

Report to PLACE SCRUTINY COMMITTEE

Oldham Green New Deal Update

Portfolio Holder:

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Purpose of the report

To provide an update on the Oldham Green New Deal delivery programme and in particular the Oldham Green New Deal Delivery Partnership initiative – only the third local authority initiative of its type in the UK and the first to combine a Strategic Energy Partnership approach with the delivery of a heat network zone and Community Led Energy Planning.

Recommendations

That the Committee notes progress and Oldham's leading position both regionally and nationally.

Oldham Green New Deal Update

1 Background

1.1 The Oldham Green New Deal (OGND) Strategy was adopted by the Council in March 2020. The Strategy set a number of objectives and pledges for delivery on environmental issues in a range of work areas, which broadly fit into three over-arching 'pillars':-

- Growing the green economy
- Low carbon infrastructure and a Local Energy Market
- Northern Roots

1.2 The OGND Strategy also set two carbon neutrality targets:-

- For Council Buildings and Street Lighting by 2025
- For the borough by 2030

1.3 For the financial year 2023/24, the Council's in-scope carbon footprint for the 2025 target was 6,224 tCO₂e, made up of 4,541 tCO₂e (Council Buildings) and 1,683 tCO₂e (Street Lighting). This figure is a slight fall on emissions figures from 2022/23.

1.4 For the borough as a whole, total emissions for 2022 (latest year available) were 780.2 ktCO₂, and per capita emissions were 3.2 tCO₂, significantly down from 2021 (864.3 ktCO₂ and 3.6 tCO₂ respectively).

1.5 This report gives an update on the following Green New Deal activities:-

- Oldham Green New Deal Delivery Partnership
 - Procurement of Oldham Green New Deal Delivery Partner
 - Oldham Green New Deal Delivery Group
 - Anchor project: Oldham Low Carbon Heat Network and Heat Network Zone
 - Potential Council-led pipeline projects
 - Expansion of Community Led Energy Planning approach and design of Community Partnership
 - Oldham Economic Vision Outcomes Framework and draft Oldham Green New Deal Council spend analysis
- Wrigley Head Solar Farm
- Net Zero Spindles
- Area-Based Housing Retrofit scheme for the Able to Pay sector
- Training for Council staff

Link to Corporate and Oldham Plans and Priorities

1.6 *Healthier, happier lives* – it is intended that the investment secured through the OGND Delivery Partnership will fund the improvement of activities which will improve health outcomes, such as improvements of local green spaces, walking and cycling routes, and better housing

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- 1.7 *A great place to live* – the investment secured through the OGND Delivery Partnership will improve Oldham’s energy infrastructure, building capacity in the borough
- 1.8 *Green and growing* – the OGND Delivery Partnership is the major initiative within the OGND delivery programme, Oldham’s climate change mitigation and economic development strategy. It will support realisation of the OGND Vision of “making Oldham a greener, smarter, more enterprising place”, securing investment in energy projects which Oldham’s local supply chain can play a part in implementing, growing Oldham’s green economy.

2 **Current Position**

Oldham Green New Deal Delivery Partnership

- 2.1 *Procurement of Oldham Green New Deal Delivery Partner.* In 2024, the Council secured £1.3m revenue grant from the GMCA / DESNZ Local Net Zero Accelerator, to implement an Oldham Green New Deal Delivery Partnership. The major part of this project is the procurement of a Strategic Energy Partner to bring investment and delivery capacity to Oldham borough to deliver the £5.6bn of low carbon energy infrastructure set out in Oldham’s Local Area Energy Plan. Oldham will be only the third local authority nationally to establish a Strategic Energy Partnership and will be the first to combine this approach with the delivery of a heat network zone as well as Community Led Energy Planning. The Council intends to begin the procurement process with a Market Engagement event in early April 2025, with publication of the full tender towards the end of May. The procurement will likely last around 12 months in a competitive dialogue process, culminating in the selection and appointment of a winning bidder for Oldham Green New Deal Delivery JV Partner.
- 2.2 *Oldham Green New Deal Delivery Group.* This cross-sector group of local and regional stakeholders has been running for around a year as a forum to enable networking amongst stakeholders who have an interest in the Oldham Green New Deal programme, and to receive presentations from a range of organisations to increase knowledge of the opportunities for Oldham’s green business sector. The Delivery Group is currently being re-framed to enable it to transition into a meaningful role as part of the assurance function relating to the Oldham Green New Deal Delivery JV.
- 2.3 *Anchor project: Oldham Low Carbon Heat Network and Heat Network Zone.* The “anchor” project for the procurement of the OGND Delivery Partnership is a £27m low carbon district heat network for Oldham town centre. In 2024 the Council secured £8.7m from the national Green Heat Network Fund to develop the heat network to RIBA Stage 3 for inclusion in the procurement of the Strategic Energy Partner. The proposed heat network will serve a range of buildings belonging to the Council and other key town centre asset owners and will constitute the core of a much larger heat network around Oldham, defined as Oldham’s heat network zone. Oldham is one of three GM local authorities taking part in the national Advanced Zoning Programme which is being run by the Department for Energy Security and Net Zero and which is preparing the UK heat network market for new national primary and secondary legislation, due to come into force in autumn 2025, which will mandate high energy use buildings to connect to district heat networks. The Outline Business Case for Oldham’s heat network zone shows an investment opportunity of around £265m. Oldham will be the first local authority nationally to combine a Strategic Energy Partnership approach with delivery of a heat network zone.
- 2.4 *Potential Council-led pipeline projects.* Additional projects to be included in the procurement of the OGND Delivery Partner include solar PV on Council buildings and land assets, Electric Vehicle Charging Infrastructure on Council land, a potential Council wind farm and gasifying Combined Heat and Power unit which could use wood chips from the Council’s tree operations. These pipeline projects will need to be further developed from their current stage of feasibility by the OGND JV partner once appointed.

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- 2.5 *Expansion of Community Led Energy Planning approach and design of Community Partnership.* A key activity as part of the Local Net Zero Accelerator funded project is the expansion of the Community Led Energy Planning approach which was developed by Carbon Co-op in the Oldham Energy Futures project in 2021. Carbon Co-op are revisiting the methodology, which resulted in two comprehensive Community Led Energy Plans (CLEPs) for Sholver and Westwood, to streamline it and expand it to two new areas – St Mary's and Saddleworth. The CLEP approach puts residents and communities at the heart of the planning process for the low carbon transition, upskilling participants and giving residents the confidence to take part in the conversation on the energy transition, setting out the needs and priorities of local communities in terms of the energy infrastructure they want and need. It is hoped / envisaged that eventually the OGND Delivery JV Partner will support the roll-out of CLEP to the whole borough. Carbon Co-op are also working to identify a mechanism (known as the 'Community Partnership') whereby the community can play a meaningful role in the assurance function for the OGND Delivery JV partnership, to ensure that the community can have its say in how energy projects are brought forward, developed and implemented.
- 2.6 *Oldham Economic Vision Outcomes Framework and Oldham Green New Deal Council spend analysis.* Funded by the Innovate UK Net Zero Living Pathfinder Places programme, the Centre for Local Economic Strategies (CLES) are delivering a number of pieces of work to support the OGND programme and the Council's wider Economic Vision. CLES have developed an Outcomes Framework for the four pillars of the Economic Vision (People, Place, Planet and Prosperity) and have identified Key Performance Indicators for activities in each of the pillars. Some of these KPIs may be used in the procurement of the OGND Delivery Partner and bidders may be required to demonstrate how their approach to investment and delivery of low carbon infrastructure in Oldham will positively influence these KPIs. CLES are also carrying out an analysis of the Council's annual spend, looking at areas which are related to the OGND agenda in terms of types of companies benefiting from Council contracts. A headline finding is that of the Council's total spend of £270m for 2024, around £70m (25%) of that spend was on Green New Deal related sectors. This shows the potential for growth in Oldham's local green economy from Council spend alone, even without the private sector investment that the Council will secure through the commercial JV with a Delivery Partner.
- Wrigley Head Solar Farm
- 2.7 The project to deliver a Council-owned solar farm at Wrigley Head in Failsworth is progressing, but still faces a number of challenges. A new grid connection application has been received from Electricity North West after a change in the proposed Point of Connection for the solar farm. The change in the proposed location of the sub-station has also raised other challenges in terms of the cable route between the sub-station (now to be located to the South of the Metrolink tram line) and the solar farm which is to the North of the tram line. A number of Planning Conditions have been discharged and an official start on site has been made which means that the project has successfully met the Planning Permission deadline, but a number of issues remain to be resolved before the solar farm can progress to construction phase. It is hoped that the solar farm will be complete by autumn 2025.
- Net Zero Spindles
- 2.8 Work on the Spindles complex is nearing completion with the complete conversion of the heating systems to efficient electrical technology. This means that no gas or other fossil fuels will be used at all at Spindles. There are still carbon emissions associated with electricity use there but these will diminish over time due to the decarbonisation of grid electricity, and there may be an opportunity for the Spindles to be supplied with zero carbon electricity from Wrigley Head Solar Farm or other renewable energy developments in the borough, via Power Purchase Agreements (PPAs).
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Area-Based Housing Retrofit scheme for the Able to Pay sector

- 2.9 The Council has collaborated with Connected Places Catapult (securing a £140K grant) and Carbon Co-op to produce a feasibility study looking at the potential to implement an energy efficiency retrofit scheme for the 'able to pay' sector in Oldham. Separately, the Council has an equity release scheme that residents can use to make improvements in the fabric of their home, the Home Improve Loan scheme. The Council is currently in discussion with the National Wealth Fund (formerly the UK Infrastructure Bank) and GMCA about a no-cost consultancy collaboration to develop a business model for a new scheme in Oldham, to be replicable across GM, which would combine equity release with deep retrofit.

Training for Council staff

- 2.10 As part of their work funded by the GMCA Local Net Zero Accelerator, Carbon Co-op are developing a training package for Council teams which would enable officers to understand their role in interacting with the OGND Delivery Partnership, in order that the Council and borough can maximise the benefit of the partnership. The training will be delivered by the end of March 2026. Separately, a total of 2,135 Council staff have undertaken the Council's Carbon Literacy e-learning package.

3 Questions for Place Scrutiny Committee

- 3.1 Does the Committee have a view on the proposed Council commitments to the Delivery Partnership set out in slide 8 of the presentation accompanying this report?
- 3.2 How can Elected Members support the Community Led Energy Planning activities being developed and delivered by Carbon Co-op in Westwood, Sholver, St Mary's and Saddleworth? How can Elected Members support the roll-out of this approach more widely over time?
- 3.3 How do we ensure that the OGND DP brings new access to opportunities for our residents and businesses?
- 3.4 How can the profile and awareness of Oldham's Green New Deal be raised more widely with Elected Members, to ensure that maximum benefit of the programme is secured for residents and businesses?