



## Environment and Sustainable Communities Committee

**31 July 2024**

Title:	Greater South East Net Zero Hub Board Decisions
Report of:	Maxine Narburgh, Regional Director GSE Net Zero Hub
Lead Member:	Councillor Bridget Smith
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required.

### Recommendations:

A	To note the decisions made by the Executive Director of Resources & Performance (to 05/03/24) and Executive Director of Place & Connectivity (from 20/03/24) based on the recommendations of the Greater South East Net Zero Hub Board
B	To note the update on the Community Energy Fund

### Strategic Objective(s):

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

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

The GSE NZH provides technical assistance and grant administration to support decarbonisation and net zero. Objective 4, Place & Connectivity Business Plan is to deliver the Local Net Zero programmes of work to: i) achieve good growth ii) ambitious skills and employment opportunities and iii) resilient communities.

### 1. Purpose

1.1	On the 26 July 2023 the CPCA Board delegated authority to the Executive Director of Resources & Performance (or substitute) to make decisions on behalf of the Combined Authority when sitting on the Net Zero Hub Board(s); this was updated to the Director of Place & Connectivity on 20 March 2024. All Hub Board decisions are to be reported to the Environment & Sustainable Communities Committee and/or Combined Authority Board.
1.2	This report sets out the decisions made at GSE NZH Hub Boards since the delegation was approved.
1.3	This report also provides an update on the Community Energy Fund

## 2. Proposal

2.1	To note the recommendations made by the GSE Net Zero Hub Board
2.2	The decisions made will support the strategic priorities through: <ul style="list-style-type: none"><li>i) supporting public sector organisations to develop decarbonisation projects</li><li>ii) the acceleration of net zero projects to commercial investment and</li><li>iii) administering grant schemes to further community owner energy projects and provide advice to households on retrofit.</li></ul>

## 3. Background

3.1	<p>The Executive Director of Resources &amp; Performance and the Executive Director of Place and Connectivity made decisions on behalf of the GSE NZ Hub Board. The decisions made were:</p> <ul style="list-style-type: none"><li>a) Strategic Projects – approval of extensions for three projects:<ul style="list-style-type: none"><li>i) change of scope Able to Pay (retrofit)</li><li>ii) carbon removals and offsetting projects</li><li>iii) a new project (waste heat mapping tool).</li></ul></li><li>b) Hub Governance – approvals for interim Board members as LEP functions transfer to local authorities in the SELEP region. The creation of four Regional Advisory Boards (RAB), roles and responsibilities of the Hub Board Chair, Deputy Chair and members, Terms of Reference for the RAB and recruitment process for members. Approval of appointments to RAB Chairs and members, agreement to the preferred size and structure for the revised Hub Board</li><li>c) Community Energy Fund – round one project approvals to the value of £896K out of an available £900K (additional £375K awarded in principle subject to available funding), round two projects approvals to the value of £914K out of a total of £928K of available funding.</li><li>d) Net Zero Investment Service – development of a Hub service and technical consultancy fund to drive the net zero investment pipeline.</li><li>e) Approval for Local Partnerships capacity support to assist with public sector decarbonisation funding round four projects, NHS heat network support, commercial heat network guidance and community benefits for nationally significant infrastructure projects for solar PV.</li></ul> <p>Full detail of the decision record is provided in section 4.</p> <p>A list of approved Community Energy Fund projects is provided in Appendix 1.</p>
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## 4. Decisions

4.1	The Executive Director of Resources & Performance and the Executive Director of Place and Connectivity made decisions on behalf of the GSE NZ Hub Board. The decisions are listed below.
4.2	<p><i>The following Decisions were made at the December 2023 Board</i></p> <ul style="list-style-type: none"><li>1. To approve extensions to delivery timetables for the Carbon Offsetting and Removals, Able-to-Pay Retrofit and Industrial Clusters projects to March 2025.</li><li>2. To approve reallocation of up to £30,000 of funding from the Solar Farm feasibility project to the Cherwell Transport Decarbonisation project to enable West Sussex County Council to participate in the latter. If approved, any funding allocation will be subject to West Sussex County Council confirming that they can delivery to the agreed timetable.</li><li>3. To accommodate on the GSE NZH Board from 01.04.24, three representatives from the South East LEP (SELEP) region in respect of its three functional economic areas, following the close of SELEP Ltd and the transfer of the LEP's function to the six upper tier local authorities in its region.</li></ul>

4.3	<p><i>The following Decisions were made at the March 2024 Board</i></p> <p>Community Energy Fund</p> <ol style="list-style-type: none"> <li>1. The GSENZH Board approves the projects in confidential Appendix A set out in the GSENZH Board Pack 05.03.24, which have passed internal assessment and been recommended by the Funding Panel for unconditional approval or approval, based on the conditions outlined therein.</li> <li>2. The GSENZH Board approves the funding of projects in confidential Appendix E set out in the GSENZH Board Pack 05.03.24, to the value of £896K out of a total £900K of available funding in 2023/24, to enable the CEF grant to be committed to projects within the funding period. The projects have passed the internal assessment processes and are recommended for funding by the Funding Panel.</li> <li>3. The GSENZH Board approves the funding of eight projects to the value of £375,175 as set out in confidential Appendix E set out in the GSENZH Board Pack 05.03.24, subject to CEF funding being received for 2024/25, these projects will not be required to resubmit to the next funding round.</li> </ol> <p>Hub Governance</p> <ol style="list-style-type: none"> <li>4. The GSENZH Board agrees to the boundaries of the Regional Advisory Board, comprising 3 RABs (North East, North West, South) plus London, as set out in the GSENZH Board Pack 05.03.23.</li> <li>5. The GSENZH Board approves the roles and responsibilities of the Regional Advisory Board Chair, Deputy Chair and members, as set out the GSENZH Board Pack 05.03.24.</li> <li>6. The GSENZH Board approves the Terms of Reference for the Regional Advisory Boards, as set out the GSENZH Board Pack 05.03.24.</li> <li>7. The GSENZH agrees to the progression of the recruitment to the RABs as set out in the GSENZH Board Pack 05.03.24.</li> </ol>
4.4	<p><i>The following Decisions were made at the April 2024 Board</i></p> <p>Waste Heat Mapping Tool</p> <p>The GSENZH Board agreed to:</p> <ol style="list-style-type: none"> <li>1. Note the strategic project proposal set out in Annex 1 of the GSENZH Board Pack 23.04.24.</li> <li>2. Approve the reallocation of existing funding to the value of £25,000.</li> <li>3. Assign the project funding allocation, undertake procurements and execute corresponding grants, contracts, and agreements.</li> </ol>
4.5	<p><i>The following Decisions were made at the June 2024 Board</i></p> <p>Hub Board Governance</p> <p>North West Regional Advisory Board (RAB)</p> <ol style="list-style-type: none"> <li>1. Appoint Sheryl French, Cambridge County Council, as North West RAB Chair.</li> <li>2. Appoint all those recommended for appointment by GSENZH as members as set out in Item 4, Appendix A of the GSENZH Board Pack 04.06.24.</li> <li>3. Regarding the open positions as set out in the Board Pack, delegate these appointments to the RAB Chair and Hub Regional Director.</li> </ol> <p>North East RAB</p> <ol style="list-style-type: none"> <li>4. Appoint Tom Day, Essex County Council as Chair and, with a view to succession, appoint Fiona Duhamel, Rochford District Council and Brentwood Borough Council as Deputy Chair.</li> <li>5. Appoint all those recommended for appointment by GSENZH as members as set out in Item 4, Appendix A of the GSENZH Board Pack 04.06.24.</li> </ol>

6. Regarding the open positions as set out in the Board Pack, delegate appointments to the RAB Chair and Hub Regional Director, with the exception of the two lower tier local authorities from Essex, which should be rejected as they do not add value.

#### South RAB

Appoint Carolyn McKenzie, Surrey County Council as Chair.

7. Appoint all those recommended by GSENGH for appointment as members as set out in the Item 4, Appendix A of the GSENGH Board Pack 04.06.24.
8. For Community Energy South, leave the RAB chair and Hub Regional Director to decide the geographical placement of this representative, whether in the North East RAB or South RAB.
9. For the open positions as set out in the Board Pack, delegate appointments to the South RAB chair and Hub Regional Director, who are also to have a discussion with the officer from Kent County Council about potential involvement and reach out to an appropriately constituted local climate change partnership in the region about their potential involvement.
10. Reject those not recommended for appointment as set out in the Board Pack.

#### RAB Deputies

11. The category of representation for RAB deputy chairs is to be decided by the RAB chairs in consultation with RAB members.

#### Hub Board Size & Structure

12. The medium size for the GSENGH Main Board is the preferred structure. (The medium structure comprises twelve members and enables non-local authority RAB members or additional local authority RAB members to be GSENGH Main Board members.)

#### Community Energy Fund

The GSENGH Board approved the following:

1. The projects set out in the recommendations summary table shown in Item 5, confidential Appendix A of the GSENGH Board Pack 04.06.24.
2. The funding of the projects set out in the recommendations summary table shown in Item 5, confidential Appendix D of the GSENGH Board Pack 04.06.24, to the value of £914,997 out of a total £928,911 of available funding in 2024/25.
3. The funding of three projects set out in the recommendations summary table shown in Item 5, confidential Appendix D of the GSENGH Board Pack 04.06.24, to the value of £104,437, subject to additional CEF funding being received during 2024/25.

#### Strategic Projects

4. The GSENGH Board approved the proposed change of scope to the Technical Consultancy Project – Able-To-Pay.
5. The GSENGH Board noted the progress made and key learning gathered to date from the projects in the Strategic Project Programme.
6. The GSENGH Board considered the outline proposals to align the Technical Consultancy budget with the Hub's Net Zero technical assistance to develop a Net Zero Investment Readiness Service to drive the Net Zero Investment pipeline.
7. The GSENGH Board approved further progression of design work of the Net Zero Investment Readiness Service for Board consideration in September 2024.
8. The GSENGH Board approved the allocation of £109,688 funding for the Local Partnerships project support proposal for the following five work packages:
  - i) PSDS pipeline support (Round 4)
  - ii) Heat network support – South East NHS Trust
  - iii) Heat network support – East of England NHS Trust phase 2 works
  - iv) Commercial heat network guidance
  - v) Community benefits for Nationally Significant Infrastructure Projects solar PV schemes

4.6	<p><i>The following Decisions were made at the July 2024 Board</i></p> <p><b>Carbon removals and offsetting</b></p> <p>GSENZH Board members are to review the scope set out in the Carbon Removals and Offsetting paper provided by John Taylor and Steve Baggs, GSENZH. Helen Pollock, Hertfordshire Futures, Simon Wyke, GLA, Sarah Gilbert, Oxfordshire County Council and Ben Burfoot, Reading Borough Council are to form a task group to review and take a decision (in conjunction with Judith Barker, CPCA SRO) on the GSENZH Carbon Removals and Offsetting proposal prior to the next GSENZH Board meeting 03.09.24.</p> <ol style="list-style-type: none"> <li>1. To note the revised scope of work for the project.</li> <li>2. To approve the reallocation of existing funding to the value of £50,000 to deliver the revised scope.</li> <li>3. To agree to assign the project funding allocation, undertake procurements and execute corresponding grants, contracts, and agreements.</li> </ol>
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## 5. Community Energy Fund

5.1	The Community Energy Fund is a £10 million fund to support community led clean energy projects in urban and rural areas of England. The fund aims to help projects to investment readiness through grants for feasibility studies (£40K) and development studies (£100K). Funding has been allocated to the five Net Zero Hubs to administer the grants on behalf of the Department for Energy Security & Net Zero (DESNZ).
5.2	The fund supports local renewable and low carbon energy projects (such as wind farms, hydro power and rural heat networks, community electric vehicle projects (such as electric vehicle charging points and electric car clubs) which form the Type A Category, and energy efficiency retrofit and advice projects (where there is local need and a gap in existing services and where there is a business model for a sustainable service) which form the Type B category.
5.3	<p>Year one funding was allocated equally between the five Net Zero Hubs in England (£1million per Hub).</p> <p>Year two funding has been allocated to reflect the award of grants in year one.</p> <p>There is an opportunity for all Hubs to bid for an additional £400K of available funding in September 2024 which will be awarded based on performance to date.</p>
5.4	The GSE Net Zero Hub were granted £1m in 2023/24 and £1.4m for 2024/25. £400K of additional funds were granted due to the high volume of successful community energy grant applications in the GSE region. £2.2m is available for grants, £200K is for the GSENZH/CPCA costs for administering the fund over two years.
5.5	<p>The GSE NZH have run two competitive rounds, £2.19m has been committed.</p> <p>Round 1: 19 stage 1 &amp; 6 stage 2 approved (£1.27m)</p> <p>Round 2: 23 stage 1 &amp; 2 stage 2 approved (£914K)</p> <p>£104K has been approved in round 2 subject to availability of funding.</p>
5.6	The GSE have allocated all funding to projects and are unable to open future rounds unless additional funding is awarded in September.
5.7	A list of the projects funded to date is provided in Appendix 1.

## 6. Appendices

6.1	Appendix A – Community Energy Fund Projects approved
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## 7. Implications

### Financial Implications

7.1	The GSENGH programmes are fully funded and the cost of all support is entirely chargeable to the grants and thus will not increase the Combined Authorities net staffing costs.
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### Legal Implications

7.2	The Combined Authority Board has the power to delegate its functions, which are not reserved to it, to committees, sub-committees, officers, joint committees or other local authorities pursuant to section 101 of the Local Government Act 1972, section 9EA of the Local Government Act 2000 and regulation 5 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.
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7.3	Chapter 4 Rule 4.6.1 of the Combined Authority's Constitution provides that the Combined Authority Board has the power to delegate its functions, which are not reserved to it, to Committees, Sub-Committees, Officers, Joint Committees or other Local Authorities. The Board cannot delegate its functions to individual members of the Board.
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7.4	In addition, the Combined Authority Board may delegate functions in accordance with a standing scheme of delegation (adopted and updated from time to time) and by specific delegations given in relation to certain matters.
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### Public Health Implications

7.5	The report recommendations will have a neutral impact on public health.
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### Environmental & Climate Change Implications

7.6	The report recommendations have positive implication for the environment and climate change, Accelerating public sector decarbonisation projects and community owned energy projects.
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### Other Significant Implications

7.7	All delegation decisions are compliant with the Combined Authority processes and procedures.
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### Background Papers

7.8	GSENGH Board Agendas and Minutes: <a href="#">Board Agenda &amp; Minutes GSE Net Zero Hub</a> CA Board Papers – <a href="#">GSENGH Delegations: CPCA Board Meeting - 26 July 2023</a> ; <a href="#">GSENGH Delegations: CPCA Board Meeting - 20 March 2024</a>
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