
Report to: Green Economy Panel

Date: 18 November 2020

Subject: **Tackling the Climate Emergency - Major Projects 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, all of which form part of the City Region's approach to tackling the Climate Emergency.

2. Information

- 2.1 This is an unprecedented time and the Combined Authority, and our staff, consultants, contractors, and suppliers are all having to adapt to new ways of working. We are seeing the impacts of Covid-19 in our programmes and projects and a range of risks and mitigation actions are outlined below.

Operational programmes

Energy Accelerator

- 2.2 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 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
- 2.3 The Accelerator has been operating for over 18 months and is on track to achieve targets set by the European Investment Bank (EIB), funders of the programme. 12 low carbon projects are receiving support, including
- Energy efficiency retrofit projects
 - District heat projects

- Street lighting project
- 2.4 The impact of COVID-19 and Brexit have resulted in a decrease of numbers of projects progressing through the programme.

- 2.5 A risk assessment is below and rates this project as amber. See paragraphs 2.27.

Better Homes Yorkshire

- 2.6 Various Councils within the City Region continue to deliver locally led energy efficiency and fuel poverty programmes including Warm Homes Funded projects, albeit work is currently on hold due to coronavirus restrictions. Item 6 provides a full update on the plans to scale up energy efficiency across the City Region.

RE-Biz

- 2.7 The Resource Efficient Business (RE-Biz) programme is a successor programme to the Resource Efficiency Fund and officially commenced on 1 January 2020. The aim of the project is to increase energy efficiency and environmental resource efficiency (ERE), covering energy, energy efficiency water and waste, in SMEs in the whole of West Yorkshire and North Yorkshire 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
 - A circular economy pilot to explore business model innovation to support more resource efficient business
- 2.8 The project continues to operate in light of the current COVID-19 pandemic. The impact of the pandemic has created key challenges, namely around business engagement and participation. Referrals onto the project are slower than originally predicted due to the ongoing recovery challenges for many businesses who report a shift in priorities. There have also been delays with proactive marketing and a reduced capacity of the team of SME Growth Managers who provide a key referral route into the project. Engagement with businesses in North Yorkshire has also been particularly challenging.
- 2.9 The team of Resource Efficiency Managers (REMs) have resumed undertaking site visits where possible. However, their capacity to do so remains limited in the current climate with access to sites very much determined by the policy of each individual client. In turn, these restrictions have had a knock-on effect in being able to carry out the necessary audits that underpin the support and grants offered.
- 2.10 Despite the issues highlighted, the Resource Efficiency Managers continue to reach out to businesses resulting in 128 client contacts. 41 assessments have

been commissioned and the Team have achieved 30 completed individual business assists, seven of which have resulted in grant payments. Another eight grant applications have been approved and notably all grant applications to the programme have been successful. The annual carbon savings associated to the programme so far is 88 tonnes.

- 2.11 With regards to the Circular Economy side of the programme, which is a new element to the programme, six businesses have been referred for the initial two days of support. Of these, all six have received initial diagnostic reports and three have completed the three days introductory support. The first application for the complete support was approved in August.
- 2.12 To help ensure the project regains traction, a marketing strategy and rollout timeline has been developed, including the use of wider regional business support networks and promotion through paid advertising and social media platforms.
- 2.13 A risk assessment is below and rates this project as amber. See paragraphs 2.27.

District Heat Network (DHN) Programme

- 2.14 The development of several active heat network projects in the City Region is now being delivered through the Energy Accelerator. All future updates will be through the Energy Accelerator item and ad-hoc items as required by the Board.

Flooding

- 2.15 The Combined Authority has been working with partners to update the ambitious pipeline of West Yorkshire flood alleviation schemes for the next six-year funding period from 2021/22.
- 2.16 Alongside this work, partners have identified a focused package of investment activities that have the potential to add resilience to existing development, enable future growth, support carbon reduction and integrate with our wider Economic Recovery Plan.
- 2.17 Our emerging plan requires £120 million of government investment which will unlock local public and private contributions for 28 priority schemes and deliver a £15m Natural Flood Management (NFM) programme which includes the Leeds and Upper Calder NFM projects as an early phase. This funding would be delivered in partnership. It is estimated that the 28 priority schemes programme will provide enhanced flood protection to approximately 26,300 homes and 4,700 existing jobs, equating to c.£1 billion in GVA per annum. It will also allow West Yorkshire to make further progress toward our objective of becoming a net contributor to the UK economy and achieving our ambition of becoming a net zero carbon economy by 2038, by supporting delivery of tree planting, peat restoration and other green infrastructure.
- 2.18 The Yorkshire Integrated Catchment Solutions Programme (iCASP), Combined Authority and Environment Agency have contributed to a University

of York Study (in partnership with the University of Leeds) to 'Close the knowledge gap between Local Authorities, insurers, lenders and surveyors on the economic impacts of flooding on Small and Medium Sized Enterprises (SMEs) and effective resilience measures'. The Study will assess the economic impacts of flooding on SMEs in the City Region, set out the effectiveness of resilience measures to reduce flood risk with the objective of leading to a City Region economy more resilient to flood risk.

- 2.19 This work is currently at the business survey stage. However, the University team are struggling to complete the required amount of online business surveys due to the current climate. Partners are encouraged to consider any appropriate business networks the survey could be circulated to.
- 2.20 £20 million from the West Yorkshire Combined Authority's Growth Deal (GD) was approved at programme level by the Combined Authority in 2017 for the Flood Alleviation for Growth programme, to reduce the flood risk of businesses (1,385 target), and safeguard jobs (11,000 target) within the city region. The Combined Authority have collaborated with partners to support delivery of flood alleviation schemes using GD3 funding. To date £17.846 million (£15.697 million spend) has been awarded to eight projects (total value £195m).

North East, Yorkshire and Humber Energy Hub

- 2.21 The Leeds City Region is part of the North East, Yorkshire and Humber Energy Hub (the Hub). The Energy Hub's main aims is to:
- Identify and prioritise local energy projects
 - Undertake the initial stages of development for priority projects
 - Take a collaborative and coordinated approach across multiple LEP areas
- 2.22 A full update on the work of the Hub was provided at the Panel's July meeting. Since then a range of funding has been given to the Hub to increase energy efficiency and tackle fuel poverty within the Hub's sub-regions. Item 6 provides an update on this new support.

Strategic Programmes

Energy Strategy and Delivery Plan (ESDP)

- 2.23 In 2018 the Leeds City Region adopted the ESDP. In 2019 it declared a climate emergency and strengthened its target to be net zero carbon by 2038, with significant progress by 2030. Within the ESDP 20 projects are underway or completed. The remaining 19 projects are pending the results of the Emission Reduction Pathways work. Item 5 provides a full update on the Emission Reduction Pathways.

Green and Blue Infrastructure (GBI) Strategy and Delivery Plan

- 2.24 The GBI Strategy and Delivery Plan was adopted by the Combined Authority in December 2018 and sets out how GBI can contribute to achieving a zero-carbon energy economy to be underpinned by high-quality GBI.

- 2.25 Work continues across a wide range of stakeholders to develop and deliver against some of the 12 key projects and actions.
- 2.26 A new temporary policy officer is in post within the Combined Authority to help deliver the new Green Infrastructure Standards Trial with Natural England. An outline of the Trail was presented to the Panel in July. This role will also support delivery of some of the strategic actions required in the GBI Delivery Plan and various zero emission planning related activities linked to the West Yorkshire Devolution Deal. Appendix 1 provides an update on the Pilot and the work to date.

COVID-19

- 2.27 In light of COVID-19 a high-level delivery risk assessment has been carried on the major operational schemes above and including the Emission Reduction Pathways strategic piece of work. All schemes are being regularly monitored for delivery impacts.

Scheme	Description	Risk RAG
Tackling the Climate Emergency – Emission Reduction Pathways (ERP)	Task 2 and 3 were delayed due to COVID-19 but revised plans are in place to engage stakeholder and the public.	On track after initial delays
ESDP and GBISDP	This is to be refreshed in 2021	On track after the initial delays
Energy Accelerator	Project Sponsors have indicated the risk of delays and potential slippage due to restricted access to restrictions on site visits. At the same time, potential Project Sponsors are exhibiting caution when deciding on committing budget to capital investments.	Delayed

RE-BIZ	Access to sites is still restricted although auditors have recommenced visits from 1 June. Business interest is starting to pick up.	Delayed
Flood Alleviation for Growth Programme	Projects delivering engineered solutions are largely on track, however natural flood management projects are heavily reliant on volunteers, and delivery is being impacted by Covid restrictions.	Delayed
Delivery RAG risk rating - On track – Green, Delayed – Amber, Cancelled - Red		

Other Committees / Panel updates

- 2.28 At the Transport Committee on 4 September 2020 they received a full update on the carbon emission reduction pathways work. The paper is [here](#).
- 2.29 The Leeds City Region Local Enterprise Partnership (LEP) Board on 10 June 2020 received a substantial paper relating to how the LEP can play their role in tackling the Climate Emergency. This paper is [here](#). Since then a paper was taken to the Employment and Skills Panel on 14 September exploring actions they can take tackle the Climate Emergency. The paper is [here](#). Meetings with other Panels are being planned. The Business, Innovation and Growth Panel and Place Panel have already received presentation and are considering actions.
- 2.30 On the 26 August Simon Pringle, as the Chair of this Panel, led a whole LEP session on understanding our region’s Climate Emergency. This was a hugely successful event designed to give LEP members more insight into the Climate Emergency and the roles they can all play. Over 50 people attended the event.

West Yorkshire Combined Authority Corporate Approach to tackling the climate emergency

- 2.31 In addition to this city-regional work, the Combined Authority developed a new corporate approach to embedding clean growth and tackling the climate emergency in September 2019. To reflect the urgency of this work, the

combined authority changed its clean growth priority to tackling the climate emergency. Work is now ongoing to deliver the Action Plan approved by the Combined Authority in October 2019.

- 2.32 An immediate action the Combined Authority and LEP has taken is to ensure all decisions made include carbon and consideration to the Climate Emergency.
- 2.33 The Combined Authority is working with Motts Macdonald and Ricardo to develop a strengthened, robust, quantifiable methodology for strengthening decision making in light of the Climate Emergency. This will include the development and implementation of the new quantifiable assessments. A full update on this work and the proposed new methodology will return to the Panel early next year. A report to the Combined Authority's Investment Committee on the work to date and the initial findings can be access [here](#).
- 2.34 On 2 October the West Yorkshire Combined Authority and LEP won the MJ Achievement Award for Leadership in tackling the Climate Emergency. This is a great achievement for the whole of the Leeds City Region and our partners and reflects the hard work and strong leadership this Panel continues to provide in the face of our Climate Emergency. More details are available [here](#).

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 helping to tackle the Climate Emergency.

8. Background Documents

- 8.1 None.

9. Appendices

Appendix 1 – Green Infrastructure Standard Trial – Update
Appendix 2 - Green Infrastructure Standard Trial – Presentation