

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

**Reference Number:**

4713

**Author:**

Jorge Santana

**Department:**

Growth and City Development

**Contact:**

Jorge Santana

(Job Title: Low Carbon Energy Projects Manager, Email: [jorge.santana@nottinghamcity.gov.uk](mailto:jorge.santana@nottinghamcity.gov.uk), Phone: 07864969755)

**Subject:**

Acceptance of public sector decarbonisation skills grant funding and approval to spend the consultancy budget

**Key Decision (decision valued at more than £1million):**

Yes

**Total Value:**

1.122m (Type: Revenue)

**Decision Being Taken:**

- 1. To accept public sector decarbonisation skills grant funding of £1,122,782 from BEIS for "the grant purposes" as defined in the MOU.**
- 2. To delegate authority to the Head of the Midlands Net Zero Hub in consultation with the Director of Carbon Reduction, Energy and Sustainability to utilise the secured grant funding to:**
  - (i) Recruit 1 Business Support Officer as project support staff, to be employed alongside 4 current team members, to the Midlands Net Zero Hub for an initial period of 1 year.**
  - (ii) Utilise up to £150,000, where capacity and skill set allows, to fund internal staff resource.**
  - (iii) Utilise up to £350,000 to procure and /or grant fund bespoke consultancy work, project work and specialised support, for the grant purposes.**

**Reasons for the Decision(s)**

**1 The grant is for expenditure on staff with skills and expertise to help public sector organisations to identify and deliver building energy efficiency and de-carbonisation measures ("the grant purposes").The Authority is required under the terms of the MOU to ensure the grant is managed in line with applicable principles of good stewardship of public funding, which includes recording the formal acceptance of the grant, and ensuring it is utilised in accordance with the purposes and scope of the grant.**

**2. (i) and (ii) : To support the ongoing work of the Midland Net Zero Hub it is necessary to employ an additional Business Support Officer, to work alongside 4 existing team members in supporting the grant objectives of public sector organisations to identify and deliver building energy efficiency and decarbonisation measures with a focus on reducing direct emissions; or to develop net zero organisational plans in the public sector. It is envisaged that up to £150,000 will be required for these purposes.**

**(iii) More detailed knowledge, expertise and capacity that is specialist in its nature and is not currently available in the existing team or within the wider Division, is needed to carry out the grant objectives. It will sourced from the expert energy consultant market, in line with the expectations of BEIS. It is forecast that £350k of the budget that BEIS has provided Midlands Net Zero Hub will be needed to procure independent external consultants to develop and progress projects, subject to compliance with all relevant requirements of law relating to public procurement.**

**Other Options Considered:**

**The option to not resource additional staff and not seek to procure external consultants is rejected as the funding is to be utilised to complement and extend the resource of the existing team members and to provide specialist support, meeting the grant objectives. The objectives would not be met without these additional resources.**

<b>Background Papers:</b>	<b>None</b>
<b>Published Works:</b>	<b>None</b>
<b>Affected Wards:</b>	<b>Citywide</b>
<b>Colleague / Councillor Interests:</b>	<b>None</b>
<b>Consultations:</b>	<b>Those not consulted are not directly affected by the decision.</b>
<b>Crime and Disorder Implications:</b>	<b>None arising from the decision to be taken.</b>
<b>Equality:</b>	<b>EIA not required. Reasons: Project development work only.</b>
<b>Relates to staffing:</b>	<b>Yes</b>
<b>Decision Type:</b>	<b>Leader's Key Decision</b>
<b>Subject to Call In:</b>	<b>Yes</b>
<b>Call In Expiry date:</b>	<b>15/09/2022</b>
<b>Advice Sought:</b>	<b>Legal, Finance, Human Resources</b>

**Legal Advice:**

The Grant is provided for the purpose of funding staff activities that help public sector organisations to identify and deliver building energy efficiency and decarbonisation measures with a focus on reducing direct emissions; or to develop net zero organisational plans in the public sector. The grant must be managed in line with applicable principles of good stewardship of public funding, which includes recording the formal acceptance of the grant. 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 public sector organisations to identify and deliver building energy efficiency and decarbonisation measures. 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 agreed 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 post 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 the post from within that budget would be as a non-executive decision under Delegation 16.

Advice provided by Richard Bines (Solicitor) on 10/08/2022. Advice provided by Kate Morris (Governance Officer) on 06/09/2022.

**Finance Advice:**

This decision seeks the approval to spend £1,122,782 of BEIS grant funding received as part of the Public Sector Decarbonisation Fund.

The Proposed activities includes the use of specialised consultants with specific knowledge to deliver the required outcomes as outlined in the MOU.

Any variation to the planned spend must be agreed in writing and signed by both parties. In the event of any under spend, the parties will work together to agree how NCC will spend any unused grant keeping in line with the scope of the grant. Should both parties be unable to reach an agreement, NCC will need to pay back any unspent grant.

The HOS for the Midland Net Zero Hub (MNZH) will ensure proper allocation of spend to specific cost centres to ensure transparency and mitigate the risk of clawback where possible. Records are to be kept for 10 years.

BEIS has continued working with the programme coverage, with extended calls for the funding to remain open until September 2022 (original deadline was March 22)

Advice provided by Michelle Pullen (Commercial Business Partner) on 14/07/2022.

**HR Advice:**

HR observations added by Raj Athwal - HR Consultant Advice provided by Raj Athwal (HR Consultant) on 08/07/2022.

Advice documents: 2022.07.08 Online DDM - Approval to spend consultancy budget - Midlands Energy Hub (RA).docx

**Procurement Advice:**

**Decision (1) seeks approval to recruit, which falls outside of the remit of Procurement. Decision (2) seeks approval to spend funds to support delivery of projects by procuring and/or providing grant funding; any appointments made subject to this decision must comply with Contract Procedure Rules and applicable provisions of the Public Contracts Regulations. We would further note the following:**

**1) Financial support that qualifies as an award of a grant is explicitly excluded from the scope of Contract Procedure Rules, per clause 18.3 of the Constitution. We would advise that appropriate advice be sought in each instance from Legal Services and/or Procurement in advance of making these awards to ensure that they qualify for this status.**

**2) As the total sum involved is of the order of £500k over a proposed period of two years, and no details of the number or scope of appointments are available, we would strongly recommend that approval to spend the money be granted, but that specific approvals appropriate to the individual value of spend be sought in each instance, as blanket approvals of this nature are not conducive to good governance.**

**Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 12/07/2022.**

**Signatures:**

<b>David Mellen (Leader/ PH Strategic Regeneration Communications)</b>
<b>SIGNED and Dated: 02/09/2022</b>
<b>Sajeeda Rose (Corporate Director of Growth &amp; City Development)</b>
<b>SIGNED and Dated: 02/09/2022</b>