

# Green Investments in Cumbria

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CLEP

CUMBRIA  
LOCAL  
ENTERPRISE  
PARTNERSHIP

NORTHERN  
POWERHOUSE

# CLEP's Touchstones



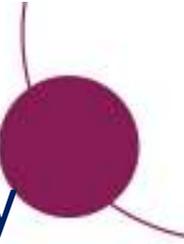
# CLEP's Net Zero Priorities

Clean  
Energy  
Generation

Business  
Decarbonisation

Transport  
Decarbonisation

Natural  
Capital



# Cumbria's Clean Energy Offer

- Currently, producing 2GW of clean energy generation, primarily through offshore wind and onshore, solar, biomass and other sources.
- Cumbria's installed electricity generation capacity is greater than both the winter peak and summer minimum demands
- Significant potential spanning large scale nuclear, offshore expansion, tidal and a wide range of community generation schemes.
- Opportunity to build a hydrogen infrastructure transitioning Morecambe Bay gas/carbon capture; offshore wind; and nuclear co-generation.



# Mobilising the Offer

- **Promotion** – taking the offer to government, investors and developers.
- **Strategy** - Clean Energy Sector Plan developing a comprehensive plan.
- **Prioritisation** – absolute focus – ‘bird in the hand.’
- **Resourcing** – Dedicated to net zero activity.
- **Bidding** – STEP fusion through to next stage of competition.
- **Enabling** – ensuring that transport and infrastructure is in place.
- **Maximising Investment** – for example, working with successful ‘Round 4’ Off Shore bidders on supply chain and job opportunities.

# Decarbonisation - Reasons to be Cheerful



- 80% of respondents **considered the environmental implications of decisions** sometimes (30%) or always (50%), equating to 12,000 private businesses.
- 70% of respondents had taken **steps to minimise environmental impact**, with larger businesses more likely to have done this. More likely among those that had innovated, grown employment or trade online
- **Little variation by size but some by sector** with those in finance, real estate and construction most likely to think considerations were **not** relevant to decision making.
- Agreement to the statement that **businesses should spend more to reduce their environmental impact.**

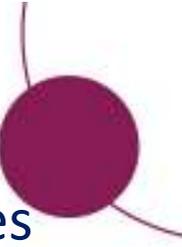
Source: Cumbria Business Survey 2020



# Borderlands - Encouraging Green Growth

- 3 key opportunities - Chapelcross redevelopment (£15.3m); Natural Capital Programme (£10m) and Borderlands Energy Investment programme.
- Energy Investment programme builds on £1.1m Energy Master planning Programme with £29.9m for implementation.
- Programme will support the generation of low carbon energy, including community generation across the Borderlands area, whilst supporting the need to overcome fuel poverty and putting Borderlands at the forefront of net zero efforts.

# Challenges



- Strong recognition of the importance of environmental issues, only translates into a **small proportion of businesses looking to seek advice** specifically about environmental standards/issues and even fewer about low carbon issues.
- Much **stronger appetite for external advice on finance, business growth** etc so potentially an opportunity to weave environmental issues into those conversations.
- Businesses facing **cash flow challenges** and are more indebted as a result of COVID-19, so difficult to invest in decarbonising their business
- **Grant funding in short supply**, following loss of Growth Deal.
- **New Funds**, such as Levelling Up Fund and Community Renewal Fund, primarily designed for different purposes.



# Green Investment into Cumbria

- **Offshore Wind** – Walney I, Walney II and Walney extension multi £billion investments; Round 4 leasing £231million option fee
- **Nuclear** – STEP competition for £220 million pump priming unlocking billions; large Hinkley Point type reactor; Small Modular Reactors (SMRs) or Advanced Modular Reactors (AMRs).
- **Hydrogen** – CADENT pilot; West Cumbrian opportunity.
- **Supply Chain** – pivoting advanced manufacturing into green supply chain (e.g. offshore components) to create quality employment.
- **Business Investment** – e.g. Iggesund, Croppers and Kingmoor Park all invested in ‘cleaner and greener’

# Collective Task

- **Celebrate rather than Castigate** - Cumbria has an exceptional story and the genuine potential to be the first Net Zero area in the North West. Let's tell that story.
- **Plan for success** – hard actions rather than warm words.
- **Pave the way** – make it easy for investors to choose Cumbria over other destinations
- **Natural Capital** – maximise the economic benefits
- **Catalyse Investment** – need a combination of grants and 'soft' loans to incentivise investment in clean energy generation and business decarbonisation