



Environment and Sustainable Communities Committee

11 December 2024

Title:	GSE Net Zero Hub – Overview of programmes, finance and governance
Report of:	Maxine Narburgh, Director of the GSEnz Hub
Lead Member:	Cllr Bridget Smith
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required

Recommendations:

A	To note the report
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

	Achieving ambitious skills and employment opportunities
x	Achieving good growth
	Increased connectivity
x	Enabling resilient communities
	Achieving best value and high performance

1. Purpose

1.1	The report provides an overview of the GSEnz Hub governance, finance and programmes (operations) to supplement reporting of Hub Board decisions to the ESC. This report is supplemented by a slide deck which Maxine Narburgh will present at the meeting.
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2. Proposal

2.1	The Hub's activities support the strategic priorities through: <ul style="list-style-type: none">i. supporting public sector organisations to develop net zero/decarbonisation projectsii. providing strategic support to public sector clientsiii. the acceleration of net zero projects to commercial investment andiv. administering grant schemes to further community owner energy projects and to provide advice to households on retrofit.
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3. Background

3.1	The CPCA is the Accountable Body for the GSENZ Hub. The Director of Place and Connectivity has delegated authority from the CA Board to make decisions on behalf of the Combined Authority when sitting on the Net Zero Hub Board. These decisions are reported to the Environment and Sustainable Communities Committee (ESC) and/or Combined Authority Board.
3.2	The Hub's finance update and complex programme (HUG2) performance is reported to the CA Board.
3.3	Any decision outside of the Director of Place and Connectivity delegation is brought to the CA Board.
3.4	In October the revised budget for all GSENZ Hub programmes and projects was presented to the CA Board to update the MTFP. The CA Board agreed the revised budgets for HUG2 and the Local Net Zero Accelerator (LNZA) and budgets under delegated authority as agreed by the GSENZ Hub Board meeting in September.
3.5	It was agreed that a holistic overview of the Hubs operations, governance and finance would be brought to the CA Board to provide detail on the Hub activities.

4. Appendices

4.1	Appendix 1: GSENZH Programme Overview
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5. Implications

Financial Implications

5.1	There are no direct financial implications to this report as it is an update.
5.2	<p>There is an underlying financial risk associated with the HUG2 programme that, as the forecast capital delivery is decreased, the revenue costs of the programme (referred to as A&A) will exceed the 15% cap of total HUG2 project expenditure i.e. the amount of revenue spend is still within what was planned, but the capital delivery spend reducing means the same amount is a larger percentage of the total spend. The CPCA is currently in discussion with DESNZ, as are other Local Authorities nationally, to agree approach to this 'overspend'.</p> <p>If the Combined Authority is ultimately required to meet the spend above 15% this would result in a forecast at £1.2-£1.5million pressure. The GSENZ Hub alongside other local authorities are working with DESNZ on the potential reclassification of some A&A costs into capital expenditure, an update will be provided when formal communication is received from DESNZ.</p>

Legal Implications

6.1	<p>There are no direct legal implications arising from this report.</p> <p>The Single Assurance Framework, section 7.3 sets out the governance relating to the Greater South East Net Zero Hub.</p>
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Public Health Implications

7.1	None
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Environmental & Climate Change Implications

8.1	None
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Other Significant Implications

9.1	None
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Background Papers

10.1	None
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