

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

LOCAL NET ZERO PROGRAMME 2022-2025

**MEMORANDUM OF UNDERSTANDING
Between the**

SECRETARY OF STATE FOR BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

And

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

MEMORANDUM OF UNDERSTANDING

LOCAL NET ZERO HUB PROGRAMME

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MEMORANDUM OF UNDERSTANDING

DEFINITIONS

In this MoU the following terms will have the following meanings:

“BEIS” means the Department for Business, Energy and Industrial Strategy.

“Secretary of State” means the Secretary of State for Business, Energy and Industrial Strategy.

“the Authority” means the Local Authority with whom this MoU is signed and to whom the Grant is to be paid by the Secretary of State, subject to the provisions of this MOU.

“the Parties” means the Secretary of State and the Authority together collectively.

“Commencement Date” refers to when the MoU is signed and therefore comes into effect.

“the Grant” is the funding made available by the Secretary of State to the Authority under this MoU to deliver the objectives of the Local Net Zero Programme as stated in paragraphs 12.

“Funding Period” is the period for which the Grant is awarded starting on the Commencement Date to 31st March 2023.

“Eligible Expenditure” means payments by the Authority during the Funding Period for the purposes of delivering the Programme which comply in all respects with the rules set out in paragraph 12 (Scope) of this MoU.

“Spend” means any funding committed and accrued to an Eligible Expenditure, as long as such activity is due for completion within the Funding Period.

PURPOSE

1. To establish the way the parties to the Memorandum of Understanding (hereafter referred to as the “MoU”) will work together to deliver the Local Net Zero Programme in England.
2. To clarify the roles and responsibilities of the parties to the MoU.
3. The Parties to this MoU are:
 - (i) The Secretary of State for Business, Energy and Industrial Strategy (**“Secretary of State”**); and
 - (ii) Cambridgeshire and Peterborough Combined Authority known as **“the Authority”**.

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The Secretary of State and the Authority are known together collectively as “**the Parties**”.

4. The Secretary of State has agreed to grant funding through the Local Net Zero Programme to the Authority. The Authority has committed to spend such funds in line with the Scope outlined in paragraph 12.
5. The Parties wish to record their understanding regarding the Grant funding which are detailed in this MoU. Therefore, this MoU sets out the understanding reached by the Parties on, amongst other things, the amount of the Grant available to the Authority, payment of the Grant, how it should be spent, commitments by the Authority to deliver against the Scope and commitments in relation to the administration of the Grant.

BACKGROUND

6. The Local Net Zero programme, previously the Local Energy Programme, was established in 2017 as part of the Clean Growth Strategy to support local authorities and communities in England play a leading role in decarbonisation and clean growth. £17.4 million core funding has been invested in the programme to date and has been used to fund the creation and continuation of five Local Net Zero Hubs across England which promote best practice and support local authorities to develop net zero projects and attract commercial investment
7. As of October 2022, the Hubs have a pipeline of 223 ongoing projects with a projected capital value of £4 billion and have secured £61 million in commercial investment for those projects. The Hubs have previously supported 142 projects which raised £11m commercial investment. The live and previous projects therefore equate to a ratio of £1 BEIS core funding : £4.7 commercial investment.
8. The Hubs also provide good practice guidance, tools and resources to benefit Local Authorities across England, including:
 - IMPACT – a digital visualisation tool which helps communities (parishes, wards and Local Authorities) understand their carbon footprint.
 - SCATTER – a tool which allows Local Authorities and city regions to standardise their greenhouse gas reporting and align to international frameworks.
 - Ongen/OnEfficiency Tool – a tool to explore the feasibility of generating and storing energy via a range of onsite renewable energy generation sources, like solar PV and heat pumps. The tool also helps identify where and what to do to reduce energy consumption and improve energy efficiency using EPC data.

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- GHG Support Toolkit – a Local Authority Housing Retrofit Handbook which provides practical advice to local authorities in England on domestic retrofit. It brings existing resources together in one place and gives a suggested order in which to work through this material.
 - My Society – a central, open data, web resource for Local Authority Climate Emergency Action Plans which will enable greater collaboration and sharing between councils and other stakeholders
9. The Hubs have also delivered wider programmes and schemes for BEIS, including:
- £10m Rural Community Energy Fund – a scheme which support rural communities to develop and benefit from renewable energy projects. 208 projects were funded to the value of £8.8m.
 - £300m Green Homes Grant (GHG) Local Authority Delivery Phase 2 – a home retrofit programme aimed at the least energy efficient homes of low-income households.
 - £160m Social Housing Decarbonisation Fund – a pilot programme to support providers of social housing to install energy performance measures in social homes across England.
 - £7.5m Green Homes Grant Skills Competition – the Midlands Hub has led on delivering a training competition to provide support to the energy efficiency and low carbon heating supply chains to deliver works under the GHG scheme and to scale up to meet the additional consumer demand generated.
 - £4.75m Public Sector Decarbonisation Scheme (PSDS) Low Carbon Skills Funding – funding to secure the skills and expertise needed to support public sector organisations to identify and deliver building energy efficiency and decarbonisation measures or to develop net zero organisational plans in the public sector.
 - £4.3m Private Rented Sector (PRS) Minimum Energy Efficiency Standard Compliance (MEES) and Enforcement Competition – a funding competition to build Local Authority capacity and capability to enforce MEES regulations in the domestic sector.
10. Achieving carbon budgets will require action at both national and local level. In December 2020, the Climate Change Committee's sixth carbon budget report identified the need for action at LA level as well as national level to achieve net zero - they estimate that over 30% of carbon savings will come from local action. The National Audit Office and Environmental Audit Office have called for the Government to have stronger, more visible framework and partnership in place with local government and communities if they are to meet national net zero ambitions.
11. Many LAs have set their own ambitious decarbonisation targets but they face numerous barriers to delivering these plans, including a lack of capacity and capability, and the need for capital funding to develop the pipeline of projects which support local priorities and attract commercial funding for long-term,

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integrated investment programmes. However, with the right support, e.g., the Hubs teams, LAs can go further faster and the Local Net Zero Programme enables local areas to implement cost effective and integrated net zero programmes, whilst taking account of local needs and opportunities

SCOPE

12. The primary purpose of the Local Net Zero Programme is to achieve the following objectives:

a. **Objective 1**

Attract commercial investment and help LAs and other local public sector bodies to develop investment models which accelerate progress to net zero. Commercial funding can come from private, public (non-grant) and social investment including from communities, whilst directly contributing to building a stronger and greener future which supports clean growth and levelling up.

Indicative Outputs:

(i) Leverage a pipeline of 'investment ready' low carbon projects supporting local and national priorities with a minimum target of 6:1 commercial finance leveraged across the programme.

Measurement: progression of projects through delivery to completion and financial data captured in the project tracker.

(ii) In collaboration with BEIS, development of a guide to funding opportunities for local projects.

Measurement: production of the guide and/or provision of guidance to local stakeholders/partners, e.g., through a green finance post.

(iii) Ensure each pipeline project is supported by proportional information (to be agreed in the Operating Strategies) setting out the commercial potential for the project.

Measurement: financial data in project tracker and project material provided to the Hub ahead of agreement to support.

(iv) Establish a cross-Hub green finance working group with BEIS.

Measurement: establishment of the working group and perception of participants and stakeholders that the group is useful and drives forward investment development across the Hubs.

b. **Objective 2**

Continue to increase the number, quality, and scale of local Net Zero projects being delivered across the region in line with national targets and strategies, including supporting the early-stage development and delivery of projects. The scope of Net Zero projects will be agreed by the Hub and its board and set out in the Hubs' Operating Strategies.

Indicative Outputs:

(i) By March 2023, each Hub will produce a *2023-25 Hub Operating Strategy*, setting out how the Hub will identify and prioritise net zero projects for support in line with regional and national objectives.

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Measurement: the production of Operating Strategies approved through Hub's governance structures.

(ii) Continue to build the pipeline of early-stage projects for Hub support.

Measurement: qualitative – Hub updates regarding potential and upcoming projects.

(iii) In collaboration with BEIS, continue to build a database of completed, ongoing or upcoming projects.

Measurement: monthly updates to the project tracker.

(iv) Where useful, establish and resource attendance at cross-Hub working groups to address policy, regulatory and market barriers as appropriate and in partnership with BEIS, e.g., the transport working group.

Measurement: the working groups that are set up are viewed to be useful by participants and stakeholders (qualitative) and drive forward cross-Hub knowledge sharing.

c. Objective 3

Collaborate with BEIS to develop and support Net Zero elements to wider programmes and initiatives delivered across England, including the Transport Decarbonisation Plan and Levelling Up. This collaboration will be led by BEIS and Hubs will support this work depending on capacity.

Indicative Outputs:

(i) Support BEIS to develop a guide for central government setting out the Hub offer re. technical assistance and local expertise for both policy development and scheme delivery.

Measurement: production of the guide.

(ii) Ensure that the structure of the Hubs encompasses both core technical leads, as a Technical Assistance Function, and a more place-based offer with regional leads. Any scale-up, for wider programmes, will require funding (approx. 10% of the programme cost) but BEIS is supportive if Hubs decide to develop call-off frameworks etc. to make scale-up easier and more efficient.

Measurement: organograms and team structures – variation is expected across the Hubs to reflect regional strengths and needs. This variation will be set out in the Hubs' Operating Strategies.

d. Objective 4

Support a national knowledge transfer programme to improve information sharing, training, and evaluation and create a network of experience that amalgamates learning to strengthen and teach others.

Indicative Outputs:

(i) Support Net Zero Go as the UK-wide knowledge transfer community, especially with regards to bespoke regional projects. (e.g., mine water heat paper).

Measurement: qualitative – support will be ad hoc and recorded via updates between BEIS and the Hubs.

(ii) Support national knowledge transfer programmes, especially where events are occurring in hub region.

Measurement: qualitative – support will be ad hoc and recorded via updates between BEIS and the Hubs.

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(iii) Establish a cross-Hub management working group focusing on dissemination between the Hubs and sharing information across local government.

Measurement: establishment of the working group and perception of participants and stakeholders that the group is useful and drives forward investment development across the Hubs.

e. Objective 5

Raise local awareness of opportunities for and benefits of local Net Zero investment – including through national schemes.

Indicative Outputs:

(i) Delivery of and attendance at local and national events to spread awareness and share knowledge.

Measurement: qualitative – delivery and attendance will be ad hoc and recorded via updates between BEIS and the Hubs.

(ii) Support the development and implementation of a cross-England comms and engagement strategy to promote the Hubs and their work (e.g., brand awareness, engaging with stakeholders).

Measurement: qualitative – support will be ad hoc as required by BEIS.

(iii) Continue to support local partners with early-stage requests.

Measurement: qualitative – support will be ad hoc and recorded via updates between BEIS and the Hubs.

THE GRANT

13. The Secretary of State grants the Authority funding to the value of £1,670,000 (“**the Grant**”) to deliver the objectives in line with the Scope [para 12]. This funding is subject to the Authority providing the documentation and information in accordance with paragraph 10.
14. The Authority will as soon as possible, and by 30th November 2022 at the latest, provide the Secretary of State with the documentation and information listed in Annex 1.
15. The Secretary of State intends to pay the Grant within 10 working days of receipt of the completed documentation and information listed in Annex 1.
16. The Grant is made available for use during the Funding Period.
17. At the Secretary of State’s sole discretion, the Secretary of State reserves the right to determine an extension to the Funding Period beyond 30th September 2023, should the Authority provide a request in writing to do so.

SCOPE OF ACTIVITY

18. The Authority will use the Grant in accordance with the provisions of this MoU to deliver the objectives as set out in paragraph 12.

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- 19.
20. Without prejudice to any other provisions of this MoU, the Authority will not use the Grant for the following purposes:
- a. For the provision of expenditure which is not Eligible Expenditure
 - b. To fund the provision of any lending to third parties.
 - c. To replace funding for an existing project, including any staff costs for an existing project and any projects to deliver statutory obligations, although the Grant may be used to extend the geographical coverage, scope or scale of an existing project (and for additional staff costs attributable to the extension of the project).
 - d. Use for activities of a political or religious nature.
 - e. Use in respect of costs reimbursed or to be reimbursed by funding from public authorities or from the private sector.
 - f. Use in connection with the receipt of contributions in kind (a contribution in goods or services as opposed to money).
 - g. Use to cover interest payments (including service charge payments for finance leases).
 - h. Use for entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations).
 - i. Use to pay statutory fines, criminal fines or penalties.
 - j. Use to pay for eligible expenditure incurred before the date of this MOU:
or
 - k. Use in respect of Value Added Tax (VAT) that the Authority is able to reclaim from HM Revenue and Customs.

VALUE ADDED TAX

21. Eligible Expenditure is net of VAT recoverable by the grant recipient from HM Revenue & Customs, and gross of irrecoverable VAT. This means that all grants are outside the scope of VAT.

USE OF THIRD-PARTY DELIVERY PARTNERS

22. Where the Authority is not directly responsible for delivery and instead chooses to provide funding to other public bodies (e.g. local authorities), the Authority will ensure that funding provided:
- Addresses the primary objectives of the Local Net Zero Programme, as set out in para. 12.
 - Is deliverable within the timescales set out for the Funding Period.
 - Considers value for money with regard to the costs which will be borne by the third party.

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- Identifies any additional value-adding elements which are aligned to the overall objectives of the Local Net Zero Programme.
 - Can be reported against, in line with the agreed metrics and reporting arrangements.
 -
23. For the avoidance of doubt, where the Authority provides any funding to third parties for activities undertaken during the Funding Period, it will ensure that the provisions within this MoU are included in any arrangement with these third parties.
24. The Authority is expected to work with these third parties to ensure that key risks are identified and managed.
25. In the consideration of use of Consortia, the Secretary of State acknowledges that it may not be appropriate to implement commercial contractual arrangements between the Authority and other public bodies. However, the Authority will consider ways in which other public bodies' performance during the Funding Period can be appropriately managed such that the Grant can be redistributed from poorly performing or slow to deliver third parties to those which are meeting their performance and delivery targets.

INTERACTION WITH OTHER FUNDING

26. The Authority can blend funding they receive from the Local Net Zero Programme with other government schemes as well as with third party finance or local authority budgets to deliver additional support to further deliver the objectives as set out in this MoU.

SUBSIDY CONTROL

27. The Authority acknowledges that it will ensure that the Grant and use of it does not breach any applicable subsidy control regime.
28. To minimise the risk that a court of competent jurisdiction requires grant funding to be repaid, the Authority will:
- Comply with any applicable subsidy control regime in its use of the Grant.
 - Ensure that use of the Grant complies with any applicable subsidy control regime; and
29. Obtain and retain all declarations and information as may be required to enable both the Authority and the Secretary of State to comply with any applicable subsidy control regime, and to provide copies of such declarations and information to the Secretary of State when required to do so.

PROCUREMENT AND OTHER BENEFITS TO THIRD PARTIES

30. The Authority will, in delivering the Programme:

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- a. Comply with all relevant requirements of UK law relating to public procurement in force and applicable from time to time.
- b. The Authority will give due consideration to the use of Small & Medium Enterprises (SMEs) within the supply chain and ensure contracting and sub-contracting opportunities are advertised as such to encourage participation of SME and local supply chains. BEIS has its own SME action plan, which can be found using the following link: <https://www.gov.uk/government/publications/beis-small-and-medium-enterprises-sme-action-plan>.
- c. When conducting procurement activities, the Authority will comply with the obligations under the Equality Act 2010 and its associated Public Sector Equality Duty.
- d. The Authority will comply with the Local Government Transparency Code 2015.

SUPPLY CHAIN MANAGEMENT EXPECTATIONS

31. The Authority acknowledges that when managing its supply chain it should expect its suppliers and subcontractors to meet the standards set out in the Government Supplier Code of Conduct published by the HM Government on best practise expectations referenced below:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf.

PROMPT PAYMENT

32. In delivering the Programme, the Authority will, unless the Secretary of State agrees otherwise in writing, pay the person from whom any goods, works or services are purchased within 30 days of receiving a valid undisputed invoice from that contractor.
 - The Authority will also ensure this payment timeline is included within any sub-contract arrangements of the contractor.
33. The Authority will ensure that where it uses third-party delivery partners, the funding provided is also paid within 30 days of receiving a valid undisputed invoice from that contractor, or from receiving an acceptable proposal from a public body.
 - The Authority will ensure that these payment timelines are included within any sub-contractors of the third parties.

MODERN SLAVERY, CHILD LABOUR AND INHUMANE TREATMENT

34. The Authority acknowledges throughout the Grant period of delivery that it should maintain its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its Suppliers and Subcontractors anti-slavery and human trafficking provisions.

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35. If the Authority becomes aware of any concerns that any part of the supply chain may have breached the Modern Slavery Act 2015 then this must be reported within the Risk Management procedure and the Project team be informed instantly.

COMMERCIAL USE OF THE GRANT

36. The Authority will not use the Grant, or any asset financed wholly or partly by it, to generate revenue or make a capital gain, except to the extent agreed as part of the grant. If the Authority does so, it will:
- a. Inform the Secretary of State immediately and in writing; and
 - b. Agree that the Grant may be reduced by the amount of that revenue or gain (as the case may be).

GRANT WITHDRAWAL AND REPAYMENT

37. In accordance with paragraphs 41 to 43, it is the understanding of the Parties that the Secretary of State may request the Authority to repay all, or any proportion of, the Grant, together with interest (calculated in accordance with paragraph 41).
38. The Authority accepts that the Secretary of State may exercise the options referred to in paragraph 37 where the Secretary of State:
- a. is required to cease grant funding or to recover all, or any proportion, of the Grant or any other amount by virtue of a decision of a court or other competent authority; or
 - b. Has reasonable grounds to consider that the payment of the Grant, or the Authority's use of it, contravenes any requirement of law, in particular (but without limitation) law relating to subsidy control.
 - c. Has reasonable grounds to consider that the Grant was irregularly obtained or spent in a way that does not meet the Local Net Zero Programme objectives referred to in paragraph 12.
39. When exercising the options referred to in paragraph 37, the Secretary of State will notify the Authority of the grounds concerned and as far as possible, consider the Authority's representations made within any reasonable timeframe required by the Secretary of State.
40. A decision by the Secretary of State to ask the Authority to repay the Grant will be communicated by letter, and the Authority will make that repayment within 30 days of the date of that letter or within any later reasonable timeframe agreed by the Secretary of State in writing.
41. Where the Secretary of State requests repayment, interest will be calculated from the date of the Grant payment, in accordance with:

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- a. the retail prices index over the relevant period (that index being taken as 0% for any period during which the index is negative); or
 - b. any other rate required by law in the circumstances if it is higher.
- 42. Where the Authority does not make the relevant payment within the timeframe specified in paragraph 35, further interest on the outstanding sum (inclusive of interest already charged under paragraph 36 will accrue, after that deadline, at the statutory rate of interest under Section 6 of the Late Payment of Commercial Debts (Interest) Act 1998 or any other rate required by law in the circumstances, if it is higher).
- 43. Should the Secretary of State not exercise their options under paragraph 33 or delay in doing so, this will not constitute a waiver of those options unless the Secretary of State confirms such a waiver in writing. Furthermore, any such written waiver will not be taken as a precedent for any other, or subsequent, circumstances.

SUSPENSION

- 44. The Secretary of State may suspend payment of the Grant where:
 - a. One of the grounds in paragraph 37 arises.
 - b. The Secretary of State has reasonable cause to believe that one of those grounds may have arisen, or is likely to arise; or
 - c. One of the provisions of the MoU is not met by the Authority.
- 45. In the case of any suspension, unless the Secretary of State confirms a contrary agreement in writing:
 - a. The Authority will continue to comply with the requirements of this MoU including any deadlines occurring during the period of suspension; but
 - b. The Authority will not make any further use of the Grant until the Secretary of State has authorised continued use of the Grant in writing.
- 46. The Authority will inform the Secretary of State in writing if it has any concerns that any of the grounds in paragraph 37 might arise or that it will not be able to meet the provisions of the MoU. If such concerns arise after the Authority has received the Grant, the Authority will not make any use of the Grant until the Secretary of State has authorised continued use of the Grant in writing.

AGREED USE OF UNDERSPEND

- 47. In the event that the Authority does not use all the Grant to secure delivery of the Programme by the end of the Funding Period:
 - a. The Parties will work together to agree how the Authority will spend any unspent Grant funding in line with the expected objectives of the Local Net Zero Programme.
 - b. The Secretary of State reserves the right to determine an extension to the Funding Period, should the Authority provide a request in writing to do so as per paragraph 17.

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- c. If the Parties are unable to reach an agreement described in subparagraph (a), the Authority agrees to repay the unspent Grant within 30 days of the end of the Funding Period.

GOVERNANCE

48. Further detail regarding governance and any regional variation, will be set out in the Hubs' Operating Strategies.
49. Each Hub is expected to maintain a governance structure that is regionally representative to oversee the activities of the Hub. These governance structures may be subject to change to reflect any changes in local governance, such as devolution deals.
50. The accountable body for each Hub will be the Local/Combined Authority which hosts the Hub and to whom funding is devolved from BEIS. Each Hub will have a Board made up of local representatives as well as other stakeholders such as regional leaders and third parties, which will be responsible for ensuring supported projects are in line with wider Net Zero goals and signing off on resource/funding decisions.
51. BEIS representatives will sit on each Board which will meet quarterly (at minimum) and sign off quarterly reports to BEIS. The Board will be led by a Chair - as agreed between the Hub, the Board and BEIS - and will be responsible for identifying and escalating appropriately any risks and issues to Hub delivery.
52. In addition, BEIS will establish bi-yearly meetings between Hub board representatives (one from each Board), preferably chosen on a rotating basis, to discuss the strategic direction of the Local Net Zero Programme and any challenges facing the programme as well as to ensure a shared approach to governance and decision making. Representatives should be selected/elected by the board one month ahead of the bi-annual meeting and actions will be circulated to the full Boards and the Hub managers.
53. The Hub managers (and/or deputies) will be expected to attend monthly meetings with BEIS to monitor progress, collaborate on opportunities, resolve issues, and share relevant information across all the Hubs.
54. The Local Net Zero Team and the Authority may agree to schedule ad-hoc meetings outside of the monthly meetings.

CHANGE REQUESTS AND VARIATIONS

55. The Authority will notify the Local Net Zero Team, if there are any variations or significant risks to delivery within the Funding Period.

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56. No variation of this MoU will be effective unless it is agreed in writing and signed by both Parties. This does not prevent either Party making reasonable changes in relation to the administrative arrangements in the MoU (such as contact details) by notice in writing to the other Party, without such agreement in writing signed by both Parties.

RISK MANAGEMENT

57. The Authority agrees to provide assurance that risks in relation to the Programme have been identified and mitigated. The Authority will ensure a risk register is in place with escalation processes through both the Authority's and BEIS management.
58. In providing assurance about the management of risks, the Authority will identify risks and issues which arise from its own activities and those which arise from third parties, including those delivering measures or services under the scheme and those referring potential scheme recipients or otherwise publicising the scheme.
59. The Authority will also include any other risks not included in the preceding paragraph (57) which it believes are relevant to the scheme.
60. As part of the Quarterly Report, the Authority will report the status of the risks and issues identified within the Risk Register and whether any new risks or issues have emerged. The report will also provide a statement as to whether risk management is effective and whether any remedial action is necessary. The Authority will share both the risks it is managing, and risks raised by local authorities or any other third-party delivery partners.
61. As soon as it becomes apparent to the Authority or the Local Net Zero Team that a risk will significantly impact on the delivery of the Programme, the Local Net Zero Team and the Authority will develop and work through recommendations on each area of concern and work together to address concerns.
62. The Local Net Zero Team will be responsible for highlighting and escalating risks within BEIS where necessary.

FRAUD

63. As part of the delivery of the Programme, the Authority will be responsible for carrying out or arranging for the reasonable ongoing due diligence, controlling, monitoring, reporting, as well as managing any specific cases of suspected or identified fraud.

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64. The Authority acknowledges it should implement controls to reduce the risk of fraud where possible, considering the following options when doing so:
- Implementing strategies regarding Counter Fraud, Bribery and Corruption.
 - Staff awareness through training and educating all employees on fraud risk and appropriate action to take if fraud is suspected.
 - Aiming to design fraud out of the Authority's stages of the grant process.
 - Through regular risk assessments throughout the Programme's time frame.
 - The use of the Authority's Audit officer to proactively look for the potential fraud.
 - Appropriate whistleblowing arrangements to support the reporting of fraud.
 - Regular site visits in regard to oversight of the delivery implementation.
65. The Authority will inform the Local Net Zero Team at the earliest opportunity of any reports it has received or identified relating to any suspected fraudulent activity relating to the delivery of the Programme and include a summary of investigative and/or corrective action.

PERFORMANCE

66. To measure performance, the Local Net Zero Team will assess performance levels against the objectives set out in paragraph 12.
67. On a quarterly basis, the Authority will provide a report to the Local Net Zero team covering the period from the first to last day of the quarter and provided on or before the 30th working day of the subsequent month (the "Quarterly Report"). For example, the report covering the delivery period of 1 July 2022 – 30th September 2022 will be required to be submitted by the 30th working day of October 2022.

MONITORING, EVALUATION AND AUDIT

68. The Authority will support all activities in relation to monitoring, evaluation and audit. The Authority will:
- a. Respond fully, truthfully and promptly to any enquiries the Secretary of State, or the Comptroller and Auditor General, or their representatives, may make about the Programme or the use of the Grant and provide any information and evidence reasonably requested, including by providing a statement of usage of the Grant (at such times, and in such form, as they may reasonably specify).

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- b. Allow the Secretary of State, the Comptroller and Auditor General, and their representatives, access to all relevant documents and records, and reasonable access for inspecting any relevant site.
- c. Where requested, ensure that any information or evidence provided to the Secretary of State, the Comptroller and Auditor General, or their representatives, is audited by an identified and independent reporting accountant or otherwise confirmed or verified by a person of such other relevant expertise as they may reasonably specify; and
- d. Give reasonable assistance to the Secretary of State or the Secretary of State's contractors to carry out work in connection with the Grant throughout delivery of the Programme and up to two years after completion of the Programme, for example as part of the Secretary of State's ongoing monitoring and evaluation commitments.
- e. Cooperate with BEIS contractors on related evaluation projects.
- f. Cooperate with the Secretary of State's appointed advisers.
- g. Demonstrate sufficient staffing resource in funding applications to manage the above requirements to an effective level of quality and maintain this level of resource for the full project duration.

RECORD KEEPING

69. The Authority will keep for ten years records relating to any spending funded (or defrayed) by the Grant. Such records should indicate:
- a) The identity of any third party concerned and their business.
 - b) The amounts any third party has been given.
 - c) The purpose for which the money was spent.
 - d) Evidence that contracts have been awarded in accordance with public procurement law where they are required to be; and
 - e) Details of and information relating to any significant sub-contracting by the Authority.

DATA PROTECTION

70. In so far as it is possible to do so in accordance with the Data Protection Act 2018, the UK General Data Protection Regulation (UK GDPR) and the Market Research Society Code regarding the collection and use of personal data for research and statistical purposes and all other law, the Authority agrees to collect information for evaluation and reporting purposes (referred to below as "the Information") in a way which:

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- a. Allows it to share the Information with BEIS as referenced in the Monitoring, Evaluation and Audit section of this MoU.
- b. Allows BEIS to share the Information with any of its research or evaluation service providers.
- c. Allows BEIS to use the Information for research and statistical purposes (this does not include publishing the Information in a way that identifies individual households) provided always that BEIS complies with the provisions of the Data Protection Act 2018 and UK GDPR.

FREEDOM OF INFORMATION

71. The Parties may be obliged to disclose information relating to the Local Net Zero Programme and the Grant under the Freedom of Information Act 2000, the Environmental Information Regulations 2004 or under another requirement of law.
72. The Parties will assist and cooperate with each other as reasonably requested to facilitate compliance with those requirements.
73. In the event that the Secretary of State provides information in response to a request for information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004, the Secretary of State may make that response publicly available for the purposes of transparency.

INTELLECTUAL PROPERTY

74. In undertaking the Programme, the Authority will not infringe the intellectual property rights of any third party.
75. Where the Programme gives rise to the generation of any intellectual property, the Authority will not subsequently seek to make profit from the use of such intellectual property, for example through the grant of licences.
76. Unless otherwise agreed by the Secretary of State, the Authority will allow the Secretary of State royalty free use of any intellectual property created whilst delivering the Programme.

COMPLIANCE WITH THE LAW

77. The Authority will comply with all laws and regulatory requirements when delivering the Programme (including, without limitation compliance with all laws and regulatory requirements relating to public procurement and subsidy control).

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

78. In signing this MoU, the Authority confirms that use of the Grant for the purpose of the Programme and in accordance with the MoU is in compliance with all laws and regulatory requirements.

ANTI-DISCRIMINATION

79. The Authority will comply with the requirements of the Equality Act 2010 and avoid any unlawful discrimination.

RESPONSIBILITY FOR EMPLOYEES, CONTRACTORS, AGENTS AND PARTNERS

80. The Authority will ensure that its employees, contractors, agents, partners and other local authorities or organisations it works with in delivering the Programme (whether or not as part of a Consortium) comply with the commitments and principles set out in the MoU and will be responsible for any failure by them to meet those commitments and principles.

WARRANTIES

81. The Authority warrants that:
- a. It has full capacity and authority to deliver the Programme and to enter into this MoU.
 - b. It will obtain any consents necessary to undertake the Programme.
 - c. The information and evidence in its Programme remains true, complete and accurate, and that its circumstances have not materially changed since submitting its Programme; and
 - d. It does not know of the existence of any circumstances which might materially and adversely impact on its ability to undertake the Programme or observe the provisions and principles of this MoU.

LIMITATION OF LIABILITY

82. The Authority confirms that the Secretary of State's liability to the Authority is limited to payment of the Grant (subject to the Authority meeting the commitments and principles of the MoU and its Annexes and to the Secretary of State's rights set out therein). The Authority remains entirely responsible for its risks and liabilities in undertaking the Programme, and the Secretary of State will have no liability for any consequence, direct or indirect, that may arise through the Authority's undertaking of the Programme or its use of the Grant.

ASSIGNMENT

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

83. The Authority will not assign or otherwise transfer to any other person the benefit of the Grant or any other benefit arising by virtue of this MoU without the approval in writing of the Secretary of State.

STATUS

84. This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the Parties from this MOU. The Parties do, however, enter into the MOU intending to honour all their commitments under it.
85. Nothing in this MoU is intended to, or shall be deemed to, establish any partnership, joint venture or relationship of employment between the Parties, constitute either party as the agent of the other party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other party. Accordingly, the Authority will not hold itself out as having any such relationship with the Secretary of State.

FURTHER FUNDING

86. The Secretary of State is under no obligation to provide the Authority with any further funding in respect of the Programme or for any other purpose.

REFERENCES

87. In this MoU references to legislation are to that legislation as amended or re-enacted from time to time (including any amendment or re-enactment having taken place before the date of this MoU).

NOTICE AND COMMUNICATIONS

88. The Authority will be able to contact BEIS using the following email address:

elinor.bendell3@beis.gov.uk

89. The Authority's day to day contacts with the Department on any working day by email between 9am and 5pm are:

--

90. The Authority's Day to day contacts for the Department are:

NAME	Role	EMAIL	TELEPHONE

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

ESCALATION

102. If Secretary of State or the Authority has any issues, concerns or complaints about the Local Net Zero Programme, or any matter in this MoU, that party will notify the other party and the parties will then seek to resolve the issue by a process of consultation. If the issue cannot be resolved within a reasonable period of time, the matter will be escalated to the senior management teams of both parties, which will decide on the appropriate course of action to take. If the matter cannot be resolved by the senior management teams within 60 days, the parties will consider mediation as an alternative dispute resolution process.
103. If claims are made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Local Net Zero Programme, the recipient party will promptly inform the relevant Hub Board and/or the Local Net Zero team (or its nominated representatives) of the matter.

Signed for and on behalf of the Secretary of State



Katherine Wright

Deputy Director, Local Net Zero

27/10/2022

Signed for and on behalf of the Authority

Signature

Name

MEMORANDUM OF UNDERSTANDING FOR LOCAL NET ZERO PROGRAMME

Position

Date

Annex 1: Documents to be provided

Table 1: Documentation to be provided by the Authority before the Grant will be released.

What needs to be provided?	Appendix
A signed copy of this MOU	This document
A signed copy of the Section 151 or Section 73 Officer declaration	Annex 3
A signed copy of the Section 31 Grant Determination Notice	Annex 4
A completed Grant Claim Form	Annex 5

Annex 2: Roles and Responsibilities

Further detail regarding the roles and responsibilities and regional variations to these, will be set out in the Hubs' Operating Strategies.

BEIS Team

HEAD OF PROGRAMME

- Setting strategic direction for the Hub programme, including alignment with wider Government schemes and priorities.
- Oversight of the Local Net Zero programme across all regions, including reporting, finance, and stakeholder engagement.
- Identifying and obtaining resources required to deliver the Local Net Zero programme, including oversight of required procurement activities.
- Oversight of cross-BEIS/OGD engagement on the Local Net Zero programme.
- Attendance at meetings with relevant authorities and bodies as required.
- Management and mitigation of risks for the Local Net Zero Programme.
- Collaboration with colleagues across government to optimise the role of the Hubs.
- Management of the strategic business case for future funding for the Local Net Zero Programme.
- Supporting the Hubs in engagement with other policies/programmes and central departments.

HUB LEADS

- Specific Hub oversight inc. schemes but also risk/issue management and opportunity identification.
- Project management of bespoke funded projects and tools within their region(s) (e.g., SCATTER, etc.) unless specifically assigned to another lead.
- Support for the Hub in delivering the Local Net Zero Programmes, and other government programmes as agreed.
- Development and maintenance of a network of stakeholders and relevant contacts across the region, engaging on a regular basis to ensure awareness of the Hub and opportunity identification.
- Close collaboration with the stakeholders and policy colleagues to provide briefings, reporting and recommendations, as necessary.
- Attendance at meetings with relevant authorities and bodies as required.
- Development and submission of regular reports to BEIS management setting out the milestones, successes and challenges faced by the Hubs.
- Responsibility for elements of programme management, including reporting, finance, and stakeholder engagement.
- Dissemination of Hub work, e.g., provision of case studies, speakers, etc to ensure timely interaction with policy development.

DRAFT

Hub Team

HUB MANAGEMENT

- Support and deliver on Net Zero related initiatives, as agreed by the Hub and its Board, and improving access to relevant funding.
- Develop and deliver projects, as agreed by the Hub and its Board, working alongside key public and private sector partners, including local and central Government.
- Lead and manage a technically skilled and multi-disciplined team to ensure successful delivery of Hub programme.
- Act as a strategic voice and champion of net zero in the region, fostering partnership and collaboration in the relevant region with other key organisations.

DELIVERY

- Responsibility for achieving targets around securing funding opportunities, including identifying appropriate internal and external partners.
- Responsibility for supporting progression of projects to an 'investment ready' point through overcoming technical, legal, social and other barriers.
- Ensure resources are put in place as required to deliver the Hub programme, e.g. procuring contractors for projects as necessary.
- Ensure risks and issues are escalated to the board, and to BEIS and the host authority where necessary, and establish robust risk management processes to resolve or mitigate any that arise.
- Agree with BEIS where core staff or resources are used to deliver other programmes, either for BEIS or locally.

FINANCE

- Identify strategic priorities for funding and work collaboratively with the wider programme and governance structures to agree these.
- Manage budgets and timescales, adhering to all financial regulations, process, and governance arrangements.

REPORTING

- Provide monthly updates to BEIS on project progress and performance against objectives.
- Attend regular meetings with the BEIS Hub leads to update on progress and address any challenges.
- Provide reports, as set out above, to BEIS.
- Responsibility for maintaining the project tracker for the relevant Hub and ensuring all data is accurate and up to date.
- Collaborate with BEIS to provide information for briefings, reports, and recommendations, as necessary.

BEIS LOCAL NET ZERO PROGRAMME SECTION 31 GRANT DETERMINATION (2022/23): No. 31/6334

The Minister of State for Business, Energy, and Industrial Strategy (“the Minister of State”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1. This determination may be cited as the BEIS Local Net Zero Programme Determination (2022/23) No. 31/6334.

Purpose of the grant

2. The purpose of the grant is to provide support to Cambridgeshire and Peterborough Combined Authority towards expenditure lawfully incurred or to be incurred by them, as outlined in the Local Net Zero Programme Memorandum of Understanding dated 27/10/2022.

Determination

3. The Minister of State determines as the authorities to which grant is to be paid and the amount of grant to be paid, the authorities and the amounts set out in Annex A.

Treasury consent

4. Before making this determination in relation to local authorities in England, the Minister of State obtained the consent of the Treasury.

Signed by authority of the Minister of State for Business, Energy, and Industrial Strategy



Katherine Wright
Deputy Director, Local Net Zero, Department of Business, Energy, and Industrial Strategy

27/10/2022

ANNEX A

Authorities to which grant is to be paid	Amount of grant to be paid
Cambridgeshire and Peterborough Combined Authority	A single payment of £1,670,000. This is funding for the year 2022/23.

ANNEX B (to the Grant Determination Letter)

Purpose of grant	Amount of grant to be paid
To continue delivery of the Greater South East Net Zero Hub and its objectives as set out in the Memorandum of Understanding dated 27/10/2022.	£1,195,000
To continue the development of the Net Zero Go Platform	£400,000
To support building community energy infrastructure	£75,000

Grant claim form

SECTION 1 REQUESTER DETAILS	
AUTHORITY	Cambridgeshire and Peterborough Combined Authority
PURCHASE ORDER NUMBER	
CONTACT NAME	
TELEPHONE NUMBER	
EMAIL ADDRESS	

SECTION 2 CLAIM DETAILS	
BEIS LOCAL NET ZERO PROGRAMME TOTAL TO BE CLAIMED	£1,670,000
DATE OF CLAIM	XX/XX/2022
<i>Claims may include VAT that the authority is not able to reclaim from HM Revenue & Customs or not likely to become able to claim</i>	

SECTION 6: SENIOR LOCAL AUTHORITY OFFICER'S DECLARATION
<p>I confirm that I have considered the Authority's proposal (the Local Net Zero Programme Memorandum of Understanding) against which this Grant claim is made and that:</p> <ul style="list-style-type: none">a) The information and evidence pertaining to this Grant claim is complete, true and accurateb) We will comply with the principles set out in the Memorandum of Understanding <p>Signed:</p> <p>Printed name:</p> <p>Position:</p> <p>Date:</p>

Section 73 Officer Declaration

In my position as the Section 73 Officer for Cambridgeshire and Peterborough Combined Authority, I confirm that:

- a) Cambridgeshire and Peterborough Combined Authority will accept the grant funding that has been offered through the BEIS Local Net Zero Programme grant;
- b) The information and evidence pertaining to this grant claim is complete, true and accurate;
- c) Cambridgeshire and Peterborough Combined Authority will deliver the goods and services that have been set out in the proposal in accordance with the terms of the Proposal; and
- d) Cambridgeshire and Peterborough Combined Authority will comply with the provisions of the Memorandum of Understanding dated 27/10/2022 in connection with its delivery of the proposal.

SIGNATURE

NAME

POSITION

DATE

To: Cambridgeshire and Peterborough Combined Authority

On 27th October 2022, a new Memorandum of Understanding and S31 funding documentation were provided to the Greater South-East Net Zero Hub to enable continuation of the Hub and its activities for FY22/23.

I would like to confirm that the Local Net Zero Team also has approval to fund the Local Net Zero Hubs for FY 23/24 and FY 24/25.

This funding will be provided under a variation to the MoU mentioned above and will be granted at the start of each financial year, depending on additional funding available and agreements required for that funding.

This letter aims to provide you with the confidence and security required to offer contracts beyond the end date of the most recent funding agreement (30th September 2023), in order to better enable the Greater South-East Net Zero Hub to deliver its objectives.

Signed:

A black rectangular box used to redact the signature of Katherine Wright.

Katherine Wright

Deputy Director, Local Net Zero

1st November 2022