
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 6 June 2019

Subject: **Green Economy Panel Update**

Director(s): Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Jacqui Warren

1. Purpose of this report

- 1.1 To give an update on the progress against the Green Economy Panel's major projects and programmes.

2 Information

Energy Strategy and Delivery Plan (ESDP)

- 2.1 Leeds City Region Energy Strategy and Delivery Plan (ESDP) was adopted by the Combined Authority on 13 December 2018.

- 2.2 The ESDP also explored setting a science-based carbon reduction target for the City Region in line with the Paris Climate Change Agreement of limiting global temperature rise to less than 2 degrees centigrade.

Setting a carbon reduction target

- 2.3 Stakeholders expressed an interest during the consultation on the ESDP to explore in detail the setting of a carbon reduction target for the City Region. Further work is planned to achieve this.

- 2.4 The aims of this work is to:

- Identify a carbon reduction target and date for carbon neutrality¹ for the City Region.
- Breakdown the carbon reduction target into five yearly carbon targets for the City Region.
- Identify, taking into account the actions set out in the ESDP, potential carbon reduction pathways to achieving the carbon reduction target.

¹ For the purposes of this piece of work carbon neutrality is defined as the point at which less than 5 percent of the total carbon budget for the City Region remains as residual emissions.

- 2.5 The Tyndall Centre will identify an overall and five yearly carbon targets for the City Region. The Tyndall Centre work is being funded through the University of Manchester at no cost to the Combined Authority.
- 2.6 In addition, the Combined Authority will commission a further piece of work to identify different potential ways in which the region could achieve the target identified by the Tyndall Centre.

Communicating the target

- 2.7 As part of the consultation process undertaken on the ESDP, leaders and LEP Board members expressed an interest in raising the city region's profile on the ESDP and our zero carbon ambitions.
- 2.8 In order to both raise the profile of the work, and to engage experts in the development of practical plans to deliver on our ambitions, we have been working towards holding *Towards a Zero Carbon City Region* workshops (four in total) and an event on 10 July 2019 (this was outlined in [Item 7](#) of the Green Economy Panel's meeting held on 9 April 2019).

Plans have recently been amended to now include:

- Four targeted workshops involving key stakeholders
 - A multi-channel communications campaign
 - A media call on 10 July 2019
 - A celebration event / conference in 2020, showcasing progress to date delivering the city region's ESDP
- 2.9 The workshops will focus around the themes of power, buildings, industry and surface transport, and the transformational carbon dioxide emission reduction activities that could be implemented within the different themes. Workshops are being held at end of June and early July.
- 2.10 The multi-channel communications campaign will set out the strategic vision for a zero carbon economy in Leeds City Region.
- 2.11 There will be a media call to launch our communications campaign which will be highly visual featuring partners including council leaders and LEP Board members and others such as young people and civic society.
- 2.12 A targeted group of journalists will be identified to ensure our campaign is effective. We will develop a clear narrative on how the Leeds City Region will meet its carbon dioxide emission reduction targets that are aligned with the Paris Agreement.
- 2.13 Our media activity will focus on the themes of the workshops, research and the positive impact the outcomes of the ESDP will have on the people who live here. It will be supported by a social media campaign.
- 2.14 An event / conference will also be held in 2020 and will be a culmination of the activity planned for 2019/20. It will be an opportunity to build on the ESDP's achievements so far and promote our aspirations post 2020.

Energy Accelerator

- 2.15 The Energy Accelerator (Accelerator) is a key initiative under priority three of the Strategic Economic Plan (SEP) which aims to create a zero carbon energy economy by 2036. It is a new innovative programme. The Energy Accelerator is a team of expert advisors that are supporting the development of low carbon projects. The Accelerator offers free support to the commercial and public sector in the following areas:
- Energy efficiency and renewable energy (new and retrofitted)
 - District heat networks
 - Street lighting
- 2.16 A full update on the programme was given at the last Panel meeting. The pipeline of potential projects in need of support through the Accelerator continues to be developed and six projects have been approved through the initial application stages. The value of the investments resulting from the projects accepted to the Energy Accelerator programme so far is estimated at £49m.

Better Homes Yorkshire

- 2.17 This is a City Region wide programme delivering energy efficiency and heating improvements across the City Region's homes. The projects within the programme are progressing well and to date almost 1,390 homes have had 1,469 measures installed during 2018/19, against the target of 1,320. This brings the total number of homes improved through the programme to 4,500.
- 2.18 The number of homes expected to be improved through the programme during 2019/20 has now been agreed by the programme board as 1,200. These works will be funded through a combination of Energy Company Obligation (ECO) and partner Council funds.
- 2.19 Projects within the Growth Deal funded Tackling Fuel Poverty programme in Kirklees and the four North Yorkshire councils have completed successfully. These projects have focused on standard and hard to treat measures in over 670 homes (included in the overall Better Homes KPI figures above). Kirklees have trained and expanded their internal delivery team and are continuing to roll out the measure across further areas with similar Council housing stock.

Resource Efficiency Fund

- 2.20 The Resource Efficiency Fund (REF) offers free expert advice and business support to small and medium sized enterprises (SMEs) to help them to implement energy and water efficiency and waste reduction measures.
- 2.21 Table 1 summarises the most up to date key progress indicators for the Resource Efficiency Fund.

Table 1: Progress as at 30 April 2019			
	Last Update (28/02/2019)	Current	Revised Programme Target ² (31/10/19)
Total Business Contacts	580	617	501
Assessments Commissioned	278	326	321
Businesses Supported	177	227	303
Businesses receiving non-financial support	154	197	200
Businesses receiving information, diagnostic and brokerage support	72	84	75
Grants Completed	95	116	133

2.22 Overall, businesses supported remain at 92 percent of target and are expected to be broadly on target this quarter.

REF2

2.23 On 28 November 2018 the Combined Authority submitted a European Regional Development Fund (ERDF) Outline application to continue delivery of the REF post November 2019, across the Leeds City Region. The application was made under Priority Axis 4b: Supporting Energy Efficiency and Renewable Energy Use in Enterprise, and includes enhancements to the existing programme and new Circular Economy (CE) support for SMEs. CE is a new approach that challenges inefficient production, returning materials back to the economy. On 13 February 2019 the Combined Authority was invited to submit a Full application for funding.

2.24 In addition, the Combined Authority, on behalf of the York, North Yorkshire and East Riding (YNYER) LEP, submitted a complementary Outline application to the YNYER LEP area's ERDF PA 4b call to deliver the REF into four new areas of North Yorkshire - Richmondshire, Ryedale, Hambleton and Scarborough. If successful, the Combined Authority will act as the accountable body and delivery partner for this extended REF programme in North Yorkshire. This application was also successful and the Combined Authority was invited to submit a Full application. One Full application, covering both

² The revised targets are the result of an ERDF Project Change Request in early 2018. A range of issues meant this was required including utilising a small budget underspend from 2017, re-purposing the budget to increase capital grants and, based on current performance at the time, increased targets for non-financial support.

projects is now being developed. The deadline for submission is 12 June 2019.

District Heat Network (DHN) Programme

- 2.25 The Programme continues to support the development of a number of active heat network projects in the City Region.
- 2.26 Three projects have been successful in gaining initial approval through the Energy Accelerator. The projects are Barnsley, Bradford and Southbank, Leeds.
- 2.27 Five projects have secured Heat Network Delivery Unit (HNDU) funding. The projects are Bradford, Barnsley, Huddersfield, Southbank, Leeds and a new project in Barnsley relating to social housing and mine water heat. In the case of Barnsley, Bradford and Southbank, Leeds, the Energy Accelerator will act as match funding to the HNDU funds.
- 2.28 The Leeds PIPES construction programme is now over 82 percent complete. All the underground pipework is now installed and over-ground pipework is nearing completion. The heat sales agreement with key commercial partners are progressing well.

Green and Blue Infrastructure (GBI) Strategy and Delivery Plan

- 2.29 The Leeds City Region Green and Blue Infrastructure Strategy and Delivery Plan was adopted by the Combined Authority on 13 December 2018. At the November 2018 meeting of the Yorkshire West Local Nature Partnership (LNP) partners agreed to a proposal for a resource to assist in the delivery of the GBI Delivery Plan. A draft role profile has been created and conversations are ongoing with partners to secure the funding for the resource.
- 2.30 Furthermore work has begun on the development of detailed work plans for each of the 12 actions identified in the Delivery Plan. Information on these work plans will be presented to a future meeting of the Green Economy Panel.

3. Financial Implications

- 3.1 A budget is in place to deliver the Resource Efficiency Fund programme up to November 2019. See paragraphs 2.23 and 2.24 for plans to secure future funding for this programme.
- 3.2 A proposal to create a dedicated resource to deliver the Green and Blue Infrastructure Delivery Plan is in development. This will be a shared resource across a number of regional partners. Potential partners are currently being asked to consider funding this role, including the Combined Authority.
- 3.3 For other projects mentioned in this report, there are no direct financial implications from this update, with either budget or funding in place to deliver the initiatives and work described.

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 That the Panel note the progress against the major projects and programmes.

8. Background Documents

8.1 None.

9. Appendices

None.