

Proposal for a GC-GP LEP Cleantech Group

This paper outlines a proposal to create a Cleantech Group that aims to make the LEP a globally-recognised centre of excellence for cleantech and eco-innovation, proactively supporting the growth, development and competitiveness of the LEP's cleantech sector.

The group would build upon UK CEED's pre-existing expertise to catalyse growth amongst the 1,000 estimated cleantech companies in the LEP, expanding upon Peterborough's critical mass of 360 cleantech businesses, providing business support and access to new opportunities for innovation, investment and international growth. The group would also promote skills development, working in partnership with cleantech businesses, skills providers and FE/HE institutions to ensure that future growth can be sustained in the region. The LEP Board's approval of the Science, Innovation and Industry Council has been noted as a complementary activity.

We are also aware of a private sector group forming arising from the former Greater Cambridge Partnership. From conversations we understand that it will be bringing interests together across the Cambridge area. We welcome the opportunity to work closely with this group to achieve mutual benefit.

The vision is for the group to become a regional community with significant cleantech expertise and a global centre of excellence for cleantech research and innovation, that attracts inward investment, stimulates start-up activity, contributes to the regional economy, and increases the global competitiveness of LEP cleantech companies. Table 1 outlines the breadth and scope of the cleantech group and supporting activities.

Table 1: Summary of the overarching issues addressed by the group, categorisation of the cleantech sectors supported and proposed horizontal responses to the issues.

Role and scope of the LEP Cleantech Group						
Issues	<ul style="list-style-type: none"> •Climate Change & Environmental Protection (mitigation and adaptation, social benefits) •Resource Security (sustainable sourcing of future resources) •Economic Development (creation of jobs and economic wealth in the region) •Inward Investment (need to attract high growth companies to the region) •Competitiveness (increased national & international competitiveness of companies) 					
Sectors	Energy Efficiency & Generation <ul style="list-style-type: none"> •Biomass •Geothermal •Hydro •Photovoltaic •Wave/Tidal •Wind •CRC 	ICT <ul style="list-style-type: none"> •Smart Technology •Modelling •Sensors •Monitoring •Instruments 	Materials & Design <ul style="list-style-type: none"> •Zero/Low Embodied & Operational Carbon •Sustainable Design •Passivhaus •LCA 	Pollution Prevention <ul style="list-style-type: none"> •Vehicles •Carbon Capture & Storage •Air Pollution •Land Remediation •Noise & Vibration 	Waste & Recycling <ul style="list-style-type: none"> •Waste Collection & Handling •Recycling & Reuse •Digestion Technologies •Energy Recovery 	Water <ul style="list-style-type: none"> •Water Supply •Wastewater Treatment •Biosolids
Response	<ul style="list-style-type: none"> •Growth & Development (provision of specific one-to-one and collective business support) •Innovation Support (one-to-one, tools, finance, partnership, cluster innovation programmes) •Internationalisation (market intelligence, brokerage, trips/missions, expertise, travel grants) •Knowledge & Intelligence (sharing knowledge, better academic links, intelligence on new markets) •Promotion (of LEP region, cluster members/expertise/capabilities/facilities - inward investment) •Investment (secure funding for cluster programmes and specific companies, including VCs/angels) •Skills (creation of skilled workforce, plugging gaps, anticipation of future skills demands) •Engagement (networking and facilitation of collaboration between cleantech stakeholder members) •Policy advice and recommendation (lobbying, provision of policy recommendations to government) 					

Objectives

In order to fulfil its role, the proposed objectives of the LEP Cleantech Group are to:

- provide a central role leading and facilitating the development of the LEP's cleantech sector on the basis of the existing expertise in Peterborough
- create a proactive network of cleantech companies which embrace eco-innovation and a wide business support partnership with innovation, investment, internationalisation and skills development expertise
- drive inward investment, growth of existing cleantech businesses and cleantech start-ups, directly contributing to the LEP's economy and employment
- development of the skills needed across the LEP for cleantech companies to reach their full potential in new and emerging environmental markets
- promote LEP cleantech businesses through global cleantech and cluster platforms to raise awareness, and global competitiveness, of LEP companies

Coordinating Body

The UK Centre for Economic and Environmental Development (UK CEED) is a national, independent, not-for-profit foundation, established in 1984 by a group of far-sighted leaders from the business, government and scientific communities. Today, UK CEED focuses on supporting and promoting eco-innovation and the economic benefits of sound environmental practice which provide benefits to both business and the environment.

UK CEED have managed the Peterborough EnviroCluster for the last 10 years; a network of 350 environmental enterprises in Peterborough, employing 6,000 people with a turnover of around £600m. Alongside this, UK CEED also run the Peterborough Eco Innovation Centre, an enterprise hub supporting eco-innovation and incubating cleantech companies. Due to high demand, a second Eco Innovation Centre will be opened in Peterborough in early 2012 with incubation space for 40 cleantech businesses. This new centre has attracted private-sector investment of over £7m.

As the Peterborough EnviroCluster has grown, it has gained global recognition and is a member of the Global Cleantech Cluster Association (GCCA). UK CEED also coordinates a major pan-European Eco-innovation Cluster Partnership (EcoCluP) for the European Commission; a platform for eco-innovation cluster managers from across Europe to share ideas and best practice and to improve the level of innovation and global competitiveness amongst the cluster's eco-innovative businesses; some 3,500 SMEs. UK CEED is successful in actively sourcing National and European funding for the benefit of cluster companies.

In 2010, UK CEED and Anglian Water launched the Water Innovation Network, a new regional cluster based on the concept of "open innovation". The Water Innovation Network aims to drive innovation within the water industry supply chain by encouraging supply chain companies to address the problems and challenges faced by water utility companies through product and service development. The Water Innovation Network also dovetails with a second EC-funded project that UK CEED is a partner in called INNOWATER; a platform for supporting water sector supply chain companies and industrial end-users of water to support innovation and water efficiency across Europe.

Operational Group

It is proposed that the cleantech group should be formed of stakeholders who will share responsibilities in helping to meet the aims and objectives of the group. Therefore, Table 2 below sets out the types of stakeholders who are felt should be included.

Table 2: Proposed representation for the LEP Cleantech Group.

Representative	Description
LEP Board	Chair of LEP Board Operations Director of LEP
Cleantech Network Coordinator	Organisation with experience running a globally-recognised cleantech cluster or network, facilitating links to the wider cleantech community
Academic	Insight from HE & FE on cleantech innovation and skills
Cleantech Businesses	Representatives from the following cleantech sectors: <ul style="list-style-type: none">•Energy Efficiency & Generation•ICT•Materials & Design•Pollution Prevention•Waste & Recycling•Water
Internationalisation	Insight on internationalisation, global competitiveness and exports
Innovation	Insight on innovation support and potential for innovation
Financial Advisor	Insight on investment options and opportunities for cleantech businesses
Local Government Leaders	2 representatives from LEP local government (one from the north and one from the south of LEP region) with a focus on economic development

The operational group will also have strong links to a number of other stakeholders, including:

- Venture Capitalists
- Angel Investors
- Incubation/Innovation Centres
- Science & Research Parks
- Supporting Organisations (business support, legal, IP etc.)

First Steps

In order to create the GC-GP LEP Cleantech Group, the following first steps are proposed:

By November 2011:

- UK CEED to launch the Cleantech Group and employ staff.
- Formation of the operational group.
- Mapping of the cleantech companies across the LEP area based on BIS mapping guidelines and collection of metrics which can be used to monitor future growth.

By January 2012:

- Creation of a strategy for the group, ratified by the operational group itself and LEP Board.
- Commencement of Cleantech Group activities.

Similar cleantech groups around the world are typically co-funded from public and private sector sources. Public sector funding is normally from national government or regional development/enterprise agencies but is offset by contributions from the private sector. These are typically collected by way of a membership fee and sponsorship. The private sector fees tend to grow year-on-year as more members join which leads to a reduction in public-sector intervention over time.

The LEP Board is asked to comment and suggest improvements on this proposal. Once this has taken place, the Board is asked to provide its full support in order for the first steps to be actioned. No financial commitments are required at this stage.