

## Priority Axis 6

### Preserving and Protecting the Environment and Promoting Resource Efficiency

#### Rationale

The preservation and protection of our natural assets is key to delivering a sustainable economy in Tees Valley. This helps create an attractive environment that encourages business investment and growth, whilst also supporting a thriving culture and visitor offer.

Tees Valley has a unique mix of natural assets, which have shaped the development and growth of our area for generations. These include: RSPB Saltholme; Roseberry Topping; Saltburn (surfing); Tees Barrage; Greatham Creek (seal watching); as well as various parks and Nature Reserves. The River Tees and expansive coastlines are also defining features in the region, providing the backdrop for significant industrial, community and visitor sites.

Tees Valley has developed as a highly urbanised area, and as such, we have marginally lower levels of natural land cover compared to national averages. Protecting and enhancing our limited assets is therefore particularly important to maintain the region's attractiveness, to complement our strong industrial offer and to ensure that our businesses and communities remain competitive in the future.

Natural England recommends that there should be 1 hectare of Local Nature Reserve (LNR<sup>1</sup>) per 1000 of the population. Tees Valley falls just short of this with 0.95 ha/1000. Whilst more work is needed to determine the proximity of green spaces to communities, Middlesbrough has the lowest LNR per 1000 of the population at 0.23, whilst Redcar has the highest at 1.73. This suggests that urban and deprived communities who stand to benefit most from green spaces, have poorest access.

A majority of habitats and rivers in Tees Valley are in good condition, however a large minority are in poor and/or deteriorating condition. This is due to a number of factors, including: farming, recreation, discharges and development. Without appropriate investment, there is potential for habitats and rivers to decline further. It is therefore essential that measures to protect and preserve the natural environment are implemented as part of a wider approach to support economic growth.

The resilience and performance of business, particularly SMEs, will increasingly be affected by their ability to adapt to climate change and optimise the use of resources. To maximise Clean Growth opportunities, businesses in Tees Valley must seize market opportunities, improve their profitability and competitiveness, whilst also contributing to the protection and preservation of the environment.

Activities delivered under this priority will align with priorities identified in the Tees Valley Local Industrial Strategy (local draft). Activity will support business growth, help attract investment and establish a global reputation for Tees Valley as a vibrant and thriving place to be, with world leading opportunities in clean energy, low carbon and hydrogen.

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<sup>1</sup> Designation applied to land under Local Authority control

<b>Evidence of Need</b>	<b>Market Failure</b>	<b>Activities</b>
<p>The area has already seen flood damage from rising sea levels. Key employment and industrial sites are at further risk of flooding if there are more extreme sea levels by 2030.</p> <p>Tees Valley has a highly integrated economy, meaning the economic cost of flooding is estimated to be around £1bn if mitigating actions are not implemented.</p> <p>Over 20,000 people and more than 4,000 non-residential properties are at risk of flooding in the Tees catchment area. Port Clarence and the heavily industrialised areas around Tees Mouth are of particular concern.</p>	<p>There are limited levels of existing investment to protect and preserve green and blue space, and to implement flood mitigation measures</p>	<p>Support delivery of mitigating actions at priority sites identified in the Tees Valley SEP and LIS (including South Tees Development area). Support delivery of schemes identified in the Tees Tidal Flood Risk Management Strategy, including: Portrack; Teesside Park / A66; Greatham North East (Venator Plant and A174); Transporter (Middlehaven) and Riverside Park. Activity should include managed realignment and the creation of green infrastructure and habitat</p> <p>Restore and enhance degraded eco-system services</p>
<p>Tees Valley is a highly urbanised area, with 90% of the population living in urban areas. The region also has lower levels of green and blue space compared to national averages</p>	<p>Increasing urbanisation and industrial development, not matched by investment in green and blue infrastructure</p>	<p>Improve, enlarge or connect existing green and blue sites</p> <p>Halt overall biodiversity loss and increase green and blue infrastructure, in a way that complements industrial development</p>
<p>Tees Valley has declining upstream fish counts, and no waterbodies classified as 'High' for Ecological Status. Only 8 out of 55 waterbodies in the region are considered to be at 'Good' Ecological Status.</p>	<p>Industrial legacy has resulted in environmental degradation in parts of the region</p>	<p>Build human resource to support habitat improvements</p>
<p>Natural England identify 880 hectares, or 30% of the area covered by the Teesmouth and Cleveland Coast SSSI, as of 'Unfavourable – declining' condition.</p>		
<p>Business and highly skilled workers increasingly base location decision on the 'liveability' of an</p>	<p>Perception that the area is not attractive, making it difficult to attract highly skilled workers</p>	

<p>area, as well as the strength of its economy.</p> <p>Large scale development opportunities are available in Tees Valley at key Brownfield sites (notably STDC and Wilton)</p> <p>Tees Valley has above average numbers of SME firms in energy intensive industries (EIs), along with the lowest proportion of firms undertaking product or service innovation of any LEP area.</p> <p>Whilst the area has seen significant reductions in CO<sub>2</sub> emissions since 2005, emissions at 10.2 tonnes per capita are almost double the national average of 5.3 tonnes</p>	<p>UK Innovation Survey finds that in terms of factors driving innovation, 'Reducing environmental impact' was ranked the least popular factor (out of 12) in determining whether a firm engaged in innovation</p> <p>Lack of understanding and visibility of innovation support and opportunities</p> <p>Rising energy costs, regulation and lack of competitiveness globally</p> <p>Lack of take up of energy efficient measures</p>	<p>Support the uptake of innovative technologies and resource efficiency measures in industrial developments, including use of Business Information modelling (BIM)</p> <p>Support the transfer of knowledge and experience of eco-innovation between businesses and communities</p> <p>Support SMEs to benefit from new market opportunities in natural goods and services, and from using natural capital more sustainably in their own supply chains.</p>
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### Activities

- Investment in multifunctional green infrastructure that creates new habitats to enhance the connectivity and resilience of priority sites and species
- Revitalisation of brownfield land and other sites, regeneration of sites through soil de-sealing and decontamination and incorporating green infrastructure into development sites to maintain delivery of its many ecosystem services that increase the biodiversity, recreation and aesthetic quality of the site
- Sustainable drainage to improve water quality and in some cases local air quality (with potential for associated carbon reductions also)
- Investment in green and blue infrastructure such as green corridors in urban areas and waterways
- Provision of support and advice for businesses in the adoption of innovative technologies and processes for the management and reuse of energy, materials, water and waste (including recycling and recovery)
- Provision of support for the piloting and demonstration of innovative technologies to promote resource efficiency in order to encourage their greater take-up.

## ERDF Operational Programme Investment Priorities

Activities identified under this Priority Axis align with the following Investment Priorities within the ERDF Operational Programme:

6d- Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure

6f - Promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector and with regard to soil, or to reduce air pollution

## ERDF Operational Programme Outputs

Outputs	Total
Total surface area of rehabilitated land	30 hectares
Surface area of habitats supported in order to attain a better conservation status	2,113 hectares
Number of enterprises receiving support	3,670
Number of new enterprises supported	734
Number of enterprises supported to introduce new to the firm products	587

## Contribution to EU and National Policy

Investment in this theme will support the achievement of EU priorities to: protect natural habitats; keep air and water clean; and help businesses move towards a sustainable economy. This includes alignment with The EU Programme for Environment and Climate Action and Biodiversity Strategy.

At a UK level, activity will align with the Clean Growth Grand Challenge in the Industrial Strategy. It will also support achievement of the UK commitment to bring greenhouse gas emissions to net zero by 2050 and the 25 Year Environment Plan.

