

# North Yorkshire Council

## Environment Executive Member

13 April 2023

### Request to bid for Local Energy Advice Demonstrator Pilot Programme

#### Report of the Corporate Director Environment

#### 1.0 PURPOSE OF REPORT

- 1.1 To request approval from the Executive Member for Managing our Environment to authorise the submission of an application by NYC for revenue grant funding of up to £1.5m covering two financial years 2023/24 and 2024/25 to the Net Zero Hub Local Energy Advice Demonstrator Pilot Programme in consultation with the Corporate Director – Environment and Corporate Director – Resources.

#### 2.0 SUMMARY

- 2.1 An opportunity to secure funding for elements of a longer-term strategically important project tackling issues with fuel poverty, carbon emissions from the domestic sector, and supply chains and skills in the construction sector. If a bid were submitted and was successful, the funding would provide 22 months of revenue support (totalling approximately £1.5m) from the Local Energy Advice Demonstrator fund, supplied by the Department for Energy Security and Net Zero.
- 2.2 The main challenges with the project's design and delivery are linked to the short government-set timescales – however the officers involved with the project are experienced in delivering for the Department within time-pressured projects and are confident in being able to design and deliver a scalable, coherent and impactful multi-partner programme of work.

#### 3.0 BACKGROUND

- 3.1 The North East and Yorkshire Net Zero Hub is working with the Department for Energy Security and Net Zero and the four other Net Zero Hubs to deliver a Local Energy Advice Demonstrator programme that will fund innovative projects piloting new approaches to providing local in-person energy advice. The programme will provide funding of up to £2m to individual projects that can be delivered over the 2023-2024 and 2024-2025 financial years.
- 3.2 The aim of the local energy advice pilots is to test various approaches to delivering in-person advice, with a particular focus on harder-to-treat properties and digitally excluded consumer groups:
- Hard-to-treat buildings – the UK has the oldest building stock in Europe. In-person visits can better capture the complexities of these building types, which are harder to address through digital and telephone advice.
  - Hard-to-reach consumers – local, in-person advice may extend the service to certain consumer types e.g., the elderly, disengaged, those with limited internet access, minority ethnic groups, etc.
- 3.3 The pilots form part of the multi-channel home energy advice service being developed by Department for Energy Security and Net Zero which also includes a new energy retrofit advice service on GOV.UK to help people better understand how to make energy efficiency improvements to their home, and the upcoming launch of a free retrofit phonenumber service.

- 3.4 The programme opened to applications on 17 March 2023, with a deadline for returning completed applications to the Net Zero Hub by 21 April 2023.
- 3.5 Over the last 3 years, the York and North Yorkshire Local Enterprise Partnership (Y&NYLEP) have worked closely with the local authorities across York and North Yorkshire to provide a backbone of research and create a co-owned Routemap to carbon negative. One of the priority actions identified in the Carbon Abatement Pathways research and backed up by extensive stakeholder engagement during the Routemap development, was the establishment of a one-stop-shop for retrofit advice, available to all homeowners. The Community Renewal Funded (CRF) Local Area Energy Plans also identified a range of priority retrofit and domestic heating projects across the geography, and the Hitting Hard research (also funded by CRF) provided an action plan for tackling hard-to-decarbonise homes in Scarborough and Richmondshire.
- 3.6 At the same time, the councils have coordinated successful bids to, and delivery of, a rolling package of local authority-led energy efficiency funds for fuel poor homes (LAD 1b, 2 and 3, HUG1 and 2). However, officers running the programmes have had to deal with extremely tight government-set timescales and budgets that are not reflective of the amount of one-to-one support required to properly bring households along on the retrofit journey.
- 3.7 Over the past 3 months, North Yorkshire's Shared Prosperity Funding has facilitated a wide-ranging co-design process for the one-stop-shop, involving advocate organisations (councils, charities, community groups, colleges) and contractors interested in delivering retrofit across the region via workshops and interviews. This research, although not yet complete, has provided analysis of the current barriers to retrofit, identified different options for delivery of a one-stop-shop (with differing business models for sustainability) and will be completing a high-level business case to take forward. One of the initial risks identified in setting up a one-stop-shop is that the costs are front-loaded, and the revenues will only begin to build approximately 18m into the programme – therefore access to grant support would be beneficial.
- 3.8 Another SPF project has built on the Hitting Hard work and produced Housing Stock Data Analysis for the whole of North Yorkshire – this data, coupled with the findings from the one-stop-shop co-design and the LAEPs, has allowed us to design a programme for the Local Energy Advice Demonstrators that is targeted at the areas where it can have the most impact within the fund's parameters.

#### **4.0 PROPOSED LOCAL ENERGY ADVICE DEMONSTRATOR PROGRAMME**

- 4.1 The programme is structured around 4 work packages, which broadly align with stages of the customer journey through the one-stop-shop:
- Recruitment and education
  - In-house advice to design
  - Client management and Quality Assurance
  - Supply chain strengthening
- 4.2 Due to the pilot nature of the programme, the activities with each of these WPs will be applied at a range of pilot neighbourhoods, which have been identified using the aforementioned data and aligning the attributes of the priority areas to the requirements of the fund (hard to treat and/or hard to reach).
- 4.3 The delivery of the programme will be completed by a consortium of partners, with project management initially provided by the Y&NY LEP, as requested by NYC, as the project comes during a time of significant change for the Council. This will be reviewed in line with the new North Yorkshire Council and the move to a Mayoral Combined Authority. The programme designed has major roles for the Council, Zero Carbon Harrogate and Align Property Partners, and supporting activities from a wider group of architects, designers and training providers which on bid submission will be only partly defined - procurement will be

required for all parts of the programme, but we are confident that the suppliers are engaged and willing to support, thanks to the work done so far on the one-stop-shop. Due to tight timescales, procurement has been engaged to inform programme development, building in sufficient time to the work plan to deliver the appropriate procurement exercises. A consortium agreement and project management team will be developed if funding is successful – appropriate officers have been costed into the bid, including project management capacity.

- 4.4 Due to the tight timelines between funding announcement and bid deadline, the bid is still in development at this time. The Director of Environment will approve the final iteration of the funding bid following consultation with the partner organisations.

## **5.0 CONTRIBUTION TO COUNCIL PRIORITIES**

- 5.1 Greenhouse gas emissions from the domestic sector in North Yorkshire are 19% of the total carbon emissions in the region. The project would directly contribute to the North Yorkshire Council Climate Change Strategy, the Consultation Draft for which is currently out for public consultation. The Draft document includes:

- Support home and property owners (including landlords) to retrofit properties. Working with partners to develop and deliver a York and North Yorkshire Retrofit Strategy to improve access to advice and finance
- Increase renewable and low carbon energy capacity at differing scales such as on individual buildings, carparks and harbours and at large scales such as solar parks.
- Support community energy projects
- Encouraging everyone to reduce carbon emissions
- Embed climate adaptation in retrofit activity and infrastructure maintenance programmes

## **6.0 ALTERNATIVE OPTIONS CONSIDERED**

- 6.1 As an alternative to applying to the funding opportunity that has arisen, we could instead decide not to apply for the grant for piloting a part of the one-stop-shop service and pursue the full rollout at a later date. However, although the model aims for the full service to be self-sustaining within 3 years, the seed funding for up-front costs would need to be sought via a grant or via corporate resources at the Council.

- 6.2 One alternative source of funding for the service could be via the York & North Yorkshire Mayoral Combined Authority – however, competition for gainshare will be high across a wide range of priorities, and it may be easier to make the case for resources if a successful fully-funded trial could be used to evidence any further required investment for the wider rollout beyond pilot neighbourhoods.

## **7.0 FINANCIAL IMPLICATIONS**

- 7.1 The bid will be for up to £1.5m revenue funding for a 22 month period from grant offer which is expected to be 5th June 2023, therefore covering financial years 2023/24 and 2024/25. There is no requirement for match funding for this application. Financial Services support will be required to support the management of quarterly claims in arrears to Tees Valley Combined Authority/the NEY Net Zero Hub, and to ensure NYC financial procedures are followed.

- 7.2 Financial risks are set out in section 11 below.

- 7.3 If the bid is successful a further report will be brought forward for a decision, in line with North Yorkshire Council's financial regulations, to accept the funding once full terms and conditions are known.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 There are no legal implications arising from the submission of an application for grant funding from the LEAD programme.
- 8.2 If the bid is successful, acceptance of the funding may require NYC to enter into a Memorandum of Understanding or other formal grant agreement. Any legal agreement required to be signed, will be reviewed by Legal Services and if any of the terms and conditions present unacceptable risk for the Council then the grant offer would be declined.

## **9.0 EQUALITIES IMPLICATIONS**

- 9.1 An equalities screening assessment has been undertaken and is attached at Appendix A. No equalities issues are raised by the decision to submit an application for funding for this programme, and it is concluded that a full Equalities Impact Assessment is not required.

## **10.0 CLIMATE CHANGE IMPLICATIONS**

- 10.1 A climate change impact assessment is attached at Appendix B. The bid will support NYC draft climate change ambitions as outlined in 2.5 above.

## **11.0 RISK MANAGEMENT IMPLICATIONS**

- 11.1 This is a relatively low risk project although the timescales are challenging. These include:
- a. Recruitment of additional capacity to undertake the project management and delivery roles by June 2023 mobilisation. If successful, NYC/LEP resources may be utilised to ensure mobilisation can take place within the required timescales.
  - b. Procurement – it is anticipated that commissioning and procurement of subcontractors will be required to deliver each work package. The bid document has been built around soft-market testing quotes to ensure it is appropriate for the volume of work requested.
  - c. Capacity – the fund will provide funding for a project manager to lead this project. However, additional capacity of a steering team will be required to support this work and ensure that the outcomes are met, and the skills are embedded within the Council and partners. Grant funding can cover existing posts although provision of the energy efficiency advice must be provided by trained and accredited individuals. Training budgets are included to ensure this is possible.
  - d. Financial – The grant covers 100% of costs and it is expected that the claims will be made quarterly in arrears – however this has not been confirmed by the programme lead (Tees Valley Combined Authority, on behalf of the North East and Yorkshire Net Zero Hub). Costs and budgets will be monitored and managed with monthly claims from delivery partners and robust tracking of spend against delivery timelines by the Project Manager. Any cost overruns will be managed through careful monitoring. – Numbers of interventions have been modelled in the bid (e.g. numbers of retrofit plans drafted) but this can be scaled should cost per unit change.
  - e. Reputational – The project will seek to increase the provision of energy efficiency advice for residents throughout North Yorkshire and support innovation for the Council to support its decarbonisation ambitions. It will support residents with cost of living issues and fuel poverty. The funding will only be available for 22 months, at which point the pilot areas are expected to have a model for financial independence – although this will be built into the project's design, there is a reputational risk should the self-sustaining model prove ineffective and the service have to close down after pilot stage. As the fund will be claimed in arrears, unspent funding will likely be returned to DESNeZ from the Hub – as yet there are no contract Terms and

Conditions to review and confirm this. The self-sustaining model (in development in the current one-stop-shop research project) will be built on fees for homeowners (which are free in the funded grant period) and percentage referral fees from contractors upon completion of retrofit activity, which are being set in collaboration with contractors to ensure they are suitable for the vehicle's sustainability and palatable to industry.

## **12.0 HUMAN RESOURCES IMPLICATIONS**

- 12.1 HR support will be required in the recruitment of a project manager in the early stages – however, there is dedicated support at the Y&NY LEP to provide interim support prior to the PM being in post, mitigating risk.

## **13.0 COMMUNITY SAFETY IMPLICATIONS**

- 13.1 The proposed project involves people contracted through the Council entering resident's homes. The programme guidance requires all people entering homes and providing one-to-one advice to have a valid DBS certificate to ensure safety of residents. The project manager will ensure all delivery partners demonstrate compliance to this requirement.

## **14.0 REASONS FOR RECOMMENDATIONS**

- 14.1 The chance to apply to the Local Energy Advice Demonstrator Pilot Programme provides NYC and partners with a great opportunity to take forward an area of work which would not otherwise have resource attached to it.

## **15.0 RECOMMENDATION**

- 15.1 To request approval from the Executive Member for Managing our Environment to authorise the submission of an application by NYC for revenue grant funding of up to £1.5m covering two financial years 2023/24 and 2024/25 to the Net Zero Hub Local Energy Advice Demonstrator Pilot Programme in consultation with the Corporate Director – Environment and Corporate Director – Resources.

### **APPENDICES:**

Appendix A – Initial equality impact assessment screening form  
Appendix B – Climate Change Impact Assessment

### **BACKGROUND DOCUMENTS:**

Background papers relied upon in the preparation of this report:

[Local Energy Advice Demonstrator - North East & Yorkshire Net Zero Hub \(neynetzerohub.com\)](https://www.neynetzerohub.com)  
[York & North Yorkshire Carbon Abatement Pathways](#)  
[York & North Yorkshire Routemap to Carbon Negative](#)  
[York & North Yorkshire Local Area Energy Plans](#)

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Corporate Director – Environment

Report Authors – *Katie Privett, York and North Yorkshire Local Enterprise Partnership, Enterprise Partnership Officer, and Jos Holmes, NYC Climate Change Policy Officer*  
Presenter of Report – *James Farrar, Assistant Director-Economic Partnership Unit*

<b>Initial equality impact assessment screening form</b>			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
<b>Directorate</b>	Environment		
<b>Service area</b>	Environment and Climate Change		
<b>Proposal being screened</b>	Bid for LEAD		
<b>Officer(s) carrying out screening</b>	Jos Holmes		
<b>What are you proposing to do?</b>	Bid for funding to provide energy efficiency advice for domestic properties.		
<b>Why are you proposing this? What are the desired outcomes?</b>	To reduce greenhouse gas emissions and cost of living issues such as fuel poverty		
<b>Does the proposal involve a significant commitment or removal of resources? Please give details.</b>	We are bidding for £1.5m		
<b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics</b>			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> <li>To what extent is this service used by particular groups of people with protected characteristics?</li> <li>Does the proposal relate to functions that previous consultation has identified as important?</li> <li>Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul>			
If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership		X	
People in rural areas	X		
People on a low income	X		
Carer (unpaid family or friend)			
<b>Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.</b>	No		
<b>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria,</b>	No		

<b>etc.). Do any of these organisations support people with protected characteristics?</b> Please explain why you have reached this conclusion.				
<b>Decision (Please tick one option)</b>	EIA not relevant or proportionate:	✓?	Continue to full EIA:	
<b>Reason for decision</b>	This programme will be available to all sectors of society within the selected geographical areas.			
<b>Signed (Assistant Director or equivalent)</b>	Approved by Michael Leah by email			
<b>Date</b>				

## Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email [beyond.carbon@northyorks.gov.uk](mailto:beyond.carbon@northyorks.gov.uk)

### Version 2: amended 11 August 2021

**Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:**

Planning Permission  
Environmental Impact Assessment  
Strategic Environmental Assessment

However, you will still need to summarise your findings in the summary section of the form below.

Please contact [beyond.carbon@northyorks.gov.uk](mailto:beyond.carbon@northyorks.gov.uk) for advice.

<b>Title of proposal</b>	<b>Request to bid for Local Energy Advice Demonstrator Pilot Programme</b>
<b>Brief description of proposal</b>	To indicate proposed project for submission to the above fund
<b>Directorate</b>	Environment
<b>Service area</b>	Environment
<b>Lead officer</b>	Jos Holmes, NYC Climate Change Policy Officer
<b>Names and roles of other people involved in carrying out the impact assessment</b>	Katie Privett, Energy Programme Lead, YNYLEP (EPU)
<b>Date impact assessment started</b>	<b>30.03.23</b>



**Options appraisal**

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

A discussion at officer level has been held regarding the potential projects that NYC and partners could submit given the timescale and capacity. Consultation was held with National Parks, City of York, private sector and voluntary and community sector groups.

**What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?**

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The project will be fully funded by the grant. It will investigate and trial, as part of a national programme of innovation, the provision of sustainable business model for the provision of face to face energy efficiency advice.

How will this proposal impact on the environment?		Positive impact (Place a X in the box below where	No impact (Place a X in the box below where	Negative impact (Place a X in the box below where	Explain why will it have this effect and over what timescale?  Where possible/relevant please include: <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	Explain how you plan to mitigate any negative impacts.	Explain how you plan to improve any positive outcomes as far as possible.
Minimise <b>greenhouse gas emissions</b> e.g. reducing emissions from travel, increasing energy efficiencies etc.	Emissions from travel	X			Provision of advice will be in community-based settings to avoid need to travel. Movement of suppliers and advisors to sites will be coordinated via car-share/public transport (including shared bus)		
	Emissions from construction		X		Although capital investment is not part of the project, any embodied carbon in measures recommended for use by the trial will be outweighed by carbon savings of energy efficiency; and wherever possible, biobased retrofit materials will be explored.		
	Emissions from running of buildings	X			The project will advise clients on improved energy efficiency methods to reduce energy consumption and low carbon heating options consequently reducing greenhouse gas emissions.		
	Emissions from data storage		X				

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<b>Positive impact</b> (Place a X in the box below where	<b>No impact</b> (Place a X in the box below where	<b>Negative impact</b> (Place a X in the box below where	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>Changes over and above business as usual</li> <li>Evidence or measurement of effect</li> <li>Figures for CO<sub>2</sub>e</li> <li>Links to relevant documents</li> </ul>	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Other		X				
Minimise <b>waste</b> : Reduce, reuse, recycle and compost e.g. reducing use of single use plastic		X				
Reduce <b>water</b> consumption		X				
Minimise <b>pollution</b> (including air, land, water, light and noise)	X			Advice will be provided on outdoor lighting, particularly with reference to Dark Skies designated areas.		
Ensure <b>resilience</b> to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers	X			Advice will be provided on housing retrofit related to adaptation as well as mitigation factors.		
Enhance <b>conservation</b> and wildlife		X				

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where</p>	<p><b>No impact</b> (Place a X in the box below where</p>	<p><b>Negative impact</b> (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Safeguard the distinctive characteristics, features and special qualities of <b>North Yorkshire's landscape</b>	X			Advice will be given on the potential to improve energy efficiency of listed buildings and in protected landscapes		
Other (please state below)		X				

**Are there any recognised good practice environmental standards in relation to this proposal?** If so, please detail how this proposal meets those standards.

The project is a 'demonstrator / pilot' and learning from across the England programme will be developed.

**Summary** Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The proposals are aimed at reducing emissions to contribute towards the Y&NY Routemap to Carbon Negative ambitions.

**Sign off section**

This climate change impact assessment was completed by:

<b>Name</b>	Jos Holmes
<b>Job title</b>	NYC Climate Change Policy Officer
<b>Service area</b>	Environment and Climate Change
<b>Directorate</b>	Environment
<b>Signature</b>	Michael Leah
<b>Completion date</b>	

**Authorised by relevant Assistant Director (signature):** Approved by email

**Date:**