



## Government Ten Point Plan For a green industrial revolution

Published December 2020

# At a glance



## Rural Services Network's thoughts on a **Ten Point Plan**:

- A mixed technology approach is required for rural homes and business to move to net zero, particularly for hard – to - treat homes.
- Eventually, existing infrastructure across rural areas can be converted to new fuels such as hydrogen and biofuels should the market continue along those paths but this is a longer - term scenario with many uncertainties remaining at present. Clean hydrogen could be economically produced via land-based wind farms to fuel the HGV and farm fleets
- A trial in a more remote rural area is also needed to rural proof the concept.
- The Government should specifically address the issues, and costs, of installing EV charging points across rural areas.
- The funding for Local Authorities to support buses and other public transport options must be reviewed. The loss in subsidised rural routes over the last decade have in large part been driven by the fact that bus subsidy is a discretionary duty and funding has been withdrawn due to ever increasing costs of statutory services such as Social Care.

## **INTRODUCTION**

'Rural' is only mentioned twice in the whole 31 pages and, like some many other Government statements and strategies, you are left wondering **how much of the funding/opportunities will really come into rural areas and benefit rural communities?** Will rural proofing **before** the setting of policy details and budget allocations actually take place?

**The devil will be in the detail and at the RSN we will be closely monitoring these issues and making representations where necessary – this in line with our Revitalising Rural – Realising the Vision ambitions.**

For now, we set out what we think, on first examination, are the key take outs from the Ten Point Plan and some brief RSN comments - many of the view expressed here were also expressed in our review of the National Infrastructure Strategy and were based on some expert advice.

Generally, we will not repeat here issues etc we have already referred to in our review of the Spending Review 2020 or our review of the National Infrastructure Strategy but will do so where appropriate to the significance of the issues concerned. We only review specific proposals rather than the (often repeated throughout and across the document(s) generalised statements etc. We therefore do not include here either of the Forewords or the Introduction. Nor do we include those of the ten points where we see no specific rural elements – although all of the points have relevance to the whole country. We do however start off by listing the matters referred to in each of the ten points

This Ten Point Plan is not of itself a government strategy – it is more a statement of general intent. The detail will be set out in future Strategies/White Papers (see final Section below 'Look Ahead').

The Ten Point Plan covers the following areas:

- |   |   |
|---|---|
| 1. Advancing Offshore Wind                          | 6. Jet Zero and Green Ships                       |
| 2. Driving the Growth of Low Carbon Hydrogen        | 7. Greener Buildings                              |
| 3. Delivering New and Advanced Nuclear Power        | 8. Investing in Carbon Capture, Usage and Storage |
| 4. Accelerating the Shift to Zero Emission Vehicles | 9. Protecting Our Natural Environment             |
| 5. Green Public Transport, Cycling and Walking      | 10. Green Finance and Innovation                  |

## Key areas in The TEN POINT PLAN FOR A GREEN INDUSTRIAL REVOLUTION and Rural Services Network Comments

Point	Government National Infrastructure Statement	RSN INITIAL COMMENTS
<b>POINT 2: DRIVING THE GROWTH OF LOW CARBON HYDROGEN</b>	<i>Working alongside partners in industry, our aim is for the UK to develop 5GW of low carbon hydrogen production capacity by 2030 that could see the UK benefit from around 8,000 jobs across our industrial heartlands and beyond. This will be supported by a range of measures, including a £240 million Net Zero Hydrogen Fund, and setting out next year, our hydrogen business models and a revenue mechanism for them to bring through private sector investment.</i>	<p>At present there is general UK support for exploring the role hydrogen could play, but large- scale deployment of hydrogen will need significant time, especially since there is limited national and international experience of its use as a heat source <b>There is also limited application for homes not connected to the gas grid.</b></p> <p>Different technologies such as hydrogen may offer alternatives in the future – but they remain distant and cannot yet deliver against the required pace of change. <b>Relatively low energy density of hydrogen may limit its application in off gas grid areas.</b></p> <p>A mixed technology approach is required for rural homes and business to move to net zero, particularly for hard – to - treat homes. Biomass can have a role in transition and back-up capacity but if this slows the transition to zero emissions this will be counter - productive, and air quality impacts must be considered. Bio-fuels have a role in heating older properties. Hydrogen may become the solution – but delaying deployment of known technologies now will result in goals being missed.</p> <p>In each of the three areas - of power generation, heat and transport - suitable solutions exist to hit the 2050 goal and their implementation is proven. It is clear that “Waiting for hydrogen is not the answer” if the required shift is to be made by 2050. The barriers to any potential ultra - long-term aim of hydrogen powered transport must first address challenges in terms of zero carbon hydrogen production at scale, vehicle technology and hydrogen handling and refueling.</p>

Point	Government National Infrastructure Statement	RSN INITIAL COMMENTS
<b>POINT 2: DRIVING THE GROWTH OF LOW CARBON HYDROGEN</b>  <b>Continued.</b>	<i>By 2025 we will support industry to begin a large village hydrogen heating trial, and set out plans for a possible pilot hydrogen town before the end of the decade.</i>	<p>Eventually, existing infrastructure across rural areas can be converted to new fuels such as hydrogen and biofuels should the market continue along those paths but this is a longer - term scenario with many uncertainties remaining at present. Clean hydrogen could be economically produced via land-based wind farms to fuel the HGV and farm fleets</p> <p>Clarity is needed about what is meant by 'a large village'. A trial in a more remote rural area is also needed to rural proof the concept.</p>
<b>POINT 4: ACCELERATING THE SHIFT TO ZERO EMISSION VEHICLES</b>	<p><b><i>We are taking decisive action to end the sale of new petrol and diesel cars and vans by 2030, with all vehicles being required to have a significant zero emissions capability (e.g., plug-in and full hybrids) from 2030 and be 100% zero emissions from 2035. We will work with industry to make the transition to ensure it remains one of Britain's success stories. Alongside this new phase-out date, we will <b>publish a Green Paper next year on the UK's post-EU emissions regulations.</b></i></b></p> <p><b><i>We will invest £1.3 billion to accelerate the roll out of charging infrastructure, targeting support on rapid charge points on motorways and major roads to dash any anxiety around long journeys, and installing more on-street charge points near homes and workplaces to make charging as easy as refueling a petrol or diesel car.</i></b></p>	<p>The Government should specifically address the issues, and costs, of installing EV charging points across rural areas.</p> <p><b>Key facts about travel work distances in rural areas</b></p> <ul style="list-style-type: none"> <li>• Transport costs as a percentage of total weekly household expenditure, year ending March 2018, was 18.6% in rural areas, 15.6% in urban</li> <li>• Distance travelled per person per year for commuting in 2018/19 was 1,466 miles for those from Rural Village, Hamlet and Isolated Dwelling and 1,160 miles for those from areas classed as Urban Conurbation</li> <li>• The average minimum travel time to reach the nearest centre of employment with 5,000+ jobs by public transport/walking was 56 minutes for rural areas, 27 minutes for urban (2017)</li> <li>• Percentage of service users within 45 minutes access by public transport or walking to centres of employment with 5000+ jobs was 46% for rural areas, 90% for urban</li> <li>• Number of centres of employment with 5000+ jobs within 45 minutes access by public transport or walking for rural areas was 1, for urban was 5 (2017)</li> </ul>

Point	Government National Infrastructure Statement	RSN INITIAL COMMENTS
<p><b>POINT 5: GREEN PUBLIC TRANSPORT, CYCLING AND WALKING</b></p>	<p><i>We will therefore accelerate the transition to more active and sustainable transport by investing in rail and bus services, and in measures to help pedestrians and cyclists. We will fund thousands of zero-emission buses and give our towns and cities cycle lanes worthy of Holland.</i></p> <p><i>In smaller places, we will improve buses, introduce more rural on-demand services, and restore many of the rail links removed in the Beeching era to give people the choice not to drive.</i></p> <p><i>We will build first hundreds, then thousands, of miles of segregated cycle lane and create more low-traffic neighbourhoods to stop rat-running and allow people to walk and cycle.</i></p> <p><i>We will launch the first-ever National Bus Strategy, as part of the PM's £5 billion funding, integrated ticketing between operators and modes and more bus lanes, making services faster, more attractive and cheaper to operate.</i></p>	<p>The funding for Local Authorities to support buses and other public transport options must be reviewed. The loss in subsidised rural routes over the last decade have in large part been driven by the fact that bus subsidy is a discretionary duty and funding has been withdrawn due to ever increasing costs of statutory services such as Social Care.</p> <p>There has been so many short-lived transport 'enhancements' over the years that building back consumer confidence in the long-term reliability and sustainability of public transport offers is of major importance</p> <p>The condition of rural roads – many of which a very narrow means cycling and walking are not safe options in very many cases.</p> <p>We welcome the fact that a Rural Bus Strategy is likely to form part of this</p>

Point	Government National Infrastructure Statement	RSN INITIAL COMMENTS
POINT 7: GREENER BUILDINGS	<p><i>In addition to supporting around 50,000 jobs by 2030, today's announcements provide an opportunity to develop the growing UK heat pump manufacturing base and expand supply chains for building efficiency</i></p> <p><i>To future-proof new buildings and avoid the need for costly retrofit, we will seek to <b>implement the Future Home Standard in the shortest possible timeline, and consult shortly on increased standards for non-domestic buildings</b> so that new buildings have high levels of energy efficiency and low carbon heating. As is the common theme across this plan, we want to stimulate investment and manufacturing in the UK. <b>We will aim for 600,000 heat pump installations per year by 2028</b>, creating a market led incentive framework to drive growth, and will bring forward regulations to support this especially in off gas grid properties. This ambition still leaves open the choice as to whether we ultimately pursue hydrogen heating, an electrified heating system, or a mixture of both, whilst we continue to pilot the options.</i></p> <p><i>We will transform the lives of more homeowners who live off the gas grid, particularly in rural areas, with upgrades to their heating systems through the <b>Homes Upgrade Grant</b>. And we will commit to further funding for the <b>Social Housing Decarbonisation Fund</b> to continue upgrading the least efficient social housing.</i></p>	<p>It is surprising to see only heat pumps mentioned here.</p> <p>A real challenge exists in retrofitting the UK's existing housing stock, which is some of the worst in Europe in terms of heat loss and energy efficiency. The government has indicated that it will move first with decarbonising off-gas grid heating where a large number of old, hard-to-decarbonise buildings are situated.</p> <p><b>Alternatives:</b></p> <p>A combination of three technology pathways can address the UK's heat challenge:</p> <ol style="list-style-type: none"> <li>1. Continuing with domestic / commercial boilers and decarbonising the fuel (using biogas, BioLPG, or hydrogen).</li> <li>2. Centralising heat (using a heat network)</li> <li>3. Electrifying heat – and using energy efficient heat pump technology</li> </ol> <p>Heat pumps may provide the opportunities for up to 50 per cent of rural households. However, the hard-to-decarbonise, older housing stock with limited opportunity for further insulation will need other options, including switching to bio-fuels, such as BioLPG. Heat networks may play a role in rural towns and villages, potentially using bioLPG in off gas grid areas, but will be limited for remote rural properties.</p>



Point	Government National Infrastructure Statement	RSN INITIAL COMMENTS
POINT 8: PROTECTING OUR NATURAL ENVIRONMENT	<p><i>And as we leave the EU, our new <b>Environmental Land Management</b> scheme will be a key vehicle in our efforts to combat climate change whilst also delivering other environmental benefits, by incentivising land management actions such as tree planting and peatland restoration. We will <b>launch Environmental Land Management pilots next year</b> as we move away from the Common Agricultural Policy, alongside Productivity Grants for farmers to invest in modern technology to make their businesses more efficient and more profitable, while reducing their emissions.</i></p> <p><i>Investment in flood defences will protect our homes, businesses, and communities from the risk of flooding, whilst also safeguarding our natural environment and helping us adapt to our changing climate. We will <b>invest £5.2 billion in a six-year programme for flood and coastal defences</b> including new innovative approaches to work with the power of nature to not only reduce flood risk, but deliver benefits for the environment, nature and communities.</i></p>	<p>The impact of changes to grant regimes on farmers and land managers and their supply chains will also affect rural economies more generally. This needs to be taken in to account.</p> <p>This is welcomed. Urgent action is needed especially in those areas hit by two or three significant flooding events in late 2019/early 2020</p>



<p><b>LOOK AHEAD</b></p>	<p><b>Future Strategies/White Papers referred to in the 10 Point Plan are:</b></p> <ul style="list-style-type: none"> <li>➤ Energy White Paper (now published)</li> <li>➤ National Infrastructure Strategy (published and RSN analysis completed)</li> <li>➤ England Tree Strategy</li> <li>➤ Transport Decarbonisation Plan</li> <li>➤ Industrial Decarbonisation Strategy</li> <li>➤ Net Zero Strategy</li> <li>➤ Heat &amp; Building Strategy</li> <li>➤ Hydrogen Strategy</li> <li>➤ HMT Net Zero Review</li> <li>➤ Nature Strategy</li> </ul>	<p>The RSN will need to review the details of many of these publications when they are published to see if there are any specific rural issues (good or bad) arising.</p>
--------------------------	--	---