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

Date: 21 November 2019

Subject: **Green Economy Panel**

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1. Purpose of this report

- 1.1 To provide the Leeds City Region Enterprise Partnership (LEP) Board with a progress report on significant areas of activity related to the Green Economy Panel (GEP) following their meeting on 22 October 2019. The meeting followed a tour of Drax power station in Selby, North Yorkshire, where the Panel had the opportunity to hear about the station's transition from coal to electricity generation using biomass.

2 Information

Tackling the Climate Emergency: Energy Strategy and Delivery Plan

- 2.1 The Combined Authority approved the Leeds City Region Energy Strategy and Delivery Plan (ESDP) in December 2018. It aims to dramatically reduce the City Region's carbon emissions. It will not be easy and will require coordinated action by local government, industry, business and people of all ages. This is a programme of work that will be delivered in a phased approach, with short term projects and longer term, whole system actions.
- 2.2 The Panel received a full update on the ESDP at their meeting on 22 October 2019. This paper focussed on the recent activities surrounding the City Region declaring a Climate Emergency. A summary is provided in the following paragraphs.
- 2.3 The scale of the task ahead must not be underestimated with a 14.5 percent reduction in emissions required year-on-year and regional emissions halving every five years (Tyndall Centre 2019). Meeting this challenge now requires collective action from across all sectors and will require us all to change the way we live. There is a need for immediate action coupled with the need for long term strategic planning and delivery. This work must be supported by a robust evidence to ensure we can make significant progress to achieve net carbon zero by 2038, and with significant progress by 2030. Table 1 outlines some of the recent work the Combined Authority has carried out:

Engagement:

| Activity | Description |
|---|---|
| Sector-specific low-carbon workshops | Held 4 workshops in late June / early July and identified over 50 transformational actions that could enable the City Region to meet its net zero-carbon ambition. Attended by over 150 individuals from across the public, private and third sector. |
| LCR Climate Coalition & Pledge | Launched the Coalition and Pledge. The Coalition will act as a combined, powerful collective working together to create a net zero-carbon City Region. |
| Media call | Launched (10 July) the strengthened City Region target and Leeds City Region Climate Change Coalition and Pledge. |
| NP11 Energy and Clean Growth Conference | The City Region had good presence at the Northern Conference on 5 and 6 November 2019. See 2.16. |

Recent project development support:

| Activity | Description |
|---|--|
| Energy Accelerator | <p>10 low / zero carbon projects are receiving free project development support through the Energy Accelerator (including several district heat networks):</p> <ul style="list-style-type: none"> • Leeds PIPES (phases 2 and 3) • Barnsley Civic Quarter • Bradford City Centre • Halifax Town Centre <p>And a range of energy efficiency projects on the public and NHS estate.</p> <p>Projects will be installed by September 2021.</p> |
| Domestic Energy Efficiency Financing Models | Through the North East, Yorkshire and Humber Energy Hub the Combined Authority is commissioning consultancy support to identify the financial models that will enable domestic energy efficiency activity to be scaled up and delivered at pace (city-regional scale). This will identify ways to strengthen the current Better Homes Programme that provides energy efficiency improvement works to households in the City Region. |
| REF and REF2 | Resource Efficiency Fund (REF) offers SMEs free hands-on business support and up to 50% capital grant funding of up to £10,000 to help them save money and resources. The scheme ends in December 2019. The Combined Authority has therefore applied for ERDF funding for create a second Resource Efficiency Programme (RE-BIZ). Subject to funding, this new programme will also include circular economy principles and practices. |

| Activity | Description |
|-----------------|---|
| H21 | Continued support for the development and delivery of the H21 project, led by Northern Gas Networks |
| Hydrogen | Supported a £32m University of Leeds Strength in Places Hydrogen Corridor proposal |

Building evidence to support achieving the zero carbon target:

| Activity | Description |
|---|---|
| Carbon Abatement Pathways | The Combined Authority is commissioning consultancy support to identify a carbon emissions reduction pathway(s) that will enable the City Region to meet its net zero-carbon target by 2038 with significant progress made by 2030. This will highlight the essential actions required. |
| Domestic Energy Efficiency Financing Models | Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the financial models that will enable domestic energy efficiency activity to be scaled up and delivered at pace (city-regional scale). |
| Transport Emissions Reduction Pathways | Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the different emissions reduction pathways that the transport system could take to contribute to achieving the City Region net zero-carbon target. |
| Clean Growth Audit | Identify the carbon and energy intensive industries in the City Region. |

Further immediate opportunities for District Partners

- 2.4 There is an immediate opportunity for all local authorities to align to, and work more closely with the Combined Authority to address their local climate emergencies through a range of current projects.
- 2.5 A meeting of the Green Economy Officer Group (GEOG¹) was held on 12 September to explore how all the City Region's local authorities can begin to work more closely on the Climate Emergency.
- 2.6 The West Yorkshire Combined Authority, working with the York and North Yorkshire and East Riding LEP, has secured £100,000 of funding through the West and North Yorkshire Business Rate Pool (WNY BRP) to support climate emergency related actions in the local authorities in this geographical area.

¹ This is a group of officers (energy, sustainability, housing, policy officers) working on climate / green issues from across the Leeds City Regions' Local Authorities.

West Yorkshire Combined Authority Corporate Approach to Clean Growth

- 2.7 In addition to this city-regional work, the Combined Authority has developed a new corporate approach to embedding clean growth, including reducing carbon emissions and tackling the climate emergency. It includes adopting a new clean growth policy, containing a set of principles for all staff to use, and a detailed action plan outlining what the Combined Authority will do as an organisation over the next two years. It covers the organisation's plans to reduce the direct environmental impact of how it works and behaves, as well as ensuring clean growth is embedded in proposals for projects to be delivered across the region in pursuit of corporate priorities. **See Appendices 1 (Policy) and 2 (Action Plan on a Page).**
- 2.8 One immediate action the Combined Authority has taken is to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority and its Assurance Framework. All Combined Authority reports now require a clean growth qualitative assessment and over the next six months – one year a robust quantifiable methodology for assessing all new schemes predicted carbon emissions/wider clean growth impacts will also be implemented.

Next initial steps to become a net zero-carbon Leeds City Region

- 2.9 There is a need to now build on these recent developments and keep momentum going to galvanise support and commence delivery against the ambitious regional target.
- 2.10 A summary of the work planned by the Combined Authority to assist the City Region meet its carbon targets. Including
- **Communications & Engagement with key stakeholders**
 - **Building a robust evidence base** including further work to understand how the City Region's net zero-carbon target can be met, and identification of a refreshed prioritised list of projects to develop.
 - **Delivery of a range of projects and building the City Region's Climate Coalition.**
 - **Local Authorities Support:** Including the identification of joint opportunities to collaborate and work together in response to the climate emergency declarations, including delivery of the WNY BRP climate emergency funding.
- 2.11 The Panel considered the report and provided a range of comments including the need for the Panel to fully understand the Climate Emergency plans of all Local Authorities in the City Region and how the region will monitor progress going forward. An in-depth session with the Panel will be held at their next meeting and will also cover common collaborative climate emergency projects to explore across the City Region and current blockers / constraints.

Energy Accelerator

- 2.12 The Panel received a full update on The Energy Accelerator (Accelerator). This is a key initiative under priority three of the Strategic Economic Plan (SEP) and 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 for energy efficiency and renewable energy (new and retrofitted), district heat networks, and street lighting. The Panel noted that 13 projects are currently progressing through the Accelerator. The total forecasted capital investment leveraged through the development of these schemes is estimated at £128.197 million. The programme is on track to meet its 18 month targets.

North East Yorkshire and Humber Energy Hub (energy Hub)

- 2.13 The Panel received a full update at the meeting on the Energy Hub. There are a number of projects identified in the ESDP which are suitable for development through the Hub². The Panel heard about the projects currently going through the Hub including:
- A Leeds City Region Transport Emissions Reduction Pathways study is being procured to support the decarbonisation of the transport sector in the City Region. This work will be the focus of the new Zero Emission Transport Working Group set up to ensure the transport sector plays its part in meeting the net zero carbon city region target.
 - The Hub also supported the NP11 Energy and Clean Growth Conference held on 5 and 6 November. The City Region had good presence at the conference including an exhibition stand on both days selling our zero carbon ambitions and opportunities. Roger Marsh also presented at the conference and Simon Pringle, Nevil Muncaster and Rosa Foster were part of a panel for one of the conference's breakout sessions. The Combined Authority / LEP also ran a breakout session on the City Regions zero carbon ambitions, opportunities and programmes of support. The NP11 also launched their Energy Strategy for the North. The full report will be available shortly.
- 2.14 The Panel has also held a private workshop following the meeting to focus on:
- The development of the Local Industrial Strategy and embedding clean growth opportunities across the priorities it identifies.
 - Just transition - This focuses on how we make sure our City Region's decarbonisation plans maximise environmental, social and economic opportunities in a just and fair way, with no one / community left behind / disadvantaged. This work will feed into the Local Industrial Strategy.

² The Hub provides capacity to LEPs and local authorities to undertake the initial stages of development for priority local and regional energy projects and programmes up to a point where investment can be secured. A collaborative and coordinated approach across multiple LEP areas is encouraged through the Hub.

3. Financial Implications

- 3.1 Given the scale of the projects identified in the ESDP there are likely to be financial implications for the Combined Authority and partners. Each project as it develops will be subject to a robust business case. Exploring and securing funding will also form a large part of this work.

4. Legal Implications

- 4.1 There are no implications associated with this paper.

5. Staffing Implications

- 5.1 Additional resources will be needed to allow the Combined Authority to deliver its Clean Growth Programme and elements it is responsible for in the ESDP. Additional resource asks are being addressed through the Combined Authority's business planning process for 2020/2021.

6. External Consultees

- 6.1 The Green Economy Officer Group and various Combined Authority groups have been closely involved in the development of the ESDP and recent City Region Workshops.

7. Recommendations

- 7.1 That the LEP Board note the contents of this report.

8. Background Documents

- 8.1 None.

9. Appendices

Appendix 1 – Combined Authority Clean Growth Policy

Appendix 2 – Combined Authority Clean Growth Action Plan on a Page