

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

3740

Author:

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Department:

Commercial and Operations

Contact:

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Subject:

Funding from the Warm Homes Fund (WHF)

Total Value:

£982,566 (Type: Capital and Revenue)

Decision Being Taken:

- 1) To bid into the Warm Homes Fund to deliver advice and support to 1000 householders in fuel poverty through a Warm Homes Hub and energy efficiency measures, including 100 First Time Central Heating (FTCH) systems, to fuel poor households in off-gas homes;**
- 2) to delegate responsibility to the Head of Energy Services to accept grant funding and to approve further project documents including funding agreement, allocating funds, and managing grant expenditure;**
- 3) to use the grant funding towards staffing budget for project management and forward funds for installation of central heating to off gas properties through E.ON**
- 4) approval for the City Council as lead bidding authority to enter into agreements with E.ON, Age UK and NEP as partner organisations.**

Reasons for the Decision(s)

The Warm Homes Fund has been set up by National Grid (now Cadent) to deliver: 1. new gas connections; 2. central heating to qualifying households; and 3. financial savings for households through energy efficiency and advice. The focus on heating systems is off-gas properties which are the least energy efficient (E, F or G EPC). This aligns with our corporate objectives, particularly to tackle fuel poverty through the City's Fuel Poverty Strategy 2018-2025, and national objectives around energy efficiency.

We propose to bid for:

- Revenue funding for fuel poverty assistance through a Warm Homes Hub delivered by Age UK Notts and Nottingham Energy Partnership (NEP), who specialise in helping fuel poor households to improve their homes. This will provide a joined-up service delivering referrals of the most vulnerable people in the coldest homes to tailored assessments and services advising them on energy efficiency, maximising their income through available benefits and helping them access grant funding to improve the warmth of their homes. AgeUK Notts and NEP are bringing additional value through other provision.
- Capital funding to install energy efficiency measures, principally gas connections and First Time Central Heating (FTCH) systems for fuel poor households in off-gas homes. This would be delivered by E.ON.

The estimated total value of the bid including all matched and in-kind contributions is £982,566. There is no matched funding required or provided by Nottingham City Council. There will be no direct cost to the council and E.ON will manage and bear the risks of delivery as well as providing match funding. Other delivery partners are also adding value to the bid. Matched funding is required in this bid which E.ON are providing. The funding is for 2 years and would be received quarterly in arrears.

Other Options Considered:

Other options: Do nothing and do not accept the Warm Homes Fund grant. This would reduce the overall amount of funding available within the city for energy efficiency measures for domestic homes and for this reason this option was rejected.

Only accept one of the bids: Bids are equally important to the projects goal of reducing fuel poverty and improving efficiency of housing in the city as each bid targets different aspects of the funding specification. In addition, bids have been selected as being the most likely to be achievable within the Warm Homes Funds requirements.

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:

This Decision will not have any direct implications on crime and disorder.

Equality:

EIA not required. Reasons: EIA not required. Reasons: Not relevant to this decision: No change to staffing policy or current staff members and properties identifies through existing NCC procedures. Overall, no changes to NCC policy or procedures.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

27/12/2019

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

The City Council has submitted two bids for Warm Homes funding. It has done so as lead bidder with named parties (E.ON, Nottingham Energy Partnership and Age UK Notts) as partner organisations. The City Council needs to put in place an agreement with E.ON and potentially Nottingham Energy Partnership and Age UK as the City Council will be accountable for those partner organisations. The City Council will enter into a grant funding agreement for the warm homes funding and needs to include similar provisions (including clawback) in the agreement(s) with its partner(s). Advice provided by Andrew James (Team Leader Contracts and Commercial) on 12/11/2019.

Finance Advice:

This decision aligns with the Council Plan 2015-19 key objective to tackle fuel poverty by providing householders with gas connection, central heating, and financial savings by providing energy advice.

NCC is bidding for grant funding of £982,586 over a period of 2 years with the named partners as stated. If successful, NCC will receive grant monies as the lead bidder, and then administer the grant to the named partners through grant agreements. Energy Services will need to set up financial and administrative systems in order to monitor the release of funding to the partner organisations, as NCC is the accountable body for those partners. These systems will need to monitor the terms and conditions of the grant agreements in place in order to minimize the risk of any grant clawback.

Advice provided by Tania Clayton Perez (Commercial Business Partner) on 01/10/2019.

HR Advice:

The funding provided directly to NCC will be a contribution towards staff salaries and as part of the project there is no need to recruit additional staff.

The work undertaken by NCC staff to support the project is already contained within their existing job roles and the work they carry out as apart of the existing DEEFP subgroup. There is therefore no need to undertake a review of the job roles to support the project.

At the end of the project, it is envisaged that staff members will continue to work in line with their job role. Advice provided by Shakeel Khalil (Senior HR Consultant) on 29/11/2019.

Procurement Advice:

In that the decision being sought is to accept grant funding as the lead organisation, and to deliver the scheme in collaboration with the nominated partner organisations, there are no direct procurement implications. Should any subsequent engagement with other parties become necessary during the course of the project, further advice should be obtained from the Procurement Team to ensure compliance with Contract Procedure Rules. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 25/11/2019.

Signatures

Sally Longford (PH for Energy, Environment and Democratic Services)
SIGNED and Dated: 18/12/2019
Andy Vaughan (Corporate Director Commercial and Operations)
SIGNED and Dated: 13/12/2019