

Open Report on behalf of Executive Director for Communities

Report to:	Economic Scrutiny Committee
Date:	29 October 2013
Subject:	Sustainable green technology - advice to businesses

Summary:

LCC has recently attracted funding to extend its scheme to help businesses "go green" - working in partnership with the University of Lincoln. This paper explains about the project and asks members for thoughts on taking activity forward into the future.

Actions Required:

Members are asked to:

1. Note the Council's Resource Efficiency Business Support programme successes, despite the economic conditions it operated under.
2. Consider future priority projects to take forward in the 2014-2020 EU programme, fitting with the key themes of SME competitiveness and Low Carbon.

1. Background

SUSTAIN Lincolnshire Phase 1

Lincolnshire County Council's 3 year £1.4 m ERDF funded Resource Efficiency Business support project finished on 30 June 2013. The three year project aimed to inform businesses about the opportunities around sustainable development and resource efficiency through RE audits, demonstrator projects and collaborative networks. By the end of the 3 year period the project had achieved the following results:-

	Target	Achieved	% Achieved
No of businesses assisted to improve performance	85	120	141%
No of businesses engaged in new collaborations with a UK Knowledge base	8	9	113%
No of businesses improving performance	45	45	100%
No jobs created	4.5	8.8	195%
GVA resulting from businesses improving performance through resource efficiency		345622.94	142%
Public and private investment levered	£500,000	£522,605	105%

SUSTAIN Lincolnshire Phase II

Following the success of this project, the Enterprise Growth team developed a 'Phase 2' ERDF funding bid in partnership with the University of Lincoln and LCC's Environmental Sustainability Team. The £1.05m 2 year project has been approved, drawing down £420,440 of EU funding. The project began on 1st August 2013 and will provide the following elements of support:-

One to one Support

This is the first step for businesses engaging in the project. Businesses will receive a resource efficiency audit identifying areas for action, as well as an action plan, which would include suggestion of measures such as but not limited to:

- Insulation of buildings to stop the loss of heat
- Installation of resource efficient equipment to reduce energy consumption such as, new boilers, LED lighting, voltage optimisers etc.
- Installation of renewable technologies such as Solar Photovoltaic Panels CHP boilers, wind turbines, air source/ground source heat pumps, biomass boilers etc.
- Support to develop environmental management systems to help businesses gain ISO 14001 accreditation or equivalent will also be provided through this element. This element will be procured at the start of the programme.

Development of the Circular Economy

The University of Lincoln will develop clusters for businesses with common resource issues. Forming collaborative groups to implement Circular Economy principles of identifying and re-using waste streams within and between companies, businesses will examine, develop and share best practice. Through these clusters, businesses will access proven technology that is potentially useful to improve resource efficiency, but currently constrained in their use within their sectors. This will involve new interactions with a knowledge base for at least 18 businesses.

They will form Knowledge Transfer Research Collaborations (KTRCs) around themes of innovative, sustainable business practices. The University will target smaller SMEs that have expressed an interest in undertaking research with the University, but have been unable to do so due to lack of funding. These partnerships will be short timescale, and will be used to test a concept or prepare the evidence base on which to secure a full KTP application or other funds (ie through the Technology Strategy Board) to facilitate undertaking more substantial research projects.

SMEs will be encouraged and supported to apply for funding such as the TSB Innovation vouchers and SMART funding. This will be facilitated through the collaborative groups or through KTRCs.

New technologies and equipment will be demonstrated through workshops and master classes and webinars. SMEs will be given the chance to use the equipment for trials, either at their own facilities for smaller pieces of equipment, or on-site for

the larger pieces of equipment that are located at the University's Holbeach and Lincoln campus. Case studies to show the difference in utility bills or material usage as a result of installing/using technologies selected will be publicised both on site and on the SUSTAIN Lincolnshire website. In addition to this energy efficient and renewable technologies will be demonstrated at locations throughout the county and publicised on site and the SUSTAIN Lincolnshire website.

Green Supply Chain Development

Opportunities of accessing new markets by diversifying into the supply of green goods and services, as well as driving resource efficiencies throughout the supply chain will be highlighted to SMEs.

Despite some growth in the offer from within Lincolnshire, operation and maintenance of renewable technologies continue to be brought in to Lincolnshire from outside of the County. County SMEs will be informed of the opportunities to form part of the green supply chains, such as (but not limited to) the Green Deal, Biomass and Straw as well as opportunities around the Offshore wind industry.

Offshore wind generation offers the potential to considerably expand the UK's renewable energy content. The UK is number one in the world for offshore wind power generation in terms of installed capacity, and we have the biggest pipeline up to 2020. Offshore wind farms, both planned and existing off the east coast provide a huge opportunity to Lincolnshire SMEs to diversify and become part of the supply chain.

Following detailed research and an extensive public consultation, Energy from Waste (EfW) technology emerged as the solution to Lincolnshire's waste problem. It provides a sustainable, safe and affordable waste treatment solution and allows electricity to be produced from waste which isn't recycled or composted. Lincolnshire County Council contracted FCC to design, build and operate a new EfW facility which is built and currently undergoing hot commissioning. Previous studies have found that developing a thermal network based on Hykeham EfW plant's heat supply could provide low cost, low carbon heat to consumers and economic benefits for LCC. Working with LCC's Sustainability Team and FCC, the programme will develop a strategy and action plan to develop 'District Heat Network' principally to identify 'high heat' businesses, and promote the environmental and financial benefits that would be realised by switching to district heat.

2. Conclusion

This project will meet a clear need in the local economy.

3. Consultation

a) Policy Proofing Actions Required

n/a

4. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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