

## **Research Summary**

The Department for Business, Energy & Industrial Strategy (BEIS) wishes to commission an evaluation of the Green Heat Network Fund (GHNF) project. The GHNF is a capital grant programme providing funding for low-carbon heat generation and primary distribution for both new and existing heat networks.

A heat network is a distribution system of insulated pipes that take heat from a central source and deliver it to a number of buildings, and they are a crucial aspect of the critical path to decarbonising heat.

The GHNF will address barriers to developing low-carbon heat networks, and will contribute towards creating a sustainable heat networks market. Project sponsors (public, private and third sector) will apply directly to the fund, which will be operated by a Delivery Partner on behalf of BEIS.

BEIS expects the study to deliver interim and final process, impact and economic evaluations, beginning with a scoping exercise in April 2022 and continuing until March 2027, two years after the scheme closes to applicants. Interim findings will be used to inform any changes to the GHNF scheme design, and future policy.

Given the complex nature of the GHNF and its interactions, a complexity-appropriate approach to planning and delivering the evaluation is essential.

BEIS expects contractors to primarily use a theory-based approach, to understand in depth the reasons why and how the scheme did or did not achieve its desired outcomes. We are open to suggestions from contractors on specific methodologies but expect the evaluation to develop and be underpinned by a theory of change.

The evaluation will require extensive fieldwork to understand how and why the GHNF is achieving its outcomes, including surveys and interviews with a range of stakeholders. It will also use monitoring data to make quantitative assessments of progress. The economic evaluation will use the HMT Green Book methodology to evaluate overall costs and benefits of the GHNF.