

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 23 January 2024

TITLE	Mission Net Zero Project Delivery - Innovate Pathfinder Places Programme Phase 2		
Ward(s)	Citywide		
Author: Alex Minshull	Job title: Sustainable City and Climate Change Manager		
Cabinet lead: Cllr Marley Bennett, Cabinet Member for Waste, Climate, Ecology and Just Transition, with Cllr Kye Dudd, Cabinet Member for Housing Services and Energy	Executive Director lead: John Smith, Interim Executive Director Growth and Regeneration		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
Purpose of Report:			
To seek approval to accept funding from Innovate UK's Net Zero Living Pathfinder Places Programme and to seek approval for the delivery of the Mission Net Zero Pathfinder Demonstrator Project, to contribute to the achievement of Bristol City Council's, the city's and the wider region's climate goals.			
Evidence Base:			
<ol style="list-style-type: none"> 1. The Mission Net Zero Pathfinder Demonstrator Project aims to build on the successful work undertaken by Bristol City Council, including Bristol City Leap, via engagement with communities, support for the supply chain and effective energy and retrofit planning across the West of England. 2. Bristol City Council (BCC) is working with partners to help achieve the goals of the One City Climate Strategy. 3. In the BCC Climate Emergency Action Plan 2022 we committed to seek funding to develop innovative mechanisms which complement the investment already being made in the city to accelerate decarbonisation and contribute to a just transition. 4. In June 2022, Cabinet approved BCC's participation in the EU 100 Climate Neutral and Smart Cities Mission which provides an overall approach to accelerating delivery of the One City Climate Strategy including the formation of a Transition Team to plan decarbonisation of the city. 5. In July 2023, Cabinet approved the Net Zero Investment Co-Innovation Lab project to establish a series of innovative financial mechanisms to help achieve the city's climate change goals using £1.3m of funding provided by the EU Horizon Europe Net Zero Cities Pilot City Programme. 6. In March 2023, BCC was successful in becoming one of Innovate UK's Pathfinder Places as part of their Net Zero Living Programme Pathfinder Places competition and in October 2023 Cabinet approved the submission of a Bid to the Phase 2 of the programme, for the Mission Net Zero Pathfinder Demonstrator Project. 7. That bid was led by BCC and submitted with 10 partner organisations (listed alphabetically): Bath and North East Somerset Council, Bristol and Bath Regional Capital CIC, Bristol Energy Network CIC, Bristol Green Capital Partnership CIC, Centre for Sustainable Energy, City Leap Energy Partnership Ltd, National Grid Electricity Distribution (South West), North Somerset Council and South Gloucestershire Council, West of England Combined Authority. 8. In December 2022 Innovate UK announced that the above Bid had been successful and awarded a total of nearly £5m. 9. The business case for the project is set out in Appendix A. 			

10. The project has been developed to integrate the principles of the Bristol Just Transition Declaration endorsed by the Mayor, Cabinet and Full Council.
11. The project is sponsored by Cllr Marley Bennett as the Cabinet Member for Waste, Climate, Ecology and Just Transition who will be the Cabinet Member responsible for the delivery of project. It is also supported by Cllr Kye Dudd, Cabinet Member for Housing Services and Energy who was responsible for the development of the project and the successful funding bid.

Cabinet Member / Officer Recommendations:

- That Cabinet:
1. Note that Bristol City Council and partners submitted a successful bid to the Innovate UK Net Zero Pathfinder Places Programme for the Mission Net Zero Demonstrator Project and have been awarded nearly £5m of funding with up to £3.7m allocated to Bristol City Council.
 2. Authorise the Executive Director Growth and Regeneration, in consultation with the Cabinet Members for Housing Services and Energy and Waste, Climate, Ecology and Just Transition and S151 Officer, to take all steps required to accept and spend the funding from Innovate UK of up to £3.708m (including procuring and awarding contracts over £500k); to implement the project as set out in proposals to Innovate UK and the business case in Appendix A2; and, to make any amendments to the project as necessary for successful delivery.

Corporate Strategy alignment:

1. The project is focused on achieving the priority of ENV1 Carbon Neutral but contributes to a range of corporate priorities.

City Benefits:

1. The project aims to reduce the city’s carbon emissions, reduce fuel poverty and increase jobs and training in the net zero supply chain, particularly in the building retrofit field in the context of a Just Transition.

Consultation Details

1. The project has been developed in dialogue with 10 partner organisations referred to in the evidence base.
2. The phase 2 project would involve very substantial public and stakeholder consultation over the next 2 years.

Background Documents:

- The [One City Climate Strategy](#)
- [BCC Climate Emergency Action Plan](#)
- Mission Net Zero Phase 1 Feasibility Study Final Report
- Mission Net Zero Phase 2 Bid to Innovate UK

Revenue Cost	£3.7m for BCC as part of wider £5m project	Source of Revenue Funding	Innovate UK
Capital Cost	£0	Source of Capital Funding	N/A
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:**1. Finance Advice:**

Following the successful bid, this report seeks Cabinet approval to accept funding of £3.708m from Innovate UK's Net Zero Living Programme Pathfinder Places Competition (Phase 2). The funds will be used to cover the costs of a range of activities in conjunction with several partners which are designed to contribute to the achievement of Bristol City Council's and the city's climate goals.

Costing

The costs reflect a detail costing exercise to calculate the amount needed to deliver the planned objectives. This is summarised in the table below. This funder does not allow for general inflation or contingencies to be added to its bids. However, the service has ensured that those areas (including staffing costs) that are susceptible to price increases or other risks that may inflate costs are priced accordingly and conservatively.

The awarded total project funding from innovate UK is set out below:

Work package	Bristol City Council £	Partners	Total
WP1 Governance, Co-ordination and Project Management	669,437	52,568	722,005
WP2 Regional Climate Investment Plan and Pipeline	1,198,804	67,984	1,266,788
WP3 Community Climate Investment Plans and Pipeline	220,739	1,164,169	1,384,908
WP4 NZ Neighbourhood Investment Structure	820,000	-	820,000
WP5 Supply Chain and Skills Support Package	799,325	-	799,325
Grand Total	3,708,305	1,284,721	4,993,026

Funding

The overall cost of delivering the project is estimated at £4.993m. This is to be funded by the grant from Innovate UK for £3.708m as well as funding to Partners expected to be £1.284m. There is no requirement to match fund and therefore this proposed activity will not require any funding from the council's approved revenue or capital budgets. The Council will be required to deliver the expected outputs and will ensure that this responsibility and risk is shared with or transferred to all delivery partners as appropriate.

Finance Business Partner: Ben Hegarty, Finance Business Partner Growth and Regeneration, 6 December 2023

2. Legal Advice: The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the agreement to accept the funding, the conduct of the procurement process and the resulting contractual arrangements.

Legal Team Leader: Husinara Jones, Team Manager/Solicitor 4 December 2023

3. Implications on IT: IT are supportive and available to aid in progressing relevant work and can be engaged through the existing work request process.

IT Team Leader: Alex Simpson – Lead Enterprise Architect 4 December 2023

4. HR Advice: There are no HR implications evident. Fair and open recruitment processes should be followed for resourcing support to the project, in line with our policy.

HR Partner: Chris Hather, HR Consultancy Manager 5 December 2023

EDM Sign-off	John Smith, Interim Executive Director Growth and Regeneration	12 December 2023
Cabinet Member sign-off	Cllr Kye Dudd, Cabinet Member for Housing Services and Energy and Cllr Marley Bennett, Cabinet Member for Waste, Climate, Ecology and	20 December 2023

	Just Transition	
For Key Decisions - Mayor's Office sign-off	Mayor's Office	20 December 2023

Appendix A – Further essential background / detail on the proposal A summary of the Project Proposal A1 and Full Business Case A2	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	See Business Case
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice (Financial officer must be the author of the advice)	NO
Appendix H – Legal Advice (Legal Services must be the author of the advice)	NO
Appendix I – Exempt Information (Legal Services must confirm that information is to be exempt in accordance with the constitution)	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO