

The Rt Hon Ed Miliband MP

Department for Energy Security and

Net Zero

55 Whitehall

London SW1A 2HP Please Adam Thorp, Director of Policy and

ask Corporate Services

for:

Mobile: **07791291411**

email: Adam.thorp@localgoveasteng.gov.uk

Date: **03 October 2025**

Dear Secretary of State Miliband,

Regional Disparity in Net Zero Funding

I am writing to you as Chair of Climate Forum East, which brings together representatives of the East of England's 50 councils to collaborate on issues regarding climate, the environment and net zero.

The recently published <u>The State of Net Zero: The Emergence of a Regional Disparity in Strategic Net Zero Funding</u> report from Ibex Earth highlights a significant disparity in the level of funding received by local authorities across the UK to support delivery of their net zero ambitions. The situation for the East of England is particularly stark. The report shows that our region was the lowest funded nationally by a significant margin with only £6 per capita received across four key funding programmes, in comparison to the North East which received £51.90 per capita. The East of England's share of funding equates to just 2.92% of overall funding, in comparison to Greater London which received the largest share at 22.87%.

The four funding programmes analysed in the report were the Public Sector Decarbonisation Scheme (Phase 4), Warm Homes: Social Housing Fund (Strategic, Wave 3), Green Heat Network Fund (May 2025) and IUK's Net Zero Living Programme (Demonstrators). These funds are some of the biggest contributors to councils' delivery of net zero programmes in recent years. With this inequitable allocation of funds, our local authorities have been significantly hampered in their ability to reduce carbon emissions and are being left behind nationally.

This is set against a backdrop of our region's acute vulnerability to the impacts of climate change, notably coastal erosion, overheating, subsidence, water scarcity and flooding. These issues are already beginning to become apparent and are worsening. Recent examples highlighted by local authorities include widespread flooding that has damaged sugar beet crops in Cambridgeshire, heatwaves and water stress events that have led to socioenvironmental impacts and disaster responses including hose pipe bans and increased costs to businesses in Central Bedfordshire, increased wildfires in Thetford Forest in Norfolk, and water scarcity constraining new development.

Our councils and their partners are spearheading innovative net zero projects and working to ambitious and demanding carbon reduction targets. This good work is happening despite much needed additional support from the Government – as can now be seen from this report.

It is clear that the Government is not currently supporting the East of England in the same way that it is supporting other areas of the country, and this disparity must be addressed.

Local authorities in our region are hugely disappointed that the Government has not been minded to place a clear duty to act on climate change on local authorities and, consequently, does not intend to provide bespoke funding. We see this as a significant missed opportunity to enable consistent and effective climate action and to unlock economic opportunities from the net zero transition across the UK.

We urge the Government to leverage the power of devolution by giving Strategic Authorities a duty to have regard to carbon reduction in line with carbon budgets, and to build in climate resilience across all their powers and functions, akin to the duty for health.

We further ask that this is supported by both new burdens funding and by an equitable, automatic and consistent allocation of funds. The current competitive bidding requirements are an extremely poor use of increasingly scarce officer time. The inevitable result of this approach is a few winners, alongside many authorities that have expended significant officer time and resources without securing funding – an incredibly poor return for taxpayers across the country. I urge DESNZ to work alongside MHCLG and DEFRA on funding simplification, to reform the way net zero support and climate resilience support are allocated.

These measures would allow us to move decisively to deliver net zero and climate resilience ambitions, unlocking the associated health, cost of living and investment opportunities for our residents and businesses, and underpinning our future economic growth.

I trust that you find the disparities in funding outlined in this report as worrying as I do and agree that something must be done to address this significant imbalance. I would like to propose a meeting with you, or a colleague in your ministerial team alongside senior officials and officers, to discuss this further and explore measures to ensure our region is not left behind.

I look forward to your reply and to our ongoing discussions.

Yours sincerely

CIIr Peter Schwier

Chair of Climate Forum East and Cabinet Member for Environment, Waste Reduction and Recycling, Essex County Council