
Report to: LEP Board

Date: 19 September 2017

Subject: Green Economy Panel

1 Purpose

- 1.1 To provide an update on progress against the Green Economy Panel's (GEP) work programme.

2 Energy Accelerator

- 2.1 The West Yorkshire Combined Authority (WYCA) submitted a revised application for approximately 3.5 million euros to the European Investment Bank's ELENA technical assistance programme. This funding is vital to establish the Energy Accelerator (EA). A decision from the EIB is anticipated in September 2017.
- 2.2 Subject to a successful ELENA application, permission will be sought from WYCA in October 2017 to accept the funding and proceed to set up and launch the Energy Accelerator (EA). Recruitment of staff and suppliers will also re-commence. WYCA hopes to be in a position to launch the EA by January 2018.

3 Better Homes Yorkshire

- 3.1 The Better Homes programme launched in March 2015. At the end of the second year of the Programme, 2,480 homes have received energy efficiency or renewable energy measures (747 in Year 2), with a contract value of £11.2m. Almost 75% of the value has been delivered by Leeds City Region (LCR) supply chain, with a further 20% by contractors just outside (i.e. Doncaster). In total 35 different sub-contractors have been awarded work through the programme and 204 jobs have been sustained.
- 3.2 All LGF funding (£6m) has now been secured for the LCR Tackling Fuel Poverty project, fulfilling a key political ambition of a scheme in every district. The Barnsley scheme has completed over the summer, resulting in 41 fuel poor households improved; work is well underway to improve properties in the Holbeck area of Leeds, this is part of a wider Group Repair scheme; additional ECO funding has been secured for the Bradford scheme, which will allow a further 18 properties to receive measures, bringing the total to 138 properties improved when the scheme completes in September. Wakefield, York, Selby, Harrogate and Craven have now mobilised, and are progressing.

3.3 The final phase (Phase 4, £1m) projects were awarded funding by WYCA in June 2017. Kirklees is a mixed tenure scheme, in partnership with Kirklees Neighbourhood Housing and Kirklees Building Services; 290 hard to treat properties will benefit and is part of a wider KNH investment programme to upgrade the thermal efficiency of 750 'hard to treat' council owned properties in the Deighton/Brackenhall area of Huddersfield. The project in Calderdale will improve 115 hard to treat properties in some of the most deprived areas of the district; privately owned and rented properties will be targeted. The project is part of the Council's £1.4m Affordable Warmth programme which is also providing heating, insulation and energy advice and support for lower income households.

Warm Homes Fund

3.4 National Grid announced a £150m Warm Homes Fund on 18th July, to be managed through National Grid's CIC 'Affordable Warmth Solutions'.

3.5 Local Authorities, Housing Associations and other organisations are eligible to apply for funding for the installation of affordable heating solutions in fuel poor households, who do not use mains gas as their primary heating fuel. National Grid envisages that this fund will be used to supplement local strategic plans and funds blended with local support.

3.6 The fund is split into three broad categories:

- Category 1. Urban homes and communities; for example new gas heating systems, it could also include heat network solutions.
- Category 2. Rural homes and communities primarily focused on 'non-gas' solutions i.e. heat pumps, oil and LPG.
- Category 3. Specific energy efficient/health related solutions – this may involve national or regional programmes which bring together relevant organisations and charities to promote energy efficiency and health related programmes in relation to fuel poverty.

3.7 The Fund will be run over a 3-year period with annual rounds of bids. Relating to the 1st year of funding available, Expressions of Interest were asked for by 31st July 2017 and full bids by 8th September 2017.

3.8 Led by WYCA, the Leeds City Region (LCR) Local Authority partners have developed a bid that aims to deliver over 700 heating systems to fuel poor homes, who do not use mains gas central heating systems as their primary heating fuel. An Expression of Interest was submitted to the Warm Home Fund (WHF) on 31st July 2017 and a full bid was submitted by the 8th September 2017.

4 Resource Efficiency Fund (REF)

- 4.1 The £2.66m Resource Efficiency Fund (REF) is being delivered through the Growth Service over the next three years as a key product to improve productivity and efficiency for SMEs in the city region. It is jointly funded by the LGF and European Regional Development Fund (ERDF), and provides advice and funding (grants of up to £10K on a 50% match-basis) to SMEs to identify and implement improvements related to their use of resources i.e. water, waste and energy.
- 4.2 203 businesses have engaged with the project (against an original target for the year of 167), with 196 having received visits from the two Resource Efficiency Fund Managers. Now the initial pipeline has been processed the flow of clients has stabilised as expected, additional marketing activity will take place from September 2017 to maintain momentum. The visits have resulted in 119 assessments being commissioned and the completion of 116 assessment reports to date.
- 4.3 The following table summarises progress up to August 2017

REF Activity	Sept 2017
Total Business Contacts	203
Businesses Visited	196
Assessments Commissioned	119
Type I/II Assessments Completed	116
Type III Reviews Completed	35
Businesses Completed	42
Grant Application Forms Issued	21
Grants Approved	15
Grants Completed	3

5 District Heat Network (DHN) Programme

- 5.1 The DHN Programme continues to support 12 active schemes in the LCR.
- 5.2 A number of schemes are coming to the end of the feasibility stage of project development and their respective local authorities will be required to make a decision on whether to progress to the production of an Outline Business Case (OBC) in the near future. Heat Networks Delivery Unit (HNDU) funding is currently available from central government to assist local authorities in the development of their OBC. The Energy Accelerator could, once approval from the EIB is granted, also assist local authorities in undertaking the work required to take district heat network projects through to financial close.

6 Green and Blue Infrastructure Strategy and Delivery Plan Refresh

Strategy elements

- 6.1 The refreshed Green and Blue Infrastructure (GBI) Strategy was approved in March 2017 by the LEP Board. The Strategy element of the refresh included an intensive period of engagement with over 50 local and regional stakeholders.
- 6.2 Five interconnected aims have been identified which link to the core purpose and allow green / blue infrastructure to deliver economic, social and environmental benefits. These aims are: Quality Places (for people and investment); Flood Risk Reduction; Health and Wellbeing; Wildlife and Habitats; and Climate Change, Air and Water Quality.
- 6.3 Seven priority areas have been identified for action that will deliver the aims of the Strategy and result in real, on the ground change:
- Effective water management and flood risk reduction;
 - Build GBI into physical development and housing;
 - Enhance green and blue corridors and networks;
 - Heighten community access to, and the enjoyment of, GBI;
 - Plant and manage more trees and woodlands;
 - Restore the uplands and manage them sustainably; and
 - Boost growth, jobs, skills and education through GBI.

Delivery Plan elements

- 6.4 Work has now commenced to create the GBI Delivery Plan. The Delivery Plan will set out the specific actions, responsibilities, resources, timescales and success measures for each priority and the strands of action within them. In some cases activity is already ongoing to deliver the Strategy element and the Delivery Plan will acknowledge this work and not look to duplicate.
- 6.5 Stakeholder engagement will form a major part of developing the Delivery Plan. A number of events and meetings will be taking place between September – December 2017.
- 6.6 It is envisaged that a draft Delivery Plan will be presented to the WYCA and LEP Board early in 2018 for comment and approval.

7 Zero Carbon Energy Strategy and Delivery Plan

- 7.1 Work continues to deliver a draft Energy Strategy and Delivery Plan by March 2018.

7.2 WYCA/LEP continue to work with the York, North Yorkshire and East Riding LEP. A series of joint pieces of research is currently being procured by WYCA to support both LEPs' strategies and delivery plans.

8 Recommendations

8.1 The LEP Board is asked to note the contents of the Panel update.