

North Yorkshire Council

Corporate Director - Environment

9 July 2024

Request to submit a 'scale up' request for Devolution Deal Net Zero Fund projects: Decarbonising Community Transport and Decarbonising Community Buildings

Report of the Climate Change Strategy Manager

1.0 PURPOSE OF REPORT

- 1.1 To seek approval to submit a 'scale up' request to the York and North Yorkshire Combined Authority Devolution Deal Net Zero Fund (DDNZF) for two existing projects and associated resourcing.
- 1.2 To delegate authority to the Assistant Director - Environment and Climate Change and the Assistant Director - Integrated Passenger Transport, Licensing, Fleet, Harbours and Countryside Access to determine the final scale up request for submission by 10 July 2024

2.0 BACKGROUND

- 2.1 The Devolution Deal Net Zero Fund is a £7million competitive funding programme that was announced by the York and North Yorkshire Local Enterprise Partnership (LEP) on 3 January 2023 with a bid submission date of 6 February 2023. The fund originates from the Department for Levelling Up, Housing and Communities (DLUHC). The purpose of the DDNZF 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 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 grant offers for nine North Yorkshire Council (NYC) projects subject to acceptable terms and conditions being received.
[\https://edemocracy.northyorks.gov.uk/ielistdocuments.aspx?CId=1147&MIId=6715&Ver=4 Minute 361 refers.] The Grant Funding Agreements – now in the purview of the (York and North Yorkshire Combined Authority (YNYCA)) for nine projects, totalling £2,586,026 were accepted 13 March 2024 and the projects are now being delivered by the Environment and Community Development Directorates. The current deadline for project completion is 31 March 2025.

3.0 REPORT

- 3.1 On 26 June 2024, NYC received an email from The YNYCA indicating that it was currently reviewing the possibility of scaling up certain Net Zero Fund projects in the form of an extension to an existing grant. The priority for the Combined Authority when deciding on upscaling projects is deliverability and additional outputs. Requests from applicants to scale up are required in form of information tables to indicate requested funding and subsequent extension of outputs and outcomes accordingly by 10 July 2024.

3.2 Following consultation (detailed in section 5 below) it was decided that there is demand and appetite to extend both the Decarbonising Community Buildings and Decarbonising Community Transport grant programmes providing that additional administrative capacity and extension of the project completion deadline to 30 June 2025 are included in the revised Grant Fund Agreement.

3.3 Project CAP26 – Decarbonising Community Buildings

Current approved NZF funding: £550,000

Current approved outputs:

- Output 1: GHG emission reduction/savings (80 tonnes per year, average 6 tonnes per building)
- Output 2: Reductions in energy demand (Average of 10% per building, estimated 8,307kWh p.a)
- Output 3: Community buildings retrofitted to at least EPC C rating (10)
- Output 4: Deployment of solar PV on buildings (69,996kWh average)
- Output 5: Community buildings with rooftop solar PV (10)

3.4 Five projects have been approved through this fund to date (totalling £153,506) with a further 19 at application stage. If all these come to fruition, the current programme will be oversubscribed by £115,000. The anticipated scale up outputs below are calculated utilising averages from the 5 currently approved projects.

Proposed 'scale up' request:

Scenario of Scale-Up	Proposed additional NZF £	Proposed additional associated outputs	How would scaling up change your delivery?	When is the latest point in time you can be notified about additional funding available and still deliver?
Option 1: Preferred scale-up request	£150,000	Output 1: increase 12tCO2e – [limited change as average for current approved projects is 3.42] Output 2: no change. This output is extremely challenging to measure but it is estimated that 10% energy saving per energy efficiency project will be achieved. Output 3: 4 additional buildings Output 4: Increase of 34,897kwh Output 5: 3 more buildings with rooftop solar Additional match funding of £22,000	Additional grant support for an estimated 4 buildings (any or all energy efficiency, low carbon heating and renewable energy generation and storage.) 10% of the additional funding will be utilised for project technical support and administration.	01 September 2024 – for delivery by June 2025

- 3.5 Project CAP27 – Decarbonising Community Transport
 Current approved NZF funding: £431,850
 Current approved outputs:
- Output 1: GHG emission reductions/savings (46.41 CO2e p.a)
 - Output 2: Reduction in private car journeys (347,618 km p.a)
 - Output 3: Increased number of battery electric vehicles (17)

3.6 Nine projects have been approved through this fund to date, totalling £431,850. The programme is therefore fully allocated. It is anticipated that a further £120,000 would enable an additional 2 EVs for new or existing applicants in the Community Transport arena and an additional personal mobility vehicles for the wheels to work programme.

Scenario of Scale-Up	Proposed additional NZF £	Proposed additional associated outputs	How would scaling up change your delivery?	When is the latest point in time you can be notified about additional funding available and still deliver?
Option 1: Preferred scale-up request	£120,000	Output 1 13tco2ep.a Output 2 77,250kmpa Output 3:4 additional vehicles Additional match funding: £10,000	Additional grant support for an estimated 4 vehicles at MPV or moped / quadricycle scale. 10% of the additional funding will be utilised for project technical support and administration.	01 September 2024 – for delivery by June 2025

4.0 CONSULTATION UNDERTAKEN AND RESPONSES

- 4.1 Consultation has been undertaken with the Assistant Directors for Environmental Services and Climate Change and Integrated Passenger Transport, Licensing, Fleet, Harbours and Countryside Access as Project Sponsors.
- 4.2 Consultation has taken place with the Community Transport Organisations currently in receipt of the grant and with the Officers currently managing the Decarbonising Community Building grants.

5.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 5.1 The Council has declared a Climate Emergency and pledged to play its part in tackling the causes and impacts of climate change.
- 5.2 The scale up bids deliver the following specific Council Plan ambitions:
- Place and Environment:
 - A clean, environmentally sustainable and attractive place to live, work and visit
 - A well connected and planned place with good transport links and digital connectivity
 - Communities are supported and work together to improve their local area
 - Economy
 - Economically sustainable growth that enables people and places to prosper
 - Culture, heritage, arts and sustainable tourism all play their part in the economic growth of the county
 - Health and Wellbeing

- People are supported to have a good quality of life and enjoy active and healthy lifestyles
- Reduced variations in health through tackling the root causes of inequality
- People
 - In times of hardship, support is provided to those that need it most
- Organisation
 - A carbon neutral council

6.0 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 Not to request a 'scale up' is an option. Following consultation, it is recommended to apply for the additional funding or order to support community climate action.
- 6.2 Alternative funding and outputs have been considered. The recommended submissions reflect realistic delivery targets.

7.0 FINANCIAL IMPLICATIONS

- 7.1 The council has previously been awarded nine grants from the Devolution Deal Net Zero Fund, including £550k for Decarbonising Community Buildings and £431,850 for Decarbonising Community Transport. The opportunity has now arisen to express an interest in scaling up these two projects, and applications for a further £150k and £120k are recommended. There is no additional requirement for match funding from the council, and the terms of the grants will be in line with the original projects, aside from the deadline for spending being extended to 30 June 2025.

8.0 LEGAL IMPLICATIONS

- 8.1 If the request for 'scale up' funding is approved, payment of the additional grant funding is expected to be subject to either a variation to the current signed Grant Agreements for the respective projects or a new Grant Agreement.
- 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 This is an existing approved grant and the previously undertaken Equalities Impact Assessment is still in place from 12 December 2023. [Devolution Deal Net Zero Fund Grant Acceptance \(northyorks.gov.uk\)](https://www.northyorks.gov.uk/devolution-deal-net-zero-fund-grant-acceptance)

10.0 CLIMATE CHANGE IMPLICATIONS

- 10.1 This is an existing approved grant and the previously undertaken Climate Change Impact Assessment is still in place from 12 December 2023 [Devolution Deal Net Zero Fund Grant Acceptance \(northyorks.gov.uk\)](https://www.northyorks.gov.uk/devolution-deal-net-zero-fund-grant-acceptance)

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 This will enable two community-based climate action programmes to be extended and therefore supporting community groups to implement practical carbon saving initiatives. Consequently, the co-benefits of climate action such as improved financial resilience, improved access to services and improved community engagement will also be delivered.

12.0 RECOMMENDATIONS

- 12.1 To submit a request of 'scale up' funding of £150,000 for Decarbonising Community Buildings and £120,000 for Decarbonising Community Transport to the YNYCA by 5pm on 10 July 2024.
- 12.2 To delegate authority to the Assistant Director - Environment and Climate Change and the Assistant Director - Integrated Passenger Transport, Licensing, Fleet, Harbours and Countryside Access to determine the outputs for the final scale up request for submission by 10 July 2024.

APPENDICES: None

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