

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4791

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Department:

Resident Services

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Subject:

Midlands Net Zero Hub Grant Funding - Local Net Zero Programme

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

Yes

Total Value:

£970,000 (Type: Revenue)

Decision Being Taken:

To delegate authority to the Head of Midlands Net Zero Hub, in consultation with the Director of Environment and Sustainability to:1) Accept and spend grant funding totalling £970,000 from Department of Business, Energy & Industrial Strategy (BEIS) to deliver the Net Zero Programme as per the Memorandum of Understanding (MoU). 2) To sign and return to BEIS a copy of the MoU, the Section 31 grant determination notice, grant claim form Section 151 officer declaration. 3) To spend the funding in-line with the Net Zero Programme MoU from BEIS4) To procure consultants as required for specialist work, as guided by the Midlands Net Zero Hub Board to deliver on the MoU objectives.5) To award grants to and enter into grant agreements with third party partners to procure consultants as required for specialist work, as guided by the Midlands Net Zero Hub Board to deliver MoU objectives. Non Executive decision, using the grant funding to:1) establish and approve recruitment to 2 FTE posts - Project Support Officers on 2 year fixed term contracts (F Grade)2) establish and approve recruitment to 1 FTE post - Net Zero Reporting and Liaison Officer on 2 year fixed term contract (H or I Grade)

Reasons for the Decision(s) The Midlands Net Zero Hub, has been part of the Environment and Sustainability Division for four years, delivering on the Local Capacity Support Programme successfully. The team has developed a strong reputation for delivery, with circa £200m secured directly from BEIS to deliver a range of programmes for BEIS. This latest funding will enable the continuation of core activity to ensure the team can continue to support the development and delivery of a £400m project pipeline across the Midlands region, and encourage partnership work, knowledge sharing and unified drive to Net Zero over the next three years through to 2025. Furthermore it will ensure that the funding of the Hub will enable the Local Authorities to go further and faster in implementing cost effective and integrated Net Zero programmes and enabling a place based approach, that feeds into the regions' strategic plans. The funding provided is predominantly revenue funding for staffing and associated costs including training, travel and events. Funding not required for staffing may be used to develop local and regional projects that support the Net Zero agenda as guided by the Midlands Net Zero Hub Board. The additional roles are a result of the expanding remit of the Midlands Net Zero Hub and therefore increasing workload in the region and reporting requirements for BEIS. Redundancy is factored into the costings and the posts would only be extended should additional funding be made available.

Other Options Considered: Not to accept the grant. This option was rejected because it would result in the loss of significant opportunities the grant offers and the 100% funding it provides. Alongside the loss of jobs, skills and experience within the division.

Background Papers: NA

Published Works: NA

Affected Wards: Citywide

Colleague / Councillor Interests: NA

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

Crime and Disorder Implications: N/A

Equality: EIA not required. Reasons: Recruitment of staff will adhere to existing EIA

Social Value Considerations: Procurement will be requested at point of need with Social Value considerations built into the process, as guided by the procurement team.

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: Councillor Sam Gardiner

Consultation Date: 06/12/2022

BEIS provided the MoU on 1st November, with a deadline of 30th November with further clarification then provided on 15th November 2022, which has led to the urgent decision required.

Advice Sought:

Legal, Finance, Procurement, Human Resources

Acceptance of the funding requires the Council to enter into a Memorandum of Understanding (MOU) under s.31 of the Local Government Act 2003 with BEIS. Under the MOU the Council must commit to eligible expenditure within the Funding Period for the purposes of delivering the Local Net Zero Programme which must comply in all respects with the rules set out in paragraph 12 (Scope) of the MOU. The MOU also details commitments by the Authority to deliver against the Scope and commitments in relation to the administration of the Grant.

Where the Authority provides any funding to third parties for activities undertaken during the Funding Period, it must ensure that the provisions within the MoU are included in any arrangement with these third parties, such as under a grant agreement. Legal service will support with the preparation of any such agreements.

The authority will need to ensure that its use of the grant and by others does not breach subsidy control regime principles. The Council must complete its own Subsidy Control Principles assessment and retain all declarations and information as may be required to enable both the Authority and the Secretary of State to comply with any applicable subsidy control regime, and to provide copies of such declarations and information to the Secretary of State when required to do so. Government guidance published on 11.11.2022 regarding subsidy control compliance must be referred to and utilised by the Council.

When using the funding to procuring goods or services, to meet the MOU objectives the authority must comply with all relevant requirements of the Public Contract Regulations as well as obligations under the Equality Act 2010 and its associated Public Sector Equality Duty and its own Contract Procedure Rules. When managing its supply chain the Council should expect its suppliers and subcontractors to meet the standards set out in the Government Supplier Code of Conduct published by the HM Government on best practice expectations referenced below:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf.

The Authority cannot use the grant, or any asset financed wholly or partly by it, to generate revenue or make a capital gain, except to the extent agreed as part of the grant. The grant will be subject to clawback in any of the circumstances set out in the MOU (paragraphs 37-43), and in particular if the Authority's use of it, contravenes any requirement of law, in particular (but without limitation) law relating to subsidy control.

The MOU requires the Council (through its MNZH) to have a Board made up of local representatives as well as other stakeholders such as regional leaders and third parties, which will be responsible for ensuring supported projects are in line with wider Net Zero goals and signing off on resource/funding decisions. BEIS representatives will sit on each Board which will meet quarterly (at minimum) and sign off quarterly reports to BEIS. The Board will be led by a Chair - as agreed between the Hub, the Board and BEIS - and will be responsible for identifying and escalating appropriately any risks and issues to Hub delivery. In addition, BEIS will establish bi-yearly meetings between Hub board representatives (one from each Board), preferably chosen on a rotating basis, to discuss the strategic direction of the Local Net Zero Programme and any challenges facing the programme as well as to ensure a shared approach to governance and decision making.

**Exemption from Call In is to be avoided if at all possible and very clear reasons will be needed to support any such decision.
Transparency of Governance is one of the key planks of our improvement journey.**

Richard Bines - Solicitor - Contract and Commercial Team - 05.12.2022 Advice provided by Richard Bines (Solicitor) on 05/12/2022.

Finance Advice:

see attached file Advice provided by Alison Bennett on 05/12/2022.
Advice documents: MNZH Grant Funding - Local Net Zero Programme Fin Obs FINAL.docx

HR Advice:

This proposal seeks to establish additional posts into the Midlands Net Zero Hub to support the work to deliver the Net Zero Programme in line with additional grant funding from the Department of Business, Energy & Industrial Strategy. The proposal is for 3 additional posts as detailed below: -

- 1) 2 x FTE posts - Project Support Officers on 2-year fixed term contracts**
- 2) 1 x FTE post - Net Zero Reporting and Liaison Officer on a 2-year fixed term contract.**

The Project Support Officer position has previously been evaluated by the job evaluation team and the grading confirmed as GLPC-F. The Net Zero Reporting and Liaison Officer is a new position which will need to be fully evaluated by the job evaluation team but, based on the skills and knowledge required of the post holder, and similar roles in the area, it is expected to be evaluated at GLPC H or I.

For all 3 posts the following advice applies: -

Recruitment - A fair and transparent Recruitment process in line with the Council's recruitment procedure should be followed, initially considering any at risk employees currently on the Council's redeployment register. Consideration to the Council's EDI agenda should be given in respect of how and where the posts are advertised, including sharing through the recognised staff networks to help attract a diverse applicant pool.

Pay - Any successful external applicants would commence on step 1 of the grade for their role. Any successful internal applicant, already in employment with the Council, would also commence on step 1 unless they are already paid at step 2 of the equivalent grade in which case they would be matched at the rate of pay they currently receive.

Probation/Training - the Probation Policy for new starters should be observed and an effective induction and training plan should be in place to support the individuals to embed into the role/organisation.

If the successful candidate was internal, then the 1st year Review Policy for internal moves should be observed.

Exit - As the proposal is for the posts to be temporary for a 2-year fixed-term in line with the grant funding period, there should be a plan in place for the ending of the contract to keep the post-holder informed and allow for their potential redeployment within NCC via the redeployment register.

Post holders accruing 2 years continuous service or more will be entitled to redundancy costs should their contracts end & it has been confirmed that allowances have been made for any potential exit costs in the budget for these roles.

Separately, there may be a need to utilise consultants to support the work of this programme as there may be specific specialist skills required for the work which aren't held within the existing internal team. If consultants are needed it has been confirmed that the service will work with the Procurement team to source skilled consultants either via the existing framework in place or by going out to tender.

Advice provided by Katy Shirt (HR Consultant) on 11/11/2022.

Procurement Advice:

Of the decisions to be taken, only item (4) has direct procurement implications, the rest relating to grant funding and management of the project. Where any procurement is required during the course of the scheme, the Procurement Team will continue to support the MNZH to ensure all appointments are made in compliance with Contract Procedure Rules and the Public Contracts Regulations 2015. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 16/11/2022.

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)
SIGNED and Dated: 06/12/2022
Frank Jordan (Corporate Director, Resident Services)
SIGNED and Dated: 06/12/2022