
Report to: Green Economy Panel

Date: 9 July 2019

Subject: Major Projects Update

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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 Accelerator

- 2.1 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

- 2.2 A full update on the programme will be provided at the October GEP meeting. This is to coincide with the bi-annual progress report that the Combined Authority has to submit to the EIB (European Investment Bank) in Late August 2019. The pipeline of potential projects in need of support through the Accelerator continues to be developed. See paragraph 2.14 for more details.

Better Homes Yorkshire

- 2.3 This is a City Region wide programme delivering energy efficiency and heating improvements across the City Region's homes. The Combined Authority's framework agreement with the provider came to an end at the end of 2018 however the Council's agreements will continue until March 2023. During

2018/19 1,566 homes received 1,645 measures against the target of 1,320 as the partners and provider were able to respond to a funding opportunity arising through the Energy Company Obligation. This brings the total number of homes improved through the programme to 4,670.

- 2.4 The final projects within the Growth Deal funded Tackling Fuel Poverty programme have now completed and the programme is now in evaluation and close down. In total 1,446¹ homes across the city region received measures.
- 2.5 Several councils have secured funding through local bids to National Grid's Warm Homes Fund. This includes an area based scheme in Swarcliffe, Leeds to connect the estate to the gas main and install efficient heating systems, and also area wide schemes within Barnsley, Calderdale and the four North Yorkshire councils.

Resource Efficiency Fund

- 2.6 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.
- 2.7 Table 1 summarises the most up to date key progress indicators for the Resource Efficiency Fund.

Table 1: Progress as at 31 May 2019			
	Last Update (28/02/19)	Current	Programme Target (31/10/19)
Total Business Contacts	580	642	501
Assessments Commissioned	307	342	321
Businesses Supported	217	240	303
Businesses receiving non-financial support	192	208	200
Businesses receiving information, diagnostic and brokerage support	83	83	75
Grants Completed	109	123	133

- 2.8 Overall, businesses supported are at 93 percent of target, and are expected to be remain broadly at this level to the end of the quarter.

REF2

- 2.9 On 28 November 2018 the Combined Authority submitted a European Regional Development Fund (ERDF) Outline application to continue delivery

¹ This number is included within the total Better Homes figures noted in 2.3).

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.

- 2.10 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. 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.
- 2.11 A single full application, covering both areas outlined in paragraphs 2.9 and 2.10 has been submitted by the Combined Authority to Ministry of Housing, Communities and Local Government on 12 June 2019.
- 2.12 REF2 builds on and enhances the current Resource Efficiency Fund delivered by the Combined Authority. This project will increase energy efficiency and environmental resource efficiency (ERE), covering energy, energy efficiency water and waste, in SMEs through:
- Providing advice and support to deliver best practice in ERE in SMEs
 - Over 170 Grants (including small grants <£8000 and new large grants £8000 – £40,000) to support SMEs to implement tailored action plans
 - Investment in ERE and low carbon technologies.
 - Piloting a range of bespoke circular economy ²support packages.
- 2.13 Just under 400 enterprises will receive support and it is anticipated to save over 2500 tonnes of Carbon Dioxide (CO₂) per annum.

District Heat Network (DHN) Programme

- 2.14 The Programme continues to support the development of a number of active heat network projects in the City Region.
- 2.15 Since the last meeting of the Panel three projects have continued to progress through the Energy Accelerator – Barnsley, Bradford and Southbank, Leeds. A further project, Halifax, has been added to the Energy Accelerator pipeline since the last meeting of the Panel.
- 2.16 The Leeds PIPES construction programme is progressing well and is now over 90 percent complete. The heat sales agreement with key commercial partners

² A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life. In practical terms this means reducing use of finite virgin materials, designing products to last longer.

are progressing well, and the Combined Authority expects to transfer a four million pound contribution from its Growth Deal to the scheme Q3 2019/20. A launch of the scheme is expected in autumn 2019.

- 2.17 The Southbank, Leeds project represents phases two and three of the Leeds PIPES scheme. Since the last meeting the project has been split into two to reflect that it is part of the Leeds PIPES project. Phase 2 has passed through Gateway 2 of the Accelerator and is related to assisting with Leeds' HNIP application (Heat Networks Investment Project). Phase 3 remains at Gateway 3 pending the completion of the work under Phase 2 and relates to the expansion of the network into the Southbank area of Leeds.

Green and Blue Infrastructure (GBI) Strategy and Delivery Plan

- 2.18 Please see item 8.

Energy Strategy and Delivery Plan (ESDP)

- 2.19 See Item 9.

North East, Yorkshire and Humber Energy Hub

- 2.20 See item 9.

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

8. Background Documents

- 8.1 None.

9. Appendices

None.