

Portfolio Holder Decisions/Leader Decisions

Date: Thursday 25 April 2024
Time: 12.00 pm

Membership

Councillor Peter Butlin

Items on the agenda: -

1. Phase 5 Low Carbon Skills Fund bid

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Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

Disclaimers

Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election or appointment to the Council. Any changes to matters registered or new matters that require to be registered must be notified to the Monitoring Officer as soon as practicable after they arise.

A member attending a meeting where a matter arises in which they have a disclosable pecuniary interest must (unless they have a dispensation):

- Declare the interest if they have not already registered it
- Not participate in any discussion or vote
- Leave the meeting room until the matter has been dealt with
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests relevant to the agenda should be declared at the commencement of the meeting.

The public reports referred to are available on the Warwickshire Web

<https://democracy.warwickshire.gov.uk/uuCoverPage.aspx?bcr=1>

Proposed Decision to be made Under the Council's Urgency Procedure by the Deputy Leader (Portfolio Holder for Finance and Property)

Phase 5 Low Carbon Skills Fund- Approval to apply for external grant funding.

Portfolio Holder	Councillor Peter Butlin: Deputy Leader (Portfolio Holder for Finance and Property)
Date of decision	25 April 2024
	Signed

Recommendation

That the Portfolio Holder for Finance & Property grants approval for officers to apply for, and to spend if successful, Low Carbon Skills Fund (LCSF) grant monies.

Reasons for decision

LCSF is a scheme awarding funding to public bodies for the employment of consultants on a short-term basis to deliver Heat Decarbonisation Strategies, and develop a pipeline of investment ready projects, in line with the net zero carbon reduction targets as set out in the Council Plan.

The funds, if successful will go towards the commissioning of surveys of high energy using County Council facilities and assets, enabling the Council to develop capital funding to deliver the development work needed to support net zero.

The Surveys in this request are then detailed enough to support strategic project development and the Public Sector Decarbonisation Scheme (PSDS) application for match funded (12%) capital grant funding for an application made under the PSDS phase 2 and to its subsequent addition to the Capital Programme.

Reasons for Urgency

The decision is required under the Council's urgency procedure owing to provide approval to Warwickshire County Council officers to submit a bid for Phase 5 Low Carbon Skills Funding available to public bodies.

Prior to publication of the Portfolio Holder Decision report has not been possible within the timeline allowed by Salix for preparing and submitting bids to the fund- the submission deadline for which is 1st May 2024. The short window for submitting bids was announced to the Council on 14th March 2024 with key staff able to attend the Salix information webinar on 9th April 2024 to fully understand the requirements of the bid.

The bid portal officially opened on Tuesday 17th April 2024 and is due to close on 1st May 2024. As a result, it has not been possible to seek normal approval and receive Portfolio Holder decision in time to apply for the Low Carbon Skills Fund prior to the submission portal opening.

Following the normal decision route meant delays and would prevent the Council from seeking external funding to advance a decarbonisation pipeline projects that directly supports the Council's objective to achieve net zero by 2030 as a Council.

Therefore, urgent approval is sought to confirm the submission.

Background information

The Department for Energy Security and Net Zero (DESNZ) has supported the Government's Climate Change ambitions since 2020 through SALIX, providing revenue and capital grants (the Low Carbon Skills Fund (LCSF) and the Public Sector Decarbonisation Scheme (PSDS).

The Low Carbon Skills Fund (LCSF) is a scheme for obtaining funding for the employment of surveyors on a short-term basis.

Funding is provided in the form of a 100% grant to public sector bodies, including local authorities. Warwickshire County Council developed its first Heat Decarbonisation Plan (HDP), including a Renewables Strategy from using LCSF grant funding. The council had applied for the LCSF grant in Feb 2021 and was awarded a £37,500 from LCSF Phase 1.

The grant was used to engage specialist consultancy support to develop proposals for decarbonising buildings focusing on replacing fossil fuel heating systems with low carbon heating systems, including reducing energy demand through improving insulation levels, and installing solar panels to reduce the estate electricity bill.

Phase 5 of the LCSF offers the Council an opportunity to advance the level of surveys completed on the existing Heat Decarbonisation Projects to attain a level where they can be detailed enough to be investment ready. The Property Maintenance programme, Net Zero Workshops and the Asset and centralised building energy data have been integral to the site survey scoping exercise.

Primary consideration was given to High Energy use buildings under Warwickshire County Council ownership using fossil fuel energy as a heat source, as well as properties with boilers that have been in operation for ten years and over that can support the application for grant funding (minimum requirement for a PSDS funding grant).

If successful with the Grant, it will be used to engage specialist consultants to develop proposals for decarbonising a list of high energy users in the Warwickshire County Council buildings focusing on replacing fossil fuel heating systems with low carbon heating systems, including reducing energy through renewables, improving insulation levels, to reduce the estate's reliance on fossil fuels and energy usage. Furthermore, each asset below will have a heat decarbonisation strategy which is to be developed to meet one or all the three development stages of feasibility assessment as guided by the grant requirements.

The output of the work carried out by the consultant will act as part of the evidence pack used to apply for the upcoming capital grant fund: for example, the PSDS. There is a requirement to complete work funded by the LCSF grant by the 31 March 2025. Funding from the PSDS will provide a part-funded capital grant to enable works to be contracted for the implementation of low and zero carbon technologies.

The deadline for application to the Phase 5 LCSF is 1 May 2024. Meeting this deadline is critical if Warwickshire County Council is to receive the LCSF revenue grant funding.

Based on the funding criteria, the 2024 application will include the following asset list, which has been selected for the LCSF survey fund this year:

- 1 Stratford Upon-Avon Fire Station
- 2 Eliot Park Innovation Centre
- 3 Shire Hall Complex
- 4 County Museum (Market Hall)
- 5 St John's House Museum
- 6 Fire & Rescue Service Headquarters
- 7 Rugby Fire Station

Financial implications

This application is for 100% grant funding. Applications will be either fully approved or rejected. There will be no requirement to provide matched funding.

Once the bid is awarded, if successful, Warwickshire County Council would be either committed to the whole project, or to return all of the funding.

The LCSF framework consultants doing the surveys are expected to be fully funded from the Phase 5 LCSF grant for all the work they do. During this time, there would be a minor degree of involvement of internal staff to support consultants from the Property, Energy and Sustainable Futures Teams at no extra cost.

The Surveys in this request are then detailed enough to support strategic project development, with the main project intended to be funded from the Warwickshire County

Council Capital Investment Fund and the Public Sector Decarbonisation Scheme (PSDS) application for match funded (12% Warwickshire County Council Capital Investment funded) capital grant. Subsequent addition of the project to the Capital Programme will be subject to a separate report and recommendation to members.

Environmental implications

Given the nature of the projects to be funded from this, the bid will facilitate environmental improvements for the Council by reducing emissions and reliance on fossil fuels, contributing towards the Council’s overall target to achieve net zero as a council by 2030. Specifically, key commitments are to:

A range of technologies can be supported, although is intended principally to fund schemes to replace gas heating systems with low carbon alternatives. Based on energy data figures, gas consumption is responsible for a large percentage of the carbon emissions from our corporate building estate. We recognise that as the grid decarbonises that this proportion will grow in the absence of any action. Whilst there is an ongoing programme of upgrade and replacement of building plant and fabric, this is often only at point of failure due to restrictions in council funding.

At this stage it is difficult to predict the potential carbon savings that may arise from our involvement in the scheme. Quantifiable and accurate environmental benefits of this application are to be determined as an output from the work carried out at the back of the grant.

Where a fossil fuelled gas boiler is replaced by the installation of electric heat pumps, the gas consumption will go completely or reduced depending on solutions.

The electrical consumption would increase as a result of the new heat pumps; however, generation of electricity produces fewer CO2 emissions than burning fossil gas, and this difference shall only increase as the national grid decarbonises over time with additional national wind and solar generating plants being established.

Despite the air source heat pump increasing our local site electrical demand, the amount of electricity drawn from the national grid would be reduced overall due to the power generated by the solar panels.

The reduction of energy waste and consumption by improving the energy efficiency of our buildings would help make our corporate buildings carbon neutral.

There would be a substantial increase in our renewable energy generation where solar PV is installed.

Report Author	David Norris, Team Manager Energy & Environment Angeline Murungu, Strategic Energy Advisor
Director	Craig Cusack, Director of Enabling Services
Executive Director	Executive Director for Resources, Executive

	Director for Resources
Lead Member	Councillor Peter Butlin, Deputy Leader (Portfolio Holder for Finance and Property)

Urgent matter?	Yes
Confidential or exempt?	No
Is the decision contrary to the budget and policy framework?	No

List of background papers (if applicable)
None

Members and officers consulted and informed
<p>Portfolio Holder – Councillor Peter Butlin</p> <p>Corporate Board –</p> <p>Legal – Caroline Gutteridge, Senior Solicitor</p> <p>Finance – Andrew Harper, Head of Strategic Finance</p> <p>Equality – Delroy Madden, Team Manager - Equality, Diversity, Inclusion and Wellbeing</p> <p>Democratic Services – Helen Barnsley, Senior Democratic Services Officer</p> <p>Councillors – Councillor Heather Timms (Portfolio Holder for Environment, Climate & Culture)</p> <p>Councillor? (For consent to Urgency) Councillor Adrian Warwick (Chair of Resources and Fire & Rescue OSC)</p> <p>Local Member(s): n/a</p>

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CONSENT TO URGENT DECISION	PART 1 (to be completed by the person seeking consent)	
Proposed Decision Maker (<i>please name person or body proposing to take decision, if an officer also state title</i>)	Date for Decision	
Councillor - Peter Butlin For information - Councillor Heather Timms	25 April 2024	

Summary of matter

This report concerns a recommendation that approval is granted for officers to apply for, and to spend if successful, Low Carbon Skills Fund (LCSF) grant monies. LCSF is a scheme awarding funding to public bodies for the employment of consultants on a short-term basis to deliver Heat Decarbonisation Strategies, and develop a pipeline of investment ready projects, in line with the net zero carbon reduction targets as set out in the Council Plan. The Surveys in this request are then detailed enough to support the next phase which is to develop a strategic project development and make an application to the Public Sector Decarbonisation Scheme (PSDS) application for Capital Grant funding to deliver the works.

Please note this PSDS Grant funding application would require the Council to provide 12% match capital grant funding for all applications made under the PSDS phase 2 and to its subsequent addition to the Capital Programme.

The output of the work carried out by the consultant will act as part of the evidence pack used to apply for the upcoming capital grant fund: for example, the PSDS. There is a requirement to complete work funded by the LCSF grant by the 31 March 2025.

Funding from the PSDS will provide part funded capital grant to enable works to be contracted for the implementation of low and zero carbon technologies.

The deadline for application to the Phase 5 LCSF is 1 May 2024. Meeting this deadline is critical if WCC is to receive the LCSF revenue grant funding.

Based on the funding criteria, the 2024 application will include the following asset list, which has been selected for the LCSF survey fund this year:

- 1 Stratford Upon-Avon Fire Station
- 2 Eliot Park Innovation Centre
- 3 Shire Hall Complex
- 4 County Museum (Market Hall)
- 5 St John's House Museum
- 6 Fire & Rescue Service Headquarters
- 7 Rugby Fire Station

Proposed Decision

That the Portfolio Holder for Finance and Property agrees to support the proposed LCSF bid to obtain funding to support with developing property surveys for the following assets: -

- 1 Stratford Upon-Avon Fire Station
- 2 Eliot Park Innovation Centre
- 3 Shire Hall Complex
- 4 County Museum (Market Hall)
- 5 St John's House Museum
- 6 Fire & Rescue Service Headquarters (Leamington Spa)
- 7 Rugby Fire Station

On the understanding that these surveys will also support a future phase and bids for PSDS grant funding round, anticipated to be launched on September 2024.

Reasons for Urgency

The decision is required under the Council's urgency procedure owing to provide approval to WCC officers to submit a bid for Phase 5 Low Carbon Skills Funding available to public bodies.

Prior publication of the Portfolio Holder Decision report has not been possible within the timeline allowed by Salix for preparing and submitting bids to the fund, the submission deadline for which is 01 May 2024. The window for submitting bids was announced to the Council on 14th March 2024 with key staff able to attend the Salix information webinar on 9th April 2024 to fully understand the requirements of the bid.


The bid portal officially opened Tuesday 17th April 2024 and is due to close on 1st May 2024. As a result, it has not been possible to seek normal approval and receive Portfolio Holder decision in time to apply for the Low Carbon Skills Fund prior to the submission portal opening.

Following the normal decision route meant delays and would prevent the Council from seeking external funding to advance a decarbonisation pipeline projects that directly supports the Council's objective to achieve net zero by 2030 as a Council.

Therefore, urgent approval is sought to confirm the submission.

Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]

No

PART 2 (to be completed by the person giving consent)	
Name	Councillor Adrian Warwick
Office Held	Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee
<i>Signed</i>	
Date consent is given	23/04/2024