

Executive Member: Cllr White

26.01.23

Report of the Assistant Director – Policy, Partnerships and Communities

Request to submit applications and expressions of interest to the Devolution Deal Net Zero Fund

1.0 Purpose of Report

- 1.1 To outline the Devolution Deal Net Zero Fund
- 1.2 To indicate the proposed NYCC projects
- 1.3 To request approval to submit the applications and expressions of interest, with delegated authority for approving completed application forms for final submission to the Corporate Director Business and Environmental Services and Corporate Director Strategic Resources.

2.0 Key Background Information

- 2.1 This £7million competitive funding programme was announced by the York and North Yorkshire Local Enterprise Partnership on 03.01.23 with a bid submission date of 06.02.23. The fund is subject to the proposed Mayoral Combined Authority being created in November 2023 and originates from Department Levelling Up Housing, and Communities (DLUHC).
- 2.2 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, that provide wider community benefit. 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.
 - i. Project Development Support – This is a direct application process. For the £1m revenue funding, supporting the development of projects which will develop 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 development, including project scoping, community engagement, feasibility studies and business case development.
 - ii. Capital Grants for Project Delivery – This is an Expression of Interest (EoI) process. The fund will enable the delivery of net zero projects that otherwise would not happen. The recommended minimum bid for capital projects is £250,000
- 2.3 The timeline is outlined below:
 - i. Expression of Interest (capital) and application (revenue) stage – closing date 06.2.23
 - ii. End of March 23 – Notification of applicants and prioritised EoI invited to progress to Full Business Case submission by 31.05.23
 - iii. August 2023 – Full Business Case approved for funding.
 - iv. December 2023 – Funding Agreements issued
 - v. Delivery of projects by March 2025

3.0 North Yorkshire County Council Proposed Bids

- 3.1 Officers were notified in December 2022 that this fund would be launched and initial consideration given to projects that NYCC would like to achieve in line with our climate change aspirations.
- 3.2 A 'long list' has been developed which takes account of Council ambitions, delivery capacity, timescales and match funding opportunities. This is in Appendix 1. At the time of report writing detailed financial information is not available for every project. A verbal and written update will be provided in advance of the decision and delegated authority is requested for the Corporate Director Business and Environmental Services and Corporate Director Strategic Resources to agree the final submission list to ensure risk is managed appropriately.
- 3.3 Due to the LGR process and to the minimum bid threshold, some District Authorities have requested that NYCC submit the bids on their behalf in advance of vesting day in order that NYCC financial and risk processes are in place and that collaborative approaches can be taken. These are also outlined in Appendix 1.

4.0 Financial Implications

- 4.1 There is no requirement for match funding for bids. However it is indicted that where there is match funding this will be viewed in a positive light. Consequently match funding from existing service budgets is being considered.
- 4.2 Financial Services input will be required to support the management of claims to DLUHC and to ensure NYCC financial procedures are followed to minimise risks.

5.0 Legal Implications

- 5.1 There are no specific legal implications in this report. However, Legal Services support will be required in the procurement and contract management stages of the process.

6.0 Climate Change Implications

- 6.1 The bid will support NYCC climate change ambitions as outlined in Appendix 2.

7.0 Equalities Implications

- 7.1 An EIA screening has been undertaken and there are no specific equality implications in this report.

8.0 Conclusion

- 8.1 The Devolution Deal Net Zero Fund provides an opportunity to bring 'net zero' projects to life across York and North Yorkshire and across the public, private and voluntary sectors.
- 8.2 North Yorkshire County Council has a wide range of mitigation activities outlined in the current Carbon Reduction Plan and in the North Yorkshire Council Climate Change Strategy consultation draft. The Strategy outlines the challenging financial position of local authorities. The proposed projects outlined will strongly support delivery of these mitigation activities and accelerate delivery of 'net zero' across our communities.

9.0 Recommendation

- 9.1 That the Executive Member for working in localities, including the Council's response to Climate Change, approves the request to submit the Devolution Deal Net Zero Fund applications and expressions of interest by 06.02.23.

9.2 That authority is delegated to the Corporate Director Business and Environmental Services and the Corporate Director of Strategic Resources to approve the completed applications and expressions of interest for submission by 06.02.23

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Date – 19th January 2023

Background papers relied upon in the preparation of this report:
For further information contact the author of the report

Key Implications

Local Member

If any particular Ward(s) are affected, state these. If none, say none.
It could be that it is an issue that affects all Wards. In which case tick box

All