

North Yorkshire Council

Corporate Director Resources

13 March 2024

Devolution Deal Net Zero Fund Grant Acceptance

Report of the Assistant Director - Environmental Services and Climate Change

1.0 PURPOSE OF REPORT

- 1.1 To update the Corporate Director Resources that Executive delegated approval to the Corporate Director 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.
- 1.2 To request that the Corporate Director Resources, following consultation with the Assistant Chief Executive (Legal and Democratic Services), accepts the DLUHC Devolution Deal Net Zero Fund grants.

2.0 BACKGROUND

- 2.1 The £7million competitive funding programme was announced by the York and North Yorkshire Local Enterprise Partnership (LEP) on 03 January 2023 with a bid submission date of 06.02.23. The fund was subject to the proposed Mayoral Combined Authority being created in and originates from Department for 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 invitation from the LEP for applicants to submit full business cases and additional information in May 2023, 4 Development Projects and six 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 DLUHC for funding from the Devolution Deal Net Zero Fund for 23 projects across the York and North Yorkshire region (more detail in the background papers referenced). These included nine NYC projects detailed below.
- 2.3 Executive agreed on 12 December 2023 to delegate approval to the Corporate Director 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. [<https://edemocracy.northyorks.gov.uk/ieListDocuments.aspx?CId=1147&MId=6715&Ver=4> Minute 361 refers.] These have now been received in the form of Grant Funding Agreements (GFAs).

3.0 REPORT

3.1 Of the bids submitted by the former North Yorkshire local authorities, the York and North Yorkshire Joint Devolution Committee made recommendations for five Development projects and four Delivery projects. These are part of the overall programme which includes 23 projects from York and North Yorkshire.

3.2 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 – Note this project has decreased slightly since the Executive decision. It has reduced both DDNZF request and match funding as the number of industrial units included has reduced from 9 to 7.
- Community Building Decarbonisation
- Kildwick to Silsden Active Travel Link
- Community Transport Decarbonisation

3.3 A description of each project and the associated costs are outlined in Appendix A and the totals summarised below:

| | DDNZF | Match fund | Project total |
|-----------------------|------------|------------|---------------|
| Development / Revenue | £379,734 | £90,200 | £469,934 |
| Delivery / Capital | £2,184,175 | £387,146 | £2,571,321 |
| Total | £2,563,909 | £477,346 | £3,041,255 |

3.4 Each of the projects has an assigned manager that is leading on implementation.

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

3.6 GFAs have now been received by NYC for each of the above projects from the York and North Yorkshire Combined Authority.

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. Total grant secured is £2,563,909 and the required match funding for the nine projects, which totals £477,346, has been identified and secured.
- 7.2 The recommendation from the York and North Yorkshire Joint Devolution Committee enabled projects to proceed 'at risk' to the Council. Consequently, projects have commenced project management activity including procurement to ensure they are able to deliver within the timeframe.
- 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 descope if costs increase in order to remain within the funding envelope.
- 7.4 The GFAs have been reviewed by Financial Services.

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 GFAs have been reviewed by Legal Services.
- 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 and there are no anticipated impacts. It is in Appendix 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

- 11.1 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 Grant Funding Agreements to be signed by the relevant Directorates and the projects to proceed.

12.0 RECOMMENDATIONS

- 12.1 The Corporate Director Resources notes that Executive delegated 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.
- 12.2 That the Corporate Director Resources, following consultation with the Assistant Chief Executive (Legal and Democratic Services), accepts the DLUHC Devolution Deal Net Zero Fund grants.

APPENDICES:

Appendix A 24.03.13 North Yorkshire Council DDNZF recommended projects

Appendix B 24.03.13 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>

Michael Leah
Assistant Director Environmental Services and Climate Change
County Hall
Northallerton

Date 12 March 2024

Report Author and Presenter – Jos Holmes, Climate Change Strategy Manager, Environment Directorate

13.03.24 Request to accept DDZF grant Annex A Delivery / Capital projects

| Project Name | Description | Key Outputs | Net Zero Fund Grant (£) | Match Funding | 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. | 60.44 tCO ₂ e & 653284Wh renewable energy generation 22 commercial units decarbonised. | £230,277.00 | £123,996 | £354,273 |
| Community Building Decarbonisation | Providing match funding to community buildings across North Yorkshire to enable decarbonisation. | 80 tCO ₂ e reduction (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 community buildings with rooftop solar PV | £550,000.00 | £200,000 | £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 363 additional walking, wheeling and cycling trips per day | £972,048.00 | £0 | £972,048 |
| Community Transport Decarbonisation | Provision of multi-person EVs to enable low-carbon community transport. | 46.41 tCO ₂ e p.a. reductions 347,618 km p.a. reduction in private car journeys 17 increased number of battery electric vehicles | £431,850.00 | £63,150 | £495,000 |
| TOTALS: | | | £2,184,175.00 | £387,146 | £2,571,321 |

| Fund | Net Zero Fund Grant (£) | Other Funding Required (£) | total project cost (£) |
|--------------|--------------------------------|-----------------------------------|-------------------------------|
| Revenue | £ 379,734 | £ 90,200 | £ 469,934 |
| capital | £ 2,184,175 | £ 387,146 | £ 2,571,321 |
| Total | £ 2,563,909 | £ 477,346 | £ 3,041,255 |

| 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? | | | |
| 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. | | | |
| 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. | 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. | | |

| | | | | |
|---|--|-------------------------------------|-----------------------|--------------------------|
| disabled people's access to public transport)? Please give details. | | | | |
| 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: | <input type="checkbox"/> |
| Reason for decision | There are not adverse impacts anticipated. | | | |
| Signed (Assistant Director or equivalent) | Michael Leah | | | |
| Date | 12/12/2023 | | | |