

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4934
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Department:	Communities, Environment and Resident Services
Contact:	Rhianna Holt (Job Title: Stakeholder Engagement Officer, Email: rhianna.holt@nottinghamcity.gov.uk, Phone: 07976079714)
Subject:	Social Housing Decarbonisation Fund Wave 2.1
Key Decision (decision valued at more than £1million):	Yes
Key Decision (decision affects 2 or more wards):	Yes
Total Value:	£47.2m - grant funding awarded (Type: Capital and Revenue)
Decision Being Taken:	1) To award from the £47.2m received from the Department for Energy Security and Net Zero (DESNZ) to support regional delivery of Social Housing Decarbonisation Fund Wave (SHDF) 2.1. a) grants in the amounts specified in the attached appendix 1. b) funding for the 'fixed term posts' within Midlands Net Zero Hub (MNZH), as listed in appendix 1. The appointment to the individual posts is a non-executive decision delegated under delegation 16 of the Scheme of Delegations to the Interim Corporate Director, CERS. 2) To delegate authority to the Director of Environment and Sustainability to approve and sign individual grant agreements with the recipient Local Authorities and Registered providers listed in appendix 1.

Reasons for the Decision(s)

SHDF funding was launched in June 2022 as a competition. MNZH submitted a regional bid on 18 November 2022 to access funding (up to £800m made available for Wave 2.1). This bid was successful and MNZH have been awarded £47.2m in grant funding, with a total project cost of £102.86m. This funding will be awarded via a Grant Funding Agreement and Grant Offer Letter by DESNZ. MNZH will allocate these funds to the Housing Providers/ LAs included within the bid, as listed in appendix 1. MNZH will issue separate Grant Funding Agreements to each consortium member and this will require a signature from each consortium member before funding is released. MNZH will ensure any grants are given in compliance with the Subsidy Control Act 2022. Therefore, we require this decision to spend the funds.

The majority of the funding will be allocated to the consortium members as per the PID. We will monitor performance through monthly reporting, and will have controls in place to reallocate funding where necessary. From the 15% A&A funding MNZH will use 3%, this will included a fixed managed fee to deliver the scheme, cover staff costs including additional fixed terms posts and any required admin to successfully delivery the scheme. The funding will be used to improve the Energy Performance Certificate of social housing properties, over 1500 of which are in Nottingham City, resulting in environmental and health benefits.

MNZH were not made aware of the successful bidders until late March 2023. As funding has now been received, agreements need to be signed and returned as soon as possible to enable consortium delivery and meet the departments KPIs. Due to these short timeframes, any delay i.e. waiting for the next exec board would be detrimental to the project.

As a result of feedback from other energy efficiency/fuel poverty schemes such as SHDF Wave 1 and Sustainable Warmth Competition, some LAs and Registered Providers of Social Housing (RPs) lack capacity or may not have enough properties to submit an individual bid for funding, particularly within the required timescales. Therefore, a regional submission with MNZH as the Lead Authority offers an opportunity for all LAs and 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 2.1 across the Midlands. This decision will generate an additional management fee to contribute towards 23/24 and 24/25 financial returns from the Division, supporting MTFP projections.

Briefing notes documents:

Social Housing Decarbonisation Fund Wave 2 - Finance advice.docx, Appendix 1 (1).docx

Other Options Considered:

Not to spend allocation of funding - Without MNZH 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:

Executive Board report and minutes, 9th September Exec Board 2022, minute number 45:
<https://committee.nottinghamcity.gov.uk/documents/g9493/Printed%20minutes%2020th-Sep-2022%2014.00%20Executive%20Board.pdf?T=1>

Affected Wards:	Citywide
Colleague / Councillor Interests:	
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	N/A
Equality:	EIA not required. Reasons: EIA not required. Reasons: This decision relates to policies developed outside the Council by Central Government
Decision Type:	Leader's Key Decision
Subject to Call In:	Yes
Call In Expiry date:	22/05/2023
Advice Sought:	Legal, Finance, Procurement, Human Resources
Legal Advice:	See attached advice note -Advice provided by Richard Bines (Solicitor) on 10/05/2023. Advice documents: Final Legal advice.docx
Finance Advice:	See attached advice - Advice provided by Sejal Mistry (Senior Commercial Business Partner) on 10/05/2023 Advice provided by Sejal Mistry (Senior Commercial Business Partner) on 10/05/2023.
Procurement Advice:	There are no procurement issues with the recommendations made in this report. Any procurement activity related to the grant, or operations by or for MNZH related to the grant, will need to be undertaken in accordance with Contract Procedure Rules and where applicable the Public Contracts Regulations 2015, and the Procurement Team will continue to support MNZH to undertake these activities compliantly. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 13/04/2023.

HR Advice:

In order to deliver the Social Housing Decarbonisation Fund, the service area will need to recruit to 4 posts on a 2 year FTC. These posts are; 2 Senior Project Officer posts at Grade G and 2 Project Support Officer posts at grade F.

The posts will be subject to the job evaluation process, it is anticipated that the grading outcome will be GLPC grade G and F as indicated above.

Management will need to ensure that recruitment to these posts is conducted through the appropriate processes, including redeployment. Management should be aware that the selected postholders should commence on a starting salary of Level One within the respective Grade, unless the appointed colleague is already in employment at the council and on Level two of the same grade, in which case the employee would be matched over at the rate of pay they currently receive.

There will need to be a support and development plan for the new post holders once appointed in line with managing performance through the probationary policy.

As the posts are temporary and fixed for 2 years, an appropriate exit strategy must be in place in order to terminate the contract in line with NCC guidance in the event that the posts cannot be made permanent at the end of the fixed term period. Management will need to ensure appropriate timelines are in place to notify the affected employees and give appropriate notice.

Advice provided by Shakeel Khalil (Senior HR Consultant) on 14/04/2023.

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)
SIGNED and Dated: 12/05/2023
Dr Ita O'Donovan (Interim Corporate Director, CERS)
SIGNED and Dated: 11/05/2023