

**Norwich City Council**  
**SCRUTINY COMMITTEE**

## **Item No 8**

**REPORT for meeting to be held on Thursday 15 October**

### **New Anglia Local Enterprise Partnership**

- Summary:** At the last meeting of scrutiny representatives from the New Anglia Local Enterprise Partnership (LEP) attended and took questions tabled in advance from members. Due to time constraints not all questions were answered during the meeting and the LEP have now provided written answers to these questions.
- Conclusions:** That these written answers are now considered along with those minuted from the meeting.
- Recommendation:** That the scrutiny committee make its recommendations to cabinet on this topic.
- Contact Officers:** Emma Webster, scrutiny liaison officer  
preferred contact by e-mail  
[emmawebster@norwich.gov.uk](mailto:emmawebster@norwich.gov.uk)

**Norfolk Scrutiny Committee 17<sup>th</sup> September**  
**Written response to questions from New Anglia LEP**

Thank you for the opportunity for the LEP to participate in the Norwich Scrutiny Panel on 17<sup>th</sup> September. Please find below the LEP's response to the question that we were unable to discuss given the time pressures.

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**10. What impact do you think Covid will have on the timescale for achieving a net-zero carbon economy?**

The lockdown resulted in improvements to air quality and reductions in carbon emissions that demonstrated the scale needed to achieve a zero-carbon economy. It has also presented an opportunity to do things differently and has brought together organisations to deliver change such as the active travel measures at accelerated speeds.

The Government has committed to building a green and resilient recovery and the New Anglia LEP [Covid-19 Economic Recovery Restart Plan](#) looks to economic recovery with investment in low-carbon technologies that offer significant economic benefits from job opportunities to spending, while at the same time building a clean and resilient net zero economy.

The costs associated with decarbonising, mixed with the need for alternative low-carbon technology and infrastructure which does not exist at scale yet are challenges to achieving a net zero economy. The LEP is recommending through its variety of channels in to government that it commits to a longer-term economic package with strategic investments at the scale required to achieve net-zero emissions.

Being more ambitious as available options are now cheaper including efficiency retrofits of homes, zero carbon new homes, zero carbon enabling infrastructure (including for renewable energy) and connected demand response mechanisms, public transport and electric vehicles. There is also the opportunity to review barriers to delivery including policy frameworks, regulation, and planning policies that can accelerate progress towards a net zero economy.

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**12. What practical contributions have the LEP made to reducing global carbon emissions and to reversing biodiversity loss (actual measures implemented rather than a list of strategies/ policies)?**

**13. In what ways has the LEP contributed to increases in carbon emissions and biodiversity loss through its policies/programmes/funding and what are the measurable impacts of LEP's policies/programmes/funding on carbon and biodiversity?**

**14. To what extent do the LEP policies/programmes/funding have an overall net benefit on reducing carbon and increasing biodiversity or a net disbenefit?**

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These three questions have been grouped together as they are interrelated. We have also assumed that question 13 is about decreasing rather than increasing carbon emissions.

The LEP Growth Deal has supported enabling projects to support the reduction of carbon emissions –

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- £10m to broadband infrastructure which has helped make the current 'work from home' regime possible in our area and enables businesses and individuals to work effectively from home/rural locations and reduce travel time.

- £7.35m to the Norwich Area Transportation work in the city centre which reduces vehicle emissions for people in the city.
- (approx. £15m) £8.85m in Great Yarmouth, £4.62m in Attleborough and £2.25m in Bury St Edmunds for sustainable transport measures to support walking, cycling and public transport use and reduce car use.

LEP Growing Places Fund has supported projects which enable the purchase of land to develop new nature reserves to protect biodiversity and improve public engagement with, and access to, nature –

- £100,000 to the Hawk and Owl Trust to buy additional land for their work, and to create new jobs and apprenticeships
- £250,000 to create a new nature reserve at Carlton Marshes in Suffolk

The LEP funding programmes have also contributed significantly to projects which mitigate the damage from climate change to our local economy for example:

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- Bacton to Walcott Coastal Management project - £1.08m towards a c£20m 'Sea Scaping' project to prevent coastal erosion and the damage to nature and settlements it causes.
  - Over £26m to flood defences projects - £10m towards Lowestoft flood defences, £8.2m Great Yarmouth flood defences, £6.6m to Ipswich flood defences and £0.25m Snape Maltings Flood Defences. These support the protection of homes and businesses, but also reduce the risk to biodiversity and the landscape from flooding events.

The LEP Growth Hub signposts businesses looking for small grants to reduce their carbon footprint to the [BEE Anglia](#) scheme which the LEP helped to secure over £4m from the ERDF EU programme.

The LEP was also instrumental in establishing the new Low Carbon Innovation Fund with a total of £8m available to invest in businesses to help them reduce their carbon footprints. We are actively working on a Norfolk and Suffolk Investment Plan with partners to pull together the next tranche of major projects for the area – there will be a strong focus going forward on reducing emissions and mitigating climate change driven by our Clean Growth Task Force.

Current work in this area includes recent 'Funding Fit' workshops to discuss Innovate UK funding opportunities around sustainability and reducing emissions with key businesses to try to generate projects – on 29<sup>th</sup> September, we have a workshop at our restart festival on the Industrial Energy Transformation Fund to generate ideas for projects which improve energy efficiency in industrial processes.

We are also working closely with environmental organisations and farmers (including our Agri-food Industry Council) to develop collaborative projects to build on the best practice in our area (eg Holkham Estate) in promoting biodiversity and improving carbon retention in productive soils, and are actively looking for funding opportunities to support these initiatives. To date, the core metrics by which the activity of the LEP (including programmes) have been assessed has related to specific economic or skills support outputs/outcomes directed by the funding government department– most typically business creation, job creation, new dwellings, median wage levels, new learners, and the level of private investment secured or attracted to specific projects this is due to the direction of government funding criteria. Thus far, criteria pertaining to clean growth or protection or preservation bio-diversity have not featured in our project applications.

However, we are now in the process of drawing up a set of additionality factors, which will be taken into consideration alongside the core economic output/outcome measures.

We are working on finalising an organisation wide commitment including the criteria applied to LEP funded project applications, and at the heart of the work undertaken by the clean growth taskforce. We are working with partners in the development of this with the aim to get commitment across Norfolk and Suffolk so that all partners consider these new criteria.

- 15. The LEP's Clean Growth Action Plan (Feb 2020) reported an increase in transport's share of CO2 emissions in the region from 29% in 2005 to 38% today. At the same time the Clean Growth Action Plan proposes business as usual, ('On-going work on the road network to reduce congestion/improve air quality'). The LEP Green Recovery Plan states that it will deliver the existing portfolio of infrastructure priorities to support the local construction sector. This would further increase transport's share of carbon emissions and entrench car use. The trend for more flexible working patterns and greater home working underlines a need to switch money from road building to broadband and digital. Will LEP re-evaluate its whole approach to transport infrastructure, travel and development?**

The New Anglia LEP fully supports projects that improve digital connectivity as set out in the [Covid-19 Economic Recovery Restart Plan](#) and [Infrastructure Brochure](#).

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Two projects - Extending ultra-fast broadband infrastructure in Norfolk and Extending full fibre broadband in Suffolk successfully secured funding through the recent Government's Getting Building Fund.

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As a rural county a range of transport measures will need to be identified by the Taskforce to reduce carbon emissions whilst ensuring accessibility for all residents, alongside improving strategic road connections we are working with Local Authorities to progress the delivery of electric vehicle infrastructure, will utilise the [Integrated Transport Strategy](#) to improve access to/use of sustainable modes/models through integration and behaviour change and are lobbying for improved rail services through the [Great Eastern Rail Campaign](#).

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- 16. A [January 2020 report](#) on decarbonisation for the East of England found that in order to meet targets of being carbon-neutral by 2030, approximately 1.3 million homes in the region would need to have their energy efficiency upgraded to the highest standard, beginning with 156,000 homes insulated in 2020. In addition, 1.5 million homes would need to have air- or ground-source heat pumps installed to transition away from fossil fuels. What is the LEP doing to meet that requirement?**

The New Anglia LEP fully supports the decarbonisation of housing through the retrofitting of existing homes and building of new energy efficient homes. We are working closely with the Greater South East Energy Hub and Local Authorities to deliver the recent Government call for home energy efficiency retrofits deliverable in 2020/21. The [Norfolk and Suffolk Economic Strategy](#) under the Construction and Development sector is exploring how new technologies and practices like 3D printing, robotics, and modular construction could stimulate innovation and increase productivity. The industry is ready to tackle the challenges and be proactive, piloting new approaches to housebuilding, such as custom and self-build.

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But we recognise we need to go further.

New Anglia LEP has submitted a bid to the Energy Systems Catapult to be one of six pilot areas to set up a Decarbonisation Academy which is something the Catapult is currently pursuing with government.

Our bid to the catapult is backed by the Greater South East Energy Hub.

The programme will:

- Develop the wide range of skills needed to decarbonise 25m homes in the UK
  - Develop the institutional and physical infrastructure to support a rapid deployment of high-quality training schemes linked to cutting edge home decarbonisation schemes
  - Establish incubators to support the creation of new types of businesses delivering quality home decarbonisation
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- Demonstrate innovative approaches to decarbonising existing homes that can be scaled up across the country, based on the learning from the BEIS Electrification of Heat programme and BEIS local supply chain demonstration projects
- Provide open software tools to accelerate the training of the professionals and increase their productivity

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**17. The Local Energy East (LEE) Strategy, which does not have any target for carbon neutrality and was adopted before targets were set by national and local governments, supports the potential for new gas extraction. The LEP's Economic Strategy includes a commitment to supporting the Bacton Gas Terminal until 2048. Do you agree that continued expansion of and long-term support for gas is incompatible with carbon neutrality targets and will the energy strategy and economic strategy be revised to take account of that?**

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The Local Energy East Strategy (LEES) does identify the potential for new gas extraction as an opportunity for jobs in the energy sector but also considers the National Grid projections which suggest that gas demand will fall significantly over the coming decade, as it becomes more expensive and more environmentally-friendly means of heating become available.

Bacton Gas Terminal as a major component of UK energy infrastructure, providing one third of the UK gas supply, making it an essential component in ensuring the future energy security of the UK but similarly to the LEES wants to explore new technologies across our energy system and connect residents with the opportunities afforded by the energy sector.

This will include investigating the potential of utilising the existing infrastructure at Bacton for for hydrogen production and distribution (see next answer).

As set out in question 18 we should be seeking new methods of distributing energy and the speed of this transition will depend on movement towards a decentralised energy system, something the LEP and the LEES activities are looking to support.

The LEES covers the New Anglia, Greater Cambridge and Peterborough and Hertfordshire LEP areas with an extended Stakeholder Group including more than 400 people from all 38 constituent local authority areas and related organisations and this issue would need to be considered by the range of stakeholders.

**18. The LEE Strategy also references the Government ambition to transform DNOs into DSOs by 2030. Given the potential of decentralising the grid in supporting decarbonisation and local renewable energy production and the necessity of doing so in order to meet the requirements for increased electrification of transport, are there plans to accelerate the decentralisation of the energy system? If so, how will community energy groups be included in the process?**

The New Anglia All Energy Industry Council has identified major opportunities for the development of a regional hydrogen economy that connects supply and demand in East Anglia as well as the creation of multi-energy generation systems. In support of the drive to net zero, a number of transformational energy hubs could be created in Norfolk and Suffolk including locations such as Bacton, with plans for a blended transition from gas to hydrogen, and Sizewell, offering an integrated system of heat and power generation and storage, including the production of hydrogen on site.

There is scope for the Bacton site be developed into a major innovation and demonstration project for new energy, including hydrogen. The project is referred to as Bacton 2.0.

This work strategically aligns with the aims and aspirations of the draft Local Industrial Strategy and focus on clean growth with hydrogen being an important part of the energy mix going forward. The 'decarbonising' of the whole energy system and drive towards net zero is a key priority. This work is also supported by the All Energy Industry Council.

Early feasibility work is progressing at Bacton, led by Hydrogen East and supported by the Oil and Gas Technology Centre (OGTC), the Oil and Gas Authority (OGA), New Anglia LEP and North Norfolk District Council.

There is enormous scope for the green energy transformation in our region through practical demonstrator projects and new research working across agencies including CEFAS, UEA, Catapults, Norwich Research Park, Adastral Park etc. We have the real opportunity to leverage our unique energy assets, knowledge and experience to support the UK's drive to a net zero economy.

The LEES sets out the need to decentralise the energy system, stating we should be seeking to take advantage of new decentralised methods of distributing energy. Not only will this enhance the sustainability and resilience of the network, it will also incentivise the development of small-scale renewable projects.

The LEES sets out the strategic leadership activities needed to accelerate this transition. The LEES fully supports the role and contribution of community scale energy schemes and wants to support communities to benefit from local renewable energy generation through a range of actions: Supporting the development of new community-owned schemes, Supporting the development of local smart grids, Developing a dedicated vehicle for generating local energy in a way which benefits communities, and consider where targeted pilots could help us explore initiatives and learn from other leading areas/schemes.

The New Anglia LEP is also working with the GSEEH to promote the Rural Community Energy Fund, a £10 million programme that supports rural communities in England to develop renewable energy projects with community benefit.

**19. Recently a project has been launched to get landowners to devote at least 20% of their land to nature, in order to halt and reverse species extinction. Is this something the LEP supports?**

It is an interesting concept and something we are interested in learning more about.

**22. Given the changes likely to working patterns, have unions been consulted on the LEP's Covid recovery plan, 2020-21 Delivery Plan, and Economic Strategy?**

The unions have fed into and helped shape the development of LEP strategies. The TUC shared with us their regional recovery report for the East of England and the LEP is working with the Leader of Norwich City Council to set up a Unions roundtable which will play into the on going development of the Economic Recovery Plan.

**23. Page 8 of the Covid recovery document highlights the impacts on mental health and wellbeing, and talks of the role of the voluntary, community and social enterprise organisations in supporting workplace wellbeing. Will funding for VCSE organisations be available to support this work? Will there also be support for those who are no longer working and for young people?**

The LEP coordinates the European Social Fund programme in Norfolk and Suffolk, which is bringing almost £40m investment into skills and employability projects in Norfolk and Suffolk. This investment includes some major projects either led by VCSE organisations – such as [On Track](#), an employability project for young people in Norfolk, led by the Matthew Project with other VCSE partners – and many projects in which VCSE organisations are delivery partners. ESF also includes the [LIFT Programme](#), run by Norfolk County Council, which provides grants to small VCSE organisations to help people facing barriers to work. The LEP has developed the Programme locally with funder DWP, and supports

applicants to apply and to manage projects, as well as convening project managers groups to share good practice and advice.

In terms of future funding for the VCSE sector, the LEP is working with Norfolk and Suffolk County Councils, Voluntary Norfolk, Community Action Suffolk and Community Action Norfolk to develop Social Investment East Anglia, a partnership which aims to help VCSE organisations access the wealth of social investment opportunities now available to the sector.

We have stressed to government that integration of the VCSE sector into funding programmes will be vitally important, with recognition of the particular issues that the sector faces around match funding, and of the contribution they make to the wider economy, particularly the most deprived areas that are hardest to reach.