

AGENDA ITEM 8**REPORT TO THE TEES VALLEY
COMBINED AUTHORITY CABINET****9TH DECEMBER 2022****REPORT OF GROUP DIRECTOR OF CLEAN GROWTH AND INNOVATION****CLEAN GROWTH AND INNOVATION DIRECTORATE****TEES VALLEY NET ZERO STRATEGY****SUMMARY**

This strategy sets out a practical roadmap for the Tees Valley achieving Net Zero by 2050.

It articulates a high level, region-wide approach to Net Zero which brings together existing strategies and activities in a single statement of the Tees Valley's Net Zero ambitions and how we intend to achieve them.

RECOMMENDATIONS

It is recommended that the Combined Authority Cabinet:

- i. Approve the Tees Valley Net Zero Strategy

DETAIL

1. This strategy articulates our overall vision for a Net Zero Tees Valley and sets out a practical roadmap for how we intend to achieve it – bringing together a range of existing strategies and activities into a single narrative which sets out the Tees Valley's ambition to be the national ground zero for Net Zero. It will be used to inform future Combined Authority spending decisions and economic interventions and is designed to identify current gaps in activity. It does not replace or supersede any Local Authority strategy and will work alongside the individual strategies developed by each of the Local Authorities.
2. This strategy builds upon, and is consistent with, the ambitions set out in our locally agreed Local Industrial Strategy (2019) which set an overarching ambition: *“Tees Valley will be a global leader in clean energy, low carbon and hydrogen. The area will achieve a Net Zero carbon industrial cluster by 2040, providing good jobs with long-term prospects that local people can access”*.
3. Pre-pandemic, the Tees Valley's total annual CO₂ emissions were in excess of 6.9 million tonnes, including 4.3 million from our industrial cluster. This means the Tees Valley has some of the highest emissions of any area in the UK, both in real terms and per capita. But as this strategy sets out, the Tees Valley is ideally placed in terms of our innovation expertise, industrial infrastructure and natural resources to

lead nationally on the transition to Net Zero – creating significant opportunities for our businesses and residents.

4. At the heart of the strategy is a 10-point plan for the decarbonisation of the Tees Valley:
 - Delivering the UK's first decarbonised heavy industrial cluster by 2040.
 - Delivering large-scale carbon capture, utilisation and storage and over 4GW of hydrogen production by 2030
 - Creating a National Hydrogen Transport Hub, supporting the transition to zero emission transport.
 - Making Teesside International Airport operationally Net Zero by 2030 and aiming to make it the UK's first Net Zero airport in terms of flights by 2035.
 - Enhancing and improving access to our green spaces and encouraging tree planting by individuals, organisations and community groups, as well as supporting further enhancement of our natural capital to help mitigate the effects of climate change and to support flood resilience.
 - Increasing the number of Electric Vehicle charging points in Tees Valley by 200% by 2025 and seeking to develop a Net Zero public transport system by 2035.
 - Support the national programmes aimed at retrofitting homes to EPC rating C or above by 2035. This is in line with national targets set by the UK government.
 - Support all public sector organisations in the delivery of their own Net Zero strategies and supporting more than 1000 businesses to adopt new practices and achieve carbon savings by 2035.
 - Providing online information, in partnership with the Local Authorities, to help residents monitor and reduce their environmental impact by 2025
 - Delivering training and employment opportunities aligned to the new green economy
5. In Tees Valley achieving Net Zero can be broken down into 5 distinct challenges
 - Heavy Industry – specifically the large emitters around the Tees
 - Public organisations and commercial businesses
 - Homes and Buildings
 - Transport
 - Nature and resources
6. A full copy of the draft strategy is attached at Appendix 1.

FINANCIAL IMPLICATIONS

7. This strategy does not make any new spending commitments with all activities and interventions detailed within met from existing directorate funding allocations and national programmes.

LEGAL IMPLICATIONS

9. The United Kingdom has made a number of international and binding commitments to reduce emissions to Net Zero by 2050 - and this strategy sets out the role the Tees Valley will play in achieving them.

- The Climate Change Act 2008 mandated an 80% cut overall in national greenhouse gas emissions by 2050 and set out a legal framework for reducing emissions across the UK economy, made up of five-year targets called Carbon Budgets.
- In June 2019, the target was revised to a 100% reduction – making the UK the first major economy to make achieving Net Zero by 2050 the law.
- In December 2020, the Committee on Climate Change published its Sixth Carbon Budget, recommending a 78% reduction in greenhouse gas emissions by 2035. In June 2021, the government also set this target in law.
- In April 2022, the government also published an Energy Security Strategy, setting out how plans to accelerate homegrown power for greater energy independence. These plans set a new national target of achieving 95% low carbon electricity production by 2030, including a doubling of the previous ambition of low carbon hydrogen production by 2030 to 10GW and a new target of 50GW of energy from Offshore Wind by 2030

RISK ASSESSMENT

10. This strategy is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

11. This is a regional strategy and has been produced in partnership with a wide number of stakeholders from across the regional public and private sector, detailed in the report. The strategy has also been considered by a number of groups within our governance and advisory framework, including the Education Employment and Skills Advisory Panel, Business Representative Organisation Group, Enabling an Integrated Industrial Area Group and the Industrial Decarbonisation Cluster partners.

EQUALITY & DIVERSITY

12. An Equality Impact Assessment will be undertaken on the thematic action plans and related project activity to ensure that there is no negative impact on identified groups through implementation of this strategy.

LOCAL ENTERPRISE PARTNERSHIP

13. LEP members have been involved in the development of this strategy. This item has also been considered at the LEP meeting in advance of it coming forward to Cabinet and is supported by members.

Name of Contact Officer: Chris Beck

Post Title: Group Director of Clean Growth and Innovation

Telephone Number: 01642 527 708

Email Address: chris.beck@teesvalley-ca.gov.uk