

# A view from BEIS

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# Industrial Strategy: overview

We will create an economy that boosts productivity and earning power throughout the UK:



We will set Grand Challenges to put the future of the UK at the forefront of the industries of the future:

A grey rectangular box contains four Grand Challenges, each with a red circular icon and text:

- AI & Data Economy** (AI icon): We will put the UK at the forefront of the artificial intelligence and data revolution
- Future of Mobility** (location pin icon): We will become a world leader in the way people, goods and services move
- Clean Growth** (plant icon): We will maximise the advantages for UK industry from the global shift to clean growth
- Ageing Society** (three people icon): We will harness the power of innovation to help meet the needs of an ageing society

The 'Clean Growth' entry is circled in red.



# Clean Growth Strategy



The Government's **Clean Growth Strategy** is an ambitious **blueprint for lowering carbon emissions, protecting the environment and meeting our climate change obligations while stimulating growth and prosperity, increasing earning power and creating and supporting thousands of jobs.**



# What's in the Strategy



## Business and industry efficiency

Package of measures to improve business energy efficiency by at least 20% by 2030 – cutting costs and improving productivity.



## Improving our homes

Households to benefit from lower bills and warmer homes with aspiration for as many homes as possible to be EPC Band C by 2035.



## Low carbon transport

End the sale of new conventional petrol and diesel cars and vans by 2040.

£1 billion to support the take-up of ultra low emission vehicles.



## Clean, smart, flexible power

Investing in renewables such as offshore wind, with up to half a billion pounds for further auctions.

Phasing out use of unabated coal to produce electricity by 2025.



## Enhancing our natural resources

Future system of agricultural support to focus on delivering better environmental outcomes, including addressing climate change more directly.



## Leading in the public sector

Introduce a voluntary public sector target of 30% reduction in carbon emissions by 2021.

# Challenges

- While existing activity is impressive, progress is patchy across the country:
  - 66% of local authorities have made little or no progress on energy and climate change<sup>1</sup>
  - LEP benchmarking in 2017 revealed that although more are actively addressing energy and climate change, performance is still very varied<sup>2</sup>
- Barriers to progress at the local level include:
  - Limited project development capacity and capability amongst local authority and LEP teams<sup>3</sup>
  - A lack of capital for the initial stages of project development<sup>3</sup>
  - A lack of sufficient scale of projects to attract private investors - of the 458 projects considered in one study<sup>1</sup>, only five were above £10m

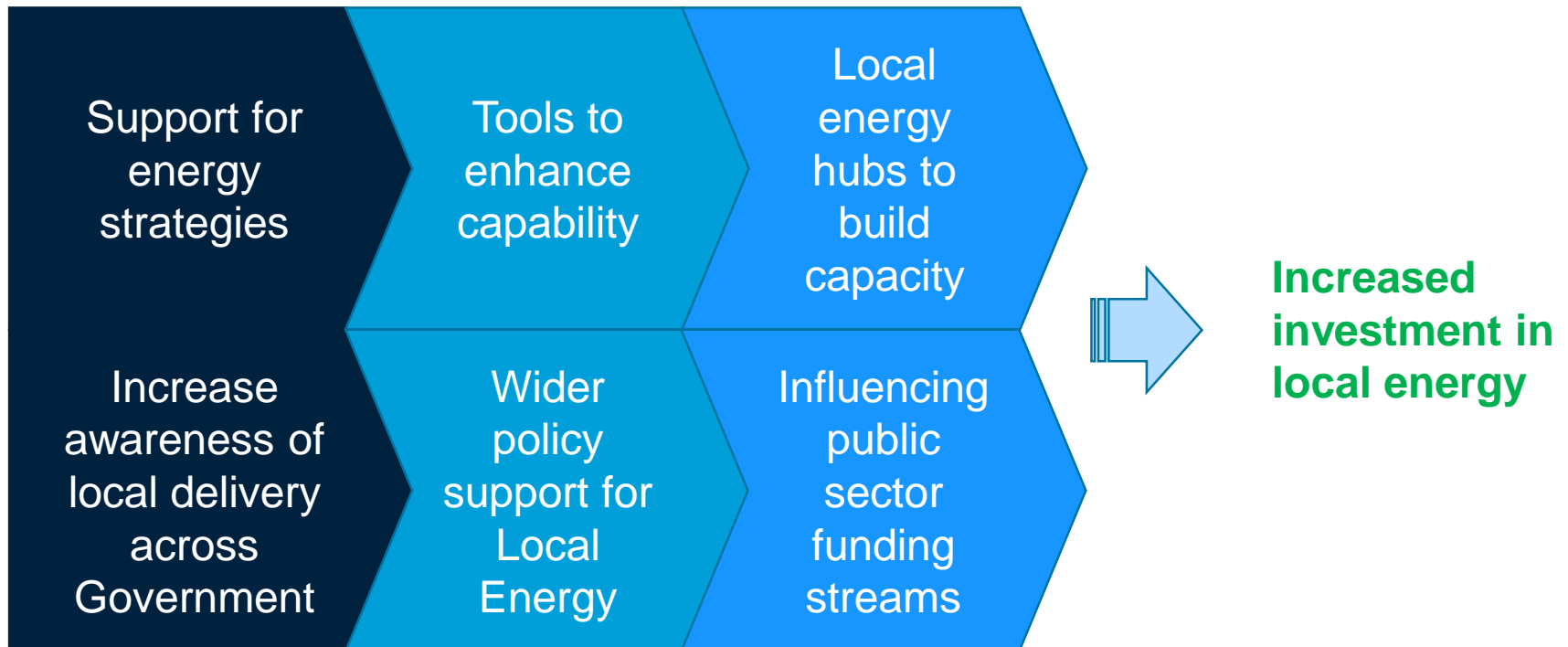
1. University of Edinburgh (2017) *Local Authority Engagement in UK Energy Systems*

2. [www.sustainabilitywestmidlands.org.uk/wp-content/uploads/3a\\_SWM-Benchmarking.pdf](http://www.sustainabilitywestmidlands.org.uk/wp-content/uploads/3a_SWM-Benchmarking.pdf)

3. UK100 (2017) *Financing the Transition*

# BEIS Local Energy programme

External



Internal

# Support for energy strategies

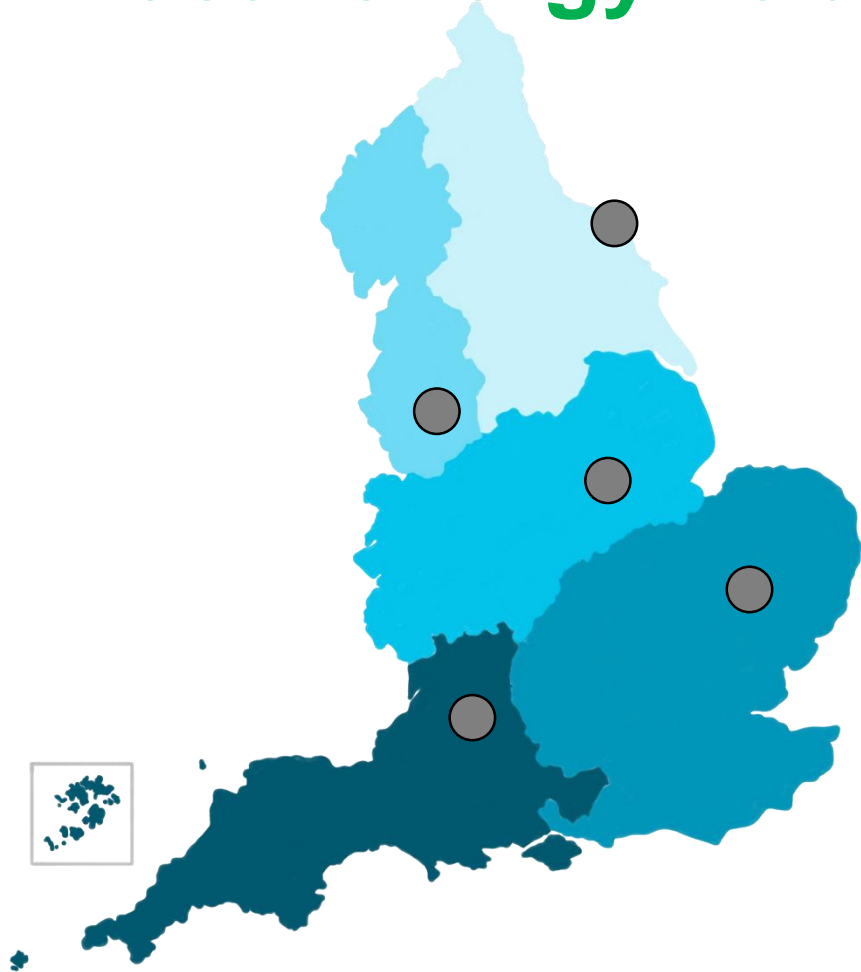
- All LEPs have been offered funding to develop an energy strategy, with reports expected to be finalised early summer 2018
- These will:
  - Identify the energy opportunities and challenges across the whole LEP area, for power, heat and transport
  - Set out energy demand and carbon emissions trajectories
  - Identify a pipeline of low carbon energy projects
  - Assess the economic potential associated with this transformation, and inform the Local Industrial Strategy
  - Determine how the strategy will be delivered, including priorities and actions for the LEPs and their partners
- The suite of strategies, covering the whole of England, will also provide a valuable evidence base for use by central government

# Tools to enhance capability

- Following tools being developed by local authorities and LEPs with BEIS funding, for national benefit:
  - Carbon monitoring, reporting and scenario building tool
  - Cost benefit analysis methodology and guidance, to be endorsed by HMT
  - Health and fuel poverty good practice and toolkit
  - Review of ERDF low carbon funding and recommendations for future funding
  - National benchmarking of energy and low carbon activity by LEPs and city regions
  - Networking, information sharing and peer to peer learning support
- The outputs which will be published by March 2018 and made available for other local areas to use
- Further projects being planned for the next financial year



# Local energy hubs to build capacity



- £4.8m total funding for five local energy hubs:
  - North West (hosted by Liverpool)
  - North East, Yorkshire and Humber (Tees Valley lead)
  - Midlands (Nottingham lead)
  - Greater South East (Greater Cambridge and Peterborough lead)
  - South West (West of England lead)
- Each hub will have a regional lead, a small team of energy project managers, and access to technical, financial, legal support
- Hubs up and running later in 2018

# Engagement and communications

- **Local Energy Huddle**, ie a web-based platform for local authorities, LEPs, BEIS policy colleagues, OGDs. Members can:
  - ✓ Share documents easily and securely, and access resources
  - ✓ Keep up to date with news and events
  - ✓ Use Huddle as a central point of contact in government for questions relating to local energy, plus central mailbox [localenergy@beis.gov.uk](mailto:localenergy@beis.gov.uk)
- We also have a digital comms project with Nottingham City Council to improve our web presence on popular websites e.g. LEP Network
- Conferences
- Speaker programme