



Report to: Green Economy Panel
Date: 29 January 2019
Subject: Energy Accelerator Advisory Board Update

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1. Purpose of this report

- 1.1. To update the Green Economy Panel on the Energy Accelerator (EA) including:
- The Contract for Funding for the Energy Accelerator (Project Development Services) between the European Investment Bank (EIB) and West Yorkshire Combined Authority (Combined Authority) on behalf of the Leeds City Region Enterprise Partnership (LEP).
 - The successful procurement of advisors
 - Implementing the Energy Accelerator and changes to the governance structure the delivery stage.

2. Information

- 2.1. The EA is a key initiative under Priority 3 of the Strategic Economic Plan (SEP) which aims to create a zero carbon energy economy by 2036. The lack of project development funding and expertise are currently preventing investment in low carbon capital projects in the City Region. The EA programme is providing a new project development support service that will remove these barriers. The EA will provide a service to the public, private, academic and community sectors to develop projects around three key themes:
- Energy efficiency and renewable energy (new and retrofitted)
 - District heat networks
 - Street lighting

- 2.2. The EA will not itself deliver capital programmes, instead will bridge a current market failure by providing robust technical and commercial advice that will enable projects to develop and proceed to implementation. The EA will enable ~£98m of capital investment in low carbon projects to happen across the city region.
- 2.3. The total value of the project is estimated at £3.817m¹ funded by:
- £0.820m Local Growth Fund (of which some is allocated as match funding towards the ELENA grant); and
 - EUR 3.513m (£2.997m¹) EIB ELENA funding.

ELENA funding

- 2.4. As reported in October 2018, the Contract for Funding was signed in July 2018 and came into force on 1 August 2018 for a period of 3 years delivery (until 31 July 2021). The value of the ELENA funding is EUR 3.513 million.
- 2.5. Over the past few months the Combined Authority on behalf of the LEP has signed the EIB contract and taken the following actions to establish the EA:

Activity	Timescales
1. A full business case with costs (decision 5) was approved for the Energy Accelerator programme by the Combined Authority on behalf of the LEP	July 2018
2. The project moved into delivery from Policy and the mobilisation of the Programme Delivery Team started.	August 2018
3. Recruitment process for the Project Manager and Programme Assistant was initiated.	August 2018
4. The OJEU procurement of external experts has been finalised and the contract with the consortium (Turner & Townsend) was signed.	23 October 2018
5. The Project Manager has been recruited and started in the role	1 November 2018
6. The Programme Board was established and the Initial meeting held.	28 November 2018
7. Inception report (a contract requirement) was submitted to the EIB.	29 November 2018

¹ Based on [EC's March 2017 exchange rate](#)

8. The recruitment of the Programme Assistant was not successful; the position will be re-advertised.	January 2019
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2.6. The proposed governance and the assessment process for the programme has been reviewed and the EA is being delivered by a new Programme Delivery Team. The team comprises of seven posts: three internal staff and the four procured part-time external advisors who will be supported by a wider team of external advisors:

Internal staff

- Programme Manager (30% FTE)
- One Project Manager (100% FTE)
- One Programme Assistant (100% FTE)

External advisors

- Three part-time Commercial Sector Leads (3 x 0.5 FTE)
- One part-time Technical Cross-Sector Lead (1 x 0.5 FTE)
- Consortium of Advisors

Governance

2.7. The structure of the Programme Delivery Team and the governance is a minor change to the structure that was previously presented to this Panel, and has been updated to reflect and align to the governance of projects and programmes within the Combined Authority. The governance process has changed to allow the Senior Responsible Officer (Director of Policy, Strategy and Communication) to sign off all Accelerator projects to enable swift decision-making so as not to impact the tight timescales for the programme.

2.8. The Programme Advisory Group was set up to provide strategic direction for the bid to secure Energy Accelerator funding from the European Investment Bank (EIB). As the funds are secured and the programme moves to the delivery stage, the Programme Advisory Group will be replaced with a Programme Board. The core responsibility of the Programme Board is to assess suitability of the proposed projects and recommend to proceed or reject projects, and its membership is designed to improve the efficiency and effectiveness of the decision-making in the project assessment process and reflects other Programme Boards led by the Combined Authority.

2.9. All governance for the programme is overseen by the Combined Authority and must go through the assurance process on behalf of the LEP. Once schemes are identified as potentially deliverable, recommendations for each project will be developed by the EA's Programme Delivery Team and the Programme Board. All support that goes through the EA will be approved by the Senior Responsible Officer. The GEP will also continue to receive regular progress updates on the EA.

2.10. The purpose of the Programme Board is to support and advise the Programme Manager in relation to the portfolio of projects and that the programme is being managed in accordance with the Governance Framework (including risk and change management).

2.11. The Programme Board is made up of:

- Senior Responsible Officer (The Director of Policy, Strategy & Communication)
- Policy Manager
- Programme Manager
- Project Manager
- Programme Assistant

Current Position

2.12. Following the successful procurement of the external advisors at the end of October 2018, the last few weeks have been focused on mobilisation of the external experts, the high-level review of the initial pipeline of projects and the establishment of contacts with key stakeholders.

3. Financial Implications

3.1. There are no implications associated with this paper.

4. Legal Implications

4.1. There are no implications associated with this paper.

5. Staffing Implications

5.1. There are no implications associated with this paper.

6. External Consultees

6.1. No external consultations have been undertaken.

7. Recommendations

7.1. The Panel is asked to note the progress being made to deliver the Energy Accelerator and recent changes to its governance processes.

8. Background Documents

8.1. None

9. Appendices

Appendix 1. Energy Accelerator Programme Governance Process

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