

North Yorkshire Council

Executive

12 December 2023

Devolution Deal Net Zero Fund: Acceptance of Grant Funding

Report of the Corporate Director – Environment

1.0 PURPOSE OF REPORT

- 1.1 To update the Executive on the Joint Devolution Committee recommendations for funding under the DLUHC Devolution Deal Net Zero Fund for North Yorkshire Council
- 1.2 To delegate approval to the Corporate Director of Resources in consultation with the Assistant Chief Executive (Legal and Democratic Services) to accept the DLUHC Devolution Deal Net Zero Fund subject to acceptable terms and conditions being received.

2.0 BACKGROUND

- 2.1 The £7million competitive funding programme was announced by the York and North Yorkshire Local Enterprise Partnership (LEP) 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 and originates from Department Levelling Up Housing, and Communities (DLUHC). 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. It included £1m of revenue funding and £6m of capital funding. The revenue funding is to support the development of net zero projects and the capital funding will enable the delivery of net zero projects.
- 2.2 Following a 'request to bid' report in January 2023 for NYCC and District / Borough Councils approval processes, North Yorkshire local authorities submitted 10 Development Fund (revenue) projects requesting £1,147,864 and 9 Delivery Fund (capital) bids requesting £12,246,743 by the 06.02.23 submission deadline.

3.0 REPORT

- 3.1 Following invitation from the LEP for applicants to submit full business cases and additional information in May 2023, 4 Development Projects and 6 Delivery projects were submitted from NYC. A review and external appraisal of the projects was undertaken by the LEP and recommendations were presented to the York and North Yorkshire Joint Devolution Committee. On 23 October 2023, the York and North Yorkshire Joint Devolution Committee made recommendations to the DLUHC for funding from the Devolution Deal Net Zero Fund for 23 projects across the York and North Yorkshire region. A review and external appraisal was undertaken by the LEP which concluded with a recommendation to the York and North Yorkshire Joint Devolution Committee on 23 October 2023. (More detail in the background papers referenced.)
- 3.2 Of the bids submitted by the former North Yorkshire local authorities, the York and North Yorkshire Joint Devolution Committee made recommendations for 5 Development projects (a total grant request of £379,734) and 4 Delivery projects (a total grant request of £2,206,292). These are part of the overall programme which includes 23 projects from York and North Yorkshire.

3.3 The NYC projects are:

Project Development:

- Shore Power at Scarborough and Whitby Harbours
- Green Energy Park at Seamer Carr and Decarbonising Allerton Waste Recovery Park
- District Heat Network – Potto
- Whitby and Scarborough Park and Ride EV Hyperhub Business Case Development
- Electric Vehicle Public Charging Infrastructure Rollout Strategy, next steps.

Project Delivery:

- Solar PV and Battery Storage installation to Council Commercial Assets
- Community Building Decarbonisation
- Kildwick to Silsden Active Travel Link
- Community Transport Decarbonisation

3.4 A description and costs of each project are outlined in Annex A and the totals summarised below:

	DDNZF	Match fund	Project total
Development / Revenue	£379,734	£90,200	£469,934
Delivery / Capital	£2,206,292	£399,054	£2,605,346
Total	£2,586,026	£489,254	£3,075,280

3.5 Each of the projects has an assigned manager that is leading on implementation. Individual projects are being managed within the appropriate service areas from existing resources and in some cases this is utilised as match funding.

3.6 DLUHC will now consider the recommendations and Funding Agreement Letters detailing the grant offer, including terms and conditions, are anticipated in late December 2023.

3.7 Delivery of projects must be completed by March 2025, with some expenditure planned for the January to March 2024 period.

4.0 CONSULTATION

4.1 No additional consultation has taken place since the bids were made in January 2023.

5.0 CONTRIBUTION TO COUNCIL PRIORITIES

5.1 Council Plan: A carbon neutral council

5.2 North Yorkshire Council Climate Change Strategy: Mitigation

6.0 ALTERNATIVE OPTIONS CONSIDERED

6.1 Not to accept the funding: this was rejected as the funding scheme provides external funding which provides the opportunity for the Council to deliver on multiple objectives.

7.0 FINANCIAL IMPLICATIONS

7.1 This is an external fund from HM Government DLUHC. Match funding for each of the 9 projects has been identified and secured. Details of the match funding is included in annex A.

- 7.2 The recommendation from the York and North Yorkshire Joint Devolution Committee enables projects to proceed 'at risk' to the Council. Consequently, projects have commenced project management activity including procurement (no contracts are entered into until funding is secured) to ensure they are able to deliver within the timeframe. There is therefore a risk of abortive work if the grant cannot be accepted by the Council, if, for example, terms and conditions, once received, are not acceptable.
- 7.3 There is no additional funding available over that included in this report and so there is a risk that any additional costs will need to be met by the Council. This will be managed by each project manager and if project costs increase the project manager will determine if acceptable to proceed, within the relevant service budgets. Some projects could potentially be descoped if costs increase in order to remain within the funding envelope.

8.0 LEGAL IMPLICATIONS

- 8.1 In order to accept the funding North Yorkshire Council will be required to enter into a formal grant agreement with the DLUHC. The draft terms and conditions have not yet been received. Once received, they will be reviewed by Legal Services. If any of the final terms and conditions present an unacceptable risk for the Council then the grant offer would be declined.
- 8.2 Any expenditure of the grant will be in line with the Subsidy Control Act 2022.
- 8.3 Any contracts entered into in respect of the grant funding will be in accordance with the Council's Procurement and Contract Procedure Rules and, if relevant, the Public Contracts Regulations 2015.

9.0 EQUALITIES IMPLICATIONS

- 9.1 An Equalities Impact Assessment Screening report has been undertaken there are no anticipated impacts. It is in Annex B.

10.0 CLIMATE CHANGE IMPLICATIONS

- 10.1 A Climate Change Impact Assessment was undertaken as part of the request to bid report in January 2023 and there are no substantial changes.

11.0 REASON FOR RECOMMENDATIONS

- 11.0 The North Yorkshire Council projects will deliver a range of outcomes to support delivery of the Council Plan and the North Yorkshire Council Climate Change Strategy specifically with associated co benefits for communities, public health and economic development. The recommendations will enable the Funding Agreements to be reviewed and the grant accepted if these are acceptable to the Council.

12.0 RECOMMENDATIONS

- 12.1 That the Executive note the Joint Devolution Committee recommendations for funding under the DLUHC Devolution Deal Net Zero Fund for North Yorkshire Council
- 12.2 That the Executive delegate authority to the Corporate Director of Resources, in consultation with the Assistant Chief Executive (Legal and Democratic Services), to accept the DLUHC Devolution Deal Net Zero Fund subject to acceptable terms and conditions being received

APPENDICES:

Annex A North Yorkshire Council DDNZF recommended projects
Annex B Equalities Impact Assessment

Background papers:

Paragraph 3.1 Devolution website: <https://www.ynydevolution.com/post/green-light-to-fund-7-million-net-zero-projects>)
<https://edemocracy.northyorks.gov.uk/documents/s23853/Report%20-%20Net%20Zero%20Funding.pdf>

Karl Battersby
Corporate Director Environment
County Hall
Northallerton

Date 29.11.23

Report Author and Presenter – Jos Holmes, Climate Change Policy Officer, Strategy and Performance.

Project Name	Description	Key Outputs	Match Funding	NZF 2023-2024	NZF 2024-2025	TOTAL NZF	Total Project Costs
ENERGY PROJECTS							
Solar PV & Battery Storage installation to Council Commercial Assets	Installing PV panels on various business units across the district to enable low-carbon power. Match funding secured from existing NYC Economic Development budgets.	Site 1: 17.44 tonnes CO2 reduction; 158,352.2kWh renewable energy generation Site 2: 12.8 tonnes CO2 reduction; 108323.2kWh energy generation Site 3: 30.2 tonnes CO2 reduction; 386,609.3 kWh 14 commercial units retrofitted 9 commercial units (may be reduced to 7) of new businesses premises built with Solar PV and battery storage	£135,904	£74,021	£178,373	£252,394	£388,298
Community Building Decarbonisation	Providing match funding to community buildings across North Yorkshire to enable decarbonisation. NZF is matched with community sector funding from each building retrofitted.	80 tonnes per year GHG emission reduction / savings (average 6 tonnes per building) Reductions in energy demand: an average of 10% per building / estimated 8,307kWh p.a. 10 community buildings retrofitted to at least EPC C rating Deployment of solar PV on buildings: 69,996kWh (based on an average) / 10	£200,000	£110,000	£440,000	£550,000	£750,000
TRANSPORT							
Kildwick to Silsden Active Travel Link	Improving a 3km stretch of towpath to enable active travel.	2000m of improvements to canal towpath, including widening and surface improvements 1363 additional walking, wheeling and	£0	£75,487	£896,561	£972,048	£972,048
Community Transport Decarbonisation	Provision of multi-person EVs to enable low-carbon community transport. Match funding is secured from the participating Community Transport Organisations.	46.41 CO2e p.a. GHG emission reductions / savings 347,618 km p.a. reduction in private car journeys 17 increased number of battery electric vehicles	£63,150	£0	£431,850	£431,850	£495,000
TOTALS:			£399,054	£259,508	£1,946,784	£2,206,292	£2,605,346

Project Name	Description	Match Funding	NZF 2023-2024	NZF 2024-2025	TOTAL NZF	Total Project Cost
ENERGY PROJECTS						
Shore Power at Scarborough & Whitby Harbours	Feasibility study to investigate potential to deliver shore side power to support marine traffic decarbonisation Match funding secured from NYC project management.	£4,280	£0	£47,084	£47,084	£51,364
Green Energy Park at Seamer Carr & Decarbonising Allerton Waste Recovery Park	Study leading to a business plan to review options to decarbonise AWRP and establish a green energy park at Seamer Carr closed landfill and investigate the generation and end use of green hydrogen for NYC fleet Match funding secured from existing NYC Waste Management budget.	£62,500	£20,000	£167,500	£187,500	£250,000
HEAT AND BUILDING PROJECTS						
District Heat Network - Potto	Study to support community energy development in the village of Potto, with regard to a District Heating System. Match funding secured from NYC Project Management.	£6,000	£30,000	£30,000	£60,000	£66,000
TRANSPORT PROJECTS						
Whitby and Scarborough Park and Ride EV Hyperhub Business Case Development	Business plan development to install an EV Hyperhub at two park and ride sites. Match funding secured from NYC Project Management.	£2,840	£0	£45,000	£45,000	£47,840
Electric Vehicle Public Charging Infrastructure Rollout Strategy Next Steps	To further develop the EVCP Strategy to build on our successful LEVI bids. Match funding secured from existing NYC Transport Planning budget.	£14,580	£20,150	£20,000	£40,150	£54,730
TOTAL		£90,200	£70,150	£309,584	£379,734	£469,934

Initial equality impact assessment screening form 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.			
Directorate	Central Services		
Service area	Strategy and Policy		
Proposal being screened	Request to submit applications and expressions of interest to the Devolution Deal Net Zero Fund		
Officer(s) carrying out screening	Jos Holmes		
What are you proposing to do?	A range of projects across NY to reduce greenhouse gas emissions from waste management, travel and transport and property.		
Why are you proposing this? What are the desired outcomes?	To tackle the causes of climate change.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	It seeks external funding to implement the projects.		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? <p>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 Equality rep for advice if you are in any doubt.</p>			
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)		X	
Are from the armed forces community		X	
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.	No. Some of the proposals aim to improve access to services for people with disabilities or on low incomes through improving transport and travel options.		

Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No			
Decision (Please tick one option)	EIA not relevant or proportionate:	<input checked="" type="checkbox"/>	Continue to full EIA:	
Reason for decision	There are not adverse impacts anticipated.			
Signed (Assistant Director or equivalent)	Michael Leah			
Date	29/11/2023			