## Local Authorities & Sustainable Energy: Decentralisation & Capacity Building

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There is increasing focus, both within the UK and internationally, on the role of sub-national actors in sustainable energy transitions. While more localised approaches to energy system change are often based on partnerships across public, private and civil society spheres, local governments — as democratically elected bodies — can play pivotal roles. Despite this, debates about the role of local governments in energy system change often focus on barriers to action and how the capacity of these organisation is constrained.

We are, however, increasingly seeing that some UK local authorities *are* able to act effectively on sustainable energy, with a few taking leadership roles. Some, like Swindon Borough Council have developed their own energy project development companies such as <u>Public Power Solutions</u>. Others, including <u>Bristol</u> and <u>Nottingham</u>, have set up municipally owned energy companies with clearly stated social aims. Some, such as West Midlands Combined Authority, have sought to situate energy at the centre of economic development through the establishment of <u>Energy Innovation Zones</u>.

<u>Our latest paper</u> recognises the limits of focussing on why local authorities are *unable to act* and instead explores the capacities of those that are acting – i.e. what enables them to proceed with sustainable energy policies. We identify and explore a range of individual, but inter-related, types of capacity:

- Responsibilities: political responsibilities, including statutory duties
- Autonomy: local policy discretion, the ability to implement local policies independent of national policy
- Financial Assets: local financial resources including access to capital and revenue, property and land ownership
- Personnel: numbers and experience of staff making sustainable energy policy
- Knowledge: access to relevant knowledge and skills, as well as capacity to capture learning
- Energy Geographies: renewable/clean energy resources and potential. Existing infrastructure

Identifying types of capacity does not, however, necessarily explain what factors are driving shifts in, or limiting the realisation of, these capacities. We suggest that these types of capacity should be examined as interrelated with a range of contextual factors:

- National and global political-economy
- Local political-economy
- Energy and climate policies
- Material aspects of energy systems

We applied this capacity/context framework to eight case study local authorities in England, one of the most centralised political systems in the world, in order to explore how sustainable energy capacity has been evolving, its diversity, and how it is shaped by wider political and energy systems. Whilst the <u>overall picture</u> in the UK is of a wide variety of constraints upon local authority action (not

least budget cuts under austerity, national energy and climate policy that tends not to support local action, and low levels of political autonomy) some authorities are managing to stand against this tide.

There are a number of findings in the paper, but we focus on two here. Firstly, although there is a clear relationship between local government capacities and the national politics and policies, this is only part of the story. Some authorities have been able to mobilise capacities on energy *despite national policy constraints*. Indeed, whilst many have cut back 'non-essential' policy areas under prolonged conditions of austerity, others have sought to secure new revenue flows in order to *increase financial autonomy* from central government, and energy generation and supply projects have been a dynamic area of such activity.

Whilst existing energy geographies, such as local infrastructure and renewable energy potential, play a role in shaping local authority actions, there was clear evidence that *new opportunities are being presented as energy systems become increasingly decentralised* and the costs of sustainable energy technologies, including storage, continue to fall. These shifts make new sustainable business models more viable, and some local authorities are taking a lead in business model development. Authorities with established, skilled energy teams were then more able to capitalise on wider changes in the energy system and rapidly develop new projects, as well as offer sustainable energy advice to other local authorities.

On conclusion, we found that being specific about capacity reveals that some resources are especially important for sustainable energy policy. For example, the presence of personnel and knowledge capacity is particularly critical given the degree, and speed, of learning that is taking place about decentralised energy systems. This suggests that embedding specialist staff and knowledge in local authorities, and co-ordinating knowledge sharing between authorities and nationally, could drive longer-term capacity for a broader range of actors. This also emphasises the need to formalise two-way exchange between local and national governments.

Our findings also highlight the need for more debate of the potential for, and implications of, setting new local authority duties in sustainable energy. The lack of statutory requirements, and limited integration of local authority action into national government priorities, was consistently identified as a constraint, with many other local authorities simply lacking sufficient incentives to act in the absence of clear sustainable energy responsibilities.

The full paper, 'Kuzemko, C. and Britton, J. (2020) 'Policy, politics and materiality across scales: A framework for understanding local government sustainable energy capacity applied in England', *Energy Research and Social Science'*, doi: 10.1016/j.erss.2019.101367, is open access and available via <a href="https://www.sciencedirect.com/science/article/pii/S2214629619306322">https://www.sciencedirect.com/science/article/pii/S2214629619306322</a>.