

March 2010



**Friends of
the Earth**

Consultation Response Challenges for the North East

**Friends of the Earth's response to the
North East Analytical Report**

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Challenges for the North East

As an early part of the development of the North East Strategy, the Regionally Responsible Authorities (One North East and the Association of North East Councils) produced the North East Analytical Report and invited stakeholders to comment on the content and the challenges that it raised.

The North East Analytical Report can be found at <http://www.northeaststrategy.co.uk/store/1267531092.156LID0.pdf>

The following is Friends of the Earth's response to this document.

Summary of evidence

The development of the North East Strategy is set in the context of significant change in the UK economy and society.

Climate change is a major policy driver and the Climate Change Act 2008 sets an ambitious framework for reducing carbon commensurate with the challenge that the scientific evidence on climate change presents us with. The Committee on Climate Change¹ has recommended that, subject to an international agreement to reduce emissions, that the UK Government should set a carbon reduction target of 42% by 2020 (on 1990 levels). Friends of the Earth has maintained that this 42% target should be set immediately as a minimum as it reflects the scientific evidence on climate change.

A central test of the evidence will be whether it supports the kind of investment priorities which will ensure that the North East is at the vanguard of the transformation to a low carbon economy. This evidence will be built on coupling the existing resources of the region with the opportunities and threats posed by the need to cut greenhouse gas emissions and adapt to the climate change impacts we are already committed to.

The North East Strategy should establish an agreed vision of what a low carbon society will look like across the lifetime of the strategy and the steps required to achieve this vision. It should be based on evidence of what this means for the region's society as a whole with robust sectoral analysis as to the role of different sectors in meeting the vision.

The Strategy should also recognise the cost of failure for example, if the region does not rise to the challenge of climate change then it is likely to fall behind those regions in the UK and further afield that do so leading to greater levels of economic and social instability. This may also jeopardise the wider national and international effort to address climate change and risk accelerating the onset of damaging impacts for future generations.

The region's leaders, policy and decision makers have a choice in the legacy bequeathed to the people of the North East in 2030. They can build for them a prosperous region at the cutting edge of a low carbon, socially cohesive and fairer society or they can leave them the bill for continued

carbon-intensive, regressive and unjust behaviour. Building the evidence to ensure the best outcome for the region is critical to the development of a credible Strategy.

Business and enterprise

The region's industrial base has traditionally been concentrated on heavy industry which has employed large, though declining, numbers of people in manufacturing and process industries. This has, to some extent, identified a clear career path for school leavers growing up in those industrial areas. This, coupled with a public sector reluctance to take some of the risk out of private investment²

The UK Government's Low Carbon Transition Plan³ and the accompanying Low Carbon Industrial Strategy⁴ estimate the number of jobs created in the renewable energy sector alone to be about 500,000 by 2020. An additional 500,000 will be employed in the wider environmental and low carbon sector.

The Department for Business, Innovation and Skills has recently launched its Going for Growth⁵ policy on how the UK can recover from the recession and places much emphasis on developing the knowledge and skills base to prepare the UK for developing a low carbon technology industry.

A particular growth sector which plays into the strengths of the North East is offshore wind. The recent Government announcements⁶ for Round 3 rights heralded a quadrupling of offshore wind generation in UK coastal waters. This announcement raised the prospect of 70,000 jobs being created in this sector alone (including servicing jobs) by 2020 and just under 100,000 jobs by 2030.⁷ Many of these jobs could, and should, be directed to the North East since a large proportion of the development is to be in the North Sea. Friends of the Earth recently submitted evidence to the North East Select Committee's inquiry⁸ into the mothballing of the TCP plant by Corus at Redcar that the Regionally Responsible Authorities in the North East could make a significant contribution to transforming the site into a manufacturing hub for the industry.

The Carbon Trust has recommended that the offshore wind industry needs between £100m-£600m of public research, development and deployment investment between now and 2020 to fully capitalise on this potential growth. RRAs in the North East should be pressing for much of that investment to come to our region to support industry growth whilst supporting progressive companies setting out in the renewable energy industry. It is welcome that some moves have been made in this field through the investment in Clipper Wind and in the New and Renewable Energy Centre (NAREC).

One of the regional successes in attracting inward investment in recent decades has been the growth of the Nissan plant in Washington. The collaboration between One North East and Nissan to promote the development and infrastructure for electric vehicles in the region is to be congratulated and will hopefully provide a foundation for future development. We welcome the announcements that the lithium-ion batteries and, potentially, the whole car are to be manufactured in the region. However, the Government should ensure that the target of 15% of energy to be generated from

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renewable sources by 2020 is met and exceeded if the full carbon benefit of electric vehicle development is to be gained.

There is an urgent need for RRAs to understand and communicate the likely costs of energy and resources in the future and to engage with businesses to become more energy and resource efficient. In challenging economic times, the potential for businesses to “invest to save” in installing energy efficiency measures is diminished. As part of the evidence base for the emissions projections for the UK Low Carbon Transition Plan, the Government published energy price projections to 2022⁹. These projections presented an increase to industry, in real terms, of 79% for electricity, 68% for gas and 28% for transport fuel. For the region’s industry to become more resilient to price rises, and as we have seen in recent years, price instability support must be given to the region’s businesses to become more efficient whilst also moving away from energy intensive business sectors.

Health and wellbeing

There is a substantial body of evidence linking the effects of air and water pollution on health and this has been central to Friends of the Earth’s support for the Impact project on Teesside.¹⁰ The Tees Valley continues to be affected by the combination of pollution from heavy industry and social deprivation. The North East Strategy should collate this evidence so that it can address these issues fully with the aim of improving quality of life for the people affected and using a new industrial and enterprise policy to avoid the industrial related problems which have blighted many communities.

Friends of the Earth commissioned a film focussing on the impacts of local industry on environmental quality in the area and what future economic development should do to learn from the past. This film which can be seen at <http://www.youtube.com/watch?v=EmiQIbw0Vw8> centres around a walk along the Black Path, part of the Teesdale Way and a sharp contrast between the landscape and beauty of Upper Teesdale and the industrial landscape of Teesside.

Great steps can be taken in the prevention of poor health by maintaining the quality of the natural environment particularly in urban and industrial areas. The use of green spaces reduces stress¹¹ and prevents and treats obesity¹²

A significant reduction in carbon emissions may also have many positive health benefits as it will require a shift away from a car dependency and towards more sustainable and healthier modes of transport. Policies such as implementing region-wide safe routes to school initiatives would help to reverse the trend¹³ in primary school children travelling to school by car. It will also have significant health benefits for other age groups through increased exercise and improved air quality.

Equality and Cohesion

The North East has the highest incidence of basic income fuel poverty of all the Government regions¹⁴. Some of the most effective measures to tackle climate change will be to improve the energy efficiency of the region’s housing stock. Friends of the Earth research¹⁵ showed how a market transformation could lead to a vast improvement in the UK housing stock resulting in an 80% cut in residential emissions and the eradication of fuel poverty.

Connectivity

Surface transport and domestic aviation is responsible for around a quarter of UK carbon dioxide emissions¹⁶. Adding in international aviation increases this proportion to nearer 30%. These emissions are expected to rise over the next decade and it is important therefore that transport emissions are tackled effectively in the North East Strategy.

The focus of the North East Strategy needs to address transport through a hierarchy of measures:

1. Reducing the need to travel. This can be delivered through the spatial design of the region and through improving accessibility to vital services (physically or online).
2. Changing the way we travel. Reversing the reduction in public transport usage and the increasing traffic levels by improving public transport. It is regrettable that the most sustainable modes of travel (walking and cycling) are not mentioned in the Analytical Report section on connectivity.
3. Ensuring that travel methods are as efficient as possible. This can be done through encouraging vehicle efficiency and information provision on travel options.

The Department for Transport has released its Delivering a Sustainable Transport System (DASTS)¹⁷ strategy which sets five main priorities including reducing carbon emissions. Friends of the Earth submitted a response¹⁸ to the DASTS consultation in which we expressed our concern that climate change should be central to these five priorities and not be seen as something that can be traded off against the other four. DASTS proposes to use the existing methodologies from the Regional Funding Allocation process which has led, in some regions, to unsustainable road building projects likely to add to rather than improve emissions from transport¹⁹.

The North East Strategy should also learn from the Department for Transport's Sustainable Travel Towns project²⁰ and ensure that much of the best practice from this project is incorporated into the strategy. These projects saw an increase in walking, cycling and, with the exception of Darlington (due to external factors), bus usage and a decrease in car usage. Adoption of the initiatives in these towns should be adopted across the North East to reduce transport emissions and improve quality of life and to ensure that the gains are multiplied not isolated.

The growth in rail transport in the region is welcome although the Regional Responsible Authorities must work closely with the rail operators to ensure that capacity keeps pace with this growth. Already there is substantial crowding on trains servicing Newcastle at peak hours. The priority of rail investment requires a re-balancing of regional funding allocations away from carbon intensive transport demands.

Connectivity outside the region should also ensure that the most sustainable modes of transport are used. Links with London and elsewhere are important to business growth and users are faced with a choice between rail, air, road or online. The Committee on Climate Change has looked at the potential for modal shift between now and 2050 from domestic air travel to a combination of high speed rail and video-conferencing²¹ finding that emissions savings could be as much as 7MtCO₂ by reducing air travel demand by nearly 20%.

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The North East Strategy should support the growth of such alternatives rather than that of regional airports.

Quality of Place

Place shaping can play a fundamental role in tackling climate change. The design of our towns, cities and rural communities from individual building design to community-wide development can set the region on the pathway to a low carbon, socially cohesive model. Ensuring the design of energy efficient housing, business and retail accommodation in mixed use developments that reduce car dependency and extend transport choice will improve the quality of life for the people of the North East.

Friends of the Earth is part of a coalition consisting of environmental groups, planning professionals and the Town and Country Planning Association identifying key principles²² for the UK Government as it prepares a new Planning Policy Statement on Climate Change. We commend these principles which should be at the core of the North East Strategy.

Environmental Quality

The North East's natural environment is notable in its immense variability from the pristine wilderness of the Northumberland National Park and the Northumberland coast to the more polluted and environmentally vulnerable areas of Teesside and other industrial areas. When looking at the PSA28 indicators it is important to look at the key areas where these are threatened. Friends of the Earth recommend that the strategy should be based on a more detailed assessment of the sub-regional breakdown of the PSA28 indicators reflecting this diversity in the region. We would want to see the North East Strategy taking steps to enhance the natural environment across the region including the green infrastructure in urban areas and connecting to semi natural spaces.

Natural England has identified a number of key challenges²³ including the pressures on the natural environment from development as the nation emerges from economic recession, the need to use the Ecosystems Services approach to mitigate against climate change and the capacity of the natural environment to enable adaptation to the change to which we are already committed. Friends of the Earth agree with these challenges and wish to see these comprehensive addressed in the North East Strategy.

Substantial work has already been carried out which will inform the development of the North East Strategy with regard to the natural environment and the whole question of sustainable development and environmental limits. These include work carried out in the East of England²⁴ and Yorkshire and the Humber²⁵.

Resource management

The North East strategy in relation to resource management needs to have the established waste hierarchy at the core of policy decisions. This means demonstrating a strong preference for waste prevention and minimisation, reusing and recycling waste that we do use, and only use incineration

and disposal to landfill as a last resort. The North East has an opportunity to become a world leader in its reduced resource use.

The North East strategy should demonstrate an intention towards achieving a zero-waste region where the Regionally Responsible Authorities work closely in collaboration with businesses, retailers and consumers to reduce the amount of material being dealt with by waste streams to an absolute minimum. This would redress the perversity that the North East's average earnings are amongst the lowest in the UK and yet the higher amount of household waste shows that a disproportionate amount of money is spent on materials that go in the bin. This will have substantial economic benefits since unnecessary packaging and resource consumption is often indicative of inefficiencies and lays a pecuniary charge at the feet of local authorities, and therefore council tax payers, due to producing a need to process this waste.

The region should aim to go beyond the English Waste Strategy 2007 target of 50% of waste being recycled or composted. Instead it should aim for the extremely high targets already being achieved in continental Europe (e.g. 70% in Flanders²⁶).

Friends of the Earth is concerned that over-reliance on incineration in the region will inevitably lead to huge opportunity costs both in public expenditure by tying local authorities²⁷ into long term, inflexible commitments and carbon emissions²⁸ (average gas-fired power stations have a better carbon intensity than electricity-producing incinerators).

With effective reduction and recycling measures implemented, there will be a small amount of residual waste. There are more effective ways of processing this waste including the development of more flexible, modular waste processing streams and technologies such as anaerobic digestion. Friends of the Earth has produced substantial research²⁹ demonstrating these approaches and the North East strategy should adopt these as the core to its resource management principles.

On the region's minerals policy, it should be noted that the projections for the price of coal shows a likely fall of between 25-56%³⁰ in real terms between the present date and 2022. The development of opencast mining in the north east is an inevitable trade-off between economic, environmental and social (particularly in terms of health effects from air pollution and disturbance for local residents) benefits and disbenefits. The future market viability for coal coupled with the uncertain technology of clean coal, the landscape impacts and the loss of biodiversity should guide the North East Strategy towards a much more precautionary approach towards opencast.

Energy and Climate Change

The North East Analytical Report misses the fundamental point around policy-making on climate change. How does the region reflect the legally-binding aspects of the Climate Change Act, respond to the scientific evidence on climate change and ensure that it plays its part in the delivery of the Low Carbon Transition Plan?

The graph on Page 67 of the report demonstrates a focus all too common in policy making on the endpoint of an 80% reduction by 2050 of CO₂ emissions. However important this endpoint is, the

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fundamental question relies on the accumulative emissions pumped into the atmosphere over future years. Significant research, including that of the Tyndall Centre for Climate Change³¹ for Friends of the Earth, shows that, in order to maintain global temperature increases within the so-called “safe limit” of 2°C, the UK needs to commit to early and rapid decarbonisation with targets set for a 42% decrease in emissions on 1990 levels by 2020. The research also shows that we must, at all costs, avoid making policy decisions which lock us in to further carbon emissions in later years.

With the CO₂ emission cuts between 1990 and 2005 only amounting to 3.5%³² this leaves a huge task of emissions reductions for the region to achieve over the next decade. The North East strategy should recognise the enormity of this challenge and, using a regionally based carbon budgets mechanism, ensure that the region makes up for the recent lack of progress by committing to a 40% reduction in CO₂ levels on 2005 levels by 2020.

This scale of reduction will require a rapid transformation in the region’s energy mix. There is already a strong presumption in favour of renewable energy at a national level through Planning Policy Statement 22³³ further supported by the Supplement to Planning Policy Statement 1³⁴. Historically, the region has failed to meet its commitments on renewable energy as set out in the Regional Spatial Strategy and lags behind every other region apart from the South West in meeting its 2010 targets³⁵.

A report for DCLG cited a number of reasons much of which boiled down to local authority members failing to apply regional and national planning policy to individual applications resulting in watering down of proposals prior to decision or an excessively lengthened process due to initial refusal of applications followed by subsequent approval at appeal. Friends of the Earth has a long history of intervening in planning applications and we support the rights of local residents to be heard; we also do not support renewable energy developments which do not meet our own strict criteria. However, if we are to make progress towards renewable targets, then consistent application of planning policy must be maintained which would then give a strong signal to developers of credible renewable energy projects that applications would be welcomed and would also give a degree of certainty to businesses in the supply chain.

The introduction of so called ‘feed in tariffs’ for microgeneration and community level renewable energy presents the region with an opportunity to reap massive benefits from its natural resources. As part of this there is considerable scope to develop small scale projects e.g. hydro, onshore wind etc that will generate an income for householders and communities for years to come. The Regionally Responsible Authorities could, and should, put in place mechanisms that enable small-scale generators to add to the renewable mix by building the skills base and offering financial solutions e.g. low or zero interest loan agreements for microgeneration projects.

There are significant risks in pursuing nuclear energy as a centrepiece of the North East Strategy. Firstly, there is little influence that the Regionally Responsible Authorities have over the future of the region’s nuclear facilities. Friends of the Earth has expressed its concerns that the new planning system for Major Infrastructure Projects is democratically flawed in that there is no meaningful opportunity for local voices to be heard in the determination of applications. Secondly, nuclear

power does not represent the best value, most sustainable means of addressing climate change. It is costly and requires a massive public subsidy which diminishes the ability to make more effective cuts in emissions by investing in other technologies which can be brought on line rapidly, it leaves a legacy of waste which remains extremely dangerous for generations and, because of concerns over international material flows and capability for nuclear technology to be used for weapons manufacture, it cannot realistically produce the global economic benefits from the region becoming at the forefront of the technology.

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