
Report to: Green Economy Panel

Date: 25 February 2021

Subject: **Tackling the Climate Emergency - Major Projects Update**

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

Author(s): Ambrose White, Policy Officer

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 The officers, consultants, contractors, and suppliers working across the projects continue to adapt to new ways of working. The impacts of Covid-19 on our programmes and projects and a range of risks and mitigation actions are outlined below as part of project updates.

Operational programmes

Energy Accelerator (including District Heat Network (DHN) Programme)

- 2.2 The Energy Accelerator is a key initiative under priority three of the Strategic Economic Plan (SEP). It is a new innovative programme involving 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 is entering the last 6 months of operation and while COVID-19 and EU Exit have impacted on the numbers of projects progressing through the programme, it is on track to achieve major contractual obligations set by the European Investment Bank (EIB), funders of the programme. 13 low carbon

projects are receiving support at various stages of the development.

- 2.4 Out of 13 projects that are in various stages of progress through the Accelerator, 3 have reached the point of delivery and successfully progressed to the investment stage. The project is current rated Amber (see 2.18).

Better Homes Yorkshire

- 2.5 Local authority partners are delivering energy efficiency upgrades to homes in the region under a range of schemes through the Better Homes Yorkshire (BHY) partnership. Under the Local Authority Development fund (LAD) of the Government's Green Homes Grant, West Yorkshire Councils, Barnsley, Harrogate, and York have made funding bids to the value of £12 million. Under LAD Phase 2, a further £16.1 million has been allocated to West Yorkshire subject to approval from the Energy Hub, to be delivered in 2021.
- 2.6 An implementation plan for the Scaling up Better Homes Yorkshire project, is being written to identify the resources needed to deliver the 'building blocks' identified at the November 2020 Panel meeting. This will be developed with partners and presented at a future meeting.

Resource Efficient Business programme (RE-Biz)

- 2.7 RE-Biz is a successor programme to the Resource Efficiency Fund, with the aim of increasing energy efficiency and environmental resource efficiency (ERE) in SMEs in West and North Yorkshire through:
- Providing advice and support to deliver best practice, including over 170 grants to support SMEs to implement tailored action plans.
 - Investment in ERE and low carbon technologies.
 - A Circular Economy (CE) pilot to explore business model innovation to support more resource efficient business.
- 2.8 The project continues to be affected by the COVID-19 pandemic, with recovery challenges for many businesses impacting priorities, and limited marketing opportunities and reduced capacity in the team of SME Growth Managers, who provide a key referral route into the project, have suppressed client engagement, particularly with businesses in North Yorkshire.
- 2.9 Having briefly resumed, site visits have again been put on hold, impacting progress as Resource Efficiency Managers are unable to carry out the necessary diagnostics that underpin the support and grants offered. Capacity is also likely to be affected by difficulties recruiting to a vacant Resource Efficiency Manager role (one of three).
- 2.10 Despite these issues, the Resource Efficiency Managers continue to reach out to businesses resulting in 210 client contacts. 85 assessments have been commissioned and 43 completed individual business assists achieved, ten of which have resulted in grant payments. The annual carbon savings associated

with the completed grant projects so far is 88 tonnes, with a total pipeline exceeding 550 tonnes.

- 2.11 On the CE side of the programme, 11 businesses have received initial diagnostic reports and three have completed a further three days introductory support. The first client receiving in-depth CE support completed in December.
- 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. A telemarketing campaign will commence towards the end of the third lockdown period, and the Resource Efficiency Managers have developed individual action plans to increase engagement.
- 2.13 The project is currently rated as Amber (see 2.18).

North East, Yorkshire and Humber Energy Hub

- 2.14 The Leeds City Region is a member of the North East, Yorkshire and Humber Energy Hub, whose main aims are 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
- 2.15 The Energy Hub has agreed to take a role in the governance of the Green Homes Grant Local Authority Delivery funds to deliver energy efficiency in fuel poor homes across the North. It has taken administrative and programme management responsibility for £51.95 million allocated for local authorities for delivery by December 2021.

Strategic Programmes

Energy Strategy and Delivery Plan (ESDP)

- 2.16 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, twenty projects are underway or completed. The remaining 19 projects are pending the results of the Emission Reduction Pathways work (see agenda item 6 for a full update).

Green and Blue Infrastructure (GBI) Strategy and Delivery Plan

- 2.17 As part of the new Green Infrastructure Standards Trial project, a review is underway of the GBI Strategy and Delivery Plan, to carry out a self-assessment against the national Principles for Good Green Infrastructure. Details of the Trial are provided in agenda item 8.

COVID-19

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

| Scheme | Description | RAG |
|--|--|-------------------------------|
| Emission Reduction Pathways | Task 2 and 3 were delayed due to COVID-19 but revised plans are in place to engage stakeholders and the public. | On track after initial delays |
| ESDP and GBISDP | This is to be refreshed in 2021 – potentially to be combined into a single Tackling the Climate Emergency Plan | On track after initial delays |
| Energy Accelerator | Project Sponsors have indicated the risk of delays due to restrictions on site visits. At the same time, potential Sponsors are exhibiting caution on committing budget to capital investments. | Delayed |
| RE-BIZ | Access to sites is still restricted although auditors have recommenced visits from 1 June where allowed by lockdown rules. | 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-19 restrictions. | Delayed |

Other Committees / Panel updates

- 2.19 Updates on the Carbon Impact Assessment work have been provided to the Combined Authority at its meeting on 10 December¹. The Transport Committee were also provided an update on 15 January.

Combined Authority corporate approach to tackling the climate emergency

- 2.20 In addition to the city-regional work, the Combined Authority approved a new corporate approach to embedding clean growth and tackling the climate emergency in October 2019. An update on progress is due to be provided to the Combined Authority in April 2021.
- 2.21 The Combined Authority continues to work on developing a strengthened, robust, quantifiable methodology to inform how it takes the Climate Emergency into account in its decision making. A detailed update is provided under agenda item 7.

¹ See report at <https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=133&MId=965>

3. Tackling the Climate Emergency Implications

- 3.1 All the projects reported on in this report are all part of the Combined Authority's approach to tackling the climate emergency and are focussed on reducing carbon emissions in the region across a range of sectors.

4. Inclusive Growth Implications

- 4.1 A number of projects target domestic energy efficiency, such as the Better Homes Yorkshire and the Energy Hub, which will help address fuel poverty. The Energy Hub is overseeing the Green Homes Grant Local Authority Delivery funds which are focussed on addressing energy efficiency in fuel poor homes across the North.
- 4.2 The REBiz project requires large grant recipients to sign up to at least one of the commitments included in our Inclusive Growth Commitments Framework, in common with all the Combined Authority's business support programmes.

5. Financial Implications

- 5.1 There are no implications associated with this paper.

6. Legal Implications

- 6.1 There are no implications associated with this paper.

7. Staffing Implications

- 7.1 There are no implications associated with this paper.

8. External Consultees

- 8.1 No external consultations have been undertaken.

9. Recommendations

- 9.1 That the Panel note the progress against the major projects and programmes helping to tackle the Climate Emergency.

10. Background Documents

- 10.1 None.

11. Appendices

- 11.1 None.