



**Paper Reference:** xx  
**Agenda item:** xx

**Subject: Oxfordshire Energy Strategy**

1. **Advice:** that the Growth Board endorses:
  - 1.1. the draft final strategy; and
  - 1.2. the commitment to progress the development of a delivery plan, with partners and stakeholders, to take forward the aspirations of the strategy in line with the emerging Oxfordshire Local Industrial Strategy and Joint Strategic Spatial Plan
2. **Summary**
  - 2.1. The report updates the Growth Board on the progress made in the development of an Oxfordshire Energy Strategy.
3. **Background**
  - 3.1 Clean Growth is at the heart of the Government's Industrial Strategy and was identified as one of the four Grand Challenges which the UK needed to address, as part of transforming the UK economy.
  - 3.2 Recognising that much of the response needed to deliver this ambition will be met locally, the Department for Business, Energy and Industrial Strategy (BEIS) have asked all Local Enterprise Partnerships in England to prepare energy strategies for their areas. Following a competition in March 2017, BEIS funded 13 Local Enterprise Partnerships to develop energy strategies for their areas. Further funding was then made available by BEIS for the financial year 2017/18 to support energy strategy development in the remaining 25 LEPs in England, including Oxfordshire.
  - 3.3 Since February, OxLEP together with Growth Board partners and key stakeholders from the public, private and community sectors, have collaborated on the development of the Oxfordshire Energy Strategy.
  - 3.4 The strategy development process has been led by a Steering Group including representatives from:
    - Oxfordshire local authorities
    - The Low Carbon Hub

- University of Oxford's Environmental Change Institute
- Thames Water
- Scottish & Southern Electric
- Private sector businesses

3.5 There has been extensive engagement and consultation with a wider range of stakeholders through set piece workshops, bi-lateral sessions and working sessions with the steering group. In addition to this, the underpinning rationale for the strategy has also been tested with the Growth Board, at its meeting earlier in the summer. The OxLEP Board approved the draft strategy at its meeting at the end of September. A full version of the energy strategy, including an Executive Summary, is provided as Annex One to this paper.

#### **4. The Vision and Objectives of the Oxfordshire Energy Strategy**

4.1 Oxfordshire is a globally renowned region with one of the strongest economies in the UK. It has a wealth of science and research facilities and is home to extraordinary assets in energy sector including:

- the Culham Centre for Fusion Energy (CCFE) - the UK's national laboratory for fusion research
- the recently established Faraday Institution on the Harwell Campus - the UK's independent institute for electrochemical energy storage science, research and technology
- the pioneering Low Carbon Hub;
- the newly developed Hydrogen Hub; and
- ground breaking projects through our local authorities including the Bicester Eco Town, energy master planning for Didcot Garden Town and the proposed Zero Emission Zone in Oxford

4.2 The Oxfordshire Energy Strategy will lever these assets and aims harness the innovation across these key components to put the region firmly in place to lead the deployment of an energy system fit for the 21st century.

4.3 The Strategy builds on the influential Oxfordshire Low Carbon Economy report published in 2014 which shows that, with the right policies in place, Oxfordshire could add a further £1.35 billion annually to the local economy and create over 11,000 new jobs by 2030, and in doing so, deliver emission reduction targets in line with local and national targets.

4.4 Critically, the strategy will feed into our emerging Local Industrial Strategy (LIS), and help inform Oxfordshire's growth ambitions up to 2031, as outlined in the Oxfordshire Housing and Growth Deal, through the Joint Statutory Spatial Plan. It will also form part of a much wider picture of energy and the transition to a low carbon energy system in England, and create a foundation for project development and participation by industry, our research sector, regulatory bodies, local authorities and our communities.

4.5 The vision of the Energy Strategy is:

***For Oxfordshire to be at the forefront of energy innovation to foster clean growth***

It is focused around three strategic objectives:

1. Secure a smart, modern, clean energy infrastructure – including increased electricity grid capacity - which supports our planned housing, industrial and commercial growth, and changing energy requirements;
2. Lead nationally and internationally to reduce countywide emissions by 50% compared with 2008 levels by 2030 and set a pathway to achieve zero carbon growth by 2050. We will realise the economic benefits of this low carbon transition by supporting:
  - ambitious and innovative clean generation projects across the county, both in urban and rural areas, and in growth locations;
  - projects that reduce energy demand and increase energy efficiency for domestic, industrial, commercial buildings and transport energy
3. Enhance energy networking and partnership working across Oxfordshire, to focus on the low carbon energy challenges and funding opportunities created through the Clean Growth Strategy and Oxfordshire Industrial Strategy.

4.6 These objectives form the backbone of the draft strategy and create a framework for specific investment priorities. The Energy Strategy should be viewed alongside the emerging Local Industrial Strategy and the Oxfordshire Joint Statutory Spatial Plan. It will have sufficient flexibility to be aligned and adapted with the priorities which emerge through the development processes of both plans and will, therefore, be continually reviewed at key points.

## **5. Developing the Oxfordshire Energy Strategy Delivery Plan**

5.1 The Strategy provides a framework for investment priorities and the development of specific projects which will form a delivery plan which help to realise the ambitions which have been defined. Figure 1, below, sets out the proposed delivery process.

5.2 The delivery plan will sit alongside the Strategy and map out the priorities and the related work streams and projects which will be delivered in partnership with our local and national energy stakeholders and partners across the county over the coming years. We anticipate this being completed and in place by March 2019, to enable engagement with BEIS and the progression of projects for investment from 2019/20 financial year onwards.

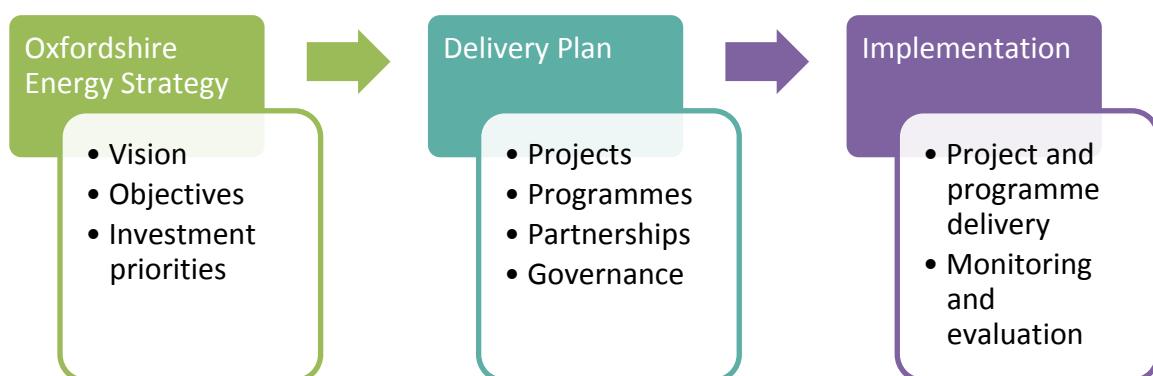
5.3 Key to the development of interventions within the delivery plan will be the support of the newly formed Greater South-East Energy Hub – one of five established by BEIS to aid in the implementation of energy strategies. OxLEP is one

of 11 LEPs that make up the (GSEEH)<sup>1</sup>. The Cambridgeshire and Peterborough Combined Authority is the Accountable body for the GSEEH.

5.4 The GSEEH has been allocated £1.29 million for its operations, along with a further £220,000 for consultancy purposes. It will also lead on a national Mapping Energy and Utilities Infrastructure for Regional Spatial Planning project. A team of eight FTE's are being recruited, including four Regional Energy Managers, one of which will be a dedicated resource operating in the sub-region comprising the Oxfordshire, Buckinghamshire, Berkshire LEPs and SEMLEP geography.

5.5 The GSEEH team will have access to technical, legal and financial expertise and will provide practical support and expertise to LEPs and local authorities to help them undertake the initial stages of development for priority projects emerging from energy strategies, up to the point where they are able to source finance.

**Figure 1: Energy Strategy delivery process**



5.6 The strategy also proposes the formation of a dynamic, high level partnership board, appropriately resourced, which brings together key stakeholders to oversee delivery of the energy strategy and co-ordinate the multiplicity of energy interests and opportunities across the county. Strong and durable building blocks are already in place which provide the basis for improved communication and dialogue between partners in Oxfordshire around energy and the low carbon agenda. It is anticipated that the partnership board will establish clear linkages and lines of accountability into both the OxLEP Board and Growth Board.

<sup>1</sup> <http://energyhub.org.uk/>