

From Ambition to Action: Decarbonisation Barriers Across Westminster Organisations

Summary Report



Sustainable City Charter Innovation Challenge
July 2026

Prepared by Cross River Partnership for Westminster City Council

Abbreviations

TERM	DEFINITION
BID	Business Improvement District
BMS	Building Management System
CRP	Cross River Partnership
SME	Small Medium Enterprise
SWAN	South Westminster Area Network
SCC	Sustainable City Charter
WCC	Westminster City Council

Key Terms

TERM	DEFINITION
Building Management System	An automated system that monitors and controls building services, including heating, ventilation, lighting and energy systems, to improve efficiency, performance and occupant comfort.
Local Area Energy Plan	A strategic plan that identifies the most cost-effective pathways and priority actions for decarbonising Westminster's local energy system and achieving net zero ambitions.
Scope 3 Emissions	Indirect emissions generated across an organisation's value chain, including supply chains, procurement, waste, transport, business travel and other activities that are not directly owned or controlled by the organisation. In comparison, Scope 1 emissions come from sources the organisation owns or controls directly, while Scope 2 emissions come from the energy it purchases, such as electricity.
Small Medium Enterprise	A business with fewer than 250 staff and up to £44 million in annual turnover (or a balance sheet total of £38 million or less).
South Westminster Area Network	A major low-carbon heat network that supplies sustainable heating to buildings across South Westminster, helping to decarbonise areas while supporting Westminster's net zero ambitions and green economy growth.

1. Purpose and Scope

1.1. Report Purpose

Prepared by Cross River Partnership (CRP) on behalf of Westminster City Council (WCC), this report draws on engagement with Westminster organisations to identify the main barriers to decarbonisation across the borough and translates them into clear problem statements for action.

The report identifies where innovation-led support can add most value, providing a robust evidence base for the Sustainable City Charter Innovation Challenge and informing wider WCC policy, programme development and decarbonisation support across Westminster.



Image: City of Westminster.

1.2. Beyond Westminster

Whilst this report is grounded in Westminster's specific context, many of the challenges identified are not unique to the borough. Cities and local authorities with dense urban environments and historic buildings are grappling with similar barriers as they work towards ambitious net zero targets. As such, this report aims to also contribute to wider sector learning by sharing insights, evidence and practical considerations that may help other places accelerate the transition to a low-carbon future.

1.3. Key Takeaways

The primary barrier is not ambition, but delivery.

Organisations are committed to decarbonisation but face practical challenges relating to Westminster's built environment, funding, resources and technical capacity.

Five recurring barriers emerged:

built environment and heritage constraints, investment uncertainty, operational complexity, ageing systems, and gaps in technical expertise and behaviour change.

Innovation can help unlock progress.

There is a clear opportunity for solutions that improve decision-making, optimise existing assets, strengthen data visibility and build organisational capability.

Wider action remains essential.

Alongside technology and innovation, organisations need support to overcome funding, capacity and policy barriers. Continued collaboration between local authorities, businesses and sector partners will also be important to share learning, reduce risks and accelerate decarbonisation at scale.

These challenges extend beyond Westminster. Many of the barriers identified are relevant to organisations and cities working to decarbonise complex urban environments.

2. The Challenge

2.1. Sustainable City Charter Innovation Challenge

The Sustainable City Charter Innovation Challenge ('the Challenge') is a WCC initiative funded through the Westminster Climate Fund. It connects Westminster-based Small and Medium Enterprises (SMEs) developing near-market low-carbon solutions with large Sustainable City Charter (SCC) signatories to test them in real-world settings and support wider decarbonisation priorities.

The project is led by WCC's Economic Growth team and delivered in three stages. Stage 1, led by CRP, establishes the evidence base for decarbonisation barriers through engagement with signatories, which are outlined in this report.

The following stages will identify local SMEs with low-carbon solutions and products and match them with signatories to trial them in real-world commercial settings. The pilots will help reduce signatories' emissions, generate evidence for wider adoption and drive growth of the green economy in Westminster.



Image: The SCC Innovation Challenge.

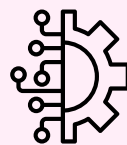
The Challenge will achieve the following outcomes:



Strengthened local strategy and pathways for WCC to support SMEs to grow and have impact on emissions in Westminster.



Enhanced organisational learning for WCC and Signatories for future adoption of and investment into low-carbon technologies.



Tested technologies with scalability potential that can reduce operational carbon emissions for large businesses in the city.



Shared industry best practice and low-carbon expertise to further support SMEs and local players (e.g. colleges and schools with STEM students, capacity building innovation from the ground up).



Increased visibility of WCC's local leadership and best practice in low carbon innovation.

3. Westminster Context

3.1. City of Westminster

Westminster covers more than eight square miles and is home to around 210,000 residents and 53,000 businesses, with major commercial activity concentrated in the West End, Victoria and the Central Activities Zone (CAZ). Its historic environment includes over 11,000 listed buildings, 56 conservation areas covering 78% of the city, and more than 130 major cultural establishments [1]. These characteristics make Westminster a priority for emissions reduction but also mean decarbonisation must be delivered within tight spatial, operational and heritage constraints.

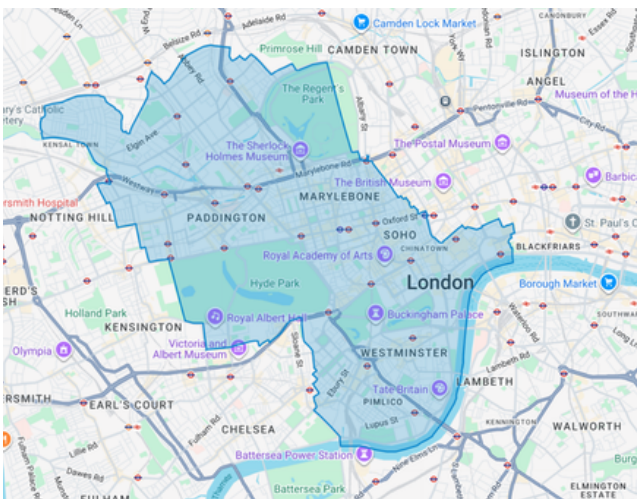


Figure 1. Westminster Area (covering 8 square miles).

3.2. Net Zero Ambition

Non-domestic buildings account for 71% of Westminster's greenhouse gas emissions. In response, WCC has set an ambitious target for the city to reach net zero by 2040. This is underpinned by key strategic frameworks, including the Local Area Energy Plan (LAEP) for Westminster (LEAP), the Climate Emergency Action

Plan 2025 - 2030, and the Zero Carbon City 2040 Action Plan, which collectively set out a clear pathway for decarbonisation.

In Westminster, the net zero transition is also an economic opportunity. The city's building concentration, WCC's infrastructure investment, and circular economy opportunities create strong demand to support practical innovation, green business growth and stronger local supply chains. WCC initiatives such as the South Westminster Area Network (SWAN) heat network, Ebury Bridge Estate social housing development and circular economy programmes exemplify this approach by identifying practical, place-based solutions that both reduce emissions, unlock local employment and skills, and create wider economic opportunities.



3.3. Sustainable City Charter

The Westminster Sustainable City Charter (SCC) is a free, voluntary pledge for owners, managers and occupiers of non-domestic buildings. Built around eight commitments covering major emissions sources, it helps organisations align action with Westminster's net zero ambition. With more than 125 signatories across a wide range of sectors, the Charter gives WCC an established network of organisations already engaged in decarbonisation and well placed to support the Challenge.

[1] Westminster City Council City Plan 2019 - 2040.

4. Engagement

4.1. Engagement Approach

Between March and May 2026, CRP engaged 59 Westminster organisations through interviews, workshops and an in-depth survey to identify the main barriers to decarbonisation across the borough.



15 Interviews



4 Workshops



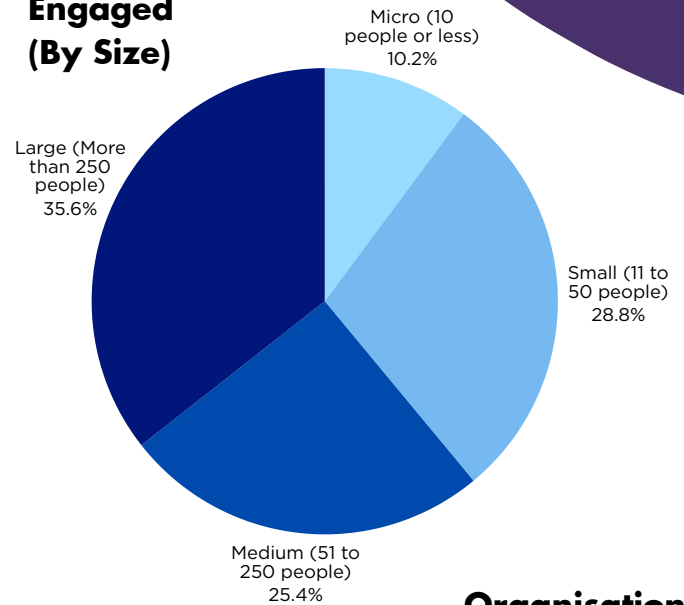
28 In-depth Survey Responses

SCC signatories were prioritised as they account for more than 42.7% of Westminster's non-domestic floorspace and provide a practical cohort for testing low-carbon solutions. The sample also included Westminster Business Improvement Districts (BIDs) and organisations linked to the SWAN heat network, giving a broad cross-section of Westminster's economy, including: commercial property, culture, higher education, healthcare, hospitality, BIDs and other occupiers.



Image: CRP leading engagement at Westminster Cultural Sector Sustainability Group.

Organisations Engaged (By Size)



Organisations Engaged (By Sector)

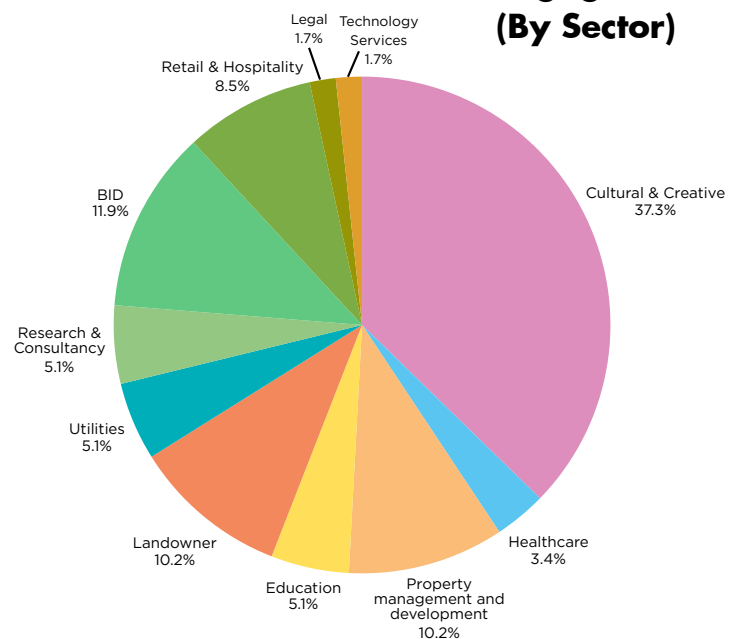


Figure 2. Engagement by organisation size & sector.

4.2. Engagement Themes

Engagement was structured around five themes: energy and emissions reduction, retrofit, waste and circular economy, transport and fleet, and deliveries. These were agreed by aligning the SCC Commitments with Westminster's wider decarbonisation priorities, including the LAEP and circular economy work, and the aims of the Challenge.

5. Barriers to Decarbonisation

This section summarises the barriers to decarbonisation in Westminster raised most consistently through interviews, workshops and the survey. It focuses on those barriers most relevant to the Challenge, where practical support could help organisations turn decarbonisation ambition into delivery.

5.1. Infrastructure



Infrastructure barriers emerged as one of the clearest challenges across the engagement. In Westminster, dense urban conditions, limited plant space and the prevalence of older and historic buildings can restrict the installation of low-carbon heating, retrofit measures, circular economy infrastructure and cleaner logistics solutions. In the engagement sample, around two-thirds of respondents identified older buildings as a retrofit challenge, and more than two in five said they operate from heritage or listed buildings.

“Unfortunately, being based in Central London means we have very limited open space. While installing an air source heat pump would be ideal, there simply isn’t the physical capacity to accommodate it.”

Head of Facilities Management, Somerset House Trust

Implications: This is an important finding as it shows that decarbonisation in Westminster is often constrained by physical feasibility as much as by intent. Progress therefore depends on solutions that can work within tight spatial, planning and heritage limitations rather than assuming standard retrofit conditions.

“When you do not have a comprehensive energy assessment or carbon assessment system, you do not know what are your energy hotspot or the carbon hotspot.”

Environment Manager, London Transport Museum

5.2. Data & Evidence



Data and evidence barriers were also strongly represented across the engagement. In the engagement sample, around two-thirds of respondents said they faced barriers to measuring building energy performance, particularly identifying where emissions are concentrated. Many organisations reported lack of trusted, decision-ready evidence on the real-world cost, performance and feasibility of available solutions and the need to develop a robust evidence case for investment. Organisations also highlighted limited visibility of Scope 3 emissions.

Implications: Without reliable data and clear evidence, organisations can struggle to prioritise action, build robust business cases and secure internal approval for investment. This means that uncertainty about performance, cost and feasibility can become a major barrier to delivery, even with a clear ambition to decarbonise.



Image: Westminster’s dense urban fabric and heritage buildings.

Challenges faced when retrofitting buildings:

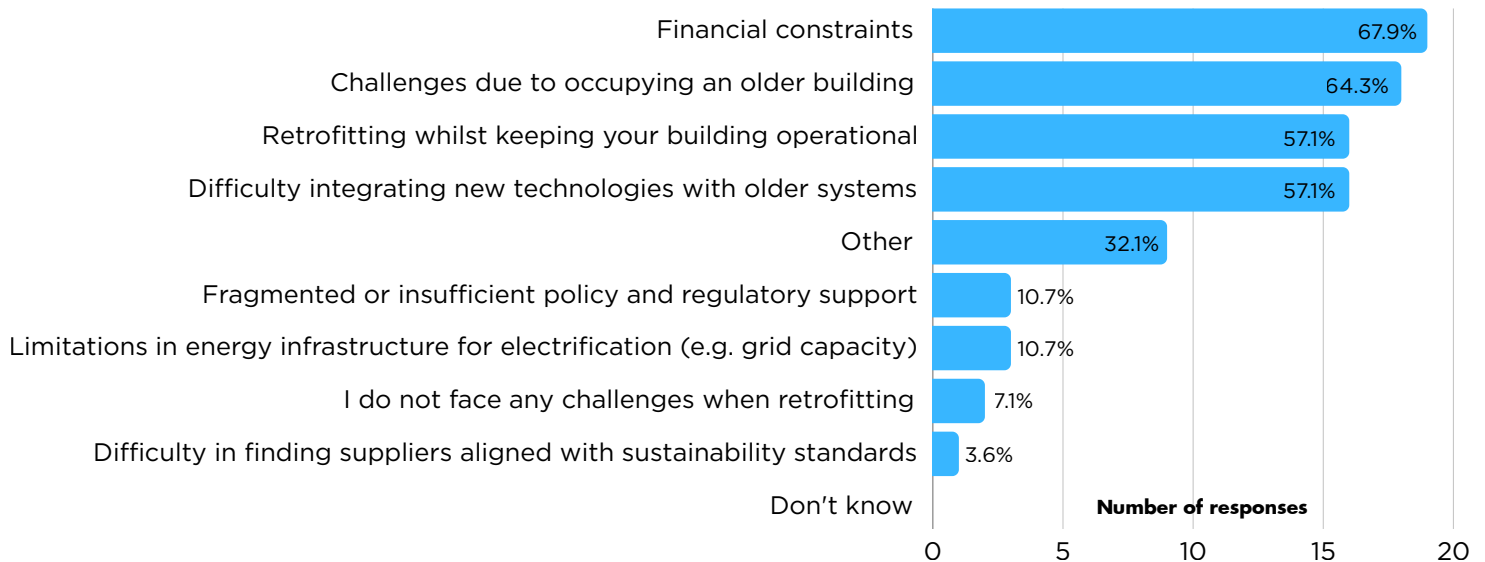


Figure 3. Survey Data - Challenges Faced when Retrofitting Buildings.

Barriers to measuring building energy performance

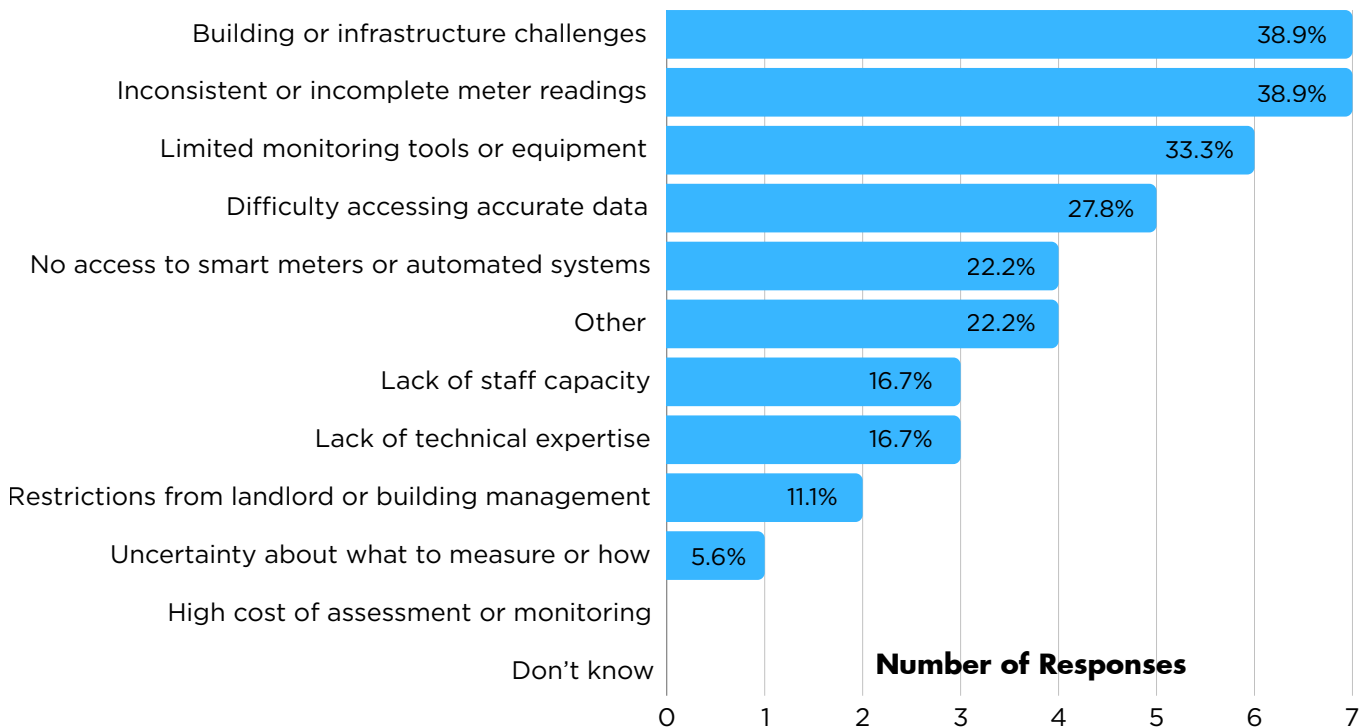


Figure 4. Survey Data - Barriers in Measuring Energy Performance.

5.3. Building Operations



Building use and coordination barriers highlight that decarbonisation is shaped not only by the physical characteristics of buildings, but also by how they are occupied, operated and managed. In the engagement sample, just over half of respondents identified retrofitting while maintaining day-to-day operations as a key challenge. In practice, works often need to be planned around trading periods, performance schedules, teaching timetables, healthcare activity, lease events or other operational requirements. In multi-occupancy buildings and landlord-tenant settings, differing priorities and split responsibilities can add further complexity.

Implications: Decarbonisation measures are more likely to succeed when they fit the realities of day-to-day operations and support coordination across multiple decision-makers. Where operational continuity, user needs or split incentives take priority, implementation can be delayed, narrowed in scope or deprioritised altogether.



Image: Non-domestic buildings in Westminster.

“We remain supportive of retrofit and lower-carbon initiatives, but for businesses like ours the challenge is often not willingness - it is the combination of cost, permissions, timing and operational practicality.”

Westminster-based restaurant owner

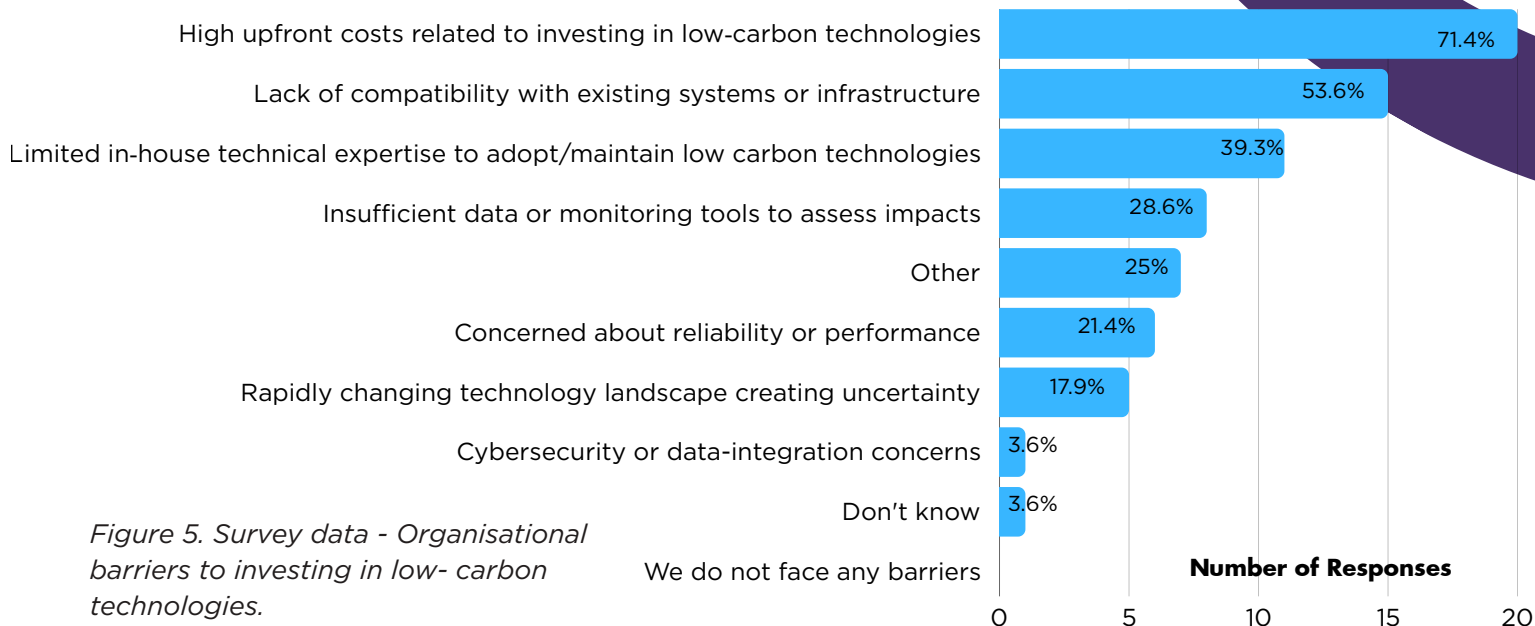
5.4. Technology



Technology barriers centre on ageing or incompatible systems and the limited availability of practical interim solutions. In the engagement sample, just over half of organisations identified incompatibility with existing systems or infrastructure as a barrier to investing in low-carbon technologies. Older building management systems, legacy controls and hard-to-upgrade infrastructure can reduce efficiency, weaken performance and make it harder to connect newer low-carbon technologies. Organisations also highlighted the lack of practical interim options that could help reduce emissions while longer-term decarbonisation plans are being developed.

Implications: Even where organisations have longer-term plans to decarbonise, legacy systems can slow progress in the short term and lead to inefficiencies. This means there is a strong need for solutions that improve current performance, bridge compatibility gaps and create practical transition pathways towards lower-carbon systems.

Barriers in Investing in Low-Carbon Technologies:



5.5. Knowledge & Behaviour Change



Knowledge and behaviour change barriers relate to limited in-house expertise, weak technical confidence and the challenge of sustaining change in day-to-day practice. In the engagement sample, just under two in five organisations identified limited in-house expertise as a barrier to investing in low-carbon technologies. Organisations also highlighted the need for clearer internal ownership, stronger technical understanding of decarbonisation solutions and more consistent engagement across staff, contractors and suppliers to support implementation and follow-through.

Implications: Even where organisations are motivated to act, progress can stall if they lack the confidence, capability or organisational buy-in needed to make decisions and sustain change over time. This means that effective support may need to combine technical guidance with approaches that strengthen governance, engagement and day-to-day practice.

5.6. Barriers Beyond the Challenge



Engagement also identified wider systemic barriers that significantly affect decarbonisation in Westminster but sit beyond the Challenge's direct scope. Funding emerged as the most significant barrier, with over 70% of survey respondents identifying high upfront costs as the main obstacle to low-carbon technology uptake and retrofit. Alongside funding constraints, organisations also highlighted limited staff time, competing priorities and a lack of dedicated capacity to lead delivery. Respondents further noted uncertainty created by policy changes, inconsistent sector-specific decarbonisation standards and wider market constraints.

Together, these funding, internal resource and capacity and policy and industry-wide barriers provide important context for the Challenge and reinforce the need for wider action beyond pilot interventions.

"I would say to reduce the carbon, the main challenge that most of the organisations have is the capital."

Energy Manager, University of Westminster

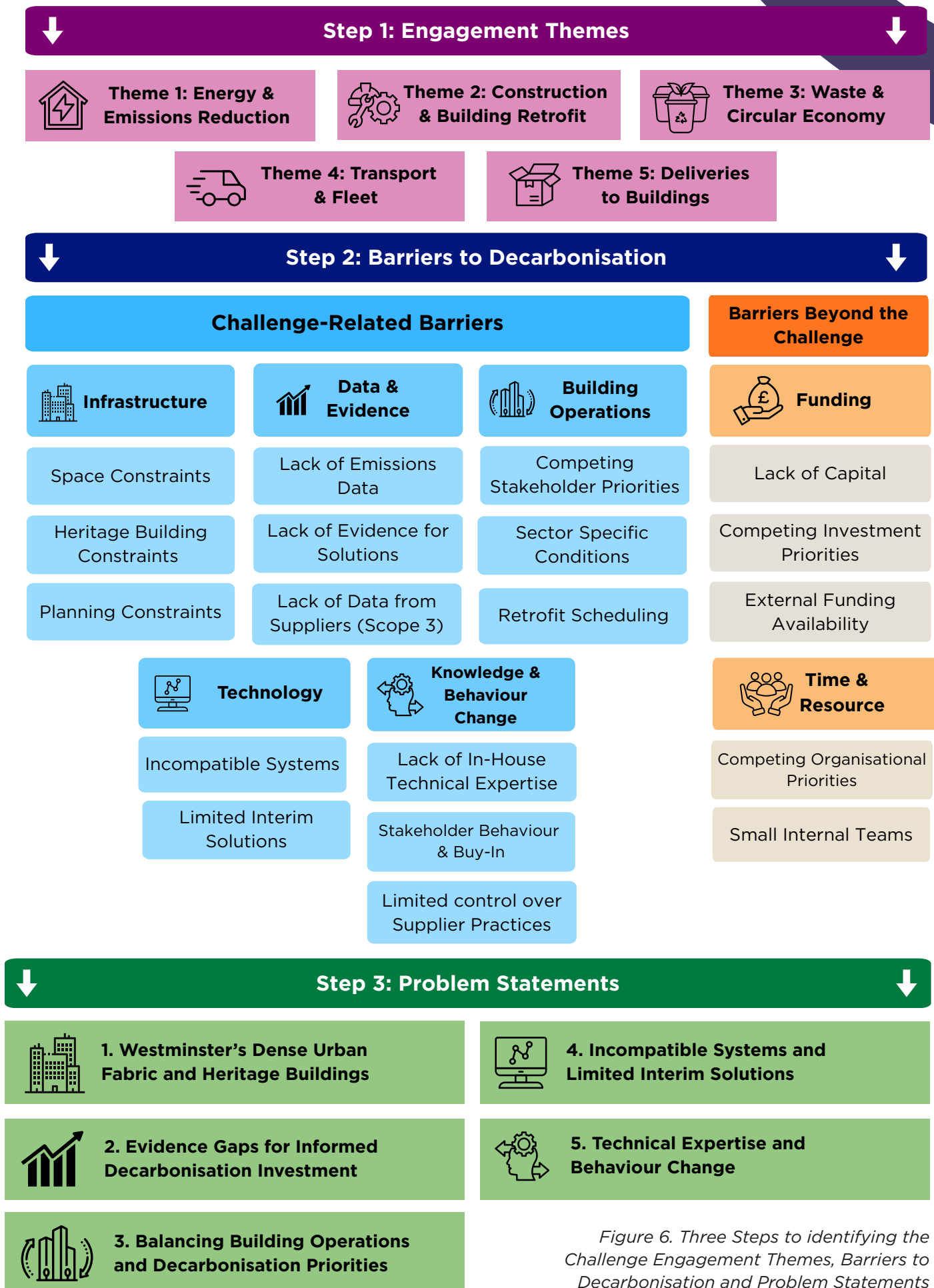


Figure 6. Three Steps to identifying the Challenge Engagement Themes, Barriers to Decarbonisation and Problem Statements

6. Problem Statements

This section sets out five evidence-based problem statements reflecting the barriers most consistently raised through engagement. They are prioritised according to their relevance to the Challenge. Together, they provide a practical framework for the Challenge for identifying scalable solutions suited to the constraints faced by Westminster organisations.



Image: Businesses in Westminster.

6.1. Westminster's Dense Urban Fabric and Heritage Buildings



Problem Statement 1: Westminster's dense urban fabric, heritage constraints and legacy infrastructure limit the range of viable retrofit and low-carbon solutions that organisations can implement.

Who	Organisations operating in listed, historic or spatially constrained buildings across Westminster. Recognised as a challenge across sectors due to the dense urban fabric and prevalence of heritage buildings in the borough.
Why it matters	These constraints increase complexity, reduce feasibility of solutions, and slow progress on decarbonisation in some of Westminster's most emissions-intensive buildings.
Opportunity for innovation	Solutions that help organisations identify retrofit options compatible with heritage and space constraints, improve building management systems, and support practical decarbonisation within existing infrastructure.

6.2. Evidence Gaps for Informed Decarbonisation Investment



Problem Statement 2: Limited insight into the feasibility, carbon impact and return on investment of decarbonisation solutions makes it difficult for Westminster organisations to make informed investment decisions.

Who	Organisations seeking to invest in retrofit, low-carbon solutions and building performance improvements across Westminster. Relevant across all sectors, although investment levels and decision-making processes vary.
Why it matters	Uncertainty over existing emissions, solutions performance, cost and payback increases delivery risk and presents challenges for securing internal sign-off.

Opportunity for innovation	Decision-support tools, scenario modelling, data visualisation, and approaches that help organisations build stronger business cases for investment.
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6.3. Balancing Building Operations and Decarbonisation Priorities



Problem Statement 3: The operational requirements of buildings in Westminster and the priorities of different stakeholders do not always align with decarbonisation objectives, creating barriers to implementation.

Who	Organisations operating specialist buildings or working across landlord, occupier, operator and contractor relationships. Particularly relevant to cultural, education and property management sectors.
Why it matters	Where operational continuity, user needs or split incentives take priority, decarbonisation measures can be delayed or reduced.
Opportunity for innovation	Solutions that effectively balance operational performance with emissions reduction, and approaches that improve coordination and decision-making across multiple stakeholders.

6.4. Incompatible Systems and Limited Interim Solutions



Problem Statement 4: Ageing or incompatible systems, and a lack of practical interim solutions, limit progress while longer-term decarbonisation is planned and delivered.

Who	Organisations operating older or complex buildings across Westminster, reliant on legacy building management systems and ageing infrastructure that is difficult to upgrade or connect to newer low-carbon solutions. Recognised as a challenge across sectors but particularly pronounced for organisations with limited capital and in-house expertise.
Why it matters	These barriers reduce operational efficiency, weaken control over energy use, and make it harder for organisations to integrate lower-carbon technologies or follow practical transition pathways away from high-carbon systems.
Opportunity for innovation	Solutions that optimise or bridge incompatible systems, improve compatibility with newer low-carbon technologies, and provide practical interim pathways that help organisations reduce emissions while preparing for longer-term change.

6.5. Technical Expertise and Behaviour Change



Problem Statement 5: Limited in-house technical expertise, knowledge gaps and stakeholder behaviour change challenges reduce organisations' ability to progress and sustain decarbonisation action.

Who	Organisations needing support to assess options, build confidence, and embed more sustainable operational practices. Particularly relevant to organisations in the cultural & creative, healthcare and education sectors, where specialist services and limited budgets can constrain action.
Why it matters	Even where organisations are motivated to act, lack of technical expertise and difficulty sustaining change can slow delivery and reduce the impact of interventions.
Opportunity for innovation	Tools, training, guidance and engagement approaches that improve decision-making, build capability, and support lasting behaviour change.



Image: The Challenge Engagement (Left clockwise) - In-depth survey, The Fitzrovia Partnership event, Westminster Cultural Sector Sustainability Group, Westminster BID Sustainability Group).

7. Opportunities for Action

The report findings highlight a range of opportunities for innovation and targeted support that could help organisations overcome common barriers to decarbonisation. While the specific challenges identified are grounded in Westminster's context, many are shared by organisations operating in dense urban environments with complex building stock, heritage constraints and competing operational priorities across the UK.

7.1. Priority Solution Areas

The findings highlight a number of practical solution areas that can help organisations and cities overcome common decarbonisation barriers and accelerate progress towards net zero.



Decision-support tools, scenario modelling and data visualisation platforms to strengthen option appraisal, business case development and investment decisions.



Building optimisation technologies and smart control systems, including BMS, that improve energy performance and maximise the value of existing assets.



Solutions that improve the measurement, monitoring and management of emissions, including building energy performance and Scope 3 emissions.



Technologies and services that support retrofit in constrained and heritage buildings, including heating and cooling interventions, helping organisations identify feasible decarbonisation pathways within physical and planning constraints.



Tools that improve coordination between landlords, occupiers, building operators and supply chains, enabling more effective decision-making and implementation.



Innovative training, guidance and behaviour change solutions that build technical confidence, strengthen organisational capability and support long-term adoption of low-carbon practices.



Image: National Gallery, Trafalgar Square - a historic landmark set within one of London's most iconic public spaces.

7.2. Wider Decarbonisation Action

While innovation and technology can help address many of the barriers identified, wider action will also be needed to accelerate decarbonisation at scale.

Key priorities include:

- **Supporting retrofit in constrained and heritage buildings**, including heritage retrofit demonstrators and drawing on expertise of local authority Planning teams.
- **Improving access to trusted technical expertise, evidence and best practice** to support informed decarbonisation decision-making and investment.
- **Sharing learning from pilot projects and real-world testing** to inform future business support, programme design and policy development.
- **Building collaboration between local authorities, businesses and sector partners** to address common challenges and accelerate adoption of effective solutions.
- **Addressing wider systemic barriers**, including funding constraints, limited organisational capacity and policy uncertainty.

The barriers identified in this report are significant, but they are not insurmountable. By combining innovation, investment, collaboration and targeted support, organisations can accelerate progress from ambition to delivery and contribute to a faster transition to net zero.

70%

of survey respondents identified upfront costs as the main barrier preventing uptake of low-carbon technologies



Image: Westminster Streetscape - historic brick buildings reflecting the character and constraints of the built environment.



Photo credit: Photos by CJ

If you would like further information about anything that has been included in this report, please get in touch:



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