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| Combined Authority Board | | Agenda Item |
| 26 July 2023 | | 10c |
| Title: | Greater South East Net Zero Hub Delegations | |
| Report of: | Maxine Narburgh, Regional Head GSE (Greater South East) Net Zero Hub | |
| Lead Member: | Councillor Bridget Smith, Lead Member for Environment & Sustainable Communities | |
| Public Report: | Yes | |
| Key Decision: | Yes – KD2023/033 | |
| Voting Arrangements: | A vote in favour by at least two thirds of all Members (or their Substitute Members) present and voting. | |

Recommendations:

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| A | Delegate authority to the Executive Director of Resources and Performance and any replacement (or substitute) as set out in table 1, to make decisions on behalf of the Combined Authority when sitting on the Net Zero Hub Board(s). |
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Strategic Objective(s):

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

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| Enabling resilient communities |
| 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

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| 1.1 | This report outlines the scope of decisions that need to be made to enable the Greater South East Net Zero Hub to fulfil the requirements of the Memorandums of Understanding (MoUs) with the Department for Energy Security and Net Zero. |
| 1.2 | The Board is recommended to approve delegations to the Director of Resources & Performance (or substitute) to make decisions relating to the business of the Greater South East Net Zero Hub. |
| 1.3 | All decisions out of scope or above the financial thresholds will be directed to the Environment and Sustainable Communities Committee and Combined Authority Board as applicable. |

2. Proposal

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| 2.1 | The proposal is for the Combined Authority Board to delegate functions to the Director of Resources and Performance (any replacement or substitute) to make decisions relating to the business of the Greater South East Net Zero Hub (GSE NZH). |
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| | <p>The GSENGH has governance and project boards that provide strategic direction and make advisory decisions on Hub funds, the delegation to the Director to act on those decisions will enable implementation on the behalf of the Combined Authority Board.</p> <p>The delegations are provided in Table 1, all decisions will be reported to the Environment & Sustainable Communities Committee and/or Combined Authority Board.</p> |
| 2.2 | <p>The proposal will meet the strategic objectives by enabling the decisions of the GSENGH governance boards to be implemented in line with the Combined Authority policy and processes. The decisions of the GSENGH governance boards are aligned with the GSENGH programme objectives to accelerate Net Zero across the region and support public sector decarbonisation.</p> |

3. Background

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| 3.1 | <p>In 2018 the Combined Authority Board agreed to become the Accountable Body for the Greater South East Net Zero Hub (GSENGH) on the recommendation of the eleven Local Enterprise Partnerships that comprise the GSE Net Zero Hub Board.</p> |
| 3.2 | <p>The Greater South East Net Zero Hub (GSENGH) delivers a number of programmes for the Department for Energy Security and Net Zero (DESNZ) across the GSE region, this includes:</p> <ul style="list-style-type: none"> a) Local Net Zero – a public sector net zero support programme, providing strategic and technical support, grant funds, strategic project delivery and knowledge transfer to accelerate and upscale investible local net zero projects. b) Public sector estate decarbonisation – supporting public sector project pipeline development. c) Local Energy Advice Demonstrator - Grant programme administration d) Domestic Retrofit – Sustainable Warmth and HUG2 (Home Upgrade Grant 2) project delivery e) Strategic projects– this includes several ringfenced projects, initiative and pilots being delivered on behalf of the DESNZ. |
| 3.3 | <p>The DESNZ requires the GSENGH Board to provide the strategic direction on behalf of its constituent local authorities and stakeholders and to be involved in decision making.</p> |
| 3.4 | <p>The GSENGH Hub Board is not a decision-making Board, to enable the Board to be involved in decision-making the Combined Authority Board can delegate to a Combined Authority Officer to act upon the recommendations of the Hub Board.</p> |
| 3.5 | <p>The Combined Authority Board can also delegate authority to a Combined Authority Officer to undertake functions to enable the acceptance, commissioning and delivery of projects and programmes of work.</p> |
| 3.6 | <p>The recommended delegations grant authority to:</p> <ul style="list-style-type: none"> a) Undertake activities to meet the objectives of the MoUs b) Agree variations to MoUs c) Accept new MoUs d) Vary the capital and revenue delivery of the domestic retrofit schemes e) Administer grant funded programmes f) Set up advisory boards/steering groups/funding panels |
| 3.7 | <p>The delegated authority is requested for the Executive Director of Resources and Performance (or substitute). This may be supported by recommendations from the Hub Board/Project Board, consultation with the Chair of the Environment and Sustainable Communities Committee and Monitoring Officer dependent on thresholds.</p> |
| 3.8 | <p>All decisions are made on the principle that they will not impact the Combined Authority budget or staffing arrangements, and such approvals or decisions, where noted, will be reported to the next meeting of the Environment and Sustainable Communities Committee and Combined Authority Board on the exercise of that delegation.</p> |

| | Delegation | Limitation |
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| 1. | <p>Delegate authority to the Executive Director of Resources & Performance (or substitute), upon the recommendation of the Hub Board:</p> <ul style="list-style-type: none"> a) To agree funding allocations for the use of GSENZH funds. b) To develop and design grant programmes in line with GSENZH objectives. c) To commission/procure services, projects and toolkits, and to award and enter into contracts. d) To approve the award of grants. e) To procure services and award contracts for DESNZ ringfenced projects arising out of the GSENZH MoU(s). f) To execute the corresponding grants, contracts and agreements. <p>Where the decisions do not impact the Combined Authority budget or staffing arrangements.</p> <p>Such approvals or decisions to be reported to the next meeting of the Combined Authority Board on the exercise of that delegation.</p> | <p>Project Development & Acceleration Fund - £1m</p> <p>Technical consultancy £500K</p> <hr/> <p>Strategic Projects £750K</p> <hr/> <p>DESNZ ringfenced projects £2million</p> |
| 2. | <p>Delegate authority to the Executive Director of Resources & Performance, in consultation with the Deputy Section 73 Officer and Monitoring Officer, to enter into agreements and approve the budgets corresponding to DESNZ Memorandum of Understanding(s) (MoUs).</p> <p>Where the decisions do not impact the Combined Authority budget or staffing arrangements.</p> <p>Such approvals or decisions to be reported to the next meeting of the Combined Authority Board on the exercise of that delegation.</p> | £5million |
| 3. | <p>Delegate authority to the Executive Director of Resources & Performance, to agree variation(s) to the GSENZH Memorandum of Understanding(s) (MoUs), execute agreements and approve budgets.</p> <p>Such approvals or decisions to be reported to the next meeting of the Combined Authority Board on the exercise of that delegation.</p> | £5million |
| 4. | <p>Delegate authority to the Executive Director of Resources & Performance in consultation with the Chair of the Environment and Sustainable Communities Committee, to accept new GSENZH Memorandum of Understanding(s) (MoUs), execute agreements and approve budgets.</p> <p>Such approvals or decisions to be reported to the next meeting of the Combined Authority Board on the exercise of that delegation.</p> | £10million |
| 5. | <p>Delegate authority to the Executive Director of Resources & Performance, in consultation with the Retrofit Project Board, to take financial decisions and align delegated thresholds with the Governance Framework for Sustainable Warmth & HUG2.</p> <p>Such approvals or decisions to be reported to the Chair of the Environment and Sustainable Communities Committee on the exercise of that delegation.</p> | Up to 10% of capital grant (capped at £7.5m) and £0.5m revenue expenditure. |
| 6. | <p>Delegate authority to the Executive Director of Resources & Performance, in consultation with the Retrofit Project Board, Chair of the Environment and Sustainable Communities Committee and Monitoring Officer to take financial decisions up to 20% of the grant awarded for Sustainable Warmth & HUG2.</p> <p>Such approvals or decisions to be reported to the Environment and Sustainable Communities Committee on the exercise of that delegation.</p> | Up to 20% of grant award (capped at £15m) |
| 7. | <p>Delegate authority to the Executive Director of Resources & Performance (or substitute), to set up advisory boards/steering groups/funding panels and agree Terms of Reference.</p> <p>Such approvals or decisions to be reported to the Environment and Sustainable Communities Committee on the exercise of that delegation.</p> | |
| 8. | <p>Delegate authority to the Executive Director of Resources & Performance, to agree to the mobilisation of the HUG2 project, commence procurement, invite bids and award to successful bidders, and the creation of budget lines to expend the HUG2 funding.</p> | Award contracts up to £156m |

Table 1. Delegations to the Director of Resources and Performance (or substitute)

4. Appendices

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| 4.1 | None |
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5. Implications

Financial Implications

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| 5.1 | 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

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| 5.2 | 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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| 5.3 | 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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| 5.4 | 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

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| 5.5 | The report recommendations will have a neutral impact on public health. |
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Environmental & Climate Change Implications

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| 5.6 | The report recommendations have positive implication for the environment and climate change, enabling timely decision making. |
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Other Significant Implications

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| 5.7 | All delegation decisions will be compliant with the Combined Authority processes and procedures. |
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Background Papers

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| 5.8 | None |
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