

WWF CASE STUDY

BLYTH VALLEY

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SUMMARY

Blyth Valley is well positioned to reap the benefits of the government's ambition of reaching net zero carbon emissions by 2050. The area's rich industrial history, combined with a £3.8 billion planned investment to manufacture battery cells to power electric vehicles in the constituency will lead to spill over benefits for the wider region.

Extensive economic analysis has shown the benefits the green transition will bring to the constituency, including local job creation and investment in local infrastructure.

A green transition in Blyth Valley will:



**CREATE
2,080 - 2,400 LOCAL JOBS**



**SECURE £4,650 MILLION
IN LOCAL INVESTMENT**



**SEE £2,600 - £3,100 MILLION
TOTAL GROSS VALUE ADDED TO
THE LOCAL ECONOMY**

The WWF's [Net Zero Delivery Tracker](#) applied to government spending and taxation, will ensure that Blyth Valley secures the considerable benefits of the green transition.

**BLYTH VALLEY IS A SEAT
THAT TELLS THE STORY
OF INDUSTRIAL DECLINE
BEING REVERSED BY
PUBLIC AND PRIVATE
INVESTMENT IN
AN ELECTRIC VEHICLE
FUTURE**

BACKGROUND

Blyth Valley is a quintessential red wall seat. It was held continuously by the Labour Party from its creation in 1950 until it became the Conservative Party's first victory of the 2019 general election. It has previously recorded shares of the vote for Labour as high as 78%. Blyth Valley has its history in coal mining but was also home to Britain's first offshore wind turbines.

Mining heritage runs deep in the community. In 1961 Blyth was one of the busiest ports in England, shipping more than six million tonnes of coal that year. However, the industry suffered a rapid decline in the late 1960's. Alongside losing its heavy industry, Blyth also lost its railway station in 1964, leaving many locals to rely on buses.

The area has been selected for a £3.8bn investment in a 'gigafactory', manufacturing battery cells primarily to power electric vehicles¹. While electric vehicle sales are likely to be spread broadly across the country; gigafactories like this show how significant investments can benefit specific areas.

Gigafactories were identified in the government's 'Ten Point Plan For A Green Industrial Revolution' as a significant opportunity for investment and employment. Blyth Valley is a seat that tells the story of industrial decline being reversed by public and private investment in an electric vehicle future.

NET ZERO OPPORTUNITIES

Potential economic benefits from Net Zero investment

Total investment to 2050	£4,650 million
Direct GVA	£1,520 million - £1,790 million
Total GVA	£2,600 million - £3,100 million
Job creation	2,080 - 2,440

Breakdown of jobs created in Blyth Valley

Decarbonising Surface Transport	140 - 270
Decarbonising Residential Buildings	190 - 220
Decarbonising Non-Residential Buildings	70 - 80
Gigafactory	1680 - 1870

¹ Britishvolt press release, January 2022, <https://www.britishvolt.com/news/britishvolt-powers-ahead-with-plans-to-build-transformational-uk-battery-gigaplant-to-meet-ev-demand/>

**THE GIGAFACTORY WILL
BRING AROUND 3,000
HIGHLY SKILLED JOBS
AND MORE THAN 5,000
INDIRECT WIDER SUPPLY
CHAIN ROLES INTO
THE WIDER
NORTHUMBERLAND
AREA**

BLYTH VALLEY GIGAFACTORY

For Blyth Valley, a former industrial heartland, investment and the creation of good jobs is essential for the area's future. The £3,800 million net zero investment in Blyth Valley Gigafactory will act as a major boost to the constituency, and region's economy. **The Gigafactory will bring around 3,000 highly skilled jobs and more than 5,000 indirect wider supply chain roles into the wider Northumberland area.**

The CCC estimates that by 2035 there could be around 28 million EVs on the road, comprising 25 million BEVs and 3 million PHEVs. This rate of increase will involve adding 2.2m battery vehicles each year between 2025 and 2035. With this project, **the Blyth Valley plant would therefore service almost 14% of UK EV battery demand.**

BRITISHVOLT™

Battery technology pioneer Britishvolt is on target to responsibly manufacture some of the world's most sustainable, low carbon battery cells on the site of the former Blyth Power Station in Cambois, Northumberland. Britishvolt believes that the UK is the right place for its initial investments because of the strength of its automotive and renewable energy industry alongside its expertise and history in industrial and academic battery R&D.

The development is a major boost for both Northumberland and Britain creating around 3,000 direct skilled jobs and another 5,000+ in the associated supply chains. This will be a combination of bringing new jobs to the area and will also support the upskilling of people in the local area to support the renewable energy sector and global decarbonisation. This will be supported on the wider industrial supplier park around our facility that will support colocation and development of a local, lower carbon, battery ecosystem.



BLYTH VALLEY IS SET TO BENEFIT FROM £400 MILLION OF INVESTMENT IN LOW CARBON TRANSPORT BY 2050

TRANSPORT

Transport is the biggest sectoral source of CO₂ emissions in the UK, accounting for around one-third of total emissions². Between now and 2050, around £50bn will need to be invested in new transport infrastructure to deliver the net zero target, but this cost will be more than offset by savings made as electric vehicles (EVs) are much more efficient to run.

The Autumn 2021 Budget and Spending Review provided £620 million to support the uptake of EVs and £817 million for the electrification of UK vehicles and their supply chains³. These welcome investments were however offset by high-carbon policies such as reducing air passenger duty for domestic flights which drive up emissions. Implementing WWF's Net Zero Delivery Tracker (explained in detail below) would help government avoid policies that increase emissions or balance them out by delivering more ambitious emissions reductions elsewhere in the Budget.

Blyth Valley is set to benefit from **£400 million of investment in low carbon transport by 2050**. Around three-quarters of this will relate to personal forms of transport such as cars, vans and motorcycles. Total surface transport investment will include both public investment (including on deployment of public charging infrastructure) and private expenditure (such as for purchase of vehicles)⁴. Helping to significantly improve connectivity and mobility in the constituency. This investment will create an estimated 170 to 270 local jobs.

INVESTING IN BUILDINGS IN LINE WITH THE NET ZERO TARGET WOULD NOT ONLY MAKE HOMES WARMER AND LOWER BILLS, IT WOULD ALSO CREATE LOCAL EMPLOYMENT AND GROW THE LOCAL ECONOMY

HOUSING

Changes to the housing and non-domestic building stock will be a big part of the adjustments that the public sees as we target net zero. This will include retrofitting existing homes to improve their energy efficiency and install low carbon heating options such as heat pumps. New-build homes in the constituency will be future proofed and zero-carbon ready.

The Autumn 2021 Budget and Spending Review provided £3.9 billion to decarbonise buildings and make homes warmer and more environmentally friendly⁵. This was welcome investment, but came in a package of announcements that WWF's Net Zero Delivery Tracker (explained in detail below) found did not do enough to put the UK on track for net zero.

Investing in buildings in line with the net zero target would not only make homes warmer and lower bills, it would also create local employment and grow the local economy. In Blyth Valley, improvements to housing in line with climate targets will require investment of **£330 million in residential housing and £120 million to non-domestic buildings**. This will further boost the Blyth Valley job market and significantly upgrade the value of local infrastructure. This investment will create an estimated 260 to 300 local jobs.

CONCLUSION

The world needs to decarbonise to tackle climate change - but making these changes will deliver real local benefits too. This briefing outlines why supporting the net zero transition will have significant and tangible economic benefits in Blyth Valley, particularly as it reconfigures it decarbonises its traditional heavy industry infrastructure.

Reaching net zero will require significant investment from the public and the private sector. In many cases, as has been seen for example in the offshore wind sector, early public sector investment will help leverage in private sector capital.

This will require government policy to incentivise the big changes needed across the economy in industry, power, buildings, transport etc. These policies will typically be announced by government at set piece events such as Budgets and Spending Reviews. Government should be transparent at each of these occasions as to whether the policies they announce are commensurate with the trajectory for emissions reductions proposed by the Climate Change Committee and legislated for by Parliament in the five-yearly Carbon Budgets.

WWF is calling for the government to apply a Net Zero Delivery Tracker to all spending and taxation decisions in Budgets and Spending Reviews. This will ensure that areas such as Aberavon receive the significant local benefits of the green transition identified in this note, including job creation, improved local infrastructure and faster economic growth.

2 BEIS, 2021 UK greenhouse gas emissions, provisional figures, 31 March 2022

3 HM Treasury, Autumn Budget and Spending Review 2021, October 2021

4 CCC, The Sixth Carbon Budget, December 2020

5 HM Treasury, Autumn Budget and Spending Review 2021, October 2021