

NORTH LINCOLNSHIRE COUNCIL

ENVIRONMENT AND STRATEGIC PLANNING CABINET MEMBER

LOCAL AUTHORITY DELIVERY GREEN HOMES GRANTS PHASE 3

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To advise the Cabinet Member of the outcome of the Sustainable Warmth Competition announced by BEIS and seek approval to accept the grant funding made available to North Lincolnshire.
- 1.2 To carry out a joint procurement exercise with North East Lincolnshire Council to secure a partner to deliver the sustainable warmth measures required by the funding.
- 1.3 Delegate the decision to appoint a partner, based on the procurement exercise, to the Director for Economy and Environment.

2. BACKGROUND INFORMATION

- 2.1 The Government launched a sustainable warmth competition as part of their next round of funding for energy efficiency measures in the housing stock.
- 2.2 This funding combines the third phase of the Local Authority Delivery (LAD) Green Homes Grants (GHG), together with Home Upgrade Grant Phase 1 (HUG).
- 2.3 We have already completed 2 rounds of LAD funding and are currently part way through the third round, in total amounting to nearly £2M in grant funding being spent on homes in North Lincolnshire, most of which are owner occupiers. This funding is helping to reduce energy loss, keep homes and occupiers warmer and reduce carbon emissions (one of the green house gases).
- 2.4 In the case of LAD phase 3, the Government chose to offer the funding as part of a Sustainable Warmth competition open to all Local Authorities which also included the first round of HUG funding for low-income households off the mains gas supply.

- 2.5 Our bid to the fund was incorporated within a consortium bid led by the Midland Energy Hub (MEH), which is part of Nottinghamshire County Council.
- 2.6 The MEH provide support to local authorities delivering this funding through the provision of a “customer journey” partner who they have procured, and we can use to help promote the fund and assess applicants, along with a Dynamic Procurement System (DPS) to help us procure a partner to deliver the measures.
- 2.7 We have just been notified that the consortium bid was successful, and we have been allocated the following funding. If we accept the funding, we must submit a proposal outlining the total number of measures to be installed per scheme and the total number of homes.

Scheme	Funding available
LAD Phase 3	£1,377,500
HUG	£478,500
Total	£1,826,000

- 2.8 Based on previous LAD funding, the number of homes is likely to be 110 for LAD and 25 for HUG (but the actual number depends on extent of the measures required which can only be judged at the time of assessment).
- 2.9 We work closely with North East Lincolnshire (NELC) on affordable warmth matters in addition to our membership of the Greater Lincolnshire Energy Efficiency Network. This ensures better resource management.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option One – accept the funding on offer and develop the proposals for measures to be delivered by both schemes. We will then complete a procurement exercise with NELC to secure a partner(s) to complete the initial assessment of properties and undertake installation of measures required. The procurement will take place using the MEH DPS framework.
- 3.2 Option two – accept the funding on offer and develop the proposals for measures to be delivered by both schemes and carry out a procurement exercise just for NLC.
- 3.3 Option three – decline the funding on offer.

4. ANALYSIS OF OPTIONS

- 4.1 Option one – this is our preferred option. It ensures that we accept the funding and deliver the measures across LAD 3 and HUG 1. It also allows us to benefit from the MEH DPS frameworks and the support

that they can offer. NELC have already completed one procurement exercise using this resource, working in partnership will help us build on their experience and our combined funding should attract interest from a larger number of potential partners.

- 4.2 Option two – we accept the funding but will have to undertake the procurement exercise alone. This creates significant issues around experience and the ability to complete the procurement effectively, as well as reducing the overall funding and potential interest from delivery partners.
- 4.3 Option three – If we decline the funding we be unable to improve homes for our residents and reduce carbon emissions.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

- 5.1 The funding is from Government and does not require any top up. However, where appropriate we can also consider other schemes or alternative grant funding to install additional measures in the homes at the same time.
- 5.2 It is envisaged that the funding will be managed in-house, with assistance from procured partners around the necessary assessments and installations. The funding includes a small element that can be used to support administration and the performance monitoring that is required.

6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

- 6.1 Environmental – approximately 15% of greenhouse gas emissions in the UK is from homes. This funding helps reduce carbon emission by improving the energy efficiency of the home, using insulation and low carbon technology.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 7.1 An integrated Impact Assessment has been completed.

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 8.1 We have had initial conversations with NELC and our Procurement Team regarding a joint procurement exercise, and NELC are happy to join with us.
- 8.2 We have also had an initial discussion with the MEH around the use of their DPS and again they are happy to support this.

9. RECOMMENDATIONS

- 9.1 Approve the acceptance of the funding.
- 9.2 Agree to a procurement exercise with NELC to obtain suitable delivery partner(s).
- 9.3 That the Cabinet Member for Environment and Strategic Planning approves the procurement and launch of a tender and delegates the authority to award a contract to the Director for Economy and Environment.

DIRECTOR: ECONOMY AND ENVIRONMENT

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Background Papers used in the preparation of this report: - NA