Forward, Faster, Together

Recommendations for a Green Economic Recovery in Edinburgh

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URGH

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Executive Summary

The Edinburgh Climate Commission is an independent body working to accelerate action on climate change in Edinburgh. The Commission established just as Covid-19 took hold and has produced this, its first report, for all who have a role in how Edinburgh recovers from the pandemic.

Our recommendations for a green recovery respond to the compound crisis of Covid-19 and climate change. Covid has challenged our city and shown what is possible when we all align behind the science for a collective, urgent response. As the focus shifts to recovery, we must seize this moment to deliver a better future for Edinburgh. A green recovery is one that delivers for the long term; that catalyses job creation into growth industries, empowers citizens, improves public health and drives innovation while all the time removing our contribution to the climate crisis.

The report highlights the conditions for a successful green recovery; governments must enable change, we must accelerate existing programmes, new and more effective partnerships must deliver, and we must work with the people of Edinburgh to build a resilient city that meets their needs.

These conditions provide the enabling context for our ten recommendations for a green economic recovery in Edinburgh, creating jobs, reducing emissions, and building a better, fairer city:

- A Joint Commitment to Green Economic Recovery from Local and National Government
- Public stimulus investment decisions should be conditional on a greener future
- Redesign and invest in carbon neutral transport infrastructure
- A citywide approach to energy efficiency and renewable heat
- Localise services, support and infrastructure to build community resilience
- Focus on wellbeing in natural and built environment investments
- Embrace new business practices to reimagine building assets and opportunities for the city
- Grow skills and knowledge to deliver a city green recovery and lead a global transition
- Develop low carbon sectors and business models to make the city globally competitive
- Become a global leader in sustainable investment

Delivering these recommendations for a better future requires collective action across city stakeholders; local and national government must lead, communities must be enabled to respond, businesses supported to change working practices and people encouraged to change behaviours. Everyone in the city has a part to play in addressing the climate emergency.

Introduction

"If the monumental scale and nature of this economic shock is not a catalyst to accelerate change and to find new bold, radical interventions that will transform Scotland's economy, then nothing ever will be."

> - <u>Towards a Robust, Resilient Wellbeing Economy for Scotland:</u> <u>Report of the Advisory Group on Economic Recovery</u>

Edinburgh Climate Commission

The Edinburgh Climate Commission is an independent body working to accelerate action on climate change in Edinburgh. We bring together experience and expertise on the challenge of a net zero transition with individual commission members from across the private, public, and third sectors in the city. The Commission's purpose is to catalyse action, challenge decision makers, and convene stakeholders critical to the accelerated responses we need to meet Edinburgh's 2030 net zero target. In all our work, we are co-sponsored and supported by the Edinburgh Centre for Carbon Innovation, University of Edinburgh, and the City of Edinburgh Council.

The Commission was established in February 2020 and in recent weeks has been working to produce this, its first report, on the decisions the city needs to take now for the strongest economic recovery. It sets out why planning for a green recovery is more important now than ever, with the city facing significant economic challenges from the Covid outbreak. We provide ten priority recommendations for building a fairer, more resilient, net zero city.

This report represents only the beginning of the Commission's work. It provides an initial call to action and aims to begin a dialogue where we encourage stakeholders from across the city to join us in catalysing action to meet our 2030 net zero target. Over the coming months we will be an independent voice for climate action, rooted in the needs of families and communities across Edinburgh as we look to ensure we don't move backwards as we come out of this crisis.

Tackling two emergencies

Edinburgh faces two enormous challenges requiring urgent responses, with the climate emergency now being experienced alongside the catastrophic socioeconomic effects of the Covid-19 crisis. The decisions taken in the coming weeks and months must address both challenges, building back to a fairer, more resilient society that realises the multiple benefits of a net zero economy.

- **Tackling the Climate Emergency:** In 2019, in response to the global climate crisis, the City of Edinburgh Council declared a climate emergency and pledged to become a Net Zero city by 2030. To achieve this goal, emission reductions need to be significantly accelerated across a range of sectors, particularly travel and heating. Our city must deliver this in a way that is fair in opportunity and benefits for all.
- **Recovery from Covid-19:** The pandemic and subsequent lockdown has triggered a global recession, and Edinburgh's Poverty Commission estimates that unemployment in the city could reach record levels in 2020. The pandemic has also exacerbated existing social inequality, and left young people, low paid workers and vulnerable groups the most exposed to hardship.

The need for a Green Recovery

It is clear that the right recovery for Edinburgh, given all the challenges it faces today, is a net zero recovery; one that builds resilience, provides sustainable job creation, improves public health and attracts actions and investment that positively impact on carbon emission reductions. The Covid-driven urgency of now and the pressing need for accelerated action on climate change are aligned. As the UK Committee on Climate Change says in <u>its recent</u> <u>report</u>, "we must seize the opportunity to make the COVID-19 recovery a defining moment in tackling the climate crisis".

There is learning from this crisis that shows our capacity for change, our ability to move at speed and our interdependence on each other. It has also shown us our vulnerabilities, the lack of resilience and the inequalities that come into stark relief in moments of crisis. Our response to the climate crisis, our path to net zero, must enable our strengths; our kindness, our trust in each other, the strength in community and the value of a shared purpose. It must also tackle our weaknesses; our poor resilience to systemic shocks, the ways in which crises impact most strongly on the young and least equipped to respond.

Principles for a Green Recovery

The Edinburgh Climate Commission was established just as Covid-19 took hold. The Commission has produced this, its first report, for all who have a role in determining how Edinburgh recovers from the pandemic. On 21st May, we published the set of five principles below, designed to underpin the recovery and accelerate the transition. In this report we set out the headline recommendations and example actions that should be at the heart of our collective response.

Edinburgh Principles:

Go Faster

Accelerate the transition to net zero; lock in carbon reductions and low carbon behaviours; lockout a rollback to business-as-usual.

Do Better

Measure what matters; judge success against more than economic indicators; include biodiversity, well-being and carbon reductions.

Build Stronger

Unleash the potential of local communities and producers; showcase innovation and positive adaptation; empower everyone to play their part in building a city resilient to future crises.

Think Bigger

Covid-19 has broken the belief that big change can't be done. The scale of our ambition; the breadth of our imagination; our commitment to collaborate and our willingness to embrace change must match the challenge of achieving net-zero carbon emissions.

Be Bolder

Use our voice as the capital of Scotland, to set the pace for climate action ahead of COP26; recognise the moral limits of markets and lead the debate on delivering a sustainable future.

We cannot squander this moment, to let it pass us by will lock in future costs and frustrate the realisation of a better place to live and work. Scotland will be on the world stage in 2021 as COP26 comes to Glasgow, and this is a moment to show the best of ourselves and provide an example of leadership to inspire others. As we step forward, we must continue to renew the public support for action on climate change by ensuring Edinburgh's recovery has individuals, families, communities and sustainable businesses at its heart.

Creating the Conditions for Success

A green economic recovery must have very different success criteria from a return to business as usual. Creating jobs and income for investment are vital for recovery. We can and must deliver both while cutting climate emissions and improving wellbeing. As businesses and communities emerge from this pandemic and look towards a better future, our city must come together in new ways, and adopt holistic approaches that build a more resilient, fairer, net zero city.

Realising the full benefits of green recovery relies on Edinburgh's collective ability to create enabling environments and collaborative partnerships in which we measure what matters, challenge our thinking, share resources, redesign services, and reimagine how our city functions and flows.

We highlight the following as essential conditions for success in fully realising the benefits of a green recovery for everyone in and around Edinburgh.

Enabling frameworks for change at scale and pace

We need a **joint commitment from local and national government** to put in place an overarching framework that supports the acceleration of place-based action and decision-making and is conditional on climate impacts and benefits.

Collaborations which cut effectively across organisational and administrative boundaries

Delivering a better city requires connected thinking and actions that cross long-established organisational strategies and cultures. We should **agree a City Compact across lead institutions and communities, to advance inclusive net zero carbon outcomes**. With transparent, collective leadership and citizen participation, this would align parallel city initiatives and strategic decisions to maximise joined-up opportunities.

Accelerate existing momentum and opportunities in the city

Our response to the pandemic has shown we can deliver change at pace. A green recovery should both lock in the positive changes from the Covid response and **accelerate decarbonisation plans and transformation activities already underway**. We should review strategic plans such as the City Region Deal to ensure they fully support a green recovery and provide a starting point for a New Green Deal for the region. Where our existing plans align with a better, more resilient, low carbon future it is critical to accelerate momentum, and not lose it.

Resilience at the heart of economic recovery

Building city resilience unites future priorities of place, inclusive growth and low carbon. We need to ensure **every place in the city has capacity to contribute to and benefit from a net zero city.** The city must identify and invest in sectors that will create jobs in a low carbon future, while building local markets and supply chains. It must invest in wellbeing for resilience against future shocks as an immediate priority. It must ensure local services and green spaces are accessible in a network of net zero neighbourhoods that connect into a

resilient, low carbon city. Investing now in the city's capacity to meet future needs and demands will create immediate jobs and build Edinburgh's profile in critical new lead markets.

Harnessing local activism and behaviour change

Individual choices and community activism can support the economic recovery.

Employees will underpin organisational activity and the agility of businesses to respond to recession. Citizens will create and resource new markets and growth through consumer choices, and local activism and growth in social capital will lead and enable innovation at the most local level. City infrastructure investments must support behaviour changes and sustainable personal choices. City employers should work with employees and citizens to lock in social and environmental benefits of changes to working practices, particularly travel and work patterns, to future operating models.

Ten Recommendations for a Green Economic Recovery

A green economic recovery delivering a carbon neutral city is not only the right thing to address the climate emergency; it is in the best interest of the City of Edinburgh, its businesses, and its citizens. The 2019 <u>Achieving Net Zero report for Edinburgh</u> showed that in delivering two-thirds of its 2030 target, Edinburgh can create over 16,000 jobs and pay back the original investment in commercial terms over 12 years. Other studies show that for every pound invested in a green recovery, cities can realise 3-8 times their initial investment in returns, and much higher multipliers in social benefits.

Ultimately, a green recovery is the basis for a strong and resilient future economy. It will help Edinburgh to withstand the worst impacts of a deep post-pandemic recession, and build the foundation for a collaborative, thriving and resilient economy in years to come. The city and all its partners should be encouraged and supported by Scottish Government, and national and regional partners, to design and invest in this positive net zero future.

Our recommendations support a fair and just economic recovery and underpin the city commitment to be net zero by 2030. They also target current city emissions sources; 31% from transport, 29% domestic, 23% commercial and 17% industrial in 2019.

We have chosen for the best economic, environmental and social outcomes, measured by impact on CO2e emissions reduction, job creation, wellbeing, biodiversity and community resilience.

Here, the Edinburgh Climate Commission puts forward ten priority recommendations to help secure a green economic recovery that lays a strong foundation for the city to reach its 2030 target. These recommendations are aimed at all significant city actors with a role and interest in its recovery.

1. Confirm a joint Commitment to Green Economic Recovery from Local and National Government, placing the right tools and powers at local and national level

Managing and responding to Covid, by shutting down the city to save lives and protect wellbeing, was achieved by fast and brave decision making of national and local leaders. We rapidly adapted regulations and legislation to enable swift decision-making and secured and deployed resources to fund and support immediate challenges and pressures. It was a clear illustration of how governments, businesses, organisations and citizens can act together in the face of a crisis.

An example in Edinburgh is the way people were supported to travel around the city by road, street and cycle paths. Without such an enabling and locally empowering approach, many actions taken to enable safe active travel would not have happened or would have been too late to respond effectively to the crisis.



George IV Bridge during lockdown, April 2020 We cannot yet say the same of our response to the climate emergency. Scottish and Local Government must learn from the Covid crisis and continue to work together at pace to create the enabling environment for accelerated climate action. This should begin with an immediate review of policy and legislation that may need to be overhauled to facilitate change.

2. Make public stimulus and organisational investment decisions conditional upon contributing to a greener future

Public resources alone will not fund the City's economic recovery nor achieve the net zero carbon target. Public and private organisations will have to invest collectively in a new and more resilient Capital city. However, the public pound will undoubtedly play an important role in stimulating economic activity and anchoring wider confidence to invest in the city.

Public stimulus, particularly in respect of capital programmes, construction and tourism should be conditional on actively contributing to a greener more inclusive City. In leading the way, Scottish Government and City of Edinburgh Council must clearly demonstrate and evidence their commitment to a green economic recovery across all investment decisions they make. They should also increase and prioritise support for businesses, in particular small businesses, to target those who commit to transitioning to sustainable business models.

Carbon Budgets and Co-Benefits

To target city investment decisions better we need a shared understanding of the cost and risks of not progressing with a green recovery. Climate impacts such as flooding, storms, high temperatures, and coastal erosion all represent substantive future cost to businesses, organisations and citizens, but are rarely quantified in financial terms or factored into investment decisions. A change is needed in the way such decisions are made, so that the financial cost of failing to realise green ambitions, and the cost to the city of missing green economy opportunities, is more clearly understood.

City partners in both public and private sector must ensure all investment and planning decisions are made on assessment of carbon impact as well as economic benefit, with wellbeing and biodiversity co-benefits locked into decision-making. Visibly quantifying and measuring carbon impact and wider benefits of choices made now is essential for informed decisions and holding ourselves, and each other, to account. The city should adopt a robust, appropriate reporting standard, and build citywide commitment to ensure consistency. City organisations must commit to public reporting of climate impacts, and progress against visible commitments to green recovery outcomes.

3. Redesign and invest in carbon neutral transport infrastructure to underpin and enable green growth

Our recovery from the pandemic should be a catalyst for rapid and long-lasting change in the way we live, work, travel and enjoy our public spaces in Edinburgh. As we begin our transition out of lockdown and see new travel patterns emerge, we have a real opportunity

take a proactive approach in shaping this change, ensuring it leads to a fairer, healthier and happier Edinburgh.

To support a decarbonised transport system, we must collectively go beyond business as usual and make bold changes to the status quo. Action needs to be taken now to facilitate the movement of people and goods without the default congestion, pollution and ill health that comes with an increase in traffic volumes; and to ensure that our streets work for everyone – including children, older people, and the most vulnerable in our city.

With a collaborative approach, innovative thinking and cleaner and greener transport choices, we can put equity, fairness and wellbeing at the heart of our green recovery. We



Enhanced cycling and footpaths on Leith Walk

cannot exchange lockdown for gridlock. The choices we make now will decide our future.

This will mean making our streets attractive and safe places for people, instilling confidence in our public transport, and making walking, cycling or wheeling the most desirable way to meet everyday needs. The city should deliver a plan for a fully integrated transport system including significant expansion of bus, tram, car-pooling and bike hire networks. This should prioritise investment in active travel infrastructure and in support the roll out of a citywide EV charging network for all.

4. Accelerate the installation of energy efficiency measures and renewable heating in a strategic city-wide approach that shares economic opportunity and benefits

Energy use, and in particular the reliance on natural gas to heat our homes and workplaces, is the city's largest single source of carbon emissions. A concerted programme of whole building energy efficiency retrofit combined with a clear strategy for the adoption of renewable heat will result in lower carbon emissions. In doing so, it will also form a critical part of our green economic renewal, helping to tackle fuel poverty, providing immediate employment opportunities, and sharing the economic benefits of recovery.

Retrofit for energy efficiency and jobs

Over 80% of existing homes and workplaces will still be in use in 2050 but take too much energy to heat. A concerted programme of building retrofit for energy efficiency can deliver significant cuts in carbon emissions, reduce fuel bills and create healthier living space. Energy efficiency is one of the most cost-effective ways of reducing emissions and addressing fuel poverty. It is labour intensive, with an existing supply chain that can be easily expanded to provide new jobs. With positive payback, energy efficiency should attract innovative finance and be seen as a good investment by building owners. Public funding is needed to unlock investment, particularly in private homes, prioritising those in fuel poverty.



Retrofitting tenement buildings in Edinburgh will bring multiple benefits to residents and the wider city

Renewable Heating

How we currently heat our buildings contributes over 40% of Edinburgh's climate emissions. Individual property owners have a piecemeal approach to installing renewable systems, and gas boilers are still being installed in new buildings. Energy efficiency will reduce carbon emissions, but we need to move from gas to renewable sources for heat. Edinburgh needs a detailed strategy to deliver this transition, primarily through district heating networks and small-scale heat pumps. Only the local authority can provide leadership to develop a citywide renewable district heating strategy and guide its implementation through planning and regulation. The strategy must include a clear implementation plan. This may include a wider role for the local authority to support deployment of heat networks, provide investment confidence, enable efficiencies, and align with tram and other transport works to ensure the creation of sustainable jobs and affordable heat.

5. Localise services, support, and infrastructure to build community resilience and strengthen neighbourhood economies

Recent restrictions to travel during lockdown have made us all realise how vital it is for essential goods and services to be available and accessible from within our local communities. The changes we have all lived through have also more than ever made us value the people and places in our neighbourhoods that bring us together, and how much a community struggles when they are not available. A place-based approach that delivers net zero neighbourhoods will ensure that every community in Edinburgh has access to the local services and places it needs to build resilience and strengthen its economy.

An ambitious programme of place-based localisation across Edinburgh would deliver significant social and climate benefits, in particular by reducing the need for in-city travel and

our levels of vehicle dependency. Better connections between Edinburgh's places delivered by infrastructure that is effective in reaching into communities would further encourage use of active travel and public transport. With ambitious thinking and investment our city can enable climate positive behaviour, give time back to Edinburgh people to deliver better productivity and wellbeing outcomes, and improve city health and resilience at local level. In doing so, such investment should design in an intentional job creation and skills development programme to make sure that the communities affected by change are those who benefit the most. Public sector infrastructure investment can lead the way in re-shaping the city as a network of zero carbon mixed use spaces but must co-ordinate with other sectors to leverage maximum benefit from shared investment.

To realise these benefits, the city must fully embrace place-based principles and spatial planning into future city design and hold city development partners to account for their implementation in projects and programmes at every scale. The Edinburgh Partnership Board should ensure a connected public sector approach to bringing services together in the right places for local need, delivering the Edinburgh Community Plan ambition of 'good places to live'.

6. Ensure investments in Edinburgh's natural and built environment are focused on improving physical, mental and environmental wellbeing

During the Covid lockdown the people of Edinburgh have come to revalue and reconnect with public spaces in their city, in particular with green space. While many of us have been enjoying this closer connection with our parks and places, lockdown restrictions have also shone a spotlight on stark inequalities in the ease with which people can access the outdoor space and natural environment that is essential for our collective wellbeing.

Wellbeing and Economic Benefits

While it is clear that access to green space is vital for our mental and physical health, green



Access to green space like the rose garden at Saughton Park is vital to mental and physical health

space and green city infrastructure can also become an economic asset to the city with benefits that extend beyond reducing carbon emissions, improving air quality and biodiversity.

We should foster and prioritise innovative city approaches to green spaces; for learning and local food production, and for managing climate risks and costs, which are essential for the success of the city's economic plans.

We must reflect these benefits in city development plans at all levels and prioritise a city plan for green space to underpin its economic plans. This should require the opportunities for

green spaces and infrastructure to be maximised and fully integrated into the future building and space designs of anyone creating or redeveloping assets in the city.

7. Embrace the opportunity of more flexible working and business practices to reimagine building assets and opportunities for the city

Organisations all over Edinburgh are rethinking their need for space as they look ahead to new ways of working. Employers in the city have seen the benefits of changes to working practices, particularly travel and work patterns, and should harness these into future operating models that align business strategies with a net zero 2030 target.

As a result, buildings and car parks are currently lying empty and look set to stay that way for some time. This presents a unique opportunity to rethink our buildings and spaces, how we use them, and to make them fit for future city needs and working patterns. We can create jobs and cut emissions by improving building performance, and it is an opportunity to release city space and land for redevelopment to stimulate low carbon activity without further expansion into city green belt.

Rethinking Estates and Assets

Big employers and building owners should work collaboratively to efficiently plan and manage their commercial and office accommodation for a significant rebalancing of employees working from home. Further collaboration should be undertaken on release of assets into a pipeline of projects to improve building performance, reduce emissions, increase in-city carbon sequestration, and stimulate opportunities for a greener economy and a healthier city.

Release and repurposing of land offer significant opportunities to improve the city as a space for living and recreation as well as a place of work. With the



The Covid-19 pandemic has changed how we view traditional office working environments

recommendations set out here, this can create jobs and new industries, support and meet the need for good quality accommodation, and improve the green space and health opportunities within a built up environment.

The city planning framework needs to enable and support this vision. It should not make short-term compromises detrimental to the city's environment and future resilience.

8. Shape and grow the skills and knowledge needed to deliver a green economic recovery in Edinburgh, and lead a global low carbon transition

We must prepare to build a different economy, by investing in the skills needed to deliver local and global change, and supporting city businesses to transition to a low carbon future. By retraining our workforce, and supporting recent graduates and new apprenticeships, we can put those with careers and studies disrupted by Covid-19 at the forefront of our response to the global challenge of climate change. In doing so, we can deliver the many

benefits of a low carbon transition to our city, create new opportunities for people and businesses across the city, and showcase our city's knowledge and talent.

Edinburgh has led the world in creating education programmes in carbon management and carbon accounting. With the expertise, experience and culture that sits across its education community, Edinburgh is uniquely positioned to be at the forefront of creating the skills and knowledge needed across all industries to design and deliver a low carbon economy.

An Edinburgh partnership of business, higher and further education should establish an Edinburgh Net Zero Skills Taskforce. This would drive a collaborative approach, working with industry and across institutions, to address future skills needs. Its mission would be to embed low carbon knowledge across the learning and teaching programmes of all Edinburgh's education providers, and to ensure the city has the capability and capacity to lead, design and deliver massive programmes of decarbonisation, system change, sustainable development, and retrofit in Edinburgh and beyond.

9. Identify and develop low carbon economy sectors and business models to position Edinburgh as a globally competitive green economy

Building back better requires the city to invest in a new future including identifying new lead markets and investing in skills, technology and innovation to deliver a green and resilient Edinburgh economy. Big businesses and organisations already invested in the city should use their purchasing power to stimulate these new industries, with shorter supply chains that deliver economic multipliers and recycle benefits within the city.

Innovation and Business Creation

Edinburgh should commit to identifying and investing in the lead markets for a low carbon economy with the potential to emerge most strongly from this crisis, starting in areas where



Edinburgh has the potential to create one of the world's greenest and cleanest festivals

Edinburgh already has competitive advantage. Data and digital capabilities should be at the forefront of this new competitive economy. Edinburgh can lead the way in smart energy use and digital healthcare and our finance sector should show global leadership in supporting low carbon and conditional investment. We should become a world leader among world heritage cities in retrofit and green infrastructure, and we should rebuild Edinburgh tourism around the world's greenest and cleanest festivals. Our city should be a global clean-tech hub, nurturing a community of mission-led businesses who address local and global climate challenges.

Improving Efficiency and Productivity

The city must support and encourage existing businesses to build competitiveness and resilience by being active participants in a green recovery. As we emerge from the crisis, consumer expectations and market conditions will change, and city businesses must be agile in responding. With near term survival the focus for many, the city must help them develop new capabilities and invest in systems and productivity for the long term. There are huge opportunities to improve staff wellbeing and productivity, find operational efficiencies and savings, and create new products and markets. By helping our businesses understand climate impacts and shape new business models, we can help local companies realise the benefits of a low carbon economy, and solidify Edinburgh's place as a globally competitive city.

10. Be bold and innovative in supporting and enabling new funding models to become a global leader in sustainable investment

As a global centre in the finance sector, Edinburgh's finance and business community have an essential role in financing a sustainable future for our city and beyond. Our city also has an opportunity to show global leadership by enabling the financial innovation needed to mobilise capital and investment for a better and more resilient future. With the scale of funds under management in our city, Edinburgh's financial institutions can have an immediate and significant impact on the speed of a green recovery by unlocking investment capital now for long term, low carbon projects.

Reframing Investment Returns

We already know that investment in a low carbon economy makes business as well as environmental sense. This is not just an opportunity for investment institutions. We have an opportunity to mobilise, blend, and invest capital from across businesses, public sector, communities and private citizens – and to share the benefits.

Delivering against this requires leadership and radical thinking, with a willingness to challenge and change (at scale) finance models, approaches to risk, financial



We can all benefit from investing in a low carbon economy

products, sources of capital, and the anticipated returns. By thinking beyond the traditional 'business case', our investment community from individuals to institutions can deliver a sustainable future, founded on fairness and wellbeing and resilient to climate risks and future shocks.

Global Leadership in Innovative Finance

Edinburgh should use its strength and influence as a global finance sector to promote and pilot new methods of mobilising sustainable investment, delivering finance direct to the communities and activities needed to transition to net zero by 2030.

Investors should incorporate transition and sustainability metrics as a condition for private and public funding to ensure we direct capital towards building back better. Where investors currently direct finance to equity markets, they should be encouraged to invest in the real economy. By 'unlocking' even a small proportion of the £1 trillion invested in UK pensions, we can address the infrastructure investment gap, putting pensions to work to create jobs and a better future.

We can use this moment to make Edinburgh a global leader in mobilising sustainable investment, by looking beyond institutional models to introduce innovative models for enabling community investment, with redesigned asset ownership and investment returns.

Achieving net zero carbon by 2030 requires a depth and scale of action across multiple measures which we do not attempt to cover in full in this paper.

Our ten recommendations set out a significant, but achievable challenge across many aspects of city operations and city life. Here we highlight to city stakeholders a number of immediate actions to build momentum for a green economic recovery in Edinburgh.

Recommendation	Actions
Confirm a joint commitment to Green Economic Recovery from local and national government	 Confirm a joint political commitment to a Green Economic Recovery from Scottish and Local Government.
	• Agree a framework of locally enabling powers , to support rapid investment in climate action and a green economic recovery. This framework must:
	 Enable strong and agile local decisions necessary for the scale of change and innovation needed to meet legislative and political climate targets.
	• Ensure we reflect both the nature of the climate emergency and urgency of the post pandemic context and reject any calls to roll back policy and regulation that enables a green recovery.
	• Include local ability to raise resources and influence behaviours, for example through a workplace parking levy and a tourist visitor levy, or other new local government powers to raise revenue.
Make public stimulus and organisational investment decisions conditional on contribution to a greener future	• Implement place-based and city-level carbon budget impact and climate resilience assessments as a condition for public support, development consent and investment.
	 Design and agree a city compact for net zero, to which public and private city partners sign up and commit.
Redesign and invest in carbon neutral transport infrastructure to underpin and enable green growth	• Apply the <u>20-minute walking principle</u> for placemaking in both travel and neighbourhood design.
	• Deliver a citywide spatial and circulation plan that prioritises neighbourhood vitality, local living and city transport by foot, bike and public transport, ensuring planned investment and funding commitments align with decarbonisation, reducing inequality and travel demand.

	 Decarbonise transport to, from and within Edinburgh, through rapid electrification of motor vehicles, and measures that provide alternatives to car use, and roll out of universal EV charging networks with access for all. Extend the City Centre Transformation plan to implement a seamless network of active and green streets connecting a transformed, zero-emission city centre to low-traffic neighbourhoods across Edinburgh.
Accelerate the installation of energy efficiency measures and renewable heating in a strategic city-wide approach that shares economic opportunity and benefits	 Make our homes and workplaces fit for a low carbon future, by accelerating community-wide energy efficiency activity and maximising utilisation of Scottish Government fuel poverty programmes and supporting regulation. Reduce energy use by a citywide campaign supporting householders to improve use of their heating controls and install low cost measures to deliver immediate carbon and fuel bill savings. Develop detailed strategies and implementation plans to support use of low carbon heat with the development of heat networks.
Localise services, support, and infrastructure to build community resilience and strengthen neighbourhood economies	 Deliver neighbourhood retrofit, considering housing, buildings, space and supporting infrastructure at the scale of urban blocks, or whole neighbourhoods. Design an accelerated programme to shorten supply chains for produce, products, and services, which enables agile community and enterprise models. Create hubs for preventative care, digital services, shared working and learning space across Edinburgh's town and village centres, as focal points for place to reduce in-city travel and place work and services into Edinburgh communities and better use existing and planned assets.
Ensure investments in Edinburgh's natural and built environment are focused on improving physical, mental and environmental wellbeing	 Identify and allocate derelict and underused land for community green space, including green infrastructure, urban food projects, outdoor education, carbon sequestration, biodiversity and health.
Embrace the opportunity of more flexible working and business practices and reimagine assets and opportunities for the city	 Lock in beneficial changes to city working practices such as reduced travel and increased flexible work patterns. Reassess city space and building requirements and identify opportunities for repurpose, redesign and

	reuse of city assets, to improve building performance, identify opportunities for green infrastructure, and reduce pressure to release new land for development.
Shape and grow the skills and knowledge needed to lead and deliver green economic recovery	 Establish a taskforce of employers, higher and further education to rapidly prioritise and address capability and capacity gaps in skills to deliver a green recovery.
	 Invest in a programme to embed net zero capability and climate literacy across city organisations to improve strategic and operational decision-making.
Identify and develop low carbon economy sectors and business models to position Edinburgh as a globally competitive green economy	• Identify and invest in lead markets set to grow in the transition to a low carbon economy.
	 Support local businesses to move to low carbon business models, delivering competitiveness, efficiency and productivity as well as positive climate impacts.
	• Establish a city-run investment fund providing seed capital for city start-ups that support climate mitigation and adaptation, <u>and</u> are committed to staying in the city.
Be bold and innovative in supporting and enabling new funding models to become a global leader in sustainable investment	 Pilot innovative investment models that mobilise capital for smaller-scale projects, to support local projects and programmes into community and city ownership.
	• Launch city transition bonds that incorporate sustainability metrics to put funding in the hands of councils and communities.
	 Lead on unlocking the pensions and savings market through recommending policy intervention to align pension savings to net zero goals.

A City Call to Action

The recommendations we outline are constructive and positive for Edinburgh's future. We believe they will deliver a sustainable recovery enabling Edinburgh to accelerate its journey to net zero, create lasting employment opportunities, support the wellbeing of its population, and build and sustain resilient communities across the city.

Every business, individual, community and organisation with a stake in the city can contribute to the successful realisation of these outcomes. Our actions will directly influence the strength of our recovery, and the resilience of Edinburgh into the future.

• The Scottish Government should ensure that national recovery plans, policies and budgets do not simply support a fast return to business as usual. It should build an economy that prioritises eliminating emissions, increases wellbeing, promotes biodiversity and supports economic activity that realises these aims. It must also build

from the experience of the response to the Covid-19 crisis to enable rapid, agile and place-based decision making in the City of Edinburgh Council (and other local authorities across Scotland) to continue.

• The City of Edinburgh Council must be a bold and ambitious city leader. In implementing major city plans and policies on Local Development and City Mobility, and in driving city recovery, it must maintain and accelerate its focus on delivering net zero, on the wellbeing of citizens and communities, and on supporting a low carbon future for business and the economy. It has a key role in ensuring investment and development is



From national to local government there are opportunities to deliver a green economic recovery in Edinburgh

focused and conditional on net zero, wellbeing and biodiversity outcomes. Building from the 2050 Edinburgh City Vision, it must engage city stakeholders whilst retaining the adaptive and rapid response demonstrated in the Covid-19 crisis. It must support citizens and businesses to make low carbon choices that benefit the City and its locality, with the overarching aim of making Edinburgh a good place to live and work for everyone, everywhere in the city.

- The Investment Community should come together to ensure funding and financing is prioritised towards projects that benefit the City, and its communities, in the transition to net zero. It should ensure that any investment is conditional on meeting climate goals and focused towards infrastructure and jobs that will realise a net zero economy. It should use its global influence to drive divestment of carbon-intensive assets and to accelerate widespread adoptions of climate impact conditions and metrics into investment decisions.
- Edinburgh Businesses can embed net zero and wellbeing to ways of working, so their recovery plans deliver more competitive and sustainable business models. They must understand carbon impacts, and shift operations, premises and estate towards net zero.

They should consider how to get best value for themselves and others from their Edinburgh assets by co-designing, diversifying and sharing property plans and excess assets with city business and community stakeholders for mutual benefit. They can support local growth, strengthen business resilience and reduce climate impact by localising supply chains and raising the bar on supplier expectations. The largest organisations in Edinburgh can show and lead the way. Those most active in a green recovery will realise the most benefits.

• **People living and working in Edinburgh**, wherever possible, should adopt the opportunities generated by wider stakeholders to accelerate their transition to a net zero future, focussed on wellbeing. In doing so, they will play their part in the 2050 Edinburgh

City Vision expressed by city residents. They can use new open streets and green spaces for active travel and leisure. Where possible, they should shop and buy locally to reinforce local benefits and support local supply chains; and adopt opportunities to switch to energy efficient and low carbon lifestyles where they can. People who live or work in Edinburgh should also engage with their employers, the Council, service providers, local community groups and others in the steps these stakeholders take as they recover from the Covid-19 crisis and plan for a net zero future.

• **Communities across Edinburgh** should be encouraged and supported to maintain and build on the powerful community response to Covid-19. With



Members of Leith Community Croft preparing for market day

help they could identify and build support and ownership of local assets and explore with others how to manage, maintain and use these to support the transition to a resilient net zero Edinburgh.

The Role of the Edinburgh Climate Commission

will deliver a Net Zero Edinburgh by 2030

The Edinburgh Climate Commission will be supporting these recommendations across our engagement with businesses and wider stakeholders in the City and beyond, and within the organisations that we represent. Where possible we will seek to engage key actors, make connections, catalyse solutions and share advice and expertise to support the recovery from the Covid-19 crisis and to accelerate the transition to net zero.

Supporting the city to deliver a green economic recovery, the Commission will:

Engage with city and business partners to promote and build consensus and share activities around these actions
Identify how these actions can be taken forward and embedded in organisational and strategic city recovery plans
Highlight and promote existing positive activity happening in Edinburgh
Actively seek out and share international expertise, experience, and good practice in the recovery to inform Edinburgh's response
Use COP26 as a platform to promote and challenge the city to go further and faster in ensuring a swift and just transition to a carbon neutral future
Ask for public commitments and visible actions to shape a recovery that

It is through collective vision and effort that Edinburgh can shape and deliver a green recovery that benefits all. The Commission is ready to help create that vision, to build citywide commitment to a clean, fair and thriving city, and to help bring together those who can play a part.

Appendix: City Programmes for Green Recovery

Edinburgh is not beginning its journey to a green economic recovery from a standing start today. The city is already on the right track in many ways with a number of promising signature programmes underway that represent a vital opportunity to deliver on the vision we set out in this document. The challenge the city faces is to make the most of these opportunities, and to add to them to build momentum, maintain commitment, and deliver at scale and at pace.

Here we provide examples of citywide programmes, with recommendations of how they could be accelerated and their impact and outcomes improved by adopting a placemaking approach to focus innovation in design, create local opportunities, and build city capacity for delivery.

Expand and accelerate City Centre Transformation to a City-Wide Spatial Plan

Edinburgh should be a city where everyone can thrive without the need for a car. To achieve this goal we must ensure people can meet most of their daily needs a short, pleasant walk away. By redesigning our city to the 20-minute principle, we will build resilient communities where housing, schools, jobs and retail sit side-by-side to unlock productivity and connect people and places.

A more ambitious vision for **expanded City Centre Transformation can evenly distribute outcomes beyond the city centre**. A transformed centre connected to low-traffic neighbourhoods through active and green streets will reduce emissions, support communities, strengthen local economies, increase productivity, and improve people's health and wellbeing.

The outline programme for City Centre Transformation is already agreed. The Council and city partners can use this framework to enable growth and invest in a bolder vision, including faster implementation of projects already agreed as an investment in jobs and growth.

As a pathfinder for stronger spatial planning, West Edinburgh's strategic connections to the airport, national rail infrastructure, and its strong and diverse urban and semi-rural communities present significant opportunities to realise benefits across the city region.

Accelerate city uptake of energy efficiency in buildings

Heating our homes and workplaces accounts for 42% of our carbon emissions. Improving the efficiency of our homes, workplaces, and public buildings is the most cost-effective approach to reducing our energy usage, and the first step in making our buildings zero carbon.

Everyone living and working here can take immediate action. Responding to more homeworking and likely unemployment with a **Citywide Energy Challenge** would encourage all citizens to engage in how energy is used in home and workplace, and make changes to reduce their consumption. Encouraging and incentivising installation of smart energy controls and low-cost energy efficiency measures would deliver immediate savings in reducing wasted energy. Linking to fuel poverty and energy efficiency programmes would ensure those most in need are supported immediately.

Alongside this, a major programme installing energy efficiency measures in homes and workplaces will transform energy use. By harnessing the power of communities to generate demand, supporting local companies, achieving economies of scale, and ensuring high standards, the city can provide confidence to householders and business to invest in homes and workplaces. Innovative finance mechanisms would unlock the potential in the city and ensure that everyone in Edinburgh can benefit. Funding will be required to ensure the fuel poor are not excluded from the transition, and to provide the framework to drive demand and ensure high quality work to unlock wider finance.

Using placemaking to deliver better outcomes

Place is where people, location and resources combine to create stronger outcomes. A place-based approach establishes the right mix of services and uses to meet needs at local, district and city level. What goes where, and why, is a strategic choice based on local and city benefits.

An **ambitious programme of place-based investment would deliver significant social and climate benefits;** reducing the need for in-city travel, maximising zero carbon design, joining up services, and improving active travel connections between places. Placemaking is central to a Just Transition for Edinburgh, and building resilient communities can stimulate local economies, and distribute jobs, skills, income and activity across the city.

Edinburgh should take this opportunity to **build deliberate and intentional place-based transition strategies** that recognise and respond to the new geography of a changed city:

Where	What
City centre	Re-purposed centre of learning, finance and heritage supporting a new model of sustainable, zero carbon tourism and city governance
Adopter communities	Places with the city rapidly adopting new ways of working in high quality local settings, enabled by zero carbon adaptation
New vulnerable communities	City places with high concentration of more vulnerable employment, where local recovery must build greater resilience
Pre-existing vulnerable communities	Places in the city where poverty and inequality were key concerns pre-Covid, where placemaking can focus on local jobs and services
New places	Places at planning stage, where inclusive net zero outcomes can be grown, and investment can leverage benefit for adjacent communities

A Pathfinder programme should prioritise three key objectives:

- 1. Build a **UK exemplar of infrastructure first models** which create a step change in the inclusive net zero carbon design performance, addressing neighbourhood retrofit and new development
- 2. Accelerate local models of bringing together community services, digital services, local enterprise space and new ways of working; collocated in zero carbon hub spaces and places, by strengthening the zero carbon criteria in <u>Place Based</u> <u>Opportunities Board</u> decision making
- 3. Create development space clusters to support the city in the transition to net zero **business**, placed to maximise the local benefits of investment, and including the space to support supply chain resilience and develop local skills for transition.

Creating an Edinburgh Climate Innovation District

Granton is a priority investment for city partners and Scottish Government, and an opportunity to accelerate climate innovation in Edinburgh. The development should showcase building fabric, green space and energy innovation, alongside connected infrastructure and place-making principles designed to support low carbon behaviour.

The current vision is ambitious and committed to green objectives, but could go further and faster to deliver sustainability and social outcomes alongside the business and job opportunities of a low carbon economy. The District should demonstrate city capabilities in zero carbon innovation. Partners should review its commercial land use, to accelerate the supply of zero carbon business and workspace and foster development of lead market clusters. The Council, Scottish Government and city partners need to raise ambition, and deliver a world leading regeneration project.

Appendix: Members of the Edinburgh Climate Commission



Dr Sam Gardner (Chair) Head of Climate Change & Sustainability at Scottish Power



Clir Adam McVey (Vice Chair) Leader of the City of Edinburgh Council



Bridie Ashrowan Chief Executive at Space & Broomhouse Hub



Teresa Bray Chief Executive at Changeworks



Sophie Eastwood Development & Operations Manager for the 2050 Climate Group



Clare Foster Partner and Head of the Clean Energy Sector at Shepherd and Wedderburn LLP



Dr Alex Hilliam Director of Hilliam Research and Analysis



Andrew Kerr Chief Executive of the City of Edinburgh Council



Dairmaid Lawlor Associate Director at the Scottish Futures Trust



Sinéad McNulty Climate Activist



Calum Murray Director of CCG (Scotland) Ltd



Daisy Narayanan Director of Urbanism at Sustrans



Andrea Nicholas Co-founder of the Green Tourism Certification Programme



Kaisie Rayner Sustainable Investment Lead at Scottish Widows



Prof Dave Reay Carbon Management Chair and Director of ECCI at the University of Edinburgh

Appendix: Image Credits

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