



## **URGENT DELEGATED DECISION**

Date: 27 January 2022

**Request to the Head of Paid Service to exercise delegated authority as per Responsibility of Functions in Part IV, page 28 of the Constitution.**

**“to determine any matter within the referred or delegated powers and duties of a committee / sub committee / board / working group which is so urgent that a decision must be made before the next meeting of that committee / sub-committee / board / working group is due to be held.”**

Limits on delegation: -

- Before making a decision using this delegated power, the Head of Paid Service shall consult with and take cognisance of the views of the Chairman (or in his absence the VC) of the relevant Committee / Sub-Committee etc; and
- Any decision taken by the Head of Paid Service under this delegated power shall be reported to Members within five working days of the decision taken.
- During the COVID-19 Pandemic we have also committed to consult with the Leader of the Opposition on such decisions\*

\* The Leader of the Opposition was unavailable for this meeting, but was provided with the supporting paperwork in advance.

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**Usual Decision Maker: -**

This decision would have been taken by the Corporate Policy and Resources Committee.

This decision needs to be made and the decision implemented before this Committee is due to meet.

Call-in does not apply.

### **Background**

The background to this decision is as detailed in the report titled **“Green Homes Grant (GHG) Local Authority Deliver (LAD 3) and Home Upgrade Grant (HUG) Phase 1”** which is appended to this decision.

West Lindsey had successfully taken part in a coordinated bid with other East Midlands Authorities to secure more than £82m of Government funding through the Sustainable Warmth competition.

£924,000 had been allocated to West Lindsey District Council in the latest round and it was intended that these grants, from the Department for Business, Energy and Industrial Strategy (BEIS), would be used to carry out a range of improvements on homes owned by low-income families in the district – making them warmer, reducing energy bills, and improving the quality of citizens' lives.

The grants could be used to deliver a variety of home improvements including insulation and, where appropriate, renewable energy, for example solar PV.

A delivery plan would be drawn up to explain how resources would be targeted to ensure that energy measures were applied in the most effective way and where they were needed most.

The delivery plan needed to be submitted to the Midland Energy Hub for approval by 28th February. An urgent delegated decision was required to agree acceptance of the grant award, sanction the return of the signed letter and approve the release of £17,400 from WLDC's £84,000 administration allocation to part fund a new, joint, Energy Efficiency and Fuel Poverty Project Officer post to be hosted by NKDC.

The full rationale for the decision is contained within the report which is appended.

### **Reason for Urgency and Rationale for use of urgent Delegated Decision**

- Deadline for accepting the allocation – 28<sup>th</sup> February 2022
- Deadlines for submitting the Council's Delivery Plan –28<sup>th</sup> Feb.
- Delivery of the scheme must be able to commence in April 2022.
- The Council would be expected to submit monthly reports to MEH on progress delivery.
- The scheme must be completed by March 2023.

### **Financial Detail and Implications**

#### **FIN/DD/2/22**

Full financial details and implications are contained within the appended report.

The grant has a number of conditions with the most significant financial conditions being;

- No additional grant funding will be forthcoming if the scheme overspends and therefore would require the Council to meet these costs.
- The grant may be reduced if the profiled delivery, as set out in the proposals, is not met. This would be commensurate with the percentage of profiled delivery achieved and applied to both the capital and revenue element of the grants.
- Any amounts unspent after the grant period will need to be repaid.

## Notes of Consultation Relevant to the Decision

A full communication plan would be developed prior to the launch of the Scheme; all acknowledged the importance of promotion and publication.

All were agreement this project helped deliver against a number of agendas, including climate change, health and well-being, and improved housing, creating a permanent benefit to the Stock without using Council resources.

Whilst the post would be hosted by NKDC it was important that WLDC had oversight of that Officer's work , priorities, progression and performance, a mechanism for such would need to be developed when establishing the post.

Finally it was important that the carbon saving impacts of the project was also captured and reflected in the work being undertaken by the Authority in respect of its Climate and Sustainability Strategy delivery. The Chief Executive undertook to ensure that this project was brought to the attention of that Team.

All Members present indicated their support for the proposal

## Decision

- 1) The Grant award for Sustainable Warmth Competition from Midlands Energy Hub be accepted
- 2) The spend (£17,440) from the administration allocation of (£84,000) towards the new joint Energy Efficiency and Fuel Poverty Project Officer post hosted by NKDC be approved.



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Ian Knowles  
Head of Paid Service

As the Chairman of the Corporate Policy and Resources Committee I have been fully consulted on this matter



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Anne Welburn  
Chairman of Corporate Policy and Resources

As the Chairman of the Prosperous Communities Committee and Leader of the Council I have been fully consulted on this matter



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Owen Bierley  
Leader of the Council / Chairman of the Prosperous Communities Committee

Date all Members were notified of the decision: 2 February 2022



**Delegated Decision**

**27<sup>th</sup> January 2022**

**Subject: Sustainable Warmth Competition**

**Green Homes Grant (GHG) Local Authority Deliver (LAD 3)  
Home Upgrade Grant (HUG) phase 1**

Report by:

Assistant Director Homes and Communities

Contact Officer:

Veronica Edwards  
Senior Homes, Health and Wellbeing Officer.  
01427 675 187  
veronica.edwards@west-lindsey.gov.uk

Purpose / Summary:

To provide information on West Lindsey's Sustainable Warmth Competition allocation and gain approval to accept funding

**RECOMMENDATION(S):**

Members are asked to agree to accept the Grant award for Sustainable Warmth Competition from Midlands Energy Hub.

Members are asked to approve spend from the administration allocation towards the new Energy Efficiency and Fuel Poverty Project Officer post hosted by NKDC.

## IMPLICATIONS

### **Legal:**

**(N.B.) Where there are legal implications the report MUST be seen by the MO**

The Council will need to ensure that the Sustainable Warmth Competition Delivery proposal is compliant with UK subsidy rules.

All procurement activity will be undertaken taking account of the Council's Contract Procedure Rules (CPRs) and ultimately Public Contract Regulations 2015 (PCRs), which is embedded into UK Law. All frameworks which the Council are using and may consider using are PCR compliant.

### **Financial : DD-18-22**

**(N.B.) All committee reports MUST have a Fin Ref**

This project relies on securing BEIS capital grant funding of £583k to deliver the HUG scheme (Home Upgrade Grant) and £341k to deliver the LAD phase 3 scheme. At this stage in agreeing to prepare and submit a Sustainable Warmth Competition Delivery Programme the Council will receive an initial revenue allocation of up to £53k HUG and £31k LAD3 in order to support the development of the programme. £17.4k of the revenue allocation is ear-marked for the Fuel Poverty Project Officer hosted by North Kesteven District Council (NKDC).

The grant has a number of conditions with the most significant financial conditions being;

- No additional grant funding will be forthcoming if the scheme overspends and therefore would require the Council to meet these costs.
- The grant may be reduced if the profiled delivery, as set out in the proposals, is not met. This would be commensurate with the percentage of profiled delivery achieved and applied to both the capital and revenue element of the grants.
- Any amounts unspent after the grant period will need to be repaid.

### **Staffing :**

**(N.B.) Where there are staffing implications the report MUST have a HR Ref**

No staffing implications, the scheme will be delivered by current staff, a new post funded by the Sustainable Warmth Competition administration allocation, hosted by NKDC, installers via the fusion 21 Framework and customer journey support by Yorkshire Energy Services (YES) appointed by Midlands Energy Hub.

**Equality and Diversity including Human Rights :**

N/A

**Data Protection Implications :**

Data Sharing agreement in place with Midlands Energy Hub and Yorkshire Energy Services (YES) who have been appointed by Midlands Energy Hub to provide the customer journey support.

**Climate Related Risks and Opportunities:**

West Lindsey District Council has set an ambition to become a Green Council. The Council has set a net-zero carbon target across its operations by 2050. Becoming a net-zero carbon Council is very important for the Council as it will help to address climate change and protect the natural environment that so many of us enjoy.

Installing energy efficiency saving measures within the home can help reduce emissions, and support the council's Sustainability, Climate Change and Environment Strategy.

**Section 17 Crime and Disorder Considerations:**

N/A

**Health Implications:**

Living in a cold, damp home is harmful to physical and mental health. Installing household energy efficiency measures, will not only reduce carbon emissions, but should make it easier and more affordable for residents to maintain a warm, comfortable environment, thereby reducing cold-related illnesses and associated stress.

**Title and Location of any Background Papers used in the preparation of this report :**

Midlands Energy Hub Award letter

Mandatory skills (JD) for Energy Efficiency and Fuel Poverty Project Officer

**Risk Assessment :**

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

**Key Decision:**

A matter which affects two or more wards, or has significant financial implications

Yes

No



## **Executive summary**

West Lindsey has successfully taken part in a coordinated bid with other East Midlands Authorities to secure more than £82m of Government funding through the Sustainable Warmth competition.

£924,000 has been allocated to West Lindsey District Council in this latest round and it is intended that these grants from the Department for Business, Energy and Industrial Strategy (BEIS) will be used to carry out a range of improvements on homes owned by low-income families in the district – making them warmer, reducing energy bills, and improving the quality of citizens' lives.

The grants can be used to deliver a variety of home improvements including insulation and, where appropriate, renewable energy, for example solar PV. A delivery plan will be drawn up to explain how resources will be targeted to ensure that energy measures are applied most effectively, where they are needed most.

The delivery plan will be submitted to Midland Energy Hub for approval by 28<sup>th</sup> February but in the interim a decision from the S151 Officer, under delegated powers, is required to agree acceptance of the grant award and sanction the return of the signed letter.

This approval will release spend from WLDC's £84,000 administration allocation which can will part fund the new, joint, Energy Efficiency and Fuel Poverty Project Officer post hosted by NKDC and the development of the delivery plan.

## **1 Introduction**

The Sustainable Warmth Competition is investing over £430 million across 57 projects and will help local authorities to upgrade energy inefficient homes of low-income households in England. The projects will start in early 2022 and complete by March 2023.

The Sustainable Warmth Competition combines the existing fuel poverty schemes into one funding opportunity:

- Local Authority Delivery Phase 3 (LAD3): a third phase of the LAD scheme with over £280 million available. LAD3 has a refined scope to support low-income households heated by mains gas
- Home Upgrade Grant Phase 1 (HUG1): £152 million for low-income households with homes that are off the gas grid through the HUG scheme

The LAD/HUG schemes aim to support low income households living in the least energy efficient homes (those rated band, E, F or G.) The LAD Government guidance defines eligible low income household as -

*'households receiving measures have a combined household annual income of no more than £30,000 gross, before housing costs and where benefits are counted towards this figure'*

As the colder months draw in and with energy prices at an all-time high, projects such as those funded by the sustainable warmth competition, to help improve the energy efficiency of homes are vital to help citizens reduce their fuel bills and stay warm throughout winter.

## 2: The Sustainable Warmth Competition

The Sustainable warmth Competition is being administered by the Midlands Energy Hub on behalf of the Government Department for Business, Energy and Industrial Strategy (BEIS).

In January 2022, Midlands Energy Hub issued an award letter to West Lindsey District Council for the following amounts:

	Capital	Administrative Allocation (Admin and Ancillary)
<b>Home Upgrade Grant (HUG) Phase 1</b>	£530,000	£53,000
<b>Local Authority Delivery (LAD)Phase 3</b>	£310,000	£31,000
<b>Total</b>	£840,000	£84,000

The fund is available to deliver an energy efficiency retrofit scheme for households living on low incomes and in fuel poverty.

The allocation has been calculated to reflect the number and proportion of EPC E, F and G properties within the West Lindsey District.

LAD/HUG grant funding is available for all tenure types, including private and social housing (social housing capped at 10%) but must support the retrofit of existing domestic dwellings only. Landlords eligible for funding (private and social) will need to provide at least 33% contribution towards the cost of the upgrades and BEIS expect the subsidy **not** to exceed £5,000 on average per household. For example -

Landlord Contribution	£2,500
LAD grant	£5,000
Total spend	£7,500 (on average per property)

The Midland Energy Hub require the Council to submit a local authority delivery plan, outlining how it intends to allocate the LAD3/HUG grant to fuel poor households in the West Lindsey District. The Delivery plan must set out the number of properties, type of measures and cost of the retrofit works the council expects to be able to deliver by March 2023.

Subject to the total number of properties and installation costs identified in the Council's Delivery Plan, (further report to be submitted once this has been finalised) the Council will receive 10% mobilisation fund to cover the following:-

- Project management, reporting and governance costs;
- Building works to prepare for install – for example if there are issues with the walls that need to be rectified prior to insulation being applied;
- Retrofit coordinator training costs; and
- Resident targeting, low-income verification and sign-up including lead generation and communication activities.

### 3 Timeframe

The timeframe for delivery of the scheme is set out as follows:

- Council award letter to be issued the week commencing January 2022 to the Chief Executive.
- Deadline for accepting the allocation – 28<sup>th</sup> February 2022
- Deadlines for submitting the Council's Delivery Plan –28<sup>th</sup> Feb.
- Delivery of the scheme must be able to commence in April 2022.
- The Council will be expected to submit monthly reports to MEH on progress delivery.
- The scheme must be completed by March 2023.

### 4 Decision and Next Steps

The Council are required to sign and return the award letter and delivery plan by the 28<sup>th</sup> February 2022. On signing the award letter, the council will be eligible to receive 10% capitalisation of the allocation for mobilisation and to support the proposal development.

It is proposed a new Energy Efficiency and Fuel Poverty Project Officer will be appointed on a 24 month contract, funded by the administration allocation. This will be hosted by North Kesteven District Council, costs divided between Council's are reflective of allocations, detailed below:

WLDC	20%	£17,400
NKDC	20%	£17,400
CoL	60%	£52,200

A delegated decision has been requested to seek approval and get the post advertised to ensure this post can be in place to as soon as possible due to the scheme requiring mobilisation by April 2022 at the latest.

A further report will be submitted outlining in more detail the delivery plan for Sustainable Warmth Competition and also provide an update on Greener Homes Grants Local Authority Delivery 2 (LAD2.)

### Recommendations

Members are asked to agree to accept the Grant award for Sustainable Warmth Competition from Midlands Energy Hub.

Members are asked to approve spend from the administration allocation towards the new Energy Efficiency and Fuel Poverty Project Officer post hosted by NKDC.

## Mandatory skills/requirements for this position

- Experience of project/grant funding administration
- Attention to detail and thoroughness
- Good organisation and prioritisation
- Empathy and excellent interpersonal skills

## Duties/responsibilities

- Manage day to day administration of the externally funded energy efficiency retrofit schemes for NKDC, CoLC and WLDC with support of senior officers. Act as the first point of contact for external funders on delivery of the grant.
- Submit performance reports as per the external funding requirements, undertake fraud and risk assessments and maintain register.
- Liaise with contractors to ensure they are collecting all the correct information to meet the monitoring and evaluation requirements as per the grant agreement. Ensure that contractors are sending through up to date EPC certificates and reference numbers following completion of works and are calculating energy savings.
- Maintain a comprehensive record of project details on an ongoing basis.
- Ensure effective promotion and targeting, working with communications teams and contractors.
- Perform core checks (generally using templates provided by external funders) to ensure the installation data provided is for an eligible household and that the installer is Trustmark registered. Including ensuring households are not in receipt of other government funding.
- Carry out data completeness and validation checks on data received and monitor average costs by tenure throughout the duration of the project to ensure these remain within acceptable thresholds.
- Provide residents with advice and support them through the process as necessary. Liaise with internal teams as required by resident circumstances to ensure comprehensive support and effective service provision.
- Undertake evaluations and project wind down, end of project reporting etc.