

CULTURE, TOURISM & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

Agenda Item 21

Brighton & Hove City Council

Subject: UPDATE ON ENVIRONMENTAL INDUSTRIES
Date of Meeting: 29 September 2011
Report of: Strategic Director, Place
Contact Officer: Name: Cheryl Finella Tel: 29-1095 / 1757
E-mail: Cheryl.finella@brighton-hove.gov.uk;
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report provides an update on the 21 recommendations of the Culture and Enterprise Overview and Scrutiny Committee, ad hoc Scrutiny Panel on Environmental Industries that was established in November 2008 and the update report produced in October 2009.

2. RECOMMENDATIONS:

- 2.1 That the Committee notes the progress undertaken thus far against the 21 recommendations of the Culture, Tourism and Enterprise Overview and Scrutiny Committee Ad Hoc Panel.

3. BACKGROUND INFORMATION

- 3.1 The Culture, Tourism & Enterprise Overview and Scrutiny Committee (CTEOSC) agreed to set up in November 2008 an ad-hoc scrutiny panel to consider how to capture the potential and economic benefits of environmental industries for Brighton and Hove.
- 3.2 A cross-party panel of elected Members was formed and over the course of six months it heard from 25 witnesses representing 21 organisations. The final report from the Panel was received and

endorsed at the CTEOSC in October 2009 and forwarded for an Executive response.

- 3.3 The report outlined 7 major recommendations and a further 14 supporting recommendations. The Enterprise, Employment & Major Projects Cabinet Member meeting received an executive response to the seven major recommendations in 26 January 2010.
- 3.4 The Executive (Director of Finance & Resources) provided a more detailed response on procurement and tendering as regards sustainability and procurement to the Cabinet 22 July 2010.
- 3.5 This report reviews all the 21 recommendations identified by the CTEOSC and a synopsis of actions undertaken by the Council and its partners. As the work is now underway and ongoing this report represents a final update to scrutiny. The various work streams that arise from the activity described herein will be taken forward by the Economic Development Officer for sectors and other officers of the council as appropriate.

Update on the Recommendations

- 3.6 Appendix One provides a more detailed report of the activities currently being undertaken to progress the recommendations of the scrutiny committee. A summary of some of the more notable activities and achievements are listed below.
- 3.7 One of the main recommendations from the panel was that there should be a dedicated officer recruited to take forward the work. In line with these recommendations an Economic Development Officer for Sectors was appointed in December 2010, established within the Culture & Enterprise Directorate. The activities detailed in Appendix One represent the work streams that are being taken forward by the officer.
- 3.8 The Economic Development team undertook a business survey in October 2010; the survey focused on key sectors including the environmental industries and sought to gain a better understanding of the sectors and their needs; the survey covered areas such as premises needs, turnover, employment and plans for business growth. A summary of the business survey report is available in the Economic Development pages of the Council's website.
- 3.9 The Economic Development team is funding the BETRE (Business Efficiency through Resource Efficiency) programme, which provides energy audits to help businesses cut waste, carbon and energy use.
- 3.10 In partnership with West Sussex County Council, East Sussex County Council, Lewes District Council and Marine South East, the Economic

Development team is contributing to the creation of a new supply chain website to ensure that local businesses are able to benefit from the opportunities arising from the Rampion Wind Farm development which is being erected off of the Sussex coast.

- 3.11 A £6million Interreg EU bid linked to Shoreham Harbour has been submitted. If successful the project will target unemployed people and encourage them to consider jobs and careers in Ports. One strand of the project involves securing business engagement and working with the City College to develop a curriculum offer for current and future skills demands including those linked to the planned Rampion Wind Farm.

4. CONSULTATION

- 4.1 There has been consultation and input into the report from Planning, the Sustainability team, and the Housing and the Energy and Water Team.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The current work streams can be met from existing resources; future proposals will be subject to further reports as required.

Finance Officer Consulted: Louise Hoten Date: 20th September 2011

Legal Implications:

- 5.2 There are no legal implications arising from this report which is for noting.

Lawyer Consulted: Elizabeth Culbert Date: 19th September 2011

Equalities Implications:

- 5.3 There are no negative equalities implications arising from this report; the development of environmental industries within the area and the wider sub-region will benefit small businesses in the city, contribute to business growth and help to create more employment opportunities for residents in the medium and long term.

Sustainability Implications:

- 5.4 There are no negative sustainability implications arising from this report; the development of Brighton & Hove environmental industry sector, new skills and facilities will contribute to the sustainability of the city's business base and provide a useful platform upon which to highlight the Council's drive to promote Brighton & Hove as a low carbon city.

Crime & Disorder Implications:

5.5 Any initiatives or programmes implemented that reduce unemployment, improve local skills, and benefit the city's economy will have a positive impact in reducing the likelihood of crime and disorder.

Risk and Opportunity Management Implications:

5.6 There are no risk & opportunity management implications arising from this report.

Corporate / Citywide Implications:

5.7 The implementation of the recommendations and the projects being undertaken outlined in this report will have a positive impact on reducing the carbon footprint across the city, assist to reduce fuel poverty and increase and secure employment in the city.

6. SUPPORTING DOCUMENTATION

Appendices:

1. Update on the recommendations of the Culture & Enterprise Overview and Scrutiny Committee

Documents in Members' Rooms:

Background Documents:

1. A report of the Culture, Tourism and Enterprise Overview and Scrutiny

Update on the recommendations from the Culture & Enterprise Overview and Scrutiny Committee

Recommendation Number	Scrutiny Recommendation	Action taken to date
1	<p>The Panel believes the council should appoint a lead officer for environmental industries to be a key point of contact for those in this sector seeking information and support.</p>	<p>An Economic Development Officer – Sectors was appointed in December 2010, established within the Culture & Enterprise Directorate, with the remit to encourage business growth and retention initially in the key local sectors of Environmental Industries (Low Carbon and Environmental Goods and Services) and Creative industries.</p> <p>The recommendations of the Environmental Industries Scrutiny panel have formed the (initial) working foundations for the post holder’s Environmental Industries work programme. Key areas of work being progressed include:</p> <ol style="list-style-type: none"> 1. A survey of businesses in the Environmental Industries that identified key business and local sector: needs and priorities. The businesses and partners have received a synopsis of the survey findings with the aim of raising awareness of strategic opportunities and issues, and to maintain working relationships with key businesses. 2. Assisting with the set up and supporting the Chamber of Commerce Green Business Group for business seeking to adopt sustainable and ethical business practices or provide services to that market). 3. Outline discussions with Visit Brighton and a local business with regards to staging an eco-exhibition at in 2012. Including options to promote Brighton & Hove Environmental Industries and the aims of Brighton & Hove City Council. 4. The Council has provided funds towards the BETRE (Business Efficiency through Resource Efficiency) programme, which provided business audits to help businesses cut waste, carbon and

		<p>energy use. The (SEEDA and ERDF) funding for this has now ceased. Low Carbon Essentials (LCE) is a new and innovative project that can help small to medium sized businesses (SME's) across the South East find out how to reduce waste, save on energy bills and improve their carbon footprint; all of which have a cost saving benefit . Brighton & Hove City Council is supporting this project and looking to maximise the number of locally-based beneficiaries. Under this European funded programme, a one-day utility management workshop organised by WSSBP CIC took place at the Jubilee Library, Brighton on 5th April 2011. The workshop was presented by the Brighton and Hove 10:10 Campaign; Chamber of Commerce; and the City Council.</p> <ol style="list-style-type: none"> 5. Research work to build a database on emerging low carbon and environmental goods and services sector and businesses, identifying key growth sectors was carried out. It included appraising EC, Government legislation and policy, identifying the opportunities for businesses, key skills and employment issues; and enabling the Council and partners, to assess local opportunities. 6. The Economic Development Team is presently working with Housing & Property & Design and local partners to identify local business, employment and training opportunities related to the proposed roll out of the solar panel installations across Council owned premises. 7. A £6million Interreg EU bid linked to Shoreham Harbour has been submitted. If successful the project will target unemployed people and encourage them to consider jobs and careers in Ports. One strand of the project involves securing business engagement and working with the City College to develop a curriculum offer for current and future skills demands including those linked to the planned Rampion Wind Farm.
2	<p>The Panel welcomes the Business Retention and Inward Investment Strategy and Action Plan, and its commitment to the environmental industries. The Panel believes all other relevant strategies for the city should be refreshed to reflect the</p>	<ol style="list-style-type: none"> 1. Environmental Industries were prioritised as a key sector in the Business Retention and Inward Investment Strategy II and the Brighton and Hove City Employment and Skills Plan 2011-14. 2. The Brighton & Hove Council Business Survey consulted 300 businesses in 2010 including the environmental industries. The survey key findings will be inputted into future Council strategic documents. Policy CP16 in the Core Strategy highlights the importance of the Environmental Industry to the city's economy. The Energy Strategy for Shoreham Harbour (2009) also highlights that district heating is likely to be an attractive option for the area. The Economic Development Officer for Sectors is working with officers across a range of services such as the Sustainability Team, Energy and Water Team and Sustainability Officer Planning Projects to ensure that the sector is represented within

	importance of environmental industries.	policy documents.
3	The Panel believes the council should explore how more affordable work and office space could be made available in the city. This is particularly important to retain successful and growing companies who might otherwise leave Brighton & Hove. Clusters of workspaces are crucial to encourage the interchange of ideas.	<ol style="list-style-type: none"> 1. The Strategic Director for Place established an Economic Development Commission earlier in 2011; the Commission brings together representatives from the private, public and voluntary sector with the aim of looking at three themes: <ul style="list-style-type: none"> • Employment & Skills • Business & Enterprise • Investment & Development 2. The group is revisiting and reviewing the data and soft intelligence on these issues with a view to developing a plan that will unlock key development sites and secure inward investment, business retention for business growth and employment generation. 3. The viability and suitability of commercial premises and employment land is a key element of this review and will facilitate the council's desire to provide much needed start-up and move on space for key sectors such as Environmental technology and the Creative Industries.
4	The Panel recommends the council plays an active role in supporting the new regional Environmental Innovation Network, which will be led by Enviro Business with key support from the University of Brighton and funded by South East Development Agency (SEEDA) and European Regional Development Fund (ERDF) S.E. Competitiveness Fund. The need for such a network was stressed by all those who gave	<ol style="list-style-type: none"> 1. The Environmental Innovation Network failed to progress due to lack of match-funding. 2. The Economic Development Team has liaised closely with a number of key partner organisations and business networks covering innovation, carbon reduction and green businesses. The Economic Development Officer – sectors has undertaken preliminary work towards developing a local partnership with a strong local desire to develop a local low carbon/ environmental industries partnership. 3. The Shoreham Harbour Master plan identifies Aldrington Basin as having 300,000sqft of business floor space available for development along with residential units. Officers are exploring options for developing a business focused Environmental Industries group to link Brighton & Hove with Adur & Worthing to maximise the opportunities that are emerging within Shoreham Harbour for the sector. 4. Both Universities are presently seeking external funding that may also assist the development of a local partnership.

	evidence to the Panel. The network's regional focus reflects the general view that Brighton & Hove and other local authorities and organisations must work across a regional and sub-regional front to promote and develop environmental industries.	5. The Council are also working with Eon, Marine South East, Coastal West Sussex Partnership, East Sussex County Council and Lewes District Council towards creating a web portal providing businesses with local supply chain opportunities linked to the Rampion off-shore wind farm development.
5	The Panel welcomes the council's commitment to creating apprenticeships. It recommends that future bids for funding for apprenticeships take account of the environmental industries. It also welcomes the city's success in gaining Future Jobs Funding to create 350 jobs. Led by the council, the programme will create 100 recycling and 'green collar' jobs. The emerging environmental industries are highlighted as a potential area for the programme.	<ol style="list-style-type: none"> 1. The Brighton & Hove Apprenticeship strategy 2009-12 aims to deliver pre-employment and apprenticeships, as well as to improve information, advice and guidance. The document identifies a number of growth industries that the strategy will target including the environmental industries. Opportunities for employment in this sector are expected to emerge as a result of the plans for retro-fit of the Council are housing stock. 2. City College Brighton & Hove is currently exploring the viability of creating a training facility for curriculum areas linked retrofitting and skills relating to renewable energy. The City is already promoting and securing apprenticeship places across the city; the advent of this new provision will facilitate stronger links between the college and businesses in the sector
6	The Panel was pleased to be able to forge relationships through its meetings, among them the new dialogue between City	1. The Economic Development Team is working with Shoreham Harbour Partnership, West Sussex CC, City College Brighton & Hove, Northbrook College and partners in Plymouth, Southampton, Rotterdam and Antwerp to bid for EU funds to promote Port related employment for young people. The bid (submitted June 2011) focuses on the development of Shoreham Harbour and the jobs, career and apprenticeship opportunities they provide, for example, the wind farm and bio fuel

	<p>College and Kingston College. The Panel recommends that the council encourages inter-college partnering, where appropriate, to address the skills gaps in the environmental industries and in the retrofitting sector of the construction industry to meet demand for future employment. This will support local job creation across the employment spectrum from graduates to those leaving school with few qualifications.</p>	<p>operations. If successful the bid will represent an investment of around £1million toward new curriculum, closer links between business and schools and work to promote supply chains for the sector.</p> <p>2. In 2009 the East Sussex Skills Council undertook a survey of environmental industries including 90 in Brighton & Hove. The information from these surveys along with data gathered as part of the scrutiny panel and subsequent research is helping to inform a strategy designed to gain a better understanding of the needs of the sector.</p>
7	<p>The Panel recommends the council uses its procurement policy to promote the growth and development of environmental industries and to encourage innovative and environmentally conscious companies to tender for work.</p>	<p>Subsequent to the initial options appraisal Brighton & Hove have participated in a procurement exercise, lead by Eastbourne Borough Council to establish the Solarbourne framework agreement for the procurement of supply and installation of solar PV panels in order to establish actual costs, to inform economies of scale and further consideration of the business case and appropriate funding model. Brighton & Hove is not committed to accessing the Solarbourne Framework and have been exploring options for accessing other similar frameworks to ensure that the potential scheme benefits are maximised. We are in the process of evaluating all of the options available to us and will be seeking cabinet approval in September to proceed with a scheme across the housing stock.</p>
8	<p>The Panel believes it is essential to produce an up to date directory of local</p>	<p>Some of the key areas being progressed by the Economic Development Officer – Sectors include:</p> <p>1. Initial working with Partner organisations in developing a database of low carbon and environmental</p>

	<p>and regional environmental industries. It recommends the council works with its partners to achieve this. The council should also update its own directories to take account of this, in conjunction with partners.</p>	<p>goods and services businesses, collaboration and/or coordination of services. This will assist our understanding of the local market, the main sectors and businesses. A joint database will facilitate identifying issues facing local businesses, and services to those businesses, as well as enabling increased collaboration between partners.</p> <ol style="list-style-type: none"> 2. To start disseminating information direct to businesses, partners, and Council business pages. 3. Supporting the development of other environmental businesses databases including: Chamber of Commerce “green” businesses, Brighton & Hove 10:10 suppliers.
9	<p>The Panel believes the council’s representative on the Economic Partnership should be a champion for this sector and work with and encourage our partners to implement the recommendations of this Inquiry and other initiatives.</p>	<ol style="list-style-type: none"> 1. The Lead Cabinet Member for PEER along with the Council Leader are members of the Economic Partnership; officer representation is provided by the BHCC Chief Executive, the Strategic Director for place and the Economic Development Manager. Members and officers have been able to feed into discussions relating to the growth of this sector and its potential value to the wider economy. 2. The need to support and grow the Environmental Industries sector is highlighted in the new City Employment & Skills Plan (CESP); the next meeting of the Economic Partnership will focus on how the Business community will support the CESP, the meeting will include a discussion on the need for An Eco-business park.
10	<p>The Panel recommends the council ensures it’s planning policies and practices, including the emerging Local Development Framework, support the growth and development of environmental industries.</p>	<ol style="list-style-type: none"> 1. Local Plan Policy SU2 and SPD08 Sustainable Building Design Supplementary Planning Document seek to deliver standards for sustainability in advance of the national standard. SPD08 includes a policy for carbon neutral development which has the potential to push this further. The policy has been temporarily waived as part of ‘recession busting’ measures. Current ‘recession busting’ measures will be subject to review to introduction of carbon offset payments towards grants for renewables. SPD08 to undergo review late 2011. 2. The requirement for sustainable development creates a pull for environmental industries in the city. Planning continues to engage and work proactively with the construction sector to increase its capacity to deliver sustainable development. 3. The draft Core Strategy promotes the growth of environmental industries in the city in policy CP16 Planning for Sustainable Economic Development. Shoreham Harbour (DA7) is identified as a specific

		<p>location for environmental industries. Policy CP1 addresses Sustainable Building Design targets for new build. Policy SA6 Sustainable Neighbourhoods seeks to promote environmentally sustainable improvements to new and existing buildings.</p> <p>4. Subject to members agreeing to withdraw the Core Strategy, policies will be updated and amended for October 2011 Cabinet. This will include CP1 which will be updated during the 'refresh' and public consultation undertaken.</p>
11	<p>The Panel recommends that the council further strengthens its excellent relationships with the city's two universities and publicises their work. The lead officer for environmental industries (proposed in Recommendation 1) could be a key point of contact for the universities.</p>	<p>1. Brighton & Hove City Council has undertaken initial working with Partners: Universities, Business Representatives, businesses and others: to facilitate the raising profile of sector locally: to establish a cross sector business led network, identify key issues and opportunities. Brighton already possesses a green profile, there is a need to develop and enhance this profile and presence to develop low carbon and environmental goods and services businesses.</p>
12	<p>The Panel believes an innovation centre should be established in collaboration with the universities and environmental industries. The aim would be help develop new technologies in the sector and support emerging and expanding companies.</p>	<p>Sussex Innovation Centre at Sussex University presently performs this role however it is recognised that further work is needed to provide suitable premises for key sectors</p>
13	<p>The Panel believes the council should be</p>	<p>1. The Economic Development Officer – Sectors has undertaken initial work with adjacent local authorities. The Interreg European submission (refer to recommendation 6) highlights a joint coastal</p>

	represented on the Environmental Advisory Group established by the East Sussex Enterprise Hub. This would facilitate coastal collaboration and enable the council to gather information about local innovation	<p>collaboration to support environmental industries and training opportunities.</p> <p>2. Also refer to recommendations 1 and 4.</p>
14	The Panel recommends the council works with local organisations and other local authorities, regional and sub-regional bodies to help the development of environmental industries. Building on existing regional initiatives, it could explore, for example, the possibility of collaborating with neighbouring authorities that could provide manufacturing space.	<p>1. The Economic Development Officer – Sectors has undertaken initial work with adjacent local authorities. The Interreg European submission (refer to recommendation 6) highlights a joint coastal collaboration to support environmental industries and training opportunities.</p>
15	The Panel believes social enterprises have a significant role to play in developing environmental industries in Brighton & Hove. It recommends that the council and other organisations do all they can to support the social enterprise sector in this	<p>1. The Economic Development Officer – Sectors is liaising with business such as EON, business representatives and managing low carbon and environmental goods and services business enquiries. Working with Brighton 10:10 Energy business group, Brighton Energy Co-op and other pre or new businesses low carbon businesses considering a social enterprise. The Economic Development Team works closely with business and social enterprise agencies locally to support the development social enterprises and community interest companies.</p> <p>2. A programme of support for social enterprise is planned for delivery in 2011/12; led by the Economic Development team in consultation with key partners, it will include sessions on business services linked to the sector.</p>

	area.	
16	The Panel welcomes energy-saving and carbon reduction initiatives, such as the Community Energy Saving Programme and the Great British Refurb Campaign, and recommends the council investigates the full range of funding opportunities and schemes for supporting low carbon investment and environmental schemes in the city to create local jobs	<p>The work of the Economic Development – Sectors includes:</p> <ol style="list-style-type: none"> 1. European bid focused on the development of Shoreham Harbour and the jobs and career opportunities they provide e.g. the wind farm and bio fuel operations. 2. The Economic Development Team is providing funds for the BETRE scheme which encourages businesses to reduce carbon emissions and energy costs. 3. Initial monitoring of existing and new business support programmes for the sector. To identify financial, especially grant opportunities to support and develop the local businesses and the sector. 4. The Councils Local Employment Scheme offers a free recruitment service to developers and building firms in the City with the aim to ensure that local people have the opportunity to gain employment on new developments approved by the Council. 5. BHCC officers are monitoring the Governments Green Deal programme announced December 2010, which may offer opportunities for retrofitting, reducing our carbon footprint, training and local building and consultancy businesses 6. The Sustainability Team leads on the preparation of a weekly Brighton & Hove Sustainability bulletin covering: events', grants.
17	The Panel recommends the council either undertakes, or contributes to, an assessment of how to help graduates gain employment in environmental industries, or contribute their knowledge to the council	See recommendations 1, 2, 5, 9 and 16.
18	The Panel believes the council should offer itself as a pilot authority when opportunities arise to support this sector. It	<ol style="list-style-type: none"> 1. BHCC is the first local authority to achieve environmental management system standards ISO 14001 and environmental management standard for events BS 8901. These affect events (Pride, Brighton Marathon), venues (Brighton Centre and Hove Centre) and Hove Town Hall.

	should encourage its partners to do the same, to attract and assist innovative companies and products	
19	The Panel believes that the council should work with its partners to increase the profile of the sector in the city. This could include: publicising existing organisations and projects, showcasing the council's own work, using companies as 'showrooms' and demonstration projects and organising events for the environmental industries.	See Recommendation 9 regarding the creation of an Environmental Industries Board
20	Many small and medium sized businesses find it very difficult to negotiate the funding labyrinth. The Panel recommends the council undertakes, or identifies a partner to carry out, an exercise to map the funding available for environmental industries. This information could then be made accessible to the sector.	Work is underway through the EDO for sectors to map information on the environmental industries for the benefit of businesses and partners and the community.
21	The Panel recommends that in 12 months time the	Updates have been provided for the following groups and committees:

	<p>council's Culture, Tourism & Enterprise Overview and Scrutiny Committee (CTEOSC) is provided with a report on the implementation of the Inquiry's recommendations. Thereafter, an annual update on progress would be given to CTEOSC</p>	<ol style="list-style-type: none">1. 22nd July 2010 Cabinet noted the Executive Response Re: Recommendation 72. 25th November 2010 Culture, Tourism & Enterprise OSC noted the contents of the annual update on progress of the recommendations.
--	---	---

