

Greater South East Net Zero Hub (GSENZH) Board Meeting - 18 July 2023 Conducted via online conference.

Attendees

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| <p>Ed Barlow - (Buckinghamshire Council) Buckinghamshire LEP - Chair</p> <p>Nick Bell - Cambridgeshire and Peterborough Combined Authority (CPCA)</p> <p>Sheryl French - Cambridgeshire County Council (CCC)</p> <p>Esther Fadahunsi – CPCA, Finance Manager for Greater South East Net Zero Hub</p> <p>Natasha Marshall – CPCA - Finance Officer for Greater South East Net Zero Hub</p> <p>Swapna Uddin - Department for Energy Security and Net Zero (DESNZ)</p> <p>Peter Gudde (PG) - Greater South East Net Zero Hub – Energy Project Manager</p> | <p>Paul Kemp (PK) - Greater South East Net Zero Hub – Energy Project Manager</p> <p>Maxine Narburgh (MN) - Greater South East Net Zero Hub – Regional Hub Manager</p> <p>Erica Sutton - Greater South East Net Zero Hub – Hub Support Coordinator</p> <p>John Taylor (JT) - Greater South East Net Zero Hub – Energy Project Manager</p> <p>Helen Pollock - Hertfordshire LEP (Herts LEP)</p> <p>Nicolette Jeffreys – New Anglia LEP (NALEP)</p> <p>Kunal Prasad – (Oxfordshire County Council) Oxfordshire LEP (OxLEP)</p> <p>Jo Simmons - South East LEP (SELEP)</p> <p>Arthur Le Geyt - South East Midlands LEP (SEMLEP)</p> |
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Minutes

1. Apologies, Introductions

- The meeting was chaired by Ed Barlow, Bucks LEP.
- Apologies were given by Ben Burfoot (Reading Borough Council) Berkshire LEP (Berks LEP); Susan Jones, Berks LEP; Robert Emery, CPCA; Marsha Robert, Coast to Capital LEP; Chris Burchell, EnterpriseM3 LEP (EM3LEP); Marida Cable-Lewis, EM3LEP; Simon Wyke, Greater London Authority; Lisa Roberts NALEP; Sally Andreou, Oxfordshire LEP; Sarah Gilbert, Oxfordshire County Council; and by Richard Hall, Consultant for CPCA / Greater South East Net Zero Hub, Local Authority Delivery Phase 2, Sustainable Warmth and Home Upgrade Grant Phase 2.
- The meeting welcomed new participant Nick Bell, Cambridgeshire and Peterborough Combined Authority (CPCA) Senior Responsible Owner, Resources and Performance Directorate.

2. Minutes, Actions and Matters Arising

2.1 Minutes

- The minutes of the previous GSENZH Board meeting 06.06.23 were reviewed and agreed as a true account.

BOARD DECISION: The minutes of the previous GSENZH Board meeting 06.06.23 are agreed as a true account.

ACTION 1. Ed Barlow, Bucks LEP to sign off the minutes of the GSENZH Board meeting 06.06.23 as agreed.

2.2 Actions and Matters Arising

- The actions from the previous Board meeting 06.06.23 were confirmed as complete or covered within the agenda, with the following exceptions:
- **Local Partnerships Stakeholder Mapping and Governance work** – With reference to Action 14, Maxine Narburgh, GSENZH reminded Board members to feed back to Local Partnerships on the material and questions that they had provided, and asked Board members to highlight any issues to Maxine herself.

3. Finance

- A report on the GSENZH financial position to 30 June 2023 was presented at the meeting by Esther Fadahunsi, CPCA, Finance Manager for GSENZH.

ACTION 2. Esther Fadahunsi, CPCA to circulate to the GSENZH Board a copy of the report on the GSENZH financial position to 30 June 2023.

- Esther Fadahunsi, CPCA, highlighted the following points:
- **Revenue Expenditure:**
- **Core Hub** – The revised budget £1.431 million, which includes money from last year, has been revisited and reprofiled. The total spend to date is £292k, which includes staff and consultancy costs but does not yet include third party payments or support staff (HR, legal and communications) which will amount to a significant cost.
- **Rural Community Energy Fund** – The revised budget is £445k and the spend to date is £116k. This reflects three months of staff and consultancy costs and third party payments.
- **Local Energy Advice Demonstrator** – Staff funding is awaited from the Department for Energy Security and Net Zero. Costs to date are £21k which reflects staff and consultancy costs for three months.
- **Public Sector Decarbonisation** – This includes a reprofile from last year. The spend is £22k to date, which includes staff and consultancy costs and the Ongen licence fee. An amount of £45-200k is to go to technical consultancy support. Staffing costs need to be increased and £540k is committed.
- **Social Housing Technical Assistance** – The costs are mainly website costs and includes a very small amount of staff costs.
- **Net Zero Investment Design** – This has an underspend of £12k which will be used next month and then the project will be closed.
- **Home Upgrade Grant Phase 2 (HUG2)** – The mobilisation fee has been signed off by the auditors. The revenue allocation is £588.3 million, and the capital is £7.891 million going forward. This is to be profiled.
- **Home Upgrade Grant Phase 1 (HUG1)** – The scheme is completed and due to close following completion of the analysis of data which is underway. The budget was £433k and the spend to date is £111k. This does not include E.ON spend for the whole project, which will be a significant amount of cost. TrustMark lodgements and managing agent invoices are still coming in.

- **Local Authority Delivery Phase 3 (LAD3)** – This scheme will conclude September 2023. The budget was £2.429 million and £471k was spent. The costs include staff costs but not E.ON costs.
- **Capital Expenditure:**
- **Sustainable Warmth, HUG1** – The scheme is closed but pending E.ON invoices. The budget was £2.799 million with £868k spent. Work is being done to consolidate total spend. There is potential for the underspend to go into LAD3.
- **Sustainable Warmth, LAD3** – The budget is £7.447 million and the spend to date is £1.561 million. This is mainly on staff costs, capital work costs for Warmworks, City Energy, Surrey and Dartford. No E.ON invoices have been included.
- **Total Figures:**
- **Total Revenue** - The total spent to date from a budget of £11.855 million is £561k, but with further amounts still to be added.
- **Total Capital** – The capital expenditure to date from a budget of £18.136 million is £2.429 million. A profile needs to be prepared.
- GSENZH Board members had the following questions and comments about the financial report.
- Bucks LEP commented that HUG2 carries on until next year, so there is time to spend the budget, but it is a lot of money to deliver, and asked whether an underspend is expected. Maxine Narburgh, GSENZH, advised that the Sustainable Warmth scheme comprised HUG1 and LAD3. The HUG1 expenditure for revenue and capital is £7.5 million, so it is an underspend, and the scheme closed end March 2023. However, GSENZH is hoping to use the HUG1 underspend in LAD3 if there is a sufficient pipeline of properties requiring low cost measures. This is a good position. For LAD3, the expectation is that the outturn will be spent. No invoices have been received from E.ON though it is expected imminently. GSENZH wants to receive monthly invoices going forward for LAD3 for proper financial management. For HUG2, the arrangements will be different. Delivery will be made in batches. Payment will be made in instalments. The risk is that the right properties need to be found and gateways need to be passed through to delivery and the process is slow.
- CCC asked why E.ON is behind with its invoicing. Maxine Narburgh, GSENZH, advised that E.ON has no cashflow problem and has been known to invoice at the end of the programme in other regions. The specification for HUG2 is that completion is required with TrustMark lodgements and invoices. Without completion, the next batch of properties will not be put forward to E.ON for delivery. These controls will be in place for HUG2.
- Herts LEP asked whether GSENZH has an idea of the amount of cost yet to be invoiced by E.ON. Maxine Narburgh, GSENZH, confirmed that GSENZH has weekly meetings with E.ON and has information about the TrustMark lodgements. The estimate is £900k for HUG1 and £3.5 - £4 million for LAD3. However, if any money is left, GSENZH needs to know that to act and use it up.

5. Technical Consultancy Budget Project Proposal

- Maxine Narburgh, GSENZH provided a verbal introduction to the agenda item:
- GSENZH has a 2023-2024 core underspend of c.£500,000, due to delays in GSENZH recruitment. There is potential to use this money to roll out a project acceleration fund for public sector applications. However, the funding must be spent by end March 2024, which provides a limited timescale for suitable projects to be come forward and commence delivery. GSENZH has therefore reviewed its existing project pipeline to identify projects where acceleration could be enabled with this financial support.
- Eleven projects have been identified, with a maximum £50k funding per project for technical consultancy, and these are to be presented now to the GSENZH Board for comment. At the next GSENZH Board meeting 05.09.23, having gone through the GSENZH assessment

framework, a funding application for these projects will be brought forward for the Board's approval and committed for spending in this financial year.

- There is in addition a twelfth project, for which approval is sought from the GSENZH Board, which is a Public Sector Decarbonisation skills funding budget for various local authority projects with a value of £45-£200k. This is to enable projects which originally applied to the Low Carbon Skills Fund to get technical consultancy support, to make them bid-ready for the autumn 2023 round of the government's Public Sector Decarbonisation Scheme fund. Local Partnerships will be engaged to carry out a verification of the projects against Public Sector Decarbonisation Scheme criteria, including expected investment readiness, as a prerequisite for receiving GSENZH technical consultancy support funding.
- It is recommended that the decision on the skills funding budget be taken through Nick Bell, the CPCA GSENZH SRO, using the Local Partnerships evidence base, and reported back to the GSENZH Board at the 05.09.23 meeting. This is proposed due to the autumn 2023 deadline for Public Sector Decarbonisation Scheme submissions. GSENZH would like to confirm this as a mechanism for approval with the GSENZH Board at the 18.07.23 meeting.
- The GSENZH Board meeting was joined by the GSENZH Energy Project Managers Peter Gudde, Paul Kemp, and John Taylor, who provided a short presentation on each of the eleven projects put forward for acceleration funding and for comment by the Board.

ACTION 4. Peter Gudde, GSENZH to circulate to the GSENZH Board a copy of the presentation on the eleven projects to be put forward for approval by GSENZH for acceleration via technical consultancy funding.

- Peter Gudde, GSENZH, first provided further context for the presentations: that conversations with the projects being put forward have been undertaken without commitment, that the acceleration funding was complementary to the support provided by GSENZH to its strategic pipeline of projects, and that inclusion of the eleven projects was based on the same criteria as the GSENZH strategic pipeline. The acceleration funding would not be replacing existing funding. The additional funding was expected to ensure acceleration by a due date or give a higher chance of delivery within a set timescale.
- **1) Community Energy Pathways, Community Energy South** - John Taylor, GSENZH advised that the Pathways project has received previous support with funding from DESNZ. The project helps community groups start up and develop skills and projects. It has already expanded its work within the Greater South East region to Suffolk and Bedfordshire and is providing match funding to expand the service into Kent, East Sussex, Hertfordshire, and continue in Essex, and boost local authority's own funding contributions. The funding amount being requested is £35k. GSENZH is working with Community Energy South towards a more sustainable funding model for the future.
- GSENZH Board members had the following questions and comments about this project proposal:
- Bucks LEP asked whether the spend would be in the current financial year and whether the Pathways model was successful. John Taylor, GSENZH confirmed that projects had progressed in Hertfordshire through the Pathways process and that funding would be spent this financial year.
- **2) University of Sussex Campus** - John Taylor, GSENZH advised that this is the continuation of an existing ambitious project and that an energy masterplan and targets had already been put in place. The £30k funding would be for complementary work to enable grid capacity constraint to be addressed through an examination of the viability of solar and wind generation on land adjacent to the site and smart grid services.
- GSENZH Board members had no questions or comments about this project proposal.
- **3) Fleet Decarbonisation, Cherwell District Council** – Paul Kemp, GSENZH advised that GSENZH has supported Cherwell's fleet decarbonisation using the Innovate UK KTN Innovation Exchange process. Cherwell District Council is in discussion with UK Power Networks and EDF as potential organisations to bring forward a solution. The project includes 23 diesel vehicles as well as HGV replacement and depot relocation. A study would be conducted to get an investment-grade proposal. The budget requested is £50k.

- GSENZH Board members had the following questions and comments about this project proposal:
- Bucks LEP asked whether Cherwell District Council were also to contribute funding. Paul Kemp, GSENZH agreed that this point would be discussed with the local authority.

ACTION 5. Paul Kemp, GSENZH to discuss with Cherwell District Council whether it will also contribute funding for the technical consultancy work for its fleet decarbonisation project.

- **4) SHELF Heat Network Detailed Feasibility, Mid Suffolk District Council** – Peter Gudde, GSENZH advised that Mid Suffolk District Council has secured funding from the Heat Network Delivery Unit (HNDU) and match funding to look at detailed feasibility, but that the cost is higher than their funding. HNDU will not increase the amount and the local authority is finding it difficult to get development finance. The amount required is £25k.
- GSENZH Board members had no questions or comments about this project proposal.
- **5) Council Solar Farm Feasibility** - Peter Gudde, GSENZH advised that it is currently a challenging environment in which to build large-scale solar. The two authorities involved need to explore the viability of siting, and the learning from this work can be used to support other projects. The budget requested is £75k to bridge the cost of feasibility studies.
- GSENZH Board members had the following questions and comments about this project proposal:
- CCC asked whether the project, having benefited from feasibility funding would be able to reciprocate financially from future project profits. Peter Gudde, GSENZH agreed that the matter of payback would be discussed with the two local authorities concerned.

ACTION 6. Peter Gudde, GSENZH to discuss with East Sussex County Council and Essex County Council whether they will be able to contribute funding back from their future solar farm profits if successful.

- Bucks LEP asked why feasibility support was needed when large-scale solar projects are a proven, commercially-successful model. OCC agreed and asked what the study intended to do, and what it would add, for example whether it was a local off-taker exploration, or a feasibility study. Peter Gudde, GSENZH advised that the consultancy support was about feasibility and to get to a point, at an early stage, where there was comfort with the proposal for decision making. There was potential to shape the proposal around the private wire opportunity for the benefit of learning.
- OCC commented that solar farms were well understood to be a successful enterprise and that the main blocker to development was connection issues. Such issues should be explored at an early stage in order that the feasibility budget was not wasted. Opportunities for learning and to feed-in to other projects should also be thought about.
- CCC commented that of more interest than the private wire exploration was how to develop a solar farm on a landfill site. If the technical consultancy support focused on this, then the learning should be shared more widely, however, it was not a unique project in that respect. The involvement of a private wire was also a well understood approach for solar projects. The technical consultancy funding should therefore be paid back into supporting another community project.
- NALEP commented that it was good to encourage build on landfill sites to avoid using agricultural land, which should be maintained for food production, given food security issues.
- SELEP noted the project had strategic relevance in that it provided a novel model for scalability. SELEP also asked whether it would appropriate to change the criteria mid process in terms of issuing the technical consultancy grant. Maxine Narburgh, GSENZH clarified that the process for project selection remained the same, with the same project management framework and existing criteria, however, if a revolving fund were to be brought in, then funding would not be issued through a technical consultancy grant funding agreement. A revolving fund would need to be looked at separately in the longer term. SELEP agreed that a defined piece of work would need to be done to look at how a revolving fund would work.
- Bucks LEP commented that, unlike the other projects described so far, the technical consultancy for this project was not addressing a wicked problem.

- **6) Colchester Northern Gateway Microgrid Provider Identification** – Peter Gudde, GSENGH advised that the aim of this project is to develop land in terms of energy transition and decarbonisation. The project has hit a challenge around the identification and engagement of partners to run a SMART grid, so it needs to identify the market and identify a delivery body. The local authority is proposing 7MW solar, with innovative power storage. A budget of £20k is requested for the SMART grid model. The learning from this project will be carried forward to other sites.
- GSENGH Board members had the following questions and comments about this project proposal:
- CCC asked whether the technical consultancy would explore how the low carbon solutions would be connected, how to maximise flexibility into the grid, and what will be done behind the meter, and commented that they would be interested in such learning. Peter Gudde, GSENGH advised that the work would explore how to identify the different models that the project needs and how to go out to market so that these models could be assessed, how the new development would be serviced, an analysis of who comes forward and what part they play, does the local authority have a role and what are the options. CCC commented that they would be interested in what the financial model would look like.
- Bucks LEP asked whether the analysis was to inform the procurement of the microgrid provider. Peter Gudde, GSENGH advised that the Independent Distribution Network Operators (IDNOs) could step in, but Colchester wants to be a developer/operator and does not want to gift away the project. The technical consultancy will identify what is the strength is of the potential partners, and what does the procurement look like. Bucks LEP asked whether a provider had been identified. Peter Gudde, GSENGH confirmed that a provider had not been identified yet.
- Maxine Narburgh GSENGH asked whether an Innovate UK KTN Innovation Exchange could help to flush out what could be procured. Peter Gudde, GSENGH clarified that there are a lot of companies that could be microgrid operator providers, however, the key issue was where the local authority fitted in, so that local value could be maximised. An Innovation Exchange might be a way forward, so there was an opportunity to include this.

ACTION 7. Peter Gudde, GSENGH to consider whether an Innovation Exchange might provide useful insight as part of the technical consultancy work for the Colchester Northern Gateway microgrid-provider project.

- **7) Brighton and Hove Energy Services Cooperative ESCO** - John Taylor, GSENGH advised that this project is ready to start and had applied to the Local Energy Advice Demonstrator competition for funding but had not been successful. However, the project is a good concept. It is a neighbourhood-level retrofit scheme with a community finance, domestic roof-top, PV business model, where it is rent-a-roof model owned by the community and exported power is aggregated for sale to get more value and flexibility services to underwrite investment in the PV. The project could be used as a pilot, which if successful, could unlock private and community investment in PV and could be scaled up by other community energy groups or social housing providers.
- GSENGH Board members had the following questions and comments about this project proposal:
- Bucks LEP asked whether the project was a solar farm across individual roofs with its own connection.
- John Taylor, GSENGH advised that the project was not a solar farm. The solar PV would provide electricity to each home, and in addition it would be aggregated for export and a virtual power plant to get flexibility service income.
- CCC commented that solar installations are the one domestic decarbonisation measure that makes a good return, so if it is isolated and taken out of a broader scheme, it makes everything else impoverished in terms of return. CCC asked whether other retrofit measures could be included with the solar scheme, which although it would reduce the return, would bring wider benefit. However, they supported the idea.

- John Taylor, GSENGH advised that the broader scheme is a pay-as-you-save retrofit model for whole house fabric and heating systems, and that the solar was an add-on option to that, however, he would clarify the project offering.

ACTION 8. John Taylor, GSENGH to clarify the nature of the BHESCo ESCO scheme and how the retrofit and solar PV elements work together and confirm that the solar PV element does not disadvantage the retrofit element.

- **8) Solar farm Power Purchase Agreement (PPA) Analysis and Business Models**

- Peter Gudde, GSENGH explained that commercial advice is very expensive, and the project aims to improve the quality of advice around PPA and their business models. The study would pull together two previous guides produced on behalf of GSENGH by Pinset Masons and Cornwall Insight on legals and markets, reinvigorate the guidance, tailor it, and focus on real-life examples, to show what PPAs would work. All projects identified are on the GSENGH investment pipeline.
- GSENGH Board members had the following questions and comments about this project proposal:
- CCC commented that there is already general learning about how to make more profit from a solar farm, and that a baseline could be obtained from Local Partnerships, and that they wanted to know what the critical bit of the advice would be that the technical consultancy work would provide. Peter Gudde, GSENGH agreed that generic advice exists but explained that there are questions about cost lines, balancing and settlement costs, different virtual power purchase agreements (VPPAs), and offsetting that against consumption costs. Some of the advice available is caveated and generic, and the market is played by those who have the best, most expensive commercial advice. Commercial due diligence must be done, which is part of the project costs for a developer. If you have an informed client, they are in a better position to source that advice. The aim is to avoid something generic and to bridge the gap between that and the very expensive due diligence.
- John Taylor, GSENGH clarified that the project is about local authorities entering into PPAs with private and community-owned solar farms, rather than being about management of their own assets.
- SELEP commented that there was the matter of capacity to be considered, which is non-existent in some councils, and which cannot currently venture into this space, so from that perspective, and given that councils are looking to buddy up, and that this project is to address blockers, then this counteracts concerns.
- Bucks LEP commented that the proposal appeared to be a lot of money to buy into PPA or VPPA guidance and they were uneasy about it.
- Peter Gudde, GSENGH confirmed that the issues raised by the Board would be worked through. It was possible to go through a framework, however, if there are novel solutions available in the market, then it would not be able to provide them.

ACTION 9. Peter Gudde, GSENGH to work through the issues raised by the Board about the solar farm PPA analysis and business models project and provide clarification.

- **9) Gateway 14 – Power Storage for Electric Buses** - Peter Gudde, GSENGH explained that the site is in a network-constrained location. The local authority involved wants to consider power storage, given export constraints. The site is based on a trunk road that hosts electric bus services. A feasibility study would be funded to look at how power storage could overcome grid constraint and support transport decarbonisation.
- GSENGH Board members had the following questions and comments about this project proposal:
- Bucks LEP asked whether there were any other energy storage options besides battery being considered. Peter Gudde, GSENGH advised that the project was not technology specific regarding storage or charging, for example Colchester Northern Gateway was using compressed air, long-term storage. Oxfordshire County Council observed that hydrogen power stations might also be a potential alternative to battery storage.
- **10) Snetterton Business Park Net Zero Investment Delivery Plan** - Peter Gudde, GSENGH explained that the site is in a constrained area with a network dead zone. The local authority wants to support businesses on the estate to decarbonise and wants to develop a

local energy community. The project is looking how an investment delivery programme could be put in place that would bring in the latest knowledge and attract private-sector investment to work with business on the estate. There is a dearth of industrial clusters in Eastern England, and they tend to be mixed-use business and industrial. The project would seek to develop this model, which would sit alongside the government's Local Industrial Decarbonisation Plans competition and has potential for knowledge transfer. The ask is to develop an investment delivery plan, and Breckland Council is also a potential investor.

- GSENZH Board members had the following questions and comments about this project proposal:
- Bucks LEP asked whether a range of technology had been identified, and whether the technical consultancy would address finance or technology or both.
- Peter Gudde, GSENZH advised that the project was about building the portfolio to make it attractive to investment. Some technologies have been identified. There is a need to identify the scale of technology on the site and some work has already been done on this. The consultancy work will identify how attractive an investment proposition the project would be and how it would be delivered.
- CCC commented that the project is about revenue, benefits, and savings to business on a site if they invest in a collective energy scheme. It is the contracting arrangements that are of interest and how that works. Is that included in the work?
- Peter Gudde, GSENZH commented that this was an important point, which had not been landed, that the buildings on the site are owned by third parties and there is a need to understand how the value flows work. GSENZH will give this consideration. Learning about this could be transferred to other sites.

ACTION 10. Peter Gudde, GSENZH to consider the matter of the contracting arrangements at for the Snetterton Business Park Net Zero Investment Delivery Plan project (the buildings on site are owned by third parties and there is a need to understand how the value flows work).

- **11) Oxfordshire Solar Projects – Securing Private Wire Off-takers** – Paul Kemp, GSENZH, explained that an assessment of park and ride and solar farm sites has been done for Oxfordshire County Council and the study is about securing private wire off-takers.
- GSENZH Board members had the following questions and comments about this project proposal:
- CCC asked whether the project is like other solar schemes, and how much the project would benefit commercially, or whether there would be unique output of the technical consultancy work that would be shareable. CCC proposed that if the project is supported, and sufficient benefit can be extracted, the money should come back from the scheme. Or it should be supported on the basis that it is innovative, and others can benefit from it.
- Bucks LEP asked how the project fits with the project selection criteria and what its added value is, although if it is providing capacity to organisations that is slightly different.
- OCC suggested that GSENZH look at how the projects interact with each other, that some of the outputs are incremental, and perhaps there may be opportunity to undertake a collective procurement for different organisations for similar services.
- Paul Kemp, GSENZH advised that the work is about making sure that what is generated can be replicable to other organisations and projects so that it adds value.
- **12) Public Sector Decarbonisation skills funding budget** – Peter Gudde, GSENZH, explained that this project includes organisations that have applied to the Public Sector Decarbonisation Fund. These are not 'failed' projects but are those that did not get included due to limited funding capacity. Heat decarbonisation templates provided by Local Partnerships would be used to get business-ready cases. Local Partnerships would provide extra verification. The budget range is £45,000-£200,000.
- GSENZH Board members had the following questions and comments about this project proposal:
- CCC asked whether the local authorities concerned have all declared climate emergencies and asked how they could deliver on this this if they cannot even get work done to decarbonise their buildings and whether this is this the right thing to do. CCC observed that

this could open the floodgates and that heat decarbonisation templates can be filled in quite easily.

- Bucks LEP asked GSENZH to clarify whether the templates would have wider application and use.
- Maxine Narburgh, GSENZH explained that the templates are part of a resource pack that already exists. The project is to support local authorities with less capacity and budget. Some local authorities have no resource and no internal expertise, and it is these that are included.
- CCC observed that local authorities can look at borrowing and paying with savings. These local authorities could be supported to find such business models, rather than just being supported with a business cost. CCC emphasised that they were not saying no to this proposal, but it should be considered that many local authorities need this support.
- Maxine Narburgh, GSENZH commented that the more strategic point made by CCC about how local authorities are being supported and what business model could be used to support them was a conversation to be had across the five Local Net Zero Hubs and could be fed into the Public Sector Decarbonisation Scheme Working Group and the Net Zero Spending Review. Maxine requested further insight from Board members about gaps and business models from the more mature organisations to those without experience.

ACTION 11. Board members to share insights with Maxine Narburgh, GSENZH, regarding the support of local authorities and public sector organisations towards decarbonisation of their non-domestic buildings, about how they are being supported, what gaps exist, what business models they could use, and how this works for both experienced and inexperienced public sector bodies.

- SELEP commented that they supported the point made by CCC. There is a bigger conversation. Some local authorities do not have a plan, and some are not aware. How do you choose which to support? It is not a reason to dismiss the proposal, but there is a need to have the conversation.
- Bucks LEP agreed with this point and commented that all funding would otherwise be used on public sector decarbonisation.
- John Taylor, GSENZH commented that while capacity is being built within councils, handholding is needed and that such support has enabled local authorities to make applications to the next round of Public Sector Decarbonisation Scheme funding independently, so it is used as a catalyst rather than people becoming dependent upon it.
- SELEP commented that goodwill is required and that local authorities that receive support should pay it forward to others, which is not currently happening. SELEP asked whether this way of working could be imbedded in this project. John Taylor, GSENZH, agreed to give it some thought.
- Paul Kemp, GSENZH confirmed that the main issue that GSENZH encounters is a lack of resource.

ACTION 12. For the Public Sector Decarbonisation Skills project, GSENZH to give some thought to whether the local authorities involved could be required to 'pay forward' the support that they have received to other local authorities.

- Herts LEP commented that there was a need to be careful that those councils which do not know how to start and need in-depth support and hand-holding are not dismissed. Otherwise, some areas will continue to learn and benefit and innovate, and others will be left behind. Local authorities need a certain level of support and knowledge to get started.
- Bucks LEP commented that there was a need to identify what the support would look like, for example whether it was GSENZH time, consultancy budget, development of guidance, etc.
- Maxine Narburgh, GSENZH advised that the support provided would be outside the scope of what GSENZH can already offer, and that it would enable the local authorities to be bid-ready for the Public Sector Decarbonisation Scheme in autumn 2023, which would help achieve the GSENZH KPI for PSDS. However, GSENZH, along with the other Local Net Zero Hubs, will take on board the need for a long-term strategic approach to decarbonisation of public sector estate.

BOARD DECISION: Approve the Public Sector Decarbonisation skills funding budget for local authority projects with a value of £45-£200k, to provide technical consultancy support to make

these projects bid-ready for the autumn 2023 round of the government's Public Sector Decarbonisation Scheme fund. Due to the autumn 2023 deadline for Public Sector Decarbonisation Scheme submissions, this decision will be taken through Nick Bell, the CPCA GSENGH SRO, using the Local Partnerships evidence base, and report back to the GSENGH Board at its 05.09.23 meeting.

- Regarding the eleven individual projects that had been presented to the GSENGH Board for technical consultancy support, Maxine Narburgh, GSENGH, proposed that the solar PV and PPA projects are a lower priority due to existing commercial models and the learning that can be taken from other projects, so GSENGH can do some further background work to identify the need and benefit, and other projects that could be prioritised.

BOARD DECISION: GSENGH to review the eleven technical consultancy project proposals as presented at the GSENGH Board 18.07.23, taking account of feedback from Board members, and bring back the final set of project proposals for approval to the next GSENGH Board, 05.09.23.

ACTION 13. GSENGH Net Zero team to review the technical consultancy project proposals as presented at the GSENGH Board 18.07.23, taking account of feedback from Board members, and bring back the final set of project proposals for approval to the next GSENGH Board, 05.09.23.

6. Regional Hub Manager Report

- A written report from the GSENGH Regional Hub Manager, Maxine Narburgh, was provided to Board members in advance of the meeting with the GSENGH Board Pack 18.07.23.
- At the meeting, Maxine Narburgh highlighted the following points from the report to the Board:
- **GSENGH Project Pipeline Reporting** - The project list has been refined. GSENGH now has 26 short-listed projects with a high level of activity. Some projects have been moved into the public sector decarbonisation pipeline or archived where concluded. GSENGH is aiming to get new projects into the pipeline with the newly recruited GSENGH team. GSENGH has projects to the value of £160 million being supported and 120 projects with funding awarded. GSENGH has asked for an extension from DESNZ for the Park and Ride Essex project which has had procurement delays, which has been agreed.
- **Worthing Crematoria** – The first local authority crematoria decarbonisation project has been funded through the Industrial Fuel Switching fund, supported by GSENGH Project Manager John Taylor. This uses the same technology as the Michelmersh hydrogen bricks project. John has a working group of several other local authorities that is also looking into decarbonisation of crematoria, both via electrification and hydrogen, as it is a big carbon emitter.
- **GSENGH Recruitment** - A sift of applications has been undertaken and interviews are now going ahead, including first interviews for Net Zero Programme Lead, Net Zero Project Managers and Net Zero Project Officers. The Project Management Office Data Analyst and Senior Data Analyst recruitment is in progress. Onboarding is anticipated from August 2023.
- **Future Retrofit** – A meeting was undertaken with GLA and OCC about how to build on recent learning about delivering retrofit at scale: how to collaborate moving forward and how GSENGH could act as a convenor. Maxine Narburgh proposed to the GSENGH Board that GSENGH will follow this up in September 2023 following the recruitment drive when there will be more capacity in the team.

BOARD DECISION: GSENGH to follow up in September 2023 on the future of retrofit: how to build on recent learning about delivering retrofit at scale, how to collaborate moving forward, and how GSENGH could act as a convenor.

ACTION 14. Maxine Narburgh, GSENGH, to follow up in September 2023 on the future of retrofit: how to build on recent learning about delivering retrofit at scale, how to collaborate moving forward and how GSENGH could act as a convenor.

- GSENGH Board members had the following questions and comments about the Regional Hub Manager report:

- CCC asked whether GSENGH had had any engagement regarding the devolution deal process that mayoral authorities West Midlands and Greater Manchester are undertaking and whether any further information could be provided about it.
- Maxine Narburgh, GSENGH advised that the arrangements were at the planning stage. Other combined authorities have also been offered the same arrangements. The current understanding is that a business plan for retrofit delivery will be developed this year and funding will be provided next year.
- CCC commented that DESNZ is leading on a retrofit Task and Finish Group as part of the Local Net Zero Forum. The Task and Finish Group and has come up with a framework for retrofit including outcomes, methodology and governance and will report to the Local Net Zero Forum 18.07.23 and to Ministers in autumn 2023. Patrick Allcorn, Head of Local Net Zero at DESNZ is leading this. A presentation is available, and it would be helpful if this could be shared with GSENGH.

ACTION 15. Swapna Uddin, DESNZ, to provide an update on the work of the Retrofit Task and Finish Group that is part of the Local Net Zero Forum, and on progress with the devolution deal so that GSENGH can understand how it fits with Hub activities.

- **Regional Retrofit Skills Pilot** - Maxine Narburgh, GSENGH explained that the Home Decarbonisation Supply Chain – Skills and Capacity team, which sits within DESNZ, wants to run a pilot that aligns regional skills needs with funded programmes and for the Local Net Zero Hubs to be the conduit for that funding. The pilot would be in two phases. In phase 1, pilot areas would be provided with funding to support a retrofit skills plan. In phase 2, further funding would be provided towards implementation of measures identified in that retrofit skills plan. The intention is to align the skills gaps identified via the Social Housing Decarbonisation Fund and Home Upgrade Grant schemes with regional programmes to meet that need. A further update is awaited from DESNZ. In the meantime, a slide deck that sets out this proposal in more detail can be viewed on PDF page 29 of the GSENGH Board Pack 18.07.23.

ACTION 16. Board members to get in touch with Maxine Narburgh, GSENGH if they have any questions or would like to express interest in the DESNZ Regional Retrofit Skills Pilot.

- GSENGH Board members had further questions and comments about the Regional Hub Manager report:
- Bucks LEP observed that, as part of phase 1 of the pilot to aligns regional retrofit skills needs with funded programmes, it would be important to map out where there is existing provision at local level. Maxine Narburgh, GSENGH explained that much of this analysis has already been carried out by Energy Systems Catapult. What remains to be done is to identify what courses are needed, what course providers could supply them and how these would address the skills gaps that exist in retrofit pipeline delivery.
- **Investor Event Opportunity** – Maxine Narburgh, GSENGH, advised that there is an opportunity for investor events. The work undertaken through the 3Ci initiative (contract managed by GSENGH) which is to enable local authorities secure long-term finance for achieving net zero, has now concluded and business cases are being developed. There is funding available of £40k per event to be run by 3Ci to bring investors and projects together. For this purpose, the Local Net Zero Hubs are to bring forward local authority project pipelines, either investment ready or early stage. The requirement is for scale, aggregation, and mixed asset classes. GSENGH can use some of its own budget and has capacity for three, and an area outside London is being considered for the event location. If Board members are interested, this can be revisited as an agenda item at the next GSENGH Board meeting 05.09.23. The event will be organised by 3Ci, so the ask from Board members would be to identify the project pipeline in their local area to test the water with commercial investors.

BOARD DECISION: GSENGH Board members to hear about the 3Ci investor event opportunity at the next GSENGH Board meeting 05.09.23.

ACTION 17. Maxine Narburgh to arrange for the GSENGH Board to hear about the 3Ci investment opportunity at its next meeting 05.09.23.

7. Governance

- An update was provided to the GSENGH Board by Maxine Narburgh, GSENGH on the scheme of delegation that is being developed for GSENGH. A copy of the draft paper that proposes a scheme of delegation for GSENGH and which is to be presented to the Cambridgeshire and Peterborough Combined Authority Board for approval, 26.07.23, was circulated to the GSENGH Board in advance of the meeting with the GSENGH Board Pack 18.07.23. Maxine Narburgh, GSENGH, highlighted the following points:
- Maxine Narburgh, GSENGH has been working with the CPCA monitoring officer on the decision-making process for GSENGH. The Local Government Act has been reviewed to identify how GSENGH can make decisions, how the Board can be part of that decision-making process, and how that fits within what CPCA can delegate.
- Delegation to an officer within CPCA to ratify decisions on behalf of the GSENGH Board has been identified as the way forward. This is to be done by Nick Bell as the Executive Director of Resources and Performance. This is the CPCA Directorate under which CPCA has placed GSENGH.
- The CPCA Board would thus avoid needing to take decisions for GSENGH at their Board meetings unless it was necessary. GSENGH would also be able go to the Committee of Environment and Sustainable Communities for a decision if needed. The GSENGH Board would need to inform the CPCA Board and Committee of Environment and Sustainable Communities of any decisions it is taking.
- Maxine Narburgh, GSENGH, talked the GSENGH Board through each section of the draft paper, which sets out the scheme of delegation. Maxine summarised that the paper sets out regular decisions and that the decisions will be reported back to the relevant committee and Board. It gives the GSENGH Board involvement and describes the process. Maxine asked the GSENGH Board to come back to her with any comments about the scheme of delegation proposed. Maxine reminded the Board that the paper would go to the CPCA Board for approval 26.07.23 and that from the next GSENGH Board meeting, 05.09.23, the GSENGH Board would be able to make decisions through this process.
- GSENGH Board members had the following questions and comments about the scheme of delegation:
- SELEP commented that the paper setting out the scheme of delegation was comprehensive, a good job, and that they supported it.

ACTION 18. GSENGH Board members to contact Maxine Narburgh, GSENGH with any comments on the draft paper setting out the scheme of delegation prior to 26.07.23 when the paper will be presented to the CPCA Board for approval.

8. Forward Plan and Horizon Scanning

- The latest GSENGH Board Forward Plan was circulated to Board members in advance of the meeting with the GSENGH Board Pack 18.07.23.
- Maxine Narburgh, GSENGH highlighted that for the next GSENGH Board meeting 05.09.23, the intention was to bring back the technical consultancy project proposals for approval, which GSENGH will review in the interim, to provide an update on recruitment appointments.

BOARD DECISION: The Forward Plan for the next GSENGH Board meeting 05.09.23, is to include the following topics: Updated technical consultancy project applications, recruitment appointments, and governance.

9. Any Other Business

- **Local Net Zero Hub Grant** - Swapna Uddin, DESNZ, advised that the Section 31 funding grant to be provided by the government to the Local Net Zero Hubs in respect of their new MOU had received legal approval, was currently with HM Treasury for approval, after which it would go to the Department for Levelling Up, Communities and Housing for approval. Swapna anticipated that the relevant funding documents would be distributed to the Local Net Zero Hubs w/o 24.07.23.

- **GSENZH Board Chairing** – Ed Barlow, Bucks LEP was thanked by Maxine Narburgh, GSENZH for chairing the meeting.

10. Dates of Future Meetings

BOARD DECISION: The next regular GSENZH Board meeting is scheduled for 5 September 2023, 10:00-12:30. The meeting is to take place virtually. The meeting chair is to be confirmed.

- Subsequent Board meeting dates are scheduled 10:00-12:30, to take place virtually, on the following dates:
 - 17 October 2023 (meeting chair to be confirmed)
 - 5 December 2023 (meeting chair to be confirmed)
 - 23 January 2024 (meeting chair to be confirmed)

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| Minutes approved as a true and accurate record by Ben Burfoot (Reading Borough Council) – Berkshire Local Enterprise Partnership. | |
| SIGNATURE | DATE |
| | |