

GM PA4 Energy Efficiency Call – PA4b and PA4e - £1.5million ERDF from July 2016 to end December 2018

In Greater Manchester cultivation of the low-carbon sector is a priority for economic, environmental and climate reasons. The Greater Manchester Strategy says:

“Fundamental to our approach to growth must be a successful transition to a low carbon economy. Failure to adapt will have a catastrophic effect on our ability to compete, threatening infrastructure, disruption to businesses and services and hardship for those more vulnerable neighbourhoods or groups.”

The GMS also recognises that:

“The low carbon agenda also presents huge opportunities to grow our technological, knowledge and cultural economies and develop new skills and strong supply networks, creating jobs and businesses.”

The sector is maturing at both the local and national level and there are significant growth opportunities across the conurbation. GM has the third largest low carbon sector in the UK in terms of sales, standing at 5% of total, and is well-placed to access the £3.4tr global market opportunity that exists.

Key assets include leading academic sites such as Manchester Energy at the University of Manchester and the Applied Buildings and Energy Research Group at the University of Salford, renewable energy companies such as Peel Energy and Siemens and relevant professional services organisations such as AECOM, DLA Piper, Jacobs and WSP Group. Data from 2011/12 shows almost 2,000 firms operating in the low carbon sector, employing over 37,000 people in largely high-productivity roles.

GM has a leading role to play in addressing the UK’s legally-binding Climate Change Act and the conurbation has committed to a 48% CO₂ reduction by 2020 against 1990 levels, and recognises the importance of cleaner air.

The Greater Manchester Strategy and the GM ESIF Strategy have identified a number of priorities related to the Low Carbon Theme, including:

- Seizing the growth potential of a low carbon economy and increased resource efficiency

In order to deliver the GMS commitment to *“help businesses to deliver energy and resource efficiency opportunities within their companies and supply chains”*, the GM ESIF plan identifies the need for “a programme to identify resource efficiency opportunities within companies and support them to realise economic and environmental savings and increase their resilience to future price shocks. This will include help to specify and procure relevant LCEGS and to access suitable finance as necessary”.

Greater Manchester is now seeking projects which will offer support to a number of companies to drive energy efficiency in their operations and lead to measurable reductions in GHG Emissions by:

- Delivering a Low Carbon business support programme to enable companies to decarbonise their goods and services by:

- Supporting businesses to reduce carbon emissions through consumption audits leading to action plans
- Supporting increased energy efficiency in businesses and developing innovative low carbon processes in businesses, including designing out waste
- Potentially providing grants to companies (up to £10k per company as a contribution to capital expenditure of up to £25k, max intervention rate 40%) to incentivise uptake of measures and optimise CO2e reduction.
- Delivering quantifiable carbon reductions to aid productivity and / or reduce risk from future energy price rises
- Assisting companies in climate change mitigation and adaptation measures

Activity should complement, and provide cross referrals, to other business support initiatives, including those supported through GM's ERDF Programme, including advice on growth, mentoring, access to finance and exporting.

Call preference will be for a single project covering all of the themes outlined above across the whole of GM and applications from consortia are encouraged. Where appropriate, synergies with the other North West LEP areas, looking to undertake similar activities, should be exploited.

Projects must demonstrate how they will add value to, and work in conjunction with, the already established Growth Hub in GM, and its role outlined within GMS which:

- promotes growth by encouraging companies to develop growth propositions;
- has effective mechanisms for identifying, recruiting and targeting companies that have the potential to grow;
- is able to diagnose companies' barriers to growth;
- provides tailored advice on helping companies tackle their barriers to growth; and
- includes effective growth programmes that enable companies to tackle barriers to growth
- provides start up support to mid-growth companies

Specific Local Context:

Greater Manchester is particularly seeking projects that will assist us in achieving the challenging Priority Axis 4b and 4e output targets for Greater Manchester, which are:

- 4b (Promoting energy efficiency and renewable energy in enterprises) - 1,083 enterprises receiving support and an estimated annual decrease of greenhouse gases of 5,280 tonnes over the lifetime of the Operational Programme.
- 4e (Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures) - 903 enterprises receiving support and an estimated annual decrease of greenhouse gases of 11,783 tonnes, over the lifetime of the Operational Programme .

Preference will be given to projects which are able to deliver in the region of 550 enterprises receiving support, and make a significant contribution to the annual greenhouse gas reduction targets.

Applications will need to have regard to the Greater Manchester Climate Change Implementation Plan and in particular:

- The Sustainable Production and Consumption theme that relates to the efficient use of energy and resources to produce goods and services, and minimises the amounts of goods and services we consume and dispose of;
- GM's aspirations for commercial resource efficiency include both publicly funded business support activity and private sector led, specifically the commitment within the Greater Manchester Climate Change Implementation Plan to encourage all businesses to take action on emissions reduction, climate resilience and accessing the low carbon economy.