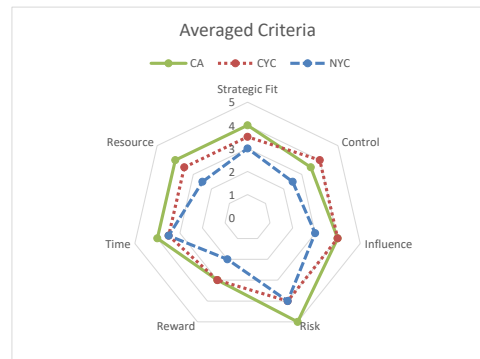
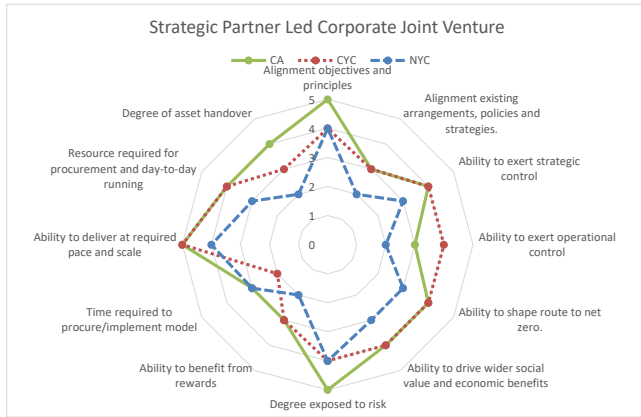
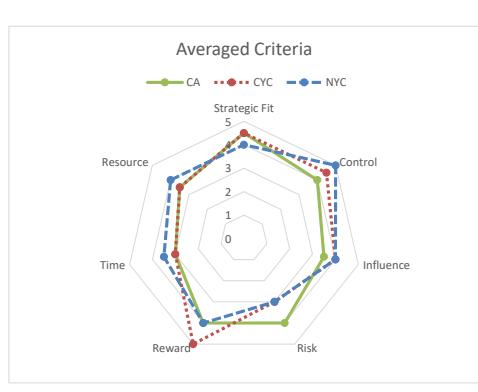
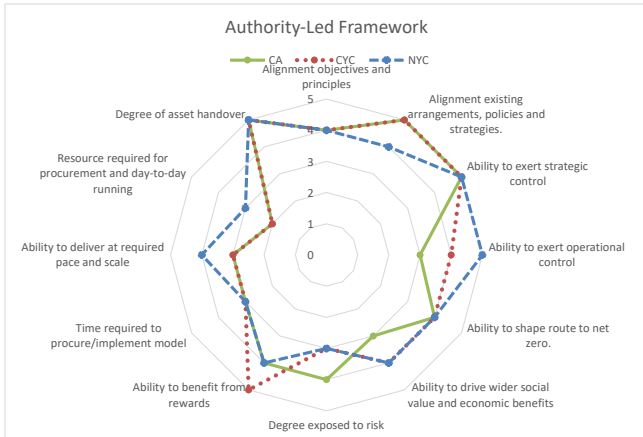


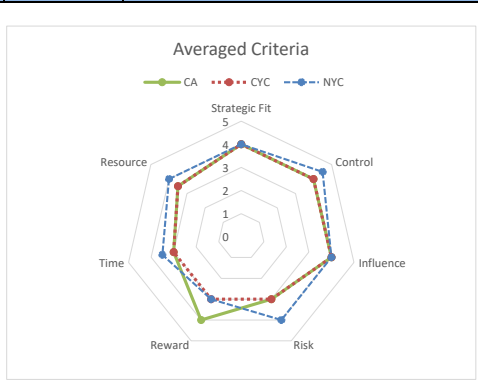
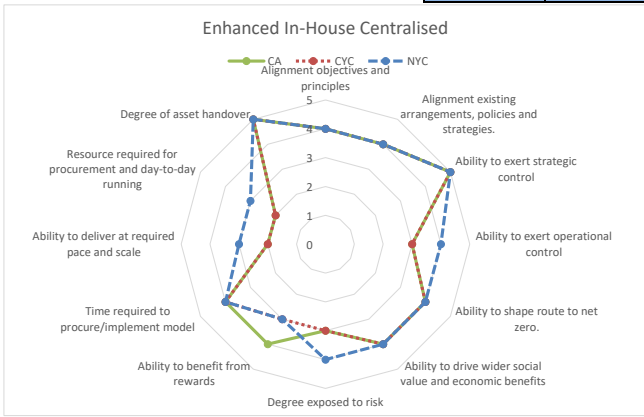
Strategic Partner Led Incorporated Joint Venture (Bristol City Leap)					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation Exclusivity rights causing decreased reward for YNY authorities, lack of control of assets, and prolonged procurement.
Strategic Fit	Alignment objectives and principles	5	4	4	
	Alignment existing arrangements, policies and strategies.	3	3	2	
Control	Ability to exert strategic control	4	4	3	
	Ability to exert operational control	3	4	2	
Influence	Ability to shape route to net zero.	4	4	3	
	Ability to drive wider social value and economic benefits	4	4	3	
Risk	Degree exposed to risk	5	4	4	
Reward	Ability to benefit from rewards	3	3	2	
Time	Time required to procure/implement model	3	2	3	
	Ability to deliver at required pace and scale	5	5	4	
Resource	Resource required for procurement and day-to-day running	4	4	3	
	Degree of asset handover	4	3	2	
		47	44	35	



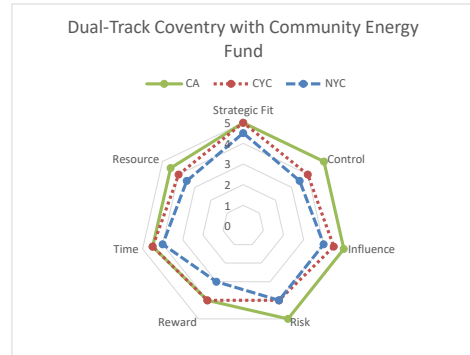
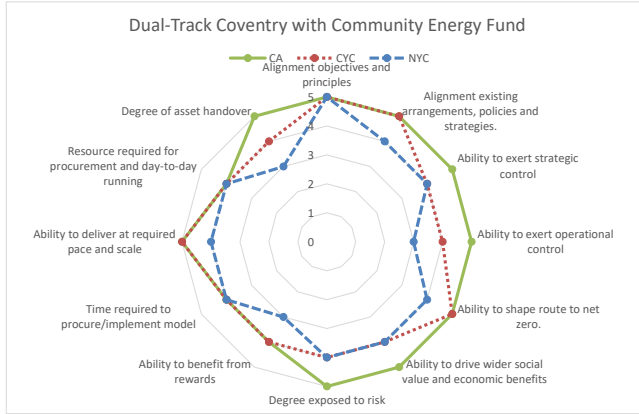
Authority-Led Framework					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	Significant financial and FTE resource to implement, manage, and fund.
	Alignment existing arrangements, policies and strategies.	5	5	4	
Control	Ability to exert strategic control	5	5	5	
	Ability to exert operational control	3	4	5	
Influence	Ability to shape route to net zero.	4	4	4	
	Ability to drive wider social value and economic benefits	3	4	4	
Risk	Degree exposed to risk	4	3	3	
Reward	Ability to benefit from rewards	4	5	4	
Time	Time required to procure/implement model	3	3	3	
	Ability to deliver at required pace and scale	3	3	4	
Resource	Resource required for procurement and day-to-day running	2	2	3	
	Degree of asset handover	5	5	5	
		45	47	48	140



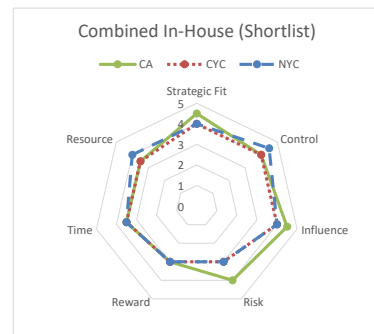
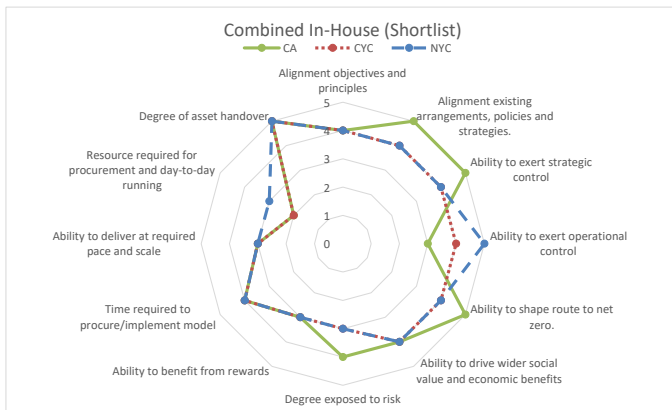
Enhanced In-House Centralised					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	Significant resource to implement, manage, and fund as well as project-by-project scenarios causing delivery at slow pace.
	Alignment existing arrangements, policies and strategies.	4	4	4	
Control	Ability to exert strategic control	5	5	5	
	Ability to exert operational control	3	3	4	
Influence	Ability to shape route to net zero.	4	4	4	
	Ability to drive wider social value and economic benefits	4	4	4	
Risk	Degree exposed to risk	3	3	4	
Reward	Ability to benefit from rewards	4	3	3	
Time	Time required to procure/implement model	4	4	4	
	Ability to deliver at required pace and scale	2	2	3	
Resource	Resource required for procurement and day-to-day running	2	2	3	
	Degree of asset handover	5	5	5	
		44	43	47	134



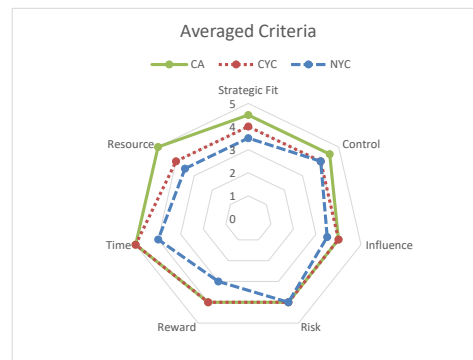
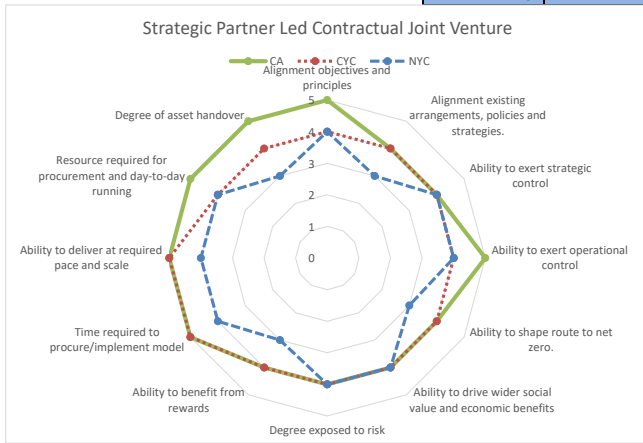
Dual-Track Coventry with Community Energy Fund					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	5	5	5	Incentive for partner will require handover of key anchor projects, appetite and existence of these projects are uncertain.
	Alignment existing arrangements, policies and strategies.	5	5	4	
Control	Ability to exert strategic control	5	4	4	
	Ability to exert operational control	5	4	3	
Influence	Ability to shape route to net zero.	5	5	4	
	Ability to drive wider social value and economic benefits	5	4	4	
Risk	Degree exposed to risk	5	4	4	
Reward	Ability to benefit from rewards	4	4	3	
Time	Time required to procure/implement model	4	4	4	
	Ability to deliver at required pace and scale	5	5	4	
Resource	Resource required for procurement and day-to-day running	4	4	4	
	Degree of asset handover	5	4	3	
		57	52	46	155



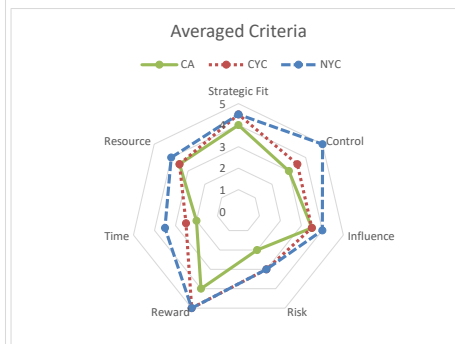
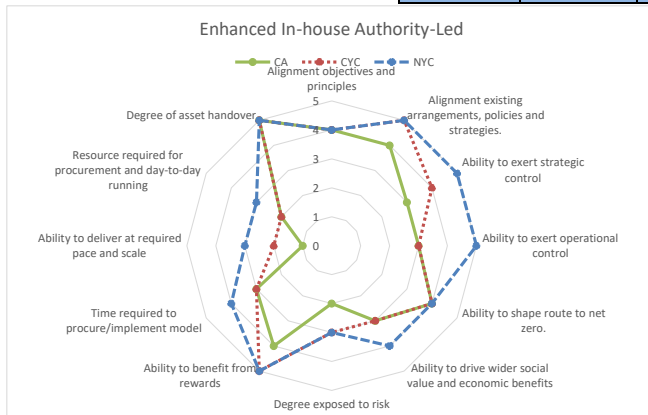
Combined In-House (Shortlist)					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	
	Alignment existing arrangements, policies and strategies.	5	4	4	
Control	Ability to exert strategic control	5	4	4	
	Ability to exert operational control	3	4	5	
Influence	Ability to shape route to net zero.	5	4	4	
	Ability to drive wider social value and economic benefits	4	4	4	
Risk	Degree exposed to risk	4	3	3	
Reward	Ability to benefit from rewards	3	3	3	
Time	Time required to procure/implement model	4	4	4	
	Ability to deliver at required pace and scale	3	3	3	
Resource	Resource required for procurement and day-to-day running	2	2	3	
	Degree of asset handover	5	5	5	
		47	44	46	137



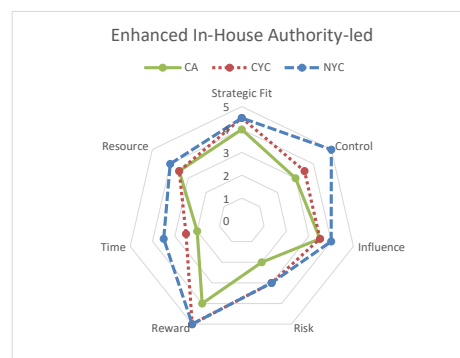
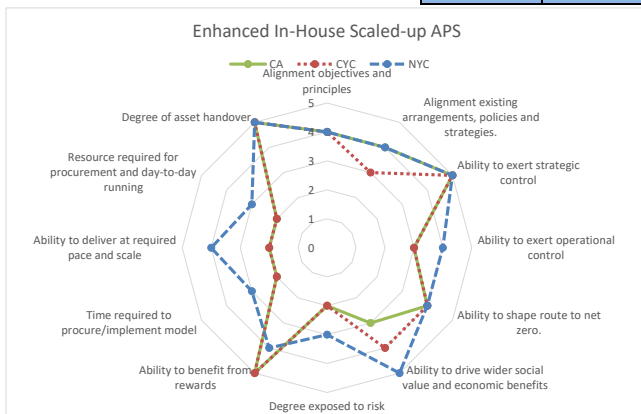
Strategic Partner Led Contractual Joint Venture (Coventry)					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation Potential balance of reward and control to partner, understanding there is flexibility but anchor projects will require handover to partner to incentive partnership.
Strategic Fit	Alignment objectives and principles	5	4	4	
	Alignment existing arrangements, policies and strategies.	4	4	3	
Control	Ability to exert strategic control	4	4	4	
	Ability to exert operational control	5	4	4	
Influence	Ability to shape route to net zero.	4	4	3	
	Ability to drive wider social value and economic benefits	4	4	4	
Risk	Degree exposed to risk	4	4	4	
	Ability to benefit from rewards	4	4	3	
Time	Time required to procure/implement model	5	5	4	
	Ability to deliver at required pace and scale	5	5	4	
Resource	Resource required for procurement and day-to-day running	5	4	4	
	Degree of asset handover	5	4	3	
		54	50	44	



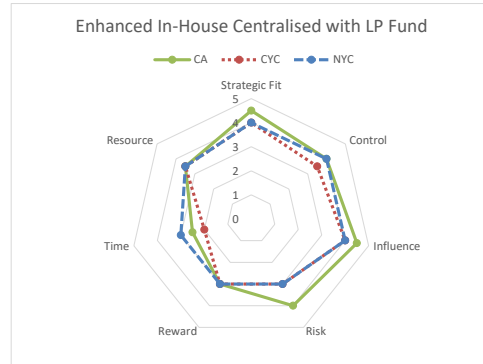
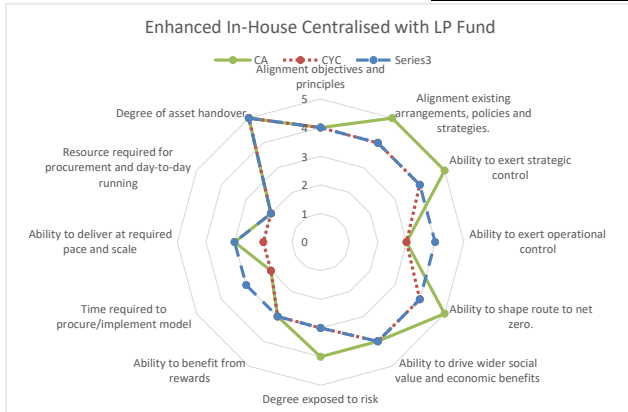
Enhanced In-house Authority-led					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	Little pace of delivery, resources required are significant.
	Alignment existing arrangements, policies and strategies.	4	5	5	
Control	Ability to exert strategic control	3	4	5	
	Ability to exert operational control	3	3	5	
Influence	Ability to shape route to net zero.	4	4	4	
	Ability to drive wider social value and economic benefits	3	3	4	
Risk	Degree exposed to risk	2	3	3	
Reward	Ability to benefit from rewards	4	5	5	
Time	Time required to procure/implement model	3	3	4	
	Ability to deliver at required pace and scale	1	2	3	
Resource	Resource required for procurement and day-to-day running	2	2	3	
	Degree of asset handover	5	5	5	
		38	43	50	



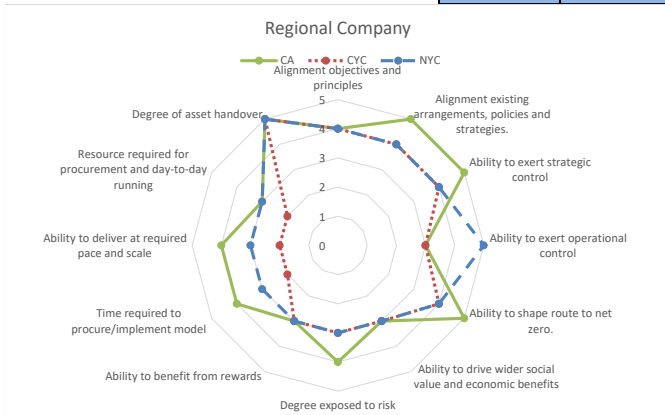
Enhanced In-house Scaled-up APS					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	Resource and time required to set up third arm for all three authorities without impacting BAU of tealcal too time consuming, as well as no financing method. Little advantage to CYC, CA unless growth is exponential.
	Alignment existing arrangements, policies and strategies.	4	3	4	
Control	Ability to exert strategic control	5	5	5	
	Ability to exert operational control	3	3	4	
Influence	Ability to shape route to net zero.	4	4	4	
	Ability to drive wider social value and economic benefits	3	4	5	
Risk	Degree exposed to risk	2	2	3	
Reward	Ability to benefit from rewards	5	5	4	
Time	Time required to procure/implement model	2	2	3	
	Ability to deliver at required pace and scale	2	2	4	
Resource	Resource required for procurement and day-to-day running	2	2	3	
	Degree of asset handover	5	5	5	
		41	41	48	



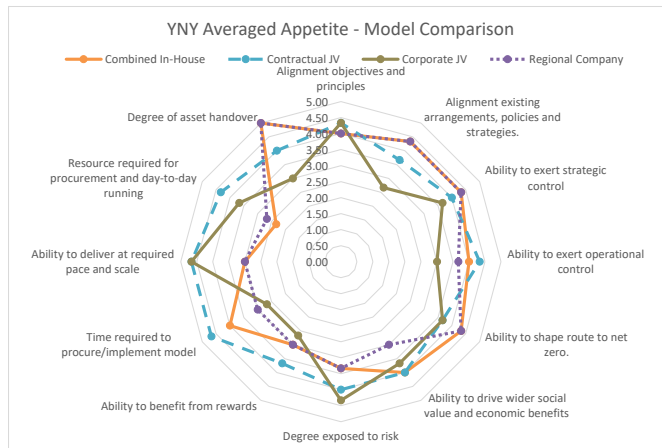
Enhanced In-House Centralised with LP Fund					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation Time taken, and resource required to set up an LP Fund could potentially result in political and finance officer resistance.
Strategic Fit	Alignment objectives and principles	4	4	4	
	Alignment existing arrangements, policies and strategies.	5	4	4	
Control	Ability to exert strategic control	5	4	4	
	Ability to exert operational control	3	3	4	
Influence	Ability to shape route to net zero.	5	4	4	
	Ability to drive wider social value and economic benefits	4	4	4	
Risk	Degree exposed to risk	4	3	3	
Reward	Ability to benefit from rewards	3	3	3	
Time	Time required to procure/implement model	2	2	3	
	Ability to deliver at required pace and scale	3	2	3	
Resource	Resource required for procurement and day-to-day running	2	2	2	
	Degree of asset handover	5	5	5	
		45	40	43	



Regional Company					
	Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	Alignment objectives and principles	4	4	4	
	Alignment existing arrangements, policies and strategies.	5	4	4	
Control	Ability to exert strategic control	5	4	4	
	Ability to exert operational control	3	3	5	
Influence	Ability to shape route to net zero.	5	4	4	
	Ability to drive wider social value and economic benefits	3	3	3	
Risk	Degree exposed to risk	4	3	3	
Reward	Ability to benefit from rewards	3	3	3	
Time	Time required to procure/implement model	4	2	3	
	Ability to deliver at required pace and scale	4	2	3	
Resource	Resource required for procurement and day-to-day running	3	2	3	
	Degree of asset handover	5	5	5	
		48	39	44	



Averaged Comparison Models					
	Criteria	Combined In-House	Contractual JV	Corporate JV	Regional Company
Strategic Fit	Alignment objectives and principles	4.00	4.33	4.33	4.00
	Alignment existing arrangements, policies and	4.33	3.67	2.67	4.33
Control	Ability to exert strategic control	4.33	4.00	3.67	4.33
	Ability to exert operational control	4.00	4.33	3.00	3.67
Influence	Ability to shape route to net zero.	4.33	3.67	3.67	4.33
	Ability to drive wider social value and economic	4.00	4.00	3.67	3.00
Risk	Degree exposed to risk	3.33	4.00	4.33	3.33
Reward	Ability to benefit from rewards	3.00	3.67	2.67	3.00
Time	Time required to procure/implement model	4.00	4.67	2.67	3.00
	Ability to deliver at required pace and scale	3.00	4.67	4.67	3.00
Resource	Resource required for procurement and day-to-day running	2.33	4.33	3.67	2.67
	Degree of asset handover	5.00	4.00	3.00	5.00



Strategic Partner Led Incorporated Joint Venture (Bristol City Leap)

Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4	3.5	3	Exclusivity rights causing decreased reward for YNY authorities, lack of control of assets, and prolonged procurement.
Control	3.5	4	2.5	
Influence	4	4	3	
Risk	5	4	4	
Reward	3	3	2	
Time	4	3.5	3.5	
Resource	4	3.5	2.5	

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Strategic Partner Led Incorporated JV

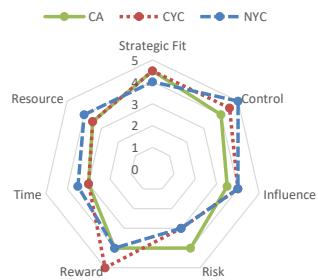


Authority-Led Framework

Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4.5	4.5	4	Significant financial and FTE resource to implement, manage, and fund.
Control	4	4.5	5	
Influence	3.5	4	4	
Risk	4	3	3	
Reward	4	5	4	
Time	3	3	3.5	
Resource	3.5	3.5	4	

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Authority-Led Framework



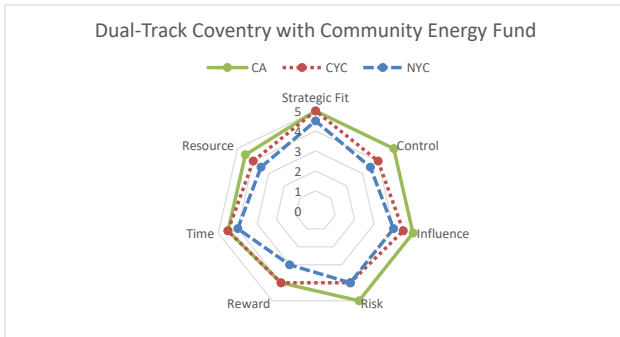
Enhanced In-House Centralised				
Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4	4	4	Significant resource to implement, manage, and fund as well as project-by-project scenarios causing delivery at slow pace.
Control	4	4	4.5	
Influence	4	4	4	
Risk	3	3	4	
Reward	4	3	3	
Time	3	3	3.5	
Resource	3.5	3.5	4	

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Dual-Track Coventry with Community Energy Fund				
Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	5	5	4.5	Incentive for partner will require handover of key anchor projects, appetite and existence of these projects are uncertain.
Control	5	4	3.5	
Influence	5	4.5	4	
Risk	5	4	4	
Reward	4	4	3	
Time	4.5	4.5	4	
Resource	4.5	4	3.5	

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Combined In-House (Shortlist)				
Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4.5	4	4	
Control	4	4	4.5	
Influence	4.5	4	4	
Risk	4	3	3	
Reward	3	3	3	
Time	3.5	3.5	3.5	
Resource	3.5	3.5	4	

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Strategic Partner Led Contractual Joint Venture (Coventry)				
Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4.5	4	3.5	Potential balance of reward and control to partner, understanding there is flexibility but anchor projects will require handover to partnerto incentive partnership.
Control	4.5	4	4	
Influence	4	4	3.5	
Risk	4	4	4	
Reward	4	4	3	
Time	5	5	4	
Resource	5	4	3.5	

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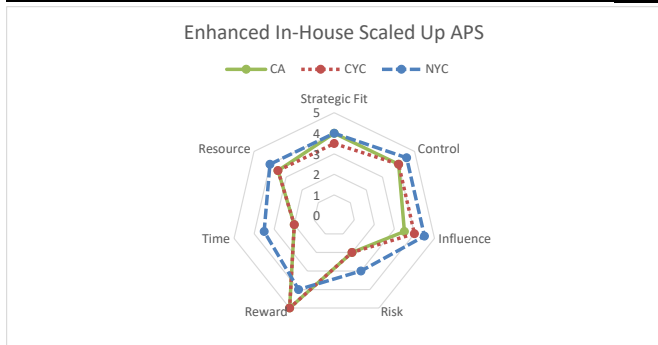
Enhanced In-House Authority Led				
Criteria	CA	CYC	NYC	Barriers to Successful Implementation
Strategic Fit	4	4.5	4.5	Business as usual - no change, no pace of delivery, resources required are significant.
Control	3	3.5	5	
Influence	3.5	3.5	4	
Risk	2	3	3	
Reward	4	5	5	
Time	2	2.5	3.5	
Resource	3.5	3.5	4	

131



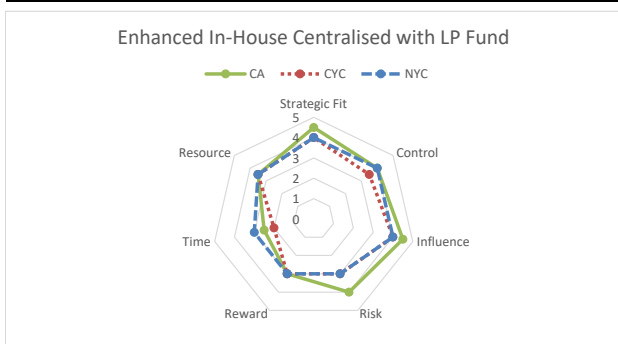
Enhanced In-House Scaled Up APS				Barriers to Successful Implementation Resource and time required to set up third arm for all three authorities without impacting BAU of teckal too time consuming, as well as no financing method. Little advantage to CYC, CA unless growth is exponential.
Criteria	CA	CYC	NYC	
Strategic Fit	4	3.5	4	
Control	4	4	4.5	
Influence	3.5	4	4.5	
Risk	2	2	3	
Reward	5	5	4	
Time	2	2	3.5	
Resource	3.5	3.5	4	

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Dual-Track Coventry with Community Energy Fund				Barriers to Successful Implementation Time taken, and resource required to set up an LP Fund could potentially result in political and finance officer resistance.
Criteria	CA	CYC	NYC	
Strategic Fit	4.5	4	4	
Control	4	3.5	4	
Influence	4.5	4	4	
Risk	4	3	3	
Reward	3	3	3	
Time	2.5	2	3	
Resource	3.5	3.5	3.5	

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Regional Company				Barriers to Successful Implementation
Criteria	CA	CYC	NYC	
Strategic Fit	4.5	4	4	
Control	4	3.5	4.5	
Influence	4	3.5	3.5	
Risk	4	3	3	
Reward	3	3	3	
Time	4	2	3	
Resource	4	3.5	4	

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Strategic Partner Led Incorporated Joint Venture (Bristol City Leap model)

NYC authorizes and strategic partner enters into a concession agreement where some degree of right to operate on public assets or services is passed to the strategic partner for a specified period. The strategic partner takes a lead role in originating and developing projects and is responsible for funding and managing the risks associated with originating and commercialising projects. The authorities contribute (financially or non-financially) but not necessarily in the same proportion as the Strategic Partner.

Assessment Criteria	Weighting (1-10, where 1 is most important)	Delivery Option		CA Acceptability		CVC Acceptability		NYC Acceptability		CA Acceptability	CVC Acceptability	NYC Acceptability	Total Criteria Level Score	
		Comments	Summary	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score	Score	Score		
Strategic Fit	Alignment with the Strategic Energy Partnership objectives and principles. Potential to be valued industrially in detailed options appraisal?	<ul style="list-style-type: none"> Ability to leverage the combined experience and resources of both the public and private sectors. Private expertise will allow the exploration of innovation opportunities with lower level of risk relative to public sector risk. Private funding de-risks project development for the public sector. The inclusion of the strategic partner could potentially allow for widespread delivery and the maximisation of projects at economies of scale. Risk-based principles could be lost to private partner priorities unless explicitly mentioned and reinforced in KPIs and governance structures - the tender can be structured so as to include these requirements. In order to leverage the additional benefits of a City Leap model, the level of opportunity needs to be sufficient. 	Key features: Leveraging the experience and resources of the private sector for innovation, widespread delivery and economies of scale. A large/medium-sized private partner may have limited regional insight, but this can be offset by an appropriately reduced client team and requirements to work with the local supply chain, local community groups and local partners.	High	5	Fewer political restrictions, important to have a partner that delivers on objectives.	4	Agreed on the principles and objectives alongside CA and NYC. However, due to unique characteristics of this as a City Leap, regional knowledge would potentially be preferred.	4	Agreed on the principles and objectives alongside CA and NYC. However, due to unique characteristics of this as a City Leap, regional knowledge would potentially be preferred.	5	4	4	13
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> Alignment varies with level of influence and control in contract. NY can consider excluding certain projects/assets from the Concession Scope. Alignment with key existing arrangements are as follows: AP5 could play several roles, either remaining separate from the strategic partner and continue to deliver on business as usual for NYC using a direct contractual split. Or the Strategic Partner works alongside AP5, using AP5 as a delivery mechanism and local partner in the region. (Example: In City Leap Concession All projects proposed must align with BCC policies/strategies and be consistent with existing contracting arrangements or they are not approved through BCC governance routes. All pre-existing contracts were carried out in concession scope.) 	Key features: Scope of projects to include in the SP can vary with contractual arrangements. Alignment of AP5 with a private partner will require consideration and depending on the role may require scaling up additional investment.	Moderate (depends on contract detail and scope of partner)	3	Mayor highly aligned to strategic objectives of Resilience, and cobenefits of the partnership e.g. warmer homes. Concession agreement may reduce ability for CA to implement existing strategies and policies, especially when changing or new (e.g. growth plans). CA currently has no existing arrangements as a new organisation.	3	Would ideally align directly with CVC strategic ambitions and policies. CVC may therefore seek greater control over project origination. CVC would need to ensure the delivery aligns with CVC strategy (housing, EV infrastructure, although this may vary between service areas. More exploration required. Some of the contracts may complicate the delivery mechanism and potential ROI for SP but limited in number/scale.	2	Clarity that concession agreement would impact AP5 due to first right of refusal conformity with the tender, potentially reducing AP5 delivery and expansion, predict political and officer challenge. Large contracts would impact housing over rights.	3	3	2	8
Control	Ability for NYC to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> The model can provide various levels of control. It is envisaged that within this model the strategic partner will take the lead on project origination and development, and NYC would have equal control regarding strategic direction, final investment decisions, and decision making (NYC contribution (i.e. use of assets). A robust regional governance structure founded upon common strategic objectives is critical to ensure strategic control is high. The structure must be resilient to changes in government and political authority decision throughout the Partnership term. The Partnership Governance Board (equal representation from CVC, NYC and CA) will be the decision making body on behalf of NYC. This board will be responsible for the approval of business plans, final investment decisions and project proposals which require involvement of NYC assets/investments. 	Key features: Subject to contract conditions, the strategic partner will take the lead on project origination and development, and NYC would have equal control regarding strategic direction, final investment decisions, and decision making (NYC contribution through Partnership Governance Board).	High (can vary dependent on contract / governance details)	4	High strategic control necessary as a combined authority. Need to demonstrate delivery of key regional strategies e.g. Resilience, growth plans, etc.	4	Direct planning restrictions due to historic/listed buildings - may therefore seek greater control over project origination. CVC would need to ensure the delivery aligns with CVC strategy (housing, EV infrastructure).	3	This a preference for greater strategic control, no desire to handover assets and control. Requires more exploration.	4	4	3	11
	Ability for NYC to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> The operational team is exclusively made up from resources from the strategic partner (AP5 role not considered). The operational team is closely supported by NYE Client Function, demonstrating and promoting regional excellence and leadership and governance. While NYC does retain a significant role, the Strategic Partner's lead will result in NYC having less operational control, and therefore less control over project decisions made by the SP and priorities in terms of where to invest resources. 	Key features: The operational team is exclusively made up from resources from the strategic partner (AP5 role not considered). Operational team is closely supported by NYE Client Function.	Low (can vary on project basis if required)	3	Operational control less necessary - CA to operate on a more strategic, region-wide level.	4	Potentially more flexibility here in favour of increased delivery, although CVC has a growing project pipeline, may prefer greater control over which projects are taken forward and when.	2	Has a preference for greater control on operational level but has to adapt to delivery as a result of delivery for a wide range of service areas. Potential flexibility in less operational control in service areas that are not as well equipped etc.	3	4	2	9
Influence	Ability for NYC to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> NYC can maintain strategic oversight and influence at portfolio level. NYC would have predominant control over project origination however projects can be originated from SP or from the CA. However, project development would follow a set Gateway Process and Project Acceptance Criteria. Other partner (private or Authority) can submit project proposals to the Operations Team (including Client Function) for review. If approved, the Operations Team will progress the project proposal according to the process. CA and constituent authorities retain a right to invest in and fund projects if they wish to do so (e.g. to ensure they are funded), but are not required to do so. 	Key features: NYC have strategic oversight of portfolio level. SP will have predominant control over project origination. However, project development would follow a set Gateway Process and Project Acceptance Criteria. Other partner (private or Authority) can submit project proposals to the Operations Team (including Client Function) for review. If approved, the Operations Team will progress the project proposal according to the process.	High	4	CA would prefer strong strategic influence over the nature of projects delivered in order to deliver on regional strategies, objectives of Resilience, Mayor's priorities for communities.	4	Would potentially want greater influence. CVC has ambitious net zero targets - would they want more control over how these are delivered?	3	NYC has ambitious net zero targets and want control how these will be delivered, ensuring projects meet local strategic vision.	4	4	3	11
	Ability for NYC to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> The partnership design can be structured to meet KPIs and requirements to support broader co-benefits, to encourage the Partner to pursue and structure projects in a way that does not solely focus on optimal financial returns. This must occur at the partnership/organisation/contract design phase and must be carefully designed to avoid SP 'cherry-picking' the most and most lucrative projects at the expense of driving social value and community benefit. Specific social value KPIs can help drive this, but should be designed to ensure true social value delivered and not simply box-ticking. 	Key features: The partnership can be carefully designed at the contract phase for the SP to meet social value KPIs, with requirements to support broader co-benefits. Extent to which NYC can drive influence will be when in the right place (scope of negotiation). High focus on social value but lacking a robust strategy. 10 social value is recognised as a priority of need to be met and managed successfully through a partnership.	High	4	As above. Need security that SP can deliver on long term social value goals.	4	CVC would likely want to ensure that the social benefits contractual delivery and KPIs are not structured to align with social value ambitions of each authority and any differences between them.	3	Social value importance to NYC, differences in benefits need to be adapted to delivery as a result of delivery for a wide range of service areas. This scenario has potential to produce widespread social value but unclear whether in the right place (scope of negotiation). High focus on social value but lacking a robust strategy. 10 social value is recognised as a priority of need to be met and managed successfully through a partnership.	4	4	3	11
Risk	The degree to which the Authority / NYC is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> Overarching principle is that risk, reward, and contributions are to be shared by the Strategic Partner. For specific projects funded by the authority, level of risk, reward, and contribution will be identified as a project by project basis. For specific projects funded by SP, authority has opportunity to contribute if wishes to do so, which case authority would assign a level of risk and reward (level of risk on case by case basis). However, the majority of risk around the operation of the partnership and project origination e.g. alternative costs on failed project proposals, will be transferred to the private partner. 	Key features: Identified on a project by project basis, but the majority of risk around the operation of the partnership and project origination can be transferred to the private partner.	Low	5	CA comfortable with levels of risk - would maybe take on more for sake of achieving strategic vision?	4	If CVC already takes on risks in 'business as usual' would they prefer to have that risk offset to SP willing to forgo potential rewards?	4	Assumption that NYC already takes on a certain level of risk with existence of a low social comparison. So would be comfortable taking on risk or would prefer someone else taking on risk?	5	4	4	13
	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> Through the transfer of project risk to the strategic partner, the authority may also transfer levels of financial reward for a successful project. Some of this may be reinvested back into the project or other projects by the SP, but will also support the profitability of the business and its shareholders. KPIs and commitments developed at the outset of the agreement may also determine this, i.e. a condition to deliver projects with limited profitability but with high social value returns. As part of transferring concession it is possible to ensure a return of rewards from the SP overall e.g. by including a payment mechanism to the authority - success of this will depend on quality of offer and ability to maintain competitive tender. 	Key features: SP will have expectation of financial benefit. Project return will be transferred away from NYC along with project risk. Fundamentally NYC benefits will be increased delivery of decarbonisation projects, and social value through KPI commitments.	Moderate	3	CA has access to new government finance streams, may have more scope for financial innovation than local authorities. Project priority to the delivery of non-financial rewards - i.e. social, environmental.	3	Would either see direct financial benefits reinvested back into reward.	2	Little interest in this scenario as financial benefits from high property prices for delivery are already going back into council/parks/transport services. This could change depending on scale of reward achieved by partnership i.e. larger projects providing greater reward over and above current services.	3	3	2	8
Time	Time required to design, develop and procure/implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> NYC needs a complex and time-consuming procurement and implementation process, which will need to be supported by an appropriate level of staff resources. However, efficiencies can be gained by applying lessons learnt from similar procurements by Bristol and Coventry City Councils. BCC procurement took 12-18 months (due to extensive negotiation of the tender documents as it was the first time a structure of this nature was established, with a subsequent mobilisation period of 9 months (note that BCC reflected that this was not enough time for mobilisation due to focus on the heat network sale during this period and resulted in delays to V1 delivery plan). Utilisation of knowledge and document from first movers can make the process more streamlined. The capacity of the programme team during this time was severely limited, therefore, significant team resources are required for successful procurement. 	Key features: Complex and time-consuming procurement process. BCC took 12-18 months, plus 9 month mobilisation phase. Significant internal resources required to facilitate procurement process.	Very High	3	Possible political pressure to implement first model sooner/demonstrate progress and delivery?	2	May face political and strategic resistance with timeline for procurement as would require within political cycles, would be to use delivery (see below). 2.5 year plan procurement and mobilisation phase would have less than 2 years before CVC's 2030 net zero target.	3	2.5 year also procurement and mobilisation would have less than 2 years before NYC's operational net zero target of 2030.	3	2	3	8
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> Utilisation of an experienced commercial scale delivery partner with significant experience and resources. Advantage of a separate private partner around legal procurement barriers in public sector - i.e. America were able to procure on behalf of BCC when barriers in buying community energy. 	Key features: Advantages of experienced commercial scale delivery partner with significant experience and resources. Separate legal entity that can assist with public sector barriers e.g. procurement regulations.	High (once in operation it will increase over time)	5	One of the key strategic priorities for the CA.	5	CVC has most ambitious net zero targets, more developed picture of available assets, keen to speed up delivery.	4	NYC's project pipeline is underdeveloped compared to CVC. This scenario could promote increased pace of project origination and development.	5	5	4	14
Resource	Resource required from the Authority / NYC for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> One-off investment for the procurement will be dependent on process details and external support but maximum would likely be c. £0.5m-£2.0m. Recurring investment of a senior representative from each Authority (time commitment varies depending on design of governance arrangements, likely high if influence and control is high). Client Function would require recurring investment, on the assumption that NYC plays active supporting role c. 10 FTEs from all 3 authorities (Could be from existing FTEs or FTEs). Having supporting functions would need to be provided. However, there is not a significant resource requirement to support the origination and development of projects, as this is led by the strategic partner (Strategic Client Assurance team is too small in people), 10 people would be more than sufficient. What is more important is buy-in from service areas where projects are within their remit. 	Key features: Extensive legal and other procurement costs likely £0.5m-£2.0m. Commitment of senior representatives for governance board. Recurring investment required for client function from each authority (c. 10 FTEs each). Resources for project origination, development, and operation will be SP-led.	Moderate	4	This is uncharted territory in terms of resourcing going forward - it is not impossible this level of resource could be funded through CA.	4	Benefits of SP funding project origination and development - capacity for client function? Political appetite for expensive procurement? Support for client function but not necessarily for delivery.	3	Benefits of SP funding project origination and development - capacity for client function? Political appetite for expensive procurement? Support for client function but not necessarily for delivery.	4	4	3	11
	The degree of asset handed over by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> The inclusion of some form of exclusivity (e.g. first right of refusal) across a significant amount of NYE asset base and pipeline opportunities is likely. Following the BCC model, asset ownership is linked to project funding and the strategic partner would own any infrastructure constructed by them on authority assets (unless under SPV finance arrangements that financing entity takes a charge over the assets). BCC did not set off any tender for building assets. Some energy infrastructure was transferred e.g. the heat network). SP do not have absolute right to build and can enter into a leasing or licensing agreement to construct on authority land. (Example, when reviewing VFM of a project, BCC uses into account the amount of any rent to be paid in relation to the project). For projects funded by BCC in building assets there is no lease arrangement and the assets installed belong to BCC, however a licence to access the estate is granted for the duration of the works as is standard under a construction contract. 	Key features: SP will have first right of refusal for projects developed on NYE assets. Asset ownership linked to project funding. SP would own all infrastructure funded and constructed. BCC did not set off land and building assets, organised leasing and licensing agreements with SP.	High	4	Not preferred, but CA has less in the way of assets to begin with.	3	More flexible to different asset arrangements, in order to accelerate project funding and delivery.	2	Not preferred, indicated a hesitation for exclusivity arrangements and this kind of commitment. Perhaps some interest in CA having leasing rights (V)?	4	3	2	9
Total Model Score (Max 60%)											47	46	35	126

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
Moderate	In reference to the corresponding assessment criteria the scenario has a moderate level of the ability/requirement of that criteria.
High	In reference to the corresponding assessment criteria the scenario has a high level of the ability/requirement of that criteria.
Very High	In reference to the corresponding assessment criteria the scenario has a very high level of the ability/requirement of that criteria.
Variable	In reference to the corresponding assessment criteria the scenario level of the ability/requirement of that criteria can vary dependent on contract details/decision making.

Rank	Description
1	Unacceptable scenario, this is a red line.
2	May face resistance politically or strategically (little acceptability) for this scenario, but not impossible.
3	No preference for this scenario, requires further exploration to make decision.
4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

		Strategic Partner Led - Contractual (Coventry Model)		CA Acceptability		CYC Acceptability		NYC Acceptability		CA Acceptability		CYC Acceptability		NYC Acceptability		Total Criteria Level			
		Comments	Summary	Rating of Criteria	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score	Score	Score	Score	Score	Score			
Strategic Fit	Alignment with the Strategic Energy Partnership objectives and principles. Potential to be ranked individually in detailed options appraisal*	<ul style="list-style-type: none"> Ability to leverage the combined experience and resources of both the public and private sectors. Private expertise allow the exploration of innovation opportunities with lower level of risk relative to public sector risk. The inclusion of the strategic partner could potentially allow for regional delivery and the maximisation of projects at economies of scale. Place based principles could be lost to private partner priorities unless explicitly maintained and reinforced through partnership objectives and governance structure. Contractual nature of Agreement with private partner could allow greater flexibility than a conventional agreement where there the usual consideration will have to be given to maintaining leases granting a concessionary partner necessary land rights. 	Key features: Leveraging the experience and resources of the private sector for innovation, widespread delivery, and economies of scale. A large/multi-national private partner may have limited regional insight.	High	5	Less political resistance, important to have a partner that delivers on objectives.	4	Agreed on the principles and objectives alongside CA and CYC. However, due to unique characteristics of risk as a LTA, this regional knowledge would potentially be preferred.	4	Agreed on the principles and objectives alongside CA and CYC. However, due to unique characteristics in regional geography, place based structures that adjust to specific challenges and benefits of place would be preferred.	5	4	4	4	4	11			
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> Agreement aligns with level of influence and control in contract. YNY can consider excluding certain projects/assets from the SEP Scope. Agreement with key existing arrangements are in place. YNY could play a more active role in other remaining projects from the strategic partner and continue to deliver on business as usual for YNY covering a clear contractual split. Or the Strategic Partner could manage APS using APS as a delivery mechanism and trusted partner in the region. Further alignment with existing arrangements can also be achieved through the contractual arrangement of this partnership model. An example of this is in practice in that OPA in Coventry has control of some projects, yet the internal council team delivers some projects internally. For YNY there is potential to explore the detail of such an arrangement and apply it to our contract with flexibility. 	Key features: The contractual model has greater flexibility and therefore existing arrangements can be included outside of project scope. Projects can be developed in-house and delivered outside of partnership, e.g. by APS. This will require further consideration.	High	4	Major high aligned to strategic objectives of Resilience, and community has no existing arrangements as a new organisation.	3	Clear that existing arrangements can be used at full capacity whilst putting on contract for operations. Flexibility of Coventry partnership allow for negotiation on case by case basis but may face negotiation from partner.	3	Flexibility of contractual model can allow for considerations of APS delivery. But first right of refusal of APS could be issue for YNY and partner negotiations.	4	4	3	3	3	11			
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> A partnership arrangement is entered into with a private sector partner via a contractual joint venture arrangement, either via the establishment of a corporate vehicle or contractually (more likely), with YNY able to set up on a project level basis. Within the contract there is much higher likelihood of competing or conflicting objectives between the joint venture parties and therefore arrangements for matters such as decision making and funding will need to be carefully considered in the contractual agreement. The Contractual Joint Venture Board, with equal representation from the LA and the SEP, would include strategic governance and discussion around specific projects and programmes within governance processes. Any projects are identified as potential investment opportunities for the council, these are taken to Cabinet or Full Councils as appropriate on a case by case basis, where such decisions to require under the Council's constitution. Where Council Funding or Grant funding has been required for projects that are already in progress, this has been subject to further governance as required by the Council's Constitution on a case-by-case basis. 	Key features: Strategic control will be shared with the private partner, through equal representation on a governance board. Clear sets of requirements and objectives for the partnership can be incorporated at the outset of the partnership to ensure overall strategic alignment.	High (can vary dependent on contract / governance details)	4	High strategic control necessary in a combined authority. Need to demonstrate delivery of strategic objectives e.g. Resilience, growth plans, etc.	4	Case by case approach through contractual arrangements is sufficient control. Sufficient governance approach, possible can be less control on board as YNY takes 50%.	4	Case by case approach through contractual arrangements is sufficient control. Sufficient governance approach, possible can be less control on board as YNY takes 50%.	4	4	4	4	4	12			
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> Coventry Council and E CH work together in partnership to develop design and projects for the benefit of Coventry residents and develop a regional strategic plan for decarbonisation. Operational control is a joint, collaborative process. YNY will therefore need to share control over the partnership with the SEP. However, business models, including levels of control and investment, can be determined on a project by project basis based on the best outcomes for those involved. 	Key features: Project origination and delivery, and day-to-day operation, are conducted collaboratively with the SEP. Levels of control and investment can be determined on a project by project basis.	Moderate	5	Preferred by CA as capacity for delivery is reduced. YNY flexibility in control on a case by case basis. Appropriate from CA has multi-year contract with flexible control that perhaps differs over the years.	4	Flexibility in control on case-by-case is desirable as impact to residents will need more control.	4	NYC can keep considerable amount of control on case by case basis, but have demonstrated a desire for more control, potential can be that the SP would not play large role due to lack of flexibility from NYC?	5	4	4	4	4	13			
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> The partnership can be established in a way that allows flexibility in those projects are funded and delivered. Funding is expected to include government grants, investment from partnership, public and private sector partners, revenue from electricity sold to other local buildings or to the grid. What is important is that the funding strategy is aligned with mix of public and private funding which creates a viable and sustainable business model for the partnership. There could also be opportunities to work with additional partners or investors on scheme. The long term plan for the contract can also be aligned with regional goals and plans, and community benefits. The SEP will work collaboratively with YNY to develop the project pipeline, with YNY providing the input on decarbonisation efforts and the types of projects delivered. The types of business models appropriate for each project are expected to be shared and will be determined on a project by project basis to best fit the project's needs and facilitate the best outcome for Coventry and the stakeholders impacted by the project. 	Key features: Project pipeline is designed in collaboration with SEP. YNY will have influence over details of which projects are brought forward and how they are delivered. However, SEP will have similar levels of influence and therefore their own needs will impact the type of net zero project delivery.	High	4	CA would prefer strong strategic influence over the nature of projects delivered in order to deliver on regional strategies, objectives of Resilience, Mayoral priorities for communities.	4	Preference for strong strategic influence. SEP control will come from contract. Advantage for both to provide project origination.	3	Additional capacity in developing project pipeline is desirable but capacity for control on the creation and final rewards NYC would want share. Case by case would need to be explored.	4	4	3	3	3	11			
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> Influence to drive social value and wider benefits is dependent on the contractual agreement and strategic objectives, this requires strong mutual commitment to create a robust social value mechanism and trust building measures. These requirements must be incorporated into the objectives of the delivery model during the procurement phase, to ensure alignment with goals of private partner. (Example, Coventry model is designed around specific community benefit objectives and the goal of maximising local social value through decarbonisation projects. However, this is with an SEP that is locally based (E CH in Coventry for SEP), directly an employer for the area, and has a vested regional interest in supporting the local community.) 	Key features: Will be determined by the SEP's social value goals and vested interest in the region (locally that the Coventry level of social value engagement can be replicated in YNY in same scale. YNY levels of control and influence on project origination can help drive social value and economic benefits.	High (can vary dependent on contract / governance details)	4	regional/city communities to be engaged properly can be included in contract.	4	Don't want to achieve net zero at any cost - don't want accountability.	4	Social value not primary driving factor but ability to make private partner accountable is desirable. Social value policy in creation - will determine importance?	4	4	4	4	4	12			
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> Risk, reward, and contribution will be defined on a project by project basis. Risk is shared more equally between the authority and private partner, and risk around funding and project delivery and construction can be transferred to the private partner. However, as project origination and pipeline development are shared between the authority and private partner, YNY will potentially face more risk around failed project development (variable by project). regulatory risk than the BCL incorporated by model. (Example, Coventry faced primary risk is the absorption of projects at any stage due to acceptance criteria not being met, mitigated by gateway process that demonstrated other strategies other criteria. LTA bear greater development risk. Project risks will be project specific). 	Key features: Identified on a project by project basis, but the majority of risk around the operation of the partnership and project delivery can be transferred to the private partner. Risk for failed project origination is higher for YNY due to contractual style of model.	Moderate (Variable by Project)	4	CA comfortable with levels of risk - would make take on more for sake of achieving strategic vision?	4	Happy with level of risk on case by case basis. Flexibility key.	4	Happy with level of risk on case by case basis. Flexibility key.	4	4	4	4	4	12			
	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> A successful partnership would require equality between partners, and the SEP would need appropriate level of financial reward. In reference to the contract and SEP/CH commitments, there may also be a degree of project delivery for social value, without financial return requirements - different commercial options are available for each project. SEP will also expect some degree of infrastructure ownership or exclusivity, especially if they originated the project or have invested in an innovative technology (e.g. ammonia). Financial return above SEP expected rate of return goes into reinvesting fund structure. 	Key features: SP will have expectation of financial benefits. Project reward will be transferred away from YNY along with project risk. Predominant YNY benefits will be increased delivery of decarbonisation projects, and social value through KPI commitments. Excess profits may be reinvested back into partnership.	Moderate (variable)	4	Case by case basis on decisions desirable for reward, CA not as reliant on financial reward, more interested in strategic vision and delivery.	4	Case by case basis on decisions desirable for reward, CYC would like to retain as much reward as possible. Likely not possible in partnership as some anchor projects are likely to be required to support partnership.	3	Case by case basis on decisions desirable for reward, NYC would like to retain as much reward as possible. Likely not possible in partnership as some anchor projects are likely to be required to support partnership.	4	4	3	3	11				
Time	Time required to design, develop and procure/implement the strategic delivery model to a contract signing.	<ul style="list-style-type: none"> The Coventry model took around 6 months to procure. Due to its flexibility, this model offers a fast tracked process that allows an SEP to be signed quickly, and the details of the partnership and project pipeline to then be developed to utilised the SEP. However, there may be increased time required in the YNY design and procurement process due to the three authority structure, which may lengthen the process due to variables in legal, governance, and asset base requirements. 	Key features: Shorter procurement process in Coventry model as SEP is procured at high level with further development as partnership progresses. This may take longer due to YNY having three authorities with own requirements, governance and assets. Speed of procurement may also delay project delivery as actual scope/project pipeline is negotiated.	Low	5	Should benefit from quicker route to procurement and delivery.	5	Political pressure to fast project delivered within political cycle. Benefit from delivery of faster pass.	4	Happy with procurement length around 12-18 month.	5	5	4	4	4	14			
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> Most likely the contractual arrangement will be longer term (e.g. much longer), allowing for natural design to deliver long term benefits and financing. Flexible delivery model can adapt to future changes and risks in delivery, as well as promote projects at different scales. 	Key features: Private sector partner and collaborative pipeline development can use accelerated speed and scope of project development and delivery beyond current in-house capacity.	Very High	5	Key strategic need for the CA due to risk making and collaboration regionally.	5	Desire to deliver quickly, business as usual will occur but private partnership would be beneficial.	4	Not major priority to perform at increased pace and scale on speed is sufficient, ability to develop pipeline is desirable.	5	5	4	4	4	14			
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> Resources for procurement would be lower in complexity and cost (than BCL/concessionary model) due to contractual nature and shorter procurement processes. However, would still require significant legal, procurement, and financial in-house resource requirements. A smaller in-house team for day-to-day management would be required, potentially contracted, with the potential for the SEP to provide the majority of staff. The contractual model also has greater flexibility on levels of investment for each project, YNY could choose how much they want to invest into each project, and the SEP would control private sector finance to fund higher volume of projects. (Example, in the Coventry model, as in-house delivery team is required within the authority to assist with project origination, development, and delivery in collaboration with the SEP, initially comprising 3.5 FTEs. In Coventry's case, the SEP provided a team of 8 FTEs). 	Key features: SEP required procurement teams, but lower than other models due to complexity and less time required for procurement. In-house delivery team is required within the authority to assist with project origination, development, and delivery. However SEP will provide majority contribution of staff capacity. Flexibility on levels of investment available on a project by project basis.	Low	5	Ideal to take from existing city team if possible. Small team is good due to capacity constraints.	4	Need to take from existing city team if possible. Small team is good due to capacity constraints.	4	Ideal to take from existing city team if possible. Small team is good due to capacity constraints.	5	4	4	4	4	13			
	The degree of asset handover required by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> YNY can determine levels of asset handover on a project by project basis. The model is inherently more flexible than the BCL/concessionary model, readily enabling asset class expansion into limited contractual constraints to widening the partnership parameters. (Example, E CH (Coventry Partner) granted exclusivity over several defined Anchor Projects for a defined period of time, but did not receive exclusivity over all of the authority's land and estate.) 	Key features: SEP granted exclusivity over several defined Anchor Projects for a defined period of time, but model is inherently more flexible than the BCL/concessionary model. YNY can determine levels of asset handover on a project by project basis due to limited contractual constraints on partnership parameters.	Moderate (Variable by Project)	5	Not agreed longer contract and flexibility on case-by-case basis to allow control of assets which require more levels of control as policy and fire.	4	Not agreed longer contract and flexibility on case-by-case basis to allow control of assets which require more levels of control as policy and fire.	3	Case by case basis on decisions desirable but long term contracts for certain projects may be a win and need for more exploration.	5	4	3	3	3	12			
Total Model Score (Max 60%)																54	50	44	58

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
Moderate	In reference to the corresponding assessment criteria the scenario has a moderate level of the ability/requirement of that criteria.
High	In reference to the corresponding assessment criteria the scenario has a high level of the ability/requirement of that criteria.
Very High	In reference to the corresponding assessment criteria the scenario has a very high level of the ability/requirement of that criteria.
Variable	In reference to the corresponding assessment criteria the scenario level of the ability/requirement of that criteria are very dependent on contract details/decision making.

Rank	Description
1	Unacceptable scenario, this is a red line.
2	May face resistance politically or strategically (little acceptability) for this scenario, but not impossible.
3	No preference for this scenario, requires further exploration to make decision.
4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

		Enhanced In-House: Authority-Led													Total Criteria Level Score
Assessment Criteria	Weighting (1-10, where 1 is most important)	Delivery Option			CA Acceptability			CYC Acceptability			NYC Acceptability				
		Comments	Summary	Rating of Criteria	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score	Score	Score		
Strategic fit	Alignment with the Strategic Energy Partnership objectives and principles. Potential to be ranked individually in detailed options appraisal?	<ul style="list-style-type: none"> The extent of innovation, synergies, economies of scale may be limited due to engaging with the private sector on a project-by-project basis. Local teams may be best placed to tailor strategies for local needs. 	<ul style="list-style-type: none"> Key features: Maximising economies of scale is less likely to be achieved due to project-by-project approach, but local teams may be best placed to tailor local strategies. 	High (Variable by project and pace)	4	<ul style="list-style-type: none"> This approach will reduce ability to strategically deliver, reward and achieve wider benefits to the region but could allow for better tailoring of projects to local strategies and place. 	4	<ul style="list-style-type: none"> Allows for better delivery on a smaller scale with internal teams but will not achieve economies of scale. 	4	<ul style="list-style-type: none"> Allows for better delivery on a smaller scale with internal teams but will not achieve economies of scale. 	4	4	4	12	
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> This model enables the authorities to tap into private sector expertise on an 'as needs' basis and may facilitate the adoption of innovative solutions and best practices from various private sector partners. The in-house model is highly compatible with utilising different origination, funding, delivery and ownership mechanisms / models. Providing the authorities with full flexibility to adapt to various project requirements whilst maintaining control and oversight. This would be expected to include the use of private sector support when required (including A&S). 	<ul style="list-style-type: none"> Key features: The authorities have full flexibility to adapt to project requirements, including private sector support when required (easily taking into account all existing arrangements). 	Very High	4	<ul style="list-style-type: none"> Existing policies and strategies can be integrated more fully on case-by-case basis. Less ability to implement regional strategies with separate governance which CA have ambition to do. 	5	<ul style="list-style-type: none"> Ideal that existing arrangements can be used as full capacity whilst pulling on private sector on case-by-case basis (BAU). 	5	<ul style="list-style-type: none"> Ideal that existing arrangements can be used as full capacity whilst pulling on private sector on case-by-case basis (BAU). 	4	5	5	14	
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> The three authorities retain full control, acting as the sole decision-making body, private sector role is limited to execution as and when required through contracting and investment into individual projects, with little to no strategic input. This model maintains the current state of governance arrangements and operations, where each authority pursues its own strategies and goals. Each authority continues to manage and implement their own net zero strategy and initiatives independently, without a coordinated regional approach or support from a private sector partner. It is expected that teams will collaborate where opportunities are identified. Opportunity for increased agility in decision-making and project implementation without need for consensus from external partners. But this lack of strategic portfolio approach, means there is not firm commitment from the private sector to participate and may result in a lack of market interest. 	<ul style="list-style-type: none"> Key features: The model maintains the current state of governance arrangements and operations, meaning the three authorities retain full control separately, acting as the sole decision-making body. Private sector roles are limited to execution as and when required. 	Very High	3	<ul style="list-style-type: none"> CA would prefer a coordinated strategic approach as there is a need to demonstrate delivery of key regional strategies (e.g. Roadmap, growth plan, etc). BAU control would require more exploration to confirm as appetite for different mechanisms. 	4	<ul style="list-style-type: none"> Prefer this level of control but recognise that challenges in coordinated action can slow delivery. 	5	<ul style="list-style-type: none"> Sole strategic control for North Yorkshire would be preferred as local knowledge from officers is beneficial. Open to BAU control practices. Recognition that governance routes that involve CA are challenging however (potential 4?) 	3	4	5	12	
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> The three authorities retain full control over the day to day management. These authorities to engage the private sector on a project-by-project basis for specialised services, leveraging external expertise while maintaining overall control. The in-house model is highly compatible with utilising difference origination, funding, delivery and ownership mechanisms / models. Providing the authorities with full flexibility to adapt to various project requirements whilst maintaining control and oversight. This would be expected to include the use of private sector support when required (including A&S). Each authority is responsible for its own projects, funding and resource allocation, operating in isolation from the other in their own internal net zero teams. 	<ul style="list-style-type: none"> Key features: The three authorities retain full control over the day-to-day management, allowing for flexibility on a project-by-project basis. 	Very High	3	<ul style="list-style-type: none"> Capacity is small, there is appetite for delivery from Police & Fire but depending on pace of delivery, operational support from private sector would be preferred. 	3	<ul style="list-style-type: none"> Capacity for operational delivery is small but high levels of control desirable but depending on pace of delivery, operational support from private sector would be preferred. 	5	<ul style="list-style-type: none"> NYC indicated a desire for greater control while acknowledging the value of collaborating with the private sector for specialised services. 	3	3	5	11	
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> The authorities retain overall influence and ability to align projects with strategic aims and existing processes, maintaining current accountability ensures that the most appropriate mechanisms and models can be selected and applied to achieve successful project outcomes and advance ambitions. 	<ul style="list-style-type: none"> Key features: The authorities retain overall influence and ability to align projects with strategic aims and existing processes, maintaining current accountability ensures that the most appropriate mechanisms and models can be selected and applied to achieve successful project outcomes and advance ambitions. 	Very High	4	<ul style="list-style-type: none"> CA would prefer strong strategic influence over the nature of projects delivered in order to deliver on regional strategies, objectives of Roadmap, Mayoral priorities for communities. Recognised potential con that private sector cannot originate projects. 	4	<ul style="list-style-type: none"> Preference for high levels of strategic influence to coexist with existing arrangements. Recognised potential con that private sector cannot originate projects. 	4	<ul style="list-style-type: none"> Preference for high levels of strategic influence to coexist with existing arrangements. Recognised potential con that private sector cannot originate projects. 	4	4	4	12	
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> The authorities would take a leading role in partnering with community groups and other public sector stakeholders, which could deliver social and economic benefits at a regional level. However, there is less focus than in a Partnership, where social value could be built into a contract. Social value and economic benefits are expected to be delivered through this model on a project or programme basis. 	<ul style="list-style-type: none"> Key features: Social value and economic benefits expected to be delivered on a project-by-project basis with authorities taking leading role on community engagement. 	High (Variable by project)	3	<ul style="list-style-type: none"> Would prefer leading role in community engagement, but ability to achieve wider social benefit would require more capacity to deliver at a strategic level rather than on case-by-case basis in BAU. For CA this priority is much higher. 	3	<ul style="list-style-type: none"> Would prefer leading role in community engagement, but ability to achieve wider social benefit would require more capacity to deliver at a strategic level rather than on case-by-case basis in BAU. 	4	<ul style="list-style-type: none"> Would prefer leading role in community engagement, but ability to achieve wider social benefit would require more capacity to deliver at a strategic level rather than on case-by-case basis in BAU. 	3	3	4	10	
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> Risk for the overall portfolio is retained by the authorities. While the authorities can transfer risk at a project level, the authorities would bear the risk of not delivering on the overall portfolio. Mitigation of authority exposure to certain risks by allocating risks by the party best placed to manage them. Authorities bear the full risk of project delivery including financial, operational, and reputational risks, which could impact their ability to achieve ambitions. 	<ul style="list-style-type: none"> Key features: While the authorities can transfer risk at a project level, the full authorities would bear the risk of delivering on portfolio level. 	High (Variable by project)	2	<ul style="list-style-type: none"> As responsibility lies with own authority, risk in delivering on few assets is acceptable for the CA (only police & fire). 	3	<ul style="list-style-type: none"> Happy with level of risk on case to case basis flexibility key. 	3	<ul style="list-style-type: none"> Happy with level of risk on case to case basis flexibility key. 	2	3	3	8	
	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> Reward for the overall portfolio is retained by each authority. Consideration does need to be given to the extent of which reward would be transferred to the private sector on a project level (e.g. depending on the preferred route to delivery reward would be shared with investors). 	<ul style="list-style-type: none"> Key features: Reward transferred on a project level depending on preferred route to delivery, but overall portfolio reward retained by authority. 	High (Variable by project)	4	<ul style="list-style-type: none"> Case by case basis on decision desirable for reward, CA not as reliant on financial reward, strategic vision and delivery more interested in. 	5	<ul style="list-style-type: none"> Case by case basis on decisions desirable for reward, CYC would like to retain as much reward as possible. 	5	<ul style="list-style-type: none"> Case by case basis on decisions desirable for reward, NYC would like to retain as much reward as possible. 	4	5	5	14	
Time	Time required to design, develop and procure/implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> Will vary between authorities as responsibility for in-house team lies separately and could involve significant time to upskill and train existing staff and to recruit and build a dedicated in-house team if deemed pace to be reached. However, there is little time required for procurement and once this model is implemented, there is likely to be less time-consuming procurement requirements given the use of in-house resource. 	<ul style="list-style-type: none"> Key features: Varies between authorities, relatively little time needed to implement but may involve significant time to upskill and recruit required dedicated in-house team. 	Moderate	3	<ul style="list-style-type: none"> Time to implement would be negligible. However, similar to business as usual, more exploration needed to understand extent to which more resource is required to deliver at pace. CA has less capacity than LAs so might be less desirable? 	3	<ul style="list-style-type: none"> Time to implement would be negligible. However, similar to business as usual, more exploration needed to understand extent to which more resource is required to deliver at pace. 	4	<ul style="list-style-type: none"> Time to implement would be negligible. However, similar to business as usual, more exploration needed to understand extent to which more resource is required to deliver at pace. 	3	3	4	10	
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> The in-house model can be scaled to accommodate a wide range of projects, from smaller initiatives to large scale developments. The model does not guarantee sufficient market capacity and capability to support all proposed projects, which may impede acceleration of net zero ambitions. Added administrative burden of identifying and procuring private sector expertise on a project-by-project basis. This will likely impact delivery timelines, quality and consistency of private sector support. Inefficiencies and duplication of efforts by having separate teams across YNY. 	<ul style="list-style-type: none"> Key features: Burden of identifying and procuring private sector expertise on a project-by-project basis will likely impact delivery timelines. Scalability of pathway is dependent on capacity of in-house team. 	Low	1	<ul style="list-style-type: none"> Preferred rate of scale and pace of delivery for the CA would not be achieved through this model and require increase in capacity is not realistic. 	2	<ul style="list-style-type: none"> Capacity to build internal team is limited therefore pace of delivery would be slower than required. 	3	<ul style="list-style-type: none"> Timescales of pace and delivery are less of a priority for NYC, instead considered delivery with private sector is an advantage. 	1	2	3	6	
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> A high in-house resource requirement needed for managing and delivering across the net zero portfolio. This includes significant contributions from procurement, legal, and finance teams, as well as requirement from Climate Change teams to manage the portfolio. May also result in increased requirements on authorities procurement teams for contract management and monitoring. Success of this model depends on the authorities' capacity and expertise. Requires increased resources to manage it effectively, drive project development and facilitate delivery. Significant initial investment from the authorities required in terms of building the team. This may be subsidised by central government (e.g. GBRI) but may also expose the authorities to resource risks. Costs required in relation to paying private sector providers for the services offered. The costs of these are unknown until projects are developed and the need for support is identified and priced by the market, making it hard to consider in advance the implication of this. This approach is likely to result in variations in procurement approaches and private sector performance. This would need to be closely monitored on a project-by-project basis, this could lead to increased resource requirements. The operational teams of each authority will need to scale up significantly to achieve the capacity required to meet ambitions. Potentially higher costs due to lack of shared YNY resources and economies of scale. Dependent on the intervention required to support this model, the expected team size is a minimum of 40-60 FTEs from 3 authorities. Success is contingent upon the development of robust in-house capacity and expertise. 	<ul style="list-style-type: none"> Key features: Significant commitment of personnel and financial resources to manage multiple private sector relationships on a contract management level per project. 	Very High	2	<ul style="list-style-type: none"> Preferred rate of scale and pace of delivery for the CA would not be achieved through this model and require increase in capacity is not realistic. 	2	<ul style="list-style-type: none"> CYC raised concerns about this option achieving the right balance of in-house expertise and capacity. CYC recognise that even with significantly enhanced in-house capabilities, they may still fall short of their net zero goals, they consider the private sector to be a key part of supporting the net zero ambitions. CYC voiced concerns about its ability to allocate the necessary resources to manage and execute projects effectively. 	3	<ul style="list-style-type: none"> NYC could continue to use Align with project by project addition of private sector support. NYC also realised limited capacity which could require more exploration to undertake this model to understand if it is viable with capacity. 	2	2	3	7	
	The degree of asset handover required by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> Each authority will consider how they use/commit assets on a project-by-project basis. Collaboration across the authorities may be required and/or preferred for some projects which will utilise the resources of those authorities involved. 	<ul style="list-style-type: none"> Key features: Use of commitment of assets on a project-by-project basis. 	Low (Variable by project)	5	<ul style="list-style-type: none"> Flexibility on case-by-case basis to allow control of assets which require more levels of control as police and fire. 	5	<ul style="list-style-type: none"> Flexibility on case-by-case basis may allow cost-benefit analysis more easily. 	5	<ul style="list-style-type: none"> Flexibility on case-by-case basis may allow cost-benefit analysis more easily. 	5	5	5	15	
											Total Model Score (Max 60*)	38	43	50	131

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
Moderate	In reference to the corresponding assessment criteria the scenario has a moderate level of the ability/requirement of that criteria.
High	In reference to the corresponding assessment criteria the scenario has a high level of the ability/requirement of that criteria.
Very High	In reference to the corresponding assessment criteria the scenario has a very high level of the ability/requirement of that criteria.
Variable	In reference to the corresponding assessment criteria the scenario level of the ability/requirement of that criteria can vary dependent on contract details/decision making.

Rank	Description
1	Unacceptable scenario, this is a red line.
2	May face resistance politically or strategically (little acceptability for this scenario, but not impossible).
3	No preference for this scenario, requires further exploration to make decision.
4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

		Enhanced In-house: Scaled-up APS			A third arm of Align Property is created as well as joint governance board that acts as a unified body to set strategic direction, and oversees a centralised, co-located team. The centralised team is supported by a scaled-up APS, leveraging their existing capacity and expertise to support delivery. Align have stated no desire to contribute strategically or in project origination. Each authority therefore submits project proposals to the operation team for review. If approved APS will progress according to gateway process. If APS unable to provide the required support, alternative private sector support will be procured on case-by-case basis.									
Assessment Criteria	Weighting (1-10, where is most important)	Delivery Option			CA Acceptability		CYC Acceptability		NYC Acceptability		CA Acceptability	CYC Acceptability	NYC Acceptability	Total Criteria Level Score
		Comments:	Summary	Rating of Criteria	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score	Score	Score	
Strategic Fit	Alignment with the Strategic Energy Partnership objectives and principles. *Potential to be ranked individually in detailed options appraisal*	<ul style="list-style-type: none"> The extent of innovation, synergies, economies of scale may be limited due to engaging with the private sector on a project-by-project basis. APS focus on specialised delivery of retrofits and small-scale energy efficiency with little to no experience in the full requirements needed to decarbonise at scale and pace (i.e. large-scale generation, community energy). Therefore, being solely reliant on APS could restrict delivery and ambition. 	<ul style="list-style-type: none"> Key features: Localised team approach will likely allow social value to increase, however the model's ability to maximise economies of scale or innovate could be restricted by Align capability and capacity. 	High	4	Allows for strategic overview and delivery of projects with board and operational team able to look at portfolio together. YNY to identify synergies and local team may be able to deliver at local scale better but project-by-project procurement may limit this ability.	4	Operational team will allow for better delivery on a strategic and a smaller scale with internal teams but will not achieve economies of scale.	4	Operational team will allow for better delivery on a strategic and a smaller scale with internal teams but will not achieve economies of scale.	4	4	4	12
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> New delivery arm of Align will likely be created to allow for new ownership, governance, and delivery procedures between three authorities. This result of which must satisfy all parties whilst not hindering BAU for Align. This may potentially result in challenges aligning different organisational practices and culture. This model can enable the authorities to tap into private sector expertise on an 'as needs' basis if APS does not fulfil requirements, for example in innovative solutions and best practices from various private sector partners. 	<ul style="list-style-type: none"> Key features: Third delivery arm of Align likely created, the result of which must satisfy all parties whilst not hindering BAU for Align. Align BAU, potentially result in challenges aligning organisational practices. But consideration of existing arrangements can be included easily. 	High	4	Existing policies and strategies can be integrated more flexibly on case-by-case basis.	3	Ideal that existing arrangements can be used at full capacity whilst pulling on APS or private sector on case-by-case basis. Potential confinement relying on APS.	4	Ideal that existing arrangements can be used at full capacity whilst pulling on APS or private sector on case-by-case basis. Affect of higher level of projects on APS could affect its existing arrangements (risk).	4	3	4	11
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> A joint governance board comprising of representatives from CYC, NYC and the CA. Decisions are made collaboratively by the equally represented YNY board. This ensures a unified approach to achieving regional decarbonisation targets. Resources are pooled and allocated by the board, based on regional priorities and strategic goals, and decisions are made collaboratively. 	<ul style="list-style-type: none"> Key features: Equal representation on YNY governance board between CYC, NYC and the CA to produce unified approach to achieving priorities and strategic goals. 	Very High	5	High strategic control desirable for combined authority, as centralised decision making to ensure regional impact.	5	High strategic control desirable for CYC as well as flexibility of control between contracts.	5	The level of control offered by this option closely aligns with NYC's preferences and expectations. NYC has indicated a desire for greater control while also acknowledging the value of collaborating with the private sector.	5	5	5	15
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> A centralised team responsible for managing and coordinated relationships across the region, alongside and supported by a scaled-up APS. Leveraging APS's existing capacity and expertise to support the delivery of projects across the region. Each authority submits project proposals to Operations Team for review. If approved, the project progresses to Gateway process. If APS is unable to provide the required support, alternative private sector support will be procured. APS focus on development and delivery, therefore would not lead strategy, project origination or funding routes. This model relies on authority to provide this. The in-house model is highly compatible with utilising difference origination, funding, delivery and ownership mechanisms / models. Providing the authorities with full flexibility to adapt to various project requirements whilst maintaining control and oversight. 	<ul style="list-style-type: none"> Key features: Operations Team and Gateway Process supported by APS team. Project origination, funding and strategy the responsibility of the authorities. 	Very High	3	Capacity is small, there is appetite for delivery from Police & Fire but depending on pace of delivery, operational support from private sector would be preferred. Exploration required to understand the extent of APS support as understanding would be just a delivery function.	3	Capacity for operational delivery is small but high levels of control desirable but depending on pace of delivery, operational support from private sector would be preferred.	4	NYC indicated a desire for greater control while acknowledging the value of collaborating with the private sector for specialised services. Recognises limited capacity for operational team however.	3	3	4	10
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> The authorities retain overall influence and ability to align projects with strategic aims and existing processes. Adaptability ensures that the most appropriate mechanisms and models can be selected and applied to achieve successful project outcomes and advance ambitions. 	<ul style="list-style-type: none"> Key features: Authorities retain ability to align projects with strategic aims and existing processes through relationship with YNY Board and APS. 	Very High	4	Joint approach would support a strategic overview of project delivery which is preferred by CA to deliver on regional strategies, objectives of Rougemar, Mayoral priorities for communities.	4	Preference for high levels of strategic influence to control with existing arrangements. Recognised potential con that private sector cannot originate projects.	4	Preference for high levels of strategic influence to control with existing arrangements. Recognised potential con that private sector cannot originate projects.	4	4	4	12
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> Using APS will ensure delivery stays as localised as possible, stimulating the local economy as demand increases. APS's ability to work with supply chains to deliver project could be from a localised pool, stimulating local business growth. APS possibly also has existing trust with local communities leading to more impactful delivery and could complement delivery of community energy. The authorities would continue to take a leading role in partnering with community groups and other public sector stakeholders to originate projects. Social value and economic benefits at a community level are expected to be delivered on a project or programme basis. 	<ul style="list-style-type: none"> Key features: Trusted and localised delivery arm will likely result in increased ability to stimulate localised benefits including economic growth and growth of supply chain. 	High	3	Localised delivery arm will likely result in place-based benefits and likely more control however possibly will not be at required scale or pace. However, most projects for CA would be wider/LAEP which would not be delivered through APS therefore social value of these projects would be case-by-case.	4	Localised delivery arm will likely result in place-based benefits and likely more control however possibly will not be at required scale or pace.	5	BAU sufficient performance from APS regarding wider social and economic benefits (Reveals NYC to look at? would they require more if scaling up?)	3	4	5	12
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> Risk for the overall portfolio is retained by the authorities. While the authority bears the risk at a project level to APS, the authorities would be responsible and bear the risk of not delivering on the overall portfolio. Can also allow the assignment of risk and reward to the private sector on a project-by-project basis, mitigating authorities exposure to certain risks and allocating risks by the party best placed to manage them. Authorities bear the full risk of project delivery including financial, operational, and reputational risks, which could impact their ability to achieve ambitions. 	<ul style="list-style-type: none"> Key features: Most risk is retained by the authorities directly or through the NYU third arm or continuation of Operations Team. Some reward is transferred on project-by-project basis. 	Very High	2	Would CA be included in third-arm ownership even though considerably less assets? It is likely projects that go through CA (LAEP projects) are not going to be delivered by APS specialists therefore suggesting less risk for CA for APS bottomline affecting delivery. More exploration required?	2	More risk on LA's as delivery arm is LA-owned, not annual but comfort levels could be considered to be less than project-by-project risk. Would need sufficient governance and reporting from APS so to ensure potential bottomline does not affect delivery.	3	More risk on LA's as delivery arm is LA-owned, not annual but comfort levels could be considered to be less than project-by-project risk. Would need sufficient governance and reporting from APS so to ensure potential bottomline does not affect delivery.	2	2	3	7
	Ability to benefit from the rewards that arise at a delivery model level (project rewards).	<ul style="list-style-type: none"> Reward for the overall portfolio is retained by YNY. Consideration does need to be given to the extent of which reward would be used for the continuation of the in-house Operations Team / third Align arm. If delivery occurs outside Align, consideration of reward transfer is needed to the private sector on a project level (e.g. depending on the preferred route to delivery reward would be shared with investors). 	<ul style="list-style-type: none"> Key features: Most reward is retained by YNY through the individual authorities, continuation of Align's third-arm or continuation of Operations Team. Some reward is transferred on project-by-project basis. 	Very High	5	Financial return not priority instead for continuation of operations team. Case by case basis on decision desirable for reward, CA not as reliant on financial reward, strategic vision and delivery more interested in.	5	Case by case basis on decisions desirable for reward, NYC would like to retain as much reward as possible.	4	Case by case basis on decisions desirable for reward, NYC would like to retain as much reward as possible. Potential perspective from officers and councillors that third arm will take away delivery and rewards of other functions of Align.	5	5	4	14
Time	Time required to design, develop and procure/ implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> Significant time required to set up new delivery arm of Align and associated considerations legally dependent on type of LAEC, SPV, Teccal, ESCO etc. Time specific? 	<ul style="list-style-type: none"> Key features: Significant time and resource to set up Align's new delivery arm considering all three authority agencies and ensuring it does not impact Aligns BAU. 	Moderate	2	Time required to set up third-arm and governance structure would potentially be too long for CYC, delivery within political cycle and pace of delivery required?	2	Time required to set up third-arm and governance structure would potentially be too long for CYC, delivery within political cycle and pace of delivery required?	3	More exploration required to understand how creation of third arm would impact Align BAU, would require significant analysis.	2	2	3	7
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> APS focus on specialised delivery of retrofits and small-scale energy efficiency with little to no experience in the full requirements needed to decarbonise at scale and pace (i.e. large-scale generation, community energy). Therefore, being solely reliant on APS could restrict delivery and ambition. 	<ul style="list-style-type: none"> Key features: Aligns specialised delivery efficiency with little to no experience in the full requirements needed to decarbonise at scale and pace if needed in other areas. 	Moderate	2	Specialisation of APS restrict widespread delivery at pace and scale as well as project-by-project delivery for most CA wider public sector projects.	2	Pace more important to CYC than scale and widespread delivery but capacity to build internal team to support APS delivery is limited therefore pace of delivery would be slower than required.	4	Pace of delivery less important if scaling of APS is possible to increase business and growth?	2	2	4	8
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> APS have the capability to deliver for all three authorities, complemented with a business growth prediction to 200+ employees. APS are confident that they can deliver for all three authorities, where they cannot, utilising their framework. Focusing on one delivery agent for project execution across all three authorities could create bottlenecks if Align face operational challenges with expansion and creation of new delivery arm. Likely will need financial investment from the authorities required to build up capacity for the Operations Team and potentially for APS third arm. Requires increased resources to manage it effectively, drive project development and facilitate delivery. 	<ul style="list-style-type: none"> Key features: Little capacity resource needed for Align initially, resource needed for operations team, and overall financial contributions. 	Moderate (could be variable dependent on APS capacity)	2	Resource required for operations team could come from current City Keep team but unknown and time dependent so unlikely, therefore resource requirement would be significant for CA potentially. Financial requirements likely to only come from planned grant funding which is insufficient. More exploration needed?	2	Resource required for operations team could come from current City Keep team but unknown and time dependent so unlikely, therefore resource requirement would be significant for CA potentially. Financial requirements likely to only come from planned grant funding which is insufficient. More exploration needed?	3	Resource capacity will come from APS, therefore this is dependent on how changes to third arm would affect BAU as to how much initially APS can put into third arm.	2	2	3	7
	The degree of asset handover required by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> YNY Board has oversight of the combined YNY asset base and will consider the use of assets based on the agreed priorities and goals, however, each Authority will hold ultimate responsibility to agree how they use / commit assets to the joint YNY team. 	<ul style="list-style-type: none"> Key features: Each authority holds ultimate responsibility to agree how they use / commit assets to joint YNY team. 	Very Low	5	Flexibility on case-by-case basis allow control of assets which require more levels of control or police and fire.	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily.	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily.	5	5	5	15
Total Model Score (Max 62*)											41	41	48	130

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
Moderate	In reference to the corresponding assessment criteria the scenario has a moderate level of the ability/requirement of that criteria.
High	In reference to the corresponding assessment criteria the scenario has a high level of the ability/requirement of that criteria.
Very High	In reference to the corresponding assessment criteria the scenario has a very high level of the ability/requirement of that criteria.
Variable	In reference to the corresponding assessment criteria the scenario level of the ability/requirement of that criteria can vary dependent on contract details/decision making.

Rank	Description
1	Unacceptable scenario, this is a red line.
2	May face resistance politically or strategically (little acceptability) for this scenario, but not impossible.
3	No preference for this scenario, requires further exploration to make decision.
4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

		Enhanced In-house: Centralised Team			A joint governance board acts as a unified body to set strategic direction, and oversees a centralised, co-located team. Resources are pooled and allocated by the board, based on regional priorities. Each authority submits project proposals to the Operations Team for review, if approved the project team identifies and deploys the optimal delivery method as required. The private sector is engaged on a project-by-project basis for specific services that require specialised expertise or resources.										
Assessment Criteria	Weighting (1-10, where 1 is most important)	Delivery Option			CA Acceptability		CYC Acceptability		NYC Acceptability		CA Acceptability	CYC Acceptability	NYC Acceptability	Total Criteria Level Score	
		Comments:	Summary	Rating of Criteria	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score (5 = high)	Rationale / Comments	Score	Score	Score		
Strategic fit	Alignment with the Strategic Energy Partnership objectives and principles. *Potential to be ranked individually in detailed options appraisal*	<ul style="list-style-type: none"> An in-house model will ensure the integration of place-based principles into project design and delivery, as well as allowing absolute alignment with wider regional objectives for decarbonisation and community benefit/social value. Engaging with the private sector on a project-by-project basis may link long-term strategic delivery, opportunities for innovation, and economies of scale and synergies across projects. Project pipeline development and delivery will be limited by the capacity and capability of YNY to deliver. 	<p>Key features: Maximising economies of scale is less likely to be achieved due to project-by-project approach, but local teams may be best placed to tailor local strategies.</p>	High	4	Allows for strategic overview and delivery of projects with board and operational team able to look at portfolio together of YNY to identify synergies and local team may be able to deliver at local scale better but project-by-project procurement may limit this ability.	4	Operational team will allow for better delivery on a strategic and a smaller scale with internal teams but will not achieve economies of scale.	4	Operational team will allow for better delivery on a strategic and a smaller scale with internal teams but will not achieve economies of scale.	4	4	4	12	
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> Facilitates a region-wide approach to decarbonisation whilst supporting the existing arrangements and policies of each local authority. However, navigating different policies across the authorities may lead to inefficiencies in decision-making and risks of misalignment in priorities. 	<p>Key features: Facilitates region-wide approach whilst supporting existing arrangements and policies.</p>	High	4	Existing policies and strategies can be integrated more flexibly on case-by-case basis. Inability to operate on regional scale regarding existing policies and strategies.	4	Ideal that existing arrangements can be used at full capacity whilst pulling on private sector on case-by-case basis. However, new board could lead to potential complication in existing arrangements.	4	Ideal that existing arrangements can be used at full capacity whilst pulling on private sector on case-by-case basis. However, new board could lead to potential complication in existing arrangements.	4	4	4	12	
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> Utilises a joint governance board comprising of representatives from CYC, NYC, and the CA. This board acts as a unified body to set the strategic direction, oversees the centralised, co-located team and ensure alignment with regional net zero goals. Resources are pooled and allocated by the board, based on regional priorities and strategic goals, and decisions are made collaboratively by the equally represented YNY board. There is a risk of misalignment between the central team and local priorities, and changes in political leadership or priorities within any of the authorities could disrupt collaboration. Navigating different policies across the authorities may lead to inefficiencies, and the model reduces the autonomy of individual authorities. 	<p>Key features: Equal representation on YNY governance board between CYC, NYC, and the CA to produce unified approach to achieving priorities and strategic goals.</p>	Very High	5	High strategic control desirable for combined authority, as well as centralised decision making to ensure regional impact.	5	High strategic control desirable for CYC as well as flexibility of control between contracts.	5	The level of control offered by this option closely aligns with NYC's preferences and expectations. NYC has indicated a desire for greater control while also acknowledging the value of collaborating with the private sector.	5	5	5	15	
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> YNY creates a centralised team where members from each authority work together in a shared physical location. This team is responsible for managing and coordinating net zero initiatives across the region. Each authority can submit project proposals to the Operations Team for review, if approved, the Operations Team will progress the project proposal according to a pre-defined process. The Joint Operational Team will identify and deploy the optimal preferred delivery method as required. This would be expected to include the use of private sector support when required (including APS). 	<p>Key features: YNY centralised team responsible for managing and coordinating net zero initiatives, ultimately deploying preferred delivery methods as required.</p>	Very High	3	Capacity is small, there is appetite for delivery from Police & Fire but depending on pace of delivery, operational support from private sector would be preferred.	3	Capacity for operational delivery is small but high levels of control desirable but depending on pace of delivery, operational support from private sector would be preferred.	4	NYC indicated a desire for greater control while acknowledging the value of collaborating with the private sector for specialised services. Recognises limited capacity for operational team however.	3	3	4	10	
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> Offers a unified strategy for net zero goals, through the joint board with equal membership from CYC, NYC, and the CA to set the strategic direction of the route to net zero. Influence will be shared across the three authorities, with the risk of reduced autonomy for the individual authority. 	<p>Key features: Project or region influence through an individual authority level, portfolio influence maintained through governance board of equal representation.</p>	Very High	4	Joint approach would support a strategic overview of projects which is preferred by CA to deliver on regional strategies, objectives of Roadmap, Mayoral priorities for communities.	4	Preference for high levels of strategic influence to project delivery which is preferred by CA to deliver on regional strategies, objectives of Roadmap, Mayoral priorities for communities.	4	Preference for high levels of strategic influence to project delivery which is preferred by CA to deliver on regional strategies, objectives of Roadmap, Mayoral priorities for communities.	4	4	4	12	
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> Same as above, with the risk of competing priorities for each authority impacting the efficiency of pipeline delivery and driving wider social value. 	<p>Key features: Social value and economic benefits expected to be delivered on a project-by-project basis with authorities taking leading role on community engagement.</p>	High (Variable by project)	4	Joint approach would allow strategic approach to community engagement and on projects over YNY to realise and record wider benefits.	4	Stronger control allows CYC to highly influence how wider social benefits are realised.	4	Stronger control allows NYC to highly influence how wider social benefits are realised.	4	4	4	12	
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> YNY is fully exposed to delivery risk at programme, portfolio, and project level. The benefits of a centralised team is that the risk can be shared between the three authorities, balancing the overall risk each authority is exposed to? On a project level some delivery risk may be passed to the private sector, however reputational risk will remain with centralised YNY team. 	<p>Key features: Full exposure to delivery risk at programme, portfolio and project level. On a project level some risk may be transferred to private sector delivery.</p>	High (Variable by project)	3	All responsibility lies with own authorities assets at board level, risk in delivering on few assets is acceptable for the CA (only police & fire).	3	Happy with level of risk on case to case basis flexibility key	4	Happy with level of risk on case to case basis flexibility key	3	3	4	10	
Reward	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> Subject to project-by-project private sector involvement, YNY will be able to retain full benefits/returns that arise at a delivery model level. Will require negotiation over how rewards are distributed between the authorities on region-wide projects, whether geographically, proportionally, or through some form of centralised financial/funding structure that can be reinvested into delivery model? 	<p>Key features: Subject to project-by-project private sector involvement, will require negotiations with private sector and within authorities on region-wide projects.</p>	High (Variable by project)	4	Case by case basis on decision desirable for reward, CA not as reliant on financial reward, strategic vision and delivery more interested in.	3	Flexibility on project-by-project basis reward is desirable to maximise and complete cost benefit analyses. However, more exploration needed in how reward will be negotiated within authorities if both are used in the same project case.	3	Flexibility on project-by-project basis reward is desirable to maximise and complete cost benefit analyses. However, more exploration needed in how reward will be negotiated within authorities if both are used in the same project case.	4	3	3	10	
Time	Time required to design, develop and procure/implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> Establishing a centralised team may require significant upfront investment in infrastructure e.g. office space and training. Some time required to set up the centralised governance board and coordinating senior level involvement in each authority. Time will be saved in the creation of delivery model as there will be no procurement requirements. Legal requirements to ensure constitutional alignment between three authorities when setting up the governance board. Potential financial support if setting up a mechanism for shared funding etc on region-wide projects? 	<p>Key features: No procurement requirements to develop delivery model, rather legal requirements to ensure constitutional alignment.</p>	Moderate	4	Acceptable timeline to set up this model, allows for delivery from beginning however will require capacity.	4	Acceptable timeline to set up this model, allows for delivery from beginning however will require capacity.	4	Acceptable timeline to set up this model, allows for delivery from beginning however will require capacity.	4	4	4	12	
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> Collaboration of three authorities to increase overall capacity and capability for project delivery. Allows for more efficient allocation of resources and decision-making through a centralised governance board. It enhances the capacity to deliver large scale projects across the region and facilitates better communication and collaboration due to the proximity of team members across authorities. However, centralised governance board/process may impact the ability to respond quickly to local needs or changes in priorities. 	<p>Key features: Collaboration of YNY authorities allows for enhanced capacity to deliver across the region. However, the burden of identifying and procuring private sector expertise on a project-by-project basis will likely impact delivery timelines.</p>	Moderate	2	Collaboration allows for increased scale of delivery which is preferred, whilst pace may increase if projects are jointly delivered, project-by-project procurement will reduce delivery pace.	2	Pace more important to CYC than scale and widespread delivery but capacity to build internal team is limited therefore pace of delivery would be slower than required.	3	Pace more important to NYC than scale and widespread delivery but capacity to build internal team is limited therefore pace of delivery would be slower than required.	2	2	3	7	
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> Each Authority will provide senior representatives for the YNY Board that will have dedicated and ringfenced time to support the Board. The time commitment will depend on the detailed design and structure of the model. Each Authority provides/ supports the funding of dedicated resource to the Joint Operational Team, the resource level will depend on proposed activity. This would initially be resourced from the respective climate client teams across the three authorities. There is a dedicated and ringfenced Support Function Team within the Joint Operational Team (e.g. planning, legal, procurement, environmental, tax, health and safety). These resources could be newly recruited or provided by the three authorities. The provision of a dedicated office space. Resource requirements for private sector engagement will fall under the standard procurement process and associated costs - with increased complexity on projects that span across all/multiple authorities. 	<p>Key features: Resource level will depend on proposed activity, but expected to require resource for joint operational team (newly recruited or provided by authorities).</p>	High (Variable dependent on proposed activity)	2	Significant capacity required for pace and scale of delivery is limited for operational team. Financial requirements likely too high.	2	CYC raised concerns about this option achieving the right balance of in-house expertise and capacity. CYC recognises that even with significantly enhanced in-house capabilities, they may still fall short of their net zero goals, they consider the private sector to be a key part of supporting the net zero ambitions. CYC voiced concerns about its ability to allocate the necessary resources to manage and execute projects effectively. Financial requirements likely too high to achieve this pace.	3	NYC could continue to use Align with project-by-project addition of private sector support. NYC also realised limited capacity which could require more exploration to undertake this model to understand if it is viable with capacity.	2	2	3	7	
	The degree of asset handover required by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> YNY Board has oversight of the combined YNY asset base and will consider the use of assets based on the agreed priorities and goals/ However, each Authority will hold ultimate responsibility to agree how they use/ commit assets to the joint YNY team. 	<p>Key features: Each authority holds ultimate responsibility to agree how they use/ commit assets to the joint YNY team.</p>	Low (Variable by project)	5	Flexibility on case-by-case basis to allow control of assets which require more levels of control as police and fire.	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily	5	5	5	15	
Total Model Score (Max 60/3)											44	43	47	134	

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
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4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

		Authority-Led Framework				NY establishes a unified Framework which can be drawn down when required. Multiple service contracts are awarded for projects on a case-by-case basis. The authorities take a lead role in originating and commercialising projects, drawing upon private sector expertise as required through the framework structure. Resource requirements both financial and FTE to manage framework and monitor contracts, as well as to manage portfolio and develop projects for framework.								
Assessment Criteria	Weighting (1-10, where 10 is most important)	Delivery Option		CA Acceptability		CYC Acceptability		NYC Acceptability		CA Acceptability	CYC Acceptability	NYC Acceptability	Total Criteria Level Score	
		Comments:	Summary	Rating of Criteria	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score	Score		Score
Strategic Fit	Alignment with the Strategic Energy Partnership objectives and principles. *Potential to be ranked individually in detailed options appraisal*	<ul style="list-style-type: none"> YNV has full strategic control, a project by project engagement process with the private sector may hinder a more long-term strategic delivery pipeline and utilisation of economies of scale. However, procuring on a project by project basis can allow the selection of a more appropriate private sector delivery organisation for each project e.g. place-based or technological expertise. Maintaining social value and community engagement may also be challenging as each project that goes through the framework must appeal to the private sector i.e. typically have some form of commercial gain. 	<ul style="list-style-type: none"> Key features: Project by project procurement can improve place-based and innovative technology delivery. Project by project engagement with private sector may hinder long-term strategic delivery and social value/community engagement. 	High	4	Long term strategic delivery and social value benefits will be more difficult to realise and achieve to reflect in major strategies and documents. However, place-based aspects of projects will likely be delivered faster.	4	Allows for better delivery on a smaller scale with internal teams but will not achieve economies of scale.	4	Allows for better delivery on a smaller scale with internal teams but will not achieve economies of scale.	4	4	12	
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> Existing delivery providers for YNY, such as APS, can bid to join the framework and can therefore still deliver on behalf of NYC or CYC, however, this may require some legal/contractual shifts. This model has the ability to align with all existing authority strategies as YNY has full strategic and operational control over the framework and project pipeline, and can therefore ensure that the pipeline of delivery contributes towards YNY's wider strategic vision for decarbonisation. 	<ul style="list-style-type: none"> Key features: Existing delivery partners can bid to join the framework. YNY has full strategic and operational control to align with existing policies and strategies. 	Very High	5	Existing policies and strategies can be integrated more fully on case-by-case basis.	5	Ideal that existing arrangements can be used at full capacity whilst pulling on private sector on case-by-case basis.	4	Ideal that existing arrangements can be used at full capacity whilst pulling on private sector on case-by-case basis. Ambiguity around how and if APS would be included on the framework?	5	5	4	14
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> YNV establishes a unified Framework which can be drawn down when required (Joint Team to oversee and hold provides to account). Authorities will have full strategic input over the delivery model, private sector will have little to no influence. NYC, NY, CA will be the sole decision-making body and the private sector's role is limited to execution and delivery through the framework and investment into individual projects, with no strategic input from a private sector organisation on the portfolio or programme level (However, market conditions/appetite may more widely influence portfolio delivery). 	<ul style="list-style-type: none"> Key features: YNY will have full strategic control over programme, portfolio, and project level for framework. Private sector role limited to delivery and investment on project level. Market appetite for projects may impact strategic delivery. 	Very High	5	High strategic control necessary as a combined authority. Need to demonstrate delivery of key regional strategies e.g. Resilience, growth plan, etc.	5	High strategic control desirable for CYC as well as flexibility of control between contracts.	5	The level of control offered by this option clearly aligns with NYC's preferences and expectations. NYC has indicated a desire for greater control while also acknowledging the value of collaborating with the private sector.	5	5	5	15
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> Delivery model will be designed and controlled in full by YNY. YNY retain full control over the day-to-day management and will be the sole decision-making body. YNV can ensure high standards and consistency in project execution by maintaining oversight and control. The private sector will be engaged through the framework model and will only have control over execution and investment. Levels of control can vary between authorities based on the design of the framework governance structure, but can be assumed to be equal. Project development will follow the process of each individual authority. 	<ul style="list-style-type: none"> Key features: YNY retain full control over the day-to-day management and will be the sole decision-making body. YNY can ensure high standards and consistency in project execution through contract management with private sector delivery partners in the framework. 	Very High	3	Capacity for day-to-day and contract is small if number of contracts is high, prefer for private sector to share responsibility for this role if pace of transition is high.	4	Capacity for day-to-day and contract is small if number of contracts is high, prefer for private sector to share responsibility for this role if pace of transition is high.	5	NYC indicated a desire for greater operational control while acknowledging the value of collaborating with the private sector for specialised services, if using align NYC will have more capacity to contract manage projects they want.	3	4	5	12
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> Authorities will have full strategic control and can align projects with net zero strategies and objectives. However, procuring project by project delivery may hinder a more strategic approach to the framework. Uptake of projects will be influenced by market appetite, projects with high carbon savings may not be prioritised by delivery organisations without other financial incentives. 	<ul style="list-style-type: none"> Key features: Authorities will have full strategic control and can align projects with net zero strategies and objectives. However, private sector organisations have no obligation to accept delivery contracts and there is no guarantee that high social value projects will be delivered through the framework without commercial viability. 	High	4	CA would prefer strong strategic influence over the nature of projects delivered in order to deliver on regional strategies, objectives of Resilience, Mayoral priorities for communities. Recognised potential can that private sector cannot originate projects.	4	Preference for high levels of strategic influence to coexist with existing arrangements. Recognised potential can that private sector cannot originate projects.	4	Preference for high levels of strategic influence to coexist with existing arrangements. Recognised potential can that private sector cannot originate projects.	4	4	4	12
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> The authorities will have full strategic and operational control and can therefore decide which projects to design and pass through the framework. YNV are responsible for project origination and can therefore design social value into projects from the outset. However, the relationship with the private sector remains as a project by project client/contractor procurement structure - market appetite will therefore influence which projects are delivered. There is no obligation for the private sector organisations to accept delivery contracts proposed through the framework. There is no guarantee that high social value projects will be delivered through the framework if they are not commercially viable. 	<ul style="list-style-type: none"> Key features: YNY are responsible for project origination and can design social value into projects from the outset. However, private sector organisations have no obligation to accept delivery contracts and there is no guarantee that high social value projects will be delivered through the framework without commercial viability. 	Moderate	3	Would prefer leading role in community engagement, but ability to achieve wider social benefits would require more capacity to deliver at a strategic level rather than on case-by-case basis as no guarantee high social value projects will be delivered without commercial viability. For CA this priority is much higher.	4	Would prefer leading role in community engagement, but ability to achieve wider social benefits would require more capacity to deliver at a strategic level rather than on case-by-case basis in BAU.	4	Would prefer leading role in community engagement, but ability to achieve wider social benefits would require more capacity to deliver at a strategic level rather than on case-by-case basis in BAU.	3	4	4	11
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> YNV maintain full risk at the portfolio level. Risk on individual projects may be passed to private sector, however, the reputational risk for these projects still remains with YNY as they have full strategic and operational control. 	<ul style="list-style-type: none"> Key features: YNY retain full portfolio and reputational risk. Project delivery risk can be passed to private sector. 	High	4	As responsibility lies with own authority, risk in delivering on few assets is acceptable for the CA (only police & fire).	3	Happy with level of risk on case to case basis flexibility key	3	Happy with level of risk on case to case basis flexibility key	4	3	3	10
Reward	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> Portfolio level reward is retained by YNY including carbon savings and social value generated etc. However, project level reward will require sharing with private sector - depending on levels of investment and type of delivery. Private sector have right not to accept contracts and will expect financial return on projects. 	<ul style="list-style-type: none"> Key features: Reward transferred on a project level depending on preferred route to delivery, but overall portfolio reward retained by authority. 	Moderate	4	Case by case basis on decision desirable for reward, CA not as reliant on financial reward, strategic vision and delivery more interested in.	5	Case by case basis on decisions desirable for reward, CYC would like to retain as much reward as possible.	4	Case by case basis on decisions desirable for reward, NYC would like to retain as much reward as possible. Risk of competition with APS if a framework could draw upon with a more favourable supplier.	4	5	4	13
Time	Time required to design, develop and procure/implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> Significant time and authority resources required to design framework model - as well as legal and procurement resources to prepare for framework implementation. Multiple private sector delivery organisations must be procured and onboarded onto the framework before it can be implemented. Specific small teams? 	<ul style="list-style-type: none"> Key features: Significant time and authority resources required to design and procure framework model. 	High	3	Possible political pressure to implement final model sooner/demonstrate progress and delivery? Framework could take 12 months along with governance structure.	3	Desire for delivery within political cycle, more exploration to understand how long framework would take.	3	More exploration to understand how long framework would take.	3	3	3	9
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> Framework is designed to streamline time required for individual project procurement. However, scale will be determined by the skill and size of the in-house team created to support framework operation. Time and resources will be required to train, build, and maintain in-house support. Further time and resource will be required to call off from the framework as required. Furthermore, time for project development and delivery is determined by framework appetite, if the project is not picked up, it will then have to go through standard procurement procedures (this may even lengthen delivery time on certain projects). Project origination and design must be conducted in-house, and there is no guarantee that the private sector will have the capacity, capability, and appetite to deliver all of these projects - which may impede the pace and scale of project delivery. 	<ul style="list-style-type: none"> Key features: Pace and scale determined by in-house capacity for project origination and development. Projects that fail to be contracted through the framework must then go through the standard procurement process, delaying project delivery. 	Moderate	3	Streamlined procurement framework could allow for increased pace of delivery but in-house capacity is small which could reduce ability to deliver at required pace and scale.	3	Capacity to build internal team is limited therefore pace of delivery would be slower than required.	4	Timescales of pace and delivery are less of a priority for NYC, instead considered delivery with private sector is an advantage.	3	3	4	10
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> YNV is responsible for 100% of project development costs and 100% of abortive costs, the private sector will invest in projects on an individual basis. A high in-house resource requirement for management of the framework procurement(s) and ongoing contract monitoring will be required. This includes significant contributions from procurement, legal and finance teams, as well as requirement from Sustainability / Climate Change teams to manage the portfolio. Will likely result in increased requirements on in-house procurement teams for contract management and monitoring. Total investment required will include: One-off investment for the running of the procurement process for the framework; additional costs associated with the running of standard procurement processes where services are not in scope/lack of market appetite; Investment for the Framework Team (up to 30 FTE minimum), which is expected to include contract management, legal, finance, and procurement specialists. 	<ul style="list-style-type: none"> Key features: Will require significant in-house capacity (min 30 FTE) for YNY, to manage framework and monitor contracts, as well as to manage portfolio and develop projects for framework. 	Very High	2	Significant capacity required for pace and scale of delivery is limited and dependent on complexity of the framework. Framework requirements too high.	2	Issues with resource requirements to increase in-house capacity. Private sector could be utilised more. Resource dependent on complexity of the framework.	3	Potential issues with in-house resource to contract manage, monitor and manage framework, not considering APS role as presumably they will be on the framework. Resource dependent on complexity of the framework.	2	2	3	7
	The degree of asset handover required by the IA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> This will likely be determined on a project by project basis, however, strategic and operation control remains with YNY, who can therefore determine the appropriate level of handover for authority assets. Some projects may require leasing or handover agreements in order to appeal to commercial investment and/or private sector delivery. 	<ul style="list-style-type: none"> Key features: Levels of asset handover is controlled in full by YNY on a project-by-project basis. 	Very Low	5	Flexibility on case-by-case basis to allow control of assets which require more levels of control as police and fire.	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily	5	Flexibility on case-by-case basis may allow cost-benefit analysis more easily	5	5	5	15
Total Model Score (Max 60*)										45	47	48	140	

Measure	Description
Very Low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
Moderate	In reference to the corresponding assessment criteria the scenario has a moderate level of the ability/requirement of that criteria.
High	In reference to the corresponding assessment criteria the scenario has a high level of the ability/requirement of that criteria.
Very High	In reference to the corresponding assessment criteria the scenario has a very high level of the ability/requirement of that criteria.
Variable	In reference to the corresponding assessment criteria the scenario's level of the ability/requirement of that criteria can vary dependent on contract details/decision making.

Rank	Description
1	Unacceptable scenario, this is a red line.
2	May face resistance politically or strategically (little acceptability) for this scenario, but not impossible.
3	No preference for this scenario, requires further exploration to make decision.
4	Would accept this scenario but not ideal, would be fully accepted under certain circumstances.
5	Full acceptability for this scenario, this is a preferred way forward.

YNY Strategic Partnership Options Appraisal Matrix

Dual-Track Coventry Model with Community Energy Fund		NY establishes two Strategic Energy Partnerships (Contractual), with joint governance structures, one serving the urban needs and one serving rural needs. Option remains that one partner could be sourced but likelihood of two to reflect the diversity of asset bases. See Contractual Sheet for more info. Additionally, a contractually distanced community energy fund which the partners need to develop community energy project origination for common benefit.		Note: This model has variations within recently noted including Dual-Track with Impact Fund and Dual-Track with SPV.										
Assessment Criteria	Weighting (1-5, where 5 is most important)	Delivery Option		CA Acceptability		CYC Acceptability		NYC Acceptability		CA Acceptability	CYC Acceptability	NYC Acceptability	Total Criteria Level Score	
		Comments	Summary	Rating of Criteria	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score (5 = High)	Rationale / Comments	Score	Score		Score
Strategic fit	Alignment with the Strategic Energy Partnership objectives and principles. *Potential to be ranked individually in detailed options appraisal*	<ul style="list-style-type: none"> Ability to leverage the combined experience and resources of both the public and private sectors. Private expertise will allow the exploration of innovation opportunities with lower level of risk relative to public sector risk. The scale of the Strategic Partnership could potentially allow for widespread delivery and the maximisation of projects at economies of scale. Two separate SPVs will allow for greater delivery on place-based needs, but may hinder the prospect of a more unified strategic delivery across the region. 	<ul style="list-style-type: none"> Key features: Leveraging the experience and resources of the private sector for innovation, widespread delivery, and economies of scale. Potential separate contracts/partners for urban and rural focused delivery could allow for place-based delivery. 	Very High	5	Collaboration with project partner allows for focus on delivery, maximising economies of scale. Two partners can allow for place-based delivery based on geographical need.	5	Collaboration with project partner allows for focus on delivery, maximising economies of scale. Two partners can allow for place-based delivery based on geographical need.	5	Collaboration with project partner allows for focus on delivery, maximising economies of scale. Two partners can allow for place-based delivery based on geographical need.	5	5	5	15
	The ability to align with and consider existing arrangements, policies, strategies.	<ul style="list-style-type: none"> Alignment varies with level of influence and control in contract. YNY can consider existing central government policies from the SEP focus. Each partnership/contract can be tailored to meet the needs of an urban and rural landscape (or other conditions). 	<ul style="list-style-type: none"> Key features: Each SEP can be tailored to CYC and NYC's unique existing arrangements, policies, and strategies, and adapted as these policies shift over time. 	Very High	5	Long term, flexible contract allows partner and YNY to take into account and adapt effect of existing policies and strategies (links to support) prioritised. No existing arrangements as of yet for CA.	5	Long term, flexible contract allows partner and YNY to take into account and adapt existing policies. Project by project allows integration of existing arrangements. Separate partners allow for more place-based specialist delivery.	4	Long term, flexible contract allows partner and YNY to take into account and adapt existing policies. Project by project allows integration of existing arrangements. Separate partners allow for more place-based specialist delivery.	5	5	4	14
Control	Ability for YNY to exert strategic control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> The Coventry model for more detail on governance and control, dual track model will require joint governance with a contractual outline, shared ownership and responsibility in developing, disseminating the public estate and energy generation. Understanding different expertise could be needed for rural and urban environments, therefore opportunity to have two contracts that will deliver at different pace and scale but simultaneously. Likely will require some ownership transferred to anchor projects to ensure partner. A willingness to pool YNY assets will be needed to ensure partner has economies of scale. 	<ul style="list-style-type: none"> Key features: Strategic control will be shared with the private partner, through equal representation on a governance board. Clear sets of requirements and objectives for the partnership can be incorporated at the outset of the partnership to ensure overall strategic alignment. 	High	5	High strategic control with private partner through board and contract development (not a partnership). Two partners allows for more specific objectives based on place.	4	Case by case approach through contractual arrangements is sufficient control. Sufficient governance arrangements possible, possible can be less control on board as YNY takes 50%.	4	Case by case approach through contractual arrangements is sufficient control. Sufficient governance arrangements possible, possible can be less control on board as YNY takes 50%.	5	4	4	13
	Ability for YNY to exert operational control over the delivery model through defined governance structures.	<ul style="list-style-type: none"> Operational control is a joint, collaborative process. YNY will therefore need to share control over the partnership with the SEP. However, business models, including levels of control and investment can be determined on a project by project basis based on the best outcomes for those involved. Level of control over day-to-day functions will need to be carefully negotiated in the agreement phase to reduce the risk of competing objectives between authorities and SPVs. Partner will also likely have more control over anchor projects, negotiated contracts. Example: Coventry Council and E.ON work together in partnership to develop ideas and projects for the benefit of Coventry residents and develop a regional strategic plan for [decarbonisation]. 	<ul style="list-style-type: none"> Key features: Project origination and delivery, and day-to-day operations, are conducted collaboratively with the SPV. Levels of control and investment can be determined on a project by project basis. Partner will also likely have more control over anchor projects negotiated in contract. 	High	5	Flexibility of contractual agreement may benefit changing landscape for CA as organisation matures and develops relationships with other delivery partners e.g. NEDO, Ngy.	4	Happy with low anchor project hand-over (Head Network) and flexibility on project by project basis.	3	Lack in anchor projects to hand-over but less appetite to do so regardless? But project by project flexibility is desired.	5	4	3	12
Influence	Ability for YNY to have strategic influence to shape the route to net zero.	<ul style="list-style-type: none"> CA and SPV work collaboratively to develop and deliver the project pipeline. Potentially limited by which projects the contractual partner has appetite to take forward/support in delivering (anchor projects likely required from both authorities). However, there is flexibility on the agreement over levels of influence and control, that can be adapted/negotiated on a project-by-project basis. Defined objectives and outcomes of the partnership can focus on delivery of decarbonisation projects, but require careful design at outset of partnership. 	<ul style="list-style-type: none"> Key features: Relies on overall design of contract to ensure priorities and goals are concrete to shape the route of project delivery. Project pipeline is designed in collaboration with SPV. YNY will have influence over details of which projects are brought forward and how they are delivered. However, SPV will have similar need of influence and therefore their own needs will impact the type of net zero project delivery. 	Moderate	5	Appetite for strategic partner to aid in project development (especially funding) is high. Happy with SP to have influence as long as controlled through contract.	5	Appetite for strategic partner to aid in project development (especially funding) is high. Happy with SP to have influence as long as controlled through contract.	4	Appetite for partner to be called upon for decisions, however not wider as interests with fiscal. Also needs to be controlled through contract.	5	5	4	14
	Ability for YNY to have strategic influence to drive wider social value and economic benefits.	<ul style="list-style-type: none"> The Coventry model for more detail. Contract agreement dictates that allocation of revenue from the partner through YNY projects will go into a collective investment vehicle to support community energy project development to support communities directly. YNY will likely have to take a more interventionist role to drive social value requirements in projects. YNY may have to take on greater risk and funding burden for projects with lower financial returns. CYC and NYC can tailor the outcomes of the partnership at the contract design phase, however there is a risk of competing interests in social value delivery vs commercial viability (and how these are shared between partners). 	<ul style="list-style-type: none"> Key features: Contractually distanced fund for community energy project development as well as using contract to make the SP accountable. 	High	5	Fund for community energy / cooperative ownership would likely align with most priorities. And accountability in contract is desirable. Could align well with ISAP community energy support work package.	4	Don't want to achieve net zero at any cost - don't want extractive partner. Good method for providing accountability. Potential concern of money being taken away from core services or that if want capital for the different reasons other than community energy?	4	Officer desire for community energy funding for project development, would require supportive capacity. Private partner accountability desirable even if social value not primary goal. Potential concern of why this money for the fund could not come back into NYC core services.	5	4	4	13
Risk	The degree to which the Authority / YNY is exposed to the overarching delivery risk, which refers to risks associated with the origination, development, financing and successful execution and management of the net zero pipeline.	<ul style="list-style-type: none"> Risk, reward, and contributions will be defined on a project by project basis. Risk is shared more equally between the authority and private partners, and risks around funding and project delivery and completion can be transferred to the private partners. However, as project origination and pipeline development are shared between the authorities and private partner, YNY will potentially face more risk around failed project development (variables by project) as well as reputational risk from the BCL (operational) model. (Example: Coventry found primary risk is the abortion of projects at any stage due to compliance criteria not being met, mitigated by gateway process that demonstrated VM alongside other criteria. EOR bear greater development risk. Project risks will be project specific). 	<ul style="list-style-type: none"> Key features: Identified on a project by project basis, but the majority of risk around the operation of the partnership and project delivery can be transferred to the private partner. Risk for failed project origination is higher for YNY due to contractual type of model. 	Moderate (Variable by Project)	5	Happy with level of risk on case to case basis flexibility very	4	Happy with level of risk on case to case basis flexibility very	4	Happy with level of risk on case to case basis flexibility very	5	4	4	13
	Ability to benefit from the rewards that arise at a delivery model level (project returns).	<ul style="list-style-type: none"> A successful partnership would require equity between partners, and the SP would need appropriate level of financial reward. As well as the contract and SEP commitments, there may also be a degree of project delivery for social value, without financial returns requirements. Different commercial returns are available for each project. SP will also need some degree of infrastructure ownership or exclusivity, especially if they originated the project or have invested in an innovative technology/programme. Financial returns above SEP expected rate of return goes into revolving fund structure. However, the separate community energy fund will allow the authorities to benefit from a capital pool created by both private sector partners. 	<ul style="list-style-type: none"> Key features: SP will have expectation of financial benefit. Project reward will be transferred away from YNY along with project risk. Predominant YNY benefits will be increased delivery of decarbonisation projects, and social value through KP commitments. Basis profits may be reinvested back into partnership. 	Moderate (Variable)	4	Case by case basis on decision desirable for reward, CA not as instant on financial reward, strategic vision and delivery more important.	4	Case by case basis on decisions desirable for reward, CYC would like to retain as much reward as possible. Likely not possible in partnership as some anchor projects are likely to be required to support partnership.	3	Case by case basis on decisions desirable for reward, YNY would like to retain as much reward as possible. Likely not possible in partnership as some anchor projects are likely to be required to support partnership.	4	4	3	11
Time	Time required to design, develop and procure/Implement the strategic delivery model (up to contract signing).	<ul style="list-style-type: none"> The Coventry model took approx 6 months to procure. Due to its flexibility, the model offers a fast-tracked process that allows an SPV to be acquired quickly, and the details of the partnership and project pipeline to then be developed in collaboration with the SPV. However, there may be increased time required in the YNY design and procurement process due to the three authority structure, which may lengthen the process due to variables in legal, governance, and asset base requirements. As well as this, if two partners are procured this process could increase further. This will likely complicate the procurement process and require significant time to design and procure as well as governance, financial, and legal resources for contract development. 	<ul style="list-style-type: none"> Key features: Shorter procurement process compared to BCL but three authority structure, potential of two procurements, and community fund may increase time required to set up. 	Moderate/High	4	Too many unknown factors to fully accept short procurement time, requires more exploration but would prefer short procurement.	4	Too many unknown factors to fully accept short procurement time, requires more exploration but would prefer short procurement.	4	Too many unknown factors to fully accept short procurement time, requires more exploration but would prefer short procurement.	4	4	4	12
	Ability to design, develop, and deliver pipeline at required pace and scale.	<ul style="list-style-type: none"> Most likely the contractual arrangement will be longer term (e.g. 10-15 year long), allowing for natural design to deliver long term benefits and planning. Flexible delivery model can adapt to future changes and risks in delivery, as well as promote projects at different scales. Utilisation of an experienced commercial scale delivery partner with significant experience and resources. Advantages of a separate private partner around legal, procurement barriers in public sector. The community energy project development fund will also increase delivery of community benefits more widely and at pace. 	<ul style="list-style-type: none"> Key features: Private sector partner and collaborative pipeline development can see accelerated speed and scope of project development and delivery beyond current in-house capacity. As well as direct funding into community energy sector. 	Very High	5	Key strategic need for the CA due to roadmap and collaboration.	5	Desire to deliver quality, business as usual will occur but private partnership would be beneficial.	4	Not major priority to perform at increased pace and scale so speed is sufficient, ability to develop pipeline is desirable.	5	5	4	14
Resource	Resource required from the Authority / YNY for the procurement process and the day-to-day running of the delivery model.	<ul style="list-style-type: none"> Resources for procurement would be lower in complexity and cost than BCL (operational) model due to contractual nature and shorter procurement processes. However, would still incur significant legal, procurement, and financial in-house resource requirements. A smaller in-house team for day-to-day management would be required, potentially centralised, with the potential for the SPV to provide the majority of staff. The contractual model also has greater flexibility on levels of investment for each project, YNY could choose how much they want to invest into each project, and the SPV would anchor private sector finance to fund higher volume of projects. (Example: in the Coventry model, an in-house delivery team is required within the authorities to assist with project origination, development, and delivery in collaboration with the SPV, initially committing 2.5 FTEs. In Coventry's case, the SPV provided a team of 8 FTEs). 	<ul style="list-style-type: none"> Key features: SEP required procurement, legal, and financial resources. Small team is good due to capacity constraints. Lots of resource required for setting up community fund, governance arrangements and contract with potentially multiple partners. 	Moderate	4	Ideal to take from existing city team if possible. Small team is good due to capacity constraints. Lots of resource required for setting up community fund, governance arrangements and contract with potentially multiple partners.	4	Ideal to take from existing city team if possible. Small team is good due to capacity constraints. Lots of resource required for setting up community fund, governance arrangements and contract with potentially multiple partners.	4	Ideal to take from existing city team if possible. Small team is good due to capacity constraints. Lots of resource required for setting up community fund, governance arrangements and contract with potentially multiple partners.	4	4	4	12
	The degree of asset handover required by the LA to the private partner (e.g. ownership, lease model).	<ul style="list-style-type: none"> YNY can determine levels of asset handover on a project-by-project basis. The model is inherently more flexible than the BCL (operational) model in terms of asset handover due to limited contractual constraints to the partnership parameters. (Example: E.ON Coventry Partner) was granted exclusivity over several defined Anchor Projects for a defined period of time, but did not receive exclusivity over all of the authority's land and assets.) 	<ul style="list-style-type: none"> Key features: SEP granted exclusivity over several defined Anchor Projects for a defined period of time, but model is inherently more flexible than the BCL (operational) model. YNY can determine levels of asset handover on a project-by-project basis due to limited contractual constraints on partnership parameters. 	Moderate (Variable by Project)	5	Not against longer contract and flexibility on case-by-case basis to allow control of assets which require more levels of control as per above.	4	Not against longer contract and flexibility on case-by-case basis may allow cost-benefit analysis more easily. Asset hand-over of anchor project would require more exploration to ensure benefits in contract are elsewhere and sufficient.	3	Case by case basis on decisions desirable but long term contract for certain projects may be a con and need for more exploration.	5	4	3	12
Total Model Score (Max 60%)											57	52	46	155

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Very low	In reference to the corresponding assessment criteria the scenario has a very low level of the ability/requirement of that criteria.
Low	In reference to the corresponding assessment criteria the scenario has a low level of the ability/requirement of that criteria.
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