



East of England All Party Parliamentary Group

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SUMMARY OF INQUIRY INTO THE GREEN RECOVERY IN THE EASTERN ENGINE OF PROSPERITY

In the first six months of 2021 the East of England APPG held three evidence sessions, on:

1. Challenges and opportunities for building back business
2. Transport and digital infrastructure
3. The East of England's Road to COP26

The APPG heard from thirteen witnesses including Government Ministers and Peers as well as key stakeholders and sponsors in the East of England. In total the sessions were attended by more than a hundred MPs, key individuals and organisations. This report summarises key findings and emerging recommendations.

1. Challenges and opportunities for building back business

The East of England APPG heard a number of critical points:

- The pandemic has presented huge challenges to which the region's businesses and business-support organisations, including LEPs and local authorities, have responded well. Three stages to recovery were identified: survive; stabilise; and grow, especially in 2022. Maintaining and focussing support going forward is key.
- Looking at the business environment the key question has been to support the region's businesses to access government funding and deliver funding to those places hardest hit. In particular it has and will remain important to re-skill those in declining sectors so they can join those going into growth.
- The East of England benefits from a concentration of key business sectors that can support government's aim to achieve a green recovery. Our region's booming agri-tech, digi-tech and renewable energy sectors represent a real asset to the nation.
- The region can support delivery of Government's Ten Point Plan for a Green Industrial Revolution. With the UK's largest concentration of offshore wind production, we can generate a large proportion of the renewable energy required by the nation.

A number of key recommendations flowed from the evidence:

- Collaboration is the key to the green recovery, collaboration between central government and the East of England's business sectors and local authorities.
- There is a need for substantial investment in the clean, green growth business network and supporting infrastructure to achieve increased capacity.
- The Government should be focusing its support on sectors that can best support the environment, increase job creation and foster the recovery - whilst also decarbonising the economy.
- Councils across the East are experiencing significant financial sustainability issues as a result of the pandemic and deficits have run into the hundreds of millions. To adequately support the economic development and levelling up required in our region, councils need additional support from central government.

2. Transport and digital infrastructure

The East of England APPG heard a number of critical points:

- With the largest number of sea ports and airports of any region, the East of England is the UK's gateway to the globe. These also provide opportunities for a huge array of businesses in the logistics and freight sector well placed along key corridors for the distribution of goods.
- The region's two STBs are driving the decarbonisation debate forward due to the importance of "front loading" emissions reductions to ensure greater cumulative impact: a ton cut in 2021 is worth 19 times a ton cut in 2040.
- Modelling shows that electrification of vehicles alone won't decarbonise transport at the rate required to meet 2050 targets. Better public transport and demand management/modal shift targets are required to reduce the total number of car trips. Despite this the demand for electricity will almost double to around 15 TWh per year just for car transport in 2050.
- Covid has demonstrated the massive need to improve the UK's digital connectivity including broadband gigabit role out. The East of England should receive its fair share of satellite and 5G technology to connect very hard to reach areas.

A number of key recommendations flowed from the evidence:

- Making a success of the freeports at Felixstowe and Harwich is critical for the region's future.
- Greater discretion and multi-year funding for the region's two STB's would assist the delivery of a decarbonisation transport strategy.
- Moving to net zero through greater electrification will necessitate significant investment in zero carbon (renewable) generation.
- It is now even more important to deliver connectivity for hard to reach areas and increase broadband speeds as the workforce moves to hybrid (home/office) working post pandemic.

3. The East of England's Road to COP26

The East of England APPG heard a number of critical points:

- Carbon emissions per person are in parts of the East of England, for example Cambridgeshire and Peterborough, 25% above UK average. This is partly because it is a growing region but also because of very high transport emissions. In 2019 the Botanic Gardens in Cambridge recorded 38.7 degrees - the highest temperature in the UK. The region also suffers from significant risk of flooding.
- The challenge is to make the East of England a region that is resilient to the ongoing climate changes. This includes following best practice, for example of Anglian Water Services in working in partnership with others within the region to help tackle their emissions – the "circular economy approach".
- East Anglia is an ideal place to have offshore wind: can be deployed at a large scale, quickly and be safe for offshore marine environments. East Anglia One has already benefitted from great collaboration with Government who moved GW target from 30 to 40; and put advancing offshore wind as point number 1 in the PM's 10-point plan.
- We can't afford to use natural gas in the Net Zero world however Cadent are working on transition to hydrogen which could help decarbonise the hardest sectors such as heating, marine and transport and at the same time create great opportunity for clean, green jobs across the region.

A number of key recommendations flowed from the evidence:

- Central and local government need to work together to create 'smart' solutions where investment to tackle flood risk and water scarcity challenges also unlocks economic regeneration and levelling-up
- Local government has a key role to play especially in relation to transport and planning
- Need to work much closer with developers / large house builders to build sustainable houses
- Remove barriers to achieving renewable energy and transitioning to hydrogen through grid reform.