across the United Kingdom. In West Sussex, we have participated in workforce development schemes such as [Chichester College Group's Skills Development Fund](#), local business partnerships, and have supported the emergence of a green tourism sector within the County. For example, the Experience West Sussex partnership promotes sustainable tourism across the County, supporting tourism businesses on their own green journeys, and running campaigns to attract visitors to the area. Experience West Sussex further promotes local food and drink producers and encourages active travel across our region. Workforce development initiatives offered in partnership with secondary schools, colleges, and local universities offer new career pathways for West Sussex youth and professionals in a recession-insulated industry, made possible due to the large funding package that Chichester College Group received to develop green technology skills in the County. Officers in our Energy Services team, for example, have led educational trips to the County Council's solar farms to discuss the economic, social, and environmental benefits provided to the County by its renewable energy generation projects and we have schools programmes to promote recycling and waste minimisation.

4. What more could government do to support businesses, consumers and other actors to decarbonise?

4.1 There is a need for actors, both within the public and private sectors, to operate within a stable and consistent policy environment to justify long term investment that is dictated by net zero projects. Short-term policies are prone to fail and can stymie the potential for growth and development – for example, the Government’s short-lived Green Home Grants project, which only accepted applications for seven months, was deemed a ‘[slam dunk fail](#)’ in a Public Accounts Committee report. The Government’s Net Zero Strategy was only published in October 2021. A recanting of the national net zero strategy will impede long-term progress toward decarbonisation at the national and local levels and hinder the ability of our businesses and citizens to develop and justify net zero plans.

4.2 Our experience with West Sussex businesses shows that they are looking for benefits to capitalise on net zero, but there is a lack of clear action or leadership agenda from Government to support this transition. Business confidence is dependent on *messaging, funding, hearing a consistent message from Government, and focussed long term planning from Government*. These forms of consistent support will lead to business confidence in long term solutions and business leaders will attach to new opportunities once they see them. As a local authority, West Sussex County Council acts as a strategic convenor and partner with the Districts and Boroughs in our County. Alongside these local partners, we understand intimately the strengths, challenges, opportunities, and needs of our business community, but depend on Government direction for additional expertise, intervention, and levers. Our businesses need granular detail about a clear pathway forward to net zero, and much of this guidance needs to be sector specific. For example, we know that the lack of green skills is a key issue in West Sussex and nationally, but no co-ordinated effort around the green skills agenda exists from Government. ‘Green’ is currently seen as an add on to traditional qualifications rather than integral, a standard which needs to be changed at the national level. Overall, it is our position that Government needs to set a collective vision for sectors to move forward in a cohesive way.

4.3 Beyond material support, Government needs to be transparent about policy changes that will affect small and medium sized businesses, speak up for smaller businesses, and be clear about long term plans. Large corporations are already governed by legislation in many ways that their small and medium sized counterparts are not. As the legislative environment shifts, communication about upcoming regulatory or statutory changes will be essential for these businesses to prepare and adapt.

4.4 The County Council acts as a facilitator to promote the merits of low carbon and green business and magnifies a sense of place and the benefits of collaborative advantage within our business community, but there is a limit to the levers that WSCC can pull as a local authority. We know that local authorities are great advocates for their local areas and have the ability to work well with smaller, locally owned businesses. In planning for effective and pro-business net

zero programming, Government needs to define the local role serving as conduit between Government and small businesses and provide resources to effectively manage these relationships and support local entrepreneurs and businesses, who collectively can be a large part of the climate solution.

4.5 Local authorities rely in large part on Government funding to support our operations and local businesses. However, we have observed very little funding coming to the South East relative to other parts of the United Kingdom (i.e., with the majority of funds from the levelling up agenda being delivered to areas outside the South East, we will be challenged to meet the net zero targets). However, West Sussex, which has a mix of deeply rural and deeply urban settings, has witnessed the impact that purposeful funding can have on the decarbonisation work of our local businesses. The LoCASE (Low Carbon Across the South and East) project offers grant funding, information, and academic support to SMEs across West Sussex. The RISE (Research, Innovation Sussex Excellence) project in partnership with University of Brighton and University of Sussex supports SMEs with enhanced access to innovation, support, and works with a range of business including those seeking to transition to more sustainable futures. We are a funding and strategic partner for both projects. *Both projects are due to complete in early 2023 with no similar scheme to follow, no continuation funding available, and no routes to future funding.*

We seek acknowledgement that although bringing carbon neutral solutions to rural regions may require relatively more funding than in urban centres, these areas also can contribute significantly to the national emissions reduction objectives. For example, West Sussex's substantial agricultural economy could pursue net zero targets *if supported with substantial financial support to do so*. Thus, it is imperative that the Government work to reframe the conversation around rural net zero opportunities in a way that underscores the ways that climate change mitigation in predominately rural counties can meaningfully and powerfully contribute to the wider carbon emissions reduction agenda whilst maintaining unique character of the landscape and benefitting the local community.

4.6 For successful delivery in West Sussex and indeed in any local authority, it is clear that national scale barriers must be addressed. The UK needs to set robust action points in the update to the Green Finance Strategy (GFS) to direct private investment into achieving net zero goals. Standards, regulation, and guidance are needed to provide clarity to investors and prevent instances of greenwashing. Subsidies and financial incentives will be required in a number of areas to accelerate investment into riskier and more innovative projects, which include green financing at low borrowing rates and tax allowances for investment in net zero.

The original GFS was published in 2019 and aimed to align the financial services sector with the UK's Net Zero commitment, direct private investment to support green activities, and capture the opportunities presented by the transition to net zero so the UK could become a world leader. The recent call for evidence seeks to understand current progress and how the UK Government can better support the financial services sector to achieve these goals. The UK's current green finance regulatory framework is inadequate in the context of the current and

future climate crisis. While it is largely considered to be one of the leading approaches globally, this is reflective of insufficient global action rather than an excellent UK initiative. The current UK strategy lacks clear action points, particularly regarding the role the private sector must play in the net zero transition.

4.7 Regulation is required to support the development of high integrity voluntary markets for carbon. Currently, the voluntary market is reliant on certification bodies which are over-stretched and under-resourced. A consistent, regulated process for appraising carbon offset projects will improve project reliability and fairness of capital allocation. The development of voluntary carbon markets could be further enhanced by providing incentives for companies that engage with the voluntary carbon market. Furthermore, the UK Government could unlock capital for more innovative, newer projects by providing subsidies for the cost of credits, which could have a significant impact on accelerating climate action. The UK Government could start by supporting public and private investment vehicles to encourage private sector participation into sectors and geographies which have historically been deemed too 'risky,' for example. If the UK Government can support with first loss capital, i.e., agreeing to take the first losses in a socially and environmentally beneficial investment, there will be a greater incentive for private sector investors to participate.

5. Where and in what areas of policy focus could net zero be achieved in a more economically efficient manner?

5.1 In West Sussex, we have committed to ensuring that our procurement processes are accessible to local providers in order to maximise the use of local suppliers in our supply chains and secure added economic, social, and environmental benefits for our residents. In this way, we 'value' carbon reduction and net zero in business cases alongside traditional economic and supply chain considerations. By incorporating a more stringent environmental and social value framework into business planning—such as within tenders for large-scale infrastructure projects—we can ensure that net zero is complementary to economic efficiency and growth from the onset (e.g., solicitation, design planning, etc.).

5.2 Effective and purposeful design guidance for new buildings can ensure that net zero solutions are advanced in an economically efficient manner. Clear requirements for new and existing development gives structure to achieve net zero and provides statutory guidance for public construction and aspirational guidance for private development. In recent years, broader design guidelines (e.g., the Department for Education's Building Bulletins and Technical Annexes) and statutory requirements (e.g., Building Regulations) have caught up with WSCC Design Guides, which is positive. However, Statutory Guidance can play an even greater role in driving ambitious targets for the construction industry, and in doing so can open up new sectors and business opportunities through the supply chain.

WSCC construction standards require all new builds to be operationally net zero and follow a cost-reducing Fabric First design approach (e.g., lead with insulation, orientation, clever design, which is preferred to expensive technology

or future retrofits). This in and of itself drives competition through the contractor and consultant supply chain.

5.3 Partnership in action will be essential to achieve net zero in an economically efficient manner for local businesses across the country. Government needs to encourage collaboration and sharing of best practices between businesses and develop in-sector support programmes to give sectors the foundations to act together in a coordinated manner. Finally, it needs to be recognised that local authorities are embedded in their local business communities and a lot more will be achieved more efficiently if partners are encouraged to work together at a local level. By enabling and encouraging effective partnerships between local authorities and local business communities, Government can foster innovative and locally relevant solutions such as local offsetting schemes or local Green Business Advisory Groups.

5.4 Government should reduce the time it takes for businesses to secure regulatory approvals to deliver new green business developments and green infrastructure projects. An abbreviated timescale for these approvals will reduce the costs to managing the processes and limit the uncertainty and risk associated with pursuing these projects. By making the regulatory approval processes more straightforward and expedited, it will make it easier and more economically efficient for businesses to implement net zero works.

5.5 We acknowledge the higher upfront costs of undertaking net zero by businesses and communities. To help control these costs and achieve net zero in a more economically efficient manner, WSCC has achieved success through group buying schemes. Our Solar Together programme advances a group buying scheme for residential solar panels and has allowed our residents to acquire zero carbon electricity at a group discount rate. These schemes need to be extended country-wide and include similar purchasing schemes directed at SMEs. Not only do these group buying schemes reduce financial barriers but also connect stakeholders with peers and encourage further collaboration toward a net zero agenda.

6. How should we balance our priorities to maintaining energy security with our commitments to delivering net zero by 2050?

6.1 WSCC views energy security and net zero as mutually achievable and mutually reinforcing goals. Projects in West Sussex that have already contributed to the County's decarbonisation efforts simultaneously provide increased energy security for our operations, businesses, schools, and residents. For example, WSCC's operational 4MW battery participates in Demand Side Response markets that help to balance the grid, and the Council is in the process of building a 24MW grid-connected battery storage site at a cost of £23 million. This project helps to secure our energy supply, advances our net zero goals, and substitutes for fossil fuel generated electricity at times of peak demand. The County Council's solar farms at Tangmere and Westhampnett make use of unused, low-grade non-agricultural land to generate renewable electricity and an income for WSCC. The Tangmere solar farm generates enough zero-carbon electricity to power 1,500 homes, for example, and will generate £13.8 million from feed-in-tariffs and electricity sales during the lifetime of the project. We

have also installed solar panels on more than 80 of our schools to help them reduce their energy costs and impact on the environment. In turn, this will enable them to redirect money that would otherwise have been spent on utility bills onto delivering even better teaching and learning for local children. The systems range in size from 15 to 250 kilowatts and have a total combined clean energy generation capacity equivalent to Tangmere solar farm. A new 'PV and Battery Storage' programme will review opportunities to install solar panels and 'behind the meter' batteries across WSCC's built estate, while we are also using PSDS funding to produce heat decarbonisation plans. These initiatives will maximise the efficiency of our estate and our use of zero carbon renewable energy, while minimising our load on the electricity grid by reducing our power consumption at peak periods.

In addition to developing generation and storage capacity on council land, we work in partnership with others to help them collaborate and establish Local Energy Communities. A local energy community brings together users and small-scale energy generators in an area to influence the development of the local energy system and increase benefits for people. The community invests and collectively reaps the benefits of that investment in terms of reduced energy costs and environmental impact. Local energy generation and storage can also help to improve the stability of the grid. The Business park Integrated Sustainability Energy Packages (BISEPS) project is a major EU-funded energy efficiency and renewable energy project for business parks that we have been working on since 2016. The aim is to develop an energy model to help business parks implement the most effective sustainable energy technology and reduce their energy costs and carbon emissions. We are working with the Manor Royal Business Improvement District to develop the model. These successful projects highlight the ways that net zero and energy security goals can be achieved in tandem.

6.2 WSCC supports the view that solar farms should be located on brownfield or low-grade non-agricultural land wherever possible. Further, public attitude toward wind turbines is positive and there is broad community support for turbines in the appropriate locations. While WSCC recognises a need to protect our unspoilt rural landscapes, we are also of the opinion that onshore wind and solar farms, in the right locations, can represent an extremely efficient use of land and low-cost approach to generating zero carbon electricity that is resilient to market volatility. We await the Government's review of planning regulations to support these efforts.

7. What export opportunities does the transition to net zero present for the UK economy or UK businesses?

7.1 Growing global demand for environmental technologies, services, and products presents a major economic development opportunity for West Sussex businesses and the UK as a whole. The economic development function of WSCC has the engagement with West Sussex businesses to promote these opportunities in a targeted way, enable business collaboration to cluster around specific market segments, and can provide a conduit for businesses to access nationally provided exporting and international trade support on a more efficient

basis. This would thus enable West Sussex businesses to identify and win new business.

7.2 As previously elaborated, the transition to net zero offers a runway for business innovation and leadership. If UK businesses can establish themselves as leaders in net zero transformation, they will attract national and international recognition that will spur the exchange of goods, resources, human capital, and information. For example, the Sussex region is working to establish itself as a Research, Development, and Innovation Centre of Excellence for the transition to a hydrogen future. Backed by existing research capabilities, a strong academic network, the presence of technology companies, and existing support schemes, we recognise the potential to develop, commercialise, produce, and export technology while also creating high-quality jobs across skill levels. Holding a first-mover advantage in the transition to net zero therefore offers UK businesses the opportunity to export their expertise and technology to their benefit.

Questions for Local Government

24. What are the biggest barriers you face in decarbonising / enabling your communities and areas to decarbonise?

24.1 Carbon emissions from WSCC operations and services make up only a fraction of the carbon activity of the County. As stated in our Climate Change Strategy, 'to achieve our vision, our contribution as a County Council alone is not nearly enough. Everyone we work with, and for, needs to take action to respond to climate change. Some are already there. Others are interested but aren't sure what they need to do. While another group aren't yet aware of what they should do or the benefits they may see.' Thus, our challenge involves the dual challenge of leading by example to decarbonise our own estate and operations while serving as a resource and convenor for the broader County.

24.2 Defining WSCC's baseline carbon emissions and developing our estate's greenhouse gas inventory has been an iterative process and no clear single definition from the Government exists. The baselining initiative has required the County Council to examine critically over which areas it has a sphere of influence and can directly control and mitigate its emissions. Some of the WSCC's emissions come directly from Council activity and are quite easy to establish as part of its baseline and influence in future works (e.g., emissions deriving Council owned vehicles). However, other emissions associated with the Council are either less directly impacted by Council activity and thus are limited in terms of being impacted in the future (e.g., emissions associated with working from home), or are difficult to properly quantify and could lead to incorrect baselining of data (e.g., emissions from the procurement of goods). WSCC has chosen to exclude assets it leases out to third parties from its baseline, for example, but would encourage an aligned approach across local authorities as directed by HMG. As such, we are leading discussions within Council and analysing best practices from other local councils to ensure a good representation of baseline emissions can be established and allows for WSCC to feasibly achieve future emission reduction targets.

24.3 The COVID-19 pandemic, Brexit, the Russian invasion of Ukraine, soaring inflation, and rising energy costs have altered the economic landscape in West Sussex either directly or indirectly. These stressors have, at times, forced WSCC to review its budget and ensure residents are as insulated as possible from these forces. Although economic recovery is inextricably tied to the County Council's Climate Change Strategy, immediate demands relating to WSCC's statutory duties have necessarily driven the agenda over the last 12 months. For example, the Education SEND budget is one-third of the value it could be and WSCC's transportation plan outlines the need to prioritise strategic transport investment to protect and revive Crawley and the Gatwick Diamond economy and the Coastal West Sussex Towns. However, we assert that economic recovery and net zero agendas can work in harmony. The local transportation plan heavily weights green transport, and investments in reviving Crawley, Gatwick Diamond, and the CWS economies further support local innovation and economic growth that can drive green projects. Thus, it becomes ever-more vital to communicate the economic benefits of decarbonisation at the residential, commercial, and governmental levels, as well as the interconnectedness of economic recovery and green / net zero practices.

24.4 Recruitment and retention are major priority areas for the County Council moving forward as private sector wages in construction consultancy and property & assets management, among other areas, continue to be competitive. Officer capacity has been limited across the organisation and WSCC has needed to allocate resources to recruit and retain key staff to help coordinate and facilitate the Council's net zero agenda, adding wage demand and pressure on the recruitment teams across the organisation.

24.5 A decarbonisation strategy requires an element of offsetting. One barrier to this is the lack of guidance from central government on 'stacking' principles. Thus far the Environment Act is silent on the ability to sell biodiversity credits and then carbon credits from the same piece of land, as well as clarity around the provisions to enable progression of BNG and LNRS so as to blend with and not contradict decarbonisation works. We understand that to address this issue, Defra has announced that it is in the process of developing a new policy framework for ecosystem market development which will signpost people to guidance on the principles of stacking payments and the eligibility rules for individual schemes and markets. The draft framework was expected to be published this summer, in advance of a planned update to the Green Finance Strategy in late 2022. Given the significant delays affecting primary legislation and daughter secondary legislation and statutory guidance we have a limited understanding of the applicability of stacking. Further delays to the GFS 2022 remain a concern and a potential barrier.

24.6 Our Economic Growth Team has engaged with local businesses to help build appropriate business support for net zero, and has evidence they face a number of challenges for net zero including:

- A complex and difficult-to-navigate landscape of national net zero business support
- Lack of funding and access to green finance
- Economic volatility

- Significant labour and skills shortages
- Infrastructure and market lags that are out of sync with ambition and targets for net zero
- Lack of UK-based, local carbon capture/offsetting solutions for industries with unavoidable emissions and no clear pathway to reduce further – such schemes have potential to provide holistic local solutions, increase local investment, enhance nature restoration, and help LAs meet their targets

To achieve net zero, the Government needs to find ways to work with local authorities to empower businesses to utilise their innovation, agility, and ingenuity to approach climate challenge (e.g., sector-based plans/pathways to give confidence to invest, and to provide levers for local authorities to apply in their areas. For West Sussex, agriculture, construction, manufacturing, transport, and an SME focus (e.g., retail, wholesale, tourism, and social care) are key. In particular, a sector-based approach to support would be welcomed by many and local solutions for offsetting are being cried out for by our businesses, with certified carbon codes/offsetting schemes.

24.7 Schools still lack suitable funding to help retrofit and decarbonise to achieve net zero by 2030. We acknowledge that the DfE Sustainability and Climate Change Strategy, released in April 2022, was a good start but lacks funding and urgency for a fully viable retrofit programme. The landscape is complex due to the increasing academisation of schools taking them out of the County Council's direct remit and opportunity to bring into wider programmes which benefit from economies of scale.

25. What has worked well? Please share examples of any successful place-based net zero projects.

25.1 West Sussex Chargepoint Network

In partnership with six district and borough councils, we tendered a contract to create the largest-ever local authority roll out of a publicly accessible and affordable electric vehicle chargepoint network across the county. The network will be powered by renewable energy, in line with our carbon reduction objectives. This is part of our [Electric Vehicle Strategy](#) which sets out a vision to enable West Sussex residents to choose ultra-low emission vehicles and travel in a carbon-neutral way when travelling in a car or small van.

To ensure that not only profitable sites come forward, but also sites where individuals and communities need chargepoints but where they are less commercially viable (likely to be more rural communities), the Council required a 'portfolio approach' be taken to delivering the countywide network. This solution requires the revenue from more commercially viable sites to support the delivery of less commercially viable, but socially critical sites, across the County, with transparency concerning financing and profit to ensure oversight that this was being delivered.

The EV Strategy committed the County Council to enabling a charging network that uses public and community land. Partners were key to this. It chose to focus the initial partnership building with the higher tier authorities and approached the district and borough councils within the county to see if they

would be interested in moving forward together. Six of the seven districts and boroughs – Adur, Arun, Crawley, Horsham, Mid Sussex and Worthing – joined the partnership. The contract was structured so that in addition to WSCC and the partner authorities, other organisations can access the framework, including parish and town councils, social housing providers, community groups, faith groups, village halls, schools, non-for-profit community landowners, and public entities. The contract includes provision for partners to receive a revenue share based on the kilowatts used. This will be distributed in proportion to the number of chargepoint sockets on each landowner's property, regardless of the performance of the chargepoint on an individual landowner's property.

WSCC took on the role of lead authority, which covered most of the work in preparing the specification and procurement documentation. However, all partners made significant contributions to this process. Fortnightly project meetings with all partners gave space for discussion and agreement on all elements of the specification and contract, as well as open and transparent sharing of information. These meetings developed trust and built support for the project. Partners dedicated significant resource to the project, enabling the lead officer to attend the regular meetings. Critical to success was involving key stakeholders from across the business.

25.2 Smarter Working Scheme

The County Council has instituted a Smarter Working programme to optimise building use and ensure staff satisfaction. This has included increased commitments to flexible working schemes, investments in IT infrastructure, reduction in grey mileage for organisational travel, and a critical examination of the organisation's assets to optimise space and ensure capacity is equivalent to demand. Our print volume has reduced significantly as a result of changes in working practices, securing a 69% reduction in our print between 2019/20 and 2020/21 – over 9.5 million fewer printed pages.

To decarbonise our business travel, we are moving our fleet to low emission models, and 2020 saw 42 hybrid cars joining the fully electric cars already on our fleet, replacing diesel and petrol models. We are enabling staff to continue working flexibly, using technology to help them reduce the need to travel. Our staff also have access to a dedicated Liftshare scheme and a Cycle to Work scheme to encourage sustainable travel choices.

25.3 Solar Farm and Energy Storage

We currently own and operate two solar farms which make use of unused, low-grade land to generate renewable electricity and an income for the County Council. Some of the electricity is used to power our own buildings. The first opened in 2015 on the site of the former Tangmere Airfield. The 18,000 solar panels at the 5MW solar farm generate enough zero carbon electricity to power 1,500 homes. It will generate £13.8 million from feed-in-tariffs and electricity sales during the lifetime of the project. The second site at Westhampnett opened in October 2018, and it became the first publicly owned solar farm to be developed with large, on-site batteries. They are used to store surplus energy generated by the 26,000 panels at the 7.4MW solar farm and release it to the grid when it is needed during peak periods. The solar farm is built on a former landfill site that had no alternative use due to the presence of methane gas.

The Solar for Schools PV programme has been delivered in multiple phases over the course of several financial years, with almost 16,000 panels installed across 74 systems with a total generation capacity of 4.5MW. The programme has helped schools to reduce their energy costs and impact on the environment. The individual systems range in size from 15 to 250 kilowatts and have a total combined clean energy generation capacity equivalent to Tangmere solar farm.

We are further building a large energy storage facility on the former waste site at Halewick Lane, Sompting. By 2023 it will become the secure location for large, grid-scale batteries that will support local grid resilience.

25.4 Solar Together

In September 2020, the County Council launched the first round of its popular Solar Together Sussex scheme in partnership with councils across Sussex and iChoosr. More than 1,000 people registered to install a high quality and competitively priced solar PV and battery storage system at home. A second round of the scheme launched in autumn 2021, and around 7,000 households registered for this phase. This group buying scheme enables residents to install high-quality, roof-mounted solar panels at a competitive price. They can also choose to fit a domestic battery system to store surplus electricity generated by the solar panels and use it when it is needed.

25.5 LED Streetlighting Project

We will deliver a 61% decrease on current energy use with the planned conversion of 64,000 streetlights to LED over the next 6 years. It will cost £26.5 million during a 25-year loan, but the total reduction in electricity and maintenance costs will save the Council a projected £90.1 million over the same period. To support a prosperous place, a reliable highway network is essential and the introduction of LEDs along with a Central Monitoring Programme (CMS) will reduce the requirement for site visits and the associated traffic management, preventing traffic delays and help towards maintaining a reliable network.

25.6 Heat Decarbonisation Plans

We have produced heat decarbonisation plans (HDPs) for 50 council buildings to identify how we could install new, low carbon heating systems to replace those currently running on fossil fuels. The types of buildings assessed include libraries, fire stations and a range of social care facilities. Production of the HDPs was funded by the Low Carbon Skills Grant (LCSF), with a further 40 LCSF funded HDPs currently in development. Our Capital Programme will see £20 million invested over the period until March 2027 to cut carbon emissions from our County Council buildings and operations. We will also be investing £42 million in future energy generation and storage projects.

In addition to the formal heat decarbonisation plans, we installed Automatic Meter Reading (AMR) technology across the top 20 water-consuming buildings in our corporate estate, covering more than half of our total water consumption. This advanced monitoring has enabled us to save water by detecting leaks and repairing them more quickly, as well as helping us spot any abnormalities in our water consumption volumes.

25.7 Waste Reduction Campaigns

Our continued focus on waste reduction includes campaigns to inspire residents to reduce their waste and improve the quantity and quality of their recycling. The Recycling and Waste Team has worked in partnership with Arun and Mid Sussex District Councils to test the extent to which introducing separate weekly collections of food waste and Absorbent Hygiene products alongside continuing comingled recycling collections and reducing the frequency of residual waste collections to three-weekly, reduces the overall amount of waste collected in the trial areas of approximately 2,400 properties. The results have shown very marked drops in the tonnage of waste produced and corresponding improvements to recycling rates matching the general approval of the scheme by participants.

25.8 LECSEA Pilot – Manor Royal Business District

WSCC is working with the Manor Royal Business Improvement District near Gatwick Airport to create a local energy community (LEC). The LEC will enable companies to invest in clean energy technology together and share the benefits by trading the electricity and heat they generate locally. This will help businesses to reduce their carbon footprint, lower their operating costs and improve the district's reputation as a sustainable place to do business.

Located next to the town of Crawley in West Sussex, Manor Royal is one of the largest business parks in the south east of England and home to more than 500 companies of varying sizes and from different sectors, including manufacturing, retail, and administration. The County Council is working closely with Crawley Borough Council and the Manor Royal Business Improvement District, a local body that represents companies within the business district, to involve and engage stakeholders and shape the LEC proposal. The LEC proposal will build on feasibility work carried out during the BISEPS project which identified a number of areas, or 'business clusters' at Manor Royal where suitable renewable energy technologies, including solar PV, battery storage, Combined Heat and Power (CHP) systems, and ground source heat pumps could be installed. The project also identified the potential for a local district heat network to share heat energy across the business district.

During 2021 and 2022, work on the governance, legal and financial arrangements needed to set up the LEC were finalised. The business plan is being implemented and we expect the local energy community to be established by the end of 2022.

25.9 Robust Governance Framework

The Our Council Plan is based on four priority outcomes along with a holistic, underlying commitment to climate change action. The integration of climate change strategy across the Our Council Plan has supported net zero projects across the organisation in line with corporate mission and values. The establishment of a Climate Change Board provides functional oversight across the estate and drives the delivery of the Climate Change Strategy with buy-in from senior executives and assistant directors. This organisation-wide commitment in practice, mission, and funding (i.e., the allotment of a dedicated

Climate Change Fund) have successfully moved the climate change and net zero agenda forward in West Sussex.

25.10 Low Carbon and Green Business Support Programme

In 2021-22, the West Sussex Councils allocated £250,000 from pooled businesses rates to fund a holistic Low Carbon & Green Business support programme. The County Council, together with all the District & Borough authorities of West Sussex, convened a professionally facilitated Green Business Advisory Group to provide a forum for dialogue between private and public sector, to better understand the opportunities and barriers of the green economy, and to identify ways to support local SME businesses to take climate action. The discussions and findings of the group have helped inform the wider programme and provide a blueprint for future consultative economic support planning. Examples of initiatives funded by the programme include the production of a Low Carbon Business video series elevating the stories of exemplar West Sussex businesses and advocating for net zero from a business perspective, a new Green Business Champions scheme to provide specialist advice and promote net zero to the SME community, and demonstrator events to help solve sector specific challenges, and build local green supply chains.

26. How does the planning system affect your efforts to decarbonise?

26.1 It is our opinion, in alignment with the policy position of the County Councils Network, that a wholesale review of planning reforms is needed if the Government is to achieve its targets in household and economic growth. *The Government should review strategic planning arrangements and introduce new powers to empower counties through strategic planning any forthcoming Planning and Infrastructure Bill, where desired.* This would give parity to county areas and would see effective cross-boundary working to deliver strategic infrastructure and unlock growth. The current planning system is too fragmented, and for years infrastructure has not kept pace with development, leading to overcrowding on roads and public services in some parts of the country. If the Government wants to deliver on its twin aims of housebuilding and growth, then strategic planning is a 'win-win.' It would ensure that county councils, which are responsible for transport, infrastructure, and the delivery of investment zones work more collaboratively with district councils in their areas, which are responsible for housing and planning. By better joining up the system and empowering county councils by giving them a statutory role in the planning system could help local authorities 'zoom out' and pinpoint the best location for new homes across England's counties, as well as ensuring that new major new development is backed by the right infrastructure – such as new roads, schools, and health centres.

26.2 As a local authority, our focus will always necessarily be on providing good statutory services when there is a conflict between service delivery, resources, and decarbonisation. Local authorities need secure, long-term funding for net zero programmes, without the need for places to compete against each other. Funding needs to be sufficient to cover the full range of statutory services that local authorities must provide: at present, local authorities are forced to make difficult choices between supporting vulnerable children and adults, and investing in place-based services. Government needs to understand that

successful place-based services will support the growth and prosperity required to put people services on a more secure financial footing in the future.

26.3 WSCC acknowledges that ensuring projects, plans, and processes reduce carbon and are resilient to climate change strengthens the ability to achieve their original objectives over the long term, helping local authorities achieve a wide range of other plans and ambitions. Thus, the planning system in West Sussex aspires to consider the long-term implications of major projects and plans – for example, we have committed to integrating full lifecycle environmental costs into our business planning and decision-making processes to fully understand the immediate and longer-term costs of our choices. While this goal helps to integrate climate change thinking across the organisation, local authorities and Government have the responsibility to ensure that decision making factors in environmental and climate change considerations with an appropriate weighting. Planning often focuses on other delivery priorities such as cost while minimising the relative value of carbon neutral and environmentally friendly design.

26.4 Planning policy mainly relates to new-builds with regard to WSCC's Capital Programming, which have to meet statutory requirements. We have aligned our approach to new-builds with the delivery of the WSCC Climate Change Strategy in mind, which is received positively.

26.5 New planning policy needs to consider the barriers for smaller businesses in overcoming issues around property ownership, which currently can act as an inhibitor to retrofitting.

26.6 At present, national planning regulations prevent onshore wind development. We understand onshore wind to be the most effective and efficient way to generate zero carbon electricity. Further, water neutrality rules limit our ability to electrolyse hydrogen. WSCC urges Government to consider how national planning frameworks can be amended to support innovative zero carbon electricity generation.

27. How can the design of net zero policies, programmes, and funding schemes be improved to make it easier to deliver in your area?

27.1 There needs to be clarity about the role of local authorities in net zero (e.g., Local Area Energy Planning and Heat network zoning). Government should clarify role of WSCC, and indeed all local authorities, in relation to the responsibility for decarbonising schools and provide funding to do so.

27.2 Plans and policies need to be long term (five years or more) with stable and reliable funding mechanisms. Short-term thinking and changes in policy have seriously undermined confidence in net zero planning – for example, the failed Green Homes Grant scheme. To support net zero and facilitate local delivery, it is essential for Government to maintain and expand PSDS over term with sufficient funding to decarbonise all WSCC buildings and works.

27.3 WSCC has embedded net zero policies into the decision-making process. Although this has challenged conventional approaches to capital and revenue

delivery, it has opened the door for delivery organisation-wide net zero projects more uniformly. All decision reports are required to show how they contribute to the Council's climate change commitments. To help with this, a [new tool](#) has been developed to enable staff and decision makers to understand and capture the contribution that a proposed decision could make toward the County Council meeting our net zero objectives. The easy-to-use tool is designed to: help us think about and capture the impact of projects and proposals against our Climate Change Strategy priorities and provide the author and report readers with an 'at a glance' summary of the impact on these priorities. A similar approach and toolkit from the Government would make it easier for local authorities to similarly embed national net zero schemes into service delivery.

27.4 To date, it has been our experience that any money incoming to local government to deliver net zero has had to come from competitive bidding process (e.g., PSDS Fund), and that the structure of accessing that funding automatically excludes or favours some councils. Advantage goes to councils that can show evidence they have already done a certain amount of work, i.e., those that have resources and information to show progression toward net zero. This scheme has tended to work to the disadvantage of local authorities at an early stage of their net zero journeys while reinforcing progress at larger, often urbanised, authorities. WSCC had not historically, while in the nascent stages of our decarbonisation work, been as competitive under this funding scheme. This prevented the Council from accessing significant sums of money and hampered early progress. A positive to note is that through utilisation of LCSF grants to fund HDPs we have now been able to develop more robust PSDS bidding capability. It is also noted that the PSDS application criteria has grown steadily more robust as application rounds have progressed. It will however be important for the Government to re-examine its competitive bidding process in order to more equitably allocate funds and ensure local authorities across their net zero planning processes can access money. Attaching very short timeframes for projects to be completed can also be counterproductive.

27.5 Procurement and measurement policies with clear net zero agendas will be needed to facilitate the delivery of climate change strategies at the local level. Our Highways, Transport, and Planning service, for example, is transitioning to an outcome-based approach that will enable greater innovation and carbon saving in its programming. It is also in the process of deciding on a set carbon management tool that will guide policy to ensure colleagues and suppliers gather appropriate data and report back on what might be useful. These innovations within WSCC demonstrate the need for clear policies that embed net zero thinking into all policy, programming, and funding schemes coming from the Government and influencing local authorities' ability to make net zero-informed decisions.

27.6 There is a need for funding and specific programmes for local business to pursue net zero solutions, including those that make the case for the businesses benefits of decarbonisation. We know that a local solution will often work best for local businesses, and there needs to be funding and operational support for local authorities to work with their local communities to innovate and develop these solutions. Longer lead times and longer length of programmes are key in order to embed a programme in the local business community. Funding often

has a snowball effect with impetus growing through the length of the programme.

28. Are there any other implications of net zero or specific decarbonisation projects for your area that the Review should consider?

28.1 WSCC has found that adopting net zero and decarbonisation projects makes our services more resilient to acute shocks. Adapting to climate change means that we can continue performing as our climate continues to change, with no breaks in service delivery. For example, by working with our schools to solarise their electricity generation, develop on-site battery storage systems, and retrofit aging buildings to be more efficient, we help to ensure that children can safely go to school as peak summer temperatures continue to increase. As we saw during the summer of 2022, extreme heat waves threaten to disrupt core services and stable education. As WSCC pursues a net zero agenda, we are simultaneously safeguarding and future-proofing our assets to the changing climate. Thus, the risk and burden of not achieving net zero falls to our most vulnerable neighbours, such as children, the elderly, those with underlying health and chronic conditions, and low-income residents.

28.2 Local government investment is quite sizeable and WSCC has a policy supported by the Social Value Act to look favourably on local business to deliver our projects. This partnership between the authority and local businesses serves to engage the regional economy and reinfuse investment monies into our communities. For example, Phase 1A roll out of the heat decarbonisation plan is worth £5-6 million and covers 23 different sites. It will require multiple contractors, teams of consultants, etc., which represents money that is being driven into the economy that would not otherwise because achieving net zero is not a requirement to deliver our statutory services. Thus, this level of investment in local businesses is a direct response to pursuing a net zero policy. WSCC's net zero projects therefore are pumping money into local economy, specifically the construction industry, which is made even more valuable as the economy approaches recession and this industry is among the first to be affected in turbulent economic times.

28.3 Net zero strategies also offer the opportunity to engage with local communities around the topic of climate change. To date, this engagement at the national level has been limited, to say the least, given resource constraints and competing priorities – however, it is clear that to achieve community-wide net zero goals, investments will need to be made in community engagement and interventions designed to assist people to reduce emissions. For many hard-to-reach communities, the environment is simply not on their radar as they are concerned with more pressing and immediate pressures such as food, interest rates, and heating bills. As net zero opportunities continue to emerge, WSCC believes that allocation of funds and consideration for equitable community engagement will be essential to the success of a longer-term strategy. In the longer-term this approach at the household level also reduces energy consumption with associated savings and resilience against price instability.

28.4 There are many beneficial health outcomes for residents through decarbonisation programmes with better air quality and improved mental health

as a result. A community-based approach is key, and through collaboration with NHS Integrated Care Board, WSCC seeks to introduce ground level changes such as EV charging points to help increase air quality, in addition to Sussex-wide approaches such as sustainable procurement and increased public engagement, to help expand the knowledge on decarbonisation and allow individuals to make sustainable choices. By acting on the impacts of climate change local authorities can protect young people and vulnerable adults – for example by improving the resilience of schools and care home to hotter summers – to avoid costly health impacts.

28.5 Relatedly, net zero projects also present opportunities to increase the County's climate preparedness through resilience and adaptation work. For example, in December 2020, our Angmering bridleway bridge overhaul included an innovative paint system to triple the refurbishment's lifespan and significantly reduce the carbon footprint and cost of future maintenance. Not only did this project help reduce our operational expenditures and mitigate county-wide emissions, but the paint system will also help control surface temperatures during extreme heat events. This protects our roadways against the changing climate and again preserves the County Council's ability to provide key services during these acute climate shocks. As WSCC continues to pursue a net zero agenda, there is more opportunity to consider the co-benefits of decarbonisation work that include climate adaptation measures. As a coastal area, West Sussex will be threatened by sea level rise, for example, and will need to consider how to protect property and businesses against these changes and prevent widescale displacement of residents and commerce. By having a clear and organisation-wide mandate to enact a Climate Change Strategy, funding for these large-scale projects can be justified and allocated.

28.6 While WSCC is committed to its net zero target, we understand that given the existing technologies, financial realities, and rapidly approaching timeline, offsetting will likely be needed to counter-balance any remaining emissions in 2030 and beyond. WSCC believes that there is great potential in offsetting projects that can not only allow for a carbon net zero Council, but also contribute to climate adaptation works that improve local climate resilience, biodiversity, air quality, and energy security, and provide financial opportunities to participating organisations. Further, business in our region want to invest locally in local offsetting solutions, and there is a huge opportunity to invest in these local schemes at a benefit to the Council and our business community. In these ways, nature-based solutions to decarbonisation efforts will be critical.