

Section A: Scheme Summary

Name of Scheme:	Net Zero Region Accelerator (NZRA)
Location of Scheme:	West Yorkshire
PMA Scheme Code:	SIF-WYCA-001
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Ian Smyth, West Yorkshire Combined Authority
Lead Promoter Contact:	Daniel Barrett, West Yorkshire Combined Authority
Combined Authority Lead/ Programme Manager:	Daniel Barrett, West Yorkshire Combined Authority Programme Manager (TBC), West Yorkshire Combined Authority
Case Officer:	Helen Feltrup, West Yorkshire Combined Authority
Applicable Funding Stream(s) – Grant or Loan:	Combined Authority's gainshare to fund the economic recovery.
Growth Fund Priority Area (if applicable):	Not applicable
Combined Authority approvals to date:	On 9 March 2021, the Combined Authority gave its support "in principle" for this project, (one of three projects, sharing no more than £7 million revenue funding from the Combined Authority's gainshare to fund the economic recovery) and delegated the approval of the scheme to the Investment Committee.
Forecasted Full Approval Date (Decision Point 4):	8 June 2021 (Please note – the scheme is seeking decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) approval at the same time so work can commence on activity 5 (Delivery).
Forecasted Completion Date (Decision Point 5):	Forecasted completion date for the programme is expected by March 2024, at which point the programme will progress directly to decision point 7. Individual projects developed as part of the programme will have their own completion date determined by the programme board.
Total Scheme Cost for the preferred way forward (£):	£0.8 million
WYCA Funding (£):	£0.8 million from the Combined Authority's gainshare to fund the economic recovery.
Total other public sector investment (£):	£0.00
Total other private sector investment (£):	£0.00

Is this a standalone Project?	No. This is a programme comprising multiple projects.
Is this a Programme?	Yes, Net Zero Region Accelerator is a programme.
Is this Project part of an agreed Programme?	Net Zero Region Accelerator is a programme comprising multiple projects

A.1	Scheme Description
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The scheme will influence the achievement of a net-zero carbon West Yorkshire by 2038, and the economic recovery post COVID-19. The scheme will run up to March 2024 and is seeking approval for £0.8 million, to fund up to four new posts in the Combined Authority to deliver the programme, provide a revenue budget for research, evidence gathering and specialist external services that support programme delivery, and develop a list of projects to a point where they can be delivered, subject to further investment being secured.

Phase one of the programme will focus on developing projects related to the decarbonisation of transport and buildings as the two sectors with the highest carbon emissions in the region and in addition critical nature recovery and resilience activities.

The outcomes of the scheme are to boost green jobs, restore nature, tackle air pollution and the climate emergency.

An investment prospectus will also be created, available online and in hard copy format, to showcase the region's investment ready projects to potential banks, lenders, investors, insurers, funding agencies, UK government and public and private decision makers. A high-level version of the prospectus will be produced for the 26th United Nations Climate Change Conference (COP26), which is scheduled to take place in Glasgow in November 2021.

The prospectus gives the Combined Authority the opportunity to showcase the region's work to tackle the climate emergency and present low carbon investment opportunities to a global audience including heads of state and climate experts.

Without the prospectus, the Combined Authority's ability to respond to, and make the case for, government funding opportunities, and attract investor interest in the region's net zero commitment and plans, will be affected. This will impact on the region's economic recovery and its ability to meet the 2038 net zero carbon target.

A.2	Business Case Summary
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Strategic Case

The Combined Authority declared a climate emergency in July 2019 and has strengthened its ambition to be net-zero carbon by 2038, with significant progress by 2030. Net-zero carbon refers to the balance between the amount of carbon dioxide produced and the amount removed from the atmosphere. The region reaches net-zero carbon when the amount added is no more than the amount taken away.

The Combined Authority has published a series of West Yorkshire Carbon Emission Reduction Pathways demonstrating how the net-zero target could be achieved. The pathways show that a significant increase in ambition, scale and investment is needed to achieve the target.

A sustainable environment is also one of two central goals of the West Yorkshire Economic Recovery Plan, the Combined Authority's response to COVID-19, with recent research showing that the low carbon and renewable energy economy has significant potential for job creation. In West Yorkshire this could mean as many as 42,000 people employed in the sector by 2030, rising to over 71,000 in 2050.

The scheme also contributes to the Combined Authority's net-zero carbon proposition to Government, which commits to developing a pipeline of net zero projects that can support the other asks around energy efficiency, nature recovery, net zero skills and business support.

Overall, the scheme will make a positive contribution to the delivery of the Strategic Economic Framework (SEF) across its four priorities but is most strongly aligned with the priority to tackle the climate emergency, as it will develop projects that directly achieve emission reductions.

Not having a pipeline of investment ready zero carbon and nature recovery projects is holding the region back from securing the required funding and investments to deliver its net-zero 2038 target. A pipeline of projects is a useful and important asset to show the different types of investment available in the region, but also to demonstrate a coordinated, strategic approach to meeting net-zero carbon.

Economic Case

The Combined Authority can put itself in a better position to increase investment in the region, to tackle the climate and ecological emergency and support economic recovery, by developing and delivering a sustainable programme of investment and funding ready projects.

To date the lack of capacity and dedicated support, via a programme, to build a pipeline and prepare a prospectus, outlining the opportunities for investment, has limited the Combined Authority's ability to increase the level of green investment in the region.

Several areas in the UK will be using investment prospectuses to show the zero carbon and nature recovery investment opportunities in their areas. The Combined Authority needs to develop its own prospectus, so it can act quickly, bid for funding, and highlight to investors and banks the opportunities within the region, so the investment is not made elsewhere in the UK.

Commercial Case

The Combined Authority's Energy Accelerator programme (ending August 2021) demonstrates that by offering public sector support and funding for low-carbon projects it is commercially viable to secure up to £100 million worth of capital investments. This level of green investment is critical to becoming a net zero carbon region by 2038.

The pipeline will be sustainable because as projects secure investment and funding, a contribution of that investment will be retained and used by the Combined Authority to regenerate the prospectus offer and pipeline of projects.

Financial Case

The Combined Authority has already given an agreement in principle for this scheme and two others to share no more than £7 million of revenue funding from the Combined Authority's gainshare to fund the economic recovery. This scheme is seeking approval for £0.8 million to fund up to four posts in the Combined Authority to run the programme, provide a revenue budget for programme delivery, and create an investment prospectus.

All posts are fixed term until March 2024 and are subject to a job evaluation exercise and approval by the Combined Authority's senior leadership team.

Management Case

Programme management will be provided by the Energy and Environment Unit, Place Cluster, Policy and Development Directorate.

There will be collaborative working between the Policy and Development, Strategy and Performance and Delivery Directorates to ensure the priorities of the Strategic Economic Framework for West Yorkshire, in particular tackling the climate emergency, are delivered.

A Combined Authority led programme board will be established, including colleagues from policy and development and delivery directorate, local authorities, business, academic and third sector representatives. The board will meet every three months to make decisions, be updated monthly by the programme manager and be asked to make decisions out of meeting as required.

The Combined Authority and local authorities have the relevant experience and expertise to deliver a programme of this type, gained from the delivering the Energy Accelerator programme and other green economy schemes.