

Nottingham City Council Delegated Decision



Reference Number:	4150
Author:	Michael Gallagher
Department:	Commercial and Operations
Contact:	Michael Gallagher (Job Title: Regional Energy Project Manager, Email: michael.gallagher@nottinghamcity.gov.uk, Phone: 07864 969755)
Subject:	Private Rental Sector Enforcement Competition
Key Decision (decision valued at more than £1million):	Yes
Total Value:	£2,200,000 (Type: Revenue)
Decision Being Taken:	To enter into a Section 31 Agreement to accept £2.2million of grant funding from the Department for Business, Energy and Industrial Strategy (BEIS), to enable Energy Services (Midlands Energy Hub) to design and run a competition to award funding to Local Authorities in England and Wales, (up to 30), to support them to enforce Minimum Energy Efficiency Standards (MEES) regulations in the Private Rental Sector. (Executive Decision) To use the 10% management fee to fund extension of 3 existing fixed term staff (1 x H Grade, 2 x D grade), working on a similar existing project, with the capacity to deliver the PRS Enforcement competition (Executive Decision) To approve the extension of the contracts, detailed above (non-executive decision)
Reasons for the Decision(s)	<p>BEIS are committed to delivering support to enable the enforcement of MEES at a Local Authority level; incentivising landlords to improve their properties for their tenants and making homes warmer and less costly to heat. This funding will be managed by the Midlands Energy Hub within Energy Services, enabling engagement on this important issues across the country in support of the low carbon economy and fuel poverty mitigation. The total competition value is £2.2million, a portion of which will be allocated to the Midlands Energy Hub and the Council's Energy Services to design, deliver and monitor the competition. The Midlands Hub within Energy Services is well-placed to do this, and it will generate revenue for the Council and has the potential to create jobs across the region.</p> <p>BEIS have requested Energy Services' Midlands Energy Hub support on this project due to its successful track record in project development and support, with an ability to meet challenging deadlines.</p>

Other Options Considered:	To not accept the grant: this option has been ruled out, as it would represent a loss of revenue for the Council and would be a missed opportunity to support the improvement of private rented properties that will benefit tenants and help reduce fuel poverty and carbon emissions.
Background Papers:	None
Published Works:	None
Affected Wards:	Citywide
Colleague / Councillor Interests:	None
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	There is no direct impact on crime and disorder - this opportunity is about supporting Local Authorities to improve the condition of private rented housing stock and reduce fuel poverty and carbon emissions.
Equality:	EIA not required. Reasons: EIA not required. Reasons: This decision does not represent proposed changes to a policy, service or function.
Decision Type:	Leader's Key Decision
Subject to Call In:	No
	The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.
	Person Consulted: Cllr Anne Peach
	Consultation Date: 18/02/2021

The Department of Business Energy & Industrial Strategy (BEIS), provided the MoU to us on the afternoon of Friday 12th February 2021. They have asked for us to return a signed copy of the MoU to them as swiftly as possible to enable them to provide the funding to us this financial year otherwise the funding is at risk. Once the MoU is returned it takes approximately 3 weeks to check and transfer the funds, hence the 8th March 2021 deadline. To allow a call in period would risk the funding meaning that Nottingham citizens would not benefit from work to address issues in the private rented sector including fuel poverty, improved carbon efficiency and carbon emissions reduction.

Advice Sought:

Legal, Finance, Human Resources

Legal Advice:

The City Council is to act as the accountable body for the East Midlands Energy Hub. This report seeks authority for the City Council in its role as accountable body to receive grant funding from BEIS and to distribute that funding to other Local Authorities. The City Council will run the competition for the award of the grant funding to other authorities in consultation with BEIS. The City Council must ensure the rules of the competition do not discriminate between authorities and ensure all authorities are treated equally - this will mitigate against the risk of any challenge from authorities who may be unsuccessful. As accountable body the City Council must ensure it passes through to any recipients of grant funding all obligations for which the City Council remains primarily liable under its grant agreement with BEIS. The City Council has power to undertake this role in accordance with the Localism Act 2011 pursuant to the general power of competence. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 25/02/2021.

Finance Advice:

The Council seeks to accept the grant as part of its role as accountable body for the Midlands Energy Hub, with the Midlands Energy Hub distributing the grant to eligible LAs through a competition.

The grant conditions within the MoU allow the Council to recover a proportion of costs while acting in its accountable body role. The Head of Energy Services is required to ensure internal systems are created so all grant conditions are adhered to due to the Councils Accountable Body role, this will minimise the risk of any grant clawback.

As existing FT employees are likely to extend their service to support grant delivery, provision for any additional redundancy costs if contract dates exceed 2 years service in total will need to be contained within the administration element of the grant.

Advice provided by Tania Clayton Perez (Commercial Business Partner) on 24/02/2021.

HR Advice:

Management are proposing to extend the fixed term contracts of three employees until June 2021 (1 x Principal Training Projects Manager ; 2 x Business Support Officers) There were initially employed on a 6 month Fixed Term Contract, giving a proposed total of 18 months service by the projected end date. The extension will allow the team to attract the external funding and create the competition as outlined. All posts are externally funded and will continue to generate income for Nottingham City Council.

If the situation occurs, and where an employee accrues more than 2 years service, management should be aware of the right to a redundancy payment if the reason is redundancy and budget accordingly.

In giving notice to end a fixed term contract, management will need to ensure appropriate timelines are in place to notify the affected employees and give appropriate notice and referral to Redeployment through the Departmental HR Team as appropriate.

Management will need to contact the Employee Service Centre (ESC) to ensure that employees are advised of the decision to extend in writing. Advice provided by Labeeb Aslam (HR Consultant) on 17/02/2021.

Signatures:

David Mellen (Leader/ PH Regeneration, Schools, Communications)

SIGNED and Dated: 09/03/2021

Andrew Errington (Strategic Director, Community Protection)

SIGNED and Dated: 08/03/2021