



## Greater Manchester Green City Region Partnership

**Date:** 25<sup>th</sup> January 2024

**Subject:** GM NET ZERO ACCELERATOR

**Report of:** Mark Atherton, Director of Environment, GMCA

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### Purpose of Report

This paper provides an update on the recent announcement of a partnership between DESNZ and GMCA to develop a Local Net Zero Accelerator pilot. The pilot will seek to develop a place-based net zero investment strategy and test this with the investment market. Subject to agreement of a suitable business case, GMCA will receive between £6-7m over the coming 24 months to deliver the pilot.

### Recommendations:

The Green City Region Partnership is requested to:

1. Note of the report.

### Contact Officers

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## **1. INTRODUCTION**

Following discussions with Department of Energy Security and Net Zero (DESNZ) and the GMCA in Q3, Government announced Net Zero Accelerator pilots with both GMCA and West Midlands CA in November 2023. The pilots will run as part of the GMCA's devolution deal to work together on net zero and will seek to develop a place-based net zero investment strategy and test this with the investment market.

## **2. FURTHER DETAIL**

The two Local Net Zero Accelerator pilots will help drive investment in multiple green projects across key sectors such as energy, housing and transport. The pilot programmes will help the selected combined authorities unlock private investment, speed up our efforts to tackle climate change and help the UK reach its net zero target, whilst supporting skilled jobs, building out supply chains and growing our economy.

Councils have faced barriers to attracting private sector investment in smaller net zero programmes and one-off projects. The pilots will be designed to tackle this to secure investment at scale to deliver a range of green initiatives and expand decarbonisation work in the years to come. The pilot will test the approach of developing an aggregated bundle of projects across multiple net zero sectors, including not only projects that can readily provide a financial return for commercial investors but also projects which would be difficult or impossible to finance commercially on their own, but for which it may be possible to attract commercial investment as part of an investment bundle.

As part of the overall programme there will also be a Local Net Zero Finance Support Service pilot which will provide expert support to GMCA to help develop the pilot. The overall programme will be administered on behalf of DESNZ by the Greater South-East Local Net Zero Hub. The pilots will run until March 2026.

## **3. NEXT STEPS**

Work has commenced to develop the required Business Case, to include detailed work programmes, outputs, outcomes, milestones and budgets.