

## Greater South East Net Zero Hub (GSENZH) Board Meeting - 6 December 2022

This meeting was conducted via online conference.

### Attendees

<p><b>Ben Burfoot</b> (Reading Borough Council) - Berkshire LEP (BerksLEP)</p> <p><b>Ed Barlow</b> (Buckinghamshire Council) - Buckinghamshire LEP (BucksLEP) - <b>Chair</b></p> <p><b>Sheryl French</b> (Cambridgeshire County Council) - Cambridgeshire and Peterborough Combined Authority (CPCA)</p> <p><b>Esther Fadahunsi</b> (Cambridgeshire and Peterborough Combined Authority (CPCA) – Finance Manager for Greater South East Net Zero Hub</p> <p><b>Alex Rathmell</b> – EP Group (Guest contributor)</p> <p><b>Chris Bailey</b> - Greater South East Net Zero Hub – Energy Efficiency Programme Manager</p> <p><b>Genevieve Dady</b> - Greater South East Net Zero Hub – Supply Chain Engagement Coordinator</p> <p><b>Peter Gudde</b> - Greater South East Net Zero Hub</p>	<p><b>Richard Hall (RH)</b> – Greater South East Net Zero Hub - Consultant for Local Authority Delivery Phase 2 and Sustainable Warmth</p> <p><b>Paul Kemp</b> - Greater South East Net Zero Hub</p> <p><b>Maxine Narburgh (MN)</b> - Greater South East Net Zero Hub – Regional Hub Manager</p> <p><b>Heather Stevenson</b> - Greater South East Net Zero Hub</p> <p><b>Erica Sutton</b> - Greater South East Net Zero Hub – Hub Support Coordinator</p> <p><b>John Taylor</b> – Greater South East Net Zero Hub</p> <p><b>Helen Pollock</b> - Hertfordshire LEP (HertsLEP)</p> <p><b>Kunal Prasad</b> - (Oxfordshire County Council) Oxfordshire LEP (OxLEP)</p> <p><b>Jo Simmons</b> - South East LEP (SELEP)</p>
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### Minutes

#### 1. Apologies, Introductions

- The meeting was chaired by Ed Barlow, BucksLEP.
- Apologies were given by Elinor Bendell, Department for Business, Energy and Industrial Strategy (BEIS); Swapna Uddin, BEIS; Robert Emery, CPCA; Marsha Robert, Coast to Capital LEP; EnterpriseM3 LEP; Simon Wyke, Greater London Authority; Ellen Goodwin, New Anglia LEP (NALEP); Chris Starkie, NALEP; Sarah Gilbert (Oxfordshire County Council) OxLEP; and Arthur Le Geyt, South East Midlands LEP.
- The meeting welcomed Chris Bailey, who has recently joined the Greater South East Net Zero Hub as Energy Efficiency Programme Manager, and whose work includes the Sustainable Warmth programme.

## 2. Minutes, Actions and Matters Arising

### 2.1 Minutes

- The minutes of the previous GSENZH Board meeting 18.10.22 and the GSENZH Board Extra meeting 21.10.22 were reviewed and agreed as a true account.

**BOARD DECISION:** The minutes of the previous GSENZH Board meeting 18.10.22 and the GSENZH Board Extra meeting 21.10.22 are agreed as a true account.

**ACTION 1.** EB to sign off the minutes of the GSENZH Board meetings 18.10.22 and 21.10.22 as agreed.

### 2.2 Actions and Matters Arising

- The actions from previous Board meetings were confirmed as complete or covered within the agenda.

## 3. Finance

- A report on the GSENZH financial position to 31 October 2022 was presented to the Board by Esther Fadahunsi, CPCA, Finance Manager for GSENZH, who highlighted the following points:
- There is a £458k underspend, however there is staff time to be recharged from the core Hub to various projects, and the recruitment of additional GSENZH staff is awaited. There is a new MOU from BEIS, and the estimate of spend from the new MOU will be set out prior to spend of the remaining original MOU funds. The amount of spend attributed to ringfenced projects is to be identified.
- LAD2 is now closed. Data is being collated from the local authorities and from the managing agent, Warmworks. A proportion of 80% of any underspend is to be returned to BEIS, with £65.3 million already sent back to BEIS and a further £800k is due to be returned in December 2022.
- For LAD3 and HUG 1, £62.2 million has been returned to BEIS, however activity is ramping up on the Sustainable Warmth programme.
- COP26 budget is £235k, with £192k spent to date, the rest will be spent soon on marketing work.
- The Net Zero Investment Design budget is £1.5million of which £600k has been spent, with two further tranches of £450k spend anticipated to close the project.
- The Public Sector Decarbonisation project is to be reprofiled into next year. Local Partnerships is to do some planning work to support other projects.
- The Rural Community Energy Fund total budget is £3.083 million, with £2.482 million spent to date, and the project is due to close in March 2023. Further reporting will be made to the Board in due course.
- The Board had the following questions and comments:
- BucksLEP asked for confirmation of the forecast outturn for the core Hub, whether this is £1.6 million and whether this is to March 2023. Maxine Narburgh (MN) Regional Head, GSENZH, advised that all the previous MOU funding is shown within this financial year, and is currently profiled to March 2023, but this needs to be profiled to September 2023 to allow for the BEIS decision-making buffer. Funding of £1.6 million will come from the new BEIS MOU and will be provided between now and March 2023. BEIS want this funding to be spent first and GSENZH will then profile what is left from all previous MOUs. MN clarified that there is a £500k underspend for staff costs due to the recruitment issue the Hub has experienced. A recruitment campaign is planned for January 2023. In addition, an associate model is being considered with Local Partnerships and Energy Systems Catapult to address the staffing requirement and work on project development. There is also an underspend for technical consultancy support, and GSENZH will put out a call for projects so that local authorities can make use of this.

- BerksLEP commented that c.£4 million funding provision against a £2.5 million projected spend amounted to a considerable underspend. BerksLEP asked how the GSENZH team, would be expanded, as the currently small size of the GSENZH team would be likely to impact on the ability to spend the BEIS funding. MN advised that the GSENZH team needs to be doubled and that this expansion is intended to take place in the current financial year, so that staff costs should rise from £500k to c.£1 million. Local Partnerships is helping GSENZH with a campaign to get the right people in post. Secondments from Energy Systems Catapult are being explored. Local Partnerships is exploring the use of an associate model for GSENZH to get the right expertise. Technical consultancy spending is less than profiled and GSENZH wants more local authorities to come forward. Currently only those projects short-listed for the Hub's support can come forward. A wider spectrum of local authority projects could be offered support. However, this would need to be done carefully given the large number of local authorities (136) that could apply from the region, to avoid speculative-type projects being proposed and GSENZH being overwhelmed with such requests. BerksLEP asked whether the process could be made a light-touch, streamlined process to facilitate applications for funding, perhaps a section 31 process to passport funding and for Energy Project Managers to identify and lead-in local authority projects, to avoid the need for bidding and for panels to assess applications. MN advised that the existing process was not onerous, and that two projects recommended for technical consultancy support were to be presented to the 06.12.22 Board meeting for approval. MN also clarified that half of the underspend figure of £23 million was attributed to the retrofit programme funding. BerksLEP agreed that this programme of work had its own unique issues and was distorting the overall financial picture.
- SELEP agreed that streamlined administration could speed up the process of allocating the technical consultancy funding and suggested that applying a finite window for funding projects can also be helpful in bringing applications forward.
- CPCA asked for clarification about whether the technical consultancy funding was a rolling programme or had a deadline and suggested that having a rolling, open fund could be more effective in bringing local authority projects forward than having two or three deadlines. In addition, CPCA supported the associate idea being used to bolster GSENZH staffing and advised that a rolling programme for recruitment has been effective for Cambridgeshire County Council. MN confirmed that the technical consultancy funding is a rolling fund but is not advertised. The funding is allocated to short-listed projects being supported by GSENZH Energy Project Managers, where these would be accelerated as a result, and match-funding is encouraged. However, the framework and criteria for allocating the funding needs to be updated, which GSENZH will do as part of the new MOU, and GSENZH will also look at how the offer can be made more widely known.
- CPCA asked whether the project ideas presented and prioritised at the GSENZH Board workshop 24.11.22 are to be funded by the technical consultancy funds. MN advised that the funding for these project ideas will come from the new BEIS MOU. The spending period for this may be extended by BEIS. Now that the position and timeline set out by BEIS are known, GSENZH can plan.
- SELEP suggested that a one-off webinar to promote the technical consultancy funding could be an effective way to enable local authorities to find out about it and learn about the eligibility and application process. This has been a helpful approach to promote rolling EU funding schemes. MN and HertsLEP agreed that this was a good idea.
- HertsLEP thanked Esther Fadahunsi for her presentation of the financial report and commented that the format used by Esther had provided a good picture of the position. HertsLEP noted that the Public Sector Decarbonisation fund was a considerable proportion of the funding available. MN advised that the Public Sector Decarbonisation funding can be forecast into the following financial year 2023/24 and that GSENZH now has the Local Partnerships research and plan to inform the way forward for delivery. GSENZH staff have

been working on Public Sector Decarbonisation and their time needs to be recharged. The Local Partnerships research has identified that GSENZH needs to focus on the schools' decarbonisation agenda, which has a value of £7.46 billion across 8.5k buildings and has the biggest building numbers and potential carbon and finance savings. It has also revealed that energy efficiency is the need rather than boiler replacement, so it is not well aligned to the Public Sector Decarbonisation Scheme.

- HertsLEP noted that retrofit skills shortages are still a massive issue and asked whether some of the new MOU funding could be directed towards upskilling. MN confirmed that GSENZH is working on the domestic retrofit skills agenda, that funding is to be directed to this, and that an update would be provided later in the meeting agenda.

#### **4. Park and Ride Feasibility Study – Technical Consultancy Support Request**

- Information on the technical consultancy support request for a park and ride feasibility study required by Essex County Council, was provided to the GSENZH Board in advance of the meeting with the Board papers 06.12.22 (page 16-25).
- The meeting was attended by GSENZH Energy Project Manager, Peter Gudde (PG) who highlighted the following key points about the study/request:
- Essex County Council is keen to explore specific opportunities in relation to park and ride projects. The Council has approached GSENZH for support so that it, supported by GSENZH, can engage a consultant to carry out a feasibility study and outline the business case for the project. PG emphasised that there is an opportunity to develop a template approach for the feasibility and outline business case, which could add value elsewhere.
- The template approach is a good fit with the portfolio of other work that GSENZH is supporting, such as the Net Zero Transport Hub, multi-storey car park decarbonisation and repurposing, and the Norwich Transfer Network fleet decarbonisation and depots.
- The Net Zero Hubs have a cross-Hub Transport Working Group, so GSENZH can explore how it fits with strategic work being supported across the Net Zero Hubs.
- The Recommendation to the Board was: 1) The Board is recommended to approve grant funding of up to £15,000 in support of a feasibility and outline business case template for solar park and rides.
- The Board had the following questions and comments about the project/recommendation:
- BucksLEP commented that the project was sensible and a useful piece of work, but its success would be affected primarily by the grid connection, so that the business case template would be led by the cost to put megawatts on the grid. PG agreed that to address the issue, a logic process/decision model was needed, and that access to the network was a factor, in addition, whether loads would be taken off or added, the matter of land tenure arrangements and the project's sustainability.
- HertsLEP supported the recommendation and highlighted that new legislation in France requires all car parks with 80 spaces or more to be covered by solar PV, so there was an opportunity for the project to align with future legislation.
- OxLEP expressed support for the project, which would help to develop a common approach. OxLEP asked whether the project is additional to the work that Oxfordshire County Council did with GSENZH about engagement of its land assets and the generation opportunity. PG confirmed that this is an additional piece of work and that the work referred to by OxLEP was first generational. PG advised that using such previous knowledge, pathways could be developed, which would speed up the process for local authorities, and reduce costs and the external process required.
- CPCA advised that the most difficult element of such projects is not the technical aspects but the finance aspects, so the study should focus on these, particularly risk and how low carbon technologies are strung together. In addition, the legal requirements that relate to the supply of electricity are another difficult area that needs support. PG advised that the budget for this piece of work would not accommodate these areas, but that GSENZH is already in dialogue with an energy law practice and with Cornwall Insight concerning the latter. CPCA emphasised that the technical side is known, but the challenge is how to get the project to

work in a commercial sense and incentivise energy users to buy electricity locally rather than nationally.

- BerksLEP commented that DNOs in the UK provide a lower price than in France. There is a need to engage DNOs in the process and explore the load-shifting potential of electric vehicles plugging into the same location as the solar generation. The study should not conclude that a project works only where if there is an off-taker, and if there is no off-taker and the grid needs to be involved, it does not. A partnership approach is needed with DNOs to unlock park and ride projects. Reading Borough Council are doing work on power purchase agreements and sleeving. That is the challenge area. BerksLEP suggested that the scope of the study should identify and examine the key parameters that will work with the most sites.
- OxLEP advised that the study outputs should be very clear to avoid duplication of other work and known or standard processes. OxLEP advised that consideration of how the energy would be used was also significant factor for the study to examine, and that the consultant should produce actionable points from the study.
- BucksLEP proposed that the funding be approved but observed that to take account of the suggestions from the Board, a broader scope for the study would be required and therefore additional funding of c.£10k or more would be needed. The wider scope should include issues around sales, land issues and load shifting/storage, so that it was more widely applicable. PG agreed to go back to Essex County Council with this proposal but proposed that Board members be included in a scoping call, and to take a team approach, where the Council would be the client.

**BOARD DECISION:** To approve grant funding in support of a feasibility and outline business case template for solar park and rides, for an amount of at least £15,000, with further funding for the study to accommodate an expanded scope, which is to be informed by the feedback from the GSENZH Board meeting 06.12.22 and an online meeting with Essex County Council, Peter Gudde, GSENZH, and volunteers from the GSENZH Board.

**ACTION 2.** PG to approach Essex County Council to propose the expansion of the scope of the Park and Ride Feasibility study and to set up an online meeting for this purpose that also involves GSENZH Board members.

## 5. Net Zero Delivery Vehicle – Phase 2

- Information about the Net Zero Delivery Vehicle (NZDV) a solution to attract investment for net zero projects, which is being developed by EP Group, with the support of technical consultancy funding from GSENZH, was provided to the GSENZH Board in advance of the meeting with the Board papers 06.12.22 (page 26-31).
- PG, GSENZH introduced the initiative to the meeting, advising that the aim of the NZDV was to unblock investment in net zero projects and bridge the current funding gap between the finance required and what finance is available. The NZDV is a parallel project to the nationally-focused Cities Commission for Climate Investment (3Ci) work (recently introduced to Board members at the GSENZH Board workshop 24.11.22) which it compliments, being a locally-focused solution.
- The meeting was joined by Alex Rathmell, EP Group, who outlined key points from the findings of the Net Zero Delivery Vehicle feasibility study already undertaken, and set out the request for technical support for a business case to establish a pilot for the NZDV:
- The hypothesis for this investment solution is of a locally-focused net zero delivery vehicle that delivers the net zero objectives of local authorities. The specification originated from an Innovate UK project. The design has been interrogated and consideration given to how it could be modified. Essex County Council, Sussex County Council and Brighton and Hove City Council have all participated in the feasibility study.
- The research has used quantitative methods to establish the totality of net zero investment, that is, how much is visible to the local authorities, and it has used qualitative methods to shed light on barriers and solutions to enable the flow of investment into local projects.
- The research has identified £35 billion of investment across the three local authorities, which combines internal investment with what other investment the local authorities could initiate.

It identified that some of this would create further financial return and that all of it would have an impact. The key question is how to create portfolios to attract finance. A new function is needed to blend and match-make finance. The answer needs to address local authority concerns about handing over profits to private investors, and to recognise the capacity and capability limits of local authorities, and also to address how to facilitate the solution, so that it remains in the control of local authorities.

- A delivery model diagram has been developed to illustrate how the NZDV would work (as set out in the GSENZH Board papers 06.12.22). Regional organisations would have a playbook for each asset class. The programme would be delivered locally and be answerable to local authorities.
- A roadmap is proposed for a framework that could be procured. The business case/pilot will focus on one asset class and build the infrastructure for it and develop it and get a return and use that as a springboard for subsequent assets classes. This would avoid all the return going to a private investor.
- PG, GSENZH, confirmed that the feasibility study report has been drafted and the finished version will be circulated to the GSENZH Board in January 2023.

**ACTION 3.** PG to circulate the finished Net Zero Delivery Vehicle feasibility study report to the GSENZH Board in January 2023.

- The Recommendation to the Board was: 1) To note the findings of the feasibility study prepared by EP Group, summarised in this report (GSENZH Board papers 06.12.22, page 26-31). 2) To approve allocation of £25,000 to commission a business case for the establishment of a pilot Net Zero Delivery Vehicle. This would be subject to confirmation that a host local authority can be secured to act as the sponsor of the business case. 3) To delegate to the GSENZH Manager the commissioning of consultants to prepare the business case.
- The Board had the following questions and comments about the project/recommendation:
- BerksLEP commented that the asset class selected would need to be carefully considered and asked whether a short/medium/long-term blended approach is possible, and whether the cost of the risk is covered or whether the local authority would have to pay. EP Group clarified that asset classes could be blended. School rooftop PV is the low-hanging fruit. The energy efficiency work is the long-term payback. With different sources of capital for different measures, blending might work. A friendly financial provider is needed that has bought into the longer-term sustainable benefit and wants to support it. This provider needs to be a partner from the outset.
- CPCA advised that if working with schools, there is an incentive for academies to be involved, which then entails dealing with a Trust. However, auditors for academies want best value, so it is important to have a relationship with government to get dispensation, so that auditors know that this initiative is supported by government.
- CPCA proposed that as regards schools, heat is the best way forward and furthermore to provide heat as a service. EP Group advised that solar PV is proven so investors are willing to back it, but the aim is to do a meaningful programme of work and that solar PV was a stepping-stone to get the NZDV mobilised.
- CPCA asked whether the NZDV would use the assets of the local authority that is backing it, or use the assets of an area to support everyone? EP Group confirmed that it would be area-wide but involve selected investments. Security would be provided to all, but the local authority would have a seat at the table. PG, GSENZH, affirmed that the inclusion of a democratic process was needed, and that the local authority would play a part in governance.
- CPCA asked if a local authority is doing a Local Area Energy Plan, could that be covered by the NZDV. EP Group confirmed this was so.

**BOARD DECISION:** 1) To note the findings of the Net Zero Development Vehicle feasibility study prepared by EP Group, summarised in the report in GSENZH Board papers 06.12.22 (page 26-31). 2) To approve allocation of £25,000 to commission a business case for the establishment of a pilot Net Zero Delivery Vehicle. Both solar and heat should be explored in the business case, to address the difficulty of funding net zero projects for schools with long-term paybacks. This would be subject to confirmation that a host local authority can be secured to act as the

sponsor of the business case. 3) To delegate to the GSENZH Manager the commissioning of consultants to prepare the business case.

**ACTION 4.** PG to discuss with EP Group how both solar and heat can be explored in the Net Zero Delivery Vehicle business case, to address the difficulty of funding net zero projects for schools with long-term paybacks.

## 6. Greater South East Net Zero Hub Priority Projects Ideas

- A long-list of project ideas to support net zero delivery in the region was pitched to GSENZH Board members and local authorities from the region at a workshop held for the Board 24.11.22 by the GSENZH operations team. Participants at the workshop reviewed and short-listed the ideas, for which funding is available, in the context of the GSENZH's new BEIS MOU funding settlement, from an underspend from previous MOUs.
- The short-list of priority projects was re-presented to the GSENZH Board with the stated intention of taking these projects forward to an outline business case for commitment of funding ahead of the end of the financial year 2022/23. Briefing notes and copies of the slide presentations on each of the ideas were supplied to the Board in advance of the meeting with the GSENZH Board pack, 06.12.22 (page 32-45).
- **Digital Services to Assist Net Zero Delivery** – GSENZH Data and Information Manager, Heather Stevenson, highlighted the following points about this priority project idea:
- There are many different requirements for digital services around net zero. The GSENZH wants to support people who want data and tools, whether they are freely available or via a Dynamic Purchasing System (DPS). For example, this data could be an analysis of which buildings require retrofit, of local area energy planning tools, or identifying opportunities to decarbonise heat.
- A review is needed of what is available and what support and offer would be made to access the tools. We will look at a list of what is available, what the gaps are and what solutions are available, the DPS route to make it available, procurement process readiness, making sure we have the right tools, and then helping people to use the tools, and showing how people benefit from using them.
- PG, GSENZH, then highlighted the following points of feedback on the Digital Services to Assist Net Zero Delivery project idea, which had been received from participants at the Board workshop 24.11.22:
  - Use the DPS to allow GSENZH to corral software and stimulate its development, for example, from universities and private sector organisations.
  - Keep it simple, as local authorities do not necessarily have the capacity or resources to use it.
  - Use data in an informative way to develop business cases.
- **Carbon Offsetting and Removals** – GSENZH Energy Project Manager, John Taylor, highlighted the following points about this priority project idea:
- Many local authorities will have some emissions that they cannot address themselves, and so will need to offset/remove them.
- Carbon offsetting and removals is an evolving market. Guidance is needed to get local authorities fully briefed. This includes understanding and development of the business case and business models for revenue generation, for example, the sequestration and selling of carbon.
- There is guidance needed in relation to the quality of removals and identification of which ones are the higher quality.
- There are several stages to this proposal: To begin with, research is required, and the mapping out of guidance and options and provision of case studies. Next, the initiation of pilot projects and the business development of schemes, to enable local authorities to buy and sell.

- John Taylor then highlighted the following points of feedback on the Carbon Offsetting and Removals idea, which had been received from participants at the Board workshop 24.11.22:
  - Net zero reporting should be tied in with corporate accounting. Carbon offsetting should provide additionality, and there should not be double-counting.
  - Use the purchase of renewable energy as a key means of offsetting.
  - Use the approach of insetting rather than offsetting, that is, within a local authority's own geography or within the UK.
  - How do we understand the market, for example, what is an appropriate carbon price and how is it set?
  - Nature-based solutions such as biodiversity and soil improvements should be prioritised over technically-based solutions.
  - There is scepticism about carbon capture and store that it cannot be relied upon.
- **Retrofit Able-to-Pay Delivery Models** - GSENZH Energy Project Manager, Paul Kemp, highlighted the following points about this priority project idea:
  - The need for this idea is driven by insufficient provision. However, there are some existing schemes such as [Cosy Homes Oxfordshire](#).
  - The scope of the idea is to commission research to build on existing schemes and collate existing models and programmes and understand the needs and motivations of homeowners. A summary of existing investment models will be produced, and an area-wide delivery model will be developed.
- Paul Kemp then highlighted the following points of feedback on the Retrofit Able-to-Pay Delivery Models idea, which had been received from participants at the Board workshop 24.11.22:
  - There is a need to establish roles, that is, local authorities to lead as a trusted brand, and to consider what roles will be taken on at different local authority tiers.
  - Endeavour to build skills and knowledge at local level and engage with local trusted installers.
  - Look at opportunities for interest and buy-in from residents and educate owners about the benefits.
  - There is potential for this idea to use a pathways model to develop it as a community-energy initiative.
  - Focus on easy, cheaper interventions.
  - Link to government funding initiatives and schemes where possible.
  - The key barrier is the revenue fund to start such schemes.
- **Industrial Clusters** - GSENZH Energy Project Manager, Paul Kemp, highlighted the following points about this priority project idea:
  - It is a service and delivery model for local energy communities in industrial areas or at sites.
  - Support for decarbonisation is via a package of support (including peer-to-peer trading) provided to businesses in a defined area.
  - The work will build on GSENZH's existing knowledge and research.
- Paul Kemp then highlighted the following points of feedback on the Industrial Clusters idea, which had been received from participants at the Board workshop 24.11.22:
  - There should be a holistic approach to the whole estate.
  - Identify business problems and understand them first, then apply solutions appropriately.
  - Learn lessons from existing schemes, for example, Maylands Industrial Estate in Hertfordshire.
  - Be aware that some businesses are not ready or commercially minded.
  - Define the operational logistics of the technology for the businesses.
  - Consider rising energy costs and their impact on businesses.
- **Greater South East Retrofit Training Network** - GSENZH Supply Chain Engagement Officer, Genevieve Dady, highlighted the following points about this idea:
  - It proposes a Regional Retrofit Training Network to spearhead collaboration and coordination of skills development across the region.
  - The Greater South East region has 46% of the national housing stock, of which 90% needs to be retrofitted. The sector is inadequate to meet this need and there is a lack of training



infrastructure. Trades bodies are calling for a national strategy to deliver what is needed, hence this project.

- The outputs of the work would be a network to deliver national training and to harness skills-programme funding to make it meaningful. The network will need to be self-sustaining, and a priming pot is required.
- To provide high-quality training there needs to be coordination. To hit net zero targets there is a need for collaboration. Peer-based knowledge transfer is a key component.
- The next step is to establish a steering group, which is to include Board members. A starting fund of £150k is required.
- Genevieve Dady then highlighted the following points of feedback on the Greater South East Retrofit Training Network idea, which had been received from participants at the Board workshop 24.11.22:
  - A bigger voice is needed to make the business case.
  - The sector needs to provide direction to this: what is needed and where.
  - A mechanism is needed to pull knowledge together.
  - Career pathways need development.
- Board members had the following comments and questions on the presentation of the priority project ideas by the GSENZH team:
- HertsLEP commented that there is a need to consider the logistics of managing the priority projects in terms of staff time and consultancy support. The retrofit and carbon offsetting projects are particularly important for the future. HertsLEP then asked whether the business service would be free or paid for.
- SELEP asked whether the idea is to run with some of the projects or short-list the five projects that were presented. BucksLEP advised that the five projects already represented the short-list, so all will go forward to delivery. MN confirmed that the GSENZH team will bring an outline business case to the January 2023 Board. SELEP agreed that GSENZH team resource needs to be taken into consideration and commented that it would be better to run with a few projects and to have impact with them rather than with more projects and not. SELEP suggested that from the local authority perspective, the priority project would be the Retrofit Training Network, and, with so many local authorities working in isolation, this project would be highly beneficial to them.
- SELEP questioned whether there is sufficient relevant expertise within local councils to get benefit from the Digital Services to Assist Net Zero Delivery project.
- SELEP highlighted that other work done on Industrial Clusters has seen good results and suggested that this project idea would be successful if it were well resourced.
- SELEP considered that the Carbon Offsetting and Removals project would be popular given the climate commitments made by many local authorities.
- HertsLEP urged that GSENZH should be realistic concerning the Industrial Clusters project and that resourcing of clusters was an issue. HertsLEP cited the example of Eastern New Energy and the Newlands Estate where they have struggled to engage. SELEP commented that South East New Energy is mirroring this project.
- OxLEP asked how local authorities can be encouraged to engage and input to the projects as it is more meaningful if they can feed into the process.
- OxLEP asked about the Industrial Clusters project, how Project Leo and other relevant project examples can be considered, and their learning integrated into the project.
- CPCA commented that a carbon insetting initiative would be invaluable to achieving net zero, especially as there is a juvenile market for carbon. The Carbon Offsetting and Removals project would provide an opportunity to set the tone and direct investment.
- CPCA considered that the Digital Services to Assist Net Zero Delivery project to be a good idea and asked whether it included data as well as tools, and that it would be less useful without both. Heather Stevenson, GSENZH, confirmed that part of the project would be to establish where data was currently held, and how to make it accessible to local authorities would be an essential element. CPCA highlighted the issue of the cost of the Local Area Energy Planning tool provided by Energy Systems Catapult and how this was a challenge for local authorities, and that the preference for the Digital Services project would be to avoid

these costs. SELEP highlighted data storage issues and the need for a meta-data warehouse to tackle data going out of date.

**ACTION 5.** SELEP to send to Heather Stevenson, GSENZH, the details of a project example relating to data storage and data becoming out of date.

**BOARD DECISION:** To consider for approval the outline business case for the five priority project ideas at the next Board meeting, 24.01.23.

**ACTION 6.** GSENZH team to bring an outline business case for the five priority project ideas to the next GSENZH Board meeting 24.01.23

## **CONFIDENTIAL**

### **7. Local Authority Delivery Phase 2 (LAD2) and Sustainable Warmth (SW)**

- An update on the Sustainable Warmth programme was provided in advance of the meeting with the GSENZH Board papers 06.12.22 (pages 46-57).
- Richard Hall (RH) Consultant for GSENZH for the LAD2 and SW programmes, and Maxine Narburgh (MN) Regional Head GSENZH, provided the following update:
- RH reported that the first meeting of the Sustainable Warmth Project Board 29.11.22 had gone well, with good feedback, and lots of input and actions generated.
- MN highlighted that key performance data was included in the Board pack 06.12.22. The LAD2 programme is now closed, and reconciliation activity is ongoing. The Sustainable Warmth target is getting close. Mobilisation was in October 2022 and there has been £7 million delivery to the end of November 2022.
- RH advised that a final reconciliation for LAD2, using data from key suppliers, was to be provided in an end-of-month return to BEIS. Performance is slightly better than the mid-point, which is a good sign.
- Sustainable Warmth has a £9 million target to the end of November 2023, which was missed by £2 million. This led to meeting being requested with Mark Parkinson (CPCA) to provide an explanation by Lord Callanan and Selvin Brown. However, most of the Sustainable Warmth funding will be spent.
- The pack sent to the Sustainable Warmth Project Board (copy provided in the GSENZH Board pack 06.12.22) will evolve over time and include more insight about how to direct the programme. The Sustainable Warmth programme plan (page 49) shows that GSENZH needs to consider how to move local authorities to where there is capacity and demand for delivery.
- The Home Upgrade Grant Phase 2 (HUG2) bid is currently commercially sensitive as GSENZH is still developing the procurement process.
- BucksLEP asked whether the local authority meeting had been well attended and gone well. Chris Bailey, Energy Efficiency Programme Manager, GSENZH confirmed that this was so. The feedback had been good, and the format had worked well.

### **8. Regional Hub Manager Report**

- A written report from Maxine Narburgh (MN) Regional Head, GSENZH on the GSENZH core programme of work was provided in advance of the meeting with the Board papers 06.12.22 (pages 58-61). MN highlighted the following points:
- **Governance** - The new BEIS MOU has been taken through the CPCA Board for approval. This went very smoothly, and the MOU was accepted.
- The way forward on governance is that the CPCA CEO, Mark Parkinson and the CPCA Monitoring Officer are to work on the Terms of Reference (ToR). The original ToR itemised every project, but the updated ToR will need to be more generic, otherwise they will require constant updates. MN asked the GSENZH Board to confirm whether they were happy with this approach.

**BOARD DECISION:** The GSENZH Board is content that, following the acceptance of the new BEIS MOU by the Cambridgeshire and Peterborough Combined Authority (CPCA) the CPCA CEO, Mark Parkinson and the CPCA Monitoring Officer are to update the GSENZH Terms of

Reference (ToR). The updated ToR will be more generic in nature and will not itemise every project, so that the requirement for constant updates can be avoided.

- MN advised that the CPCA Board was asked to delegate authority to the GSEZHZ Board for grants where decisions do not impact on the Combined Authority budget or their staffing resource and that this was agreed.
- The GSEZHZ Board had the following comments and questions:
- SELEP asked how the principal agreement captures Board members, given the context of the devolution conversations that are to take place.
- MN asked the GSEZHZ Board for their view on whether a new Accountable Body Agreement was needed.

**BOARD DECISION:** The GSEZHZ Board is content with the existing Accountable Body Agreement and content to operate within the updated Terms of Reference.

**ACTION 7.** MN to request that CPCA to look at the governance structure and agreements within the GSEZHZ Terms of Reference and obtain formal advice on these points.

- **Retrofit Skills and Supply Chain** – A draft report and area-based reports are to come from the research work. Reports to cover each LEP area will be sent out to Board members individually. These can be shared with local enterprise partnerships and local authorities, but the data sheets should not be published (for example, Board members should not post the reports on their websites).

**ACTION 8.** Genevieve Dady, GSEZHZ, to circulate the Retrofit Skills and Supply Chain research reports to Board members.

- BBC East Region media coverage on LAD2 started out with a focus on the return of funding from the programme to BEIS, but was adapted to an [interview with MN](#) on the skills shortage and the needs, challenges, and opportunities it presents, which provided positive and helpful coverage.
- The Home Decarbonisation Skills Competition results have been published. Fourteen out of the 18 successful projects will provide training in the Greater South East region, four of which are based in the region. This is a huge improvement in the availability of training in the Greater South East. HertsLEP noted that the competition had been managed by the Midlands Net Zero Hub and that GSEZHZ Supply Chain Engagement Officer, Genevieve Dady, had been included on the panel.

## 9. Forward Plan and Horizon Scanning

- The latest GSEZHZ Board Forward Plan was provided with the Board papers 06.12.22 in advance of the meeting.
- MN advised that a procurement exercise is being undertaken for the Greater South East Retrofit Skills Training Network project and that this be brought to the GSEZHZ Board for consideration at its next meeting 24.01.23.

**BOARD DECISION:** The GSEZHZ Board will consider the way forward for the procurement of the Greater South East Retrofit Skills Training Network project at its next meeting 24.01.23.

**ACTION 9.** MN to add consideration of the procurement for the Greater South East Retrofit Skills Training Network project to the Forward Plan for the GSEZHZ Board 24.01.23.

## 10. Any Other Business

- No other business was raised.

## 11. Dates of Future Meetings

**BOARD DECISION:** The next Board meeting is scheduled to take place on 24 January 2023, 10:00-12:30. The meeting is to take place virtually. Helen Pollock, HertsLEP is to chair.

**Minutes approved as a true and accurate record by Helen Pollock – Hertfordshire Local Enterprise Partnership.**

**SIGNATURE**

**DATE**