

Report for: Leader of the Council - Urgent Decision

Item number: N/A

Title: Decarbonisation Grant Fund for Schools Projects

Report

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Ward(s) affected: Bruce Grove, Hornsey, Highgate, Seven Sisters, St Anns,
Stroud Green, West Green, Woodside

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1 This report seeks approval for the acceptance of the Public Sector Decarbonisation Scheme Grant funding from the Business, Energy & Industrial Strategy Department (BEIS) for which Haringey has been offered £2.452m across 8 primary school condition projects. Whilst the grant is from BEIS it is administered by Salix.
- 1.2 The grant covers some works within these projects which lower carbon emissions in line with the grant criteria. The Council is required to respond via letter to Salix to confirm acceptance of the funding by no later than 20th of February 2021. The acceptance of the grant is an urgent Key Decision
- 1.3 As the scheme has been significantly oversubscribed (£2.3b of applications for £1b of funding), the Council will need to meet these dates set out by Salix and the government in order to ensure the funding is secured and not passed to another project on the contingency list.

2. Cabinet Member Introduction

N/A

3. Recommendations

The Leader is asked to:

- a) Agree to accept the Public Sector Decarbonisation Scheme Grant funding of £2.452m:
- b) Delegate authority to the Director of Finance to sign the Grant Offer letter to accept the grant funding; and

- c) Delegate authority to the Director of Finance to agree the the final terms of the grant funding agreement which includes the Memorandum of Understanding, the draft of which is attached as Appendix 1.

4. Reasons for decision

- 4.1 A decision to accept the funding enables schools to benefit in operating with lower carbon emissions including more efficient building services and reduced heat loss through building fabric (windows, roof), which assists in meeting the Council's targets on carbon emissions.
- 4.2 The schemes that are eligible for the grant funding are schemes that are already in the approved capital programme for delivery in FY 21/22 based on their priority condition need following surveys across the whole education and schools estate. The decision to accept the grant will assist in funding the approved capital programme.

5. Alternative options considered

- 5.1 The alternative option is for the Council not to accept the funding. This would mean that the Council would bear the cost of these works as they are necessary to address the condition of the buildings.
- 5.2 Not accepting the funding could also have a potential impact on any future applications to Salix.

6. Background information

- 6.1 The opportunity to apply for the grant was recognised in November 2020 and a review of schemes in the capital programme was undertaken to determine which if any schemes could be eligible for the funding. The review identified eight schools that could qualify and a bid was made on December 18th 2020. The schools included in the bid are:
- Bruce Grove Primary School
 - Campsbourne Primary School
 - Chestnuts Primary School
 - Highgate Primary School
 - Lordship Lane Primary School
 - Seven Sisters Primary School
 - Stroud Green Primary School
 - West Green Primary School
- 6.2 On Friday the 29th of January, the Council was informed that it was likely to receive the funding subject to the outcome of the technical assessment being undertaken by Salix. The technical assessment was passed on the 9th February 2021.

7. Grant Offer

- 7.1 In order to access the grant of £2.5m the Council needs to confirm its acceptance by no later than the 20th February 2021. In accepting the grant the Council will also have to enter into a memorandum of understanding with BEIS which in essence is the grant terms and conditions. The funding will be provided to the Council as a grant under Section 31 of the Local Government Act 2003 which will require the Council to enter into a funding agreement.
- 7.2 If the letter of acceptance by Haringey is issued to Salix before the 20th of February, the Council will be sent the final Section 31 documents including a Memorandum of Understanding to confirm it will only spend the money on the projects in the Salix application.
- 7.3 The decision to accept the funding requires the Council to expediently deliver the Salix funded portion of these projects in a very challenging programme that has been set by the government of 30th September 2021.
- 7.4 The Major Projects team have been working with consultants to ensure that the Council can spend the money in the timeframe required by Salix. However, there is a risk that this may not be achieved due to, either internal or external factors impacting the programme such as Covid-19, Brexit or procurement difficulties.
- 7.5 In this instance, Salix have requested they are kept informed of progress and the risks, but cannot guarantee that any slippage of these projects would not require the Council to send the grant money unspent by 30th of September back to the government.

8. Contribution to strategic outcomes

- 8.1 This decision to accept grant funding supports Council strategies, firstly to reducing carbon emissions in line with the Council's policy and secondly to improve the schools built environment for delivering improved educational outcomes.

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

9.1 Finance

The recommendation of the report is to accept external grant funding of £2.452m to be used to support the Children's Services approved capital programme for 8 schemes set out above.

The grant must be spent on the prescribed purposes in the prescribed timeframe. If the grant is spent on the prescribed purposes and in the prescribed timeframe this will provide an alternative funding solution for the approved capital programme as the grant will replace existing council borrowing. If the grant is not spent on the prescribed purpose in the prescribed timeframe there is a risk that the grant may need to be repaid. In that scenario the Council would revert to the budgeted funding solution.

9.2 Procurement

The Schools projects that will be delivered utilising the grant funding shall be procured in line with the authorities standing orders and Public Contract Regulations, to ensure compliance and to demonstrate value for money. The projects will be delivered with support from the Strategic Procurement department.

9.3 Legal

The grant funding for the Public Sector Decarbonisation Scheme is made pursuant to Section 31 of the Local Government Act 2003 which permits the Secretary of State (SoS) to pay grant to local authorities towards expenditure incurred or to be incurred by it. The amount of the grant, the manner of payment and the conditions attached are for the SoS to determine. The draft Grant Offer Letter and draft Memorandum of Understanding sets out the conditions of the grant funding that the Council must comply with.

9.4 Equality

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. The first part of the duty applies to marriage and civil partnership status only.

The proposed decision is to accept grant funding of Salix Public Sector Decarbonisation Scheme Grant funding for which Haringey has been offered £2.5m across 8 primary schools condition projects. The objective of the proposed decision is to help the council to deliver these projects by providing additional funding for various elements to reduce carbon emissions including fabric and building services works. It is expected that these projects will lead to improved health and safety of students and members of staff in the identified schools, with indirect benefits for other residents through reducing carbon emissions in the borough. It is noted that all projects have already commenced. It is also noted that this decision relates to funding mechanisms rather than to the delivery of the projects. As such, there are no identified negative impacts on residents with protected characteristics.

10. Use of Appendices

Appendices include;

1. Salix Draft Documents:

- a. A Section 31 Grant Offer Letter (GOL). (Draft Received)
- b. A Memorandum of Understanding (MOU) (Draft Received)
- c. A grant determination letter (Draft received)

11. **Local Government (Access to Information) Act 1985**
N/A

