

**Greater South East Energy Hub (GSEEH)
Board Meeting - 17 January 2020**
London Councils, 59½ Southwark Street, London SE1 0AL

Attendees

<p>Ed Barlow (Buckinghamshire County Council) - Buckinghamshire LEP (BucksLEP) – Board Chair</p> <p>Matt Wragg – Coast to Capital LEP (C2CLEP)</p> <p>Gary Sturgeon - Department for Business, Energy and Industrial Strategy (BEIS)</p> <p>Jennie Pell – Enterprise M3 LEP (EM3LEP)</p> <p>Simon Wyke - Greater London Authority (GLA)</p> <p>Maxine Narburgh - Greater South East Energy Hub (GSEEH)</p>	<p>Erica Sutton - Greater South East Energy Hub (GSEEH) - Secretariat support</p> <p>Paul Witcombe – Hertfordshire LEP (HertsLEP)</p> <p>Rosanne Wijnberg – New Anglia LEP (NALEP) – By telecom</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. Introductions, Apologies

- The Board welcomed Rosanne Wijnberg, NALEP who was substituting for the LEP's primary and deputy representatives.
- Apologies were given by Domenico Cirillo, Cambridgeshire and Peterborough Combined Authority (CPCA); Sheryl French (Cambridgeshire County Council) - Cambridgeshire and Peterborough Combined Authority (CPCA); Sarah Gilbert (Oxfordshire County Council) – Oxfordshire LEP (OxLEP); Ben Burfoot (Reading Borough Council) - Thames Valley Berkshire LEP (TVBLEP).

2. Minutes, Actions and Matters Arising

2.1 Minutes

BOARD DECISION: The minutes of the previous GSEEH Board meeting, 18.10.19, were agreed as a true account.

ACTION 1. EB to sign off the minutes of the GSEEH Board meeting 18.10.19 as approved.

2.2 Actions

A log of actions from previous meetings and their current status was circulated to the Board in advance of the meeting (GSEEH Board Papers 17.10.20). MN advised that most actions were covered within the meeting's agenda.

2.3 GSEEH Board Decision-Making Status

- MN, as Board Secretariat, advised that this meeting was acting in the capacity of a formal, decision-making Board. All parties had signed the GSEEH Accountable Body Agreement (ABA) except TVBLEP, however TVBLEP's sign up was expected in due course.
- The meeting participants then each clarified their status as follows:
 - JS for SELEP advised that while she had been confirmed as the delegated authority, the GSEEH ABA were not yet signed by SELEP; the LEP's process of legal scrutiny was not yet complete. Any decisions would need to be ratified by SELEP after the meeting.
 - ALG for SEMLEP advised that that he had delegated capacity; the Board agenda would be discussed in advance of the Board meeting with the relevant authority and would then be ratified after the meeting.
 - JP for EM3LEP confirmed that the ABA had been signed by the LEP and that she had delegated authority for decision-making.
 - RW for NALEP advised that the LEP's Board had delegated decision-making concerning GSEEH Board matters to NALEP's CEO, Chris Starkie, and that she, RW, was acting as a substitute since both NALEP's primary and deputy Board representatives were unable to participate in the current meeting. RW proposed that she would note any decisions and that Chris Starkie would send an email to confirm his agreement after the meeting.
 - EB for BucksLEP confirmed that he had been given delegated authority for decision-making on the GSEEH Board, and though he had not seen the signed paperwork from BucksLEP agreeing to the ABA, he understood that it was complete.
 - HertsLEP have signed the ABA and PW has delegated decision-making authority
 - SW clarified that the GLA are non-voting members.
- MN clarified that a quorum for GSEEH Board meetings includes any proxies or substitutes, and that her understanding was that that the current meeting was therefore quorate, though formal decisions need to be proposed and seconded by those who had delegated authority. Financial decisions required of the Board at this meeting would concern approval of Rural Community Energy Fund (RCEF) grants (up to £100k) and Technical Consultancy Support Grant approvals (up to £25k). Decisions are by consensus, but if consensus is not achieved, then decisions are made by majority vote.
- No alternative understandings on the GSEEH Board quorum were proposed by the meeting.

BOARD DECISION: It was proposed that decisions would be made at the meeting and these would then be confirmed after the meeting with the decision-making authorities for each LEP.

ACTION 2. MN to list all decisions from the GSEEH Board meetings in an email and circulate to the Board membership after each meeting, so that decisions can be ratified as necessary.

2.4 Rural Community Energy Fund (RCEF) Funding Panel Membership

- MN advised that although the Funding Panel was now established, membership was still an outstanding matter. Current membership of the Panel comprised: David Walton or Matt Hullis (Suffolk County Council), NALEP; Marouane Azennoud (Northamptonshire County Council), SEMLEP; Victoria Fletcher (Oxfordshire County Council), OxLEP; Gary Sturgeon, BEIS; and Helen Heat, Department for Environment, Food and Rural Affairs (Defra). (BEIS and Defra are observers.) However, it would be prudent to widen the membership so that there is a pool to draw from, to enable availability whenever the Panel is convened.

ACTION 3. All Board members to consider what local authority contacts they could encourage to join the Funding Panel. (Local authorities should preferably be from a rural location to bring an understanding of rural issues, but this is not essential.) In addition, a further Board member is needed to join the Panel.

- MN advised that the Round 1 RCEF applications (23 August 2019 deadline) were being decided at the meeting, with the Round 2 RCEF applications (28 November 2019 deadline) still outstanding for assessment and recommendation, so that another Funding Panel assessment and Board approval of Panel recommendations would be required soon. After that, the process would assume a quarterly pattern. The timeline for actions following an application deadline is as follows: A period of 2-3 weeks for internal review and preparation of assessment papers for the Funding Panel by the GSEEH; the Panel is then to have 2 weeks to review these papers before convening to make its recommendation.
- The meeting requested that RCEF Funding Panel recommendations should be circulated to the Board a week *before* the Board Papers (which are circulated a week in advance of a GSEEH Board meeting). This is to give more time for the Board to scrutinise the RCEF Funding Panel recommendations.

ACTION 4. MN to circulate RCEF Panel recommendations to the Board a week in advance of the GSEEH Board papers.

- MN reminded the meeting that all RCEF papers are available to the Board on the Board's Huddle file-sharing facility. This is to facilitate the sharing of papers, since some of the documents provided with applications can be large file sizes.

2.5 New Accountable Body - Redundancy Liability

- To inform a prospective new Accountable Body about its potential liabilities, CPCA are preparing figures to inform BEIS what the redundancy liability for the GSEEH Operational Team would be, as some of the GSEEH Operational Team have been local authority employees for up to 20 years. BEIS would cover this liability.

2.6 Rural Community Energy Fund - Overhead

- A reprofile is needed concerning the 15% overhead in the RCEF budget, which provides for the administration of the Fund. This would provide £22k over two years, which, for an expected 250 transactions, is inadequate for the work required.

3. Adoption of GSEEH Terms of Reference

- Provided with the GSEEH Board Papers 17.10.20, Appendix 1, were:
 - GSEEH Terms of Reference (ToR)
 - Local Energy Capacity Support Programme Project Management Framework (appended to the ToR)
 - Rural Community Energy Fund Project Management Framework (appended to the ToR)
- The Board were recommended by MN, Board Secretariat, to adopt the ToR and approve the project management frameworks appended to them.
- MM advised that Section 14 of the ToR had been updated to reflect that the RCEF Funding Panel makes recommendations to the Board, and the Board then makes the decision. MN clarified that the Board has the powers to set up an RCEF Funding Panel as a decision-making body if this approach was preferred.
- The Local Capacity Support Programme and RCEF Project Management Frameworks can be updated by the GSEEH with approval from the GSEEH Board and CPCA.
- MN asked the meeting whether there were any comments on the content of the ToR:
 - NALEP confirmed that the LEP had received the papers, has commented on them and is content.
 - SELEP queried a statement within Section 4 of the ToR, that the Board has an advisory capacity concerning Section 31 grants. MN clarified that this is because CPCA remains the Responsible Body, but the Board is now the decision-maker. CPCA can delegate decisions but not responsibility.

ACTION 5. MN to check with CPCA legal advice and amend wording within Section 4 of the GSEEH Board ToR as appropriate, to reflect the SELEP query concerning the Board's "advisory" capacity.

BOARD DECISION: JP, EM3LEP proposed the adoption of the GSEEH Terms of Reference and its appendices: the Local Energy Capacity Support Programme Project Management Framework and the Rural Community Energy Fund Project Management Framework. This was seconded by ALG, SEMLEP and supported by EB, Bucks LEP.

ACTION 6. MN to circulate to the Board for their ratification, the Board's decision to approve the GSEEH ToR and its appendices, the Local Energy Capacity Support Programme Project Management Framework and the Rural Community Energy Fund Project Management Framework.

4. Membership of the GSEEH Board

- The GSEEH Terms of Reference require each LEP to nominate both a primary and deputy GSEEH Board member. A list of the nominations was circulated to the Board in advance of the meeting (GSEEH Board Papers 17.01.20). The Board were asked to advise of any changes to the current list of nominations:
 - JS confirmed that for SELEP, she is the primary representative, and advised that the deputy role is to be shared between Adam Bryan and Suzanne Bennett.
 - NALEP confirmed that its primary and deputy members are Chris Starkie and Lisa Roberts respectively.
 - ALG advised that for SEMLEP he, ALG, would be the primary member, with Claire Ackroyd as the deputy.
 - SW advised that Rachel Cary has left the GLA and that he would be the primary member for the GLA and that a deputy is to be confirmed.

ACTION 7. MN to update the record of the GSEEH Board primary and deputy membership as set out above (section 4. of the GSEEH Board minutes of 17.01.20).

5. Declaration of Interests

- The Board was given the opportunity to make any declarations of interests. MN asked the meeting participants to give special consideration the Local Energy Capacity Support Programme Project and Rural Community Energy Fund Project Management Frameworks. No interests were declared.
- MN advised the meeting that all Board members would receive a declaration of interests form by email for their signature and that this must be returned within 28 days.

ACTION 8. MN to circulate a Declaration of Interests form to the Board for their signature.

ACTION 9. Board members to sign and return a Declaration of Interest form within 28 days of receipt.

6. Ratification of Decisions and Recommendations of the Interim GSEEH Board

- The Board was requested by the Secretariat to ratify the decisions and recommendations made prior to its establishment as a formal entity. A list of all previous GSEEH Board meetings and its decisions and recommendations had been circulated to the Board in advance of the meeting (GSEEH Board Papers 17.01.20, Appendix 2). MN clarified that some of the decisions and recommendations had been superseded or evolved since they were first made.

BOARD DECISION: Ratification of previous decisions and recommendations of the GSEEH Board was proposed by JP, EM3LEP. This was seconded by PW, Herts LEP, supported by EB, BucksLEP, supported in principle by JS, SELEP and supported by ALG, SEMLEP.

7. Rural Community Energy Fund - Funding Panel

- In addition to the Rural Community Energy Fund Project Management Framework, further information on the background and governance to the RCEF Funding Panel was provided to the Board in advance of the meeting (GSEEH Board Papers 17.01.20.).
- The Secretariat recommended that the Board:
 - Approve the formation and membership of the RCEF Funding Panel
 - Agree that the Funding Panel will make recommendations to the GSEEH Board for RCEF grant approvals (as per the RCEF Project Management Framework).
- MN confirmed that agreement was needed that the current membership was suitable, that the membership of the RCEF Funding Panel could be added to and clarified that membership could be drawn from the GSEEH's constituent local authority and LEP organisations. The Panel needs to be representative to meet BEIS requirements. The current membership comprised three local authorities and one representative each from BEIS and Defra. The Funding Panel will meet quarterly, but a more frequent interval might be required initially to catch up on the Round 2 applications (those submitted by 28 November 2019).
- EB, BucksLEP volunteered to be a further member of the RCEF Funding Panel. SW, GLA offered in principal and will confirm at the next meeting.

ACTION 10. MN to note that EB, BucksLEP, will join the RCEF Funding Panel and to note the interest of SW, GLA, to volunteer for the Funding Panel.

BOARD DECISION: Approval of the formation and members of the RCEF Funding Panel, and agreement that the Funding Panel will make recommendations to the GSEEH Board for RCEF grant approvals, was proposed by ALG, SELEP. This was seconded by PW, HertsLEP and supported by EB, BucksLEP and supported in principle by JS, SELEP.

8. Forward Plan

- An updated version of the GSEEH Board's Forward Plan was circulated to the Board in advance of the meeting (GSEEH Board Papers 17.01.20).
- MN advised the meeting that additional items for discussion had been added to the next Board meeting, which were: RCEF funding awards, draft Hub sustainability report and the GSEEH 2020-2021 draft budget.
- MN asked the meeting whether there were any other items to add.

8.1 Hub Sustainability and Measurement of Impact

- MN advised the meeting that the sustainability of the Local Energy Hubs was to be discussed at a workshop that the Hubs would attend at the end of January 2020. A document concerning sustainability had already been drafted by the Local Energy Hubs. It was not currently ready to share but would be circulated to the Board as soon as it was.
- MW reflected a concern raised at the GSEEH Board Workshop (29.11.19) that, should the GSEEH become self-sustaining, it would be just another consultant among a big pool, whereas currently it was the voice of the Government and had leverage. It had also been reflected at the Board workshop that the recent declarations of climate emergency by local authorities had considerably changed the context in which the GSEEH was operating, and that BEIS needed to accept that it had to invest in the Local Energy Hubs.
- MN clarified that BEIS does accept that there is a funding requirement for the Local Energy Hubs rather than them becoming entirely self-sustainable. GS advised that the March 2020 Budget and subsequent Spending Review are BEIS's opportunity to confirm this.
- MN confirmed that the funding of the Local Energy Hubs was currently set to end at the close of the financial year 2021-22.
- Various points were then contributed by the meeting's participants about the way in which the GSEEH success and impact is currently measured:
 - It is challenging to balance the GSEEH's support to projects with low capital cost and high impact, and which are long term, with the quick wins need to demonstrate budgetary need to HM Treasury.
 - The type of metrics being used to measure the Local Energy Hubs' success is a matter that needs to be raised.

- It would be useful to carry out impact evaluation work, to identify interventions and assess their success.
- There is considerable monitoring of the Local Energy Hubs' work, but evaluation material is lacking. Evidence of impact needs to be gathered beyond that of delivering objectives.
- The impact of what GSSEH has done that will reap benefit in future could also be captured, not just the monetary value banked.
- MN advised that there is a challenge that much of the project pipeline is at a concept stage and not sufficiently mature to provide the demonstration of impact that Treasury wants. Many soft gains are being initiated by the GSEEH, and the Hub is starting to articulate these impacts to broaden what is being counted. Such GSEEH impacts include: feasibility studies and business cases produced; bids supported; where intervention has led to procurement.
- GS clarified that Treasury's interest is focused on the capital value of the project pipeline, however that carbon saved by projects can be monetised so that this can also be reported to Treasury.
- MN advised that Treasury is interested in private-sector investment. The GSEEH has supported the start-up of projects with private sector investment and is trying to bring such projects forward. However, many local authorities want to be their own investors.
- EB suggested that highways projects would bring private sector investment and so would be worth looking at.

8.2 Board Workshop Discussions and Outputs

- JS raised a question that there had been some differing requirements expressed at the 29.11.19 GSEEH Board Workshop and asked how this would be worked through by the Operational Team.
- MN advised that although skills was expressed as a need at the Board workshop, it is out of the Local Energy Hubs' remit. However, there is potential that the GSEEH could input to the evidence base for skills and there could be value in the Hub doing this on behalf of LEPs and local authorities as it would bring a scale of efficiency.
- JS advised that a key need concerning skills is how training is marketed; the training is there, but the problem is that it is not marketed.
- The question was also asked, how the Hub could help with work to address Climate Emergencies as declared by local authorities.

ACTION 11. MN to bring an update on the way forward with KTN to next GSEEH Board meeting (03.03.20).

ACTION 12. MN to bring an update to the GSEEH Board in two meetings' time (21.04.20), on how the Operational Team will take forward the outputs of the Board Workshop (29.11.19).

9. Finance Update

- Financial summaries for the Local Capacity Support Programme for December 2019 and for the RCEF draft budget profile had been provided to the Board in advance of the meeting (Board Papers 17.01.20). There was an opportunity for questions and the following points were raised, with clarifications provided by MN:

9.1 Local Capacity Support Programme

- There is an underspend on staff costs, travel and subsistence and the technical consultancy support grant (due to waiting on project development) so this would be reprofiled into next year's budget into an *unallocated* budget line. This would amount to £80-£100k depending on how much the funding management and technical consultancy support grant elements of the budget are spent. There was no overspend, the website was on budget, though the meeting room allocation needed to be increased in future. Costs for IT and events were expected going forward. Grant agreement letters for the Council Tax and Business Rates Energy Efficiency Design Studies are still awaited.

ACTION 13. MN to reference the unallocated line in the financial reporting for transparency.

9.2 Rural Community Energy Fund – Staff Recruitment & Procurement

- It is intended that the RCEF applications will be processed by staff other than the GSEEH Operational Team in future. Time spent on RCEF by the Operational Team has been captured so that the cost is known and can be reallocated to the Capacity Support Programme budget, for example, the Round 1 assessments required a week's work by two Operational Team staff.
- The recruitment for the RCEF Programme Manager and Project Officer will have to be initiated after the Accountable Body transfer. The tender specifications for the outsourced roles are drafted and have been adapted with the insight gained from the work carried out for the Fund by the GSEEH Operational Team. The community support (Project Officer) role has now been allocated more time and the Programme Manager less time. It is now evident that more support and guidance is required for applicants (especially concerning stakeholder engagement and community investment) and that after the grants are awarded, considerable monitoring and development support will also be needed.
- It will be necessary to fill the staff gap between now and the recruitment, which must wait for the Accountable Body transfer. This will be achieved via procurement on the Government's Contracts Finder portal. There is likely to be three-week advertising window, which it is expected CPCA will agree during the week commencing 20.01.20.

ACTION 14. MN to share with the Board, the RCEF staff procurement opportunity published on the Contracts Finder.

ACTION 15. MN to share with the Board the draft RCEF tender specifications.

ACTION 16. Board to provide any feedback to MN on RCEF tender specifications and the Board must note that these are **not** signed off and are **not** to be shared more widely.

12.2 Technical Consultancy Support Grant Budget

- Further questions were raised by the meeting about the Technical Consultancy Support Grant: how the technical consultancy grant pot can be managed given its limited size and the potential number of projects coming forward; and that the Hub would need to be prepared for the technical consultancy grant pot to be exceeded.
- MN advised that there was still next year's spending to use, and that currently, a greater issue than exceeding the money available, was having the projects to make use of the grant money in the first place. The emphasis of the GSEEH's work was to get collaboration across LEPs and to generate benefit to more than one, to make the most of resources and funding, as well as to make the most impact. It is intended that the pipeline should benefit most from the capacity support provided by the EPMS, rather than needing to lean on the consultancy budget, which itself could be pointed at things of most strategic value.
- It was commented that capacity could be an issue, even if funding is not, due to climate change emergency declarations.
- A question was raised about the limits of the technical consultancy budget to be allocated per project.
- MN clarified that this is nominally £25k, but this figure is not set down, and that some more detailed consultancy work might cost more and require more funding.
- The meeting agreed that it was not helpful to set down a figure at this time, as it would be an arbitrary decision, and that it would be worth spending more consultancy budget on novel technical matters that could add strategic value to the whole GSEEH region. It may also be better to leave open as otherwise it could encourage projects towards the upper limit.

ACTION 20. MN to note the above rationale in relation to the technical consultancy and budget limits per project.

12.3 Rural Community Energy Fund - Overview

- In addition to the information supplied in her Report to the Board, MN summarised the progress with applications to the Fund as follows:
 - There have been 168 enquiries to the GSEEH in total, including from six non-eligible organisations. There have been 29 pre-application questionnaires returned; these are reviewed by GSEEH and discussed with the applicant before an organisation moves on to the submission of a full application.
 - There were nine full applications in total for Round 1 (closed 23 August 2019), and four for Round 2 (closed 28 November 2019).
- MN advised that the Midlands Hub are working on a multi-Hub communications plan for the Fund.

12.4 Council Tax and Business Rates Pilot

- In addition to the information supplied in her Report to the Board, MN highlighted that Reading Borough Council had withdrawn from the process and thus there was the potential for Suffolk and Milton Keynes authorities to develop additional activity.
- There is a workshop in February 2020 for the local authorities involved, the agenda for which is to cover progress and lessons learned.

12.5 GSEEH Board Workshop

- MN proposed to cover outputs from the Board workshop in two Board meetings time (21.04.20) given other matters already on the table for the next meeting (03.03.20).

ACTION 21. MN to add an item on the outputs from the Board workshop to the agenda for the Board meeting after next (21.04.20).

12.6 KTN Process

- MN advised that the GSEEH Operational team is to have a workshop with KTN, 23.01.20. Due to the early development stage of the projects being supported by the GSEEH, the challenges being encountered are more relevant to business cases than to technology, therefore the session would focus on how the KTN process could be adapted to suit these other needs.

ACTION 22. MN to add an update on the KTN workshop to the agenda for next Board meeting (03.03.20).

12.8 Accountable Body Transfer

- In addition to the information supplied in her Report to the Board, MN confirmed that two local authorities are to be considered (Cambridgeshire County Council and Peterborough City Council), though there are some outstanding details to be clarified in order to inform the comparison of the two bids, CPCA is ready to proceed.

12.9 Upcoming Events

- GSEEH will present the Mapping Project at a two-day energy conference, 10-11 March 2020, which is part-funded by BEIS and organised by APSE (Association for Public Service Excellence).
- The GSEEH will be conducting an informing visit to various local energy projects in Cambridge, 16 April 2020, for Katherine Wright, the BEIS Deputy Director Public Sector, Climate and Local Energy.
- A workshop for all the Local Energy Hubs will take place 29.04.20.

10. Risk Register

- The latest updated version of the Risk Register was provided to the Board in advance of the meeting (GSEEH Board Papers 17.01.20).
- MN advised the meeting that the RCEF risk had been reduced, with the Funding Panel now having convened for the Round 1 application assessments.

11. AOB

- The meeting was given the opportunity to raise any other business. None was raised.

12. Dates of Next Meetings

- The meeting affirmed that the Board was content with the current arrangements for its meetings and that a face-to-face session was more suited to a detailed conversation among many parties than a telecom; however, a telecom could be an option, if the circumstances were suitable.
- The dates for the next Board meetings were confirmed as:
 - Tuesday 3 March 2020 – Venue TBC
 - Tuesday 21 April 2020 – Venue TBC

ACTION 24. ES to confirm the above dates to all Board members, and to set dates for subsequent Board meetings for 2020, avoiding summer, Christmas and half-term holidays.

Minutes approved by Board Chair, Ed Barlow (Buckinghamshire County Council) - Buckinghamshire Local Enterprise Partnership, as a true and accurate record.	
SIGNATURE	DATE