



Innovate
UK



INSIGHTS

Success by Design

Insights from the Net Zero Living Programme and other grant schemes into what works for local authorities

MARCH 2026

About the Net Zero Living Programme

Innovate UK's Net Zero Living Programme is helping local authorities and businesses work together to deliver new solutions that improve local services and open markets for economic growth.

Places across the UK are seizing the opportunities that come with decarbonisation to create warmer homes, cheaper local energy, new skills, and more secure work for their communities. But often, while the technology is available, places face barriers in areas such as resources, investment, planning and buy-in.

About Regen

Regen provides independent, evidence-led insight and advice in support of our mission to transform the UK's energy system for a net zero future. We focus on analysing the systemic challenges of decarbonising power, heat and transport. We know that a transformation of this scale will require engaging the whole of society in a just transition.

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Authors

If you have any questions or feedback about this document, please contact the authors.

Anna Cuckow
Senior Project Manager, Regen
acuckow@regen.co.uk

Poppy Maltby
Associate Director, Regen
pmaltby@regen.co.uk

Executive summary

Government grant funding schemes play a critical role in helping local authorities progress their climate and wider strategic plans. To be most effective, these must be carefully designed and managed to reflect the needs of numerous parties and real-world constraints.

As the Net Zero Living Programme concludes, this insights report takes the opportunity to reflect on the design decisions that helped ensure a successful, impactful programme from Innovate UK, as well as some of the challenges encountered. This analysis is complemented by research into similar schemes, particularly the Local Electric Vehicle Infrastructure (LEVI) Fund. The report provides an overview of what's working well for local authorities across the UK and summarises the key considerations for those designing (or refreshing) grant schemes.

Unlike independent evaluation reports, which typically focus on impact or value for money for a single scheme, this research focuses on how different schemes have been developed and dealt with challenges, highlighting that critical decisions made at the design stage can lay the groundwork for later success.

Five major design considerations

Our research identified five major design considerations covering different stages of a grant scheme, from early decisions over what outcomes it will target through to securing its legacy. Each section describes the challenges associated with one of these considerations, then illustrates through case studies how funders and delivery partners are finding fresh approaches to overcome them, offering insight for future schemes. Our key findings are:

- 1. Flexibility in grant scheme design is essential to reflect the diversity of local places.** As far as possible, grant schemes should allow local authorities to decide how funding is best used locally to meet the scheme's desired outcomes, helping to spark innovation. Even where consistency in approach nationally is important, localised variations should be anticipated.
- 2. Non-competitive funding allocation processes are seen by many as an improvement, but application processes still present challenges.** Allocating funding to authorities, rather than competitive awards, is perceived as fairer but still requires investment in time and resource to develop strong projects. For all approaches, pre-application support and realistic timelines help a wider range of authorities to access funding.

3. **Capacity building is critical, but not a quick fix.** Schemes should seek wherever feasible to cover the cost of project management and delivery by local teams. However, recruitment, onboarding, training and building internal relationships take time, and constraints often remain in supporting specialist teams, such as procurement or planning.
4. **Technical support helps drive results and can take many forms.** The most impactful technical support is tailored to local needs and delivered as a timely, coherent service. The optimal balance between centralised resources, bespoke advice and peer-to-peer best practice sharing will vary by scheme, depending on the diversity and complexity of the projects.
5. **Scaling up action remains challenging.** Deciding early how insights will be gathered and disseminated across a sector can help maximise the reach and impact of programmes, and varied resources may be required. Grant funding can be used to leverage private finance, but this is likely to require upskilling and embracing innovative partnership approaches.

Taken together, these findings underscore the importance of considering the needs of local authorities holistically when designing schemes. Rather than focusing on one aspect in isolation, successful schemes often strategically blend capital funding (for example, for direct technology deployment or infrastructure upgrades) with funding for project management, technical assistance and knowledge-sharing activities. Designing schemes in this way helps to maximise the benefits for both local authorities and funders, accelerating action.

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1 Introduction

1.1 Background

Funded by Innovate UK, the Net Zero Living Programme has provided £35m in grant funding to more than 50 local authorities across the UK since 2023. Its aim is to help places overcome non-technological barriers on the journey to net zero.

With the Net Zero Living Programme concluding in March 2026, this paper reflects on the successes and challenges of delivering this and similar grant-funded programmes.

We explore five areas where decisions made at the design stage highly influence the likelihood of successful delivery for local authorities. These areas cover different stages, from initial decisions over what outcomes funding will target, through to securing the legacy of a programme, using case studies to illustrate different approaches in practice. We summarise key considerations likely to be valuable for those involved in designing or refreshing grant schemes.

1.2 The role and challenges of grant funding

Securing grant funding from national government and similar bodies is a vital step for many local authorities in achieving their climate and wider strategic ambitions.

While many local authorities are scaling up their efforts to leverage private sector investment, grant funding remains a highly valuable type of 'development capital'. It provides a low-risk way to fund novel or high-impact projects and overcome market failures. When deployed strategically, grant funding can also help build skills and experience within a local authority, opening up further opportunities.

However, the grant funding landscape and networks of organisations offering support are complex and ever-changing, and therefore often challenging for local authorities to navigate. Each scheme offers different levels of capital funding, revenue funding, technical support and peer-to-peer knowledge-sharing initiatives. Many are also focused on specific outcomes and only accessible for short periods.

Among local authorities and partner organisations, there is concern that some grant schemes are not supporting local authorities as effectively as they could be, for wide-ranging reasons.

In recent years, there has been a [shift by national government](#) in how grant funding is awarded, away from competitive bidding and towards alternatives, such as conditional allocations. This partly reflects the increasing maturity of low-carbon technologies and the urgency of action required across all places, as well as recognition of the inequities between areas potentially created by funding competitions. As explored further in [Section 3](#), larger, often urban, authorities tend to have greater capacity and experience at bid writing, and success in one competition can increase the likelihood of further success in others.

For many local authorities and partners, this shift is a welcome move. However, numerous challenges remain, such as restrictive timescales and inconsistent technical support. When each programme is evaluated independently, especially if reports are not published or there is a long delay before publication, there is a risk of repeating similar mistakes and missing opportunities for innovation.

1.3 Aims of this report

This paper provides an overview of what's working and challenges encountered across a range of recent government grant funding schemes from across the UK, all supporting the delivery of net zero projects.

Across a range of themes, we have identified key considerations when designing (or refreshing) schemes, drawing on different approaches illustrated by case studies.

By focusing on the experiences of those working to manage grant schemes and funded projects, we aim to provide a different perspective to typical programme evaluation reports, which often focus on impact and value for money of delivered activities.

We also seek to complement the extensive civil service guidance available on programme and policy design. We focus on key choices made when designing schemes that most impact their effectiveness from the perspectives of local authorities. Some considerations are also specific to decarbonisation projects, reflecting the divergence in approach and capacity across local authorities.

Our findings are likely to be valuable to those involved in designing or delivering funding schemes, including those working in central and devolved governments, and to those providing government-appointed advisory services, such as Net Zero Hubs or consultancies. In future, following devolution and local government reorganisation, funding bodies may also include mayoral strategic authorities.

This paper is not intended to be an evaluation of the Net Zero Living Programme, which will be conducted independently and published by UK Research and Innovation.

1.4 Our approach

Following an initial desktop review of 18 schemes (see [Appendix](#)) to understand the funding landscape, we shortlisted seven for further investigation. The shortlisted schemes represent a cross-selection of low-carbon technologies, with varying guiding principles and administered by the UK and devolved governments.

We conducted interviews with individuals involved in various capacities, including funding providers, scheme administrators, technical advisers and funding recipients. Where available, we also drew on published documents (for example, guidance for applicants, evaluations) to contextualise the interview discussions.

This paper is structured thematically, rather than by scheme. Each section examines a different aspect of scheme design through the lens of different approaches taken by the shortlisted schemes. We focus primarily on the Net Zero Living Programme and the LEVI Fund, as large, innovative examples, and reference the other shortlisted schemes where they demonstrate complementary approaches.

2 Flexibility in grant scheme design is essential to reflect the diversity of local places

For many local authorities, flexibility over how grant funding can be used to meet local needs is highly desirable, yet funding bodies are often driven by various pressures to develop narrowly defined schemes, focused on particular policy objectives.

This section outlines this challenge, then identifies approaches taken to deliver three recent schemes which increase the likelihood that a grant scheme will deliver successful outcomes for a diverse range of local authorities, while also meeting the policy and administrative requirements of funding bodies.

2.1 Challenge: Balancing consistency in approach, innovation and value for money

For those designing schemes, there is often a tension between narrowly focusing a scheme on a particular issue (for example, early uptake or commercialisation of a certain technology) while allowing enough flexibility to accommodate different or unanticipated approaches to achieve the desired outcome (for example, reduced emissions from heating buildings).

A tightly focused scheme can encourage consistency in approach across funding recipients, such as the use of particular technologies or delivery models. This enables more straightforward monitoring of results and tracking of value for money across different places by the funder. However, being too prescriptive risks hindering innovation and discouraging applications from local authorities where a different approach may be more suitable. Interviewees described how it can be difficult for local authorities to secure funding that reflects their priorities and accommodates the needs of different places, such as their housing stock or socio-economic characteristics.

In some cases, tightly defined schemes can encourage authorities to chase funding for specific measures while it is available, rather than taking a more holistic or strategic approach to decarbonisation. Examples mentioned by interviewees included replacing a building heating system or introducing new transport modes without upgrading the wider estate or travel networks.

This issue partly reflects the lack of a national net zero delivery framework to coordinate projects into a coherent portfolio, with appropriate governance, finance and resourcing; a need identified by [Innovate UK and PwC](#), among others.

The following case studies describe three approaches to balancing these tensions when designing grant schemes, providing different degrees of flexibility for local authorities.

2.2 Approaches

2.2.1 Net Zero Living Programme: Identifying funding outcomes to enable place-specific approaches

Innovate UK decided to take a highly flexible, place-specific approach when developing the [Net Zero Living Programme](#), building on a decade of similar initiatives such as its Future Cities Programme and Prospering from the Energy Revolution Challenge.

A place-specific approach

The Net Zero Living Programme aims to grow the markets needed for innovative technologies to be adopted at scale by reducing demand-side, non-technological barriers. [Previous research](#) commissioned by Innovate UK highlighted that place-specific approaches to the adoption of low-carbon technologies could deliver double the social benefits for around a third of the cost, compared to place-agnostic approaches.

Rather than identifying in advance which technologies or approaches to fund, Innovate UK invited local authorities and partners to design projects that would reduce the non-technological barriers most pertinent in their local area. It was also felt that local authorities would have the best understanding of their communities' needs and opportunities.

This approach enabled more than 50 diverse projects to be funded, ranging from developing one-stop-shop home retrofit services and rural energy hubs to community and business engagement initiatives and innovative financing mechanisms, as captured in the programme's [Impact Stories](#).

Key takeaways

- As Innovate UK focused on the outcomes to be achieved, rather than specifying technologies or approaches, this enabled local authorities to develop highly diverse projects, focused on local needs.
- Flexibility is essential to spark innovation, consider enabling factors and overcome complex barriers.

2.2.2 Local Electric Vehicle Infrastructure Fund: Setting out a recommended approach, yet allowing local flexibility when justified

The LEVI Fund aims to enable all upper tier authorities across England to roll out charge points for residents with no off-street parking, at pace and scale, while enabling the commercialisation of the sector.

Designing for consistency

Early on, a crucial design was taken by the Office for Zero Emission Vehicles (OZEV) to encourage consistency in approach across local authorities, reflecting lessons from previous schemes, technological maturity and industry engagement. By reducing the potential variation between contracts, the intention was to help local authorities and charge point operators reach agreements more quickly, with less duplication of effort and risk on both sides, and improve charge point users' experiences across council boundaries.

When designing the scheme, some elements were tightly defined and, in effect, mandatory, such as eligible charge point speeds and the need for substantial private sector funding. On other crucial aspects, a strongly recommended approach was identified, such as contract type, length and revenue-sharing arrangements, while greater flexibility was offered in other areas, such as site selection processes and use of parking restrictions.

Initial approach

To achieve this consistency, OZEV appointed a LEVI Support Body (a consortium comprising Energy Saving Trust, Cenex and PA Consultancy) to deliver extensive guidance to authorities, develop template documentation and assess applications at multiple stages. For example, resources included forecasts of each area's charge point requirements, a [Concession Heads of Terms](#) setting out recommended options (such as a contract term of 15 years) and template [Technical Schedules](#). Using an

established procurement framework or Dynamic Purchasing System was also encouraged.

Local authorities were required to submit their plans at multiple stages for review, and justify any deviations from the recommended approach. Approval for variations was given on a case-by-case basis, depending on the strength of the supporting evidence and implications, such as value for money.

Evolving approach

Following industry and local authority feedback, OZEV and the Support Body decided to introduce greater flexibility over some aspects than initially anticipated, such as car park installations and tariff administration mechanisms.

Significant variation and delays were also introduced by the unexpected withdrawal of several Dynamic Purchasing Systems for concession contracts (e.g. [Oxford City Council EV Dynamic Purchasing System](#)) and the new procurement regulations coming into force.

These changes led to additional guidance to help local authorities understand the processes allowed under the new regulations (for example, open procurement, competitive flexible procedure, restricted procedure). Additional templates were subsequently developed in collaboration with the [Crown Commercial Service](#) but, in the meantime, several authorities developed bespoke contracts.

Key takeaways

- The highly extensive best practice guidance and template documentation provided to local authorities has driven consistency in approach, but the case-by-case approval process enabled localised variation when well justified.
- Regulatory and legal changes affecting planned procurement routes have introduced more variation across contracts than first envisaged. This may increase the resource and time required to reach contractual agreements and, potentially, result in a less consistent user experience.

2.2.3 Energy Efficient Scotland Area-Based Schemes: Enabling local flexibility while applying restrictions

The Scottish government's [Energy Efficient Scotland: Area Based Schemes](#) (EES: ABS) funds local authorities to develop and deliver energy efficiency programmes in targeted areas with high levels of fuel poverty.

Local flexibility over delivery

Since 2013, the government has allocated funding for retrofitting homes to all local authorities based on factors such as council tax bands, the Scottish Index of Multiple Deprivation and property energy efficiency ratings.

Local authorities then design their own delivery programmes, in collaboration with local partners. Authorities are responsible for all aspects of the programme, including selecting priority areas, project management (either in-house or by a managing agent) and independently procuring contractors, offering flexibility. As multiple homes within a street or neighbourhood are upgraded at the same time, outreach and engagement can also be locally tailored to build trust and provide a smoother customer journey.

Funding restrictions

Despite this, interviewees noted that some aspects of how the grant scheme has been designed in effect restrict how flexibly local authorities can approach delivery. For example, there is an incentive to prioritise maximising value for money over achieving minimum energy standards, cost and carbon savings. This means external wall insulation is often installed instead of other improvements.

Funding per property is also capped, discouraging the retrofitting of harder-to-treat properties and multi-tenure buildings or use of multi-technology interventions, risking leaving some people behind. There is also little allowance for regional differences, presenting challenges in rural and remote areas with weaker supply chains.

Key takeaways

- Allowing local authorities to design their own delivery programmes provides greater scope for locally tailored approaches.
- In practice, funding metrics and reporting requirements can undermine this flexibility where they favour certain technologies or properties.

2.3 Summary

- When designing grant schemes, as much flexibility as possible should be given for local authorities to decide their approach to meet the overall aims. While trickier to manage, this can help local authorities meet local needs more strategically and spark innovation.
- Where a rapid rollout of a particular technology is needed nationally, encouraging consistency in approach across local authorities can reduce duplication of effort and risk, and opens opportunities for partnership working with neighbouring authorities, increasing economies of scale. However, flexibility to accommodate localised variations is also needed.
- Care should be taken when designing funding metrics and reporting requirements as these can undermine the flexibility intended in a scheme.

3 Non-competitive allocations are seen by many as an improvement, but application processes still present challenges

For many authorities, the process of applying for funding can seem onerous and risky, yet funding bodies must ensure that money is distributed fairly and in line with government spending restrictions. While the move away from competitive bidding is welcome by many, various challenges in application processes remain.

In this section, we examine how three schemes have addressed the challenges posed by funding competitions and restrictive timescales.

3.1 Challenge: The move away from competitions

When designing schemes, major decisions must be made over the distribution method and timescales.

The advantages and disadvantages of competitive funding for local authorities have been discussed at length – for example, by [CIPFA](#). In summary, it is widely acknowledged that the resource-intensive nature of the process risks exacerbating inequalities in resource and experience between local authorities, as securing funding once increases the likelihood of future success. Interviewees also expressed frustration that effort is diverted to bid writing, with an uncertain outcome, which could be more productively spent on project delivery, especially when teams face capacity constraints.

On the other hand, funding bodies have limited money to distribute and are under pressure to maximise value. The Net Zero Living Programme case study discusses how Innovate UK sought to mitigate the risks of a competitive approach.

A shift is already under way. The [Funding Simplification Doctrine](#) came into force in January 2024 and encourages allocative approaches over competitions for locations, where this can achieve the funding objectives. Furthermore, following Local Government Reorganisation, there will also be fewer small councils. However, interviewees felt that the attempts to ensure fairer allocation need to continue, noting that the greater size or experience of the council does not necessarily mean the project outcomes will be better.

However, for funding bodies, deciding the fairest, most effective approach still presents challenges. Allocation does not mean a universal allocation to all authorities. Approaches include conditional, criteria-based, bespoke and formula-based allocations, and a clear methodology must be developed to justify the metrics used. There is also the risk that funds may be unclaimed or handed back, as has occurred with the [Energy Efficient Scotland: Area-based scheme](#), for example.

For local authorities, allocative approaches still likely require some investment of resource to release the funding, although the outcome is more certain. For example, local authorities may need to evidence that they meet the criteria or have achieved certain outcomes. The case study below explores how the LEVI Fund has implemented this approach in practice.

Timescales are a second major decision for funding bodies when designing a scheme. Funders are restricted by spending reviews, leading to some schemes needing to be delivered by the end of the financial year and only being extended on a year-by-year basis, with little notice. Interviewees commented that this can lead to unfeasibly short application and delivery timescales, and does not offer the long-term predictability needed to deliver strategically and invest in resources. This situation can exacerbate inequalities, as experienced authorities with teams and partners in place are able to mobilise quicker. Practicalities must also be considered. For example, replacing fossil fuel heating in schools under the Public Sector Decarbonisation Scheme is best done over the summer holidays. The case study below explores how OZEV has secured multi-year funding for local authorities.

A third, closely related challenge to funding allocations and timescales is the aspiration to use grant funding to leverage private investment at the outset, explored further in Section 6. While beneficial to drive commercialisation, the need to evidence match-funding or business or third-sector partnerships at application stage can discourage local authorities from applying, especially when timescales are short and outcomes uncertain.

A final challenge is the consideration of how ongoing costs throughout the lifetime of the project will be covered, such as maintenance, updates or project and contract management. From the outset, it should be clear whether grant funding can be allocated to these activities or if future local authority budgets need to account for this.

The case studies below explore how funding schemes have approached these closely related challenges.

3.2 Approaches

3.2.1 Net Zero Living Programme: 'Levelling the playing field' for a competitive process

The Net Zero Living Programme provided over £35m in funding to 50 projects over three years. Due to organisational restrictions and limited funding available, a competition was the only route available. However, several decisions were taken to mitigate the disadvantages often associated with this approach. These helped 'level the playing field' for local authorities applying and resulted in a rich mix of different types of places within each strand, enhancing peer-to-peer knowledge-sharing.

Fair comparison between different projects

Firstly, the [competition was split into strands](#), enabling local authorities at different stages of net zero delivery to benefit, irrespective of their tier or type of local government, or region of the UK. For example, in the 'Fast Followers' strand, local authorities could apply for up to £300,000 to help recruit dedicated officers and deliver pilot projects, while those applying to be Demonstrators could bid for up to £5m to run major practical projects and share their insights. This allowed applications of different scales to be assessed fairly. Match funding was not required.

Streamlining processes

Secondly, the process was simplified and streamlined compared to applications from businesses, especially for Phase 2. Support was provided through 'drop-in' online surgeries, with Innovate UK's Business Connect service also able to assist with queries. However, those involved in the process noted that some local authorities found aspects of the process challenging, such as signing unfamiliar collaboration agreements or securing political sign-off within where application timescales did not align with committee meetings.

Key takeaways

- Where a competitive process is used, having multiple strands can allow a broader range of local authorities to access funding and facilitate fair comparison.
- Streamlining application processes and providing timely one-to-one support can help less well-resourced or experienced authorities to access funding.

3.2.2 Local Electric Vehicle Infrastructure Fund: Using conditionally allocative approaches to drive fairness

The ambitions of the LEVI scheme to achieve a more proportional distribution of public charge points across England is reflected in the approach taken to award funding. This included allocating funding, reviewing applications at multiple stages and offering flexibility on delivery timescales.

Move from competitive processes to allocations

In 2023-24, £343m was allocated to 113 local areas, [using a formula](#) based on an area's need for public charging and progress, including existing infrastructure provision. Local authorities had the opportunity to comment on the allocations before they were finalised.

This contrasts with previous methods used by OZEV. For example, the [On-street Residential Chargepoint Scheme](#), established in 2016, allocated funding on a first come, first served basis each year and the [LEVI Pilot Fund](#) was competitively awarded, totalling £31.9m to 25 schemes. Interviewees commented that the allocative approach taken for the main LEVI Capital Fund worked better for all parties; it was easier to manage, provided greater certainty and was seen as fairer.

Multi-stage applications

To release the funding, local authorities must submit their plans via [Energy Saving Trust](#). The Stage 1 expression of interest was used to gauge readiness and divide the authorities into two tranches, giving some more time to develop a strategic approach if needed. The Stage 2 application form guided them through questions similar to a business case, as well as draft procurement documentation, after which they were approved to launch procurement for private sector partners. Stage 3 involved a contract review, granting authorities approval to sign contracts with preferred suppliers. This process gave local authorities opportunities to discuss their approach before final decisions were made and gave OZEV confidence that high-quality, appropriate projects were being developed.

In recognition that some areas had less advanced EV strategies in place, and to stagger applications, local authorities were divided into two tranches. As they were no longer competing for funding, some neighbouring authorities partnered or formed regional consortiums, sharing the effort involved. Pooling funding allocations also makes the proposition more attractive to the private sector, leveraging more investment.

While the approach has been successful, interviewees noted that the multiple stages of detailed application are still resource-intensive for both local authorities and reviewers, with timely feedback difficult to deliver.

Flexibility over delivery timescales

The LEVI team also took an innovative approach to timescales. Using section 31 of the Local Government Act 2003 means there are no mandated delivery timescales for spending the grant, although all authorities are expected to meet their charging infrastructure targets by 2030, encouraging deployment at pace. While a realistic timeline for project delivery aligned with forecasted charging demand must be submitted to the Department for Transport, this approach means local authorities can procure at different times and grant payments to private sector partners can be made throughout contract terms if desired, incentivising performance. While perceived by some as riskier, this approach reflects the policy objectives of the scheme.

In summary, OZEV recognised that LEVI demanded a different approach to previous schemes, demanding greater flexibility and focus on fairness to achieve a more equitable coverage of public charge points across the country.

Key takeaways

- Conditional approaches require investment in resources on both sides over a longer timeframe to develop strong projects, but are seen as fairer.
- Innovative approaches to grant awards can offer greater flexibility over delivery timescales.

3.3 Summary

- The choice of allocation method should mirror, rather than undermine, the objectives of the scheme. Pre-application support is particularly important to help 'level the playing field' between applicants, but is often limited.
- A shift is under way from competitive processes towards allocative approaches for local authorities. These can require investment in resources on both sides over a longer timeframe to develop strong projects, but are widely seen as fairer.
- Where a competitive approach must be used, multiple strands can allow a greater diversity of areas and projects to secure funding.
- Restrictive timescales remain a pressing issue, but schemes such as LEVI illustrate that greater flexibility is possible.

4 Capacity building is critical but not a quick fix

For grant-funded projects to be delivered, local authorities need sufficient people with the right skillsets, both in policy or project teams and wider supporting services, such as comms, procurement and legal. Given the budget constraints affecting many councils, capacity building, such as funding dedicated posts, is vital for success. It also helps ensure a just transition across places with different local priorities and resources.

This section discusses how schemes such as the Net Zero Living Programme, LEVI and Public Sector Low Carbon Skills Fund have provided targeted support, and some of the challenges encountered. The following section then discusses the closely related topic of building *capability*, such as through technical assistance and facilitating knowledge exchange.

4.1 Challenge: Securing skilled project managers and understanding their remit

Interviewees highlighted a shortage of project managers in many local authorities. Funders want to see local leadership and ensure high-quality, efficient implementation, but already-stretched project managers struggle to handle additional projects, especially those deploying unfamiliar technologies or innovative approaches.

Funding dedicated officers – whether new or seconded – is a step forward. The benefits and challenges of implementing this, and alternative approaches involving external specialists, are discussed in the case studies.

However, broader challenges remain. While funded roles enable delivery, they do not overcome the acute lack of capacity described by interviewees at the pre-application and application stages, which can be exacerbated by restrictive timelines and competitive processes, as discussed in the previous section.

Funded project roles may also be relatively restrictive in scope, and contract terms are often fixed. This situation does not encourage strategic planning and officers may lack time and mandate for activities such as strategy and policy development, community outreach, cross-functional collaboration and funding bids. These things are rarely considered by funders or senior leadership as essential to achieving project aims, yet the Net Zero Living Programme has shown their importance to

effective strategic local net zero planning, helping to [embed climate action](#) within an organisation.

The alternative to in-house capacity building is to contract external providers on a short-term basis. The Public Sector Low Carbon Skills Fund case study illustrates the benefits of this, but also the uncertainty created when funding ends. Interviewees also shared concerns that it can divert funding from project delivery, due to the need for a profit margin, and there is likely to be less emphasis on capacity building to reduce dependency on external support in the future. Some providers of capacity support to local authorities purposely seek to address this, such as APSE, a not-for-profit organisation owned by the public sector.

4.2 Approaches

4.2.1 Net Zero Living Programme: Focusing funding to recruit new project managers

The 21 councils selected as Fast Followers in the Net Zero Living Programme received funding to recruit a net zero innovation role. For many, this targeted funding unlocked otherwise unfeasible projects and enabled officers to engage in community building, upskilling and knowledge-sharing activities with other projects.

However, several challenges also emerged, including:

- **Difficulties in recruitment.** Some projects started late due to recruitment being much slower than anticipated. There were various reasons for this, including delays in Innovate UK issuing grant offer letters (even though it did allow projects to start at risk in the meantime), recruitment freezes at some local authorities which meant securing lengthy senior approvals, and the broad and demanding nature of some job descriptions, which meant it took time to fill positions.
- **Internal support.** Where officers were new to an organisation, it understandably took time for them to personally establish relationships with other teams, secure senior support and understand internal processes – all necessary to successfully enact change.
- **Fixed-term contracts.** While the programme was extended, some officers left posts before this, highlighting the personal issue of job security for those on fixed-term projects.

Key takeaways

- Funding officers was game-changing for many councils
- Project timelines need to allow sufficient time for recruitment and onboarding, and anticipate changes to team members
- Building senior leadership buy-in cannot wait until officers are recruited.

4.2.2 Local Electric Vehicle Infrastructure Fund: Backing capital funding with capability funding

The LEVI Capability Fund was launched in February 2023 with the aim of enabling every Tier 1 authority to plan and deliver EV charging infrastructure, and therefore take advantage of the LEVI Capital Fund. As of January 2026, the Capability Fund has funded 366 EV-related officer roles.

Allocation of funding

The two funds were administered separately but followed similar principles (see [Section 2](#)). Each authority received an allocation based on a data-driven formula, adjusted to cover at least one full-time equivalent (FTE) role, initially for a three-year period. Local authorities were [invited to propose](#) how they would spend the funds, for example, on dedicated full-time roles, several part-time roles across multiple teams or consultancy support (with restrictions), across a range of permitted activities.

For 2025-26, funding was extended on an annual basis, and provided to six strategic authorities for the first time, partly through Integrated Settlements. The application process was initially highly granular, but has since been streamlined and is now based on retrospective reporting. Once contracts are awarded, it is expected that a concession fee and/or revenue share will fund officer time for contract management, reducing the need for ongoing grant support.

Upskilling new officers

Recognising that the UK's pool of charging infrastructure specialists is small and the number of councils that would be recruiting simultaneously, councils were advised to recruit for strong project management and transferable skills, not technical knowledge. The LEVI Support Body established a major training programme to upskill newly appointed officers, with several intakes to reflect team turnover. More than 200 officers have now participated.

While the combination of flexible funding and training has been largely successful at establishing project leads, many authorities still experienced difficulties when requiring input from other specialist council teams, such as legal, procurement and highways, due to their lack of capacity and unfamiliarity with EV charging infrastructure.

Key takeaways

- Flexibility is beneficial to reflect highly varied resourcing needs between councils. Wider capacity constraints affecting specialist teams can be harder to address than filling project manager roles.
- Where it is harder to recruit for technical knowledge initially, a broader job description to widen the potential pool of applicants can be combined with training to upskill new officers. Multiple intakes help to keep pace with team turnover.

4.2.3 The Public Sector Low Carbon Skills Fund (LCSF): Bringing in external support as an alternative to in-house capacity building

Between 2021 and 2025, the [Public Sector Low Carbon Skills Fund \(LCSF\)](#) provided grants to allow councils and other public sector organisations to procure specialist advice required to develop a heat decarbonisation plan, opening the route to capital funding. Rather than building in-house capacity, this approach enabled access to specialist support. However, the scheme ended in 2025, leading to uncertainty over how officer time is funded in future, even if technical support is available.

Scheme aims and application process

The LSCF was intended to enable councils to think strategically about heat decarbonisation opportunities across their estates and help organisations reach detailed project proposals ready to be funded by the Public Sector Decarbonisation Scheme or other schemes. [Councils could apply](#) for funding to cover activity across three stages (strategy, feasibility and design). Most local authorities used the funding to procure external specialists for targeted studies, rather than recruit officers.

In 2025, as in previous years, the £15m fund was heavily oversubscribed. The two-week application window saw more than 700 applications, with 118 organisations awarded funding.

Challenges

Interviewees reported that the tight application window and need to complete projects by the end of the financial year often resulted in an overwhelmed supply chain and did not reflect seasonal constraints (for example, access to school buildings). Decisions could sometimes be rushed to allow an application to the PSDS in the next funding cycle.

In 2025, [the government announced](#) there would be no further funding through LCSF, stating that similar support is available free of charge through the Local Net Zero Hubs and Energy System Catapult online guidance. This change in approach may lead to a fresh emphasis on developing in-house capabilities. However, it does not directly address the capacity constraints many councils face, introducing uncertainty about how officer or consultant time to develop project proposals may be covered in the future, even if technical guidance is available.

Key takeaways

- Funded external specialist support can help overcome capacity and capability constraints, unlocking access to capital funding.
- As with recruitment, the impacts of restrictive timescales on supply chains must be considered.

4.3 Summary

- Given the budget constraints affecting many councils, funding officers to manage project delivery can be necessary to unlock action.
- The balance between revenue funding (for officers) and capital funding (for works), and whether these streams are independent or blended, should be considered early in scheme design. The experience from several schemes shows it may be advantageous to focus on ‘capability before capital’ to ensure officers are in place before opening applications for grant funding or starting projects. Doing both in parallel risks delays.
- Recruitment, onboarding, training and building internal relationships take significant time, especially given some local authority approval processes and the specialist nature of the roles required. This should be factored into project timelines.
- Team turnover can be expected, but efforts to increase job security (for example, communicating extensions early) can help minimise disruption.
- For large programmes, recruiting for transferable skills and providing training can be beneficial.

5 Technical support helps drive results and can take many forms

Technical support from third parties is often contracted centrally by government or funding bodies to assist all funded projects, offering a route to strengthen skills and address gaps within local authorities. This can be highly valuable when tailored to local needs and complementing efforts to build capacity.

This section discusses the varied approaches to providing technical support across schemes, as illustrated by case studies.

5.1 Challenge: The intensity and diversity of support needed

Alongside funding, local authorities may need technical and enabling support to help bridge gaps in technical and specialist skills, such as in zero-carbon technologies or innovative financing approaches.

A key challenge for funders is meeting the potentially extensive needs of local authorities with limited budget. Figure 1 shows the spectrum of approaches to providing assistance that has developed.

While there are often economies of scale as common queries emerge, funders and service providers need to balance demand for one-to-one support, such as individual calls or bespoke analysis, with one-to-many support, such as written guidance and webinars. Intensive support tailored to each project can be especially beneficial where projects are innovative or technically complex, but is difficult to sustain as the number of local authorities involved increase. The more diverse the projects, the harder it is to deliver an effective centralised service. The case studies here illustrate the different ways appointed technical assistance providers have sought to manage this. While the Net Zero Living Programme, LEVI Fund and the Welsh Government Energy Service all provide assistance through a centralised support service, the activities undertaken in practice are quite different, reflecting the diversity of projects involved.

Depending on how support is given, there are risks of limited knowledge transfer between external consultants and officers and that any accumulated knowledge remains in the hands of one or two individuals. This may be unavoidable in highly specialist areas, but reduces the longer-term impact of the assistance received and team resilience. Addressing this issue has been a focus for the LEVI Support Body.

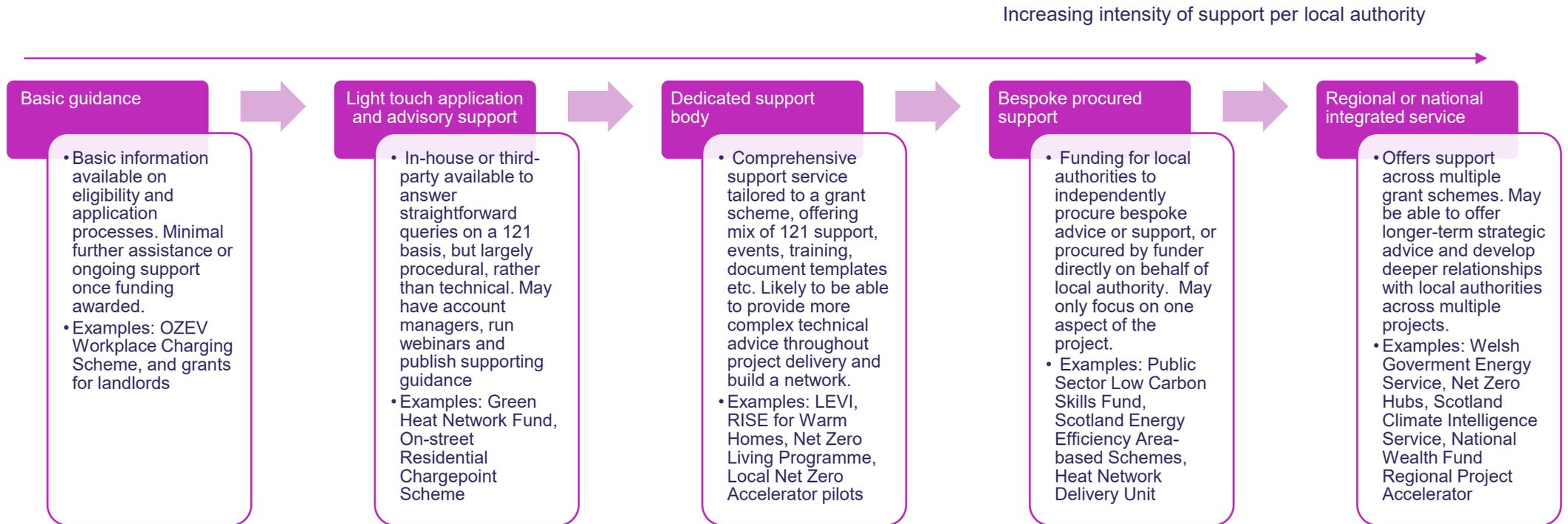
Another challenge faced by funders and local authorities alike is how to harness shared learnings across local authorities, especially mid-project, and build peer-to-peer networks to assist delivery. If they have a unique role, officers delivering projects in local authorities can sometimes feel isolated and may not have established a professional network in a new field.

Challenges for funders include balancing investment in technical support with community-building initiatives, encouraging sustained engagement from projects, and facilitating efficient communication. Balancing these needs was a particular focus for the Net Zero Living Programme.

For local authorities, challenges include securing sufficient help early enough in project development and having confidence in the quality of the advice received.

The case studies illustrate a selection of approaches described in Figure 1, ordered by increasing intensity of support.

Figure 1. Approaches to the provision of technical and enabling assistance



5.2 Approaches

5.2.1 Green Heat Network Fund: Focusing on application support

The Green Heat Network Fund (GHNF) provides capital support for the commercialisation and construction of new heat networks, and retrofitting or expansion of existing networks. Launched in 2022, it is now in its tenth round, and open to the public, private and third sectors. Support focuses on the application stage.

Support through the application process

GHNF is administered by [Triple Point Heat Networks Investment Management](#), supported by a range of partner organisations. In addition to online application guidance, prospective applicants can [request support](#) via email, occasional webinars are held to explain the application process and relationship managers appointed. Interviewees reported that this support, including a one-to-one conversation, was highly valuable when developing their application, but could be better publicised and provided earlier.

Gaps in support

Once projects are under way, relatively little further support is available, with interviewees reporting that any engagement focused on assessing progress, rather than collaboratively assisting projects. While informal conversations have occurred, there are few events and no formalised channels for grant recipients to share knowledge or showcase successes.

Local authorities in England and Wales can access technical support via the Department for Energy Security and Net Zero's (DESNZ) [Heat Networks Delivery Unit](#). However, this targets the previous stage of project development (e.g. techno-economic feasibility), with consultants directly appointed via DESNZ, and does not appear to offer knowledge-sharing opportunities, indicating a gap in available support.

Key takeaways

- Access to light-touch one-to-one support, via email or phone, is highly valuable to prospective applicants navigating application processes, but should be timely and well-publicised to maximise its impact.

- Where possible, support at project development and application stages should be continued through to project delivery, and be clearly defined to set expectations.

5.2.2 Local Electric Vehicle Infrastructure Fund: Providing a multi-faceted support service focused on upskilling

Before the launch of the LEVI scheme, OZEV appointed a consortium of delivery partners to form a LEVI Support Body. As well as administering applications, the Support Body's purpose is to upskill officers recruited through the LEVI Capability Fund ([see page 21](#)) and ensure a relatively consistent approach to the deployment of public chargepoints across the country ([see page 10](#)). The range of resources and events available continues to grow, keeping pace with changing local authority needs.

Focus on upskilling

Rather than funding outsourced specialist support for each of the 80 projects individually, OZEV directed the LEVI Support Body to develop an [extensive library](#) of best practice guidance, baselining and forecasting tools and template documents, hosted on an online platform accessible to officers. Regular in-person roadshows, an online discussion forum and masterclass-style webinars also helped to upskill officers and facilitate peer-to-peer learning.

While each authority has unique priorities, the relative similarity between projects (e.g. technology and delivery models) made this approach based around one-to-many support approach more feasible.

The one-to-one support was also available throughout the programme. Each authority was assigned a point of contact to build trust and, importantly, to retain knowledge of their application detail and local challenges. However, this support largely focused on managing submissions and providing feedback, rather than answering technical queries.

Challenges

Interviewees described that the quick mobilisation of the Support Body, meaning data and resources were available before many officers were in post, was a major success for the scheme. Subsequently, the guidance has been continually updated and expanded to assist with the latter stages of project development.

Having technical and commercial specialists in place enabled a faster response to unexpected issues, including those affecting planned procurement processes.

However, significant delays have still occurred and local authorities have had to seek independent legal advice, highlighting the limits of what a Support Body can feasibly deliver.

Key takeaways

- Centralising guidance, data tools and template documentation can be an effective way to support a large number of similar projects and upskill officers quickly.
- Support bodies can be well placed to react to emerging issues and find solutions on behalf of multiple projects, saving time and money. However, there are limits to what is achievable, especially regarding legal matters and commercial decisions.

5.2.3 Net Zero Living Programme: Delivering a Future Ready service to build a community of practice and provide technical assistance

When developing the Net Zero Living Programme, Innovate UK commissioned a 'Future Ready' service to build a supportive network across local authorities to help catalyse innovation. A consortium led by Urban Foresight was appointed as the programme convener, with multiple organisations appointed to provide technical assistance. This complementary mix has received strong positive feedback from grant recipients, but the diversity of support needed has presented challenges at times.

Building a 'community of practice'

The Future Ready service comprised wide-ranging activities, all aimed at increasing knowledge and sharing good practice. For example, activities included quarterly in-person events, 1-2-1 and group mentoring, 1-2-1 check-ins, peer working groups, monthly online meet-ups, group technical assistance, surveys, a newsletter and a community online platform.

Emerging evidence from the programme shows these activities provided a trusted space for peers to test ideas, build relationships and develop a shared purpose, helping to overcome inertia. Shared learning across authorities directly helped some overcome practical delivery barriers while others benefited more intangibly from an increased sense of ambition, confidence and visibility nurtured through the Future Ready service.

Additional technical assistance

In addition, project partners could commission bespoke pieces of technical support from appointed technical assistance providers, such as feasibility studies, finance advisory or engagement support. These organisations included Regen, Carbon Trust, Involve and City Science, each specialising in different areas such as finance, policy and regulation, planning and engagement. Compared to projects procuring support independently, this saved local authorities time and money, resulting in better project delivery. Technical assistance partners also published wide-ranging insights, drawing on learning emerging from the projects, partners and organised activities, such as policy groups, webinars, upskilling sessions, in response to emerging needs.

Reflections

Overall, the Future Ready service received excellent feedback, leading to innovation that might not otherwise have happened.

It should be recognised that delivering and coordinating such a varied programme across multiple partners requires significant time and effort. Officer posts were funded by the programme but engagement also takes time for participants, and varying levels of engagement were observed over time and across projects. Some technical assistance was not utilised as local authorities did not have the capacity to engage with the varied support on offer.

Reflecting the programme's ambitions, project needs were highly diverse. This presented challenges for Innovate UK as they had to anticipate the mix of specialist support likely to be required, although they were able to bring in different expertise later on. For example, Innovate UK commissioned communications specialists, Stronger Stories, when there was an emerging acknowledgement of the need to shift the framing and narrative on net zero. The diversity of projects also presented challenges for delivery partners as they had to balance breadth with depth when developing events and guidance. This meant some authorities likely benefited more than others, depending on their prior experience.

The timing and coordination of different types of support requires careful consideration. While the convener (led by Urban Foresight) was in place from the start, other technical assistance providers joined the programme six months later, missing opportunities to help some projects develop their plans at a crucial stage.

A related learning is the need for responsive grant funding alongside responsive technical support. As all grant funding was allocated at the start, additional funding was not available later in the programme to enable local authorities to act on the advice or support given, taking their projects further. Grant funding could be reallocated but extra funding would have given more flexibility for local authorities gain experience and projects progress.

Key takeaways

- Proactively facilitating community-building and peer-to-peer learning, complemented by technical assistance, has helped drive results.
- Managing a coherent, dynamic and responsive support service takes significant investment.
- Particular attention should be paid to the timing of support, sustaining engagement and tailoring services to suit diverse needs.

5.2.4 Welsh Government Energy Service: Developing a comprehensive, integrated service

Established in 2018, the [Welsh Government Energy Service \(WGES\)](#) provides grant funding, as well as technical, commercial, and procurement advice to develop energy efficiency, transport and renewable energy projects. Delivered by a consortium led by the Energy Saving Trust and Carbon Trust, it provides a highly integrated service, acting as a 'one-stop shop' for public sector and community organisations.

Strategic, comprehensive support

The Energy Service provides both technical support and awards funding across multiple grant schemes (with appropriate assessment processes to manage conflicts of interest), providing a clear pathway for local authorities, almost a 'one stop shop'. Development managers build long-term relationships with council officers so they can provide impartial, strategic advice on the most appropriate funding routes for different proposals and arrange the technical support required. To complement this, the Energy Service also has contacts with senior leaders to help overcome obstacles to delivery.

Support includes 1-2-1 tailored advice (e.g. feasibility studies, business cases, data modelling) and facilitating peer-to-peer learning through case studies, technical briefings, events and an online forum. To provide a cohesive service, all organisations providing support use unified systems and branding.

Evolution of the service

Over time, the Energy Service has evolved from offering baseline analysis, such as council fleet reviews to more data dashboards and targeted, project-specific support. It has adapted to keep pace with market and technological developments (for example, shifting from electric cars to Heavy Goods Vehicles and increasing focus on energy storage).

The service's responsiveness to both ad hoc requests and emerging strategic needs is a key strength. This demands proactive management by service leads as demand could readily outpace the programme resources and some areas require greater assistance than others. To assist with this, the Energy Service collaborates closely with the Welsh Government, providing feedback on local authority needs, grant design and policy priorities.

In future, the Energy Service has ambitions to broaden its scope further, such as into climate adaptation and regional energy planning. It would like to move towards more agile, digital-first communication tools, but must also meet Welsh Government branding requirements and approval processes.

Key takeaways

- A highly integrated service, rooted in local knowledge, can provide the long-term, strategic advice needed by many authorities.
- Delivering a comprehensive, coherent service demands close attention to unified systems and communications, resourcing and user experience across partners, as well as ensuring fair assessment processes and data governance.
- Evolving support to meet changing local needs is vital to maintain service quality.

5.3 Summary

- A spectrum of approaches exists to provide technical assistance to all projects funded through a scheme, of varying intensities and cost to funders.
- Sustained technical assistance throughout project delivery, not just at the application stage, is highly valuable to increase project impact. Long-term, integrated assistance spanning multiple projects could be seen as 'the gold standard'.
- To be impactful, all advice needs to be closely tailored to the needs of individual local authorities and should evolve over time.

- The optimal balance between centralised support (such as written guidance, templates) and one-to-one support (such as bespoke modelling) depends largely on the diversity of projects being supported.
- The value of peer-to-peer learning and networking across projects, especially where projects are relatively similar in scope or face common barriers to delivery, should be recognised and supported.
- Some approaches tend to lead to greater transfer of knowledge from external partners to officers than others. Reducing dependency on external support in future should be a key aim.

6 Scaling up action remains challenging

Beyond achieving the aims of funded projects, there is often an ambition for major grant funding schemes to have a wider, positive impact across a sector.

This section explores ways of achieving this, from cascading insights from projects through to purposely using grant funding to leverage private investment to drive market maturity.

6.1 Challenge: Securing a lasting impact from grant funding

Given the scale and urgency of the decarbonisation challenge, replicating and scaling successful approaches across places is highly valuable. For those managing grant schemes, it can be challenging to effectively consolidate and share the rich, potentially complex, learnings arising from projects. On a practical level, proactive efforts are required throughout to gather information and identify dissemination opportunities. This has been a focus for the Net Zero Living Programme. On a strategic level, senior decision makers need to be convinced that the additional effort is worthwhile. For local authorities, a related challenge is ensuring skills and learning are retained for future projects, especially where officers are employed on fixed-term contracts or where services have been procured externally.

However, grant funding alone cannot sustain the scaling up of activities needed to reach a zero-carbon future. A key challenge is how grant funding can be leveraged to accelerate private sector investment. Immediate challenges to this include the abrupt ending of grant schemes, impacting stakeholder and market confidence, and setting unrealistic expectations of securing match-funding at the application stage when timescales are short. [Broader challenges include](#) finding the 'development capital' needed for local authorities to turn identified opportunities or small schemes into a robust project pipeline which meets the expectations of investors.

While the approach taken when designing schemes will need to reflect technological and market maturity being targeted, the LEVI Fund and Local Net Zero Accelerator (LNZA) case studies explore different ways of smoothing the transition from grant funding to private sector investment, including increasing the level of match-funding required over time and funding technical support on this topic.

6.2 Approaches

6.2.1 Net Zero Living Programme: Communicating insights beyond the grant recipients

Throughout the Net Zero Living Programme, the rich learnings generated by projects have been shared through numerous activities, as described on [page 29](#). In the final phase of the programme up to March 2026, communicating the impact of the programme and value of place-based innovation to other local authorities and wider stakeholders has been a focus for Innovate UK and delivery partners.

Disseminating insights

Drawing on many conversations and focus groups with local authorities, Urban Foresight and partners have developed a handbook-style report, with accompanying resource packs, titled [Creating Better Places: Ten areas where local innovation can improve lives and unlock growth](#). This will provide practical insight and inspiration for local authorities seeking to follow a similar path to those involved in the programme, extending the benefits.

In addition, Regen led the dissemination of insights through three monthly themed campaigns, comprising overarching thematic papers highlighting key themes and signposting to further resources, blogs, webinars and podcasts. For example, the focus in January 2026 was [community empowerment](#). A hub on [Innovate UK's website](#) also hosts around 150 impact stories, research reports, webinars, videos and blogs produced during the programme.

Innovate UK and programme partners have worked with Stronger Stories, a specialist communication agency, to reframe the conversation around net zero. By shifting the narrative away from net zero as the 'why' for action, and framing it as the 'how' to create more prosperous places, the programme has supported local authorities and partners to have more effective conversations with communities, colleagues and stakeholders that focus on action.

A key output of this work will be *Moving net zero from why to how: A guide to help officers in local authorities have the best, next conversation*, which will be available on the Innovate UK website in March 2026.

Key takeaways

- Investing in dedicated efforts to disseminate insights can help maximise the reach and impact of the programme. Early attention to this means learnings can be gathered throughout
- A range of resources, covering different themes in varied formats, can help messages resonate with different audiences
- Particularly on complex programmes, consider working with communication specialists.

6.2.2 Local Net Zero Accelerator (LNZA): Harnessing learnings to provide specialist advice on attracting investment

Funded by DESNZ, the Local Net Zero Accelerator (LNZA) programme aims to attract private sector investment into large-scale net zero initiatives. Since 2024, the programme has intensively supported three pilot Combined Authorities, Greater Manchester, West Midlands, and York & North Yorkshire. To multiply its impact, it is now developing specialist resources for other local authorities.

Intensive support for combined authorities

Through LNZA, two authorities are developing aggregated bundles of projects needed to secure long-term sustainable investment, and a third is testing an innovative public-private partnership model.

During the programme, combined authorities received funding for new specialist roles and intensive, specialist support. This comprised technical guidance, training and financial modelling, managed through a Central Finance Support Service. Throughout, embedded 'insight managers' also helped connect projects and share best practice.

Harnessing the learnings for others

To maximise the programme's impact, the experiences of the combined authorities are being used to develop tools and resources available to all local authorities. The Local Net Zero Finance Support Service will be managed by the Greater South East Net Zero Hub. For most, the starting point will be the Fit4Finance Diagnostic Tool and Knowledge Library, which seek to address knowledge gaps and help local authorities navigate the investment journey.

Local authorities will also be able to use the LNZA Dynamic Purchasing System, hosted by Cambridgeshire and Peterborough Combined Authority, to access different types of specialist advisory services from over 65 suppliers.

Key takeaways

- Specialist support and resources are essential to help local authorities navigate the complexities of attracting private sector investment.
- The experiences of three pilot authorities have been used to develop a specialist support service accessible to a wider number of authorities, securing a legacy for the programme.

6.2.3 Local Electric Vehicle Infrastructure Fund: Using grant funding to overcome a market failure

The UK government's ambition is to reach a self-sustaining EV charging market, but lower-powered charging presents an acute challenge as it is the least profitable. The LEVI fund therefore aims to accelerate the commercialisation of this type of charging, demanding a change in approach from how grant funding is typically deployed by both local authorities and funders.

Driving forward the market

LEVI builds on previous grant schemes, which have offered progressively lower subsidy rates per chargepoint as the market has matured. In 2016, grant funding fully covered the capital costs of chargepoints for some Go Ultra Low Cities (for example, Bristol) while the [On-Street Residential Chargepoint Scheme](#) funded up to 75% of capital costs in 2019, falling to 50% by 2024.

The LEVI scheme does not set a standard subsidy rate per chargepoint. Instead, the onus is on local authorities to conduct a competitive procurement process which maximises value for money while ensuring an equitable distribution of chargepoints, recognising that some locations are likely to be more profitable than others. Local authorities have been encouraged to conduct market engagement to inform their plans, and consider carefully how decisions, such as technical specifications, site selection and tariffs, could affect the commercial viability of chargepoint networks. For many, this is a different way of thinking about local authority asset ownership, service procurement and risk.

Long-term ambitions and uncertainties

For some local authorities, entering decades-long public-private partnership agreements is unfamiliar territory, but this approach is seen as necessary to sustainably fund a new public service nationally over the coming decades. The delivery model encouraged by the government's Office for Zero Emission Vehicles (concession agreements) should reduce local authorities' exposure to financial risk and provide a sufficient revenue to cover contract management costs.

For both central government and local authorities, this approach introduces a degree of uncertainty compared to typical grant applications which require commitments to match-funding upfront or cap fixed costs. Local authorities' plans have been assessed at multiple stages, but the impact of the funding (for example, installed chargepoint numbers, total private sector investment leveraged) will only be known once procurement processes are complete and networks become operational, which could take several years.

Key takeaways

- Grant funding has been used to progressively address a market failure over time, moving from standardised subsidy rates to a competitive approach.
- Balancing commercial viability with the needs of local areas can be challenging. Extensive market testing ahead of procurement increases the likelihood of success.
- Leveraging private finance can require a different approach to managing grant funding and project delivery, by both funders and local authorities.

6.3 Summary

- Investing in dedicated efforts to disseminate insights can help maximise the reach and impact of programmes, helping to scale up action. Early attention to this means learnings can be gathered throughout, often more efficiently.
- Varied resources suit different audiences and specialist communication support can be beneficial for complex programmes.
- Specialist advice on attracting greater levels of private investment is much needed. Learnings from smaller schemes can be harnessed to develop training materials and resources for other local authorities.
- Leveraging private sector finance can be achieved through grant funding. However, rather than requiring upfront match-funding or setting funding caps, more innovative partnership approaches requiring a different approach to risk, by both local authorities and funders, might be needed.

7 Conclusions

Grant schemes play a vital role in helping local authorities achieve their climate and wider strategic ambitions. For example, grant funding can be used to deploy low-carbon technologies where there are market failures or fund the innovation needed to overcome non-technological barriers. However, grant schemes can be challenging to design and deliver. The strategic and practical needs of funders can be in tension with those of grant recipients and the complexities of real-life places and projects can be difficult to anticipate.

This report covers key aspects of scheme design, from the earliest decisions about scheme outcomes through to efforts to build a legacy for a programme. Case studies throughout illustrate how funders and delivery partners are responding to these challenges in different ways, finding fresh approaches to scheme delivery to help schemes work better for local places.

Drawing on the strengths and weaknesses of the schemes researched, we have identified five major design considerations that increase the likelihood of successful local delivery.

- 1. Designing in flexibility.** As far as possible, grant schemes should consider allowing local authorities to decide how funding is best used locally to meet the desired outcomes as places have diverse needs and priorities.
- 2. Allocating funding to enhance fairness.** Funding allocation methods should align with intended outcomes, with adequate pre-application support and realistic timelines. When a competition is necessary, multiple strands can broaden access.
- 3. Investing in capacity building.** Schemes should seek wherever feasible to cover the cost of project management and delivery by local teams as this is a major constraint for many councils. Funded roles, however, are not a quick fix; recruitment, training and onboarding all take time and job security is important to reduce team turnover.
- 4. Sustained, tailored technical support.** When aligned to local needs and delivered as a timely, integrated service, technical assistance increases the likelihood of successful outcomes. The optimal balance between centralised resources, bespoke advice and peer-to-peer best-practice sharing will vary by scheme, depending on the diversity and complexity of the projects.

5. Planning for wider impact. Effective dissemination of insights, accessible communication and innovative partnership approaches are essential for scaling action and leveraging private investment.

Taken together, these findings underscore the importance of considering the needs of local authorities holistically when designing schemes. Rather than focusing on one aspect in isolation, successful schemes often strategically blend capital funding for direct technology deployment or infrastructure upgrades with funding for project management, technical assistance and knowledge-sharing activities. Designing schemes in this way helps to maximise the benefits for both local authorities and funders, accelerating action.

8 Appendix

8.1 Long list of grant funding programmes to enable decarbonisation and related support schemes for local authorities

Those marked with an asterisk (*) are featured in this report as case studies.

- Energy Efficient Scotland: Area-based scheme*
- Green Heat Network Fund*
- Heat Network Delivery Unit
- Local Net Zero Accelerator*
- Local Net Zero Hubs
- Mayoral Renewables Fund
- Local Electric Vehicle Infrastructure Scheme*
- National Wealth Fund Regional Project Accelerator
- Net Zero Go
- Net Zero Living Programme*
- Public Sector Low Carbon Skills Fund*
- Retrofit Information, Support and Expertise (RISE) service
- Scotland Climate Intelligence
- Scotland Heat Network Fund
- Wales Local Transport Transformation Fund
- Warm Homes: Local Grant
- Welsh Government Energy Service*
- Ynni Cymru Capital Grant
- Zero Emission Bus Regional Areas