

7. **York and North Yorkshire Brownfield Housing Fund and Net Zero Fund - Report of the Chief Operating Officer, York & North Yorkshire Local Enterprise Partnership** (Pages 13 - 42)
8. **Any other business which the Chair agrees should be considered as a matter of urgency because of special circumstances**

Barry Khan
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
Northallerton

22 November 2022

York and North Yorkshire Devolution Joint Committee

30th November 2022

York and North Yorkshire Devolution Programme Management and Joint Committee Terms of Reference

1.0 Purpose of the Report

- 1.1 This report sets out the overall process for considering a Mayoral Combined Authority along with the core principles being observed in preparing for implementation of the devolution deal and the Terms of Reference for this Joint Committee.

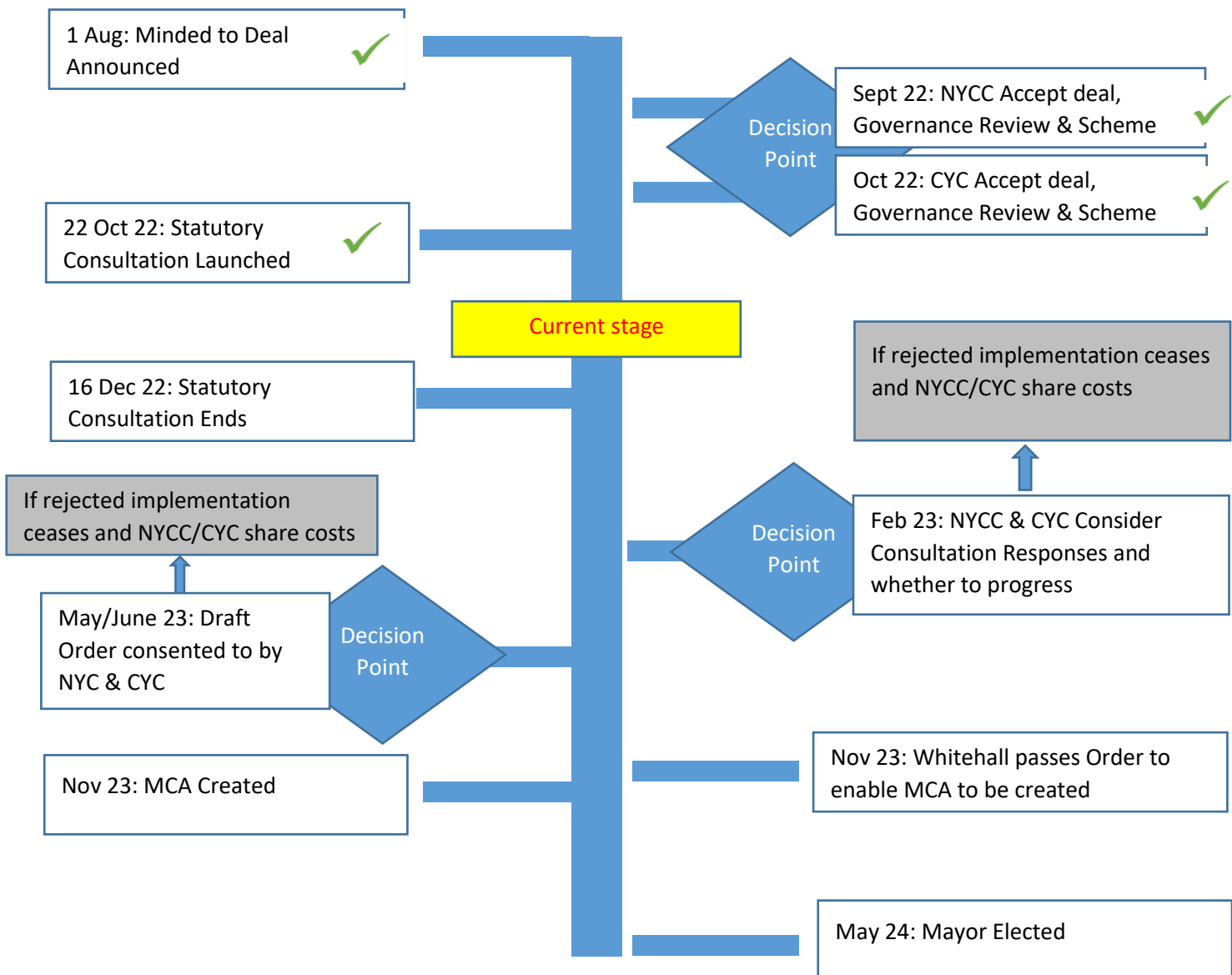
2.0 Executive Summary

- 2.1. Following the announcement of the 'minded to' devolution deal on 1 August 2022, plans have been developed to follow the statutory process and develop implementation plans.
- 2.2. As part of the statutory process, the constituent councils (City of York Council and North Yorkshire Council) must undertake the following
1. Undertake a governance review to identify whether implementation of the devolution deal will improve the exercise of the statutory functions in the area
 2. Develop and publish for consultation, a scheme that explains:
 - (a) How the new Mayoral Combined Authority for York and North Yorkshire will be created with the newly created North Yorkshire Council and York as the two local authority Members. The newly created Combined Authority will have the Mayor as the Chair.
 - (b) How the Mayoral Combined Authority will make decisions and the powers it will have.
 - (c) How transport will be dealt with on an integrated basis.
 3. Review the findings of the consultation and agree whether to submit the scheme to Whitehall parliamentary approval
 4. Once the Parliamentary Order has been drafted in Whitehall, consent to the order.
- 2.3. Following the publication of the 'minded to' devolution deal, the constituent Councils met and have approved
- The minded to Devolution Deal

- The Governance Review and its conclusion that the exercise of statutory functions in the area will be improved by creating a Mayoral Combined Authority for York and North Yorkshire
- A Scheme for consultation, which will run for eight weeks. This consultation is currently underway and will conclude on 16 December
- Creation of a Joint Committee to oversee the implementation process of the devolution deal.

2.4 Following the consultation, the Institute of Consultation will then review the findings and provide an independent report for the Constituent Councils to consider before agreeing whether to submit the Scheme to Whitehall for Parliamentary Approval.

2.5 The following timeline summarises the implementation timeline



3.0 Joint Committee Terms of Reference

3.1 Clearly a decision has not yet been taken about whether to create a Mayoral Combined Authority for North Yorkshire and York. However it is prudent to create a Joint Committee of the constituent councils to ensure there is an appropriate forum to work together to progress Devolution. If a subsequent decision is made not to proceed with the Devolution Deal, the Joint Committee can be dissolved or its Terms of Reference can be reconsidered. However in the interim the Terms of Reference set out the functions of the Joint Committee along with its membership and decision making protocol.

3.2 Annex A provides the detailed Terms of Reference, however for ease:

- The function of the Joint Committee is to have oversight of the development of the York and North Yorkshire Combined Authority subject to approval being made to proceed with a Mayoral Combined Authority. The Joint Committee will also seek to ensure that any potential future Mayoral Combined Authority is able to be launched in accordance with the Statutory Orders issued by Government.
- Subject to approval, the Joint Committee will ensure that sufficient resources are made available to support the creation and implementation of the York and North Yorkshire Combined Authority which includes financial management and oversight, securing of appropriate resources (officers, technical and otherwise) to enable delivery and the development of governance and a policy framework.
- Membership of the Joint Committee is:

Voting Members	<ul style="list-style-type: none">• Two Executive Members appointed from City of York Council; and• Two Executive Members appointed from North Yorkshire County Council
Non-Voting Members	<ul style="list-style-type: none">• The Police, Fire and Crime Commissioner; and• A nominated representative of the LEP

3.3 The proposed Terms of Reference require that a Chair and Vice Chair be appointed, from amongst the members of the committee, at this first meeting.

4.0 Programme Management

4.1 As detailed above the statutory consultation is underway and, pending the outcome of the consultation, preparations have begun to develop a full implementation plan. This will be presented to the Joint Committee following the Councils' Decisions in Feb 23, if the decision is taken to progress.

4.2 For the purposes of clarity the programme team have separated activity as:

Governance	Securing the required approvals and developing the formal constitution, assurance and democratic services functions.
Building the MCA	Scoping and commissioning the systems and procedures required to run the organisation subject to approval being given to proceed.
Finance	Funding the implementation phase and developing a Medium Term Financial Plan
HR	Organisation structure design, staff transfer considerations & recruitment strategy
Implementing the Deal	Implementing the commitments agreed through the negotiations of the asks process.
Shadow Assurance Framework	How projects will be identified and prioritised prior to the creation of the potential MCA
Police, Fire & Crime Commissioner	The PFCC is an existing legal entity (two corporations sole – the Local Policing Body and the Fire & Rescue Authority) with independent funding streams. A separate workstream will plan the potential transition of the PFCC under the Mayor and into the MCA.

4.3 In developing the headline plan the following have been taken into account:

1. As detailed above, the deal is currently a 'minded to' deal and is subject to the final decision - to consider the consultation responses and approval of a final Scheme for submitting to Whitehall – expected to take place in Feb 23.
2. If submitted to Whitehall, the submitted Scheme will be subject to central government due diligence, prior to an order being created. This draft order will also require consent from constituent Authorities (likely May/June 2023) and if consent is given, it could receive assent in Nov 23.
3. Any activity or costs incurred prior to Nov 23 are at risk, however if the deal progresses and the Order is passed in Parliament, the costs can be recouped from both capacity funding and Mayoral Investment Funding. This was agreed within the Executive Reports in September/October 2022.

4.4 Considering the above assumptions, the principles used to develop the plans are therefore:

- Any costs incurred prior to the constituent council decision in February 23 should be restricted to activity which:
 - Is required to support the formal decision making process; or
 - Is required to meet the statutory responsibilities of the MCA within the timescales detailed in the plan; or
 - Is required to ensure the financial aspects of the deal can be delivered, in particular the expenditure which must be defrayed within the current CSR period.

4.5 It is accepted that this activity is at risk and a maximum budget has been agreed at £600k, with any expenditure to be signed off jointly by the CYC and NYC S151 Officers. This budget was agreed by both City of York and North Yorkshire County Councils as part of the formal decisions made in September/October 2022.

4.6 Following the February decisions a full implementation plan will be presented and any costs which will be incurred will be subject to a costed plan to be approved and may include the above plus additional activity which optimises the deal and positions YNY for future investment.

5.0 Police Fire & Crime Commissioner

5.1 The Police, Fire & Crime Commissioner is an existing legal entity (two corporations sole – the Local Policing Body and the Fire & Rescue Authority). The PFCC also has independent income streams including the police and fire levy. The core principle within implementation is therefore that the PFCC will remain a ringfenced entity sitting within the MCA, retaining its existing governance, structures and collaborations. This will minimise risk and support continuity of delivery.

6.0 Financial implications

6.1 The financial implications are set out in the body of this report. The financial implications for the potential to create a combined authority will be considered separately. This report looks purely at creating the joint devolution committee.

7.0 Legal implications

7.1 The legal implications are set out in the body of this report.

8.0 Climate change Implications

8.1 There are no significant climate change implications arising from this report.

9.0 Equalities implications

9.1 There are no significant equalities implications arising from this report.

10.0 Recommendations

10.1 The Joint Committee is recommended to:

10.1.1 Approve the Terms of Reference at Annex A

- 10.1.2 Appoint a Chair and Vice Chair from amongst the members of this committee.
- 10.1.3 Note the approach to the programme arrangements currently in place.

Report Author:

James Farrar, Chief Operating Officer, York & North Yorkshire Local Enterprise Partnership

Annex A: JOINT DEVOLUTION COMMITTEE – TERMS OF REFERENCE

Summary of the York and North Yorkshire Joint Devolution Committee Functions

The York and North Yorkshire Joint Committee is established under Section 101(5) of the Local Government Act 1972, as applied by Section 9EB of the Local Government Act 2000 and Regulation 11 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 by the Executives of City of York Council and North Yorkshire County Council.

The Joint Committee will oversee and make decisions as required to ensure that stages of considering a Devolution deal prior to a potential creation of a mayoral combined authority is considered jointly by members of North Yorkshire Council and the City of York. The Joint Committee will provide a venue to review collaboratively the provisions of implementing the Deal and collaborating on projects that benefit the region through Devolution.

Membership

The Joint Committee will comprise of:

Two Executive Members appointed from City of York Council; and
Two Executive Members appointed from North Yorkshire County Council

The Executives of the two constituent councils have resolved to establish a joint arrangement to carry out the functions of the Joint Committee. Only Executive Members can be appointed and membership of the joint committee does not need to reflect the political composition of the Council

The following shall be invited to attend and participate in formal meetings of the joint committee however they will not have voting rights and they will not have the right to receive any confidential information pursuant to Schedule 12A Local Government Act 1972 which may from time to time be part of a formal agenda:

- The Police, Fire and Crime Commissioner
- A nominated representative of the LEP

Substitutes

Each constituent Council may appoint substitute members to attend formal meetings of the joint committee.

Appointment Chair and Vice Chair

The Joint Committee, at its first meeting, shall appoint a Chair and Vice Chair from amongst its constituent members. The Chair and Vice Chair will not be from the same constituent Authority.

Quoracy

The four Executive Members appointed to the Joint Committee (or their substitutes) will constitute a quorum

Voting

Decisions will be made by majority vote. In the event of a vote being required, each Executive Member (or substitute Executive) will have the ability to cast one vote. In the event of a tied vote, the decision will be deemed not to have carried.

Decisions made will be binding on both Constituent Authorities

Rules of Procedure

The Standing Orders for North Yorkshire County Council will be the relevant Standing Orders for Rules of Procedure for formal meetings.

Frequency of Meetings

The Joint Committee shall meet as and when required to do so either at the request of the respective Leaders of the Constituent Councils and or at the request of the Chief Operating Officer of City of York Council and or the Chief Executive of North Yorkshire County Council. Each meeting shall be classed as a formal meeting supported by agenda, reports and minutes.

Administration of the York and North Yorkshire Joint Committee

North Yorkshire Council will take responsibility for the administration and support for the delivery of meetings for the joint committee. This includes production and publication of agendas, hosting of meetings and as such the Standing Orders as they relate to North Yorkshire County Council will be adopted for the purposes of supporting the Joint Committee.

Access to Information

As all the members of a joint committee are members of the executive in each of the constituent authorities then its access to information regime is the same as that applied to the executive.

Review of the terms of reference for the Joint Committee

In the event that the terms of reference for the joint committee require review and or amendment, this will be delegated to the Monitoring Officer in consultation with the Leader of the respective Council and the Chief Executive/Chief Operating Officer of the respective Council.

FUNCTIONS

The Joint Committee will have oversight of the development of the York and North Yorkshire Combined Authority and ensure that it is able to be launched in accordance with the Statutory Orders issued by Government.

The Joint Committee will ensure that sufficient resources are made available to support the creation and implementation of the York and North Yorkshire Combined Authority which includes financial management and

oversight, securing of appropriate resources (officers, technical and otherwise) to enable delivery and the development of governance and a policy framework.

This page is intentionally left blank

York and North Yorkshire Devolution Joint Committee

30th November 2022

York and North Yorkshire Brownfield Housing Fund and Net Zero Fund

1.0 Purpose of the Report

- 1.1 This report sets out the details for implementing the Brownfield Housing Fund and Net Zero Fund, two investment programmes that form part of the Devolution Deal for York and North Yorkshire.
- 1.2 To highlight resource implications for the delivery of these programmes.
- 1.3 The report seeks the endorsement of the Joint Committee to proceed with the implementation of these Funds to ensure full delivery by March 2025.

2.0 Background

- 2.1 On the 1st August 2022 a Devolution Deal between the Government and the Local Authorities of York and North Yorkshire was announced. This included the award of funding:
 - £7 million of funding across 2023/24 and 2024/25 to enable the area to drive green economic growth towards our ambitions to be a carbon negative region, known as '**Net Zero Fund**'; and
 - £12.7 million of devolved capital funding across 2023/24 and 2024/25 to support the building of new homes on brownfield land, known as '**Brownfield Housing Fund**'.
- 2.2 In order to ensure that these two investment programmes are delivered by March 2025, draft prospectuses have been drawn up for each of these funds. This will enable a call for proposals to be launched in December and projects to be identified, assessed and prioritised by June 2023 so that expenditure can begin in November 2023.
- 2.3 These prospectuses have been drafted in collaboration between officers at the Local Enterprise Partnership and the Local Authorities, with advice from the relevant Government Department.

3.0 Brownfield Housing Fund (£12.7m)

- 3.1 The purpose of the York and North Yorkshire brownfield housing fund is to unlock housing development on brownfield sites to enable new homes to start on site by March 2025.
- 3.2 Initially we are looking for proposals that will help to deliver the £12.7m initial funding allocation. However we would also like to build up a pipeline of further projects for future years, so we will also seek potential future housing opportunities.
- 3.3 Funding is available to both public and private sector bodies across the housing sector. These include:
 - Local Authorities within York and North Yorkshire
 - Housing Associations/Registered Providers
 - Private Sector Developers (subject to Subsidy Control Compliance)
 - Any other Housing Developers (i.e. community cooperatives)

- 3.4 The funding is for capital expenditure only, and can fund a range of interventions that unlock the development of housing on brownfield land which would otherwise not happen. Eligible capital expenditure includes:
- Off site infrastructure
 - Place infrastructure such as public realm, place-making interventions
 - Site remediation and demolition to prepare sites
 - On site infrastructure
 - Direct delivery of new homes
 - Site acquisition and land assembly
 - Capacity to support any of the capital delivery activity detailed above where it is directly attributable to the creation or maintenance of a capital asset.
- 3.5 The Fund will contribute to the overall aspirations and vision for the York and North Yorkshire economy. In particular the ambition for more affordable, high quality and low carbon homes. It is proposed that priority is given to schemes that deliver the following priorities:
- Low carbon and modern methods of construction
 - Enhanced energy efficiency standards
 - Decarbonised heat measures
 - Adaptable and accessible properties to support local needs
 - Enhanced place making.
- 3.6 It should be noted, that the intervention rate has been set by Government for the Programme and, whilst the rate per scheme may vary, the average should be £14,000 per home. The target to deliver with the initial £12.7m is therefore to unlock 900-1000 homes.
- 3.7 Achieving this level of homes unlocked with the modest £14,000 average intervention per homes represents a significant risk in York and North Yorkshire, especially with the condensed delivery window of Nov 23 (when the MCA is created and funding drawn down) through to Mar 25.
- 3.8 Government are currently indicating no flexibility in the delivery window or intervention rate for the scheme, therefore to maximise the delivery potential we will operate an open call for projects across a broad range of partners to ascertain the strength of the pipeline. This call will go out in December 22 and will include a range of promotional activity including workshops for interested parties.
- 3.9 Annex A - The prospectus attached to this report sets out the details of the scheme.
- 4.0 Net Zero Fund (£7m)**
- 4.1 The purpose of the York and North Yorkshire Net Zero Fund is to enable the area to drive green economic growth towards our ambitions to be a carbon negative region.
- 4.2 Initially, we are looking for proposals that will help to deliver the initial £7m funding allocation. However, we will also seek to build up a pipeline of further projects for future years.
- 4.3 The aim is to enable the development and delivery of net zero projects, aligned with York and North Yorkshire's Routemap to Carbon Negative. This includes £6m of capital funding and £1m of revenue funding. The capital funding will enable the delivery of net zero projects whilst the revenue funding will support the development of a future pipeline of investible net zero projects. The Fund is therefore being delivered under two programmes of activity:

Programme 1: Capital Grants for Project Delivery (£6m)

- 4.4 The fund will enable the delivery of net zero projects that otherwise would not happen. Projects will support the implementation of York and North Yorkshire's Routemap to Carbon Negative, City of York's Climate Change Strategy and the forthcoming North Yorkshire Council's Climate Change Strategy.
- 4.5 Grant funding is available to public and private sector bodies within York and North Yorkshire who are wanting to deliver local net zero projects for communal or public benefit. This includes Local Authorities, Community Groups, Charities or Businesses
- 4.6 This element of the funding is for capital expenditure only, and can fund a broad range of interventions that unlock the delivery of net zero projects that otherwise would not happen. This includes:
- Installation of renewable energy generation
 - Grid connection
 - On site infrastructure
 - Low carbon equipment / machinery
 - Capacity to support any of the capital delivery activity detailed above where it is directly attributable to the creation or maintenance of a capital asset

Programme 2: Project Development Support (£1m)

- 4.7 The fund will support the development of net zero projects, from initial propositions up to full business cases. This will enable us to build an investible pipeline of projects that will make a significant contribution to delivering net zero, energy security and economic growth.
- 4.8 Funding will support project development, including initial project scoping, feasibility studies and business case development up to investor-ready stage and grants are available to public and private sector bodies operating within York and North Yorkshire, who are wanting to develop local net zero projects for communal or public benefit. These include Local Authorities and other public sector organisations, Community Groups, Charities or Businesses
- 4.9 The funding is for revenue expenditure only, and can fund a range of interventions that support net zero project development up to business case stage. Eligible revenue expenditure includes:
- Project scoping
 - Community engagement
 - Feasibility studies
 - Business case development.
- 4.10 For both Programme 1 (Capital Grants) and Programme 2 (Project Development Support) applications must contribute to the overall ambition for York and North Yorkshire to be a carbon negative economy. Projects must deliver on one or more strategic priority within York & North Yorkshire's Routemap to Carbon Negative, across:
- Power
 - Heat & Buildings
 - Transport
 - Business & Industry
 - Land Use, Agriculture & Marine.

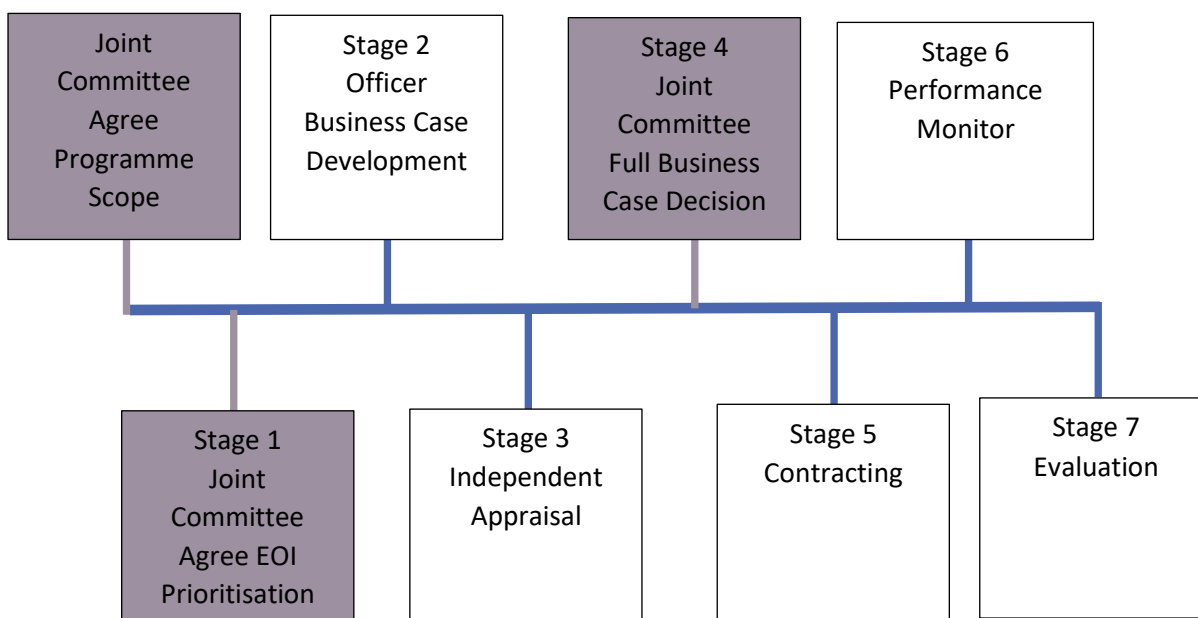
4.11 Annex B - The prospectus for these two programmes under the Net Zero Fund are attached to this report. This sets out the detail of the Fund. The intention again is to launch this Fund in December 2023 with spend to start from November/December 2023.

5.0 Assurance Process

5.1 The York and North Yorkshire LEP currently operates a Green Book compliant assurance process which has been approved by DLUHC through the LEP Assurance Framework. Based on this process an interim Combined Authority process has been developed to support appraisal and decision making. Annex C - provides an overview of the process.

5.2 For the purposes of clarity, the Devolution Joint Committee will make the following decisions within the process

1. Agree the Project Scope Pack (This meeting)
2. At the Expression of Interest stage, agrees the prioritised list of shortlisted projects
3. A Full Business Plan Stage approves individual investments.



6.0 Roles and Responsibilities

6.1 In order to retain independence in the decision making process, the York and North Yorkshire LEP will undertake the programme management and appraisal function in advance of the MCA being created.

6.2 With the LEP being fully integrated into the MCA, the LEP team will be in scope for TUPE and this model will therefore support continuity of delivery and retention of skills.

6.3 Notwithstanding the above, investments decisions will be made by the Joint Committee.

7.0 Resources to Support Delivery

7.1 Once these two Funds are launched there will be resource implications in terms of the following:

- Communications – Both calls will need some level of comms to ensure they reach as wide an audience as possible. This will primarily be done through existing networks and through Local Authority contacts, however there will be some call for press releases and marketing.

- Webinars/information sessions – In order to provide potential applicants with detailed information about the Funds it is proposed to host a series of funding webinars, these will need to be set up and organised.
- Responding to calls – Open funding calls of this nature will always trigger a series of questions. These will need to be managed and responded to. This may have a significant impact on existing resources in dealing with these queries.
- Legal and Assurance – There will be some significant resource implication in receiving, assessing, appraising and responding to the applications submitted.
- Developing the business cases and projects – primarily this will be the task of the potential applicants but to ensure high quality applications some assistance and support will be required.

7.2 The level of resource required and currently available is being assessed. This will cover the next six months for the supporting the call process and will be approved by the S151 Officers in accordance with their devolved responsibilities.

7.3 It should be noted that the devolution included £378k capacity funding to support the Brownfield Programme.

8.0 Financial implications

8.1 The financial implications are set out in the body of this report.

9.0 Legal implications

9.1 The legal implications are set out in the body of this report.

10.0 Climate change Implications

10.1 There are no significant climate change implications arising from this report.

11.0 Equalities implications

11.1 There are no significant equalities implications arising from this report.

12.0 Recommendation

12.1 The Joint Committee are asked to endorse the prospectuses and process for these two Funds to enable them to progress and call for proposals.

12.2 To note the resource implications for delivering these programmes and that sign off for any expenditure will be approved by the S151 officers in accordance with their devolved responsibilities.

Contact Officer: James Farrar, Chief Operating Officer, York & North Yorkshire Local Enterprise Partnership

YORK & NORTH YORKSHIRE

ANNEX A

Brownfield Housing Fund



Page 18

England's first city region *and* rural powerhouse

Brownfield Housing Fund

Background

On the 1st August 2022 a Devolution Deal between the government and the local authorities of York and North Yorkshire was announced. This included the proposal to establish a York and North Yorkshire Mayoral Combined Authority.

As a mayoral combined authority, the York and North Yorkshire Combined Authority will be awarded £12.7 million of devolved capital funding across 2023/24 and 2024/25 to support the building of new homes on brownfield land.

This prospectus sets out an opportunity to bid for this funding.

Initially we are looking for proposals that will help to deliver this initial funding allocation. However we would also like to build up a pipeline of further projects for future years, so we would still like to hear from you about potential future housing opportunities.

Key Dates

Launch of call for proposals – 12th December 2022

Closing date for Expressions of Interest – Noon 20th January 2023

Shortlisting of prioritised Proposals – 24th February 2023

Full Business Case Submission – open between 1st March to 28th April 2023

Approval – From June 2023

Funding Available – December 2023

Housing starts target to be delivered by March 2025.

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

Brownfield Housing Fund

£12.7m of funding
Unlocking **900-1000** new homes started
on site by End **March 2025**

What is the York and North Yorkshire Brownfield Housing Fund

The Purpose

The purpose of the York and North Yorkshire brownfield housing fund is to unlock housing development on brownfield sites to enable new homes to start on site by March 2025.

Priority will be given to schemes that help to deliver affordable, accessible and low carbon housing, creating sustainable and high quality places.

As part of the York and North Yorkshire Devolution Deal, we have received an allocation from the Governments Brownfield Housing Fund of £12.7m. The target with this investment is to unlock 900-1000 homes. The intervention rate necessary to achieve this target is around £14,000 per home unlocked. This intervention rate will be considered when assessing schemes but higher rates will be looked at under specific circumstances and if a strong case can be made. Other factors such as strategic fit and value for money of the scheme will also be assessed.

Who can apply for funding?

Funding is available to public and private sector bodies across the housing sector (subject to the production of a strong and compliant Business Case). Bodies include:

- Local Authorities within York and North Yorkshire
- Housing Associations/Registered Providers
- Private Sector Developers (subject to Subsidy Control Compliance)
- Any other Housing Developers (i.e. community cooperatives)

What Type of investments can be funded?

The funding is for capital expenditure only, and can fund a range of interventions that unlock the development of housing on brownfield land which would otherwise not happen.

Eligible capital expenditure could be:

- Off site infrastructure
- Place infrastructure such as public realm, place-making interventions
- Site remediation and demolition to prepare sites
- On site infrastructure
- Direct delivery of new homes
- Site acquisition and land assembly
- Capacity to support any of the capital delivery activity detailed above where it is directly attributable to the creation or maintenance of a capital asset

Meeting local Strategic Priorities.

The Fund will contribute to the overall aspirations and vision for the York and North Yorkshire economy. In particular the ambition for more affordable, high quality and low carbon homes. This will include:

- Low carbon and modern methods of construction
- Enhanced energy efficiency standards
- Decarbonised heat measures
- Adaptable and accessible properties to support local needs
- Enhanced place making

Brownfield Housing Fund

ASSESSMENT CRITERIA

Gateway Criteria

Every scheme must:

- Be on brownfield land (note 1);
- Evidence the rationale for public sector intervention
- Be unlocked with new home starts by 31st March 2025 (note 2)
- Achieve a minimum Benefit Cost Ratio (BCR) of 1 (note 3)
- Must be located in York and North Yorkshire (note 4)

Other Assessment Criteria?

Schemes must also:

- Contribute towards the strategic priorities of York and North Yorkshire (Regional strategic fit)
- Show evidence of local support including alignment with planning policy. Local economic, growth and housing strategies (Local strategic fit).
- Clearly address housing need including affordability and rural housing needs (Housing Need)
- Be sustainable and contributing to the regions ambition to be carbon negative (Low Carbon)
- Consider all risks and mitigating actions (Risk Analysis)
- Be deliverable with a clear plan, capacity and expertise in place to deliver the proposed scheme (Deliverability)
- Address a market failure showing a clear rationale why the scheme would not otherwise be delivered (Need for Intervention)
- Demonstrate place making and high quality homes. (Place Making)

- **Unlock Brownfield Land**
- **Support provision of affordable housing**
- **Contribute to economic growth priorities for York and North Yorkshire**
- **Enable high quality homes with great place making**
- **Deliver sustainable and low carbon housing**

Compatibility with Other Funding

We encourage co-funding of schemes where the opportunity exists. Investments through this fund should always add the maximum value and this should be clearly proven and evidenced by the applicant.

Early discussion with other funding bodies is needed to ascertain compatibility.

Notes:

Note 1: A brownfield site is an area that has been used before and tends to be disused or derelict land.

Note 2: We are also interested in building a pipeline of schemes for future funding rounds so would welcome Expressions of Interest for schemes with delivery outcomes beyond March 2025

Note 3: BCR of 1 means Benefit Cost Ratio as defined in the HM Treasury Green Book

Note 4: York and North Yorkshire means the Local Authority areas of the City of York and North Yorkshire County

York and North Yorkshire Brownfield Housing Fund

**Complete an Expression of
Interest Form by Noon 20th
January 2023**

Process

All schemes will be assessed and processed through the YNYLEP Assurance Framework.

The process consists of two stages:

Stage 1: Identifying a pipeline of Schemes

All potential schemes will need to complete an initial Expression of Interest form. This will be assessed, scored and prioritised based on the principles set out above. This prioritised list will form the pipeline. A reserve and longer term pipeline will also be developed.

Stage 2: Business Case Development

Applications on the prioritised pipeline will be supported to develop their schemes to produce high quality, compliant business cases.

Full business cases will be assessed and presented to the Joint Committee for the MCA. for a decision.

Once approved the grant recipient will claim funding in arrears. Progress will be monitored against agreed contract and delivery milestones and outputs delivered.

LINK to ASSURANCE FRAMEWORK

How much can you apply for?

There is no set limit to the amount that can be applied for but it should be noted that the total Fund (upto March 2025) is £12.7m and the intervention rate necessary to achieve the overall target of new homes started is around £14,000 per home.

This intervention rate will be considered as part of the assessment but higher rates can be considered if a clear rationale is evidenced (for example rural housing sites, projects which are delivering net zero carbon use homes or homes designed to meet higher accessibility standards where costs are higher)

How to Apply?

Complete an Expression of Interest (EOI) form and return no later than Noon 20th January 2023 to the following email address
XXXXXXXXXXXXXX

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

Brownfield Housing Fund

**We are keen to hear about
future opportunities**

Future Opportunities

Although the main purpose of this call is to identify eligible and deliverable schemes within the parameters set out by the initial funding, we are also interested in longer term opportunities to develop future programmes to support housing development across York and North Yorkshire.

Therefore, even if you do not have a scheme that would meet the Brownfield Housing Fund criteria, we would still like to hear from you. Please use the Expression of Interest form to submit your potential proposal.

Contact for more details:

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

YORK & NORTH YORKSHIRE

ANNEX B

Net Zero Fund



Page 25

England's first city region *and* rural powerhouse

Net Zero Fund

£7m of funding to develop and deliver a pipeline of net zero projects

Background

On the 1st August 2022 a Devolution Deal between the Government and the Local Authorities of York and North Yorkshire was announced. This included the proposal to establish a York and North Yorkshire Mayoral Combined Authority.

As a mayoral combined authority, the York and North Yorkshire Combined Authority will be awarded £7 million of funding across **2023/24 and 2024/25** to enable the area to drive green economic growth towards our ambitions to be a carbon negative region. The prospectus sets out an opportunity to bid for this funding.

Initially, we are looking for proposals that will help to deliver this initial funding allocation. However, we would also like to build up a pipeline of further projects for future years, so we would still like to hear from you about potential future net zero projects.

The Purpose

The purpose of the York and North Yorkshire Net Zero Fund is to enable the development and delivery of net zero projects, aligned with York and North Yorkshire's Routemap to Carbon Negative.

This includes £1m of revenue funding and £6m of capital funding. The revenue funding will support the *development* of net zero projects, and the capital funding will enable the *delivery* of net zero projects.

1. Project Development Support

For the £1m revenue funding, supporting the development of projects will enable us to build an investible pipeline of projects that will make a significant contribution to delivering net zero, energy security and economic growth.

The fund will support project scoping, community engagement, feasibility studies and business case development.

2. Capital Grants for Project Delivery

The fund will enable the delivery of net zero projects that otherwise would not happen.

The fund will provide capital grants to Local Authorities and community groups to deliver net zero projects.

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

Net Zero Fund – Project Development

£1m of funding to support the development of net zero projects – from idea to investor-ready

What is the York and North Yorkshire Net Zero Fund?

The Purpose - Project Development Support

The fund will support the development of net zero projects, from initial propositions up to full business cases. This will enable us to build an investible pipeline of projects that will make a significant contribution to delivering net zero, energy security and economic growth.

Funding will support project development, including initial project scoping, feasibility studies and business case development up to investor-ready stage.

Who can apply for funding?

Grants are available to public and private sector bodies operating within York and North Yorkshire, who are wanting to develop **local net zero projects for communal or public benefit**.

Bodies include:

- Local Authorities and other public sector organisations
- Community Groups
- Charities
- Businesses

What Type of activities can be funded?

The funding is for revenue expenditure only, and can fund a range of interventions that support net zero project development up to business case stage.

Eligible revenue expenditure includes:

- Project scoping
- Community engagement
- Feasibility studies
- Business case development

Meeting local Strategic Priorities.

The Fund will contribute to the overall ambition for York and North Yorkshire to be a carbon negative economy. Projects must deliver on one or more strategic priority within York & North Yorkshire’s Routemap to Carbon Negative, across:

- Power
- Heat & Buildings
- Transport
- Business & Industry
- Land Use, Agriculture & Marine

See further details XXX.

Page 27

York and North Yorkshire Net Zero Fund – Project Development

Process

All schemes will be assessed and processed through the YNYLEP Assurance Framework.

There will be two opportunities to apply for funding for the development of net zero projects:

1. Round one - First application window

- Launch of project development fund – XXX December 2022
- Closing date for applications - XXX February 2023
- Approval – XXX May – June 2023
- Funding Available – November 2023
- Project completed by March 2025 (or sooner?)

2. Round two - Second application window

- Launch of round two project development fund – XXX September 2023
- Closing date for applications - XXX November 2023
- Approval & Funding Available from – XXX February 2024
- Project completed by March 2025.

Applications will be assessed and presented to the Joint Committee for the MCA for a decision.

Once approved the grant recipient will claim funding in arrears. Progress will be monitored against agreed contract and delivery milestones and outputs delivered.

[LINK to ASSURANCE FRAMEWORK](#)

TOGETHER WE CAN

How much can you apply for?

There is no set limit to the amount that can be applied for but it should be noted that there is £1m revenue funding available for project development.

How to Apply?

For the first round of funding, complete an application form and return no later than XXX February 2023 to the following email address xxxxxxxxxxxxxxx.

Net Zero Fund – Project Delivery

What is the York and North Yorkshire Net Zero Fund?

The Purpose – Capital Grants for Project Delivery

The fund will enable the delivery of net zero projects that otherwise would not happen. Projects will support the implementation of York and North Yorkshire’s Routemap to Carbon Negative, York’s Climate Change Strategy and the forthcoming North Yorkshire Council’s Climate Change Strategy.

Who can apply for funding?

Grant funding is available to public and private sector bodies within York and North Yorkshire who are wanting to deliver local net zero projects for communal or public benefit (subject to the production of a strong and compliant Business Case).

Bodies include:

- Local Authorities
- Community Groups
- XXX

What Type of activities can be funded?

The funding is for capital expenditure only, and can fund a range of interventions that unlock the delivery of net zero projects that otherwise would not happen.

Eligible capital expenditure could be:

- Installation of renewable energy generation
- Grid connection
- On site infrastructure
- Low carbon equipment / machinery
- Capacity to support any of the capital delivery activity detailed above where it is directly attributable to the creation or maintenance of a capital asset

Meeting local Strategic Priorities.

The Fund will contribute to the overall ambition for York and North Yorkshire to be a carbon negative economy. Projects must deliver on one or more strategic priority within York & North Yorkshire’s Routemap to Carbon Negative, across:

- Power
- Heat & Buildings
- Transport
- Business & Industry
- Land Use, Agriculture & Marine

Page 2

York and North Yorkshire Net Zero Fund – Project Delivery

Complete an Expression of Interest Form by Noon 20th January 2023

Process

All schemes will be assessed and processed through the YNYLEP Assurance Framework.

The process consists of two stages:

Stage 1: Identifying a pipeline of projects

All potential schemes will need to complete an initial Expression of Interest form. This will be assessed, scored and prioritised based on the principles set out in the Assessment Criteria. This prioritised list will form the pipeline. A reserve and longer term pipeline will also be developed.

Stage 2: Business Case Development

Applications on the prioritised pipeline will be supported to develop their schemes to produce high quality, compliant business cases.

Full business cases will be assessed and presented to the Joint Committee for the MCA. for a decision.

Once approved the grant recipient will claim funding in arrears. Progress will be monitored against agreed contract and delivery milestones and outputs delivered.

LINK to ASSURANCE FRAMEWORK

How much can you apply for?

There is no set limit to the amount that can be applied for but it should be noted that there is a total of £6m available within the fund.

How to Apply?

Complete an Expression of Interest (EOI) form and return no later than Noon 20th January 2023 to the following email address
xxxxxxxxxxxxxx

Key Dates

- Launch of project delivery fund – XXX December 2022
- Closing date for Expressions of Interest – Noon 20th January 2023
- Shortlisting of prioritised Proposals – 24th February 2023
- Full Business Case Submission – open between 1st March to 28th April 2023
- Approval – From June 2023
- Funding Available – December 2023
- Project completion by March 2025.

TOGETHER WE CAN

Net Zero Fund

York & North Yorkshire's Routemap to Carbon Negative – Strategic Priorities

Power

1. Increase low carbon energy generation - including Solar PV, onshore wind, anaerobic digestion and hydropower.
2. Improve energy infrastructure
3. Accelerate Carbon Capture, Utilisation & Storage (CCUS) deployment and ensure hydrogen readiness

Heat & Buildings

1. Retrofit buildings at scale to reduce energy demand
2. Phase-out fossil fuel use
3. Future-proof new buildings - including energy efficiency measures, low carbon heating solutions and bio based construction methods
4. Ensure hydrogen readiness

Transport

1. Increase active travel
2. Decarbonise and increase use of public transport
3. Enable the shift to low carbon vehicles - including

shared ownership/mobility schemes, electric vehicles (EVs), electric bikes and other micro mobility devices

4. Enable cleaner logistics

Business & Industry

1. Improve energy and resource efficiency of business operations
2. Decarbonise heat and power supply - including electrification, fuel-switching to bioenergy, district heat networks and renewables installation
3. Develop cleaner logistics
4. Move towards circular business models and sustainable supply chains

Land Use, Agriculture & Marine

1. Improve productivity to reduce emissions - including low carbon technologies, improved management of rivers and streams, and creating resilient, sustainable food supply chains
2. Increase storage of carbon in our landscapes - including increasing regenerative agriculture, tree and hedgerow planting, restoring peatland
3. Enhancing marine and coastal ecosystems to improve carbon sequestration.

TOGETHER WE CAN

York and North Yorkshire Net Zero Fund

ASSESSMENT CRITERIA

Gateway Criteria

Every scheme must:

- Support net zero (note 1);
- Provide communal or public benefit (note 2)
- Evidence the rationale for public sector intervention
- Be delivered and funding drawn down by 31st March 2025 (note 3)
- Must be located in York and North Yorkshire (note 4)

Assessment Criteria?

Schemes will also be assessed against the following criteria:

- 1. Regional Strategic Fit** Contribute towards the strategic priorities within York and North Yorkshire's Routemap to Carbon Negative, as outlined on the previous page. These strategic priorities are set out across the region's high-emitting sectors of Power, Heat & Buildings, Transport, Business & Industry, Land Use, Agriculture & Marine. Projects must support the delivery of at least one strategic priority. The full document can be found [here](#).
- 2. Local Strategic Fit** Show evidence of local support including alignment with Local Authority Climate Change Strategies (i.e., York Climate Change Strategy, North Yorkshire Council's Climate Change Strategy), Local Area Energy Plans and planning policy.
- 3. Impact** Show evidence of expected impacts of the project, including: Greenhouse Gas (GHG) Emissions reduction or sequestration; renewable energy generation; economic

and social benefits (e.g., creation of high quality jobs, community wealth building).

3. Risks Consider all risks and identify mitigating actions.

4. Deliverability Be deliverable with a clear plan, capacity, expertise and additional funding (where required) in place to deliver the proposed project within the timescales of the fund.

5. Need for Intervention Projects must address a market failure and provide a clear rationale why the project would not otherwise be delivered.

Compatibility with Other Funding

We encourage co-funding of schemes where the opportunity exists.

Investments through this fund should always add the maximum value and this should be clearly proven and evidenced by the applicant.

Early discussion with other funding bodies is needed to ascertain compatibility.

Notes:

Note 1: Net zero refers to reducing greenhouse gas emissions, and achieving a balance between greenhouse gas emissions and greenhouse gas removals.

Note 2: Communal or public benefit refers to **XXX**

Note 3: We are also interested in building a pipeline of schemes for future funding rounds so would welcome Expressions of Interest for schemes with delivery outcomes beyond March 2025

Note 4: York and North Yorkshire means the Local Authority areas of the City of York and North Yorkshire County.

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

York and North Yorkshire **Net Zero Fund**

Future Opportunities

Although the main purpose of this call is to identify eligible and deliverable schemes within the parameters set out by the initial funding, we are also interested in longer term opportunities to develop future programmes to support housing development across York and North Yorkshire.

Therefore, even if you do not have a scheme that would meet the Net Zero Fund criteria or timelines, we would still like to hear from you. Please use the Expression of Interest form to submit your potential proposal.

Page 33

**We are keen to hear about
future opportunities**

TOGETHER WE CAN

YORK & NORTH YORKSHIRE
DEVOLUTION

Contact for more details:

TOGETHER WE CAN

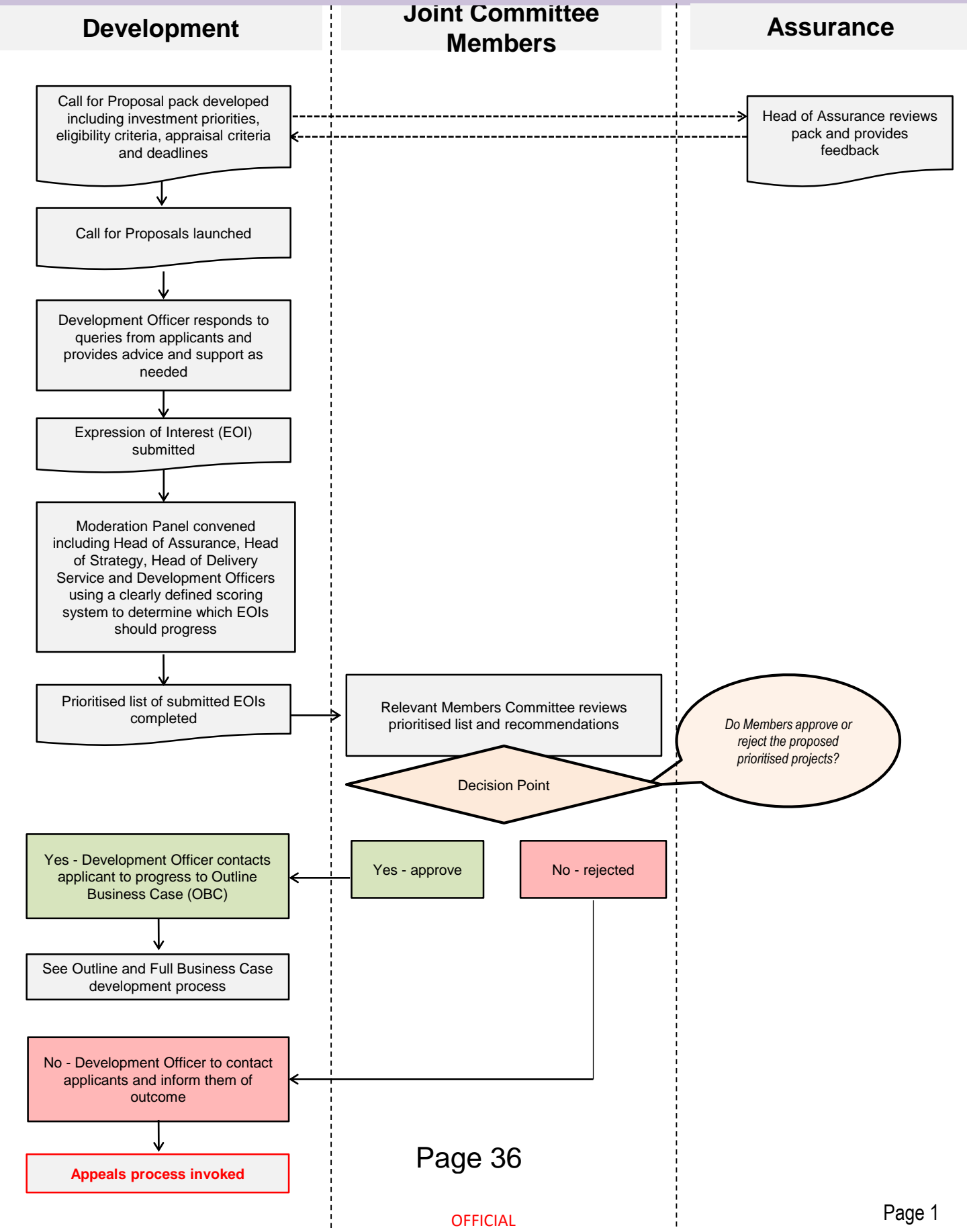
YORK & NORTH YORKSHIRE
DEVOLUTION

York & North Yorkshire Combined Authority

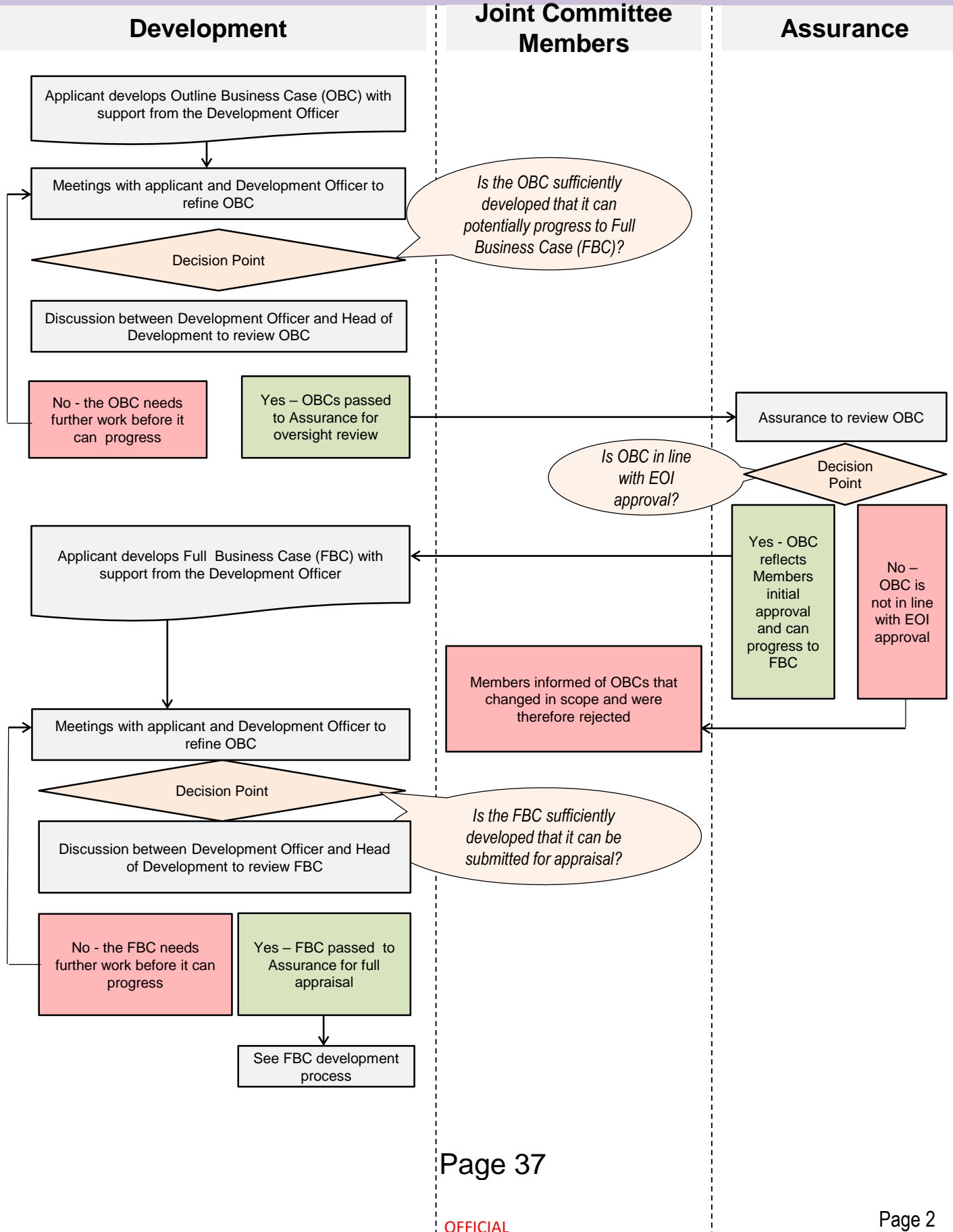
Standard Assurance process



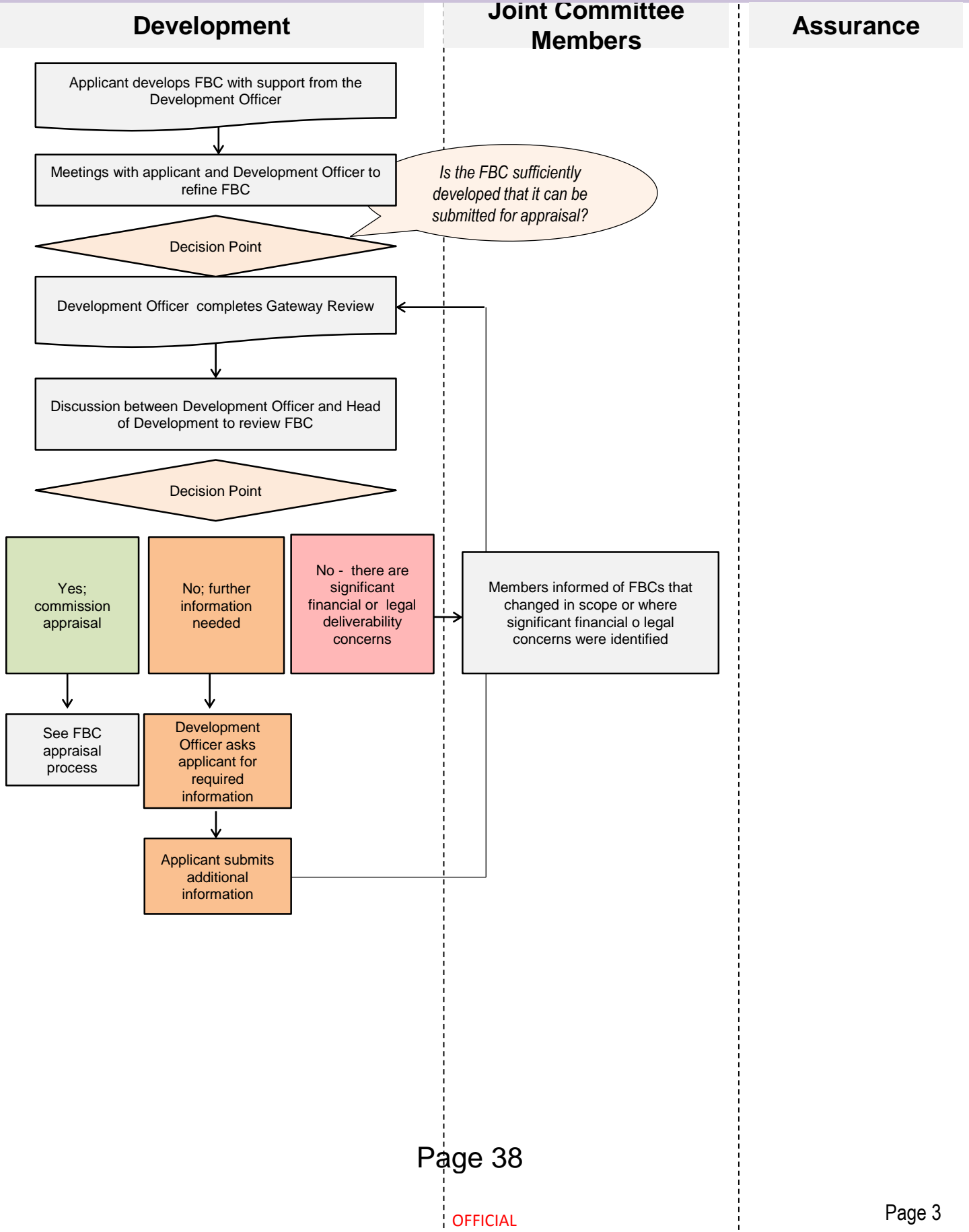
Prospectus and call for proposals (40 days)



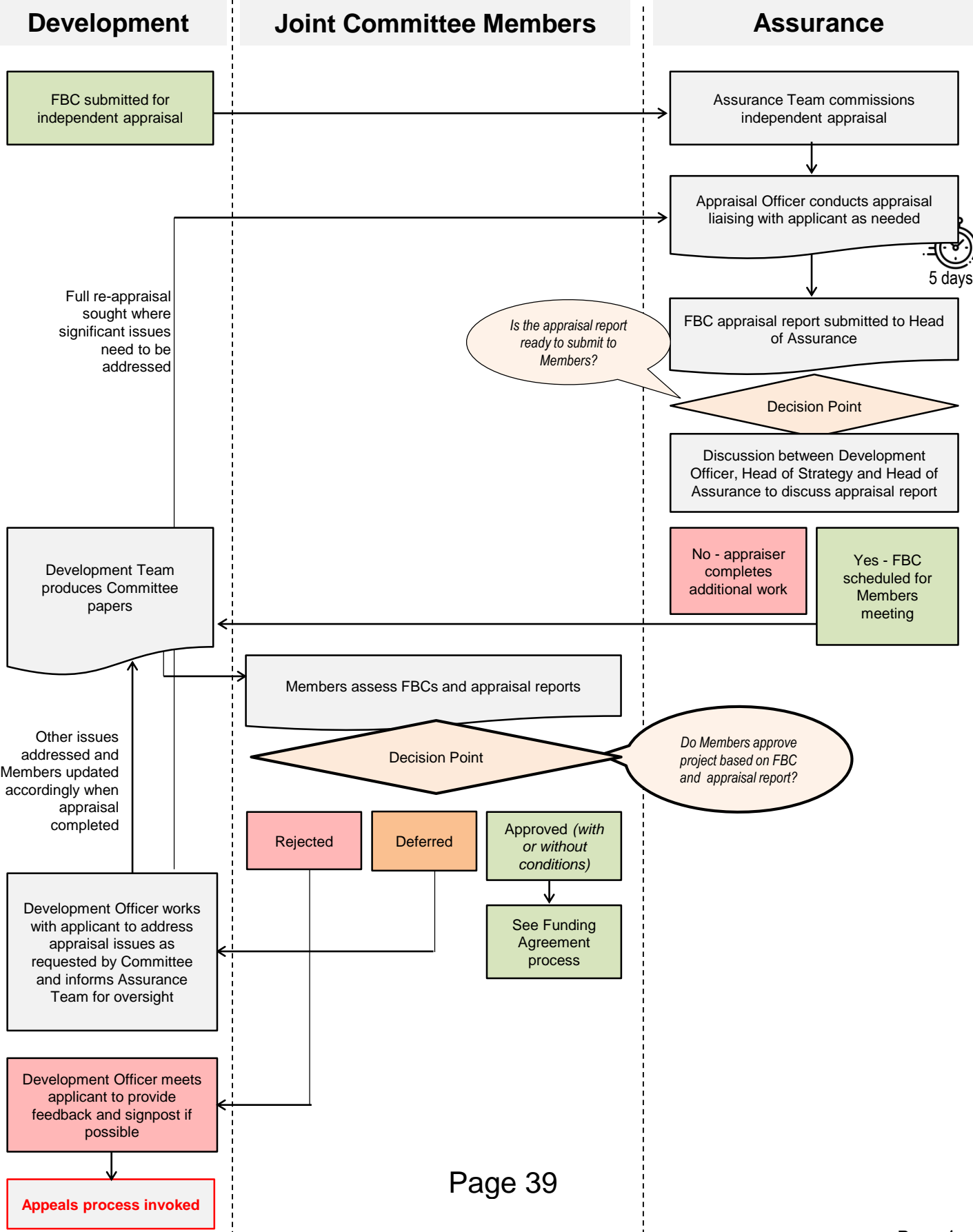
Outline and Full Business Case



Full Business Case development (40 days)



Full Business Case appraisal (40 days)

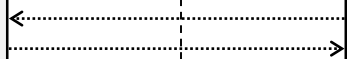
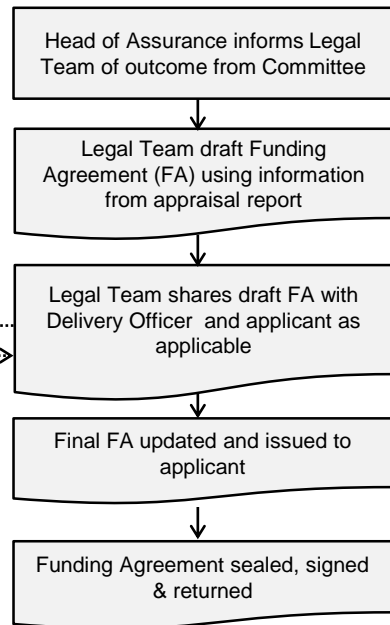


Funding Agreement process (40 days)

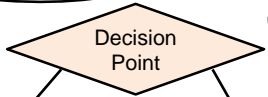
Delivery

Assurance

Delivery Officer reviews draft FA and returns with any comments for Legal Team



Project sponsor submits Monitoring & Evaluation Plan within 3 months of signing Funding Agreement



No; Delivery Officer arranges meeting with applicant to review the Monitoring & Evaluation Plan

Yes; proceed to monitoring stage

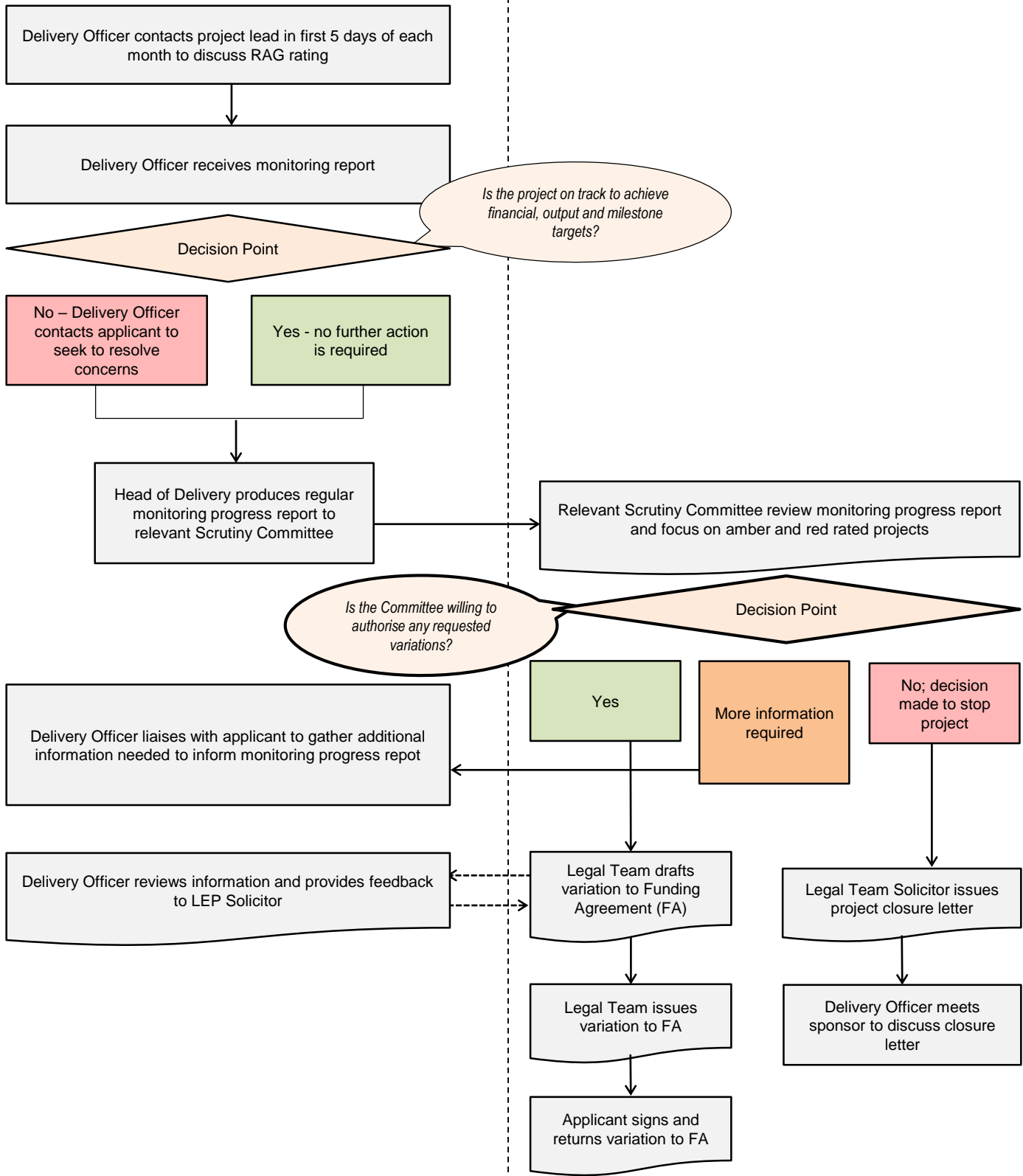
Applicant updates Monitoring & Evaluation Plan

Delivery Officer signs them off when all feedback has been addressed

Internal monitoring process

Delivery

Joint Committee Members



This page is intentionally left blank