

Nottingham City Council Delegated Decision



Reference Number:	4568
Author:	Rhianna Holt
Department:	Growth and City Development
Contact:	Rhianna Holt (Job Title: Stakeholder Engagement Officer, Email: rhianna.holt@nottinghamcity.gov.uk, Phone: 07976079714)
Subject:	Social Housing Decarbonisation Fund
Key Decision (decision valued at more than £1million):	Yes
Key Decision (decision affects 2 or more wards):	Yes
Total Value:	£26,396,335.45 (Type: Capital and Revenue)
Decision Being Taken:	<p>1. To spend a grant allocation of £14.89m from the Department for Business, Energy and Industrial Strategy (BEIS) to support regional delivery of Social Housing Decarbonisation Fund (SHDF) Wave 1 through the Midlands Energy Hub (MEH), following the approval to bid & accept money at Delegated Decision 4415. 2. To delegate authority to the Director of Carbon Reduction, Energy and Sustainability to manage the grant via MEH, and to delegate authority to approve and sign funding agreements and manage grant expenditure in line with the approved Project Initiation Document (PID). 3. To authorise allocation of grant funding to Local Authorities and Registered Housing providers in the Midlands for the installation of eligible measures by March 2023. 4. To approve the 'fixed term posts' within the MEH and Nottingham City Council, as listed in the PID (Non-Exec Officer decision)</p>

Reasons for the Decision(s) SHDF funding was launched on 23 August 2021 as a competition. MEH submitted a regional bid on 15 October 2021 to access funding (up to £179m made available for Wave 1). As a result of feedback from other energy efficiency/fuel poverty schemes such as Local Authority Delivery Phase 1a, 1b and 2, some LAs lack the capacity to submit an individual bid for funding, particularly within the required timescales. Therefore, a regional submission with MEH as the Lead Authority offers an opportunity for all LAs and Registered Providers of Social Housing (RPs) in the region to access the needed funding to support thousands of fuel poor households.

The current regional delivery of domestic retrofit offers an effective route for the implementation of SHDF Wave 1 across the Midlands.

This decision will generate an additional £100k management fee to contribute towards 22/23 financial returns from the CRES Division, supporting MTFP projections.

Other Options Considered: Not to submit a bid - Without MEH support, there could be a significant missed opportunity to bring financial support into Nottingham and the wider Midlands region to address the fuel poverty and domestic decarbonisation issues within social housing.

Background Papers:

Published Works:

Affected Wards: Bestwood, Dales, Mapperley

Colleague / Councillor Interests:

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: No implications

Equality: EIA not required. Reasons: This decision relates to policies developed outside the Council by Central Government

Relates to staffing: Yes

Decision Type: Leader's Key Decision

Subject to Call In:

Yes

Call In Expiry date:

25/03/2022

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

The proposals in this report supplement the earlier decision taken under DDM 4415 where approval to submit a bid to BEIS for the SHDF was approved. At that time insufficient detail as to the allocation of the funding was available and acceptance of the funding and approval to enter into the MoU with BEIS if successful, was made subject to the submission of and acceptance of a business case/PID.

The City Council has been successful in obtaining the funding from BEIS under the SHDF and the detail of how and in what quantities the funding is to be allocated to participating Local Authorities is understood to have been detailed within the PID. The City Council may receive funding and act as Accountable Body under the powers granted to it under s.1 Localism Act 2011. The City Council must ensure compliance with the conditions imposed upon it under the MoU with BEIS in receipt of the grant with respect to management and distribution of it in this role.

Grants are not covered by the Public Contracts Regulations 2015 and so there is no requirement for a procurement process to be followed. However, where the grant monies are allocated to Local Authorities, appropriate grant agreements should be established to reflect the funding allocation and use of the funding, and to ensure the obligations imposed upon the City Council under the MoU are passed down where appropriate.

The grant recipients shall be required to provide such information and comply with any instructions from the City Council to ensure that a grant remains compliant with the Subsidy Control Regime Rules including where appropriate obtaining and sharing subsidy advice to satisfy sufficient assessment and confirmation of compliance. MEH shall seek appropriate legal advice with respect to Subsidy Control to ensure it is satisfied the onward allocation of funds remains compliant.

Any spend or allocation to third parties that is not covered specifically within this report must be within the parameters of the funding and must be made in accordance with the Council's Contract Procedure rules and other constitutional requirements, as applicable.

Legal services will continue to assist the team as necessary during this project. Advice provided by Dionne Claire Screatton (Solicitor) on 15/03/2022. Advice provided by Dionne Claire Screatton (Solicitor) on 15/03/2022.

Finance Advice:

Please refer to the attached word document Advice provided by Michelle Pullen (Commercial Business Partner) on 03/03/2022.

Advice documents: FINAL Social Housing Decarbonisation Fund Fin obs.docx

Procurement Advice:

In as far as the decision being sought does not relate to any direct procurement activity, there are no procurement concerns with this report. In the event that any purchase of services, supplies, or works, becomes necessary during the course of the scheme, the Hub Team must liaise with Procurement to ensure that this is done in compliance with Contract Procedure Rules and, where applicable, the Public Contracts Regulations 2015. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 08/03/2022.

HR Advice:

Please see attached HR observations (Raj Athwal). Advice provided by Raj Athwal (HR Consultant) on 02/03/2022.

Advice documents: Online DDM - Social Housing Dcarbonisation Fund (RA).docx

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)

SIGNED and Dated: 18/03/2022

Sajeeda Rose (Corporate Director of Growth & City Development)

SIGNED and Dated: 17/03/2022