



A Government scheme that has enabled some of Britain's biggest cities to have more spending control in areas such as planning and transport is proving to be an effective driver for low carbon growth, according to a new report by the Green Alliance.

The research by the green think tank found that 'city deals', which the Government has introduced to unlock the economic potential of cities, are driving low carbon growth across eight major cities, but that some authorities are doing better at embedding low carbon growth in their city deals than others.

The Government earlier this year gave the cities of Newcastle, Birmingham, Manchester, Nottingham, Bristol, Liverpool, Leeds and Sheffield more spending powers in a bid to rebalance the economy and decentralise power. A further 20 towns, cities and regions are now being invited to put forward proposals to unlock growth through the city deals process.

Green Alliance's report, 'Green Cities: Using City Deals to Drive Low Carbon Growth', said all eight cities that were part of the first core 'city deals' had used the process to accelerate low carbon progress, demonstrating it was a valuable way to transition to a green economy.

The report found that the city deals had accelerated low carbon growth across a number of different sectors including manufacturing, built environment, investment, energy and transport.

"The low carbon economy is delivering for UK plc and city deals are a valuable opportunity to accelerate that progress," Faye Scott, the author of Green Cities, and Green Alliance's head of research said. "They are an opportunity for cities to pursue resilient, low carbon growth and

revive both local and national economies. We'll be working with further cities to explore how they can embed low carbon in their deals."

Low carbon growth

The report highlights some key examples of cities pursuing low carbon growth through their city deals, including Newcastle and Liverpool securing millions of pounds of investment in marine and offshore energy and enabling the creation of 11,000 jobs and Sheffield using its deal to better position the city for low carbon nuclear new build.

Birmingham has used its city deal to secure £3 million for its Green Deal to kick-start a mass retrofit programme and, along with Nottingham, to expand its district heating scheme.

Nottingham is also enabling growth via sustainable transport with £1 million to act as a behaviour change test bed. And Manchester is creating a 50/50 joint venture with UK Green Investment Bank to develop a portfolio of low carbon investment options.

City deals don't go far enough

But the Green Cities report also criticizes the city deal for not going far enough. In particular, it concludes that cities would have benefited from "aligning their overarching growth priorities with their existing low carbon visions and weaving in efforts to build resilience across all areas of the deal". It notes, for example, that Manchester and Bristol both "missed the opportunity" to use their low carbon ambitions to shape how their city deals "approach growth and prioritise activities". Most cities also missed the opportunity to "integrate" low carbon growth into the objectives of their city deals. And despite national and local climate change and low carbon goals, the report found "little evidence" that cities were responding to climate change in their city deals.

Ahead of the next wave of city deals, the report makes a number of recommendations including around the UK entering into city deals. For cities, these include using existing city visions, policies and targets for low carbon growth to help frame deals and embedding low carbon opportunities across all aspects of the deal. The report also recommends that central Government should do more, including making it clear to cities the importance of using their deals to strengthen progress on low carbon growth and using the deals to forge better partnerships between cities and individual Government departments.

The 20 cities, towns and regions in the next wave of city deals are: the Black Country; Bournemouth; Brighton and Hove; Cambridge; Coventry and Warwickshire; Hull and Humber; Ipswich; Leicester and Leicestershire; Milton Keynes; Norwich; Oxford; Reading; Plymouth; Preston and Lancashire; Southampton and Portsmouth; Southend; Stoke and Staffordshire; Sunderland and the North East; Swindon and Wiltshire, and Tees Valley.