

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4706
Author:	Michael Gallagher
Department:	Growth and City Development
Contact:	Michael Gallagher (Job Title: Regional Energy Project Manager, Email: michael.gallagher@nottinghamcity.gov.uk, Phone: 07864 969755)
Subject:	Grant Support for Energy Efficiency Upskilling Competition
Key Decision (decision valued at more than £1million):	Yes
Total Value:	£10 million (Type: Revenue)
Decision Being Taken:	<p>1) To accept £10 million in grant funding from the Department for Business, Energy and Industrial Strategy (BEIS) for the Homes Decarbonisation Skills Training Competition, and to delegate authority to the Director for Carbon Reduction, Energy and Sustainability (CRES) to enter into a Section 31 Agreement for the funding. 2) To delegate authority to the Head of Midlands Net Zero Hub, in consultation with the Director for CRES, to utilise the grant funding to design and run a skills training competition to award grants of up to £1 million to training provider organisations to up-skill and re-skill people and businesses so that they can install energy efficiency measures and low carbon heating, to facilitate Government retrofit programmes. 3) To establish the roles of 1 x Programme Manager and 1 x Principal Officer to support the delivery of the programme, and to extend the existing 1 x Business Support Officer Role. The funding for the roles is being approved by the Leader of the Council as an executive decision and the establishment of the posts is being approved by the Corporate Director as a non-executive decision under Delegation 16. 4) To procure an external contractor to conduct an evaluation at the end of the programme, ensuring that data sharing agreements and General Data Protection Regulation compliance is in place.</p>

Reasons for the Decision(s) The BEIS is committed to delivering support to enable the Government's retrofit initiatives to be both an economic stimulus and contributor to the UK's carbon net-zero ambitions. This funding will be managed by the Midlands Net Zero Hub, within the Council's CRES Division, enabling training provision across the region in support of the low carbon economy. The total competition value is £10 million, 8% of which will be allocated to the Hub and the CRES Division to design, deliver and monitor the competition. The Hub is well-placed to do this, and it will generate revenue for the Council and create jobs across the region. This work also aligns with the D2N2 Local Enterprise Partnership's Energy Strategy and developing Local Industrial Strategy, supporting the skills agenda that will enable green growth. Furthermore, it will support the supply chain development that is needed to meet the Council's Carbon Neutral 2028 ambitions. The BEIS has requested the Hub's and the CRES Division's support on this project, due to their successful track record in project development and support, including a very similar programme, with an ability to meet challenging deadlines.

Other Options Considered: To not accept the grant: this option is rejected as it would represent a loss of revenue for the Council and would be a missed opportunity to support the development and growth of a skilled workforce in a growth sector.

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: None

Equality: EIA not required. Reasons: This decision does not represent proposals for a new or changing policy, service or function.

Social Value Considerations: This is predominantly a competition exercise as opposed to a procurement exercise, though advice from Procurement may be needed at times, alongside support for the contracting of an external evaluator at the close of the programme.

Relates to staffing: Yes

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: Chair of the Overview and Scrutiny Committee
Consultation Date: 31/08/2022
This decision is urgent because the BEIS requires a Memorandum of Understanding to be completed during August so that the Energy Efficiency Upskilling Competition can be launched on 5 September, to ensure optimum delivery during this financial year.

Advice Sought: Legal, Finance, Procurement, Human Resources

Legal Advice:

The grant is to be paid and accepted under a Section 31 Local Government Act 2003 agreement. The Hub will need the in-house expertise to design and run a skills training competition to provide grant awards of up to £1 million to successful recipients, which will provide appropriate training and support to installers operating across the different BEIS Schemes. This will involve the recruitment to the identified posts and separate procurement of an external contractor to conduct an evaluation for BEIS to meet this aspect of the grant conditions. It is proposed the identified post and external contractor are funded through 8% of the grant to administer the competition and monitor the activities of grant recipients.

It is recognised within the scope of the grant that staff with a range of skills and expertise will be needed to achieve the objective of helping build capacity and resilience for home energy retrofit delivery more widely and scale up delivery further as Government works towards meeting its 2030 and 2050 decarbonisation targets. The funding provided must be utilised to these ends, in accordance with the obligation under the MOU entered into by the Council with BEIS. The Council will work together with BEIS to agree how the Authority will spend any unspent Grant funding in line with the Scope of the Grant; and if they are unable to reach an agreement the Authority has to agree to repay the unspent Grant.

In securing external consultancy expertise the Council will need to ensure that it complied with all relevant legal requirements relating to public procurement, which will also ensure it meets its best value duty. The MOU contains additional obligations as to reporting to BEIS on how the funding is used in line with the scope of the grant and the Council will need to ensure that where external providers (consultants) are secured, agreements with them ensure the Council be able to meet its objective and contain provisions to enable the Council to recover its costs if the Consultants are unable/do not deliver on the grant objectives, without reasonable justification.

The creation of the new internal posts as per the recommendation in this report must be in accordance with the Council's Constitutional requirements and associated HR policies and procedures. Subject to approval of the required staffing budget (as an executive decision) sought, the creation of the post from within that budget would be as a non-executive decision under Delegation 16 of the constitution.

The decision is presented as a Leaders Key decision, meeting the exceptional circumstances test in article 10.21 of the Council's constitution as it is not possible to take the decision to the next scheduled meeting of the Executive Board as the scheme requires return to BEIS of a signed MOU by the 5th September 2022. The Notice requirements in Article 13 - Access to Information Procedure Rules of the Council's constitution will need to be complied with.

Advice provided by Richard Bines (Solicitor) on 10/08/2022.

Finance Advice:

This decision seeks the approval to accept funding from the Department for Business, Energy and Industrial Strategy for Homes Decarbonisation Skills Training to the value of £10 million. This is part of the Council's role as the Accountable Body for the Midlands Net Zero Energy Hub. The Hub will be responsible for distributing the grant to eligible Local Authorities by running a competition. The Hub's responsibilities are listed extensively in the Memorandum of Understanding. Up to £9.2 million (92% of the grant) is to be made available to successful competition applicants. The remaining £800,000 (0.8%) may be retained for use by the Hub to administer the competition and monitor the activities of the grant recipients. A separate cost centre will be used to assist in managing the grant and payments for which the budget/project manager will be responsible for. This will include ensuring all grant conditions are adhered to due to the Council's Accountable Body role. This will minimise the risk of any grant clawback.

Additional staff will be recruited, but existing full-time staff will also be utilised. It is essential that any potential exit costs are factored into the £800,000 allocation to ensure no negative impact to the Council. Relevant staffing decisions will require approval.

Advice provided by Michelle Pullen (Commercial Business Partner) on 10/08/2022.

Procurement Advice:

There are no procurement issues with the decisions being sought. The Procurement team will support the Midlands Net Zero Energy Hub to design and run the skills training competition, and to appoint the evaluator, in compliance with Contract Procedure Rules and, where applicable, the Public Contracts Regulations 2015.

Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 23/08/2022.

HR Advice:

The decision includes proposals to resource a number of roles. As per the Financial Advice, the Council will need to ensure that exit costs have been appropriately accounted for in any decision and costing. All Council jobs are graded based on a common process of job evaluation, which determines pay rates and grading. If supported, a recruitment exercise to resource the project will be undertaken.

Advice provided by Paul Slater (HR Business Lead) on 12/08/2022.

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)

SIGNED and Dated: 31/08/2022

Sajeeda Rose (Corporate Director of Growth & City Development)

SIGNED and Dated: 30/08/2022