

**South Lakeland District Council**  
**Cabinet**  
**Wednesday, 23 June 2021**  
**Local Authority Delivery Scheme for the Green  
Homes Grant**

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<b>Portfolio:</b>	Cllr Helen Chaffey - Housing Portfolio Holder
<b>Report from:</b>	Director of Customer and Commercial Services
<b>Report Author:</b>	David Bradley – Specialist – Housing Standards
<b>Wards:</b>	To be identified but current proposals are limited to Ulverston and Kendal wards
<b>Forward Plan:</b>	Key - Forward Plan as published on 30 <sup>th</sup> March 2021

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**1.0 Expected Outcome**

This report is to note the potential receipt of grant funding from BEIS via the North West Energy Hub for the Local Authority Delivery of the Green Homes Grant (LAD2) by the end of December 2021 or any time extension permitted by government. The scheme will build on the Green Homes Grant Voucher Scheme (which ended in March 2021) but will be delivered by a consortium of all Cumbria District Councils and led by Eden District Council. Eden has experience of successful bids in Phase 1 of LAD. It is hoped that the scheme will deliver significant energy efficiency improvements to 70 owner occupied homes which are expensive to heat resulting in fuel poverty for the occupiers. The mix of measures proposed is in Appendix 1. The government is committed to reducing carbon emissions as is South Lakeland District Council. This proposal would include for the services of a Retro Fit Coordinator and some administration costs. The scheme would establish expertise to apply for future grant funding. Subject to the success of the Cumbria District Councils' consortium bid for this grant funding, this report seeks authority for the terms and conditions of the appropriate agreements to be completed and signed on behalf of the Council. If the bid is successful there is potential to provide £716,000 of energy saving measures for residents of South Lakeland.

**2.0 Recommendation**

**2.1 It is recommended that the Cabinet:-**

- (1) Note and approve the proposal to participate in a consortium bid for grant funding from the Local Authority Delivery Scheme Phase 2 - Green Homes Grant (LAD2) North West Energy Hub via a consortium of Cumbria District Councils, in respect of the provision of energy efficiency measures; and**
- (2) Subject to a successful consortium bid by Cumbria District Councils (including SLDC), authorise acceptance by SLDC of its allocation of the grant funding awarded by the North West Energy Hub LAD2 scheme in the sum of**

**£716,000 provided that if the actual sum of grant awarded to SLDC is more or less than £716,000 the difference will be reported as part of the Quarterly Finance Update Reporting.**

**(3) That subject to the award of grant funding under the LAD2 grant scheme, the Director of Customer and Commercial Services in conjunction with the Operational Lead – People, Welfare and Income Maximisation and the Legal Governance and Democracy Lead Specialist (Monitoring Officer) be delegated authority to enter into the appropriate agreements on behalf of the Council for receipt and administration of the grant funding in consultation with the Portfolio Holder for Housing.**

### **3.0 Background and Proposals**

- 3.1 BEIS opened up a round of funding named the Local Authority Delivery Scheme Phase 2 which is for all councils across England to apply to in order to improve energy efficiency, reduce fuel poverty and carbon emissions. The North West Energy Hub was awarded funding under the LAD2 scheme. The intention is for Eden District Council to lead on a bid to the North West Energy Hub on behalf of Cumbria Districts (Allerdale Borough Council, Carlisle City Council, Copeland Borough Council and SLDC), which, if successful would result in Eden District Council acting as the accountable body. Eden District Council would receive the funds which will be used to deliver energy efficient measures in homes in the District such as those set out within Appendix 1. Properties that have a lower EPC will be targeted in the District to improve their energy efficiency.
- 3.2 This funding will continue to support the Council in its role in tackling fuel poverty and carbon reduction. The proposed mix of measures that the Council would seek to deliver using this funding, if successful in the consortium bid, is set out in Appendix 1 to this report.

### **4.0 Consultation**

- 4.1 The bid will be proposed on the fuel poverty data for South Lakeland District Council in consultation with the other District Councils in Cumbria and the North West Energy Hub.

### **5.0 Alternative Options**

- 5.1 The Council could decide not to submit a bid through the consortium for the monies available but this is not recommended by BEIS. We could lose the opportunity for funding and would not be able to support the work to improve the energy efficiency of homes and reduce carbon emissions
- 5.2 An alternative option is for the Council to submit its own bid and not work with the consortium, however, the Government made it clear that a consortium approach is the preferred route to access this funding and to increase the chance of success. Therefore, this is not recommended.

### **6.0 Links to Council Priorities**

- 6.1 Our four priorities for 2021 – 2026 includes a Fairer South Lakeland and Addressing the Climate Emergency. In delivering a Fairer South Lakeland – SLDC has committed to providing energy advice and additional support to households in fuel poverty.

- 6.2 In February 2019 SLDC declared a climate emergency. The Council seeks to maximise the social, economic and environmental benefits which come from combating and developing resilience to climate change and developing sustainability.
- 6.3 One of the targets is to reduce the percentage of homes in the lowest energy performance certificate bands E, F & G. This project will go some way towards both of these commitments.

## **7.0 Implications**

### **Financial, Resources and Procurement**

- 7.1.1 As part of this Scheme, Retrofit Coordinators are likely to be employed to ensure delivery of the measures within the timescale allowed by the Government. The precise detail of this is to be determined. The total estimated value of the consortium bid is approximately £4.3 million and SLDC's allocation of the grant funding is anticipated to be in the sum of approximately £716,000. The project must be delivered and completed by the end of December 2021. The consequences of not meeting this are unclear as yet as the consortium bid has not been submitted and therefore there are no draft contracts to consider.
- 7.1.2 Eden District Council shall be leading on any Procurement on behalf of the county-wide consortium. This is likely to be a tender for a consultant with the expertise to determine the suitability of proposed works through the scheme and ensure value for money.
- 7.1.3 There will be no direct additional costs to joining this scheme for SLDC. Some additional SLDC staff resource could be provided to the project within the existing structure and budgets.
- 7.1.4 All administration costs are to be born out of the grant therefore a net nil budget cost to SLDC

### **Human Resources**

- 7.2 None expected as accommodated within current resources.

### **Legal**

- 7.3 If successful with the bid it is currently unclear how much of the funding the Council will receive directly. Eden may choose to procure the activity on behalf of all the other Councils. If, following approval from Cabinet, the consortium's bid for funding is successful, SLDC will be required to enter into contractual arrangements in relation to the funding and the project. Legal Services will provide advice at this stage.
- 7.4 The funding is administered by the North West Energy Hub and originates from BEIS.
- 7.5 It is anticipated that Eden District Council as accountable body will lead on the contractual arrangements (e.g. putting in place the relevant agreements which may take the form of a funding agreement, or an MOU with the funder, or both). Legal Governance and Democratic Specialists at the Council will of course review and advise the Council on any arising agreements including any obligations and risks arising for the Council.
- 7.6 At this early stage the structure of the contractual arrangements between the consortium parties and the funder is not apparent, however, Legal Governance and Democratic Specialists at the Council will work with the Legal team at Eden to ascertain the arrangements and review terms and conditions which have yet to be received.

- 7.7 Cabinet is being asked to delegate authority as outlined in recommendation (3) above to negotiate and execute any necessary agreements to secure and deliver the funding.

### Health, Social, Economic and Environmental

- 7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No
- 7.5 If you have not completed an Impact Assessment, please explain your reasons: We have not yet submitted a bid. The Health, Social, Economic and Environment impacts will be considered as part of the bid submission.
- 7.6 Summary of health, social, economic and environmental impacts: It is expected that the proposal will have a positive effect to reduce fuel poverty and carbon emissions in owner occupied properties identified, surveyed and measures agreed with the owner.

### Equality and Diversity

- 7.7 Have you completed an Equality Impact Analysis? No
- 7.8 If you have not completed an Impact Assessment, please explain your reasons: The offer would be available to all owner occupiers in the areas identified. Equality Impacts will be considered as part of the bid.
- 7.9 Summary of equality and diversity impacts: It is expected that the proposal will have a positive effect on equality and diversity through the support of individuals living with fuel poverty.

### Risk

Risk	Consequence	Controls required
Posts arising from funding received are not turned around quickly by Eden District Council.	Funding could be lost in 2021 and individuals would not receive support in their situation.	Engagement underway with the consortium, North West Energy Hub, Procurement and Legal Services.
Non-compliance with funding terms and conditions which are yet to be received.	Risk of breach of legal agreement and potential clawback of funds by funding body	Appropriate agreements to be put in place with partner organisations and/or funder as appropriate to protect SLDC from non-delivery and non-compliance and to manage risks accordingly.
Risk that the works are not completed by the imposed deadline of December 2021	Households would not benefit from the measures being installed.	Work with partners to ensure the relevant procurement and contracts are entered into when available and that the scheme implementation plan is devised.

### Contact Officers

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### Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Proposed Mix of Measures

### Background Documents Available

Name of Background document	Where it is available
None	NA

### Tracking Information

Signed off by	Date sent	Date Signed off
Legal Services	7/4/2021	11/06/21
Section 151 Officer	7/4/2021	11/06/2021
Monitoring Officer	7/4/2021	11/06/21
CMT	11.06.21	Simon Rowley 11.06.21

Circulated to	Date sent
Lead Specialist	Gareth Candlin
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	02.06.21 Cllr J Brook
Committee Chairman	N/A
Portfolio Holder	04.11.21 Cllr Chaffey
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	23.06.21
Council	N/A