

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4915

Author:

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Department:

Communities, Environment and Resident Services

Contact:

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Subject:

Local Energy Advice (LEA)

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

Yes

Key Decision (decision affects 2 or more wards):

Yes

Total Value:

£4,440,000 (Type: Capital and Revenue)

Decision Being Taken:

1) Acceptance of Grant allocation for £4,440,000 (£4,000,000 for delivery of energy advice projects and £440,000 for MNZH delivery and monitoring costs) and entry into MoU with the Department for Business, Energy and Industrial Strategy (soon to be called the Department for Energy Security and Net Zero) to outline the programme aims and objectives.

2) To delegate authority to the Director of Environment and Sustainability to:

- Run competitions for funding bids energy advice projects between eligible bidders

- To determine the outcome of the competition and award and enter into relevant grant agreements with successful bidders. Subject to overall maximum spend of £4,000,000

Reasons for the Decision(s)

The decision to submit this decision as a Leader's Key Decision instead of going to the Executive Board is due to time scales. The Department for Energy Security and Net Zero (DESNZ) will launch the project in March and waiting for the Executive Board to sign off the decision will cause the Midlands Net Zero hub to miss out on the funding. The next Executive Board meeting is expected to be in May, therefore delaying the governance process by at least two months leading to funding for the project to be withdrawn.

Through the Energy Security Strategy, DESNZ committed that "by summer we will launch a comprehensive energy advice service on GOV.UK which will help consumers navigate what can be unknown territory to improve the energy performance of their homes. We will launch additional support for homeowners through telephone support and specific local area advice for energy consumers. "This funding will be specifically for the element referred to as 'local area advice for energy consumers' and will be managed by the Midlands Net Zero Hub, within the Environment and Sustainability directorate enabling the provision of in person support for citizens be developed and undertaken in support of the cost of living crisis. The total Grant allocation will be worth £4,440,000, of which £440,000 will be allocated to the Hub and the Environment and Sustainability directorate 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 Nottingham City Council Fuel Poverty Strategy and the Councils Carbon Neutral 2028 ambitions. DESNZ has designed the funding programme to be a regional competition for funding lead by the net zero hubs. For The Midlands region the Midlands Net Zero Hub within Nottingham City Council will host the competition on behalf of DESNZ for allocation of the grant funding. DESNZ has approved a marking criterion for competition including how best value will be scored. The Midlands Net Zero Hub will confirm the eligibility and ensure due diligence of competition bidders against the competition guidance to be provided by the Department for Energy Security and Net Zero. Qualifying bids will then go to a national panel lead by DESNZ.

Other Options Considered:

Not to accept the funding: Without MNZH support, there could be a significant missed opportunity to bring the provision of energy advice into Nottingham and the wider Midlands region to address the fuel poverty and domestic decarbonisation issues for homeowners and landlords. This would also be a missed opportunity for Nottingham City Council to gain the management fund.

Background Papers:

N/A

Published Works:

N/A

Affected Wards:

Citywide

Colleague / Councillor Interests:

N/A

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

No implications

Equality:

EIA not required. Reasons: Not required at this stage. Decision does not significantly impact changes to NCC policy and practices and is already considered under the councils Fuel Poverty Strategy. EIA's will be required from the competition's bidders later in the process based on what the impacts their projects will have in their own region/organisation.

Social Value Considerations:

This is a grant led competition to provide energy advice to hard to reach communities as such social value is at the core of the projects aims and objectives and will be considered throughout.

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: The Chair of Overview and Scrutiny Committee
Consultation Date: 12/04/2023
The need for this exemption arises due to time constraints imposed by the funding provider, The Department for Energy Security and Net Zero (DESNZ). In order to meet the funding provider's timeframe, we require the LKD to be signed off as soon as possible so that a Memorandum of Understanding (MoU) can be signed with DESNZ by Friday, April 14th. It is crucial that we meet this deadline, as failure to do so may result in the loss of funding for Midlands Net Zero Hub. Therefore, we kindly request that an exception be made to the standard call-in period to facilitate the timely signing of the LKD and MoU.

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

Nottingham City Council (NCC) has been allocated grant funding from DESNZ to undertake a competition on their behalf (which will be advertised on social media and the Midlands Net Zero Hub website) under which interested parties can apply for grant funding which will then be used by the successful applicants (the "Grant Recipients") to deliver the projects. In addition, BEIS has allocated NCC grant funding in the sum of £440,000 for the purpose of administering the competition and monitoring the activities of Grant Recipients. If any persons are engaged by NCC to undertake these specific roles using BEIS grant funding, they must only be engaged by NCC to undertake work on the BEIS grant funded activities. Advice provided by Sarah O'Bradaigh (senior solicitor) on 06/04/2023.

Finance Advice:

**See attached file. Advice provided by Sejal Mistry (Senior Commercial Business Partner) on 20/03/2023.
Advice documents: Financial Observations - Local Energy Advice.pdf**

HR Advice:

The proposal is to accept and spend a grant allocation of £4,440,000 from the Department for Energy security and Net Zero to support regional delivery of Local Energy Advice (LEA) through the Midlands Net Zero Hub (MNZH).

In order to deliver the energy advice service the service area need to recruit 1 Principal Officer post and 1 Project Officer on a 2 year fixed term contract. The posts should have an established job description and evaluated and graded accordingly, if not yet done already. Decisions on pay must adhere to NCC's pay policy and established grading scheme.

Any necessary recruitment for temporary contracts must be in line with agreed recruitment processes and principles. It will also be necessary to liaise with the Departmental HR team to establish if each post is a potentially suitable alternative for any individuals on the Redeployment register.

Management should ensure that value for money is considered prior to each post being filled and the Council is not incurring unnecessary expenditure.

Management will also need to consider the exit strategy at the end of the fixed term contracts. This will need to include consideration of financial costs for potential compensatory payments for redundancy

Advice provided by Shakeel Khalil (Senior HR Consultant) on 10/03/2023.

Procurement Advice:

There are no substantive procurement issues with the decisions being sought. The Procurement Team will work with MNZH to develop a route for the competition that satifies both Department for Energy Security and Net Zero requirements, and applicable provisions of NCC Contract Procedure Rules and the Public Contracts Regulations 2015. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 13/03/2023.

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)

SIGNED and Dated: 13/04/2023

Dr Ita O'Donovan (Interim Corporate Director, CERS)

SIGNED and Dated: 13/04/2023