

## Greater South East Net Zero Hub (GSENZH) Board Meeting - 05 September 2023

Conducted via online conference.

### Attendees

<p><b>Ben Burfoot</b> - (Reading Borough Council) Berkshire LEP (Berks LEP)</p> <p><b>Sheryl French</b> – (Cambridgeshire County Council) Cambridgeshire and Peterborough Combined Authority (CPCA)</p> <p><b>Esther Fadahunsi</b> – CPCA Finance Manager for Greater South East Net Zero Hub</p> <p><b>Richard Hall</b> - Consultant for CPCA / Greater South East Net Zero Hub, Sustainable Warmth, and Home Upgrade Grant Phase 2 Programmes</p> <p><b>Swapna Uddin</b> - Department for Energy Security and Net Zero (DESNZ)</p> <p><b>Simon Wyke</b> - Greater London Authority</p> <p><b>Peter Gudde (PG)</b> - Greater South East Net Zero Hub – Energy Project Manager</p>	<p><b>Paul Kemp (PK)</b> - Greater South East Net Zero Hub – Energy Project Manager</p> <p><b>Maxine Narburgh (MN)</b> - Greater South East Net Zero Hub – Regional Hub Manager - <b>Chairing</b></p> <p><b>Erica Sutton</b> - Greater South East Net Zero Hub – Hub Support Coordinator</p> <p><b>John Taylor (JT)</b> - Greater South East Net Zero Hub – Energy Project Manager</p> <p><b>Nicolette Jeffreys</b> – New Anglia LEP (NALEP)</p> <p><b>Sarah Gilbert</b> – (Oxfordshire County Council) Oxfordshire LEP (OxLEP)</p> <p><b>Jo Simmons</b> - South East LEP (SELEP)</p> <p><b>Arthur Le Geyt</b> - South East Midlands LEP (SEMLEP)</p>
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### Minutes

#### 1. Apologies, Introductions

- The meeting was chaired by Maxine Narburgh, GSENZH.
- Apologies were given by:
  - Ed Barlow (Buckinghamshire Council) Buckinghamshire LEP
  - Nick Bell, Cambridgeshire and Peterborough Combined Authority
  - Robert Emery, Cambridgeshire and Peterborough Combined Authority
  - Natasha Marshall, Cambridgeshire and Peterborough Combined Authority, Finance Officer for Greater South East Net Zero Hub
  - Marsha Robert, Coast to Capital LEP
  - Chris Burchell, EnterpriseM3 LEP
  - Marida Cable-Lewis, EnterpriseM3 LEP
  - Helen Pollock, Hertfordshire LEP
  - Lisa Roberts, New Anglia LEP
  - Sally Andreou, Oxfordshire LEP

## 2. Minutes, Actions and Matters Arising

### 2.1 Minutes

- The minutes of the previous GSENZH Board meeting 18.07.23 were reviewed and agreed as a true account.

**BOARD DECISION:** The minutes of the previous GSENZH Board meeting 18.07.23 are agreed as a true account.

**ACTION 1.** Board member volunteer (to be confirmed) is to sign off the minutes of the GSENZH Board meeting 18.07.23 as agreed.

### 2.2 Actions

- The actions from the previous Board meeting 18.07.23 were confirmed as complete or covered within the agenda, with the following exceptions:
- **Action 1 - GSENZH Board meeting minutes 06.06.23:** Ed Barlow, Bucks LEP is to sign off these minutes.
- **ACTION 3 - Sheryl French, Cambridgeshire County Council and Maxine Narburgh, GSENZH to share their respective open book approaches for developing pricing to use with retrofit suppliers:** A meeting to discuss this is to be arranged for September 2023.
- **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:** The option of a revolving fund has been discussed with other Net Zero Hubs. According to their experience, setting up such a fund requires a long lead time, so a revolving fund will be considered for the next financial year.
- **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:** Board members are reminded to come forward with any insights that they can share.
- **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:** This matter is under consideration.
- **ACTION 14 - Maxine Narburgh, GSENZH, 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 GSENZH could act as a convenor:** A new Energy Efficiency Programme Lead and Energy Efficiency Project Manager have been recruited for GSENZH. This action will be picked up once they are in post and can provide additional capacity.
- **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 GSENZH can understand how it fits with Hub activities:**
- The Task and Finish Group has not met and there have been no devolution developments since the previous GSENZH Board meeting.
- CPCA commented that there had been no updates from Cambridgeshire and Peterborough during August 2023 and that they would provide one at the next meeting.

**ACTION 2.** Sheryl French, Cambridgeshire County Council to provide an update on Cambridgeshire and Peterborough devolution at the next GSENZH Board meeting 17.10.23.

- **ACTION 17 - Maxine Narburgh to arrange for the GSENZH Board to hear about the 3Ci investment opportunity at its next meeting 05.09.23:** Due to the weight of the agenda 05.09.23, this will take place at the next GSENZH Board meeting 17.10.23.
- **ACTION 18 - GSENZH Board members to contact Maxine Narburgh, GSENZH 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:** Maxine Narburgh, GSENZH confirmed that the scheme of delegation had been approved by the CPCA Board and that the GSENZH Board is now operating under this delegation. Nick Bell, Executive Director of Resources and Performance at CPCA can ratify decisions on behalf of the GSENZH Board. GSENZH sits under this Directorate within the CPCA organisational structure.

### 2.3 Matters Arising

- **GSENZH Recruitment Campaign** - CPCA requested an update on the GSENZH recruitment campaign.
- Maxine Narburgh, GSENZH, advised that eight people have been appointed.
- Two Net Zero Programme Leads have been appointed, one of whom is current GSENZH Energy Project Manager, Peter Gudde. A new Energy Efficiency Programme Manager has been recruited. There are four new Energy Project Managers, and one Energy Efficiency Project Manager.
- The recruitment campaign is being refreshed for the remaining vacant roles to improve the quality and quantity of applicants and will be supported by a LinkedIn campaign. Senior roles are the priority focus. The data analyst and PMO support roles are being rewritten to improve their specification.
- Maxine Narburgh, GSENZH asked that GSENZH Board members continue to support the recruitment process and advise if they are potentially available for interviews.

**ACTION 3.** GSENZH Board members to advise Maxine Narburgh, GSENZH, if likely to be available for recruitment interviews.

- Berks LEP asked whether the structure of support provided by the GSENZH operations team was likely to remain the same in terms of access to Energy Project Managers.
- Maxine Narburgh, GSENZH, advised that a system of account management for local authority areas would continue, however, this would have a more fluid approach so that Energy Project Manager specialist skills could be utilised across the GSENZH geography.
- **LEP Transition** – Maxine Narburgh, GSENZH advised that she and Jo Simmons, SELEP, had had a useful conversation regarding the LEP's transition. Maxine reminded Board members to advise what is happening in their own LEP and requested that they have a one-to-one conversation with her about this. Alternatively, Board members should put Maxine in touch with whoever at their LEP can advise about the transition process. These conversations will help elicit understanding about how to integrate the future LEP arrangements with the GSENZH Board and governance process. For example, some LEPs might have a more granular structure in future, and it would help to identify whether new or additional representatives need to be in place and how they would be incorporated into the Board and sub-boards.

**ACTION 4.** Board members to each have a one-to-one conversation with Maxine Narburgh, GSENZH to advise about their LEP transition process, or put Maxine in touch with whoever at their LEP can advise about it.

### 3. Finance

- A report on the GSENZH financial position to 31 July 2023 was presented at the meeting by Esther Fadahunsi, CPCA, Finance Manager for GSENZH.

**ACTION 5.** Esther Fadahunsi, CPCA to circulate to the GSENZH Board a copy of the report on the GSENZH financial position to 31 July 2023.

- Esther Fadahunsi, CPCA, highlighted the following points:
- **Revenue Expenditure:**
- This covers 10 projects with a budget of £12.4 million and a £1.4 million spend.
- **Net Zero Investment Design** – This has now been fully spent.
- **Sustainable Warmth** – Home Upgrade Grant Phase 1 (HUG1) is closed and mop up work is in progress. Spend is £45k. We are waiting for E.ON invoices to complete this process.

Local Authority Delivery Phase 3 (LAD3) budget is £2.4 million and spend is £600k, which is on salaries, third-party payments and consultancy.

- **Home Upgrade Grant Phase 2 (HUG2)** – Money has been paid into the GSENZH account for draw down. Spend is £193k which is on salary recharges, third-party payments, and consultancy.
- **Local Energy Advice Demonstrator (LEAD)** – The budget is £170k and spend is £28k, which is all on staff costs.
- **Core Hub** – Regarding the additional Net Zero Hub fund, spend to date is £104k, which is on salaries, recruitment and third party payments.
- **Rural Community Energy Fund (RCEF)** – The budget is £445k and spend £138k on salaries and third party payments.
- **Social Housing Technical Assistance** – This has a budget of £52k, spending to date has been on salary recharges and website.
- **Public Sector Decarbonisation** – This has a £1.2 million budget and £25k spend. There is not much spend due to awaited recruitment of staff, however, salary costs are expected to use £540k, and other work is to be commissioned, which will use up most of that budget.
- **Capital Expenditure:**
- This totals a budget of £35 million and a spend of £5 million, which is attributable to HUG1 and LAD3 only.
- **HUG1** – This is closing, and the work of the auditors is ongoing. The budget is £2.799 million and spend is £1 million, with more spend expected.
- **LAD3** – Budget is £7.4 million and spend is £3.442 million with the rest expected to be used.
- **HUG2** – This has a £22 million budget of which £8 million will be drawn down when requested.
- **LEAD** – This has a £2 million budget with work yet to commence.
- GSENZH Board members had the following questions and comments about the finance update:
- Berks LEP asked what the outturn was for the financial previous year and whether this has been presented to the GSENZH Board, and what the situation is with the considerable spend that was to go through before year end.
- Esther Fadahunsi, CPCA advised that any underspend has been moved into this financial year and it is expected that this will be fully spent. The external audit is still going on for the last financial year. A spend analysis has gone to the auditors and can be shared.

**ACTION 6.** Esther Fadahunsi, CPCA to circulate the spend analysis for GSENZH that has been shared with the auditors.

- Maxine Narburgh, GSENZH, advised that Esther's tenure as interim Finance Manager for GSENZH is concluding 05.09.23 and that a permanent replacement for the role had now been recruited. On behalf of the GSENZH Board Maxine thanked Esther for her hard work and contribution to GSENZH and for supporting the Board meetings.

#### 4. Technical Consultancy Budget Project Proposals Update

- Peter Gudde, GSENZH introduced this agenda item. A full exposition of the update on the technical consultancy budget project proposals was provided to GSENZH Board members in advance of the meeting with the GSENZH Board Pack 05.09.23, pages 18-102.
- Peter reminded the GSENZH Board that GSENZH has a 2023-2024 core underspend of c.£500,000, due to delays in GSENZH recruitment. This must be spent by end March 2024, which provides a limited timescale for suitable projects to be come forward and commence delivery. The GSENZH team has therefore identified suitable projects from the existing

GSENZH project/investment pipeline that could benefit from acceleration by using this money.

- Detailed work has been undertaken to improve these projects and respond to points raised by GSENZH Board members following presentation of the selected projects at the previous GSENZH Board meeting 18.07.23. Details are set out in the GSENZH Board pack 05.09.23. The annex to the update provides details of the project funding requests. Each has followed the GSENZH governance process for approving funding from the GSENZH technical consultancy budget.
- Peter explained that GSENZH Energy Project Managers have had further detailed discussion with each project and that a revised total value of £450k funding was now being requested. This provides the opportunity for more projects to come forward and with the increase in GSENZH capacity due to its recent recruitment initiative, GSENZH will be able to enhance the investment pipeline.
- Peter confirmed that the actions regarding the project proposals that were assigned to the GSENZH team at the previous GSENZH Board meeting 18.07.23 had been addressed but encouraged Board to raise any outstanding questions.
- The recommendations of the GSENZH Management to the GSENZH Board in respect of the Technical Consultancy Budget Project Proposal are as follows:
  1. To note the strategic project proposals set out in Annex 1 within the GSENZH Board Pack 05.09.23, page 26.
  2. To approve the funding allocation up to and including the financial year 2023-24 for the projects to a total value of £445,000 (with a cap of £50K per applicant) as set out in Table 1 within the GSENZH Board Pack 05.09.23, pages 20-22.
  3. To agree to assign the projects funding allocation, undertake procurements and execute corresponding grants, contracts, and agreements.
- GSENZH Board members had the following questions and comments about the project proposal update:
- Berks LEP highlighted an opportunity for Berkshire local authorities to work collaboratively with Cherwell District Council in respect of its fleet decarbonisation project. For example, Reading Borough Council has a similar depot decarbonisation project and could share learning and challenges faced.
- Paul Kemp, GSENZH agreed that this was useful and that he expected that Cherwell District Council would be keen to collaborate.

**ACTION 7.** Paul Kemp, GSENZH and Ben Burfoot, Berks LEP to discuss potential collaboration between Reading Borough Council/Berkshire local authorities and Cherwell District Council in relation to their common fleet/depot decarbonisation projects.

- CPCA commented that the tables of information about the project proposals that had been provided in the GSENZH Board Pack 05.09.23 had been well done and were very helpful in answering the Board's questions. CPCA asked whether specifications had been written yet for the recruitment of consultants to deliver the projects, given the restricted timeline for the projects to be delivered and in view of the time that would be involved in getting consultants in place, and whether this had been part of the assessment process.
- Peter Gudde, GSENZH acknowledged this as a good point and that there is a risk in the time taken to prepare procurement, which will need to be managed. A lot of work has been done already with the organisations concerned to prepare the project proposals and GSENZH will provide help as needed by the projects with their procurement of consultants. Any risk of delay can be mitigated by an alternative allocation of funding to other projects.
- Berks LEP congratulated Peter Gudde, GSENZH on his appointment and asked whether in future Peter would continue the work that he has been doing on the project proposals or how it would be reallocated.
- Maxine Narburgh, GSENZH advised that in his new role Peter would be leading half of the Energy Project Manager team and would continue to have oversight of the work.

- CPCA asked whether there is a risk register behind the projects as the work was a considerable commitment in the timescale to March 2024.
- Maxine Narburgh, GSENGH confirmed that there were a lot of challenges across the GSENGH's work in terms of timelines.
- CPCA asked about the Brighton and Hove ESCO project, which relates to individual trading, and observed that mini presentations or case studies on progress would be very useful as community pathways work is an area of growth across the region.
- Maxine Narburgh, GSENGH suggested that this could be embedded in project contract milestones and that reporting could be done to the Board, even if extra sessions are needed.

**ACTION 8.** John Taylor, GSENGH to ensure that project milestones and reporting, including reports to the GSENGH Board meetings if required, are included in the funding agreement of the Brighton and Hove ESCO project.

- Berks LEP identified the opportunity to cascade the impact of the projects and requested that the GSENGH Energy Project Managers identify similar projects in the region and map out the scale-up and replicability of these accelerated projects along with those that might benefit from them.

**ACTION 9.** GSENGH Energy Project Managers to identify similar projects in the region and map out the scale up and replicability of the accelerated technical consultancy projects along with those that might benefit from them.

**BOARD DECISION:** The GSENGH Board accepts the GSENGH Management recommendations in respect of the Technical Consultancy Budget Project Proposals as follows:

1. To note the strategic project proposals set out in Annex 1 of the GSENGH Board Pack 05.09.23, page 26.
2. To approve the funding allocation up to and including the financial year 2023-24 for the projects to a total value of £445,000 (with a cap of £50K per applicant) as set out in Table 1 in the GSENGH Board Pack 05.09.23, page 20.
3. To agree to assign the projects funding allocation, undertake procurements, and execute corresponding grants, contracts, and agreements.

## 5. Regional Retrofit Training Network – Formation of Steering Group

- This agenda item was introduced by Maxine Narburgh, GSENGH. A paper about the Regional Retrofit Training Network Steering Group formation was provided to GSENGH Board members in advance of the meeting with the GSENGH Board Pack 05.09.23, pages 103-106.
- Maxine explained that following the approval of the scheme of delegation for GSENGH agreed by the CPCA Board, the approval to set up the Steering Group could now be delegated to the GSENGH Board.
- The recommendations of the GSENGH Management to the GSENGH Board in respect of the Regional Retrofit Training Network Steering Group are as follows:
  1. To approve the establishment and membership of the GSE RTN steering group, based on the Terms of Reference set out the GSENGH Board Pack 05.09.23, page 105.
  2. To delegate updating the Terms of Reference to the GSE Regional Head based on feedback from the Steering Group. Any amends to be reported to the next Hub Board (17.10.23).
- The first meeting of the Steering Group is scheduled for week commencing 11.09.23. A representative from DESNZ will attend.
- Information about the group has been posted on LinkedIn.
- GSENGH Board members had the following questions and comments about the Regional Retrofit Training Network Steering Group:
  - Berks LEP requested to have representation of their area on the Steering Group.
  - Maxine Narburgh, GSENGH confirmed that representation was needed from Berkshire and Buckinghamshire and advised that the preference was for skills leads with alignment to budgets to join the Steering Group if possible.

- CPCA proposed that their colleague Justin Smith, who is part of the Cambridgeshire Retrofit Partnership should join the Steering Group.
- Maxine Narburgh, GSENGH advised that Cambridgeshire and Peterborough Combined Authority currently has a representative, however they are leaving the Combined Authority soon.
- CPCA suggested that skills leads would not necessarily have a high level of practical experience, so it would be helpful to have that kind of input to the Steering Group as well.

**ACTION 10.** Maxine Narburgh, GSENGH to contact Shery French, CCC about the potential for Justin Smith, Cambridgeshire County Council to join the Regional Retrofit Training Network Steering Group.

- GLA asked about representation from London.
- Maxine Narburgh, GSENGH confirmed that she had spoken with GLA colleagues James and Maria but that a representative had not yet been confirmed.
- GLA proposed that they would confer with their colleagues to identify the most suitable person to be involved.

**ACTION 11.** Simon Wyke, GLA confer with colleagues to identify the most suitable person to be involved in the Regional Retrofit Training Network Steering Group.

**BOARD DECISION:** The GSENGH Board accepts the GSENGH Management recommendations in respect of the Regional Retrofit Training Network Steering Group as follows:

1. To approve the establishment and membership of the GSE RTN steering group, based on the Terms of Reference set out the GSENGH Board Pack 05.09.23, page 105.
2. To delegate updating the Terms of Reference to the GSE Regional Head based on feedback from the Steering Group. Any amends to be reported to the next Hub Board.

## 6. Community Energy Fund

- This agenda item was introduced by Maxine Narburgh, GSENGH. A paper about the Community Energy Fund was provided to GSENGH Board members in advance of the meeting with the GSENGH Board Pack 05.09.23, pages 107-8.
- Maxine Narburgh, GSENGH reminded Board members that GSENGH is working under a new scheme of delegation, and this enables the GSENGH Board to accept MOUs and funding.
- The recommendations of the GSENGH Management to the GSENGH Board in respect of the Community Energy Fund are as follows:
  1. To agree to the GSENGH administering the Community Energy Fund in the GSE
  2. To accept the Memorandum of Understanding (when received)
  3. To procure services to provide additional capacity into the Hub
  4. To set up a Funding Panel to make recommendations to the CPCA to award grants
  5. To execute corresponding grants, contracts, and agreements
- Maxine Narburgh, GSENGH advised that GSENGH cannot recruit additional capacity to support the Community Energy Fund unless it receives something in writing from DESNZ. In the meantime, additional capacity needs to be procured in the short term. This capacity will provide support to applicants during the early stages of their bids.
- It is anticipated that the first funding panel to make recommendations on applications will take place in October 2023. Board members and local authority representatives will be needed to make up the panel.
- GSENGH Board members had the following questions and comments about the Community Energy Fund:
- SELEP asked that in consideration of the timescale and the need to raise awareness of the Fund whether there was anything that Board members could do in advance of receipt of the MOU.
- Maxine Narburgh, GSENGH advised that the GSENGH team has started to warm up applicants, for example those who have already completed a Stage 1 project through the Rural Community Energy Fund (RCEF). The community energy sector is already aware of

the fund and DESNZ has run events to publicise it and provide information about it. The guidance and application documents are currently being worked on. DESNZ wants to be able to demonstrate spend and feed that evidence back to Ministers. The first round is not likely to have a huge number of applications. However, the Fund is not restricted to rural areas and has a broader technical scope, so more applications are likely to be eligible to come forward. A key learning from the evaluation of RCEF was to put more resource into the front end of applications so that they are well supported and well thought out and set up.

- Berks LEP asked how the funding was allocated between the five Net Zero Hubs.
- Maxine Narburgh, GSENGH advised that £10 million was split equally between the five Hubs. There was a 10% administrative amount from the £2 million, and an in-year spend of £1 million was expected by DESNZ. The funding amounts to be awarded are up to £40k for feasibility and up to £100k for development. There will be three funding rounds for the financial year 2023-24. In December 2023, DESNZ will consider how the Hubs are performing and consider whether any reallocation of funds between Hubs is necessary.
- Berks LEP commented that this was very challenging, despite the latent interest.
- John Taylor, GSENGH advised that GSENGH has a considerable number of Stage 1 projects completed so these would be able to apply for Stage 2 and so would be in the region of £100k allocation. Many urban areas that are now eligible have a very active community energy sector, such as Oxford, Brighton, and Norwich. GSENGH is quietly confident that it will have a lot of applications.

**BOARD DECISION:** The GSENGH Board accepts the GSENGH Management recommendations in respect of the Community Energy Fund as follows:

1. To agree to the GSENGH administering the Community Energy Fund in the GSE
2. To accept the Memorandum of Understanding (when received)
3. To procure services to provide additional capacity into the Hub
4. To set up a Funding Panel to make recommendations to the CPCA to award grants
5. To execute corresponding grants, contracts, and agreements.

## 7. Regional Skills Pilots

- A paper about the Regional Skills Pilots was provided to GSENGH Board members in advance of the meeting with the GSENGH Board Pack 05.09.23, pages 109-116.
- The item was introduced by Maxine Narburgh, GSENGH and the following key points were highlighted.
- DESNZ has provided £5.5 million funding for the pilots in this financial year for two phases of work.
- Phase 1 work (which is yet to be launched) is expected to run September-November 2023 and will focus on skills plan preparation. Phase 2 work is expected to run December 2023 – March 2024 and will implement the activities identified in the plan and look at solutions.
- GSENGH has advised DESNZ that this is a very short timescale for delivery, especially as procurement will be needed to deliver Phase 2. However, a further phase of funding will be available for the next financial year for further implementation.
- Phase 1 will focus on the retrofit workforce, key challenges for supply chain capacity development, what has been done before, the barriers experienced by employers, and will be area based. DESNZ expects this to be aligned with the government's Social Housing Decarbonisation, Local Authority Delivery and Home Upgrade Grant schemes. It is expected to focus on local needs, fabric (not low carbon heat) and soft skills like administration of paperwork as well as technical skills. It will look at training provision in relation to future demand and whether it is the right fit. The plans should support development of the retrofit supply chain over multiple years and set out what the funding would be from government and other sources. Match funding is expected from the Department for Education and others.



- Phase 2 is to be developed in the first phase of funding. Some areas have already done assessment of needs work, so we expect some areas to be more advanced and bring forward the Phase 2 requirements early. Exact allocation of funding is not yet known but it is assumed that it could be Phase 1 £300k and Phase 2 c.£800k per Net Zero Hub.
- The timeline is likely to slip as the programme was supposed to start today, 05.09.23.
- The pilots are not expected to cover the entire geography.
- There are three options for resourcing the pilots which have been set out in the GSENZH Board Pack 05.09.23, pages 111-112. These are:
- Option 1 – Undertake work internally. This would require a full procurement process so is not preferred. Nor would this option build local capacity.
- Option 2 - Allocate funding to a single geographical area. This would be high risk for a single financial year and the outputs would provide limited insight.
- Option 3 - Allocate funding (£100k) each to up to three geographical areas with internal Hub resource support. This is the preferred option. GSENZH can provide a coordination function. We have a lot of existing data at LEP and local authority level, and the Retrofit Training Network contract can be used.
- The next steps for Option 3 would be to issue a call for projects, attract projects that have already done some work in this area and can mobilise quickly, and bring expressions of interest back to the next GSENZH Board meeting 17.10.23.
- The recommendations of the GSENZH Management to the GSENZH Board in respect of the Regional Skills Pilots are as follows:
  1. To accept the Memorandum of Understanding (when received) and approve budgets for the GSENZH allocation of funding estimated at £1.1m for a Regional Skills Pilot for the Greater South East.
  2. To agree the preferred option 3 for delivery model, as set out in the GSENZH Board Pack 05.09.23, page 112.
  3. To note the guidance notes and terms of the scheme, including the timescales as set out in the GSENZH Board Pack 05.09.23, pages 113-116.
  4. To agree to the Hub procuring services advisory/consultancy and research and executing corresponding grants, contracts and agreements as required to deliver the pilot.
- GSENZH Board members had the following questions and comments about the Regional Skills Pilots:
- CPCA asked whether Phase 1 only could be done in this financial year and Phase 2 the following year.
- Maxine Narburgh, GSENZH agreed that there were challenges to meeting the timelines, but that DESNZ is very keen to see implementation and not just skills plans being developed.
- CPCA asked whether scoping had been done of areas that might be ready, across types of area, for example, high density urban, light urban and low density rural. It is important to include the latter as the development of business cases is more challenging in this context, and the issue also needs to be addressed in relation to training.
- Maxine Narburgh, GSENZH advised that the areas of London, Essex and Hertfordshire have already done outreach, conducted pilots, and put on training courses, so were more mature in this area of activity. However, GSENZH did not want to exclude areas, so was doing a call out.
- CPCA observed that Essex and Hertfordshire are close to London as regards a commercial model, whereas the counties of Sussex, Kent and Norfolk would offer a different commercial proposition.
- Maxine Narburgh, GSENZH advised that there was a need to demonstrate that regional pilots work and therefore it was pragmatic to start with areas where there was already traction so

that success could be evidenced, which would help with wider rollout. Therefore, the emphasis was on demonstrating success rather than research.

- Berks LEP observed that there is a constraint on the retrofit supply chain due to short-term intermittent funding. The Regional Skills Pilot funding is a small amount of resource for an important area. Is it possible to build a link between the retrofit programme delivery teams who need to spend the grant funding and the companies that are trying to upskill?
- Maxine Narburgh, GSEZNH advised that GSEZNH is funding the Regional Retrofit Training Network, which seeks to develop career pathways and link up trainers and employers. We are the only Net Zero Hub that has done this. We need support from partners to make connections at county level, so these pilots will help to do that. Herts LEP has brought together training providers, contractors, social housing providers and local authorities. We have found that SMEs lack skills to manage PAS paperwork, which has been a major barrier to completing the closure of retrofit schemes such as HUG1. Essex has done work with SMEs to get TrustMark accreditation. We have skills gaps in health and safety and in dealing with vulnerable households. The pilots will help to address these issues.
- Berks LEP asked whether underspend resource from other areas could be brought in to expand the pilot work.
- Maxine Narburgh, GSEZNH advised that GSEZNH would struggle to spend the existing £1.1 million budget within the six-month window allowed for the delivery of the project.
- Berks LEP agreed that more time rather than more money was needed.
- SELEP commented that they were reassured that the groundwork has been done. SELEP proposed that once success has been shown from the pilots, there is a need to give feedback to DESNZ that the limited timescale is hard to operate within and makes it difficult to build success of regional delivery in an iterative way and bring in funding and leadership. SELEP asked whether there was any flexibility regarding the deadline for expression of interest responses, currently timed for end September 2023.
- Maxine Narburgh, GSEZNH advised that the call for projects is expected to go out by 08.09.23. There needs to be enough lead time to come back to the GSEZNH Board at its next meeting 17.10.23 and deliver the project by March 2023. DESNZ has approached HM Treasury to explore flexibility and there is a possibility that HM Treasury may agree to the funding being committed this financial year and spent next financial year, but there is no confirmation at this stage.
- SELEP asked whether the call for projects had gone out to prospective bidders already and whether it was to a limited audience.
- Maxine Narburgh, GSEZNH advised that it was not limited and that GSEZNH has spoken to a few people about the project but requires agreement from the GSEZNH Board to proceed. GSEZNH has research, projections and evidence collected in some areas to give pilots a good starting point.
- CPCA asked about the linkage of local area energy planning to skills training requirements and whether this would be included.
- Maxine Narburgh, GSEZNH advised that GSEZNH has already commissioned research and holds data about housing stock retrofit measures needs and skills requirements at local authority and LEP level, and supply chain requirement research at LEP level. GSEZNH also has Parity Projects projections to 2030 and 2050.
- SELEP asked whether the Net Zero Hub Managers held conversations with DESNZ about funding mechanisms.
- Maxine Narburgh, GSEZNH advised that it is a particular Directorate within DESNZ (not the Net Zero Programme) which has produced the ideas for the Regional Skills Pilots, LEAD, LAD and HUG, which is slow to develop projects and programmes, which then leaves the Net Zero Hubs with only a few months to deliver them and get the required outcomes. The

North East and Yorkshire Net Zero Hub is drafting a Terms of Reference for the Department about how to work with the Net Zero Hubs, with the aim of improving their working relationship.

- SELEP commented that they had seen the issue replicated elsewhere and it was good that the Net Zero Hubs were taking positive action to address it. SELEP expressed a hope that DESNZ would start to recognise the issue and be able to take the matter up with HM Treasury.
- Maxine Narburgh, GSENZH commented that all parties want the same outcomes but currently the process is not deliverable. If DESNZ involved the Net Zero Hubs to work with them on the scope of projects and programmes, it would make them better and much quicker to prepare.

**BOARD DECISION:** The GSENZH Board accepts the GSENZH Management recommendations in respect of the Regional Skills Pilots as follows:

1. To accept the Memorandum of Understanding (when received) and approve budgets for the GSENZH allocation of funding estimated at £1.1m for a Regional Skills Pilot for the Greater South East.
2. To agree the preferred option 3 for delivery model as set out in the GSENZH Board Pack 05.09.23, page 112.
3. To note the guidance notes and terms of the scheme, including the timescales as set out in the GSENZH Board Pack 05.09.23, pages 113-116.
4. To agree to the Hub procuring services advisory/consultancy and research and executing corresponding grants, contracts and agreements as required to deliver the pilot.

## 9. Regional Hub Manager Report

- A verbal report from the GSENZH Regional Hub Manager, Maxine Narburgh, was provided to Board members at the meeting. The following points were highlighted:
- **Community Energy Joint Working Funding £75k** – DESNZH has provided ringfenced funding within the GSENZH MOU of £75k to enable GSENZH to link community energy organisations to local authorities and build up soft infrastructure to enable joint working and to enable them to seek joint funding. The North West Net Zero Hub has drafted a procurement specification for the purpose. GSENZH will go out to procurement at end September 2023 for project ideas in specific geographical areas.

**ACTION 12.** Maxine Narburgh, GSENZH to provide an update on the Community Energy Joint Working project at the next GSENZH Board meeting 17.10.23.

- **Local Area Energy Planning** – Peter Gudde, GSENZH expanded on this update: There are 19 areas in the Greater South East region working on local area energy planning. Support for local area energy planning is an increasing need of local authorities across all the Net Zero Hubs. A cross-Hub working group has been set up to help share knowledge. The South West Net Zero Hub is leading on a cross-Hub project to support local area energy planning, which is supported by DESNZ. Funding is being sought for it from the second stage of the Innovate UK Pathfinder Places programme, Net Zero Living. Advanced Infrastructure (AI) Limited has developed a modelling tool, LAEP+ with support from the first stage of the Pathfinder programme. The LAEP+ tool has been adopted by UKPN and some local authorities. Other brands of software are also being used. The South West Net Zero Hub has had discussions with AI Limited about Pathfinder 2, which has a £2-5 million fund. The five Net Zero Hubs have agreed to work in a consortium and bid into Pathfinder 2 with AI Limited, to develop a toolkit for the Net Zero Hubs to support local areas and to be able to learn from other organisations such as the Centre for Sustainable Energy, which is also part of the bid. The bid must be submitted by 06.09.23. The Net Zero Hubs want to share knowledge and insight and hope that additional funding can be used to enhance this with tools and techniques. The South West is leading on the bid and submitting the application on behalf of the five Net Zero Hubs.
- Berks LEP – Berkshire leaders have had a discussion on network capacity constraint, which is causing major issues. Heat pumps cannot be fitted on major developments. We are

discussing doing collective Berkshire-wide local area energy planning with Scottish and South Electricity Networks (SSEN). If not, Reading Borough and other unitary councils will do individual ones. I hope you can support that. We would like to share with other authorities and regions who have started down this road. We do not want this to be separate from the new governance and institutions work for local energy. How will this cross-Hub work interact? SSEN are charging us for the use of the LAEP+ tool unless they can get funding.

- Peter Gudde, GSENZH commented that it is disappointing that SSEN are charging for the LAEP+ tool. UKPN is not. We should push back. It should be part of their business planning process. There is no work plan in place yet for the cross-Hub work. We will look to the cross-Hub working group to collaborate on a plan and translate that into delivery support to yourselves. DESNZ are putting some resource into it.

**ACTION 13.** Peter Gudde, GSENZH to have a conversation with the other Net Zero Hubs on their next steps to support local authorities with local area energy planning and provide an update and written summary to the Board.

- Berks LEP asked that Peter Gudde, GSENZH also provide a written summary on the cross-Hub Pathfinder 2 bid with AI Limited to develop a toolkit to support local areas with local area energy planning, so that they can refer to it and share it as part of the work they are doing.

**ACTION 14.** Peter Gudde, GSENZH to provide a written summary to the GSENZH Board about the cross-Hub Pathfinder 2 bid with AI Limited to develop a toolkit to support local areas with local area energy planning.

- GLA commented that they were in the process of putting similar work together and would be interested to see what support the Net Zero Hubs initiative could provide and that it would be helpful to share experience and best practice. In London, local area energy planning has been done in London at various scales, in the Isle of Dogs, in Enfield at Borough level and at sub regional level in West London. GLA wants to ensure that Heat Network Zoning is integrated into local area energy planning so that opportunities for heat networks are understood and there is coordination.
- Peter Gudde, GSENZH asked Board members if they could share any updates about local area energy planning activity in their local areas. We need to work out the baseline service offer. If the bid is successful, a full time person will be in post to support this work. We also want to work out what we would do without it. We want to hear from GLA how it is bringing its various plans together and about its working relationship with UKPN. We want to work with DNOs and get best value from their resource for the local areas.

**ACTION 15.** GSENZH Board members to share any updates about local area energy planning activity in their local areas with Peter Gudde, GSENZH.

- GLA commented that they are pulling data sets together to help to coordinate work on local area energy planning. Any work already done on this that could be informing would be helpful.
- Maxine Narburgh, GSENZH advised that while the GSENZH Data and Information Manager had done some work in this area, it has been overtaken by the Project LEO work in Oxford.
- OCC responded that they would be keen to share learning on data and understand GLA learning on spatial scales and would drop GLA a separate line.

**ACTION 16.** Sarah Gilbert, OCC, to contact Simon Wyke, GLA about a mutual sharing of learning, about data from OCC and about spatial scales from GLA.

## 10. Forward Plan and Horizon Scanning

- The latest GSENZH Board Forward Plan was circulated to Board members in advance of the meeting with the GSENZH Board Pack 05.09.23.
- Maxine Narburgh, GSENZH proposed that the next GSENZH Board meeting 17.10.23 should include another session on governance and the LEP transition, so that we are aware of changes and can be aligned with those. Maxine observed that for multi-county LEPs such as SEMLEP, the transition would be more complex.

**ACTION 17.** Maxine Narburgh, GSENZH and Arthur Le Geyt, SEMLEP to discuss one-to-one about the SEMLEP transition.

- Berks LEP advised that they were not informed about the transition but warned that it was likely to be complex due to the composition of the local authorities in the county. Berks LEP confirmed that they would find out who Maxine Narburgh should speak with.

**ACTION 18.** Ben Burfoot, Berks LEP to find out who at Berks LEP should speak one-to-one with Maxine Narburgh about the Berks LEP transition.

- NALEP confirmed that they would pick up the topic one-to-one with Maxine Narburgh, GSENZH.

**ACTION 19.** Nicolette Jeffreys, NALEP to discuss the NALEP transition one-to-one with Maxine Narburgh, GSENZH.

- SELEP advised that the LEP Board will close the company 31.03.24 and that a transition to the local authority would occur by that date, so the LEP's representation on and engagement with the GSENZH Board will change from 01.04.2024.
- Maxine Narburgh, GSENZH advised that she and Jo Simmons, SELEP will review the GSENZH Board Terms of Reference and ensure that the LEP transition is reflected within.

**ACTION 20.** Maxine Narburgh, GSENZH and Jo Simmons, SELEP to review the GSENZH Board Terms of Reference and ensure that the LEP transition is reflected within them.

**BOARD DECISION:** The Forward Plan for the next GSENZH Board meeting 17.10.23, is to include another session on governance and the LEP transition.

## 11. Any Other Business

- **Heat Pump Business Cases** – Berks LEP highlighted issues experienced by local authorities in relation to energy efficiency in putting forward a business case for heat pumps using the Green Book. Berks LEP expressed a desire for a discussion about developing a mainstream approach to address this issue. Is this part of the GSENZH programme?
- Maxine Narburgh, GSENZH thanked Berks LEP for raising this issue and confirmed that the matter would be followed up by GSENZH.

**ACTION 21.** Maxine Narburgh, GSENZH to add to GSENZH's programme of work the matter of developing a mainstream approach to address the issues experienced by local authorities in putting forward a business case for heat pumps using the Green Book.

- **Ed Barlow, Bucks LEP** – SELEP raised the matter of GSENZH Board member and Bucks LEP representative Ed Barlow leaving the GSENZH Board as they were moving to a new role. SELEP highlighted that some acknowledgement should be given to Ed's contribution to the GSENZH in helping to set up the organisation and supporting its development. Maxine Narburgh, GSENZH agreed and noted Ed Barlow's contribution in frequently acting as chair for GSENZH Board meetings and for his membership of the Rural Community Energy Fund assessment panel. Maxine Narburgh offered to send a card on behalf of the GSENZH Board to thank Ed Barlow for his support and contribution.

**ACTION 22.** Maxine Narburgh, GSENZH to send a card on behalf of the GSENZH Board to thank Ed Barlow, Bucks LEP for his support and contribution.

## 12. Dates of Future Meetings

**BOARD DECISION:** The next regular GSENZH Board meeting is scheduled for 17 October 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:
  - 5 December 2023 – Sheryl French, Cambridgeshire County Council, to chair
  - 23 January 2024 (meeting chair to be confirmed – a volunteer is needed)

**ACTION 23.** GSENZH Board members to consider whether they can volunteer to chair for the GSENZH Board meetings 17.10.23 or 23.01.24.

**Minutes approved as a true and accurate record by Sheryl French (Cambridgeshire County Council) – Cambridgeshire and Peterborough Combined Authority**

**SIGNATURE**

**DATE**