

Report to: Cabinet



Date of Meeting 2 February 2022

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

A Clean Growth Vision for Development in the West of the District

Report summary:

This report seeks endorsement for an ambitious vision for clean growth for the West of the District. The associated documentation has recently been considered by both the Strategic Planning Committee and Devon County Council's Cabinet. Approval is also sought for a budget to support the commissioning of a feasibility study to explore the potential to develop a creative/digital hub in the locality.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendations:

That Cabinet considers the Vision for Clean Growth for the West of the District and recommends that the documents listed at paragraph 3.2 are endorsed

That Cabinet recommends to Council that a budget of up to £50k from the Business Rates Pilot reserve is agreed to enable the commissioning of a feasibility study in relation to the potential to develop a creative/digital hub

Reason for recommendation:

To help to set a clear framework for transitioning to a net zero economy.

To ensure that the potential to develop a creative/digital hub can be explored

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Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change High Impact

Risk: Low Risk;

Links to background information [The ten point plan for a green industrial revolution - GOV.UK \(www.gov.uk\)](#) [Clean Growth Strategy: executive summary - GOV.UK \(www.gov.uk\)](#) [HotSW-LEP-Blueprint-for-Clean-Growth-Final.pdf \(heartofswlep.co.uk\)](#) [net-zero-strategy-beis.pdf \(publishing.service.gov.uk\)](#) [UK's path to net zero set out in landmark strategy - GOV.UK \(www.gov.uk\)](#) [\(Public Pack\)Agenda Document for Strategic Planning Committee, 11/01/2022 09:30 \(eastdevon.gov.uk\)](#) Item 7.

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

1. Background and context

1.1 The government defines clean growth as meaning growing our national income while cutting greenhouse gas emissions. Achieving clean growth, whilst ensuring an affordable energy supply for businesses and consumers, is at the heart of the UK's industrial strategy. The intention is that this will increase productivity, create good jobs, boost earning power and help to protect the climate and environment upon which we all depend. The government's Clean Growth Strategy was published in 2018 and was followed in 2020 by the 10 point plan for a green industrial revolution. Priority areas for investment range from offshore wind and greener buildings to green finance and protecting our natural environment.

1.2 Throughout these documents the intention is clear – essentially to decouple economic growth from greenhouse gas emissions and to enable the transition to a net zero economy through promoting innovation in specific areas and technologies. Perhaps of greatest significance was the subsequent publication of the government's Net Zero Strategy in October 2021 in the run up to COP26. This sets out how the UK will deliver on its commitment to reach net zero emissions by 2050.

1.3 This ambition is set in a more local context in the Heart of the South West Local Enterprise Partnership's Blueprint for Clean Growth also published in 2021. This establishes an aim to grow the economy in a clean and sustainable way by delivering inclusive economic prosperity whilst protecting the environment, lowering emissions and enhancing natural capital. This was part of a wider pledge to put the area on a resilient pathway to net zero by the 2040s or sooner. Six themes were prioritised to help achieve this ranging from decarbonised transport to natural capital.

1.4 The overall intent and imperative for action is overwhelming. Clean growth and the transition to a net zero economy has to form the foundation for future economic strategy. This then needs to be translated in to supporting plans and policies, not least the new Local Plan in our case which has an end date of 2040.

2. West End and Exeter Airport

2.1 The West End of the District is an established focus for accommodating major growth in the context of the current Local Plan. This includes both major residential and commercial development with much of the latter being covered by a long term Enterprise Zone designation. There is a long standing ambition to support the large scale delivery of low and zero carbon development notably through the roll out of district heating networks. There is also world leading expertise located at Exeter Science Park including in relation to climate science. Many of the key ingredients for supporting the achievement of clean growth are therefore already in play and there

is an opportunity to reset and restate this ambition in the light of the policy framework identified above and the Council's own climate emergency declaration.

2.2 As well as this opportunity there is also a very specific threat. This relates to the future role of Exeter Airport. The collapse of Flybe in March 2020 heralded the single largest loss of employment that the District has ever been experienced. Around 900 Flybe jobs were based at the Airport. Subsequent COVID-19 related travel restrictions lead to a more than 80% drop in passenger numbers at the Airport.

2.3 These two events meant that Exeter was one of the most heavily impacted Airports in the country with a subsequent concern that this could develop in to an existential threat. In addition to this there is a global challenge for the aviation industry to decarbonise. In combination this presented a very specific opportunity to consider how to support a green recovery where, alongside the supporting the Airport's established role as an economic driver in supporting regional connectivity, the Airport also played a leading role as a testbed for sustainable aviation.

2.4 The trial of the first hybrid-electric flight between Exeter and Newquay Airports in August of this year was a portent of what could be achieved in this respect. This coupled with the repurposing of the former Flybe Training Academy by Devon County Council and Exeter College and its relaunch as the Future Skills Centre and the establishment of Exeter Aerospace in the former Flybe hangars suggested wider potential to develop a sustainable aviation cluster centred on the Airport.

3. Clean Growth Vision

3.1 In recognition of both the threat posed to the Airport and the wider opportunity presented by the transition to clean growth, the County Council led on commissioning consultancy support to develop a new vision for the west of East Devon. City Science were subsequently appointed to undertake this work. The work quickly recognised that there was a special combination of natural capital, skilled innovators, ambitious local partnerships, energy resources, and ample space for low carbon business growth.

3.2 The output from the work is in three parts;

- A short vision document (appendix A)
- Anchor opportunities (append B)
- [A full technical report](#)

3.3 Together these documents represent a development and investment plan for the area, including spatial considerations, economic development & skills, environment, energy and transport infrastructure. This sets a high bar for the area to be a carbon leader. This is based on the premise that long-term job growth will be focused around knowledge-based assets and increased innovation. The approach advocates bring together industry, academic expertise, investment and demonstrators within a 'Living Lab'. Four key areas for proactive investment that will help unlock the greatest economic benefits are identified – Jet Zero, Green Finance, Greener Buildings and Smart Grids.

4. Assessment

4.1 The West End of the District has established credentials in terms of its ability to support the delivery of low and zero carbon development. There is an opportunity to reset the vision for this area and to ensure that the contribution to supporting the transition to a net zero economy is maximised. The vision work appended to this report is unashamedly ambitious in this respect, recognising that transitioning the economy to one underpinned by clean growth is in itself one of the greatest industrial opportunities of our time.

4.2 The vision seeks to assimilate and make sense of the wide range of documents that have been published recently to support the transition to net zero emissions. In the last few months

alone we have seen the following strategies published alongside the overarching Net Zero Strategy;

- Industrial Decarbonisation Strategy
- Heat and Buildings Strategy
- Transport Decarbonisation Plan
- National Hydrogen Strategy

4.3 In relation to the last of these the government has confirmed its intention to ban the sale of diesel powered HGVs by 2040. Whilst technologies are evolving rapidly it is likely that the alternative propulsion method for HGVs will involve hydrogen. Given that we expect to have circa 2m sq ft of distribution space in the West End of the District by this time we are going to need to consider what infrastructure will be required to support the availability of hydrogen as a day to day fuel. This is alongside its potential application in relation to aviation/flight and district heating as an alternative to kerosene and natural gas respectively.

4.4 The vision document also highlights the importance of adapting to new ways of working in a post pandemic/endemic environment. There is a significant opportunity to take a leading role in redefining workspaces for a modern, knowledge-based economy in this respect. The vision anticipate a series of digitally enabled hubs that link positively to the natural environment.

4.5 The geographical scope of the work extends beyond the more tightly defined 'West End' area in the current Local Plan. This is in order to capture the potential offered by the masterplan for the Clyst Valley Regional Park and to provide scope to support major development proposals identified in the new Local Plan. This is why the reference is to the 'West of East Devon'. This report seeks endorsement for the visioning work. This follows on from consideration of the work by the Strategic Planning Committee on the 11th January.

4.6 The vision recognises that, to be successful, local people need to be able to access the employment opportunities associated with clean growth in terms of having the necessary skills and training. The University of Exeter, Exeter College and a range of other skills providers have a strong track-record of delivering integrated skills pathways in this respect. The recent launch of the Future Skills Centre as a specialist facility for the delivery of training for future-facing high-tech jobs in engineering, digital, construction and clean growth is likely to be of seminal importance.

4.7 Eight anchor opportunities have been identified alongside the vision which go the heart of how this might be realised. These range from initial feasibility studies through to large scale physical centres to support sustainable aviation and zero carbon development. These will require significant additional work to develop them to an investment ready position but they highlight the types of totemic projects that will be needed to support the transition to a net zero economy. The vision very much emphasises the need to develop a wider innovation ecosystem that draws from the current Enterprise Zone status.

4.8 One of the core themes identified in the executive summary of the main report is for the area to be a place for creative minds and to create a platform for new opportunity in this respect. The prospect of a further anchor opportunity related to this theme has recently emerged. Whilst this is at an embryonic stage, it is a specific recommendation of this report that a budget of up to £50k is made available from the Business Rates Pilot reserve in order to undertake further feasibility work regarding the potential for a creative/digital hub to come forward. This can then be reported back to Cabinet.

5. Next Steps

5.1 The Clean Growth vision has the potential to serve a variety of purposes. This will include helping to support the development of the new Local Plan. The vision has also been endorsed by Devon County Council's Cabinet. The work therefore has a wider purpose in terms of acting as a framework for supporting and securing investment including acting as a bidding document to government nationally. Throughout engagement will be required with key partners and

stakeholders such as the University, College and Science Park in order to develop specific projects and proposals. This includes in relation to the further feasibility work concerning the potential for a creative/digital hub.

6. Conclusion

6.1 The publication of the UK's Net Zero strategy in October 2020 was a significant landmark. Transitioning the economy to one underpinned by clean growth is a both a significant challenge and an opportunity. The journey has already very much started in relation to the West End of the District. This visioning work provides the opportunity to both reset this approach in the context of looking forward to 2040 and to raise the bar in terms of the level of ambition.

Financial implications:

Financial implications are detailed in the report. A request is being made of a supplementary budgetary to be approved of £50k to be funded from the Business Rates Pilot Reserve.

Legal implications:

Member engagement with the development of the local plan and understanding of the issues and evidence base in relation to the vision for the west of the District is to be welcomed and there are no legal implications from this topic paper.