

Portfolio Holder Decision Meeting

AGENDA

DATE: Thursday 18 February 2021

TIME: 4.00 pm

VENUE: Virtual Meeting - Online

MEMBERSHIP

Councillor Graham Henson

- Leader of the Council; Strategy, Partnerships, Devolution, Customer Services & Regeneration Portfolio Holder

Contact: Nikoleta Nikolova - Senior Democratic and Electoral Services Officer
Tel: 07761 405 898 nikoleta.nikolova@harrow.gov.uk

Useful Information

Meeting details:

This meeting is open to the press and public and can be viewed on www.harrow.gov.uk/virtualmeeting

Filming / recording of meetings

Please note that proceedings at this meeting may be recorded or filmed. If you choose to attend, you will be deemed to have consented to being recorded and/or filmed. The recording will be made available on the Council website following the meeting.

Agenda publication date: Thursday 10 February 2021

Agenda - Part I

1. DECLARATIONS OF INTEREST

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub-Committee or Panel;
- (b) all other Members present.

2. MINUTES (Pages 5 - 10)

That the minutes of the meeting held on 19 August 2020 be taken as read and signed as a correct record.

3. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 49 (Part 4D of the Constitution).

4. PUBLIC QUESTIONS *

To receive any public questions received in accordance with Executive Procedure Rule 51 (Part 4D of the Constitution).

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 3.00 pm, 15 February 2021. Questions should be sent to publicquestions@harrow.gov.uk

No person may submit more than one question].

5. MATTERS REFERRED TO THE EXECUTIVE MEMBER

6. REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE OR SUB-COMMITTEES

Community

7. PUBLIC SECTOR DECARBONISATION SCHEME GRANT FUNDING (Pages 11 - 20)

Report of the Corporate Director, Community.

Agenda - Part II - Nil

* DATA PROTECTION ACT NOTICE

The Council will audio record item 4 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[Note: The questions and answers will not be reproduced in the minutes.]

Publication of decisions	19 February 2021
Deadline for Call in	Call-in waived
Decisions implemented	19 February 2021

LEADER DECISION MEETING

MINUTES

19 AUGUST 2020

Chair: * Councillor Keith Ferry (in the absence of the Leader)

Leader: † Graham Henson

In attendance:	* Marilyn Ashton	Minute 48
(Councillors)	* Paul Osborn	Minute 48
	* Varsha Parmar	Minute 48

* Denotes Member present

† Denotes apologies received

44. Declarations of Interest

RESOLVED: That the following declarations made at the meeting by Councillors in relation to agenda item 6 of the published agenda, Recommendation from the Traffic and Road Safety Advisory Panel – 10 August 2020 – Harrow Street Spaces Programme – 2020/21, be noted:

- Councillor Paul Osborn: (Non-Pecuniary Interest) – Lived on Vaughan Road, part of the West Harrow Low Traffic Neighbourhood Scheme.
- Councillor Keith Ferry: (Non-Pecuniary Interest) – Ward Member for Greenhill.
- Councillor Varsha Parmar: (Non-Pecuniary Interest) – Marlborough Ward Councillor where schemes were being proposed.
- Councillor Marilyn Ashton: (Non-Pecuniary Interest) – Ward Member for Stanmore Park and Local Authority appointed Governor of Park High School.

45. Minutes

RESOLVED: That the minutes of the meeting held on 22 July 2020 be taken as read and signed as a correct record.

46. Petitions

RESOLVED: To note that no petitions had been received.

47. Public Questions

RESOLVED: To note that

- (1) with the exception of Question 4 submitted by Ms Veronica Chamberlain in relation to communication on the proposed traffic measures, all other public questions received be responded to in writing following the meeting;
- (2) Question 4 was read and responded to at the meeting by the Deputy Leader of the Council.

RESOLVED ITEMS

48. Recommendation from the Traffic and Road Safety Advisory Panel - 10 August 2020 - Harrow Street Spaces Programme - 2020/21

Members present were permitted to speak about the recommendations from Traffic and Road Safety Advisory Panel (TARSAP). The Portfolio Holder – Environment made representations about the importance of maintaining schemes to support the health of residents.

The Deputy Leader was of the view that three of the recommendations required amendment and shared a version of his proposed amendments with those present in the meeting. The Deputy Leader proposed amendments to:

- recommendation 2 in response to the Portfolio Holder's views on the importance of maintaining a larger pedestrian space in specific areas to allow social distancing;
- recommendation 3 to remove LTN-02 from the approved schemes and to require further consultation on this scheme, delegating authority to the Corporate Director, following consultation with the Portfolio Holder, to determine whether the scheme should continue;
- recommendation 6 in relation to George V cycle scheme to not take forward the proposed scheme and require further consultation on any future scheme.

In addition, the Deputy Leader proposed an additional recommendation 10 requiring a review of the procedure for schemes to be presented to TARSAP.

Members present at the meeting were permitted to make representations about the proposed amendments.

Having regard of procedure rule 3 of the Appendix to the Executive Procedure Rules to the Harrow Council Constitution, in that an urgent key decision was being taken by the Deputy Leader in the absence of the Leader, following consultation with the relevant Portfolio Holder, it was

RESOLVED: That

- (1) the impact of the health crisis on travel and public transport due to social distancing requirements and the measures proposed by the Government and the Mayor of London to address the crisis be noted;
- (2) the pedestrian space schemes implemented, as shown in the revised Appendix A, table 1, be noted, and be prioritised for a review as set out in recommendation 8, such review to be conducted by 15 September 2020 following further footfall survey results;
- (3) the low traffic neighbourhood schemes shown in the revised Appendix A, table 2, for implementation on an experimental basis by the end of September 2020:
 - (a) be approved, with the exception of the following:
 - LTN-02 – Pinner View area, Headstone South
 - LTN-05 – Green Lane area, Stanmore
 - LTN-07 – Byron Road area, Wealdstone
 - LTN-08 – Dennis Lane area, Stanmore
 - LTN-09 – Princes Drive area, Stanmore
 - (b) that the Low Traffic Neighbourhood Scheme – LTN-02, Pinner View area, Headstone South be subject to consultation with ward councillors, TARSAP members and local residents and the Corporate Director of Community, following consultation with the Portfolio Holder for Environment, be delegated authority to determine whether the scheme should be implemented;
- (4) the school streets schemes, as shown in the revised Appendix A, table 3, for implementation on an experimental basis by the end of September 2020, be approved;
- (5) the cycling schemes – SC-01, SC-03 and SC-09 – implemented as shown in the revised Appendix A, table 4, be noted;
- (6) for the George V Avenue (Hatch End) cycle scheme, SC-10:
 - (a) the current scheme was not taken forward as the amendments proposed by TARSAP did not fulfil the required outcomes for the scheme;
 - (b) that a proposed cycle scheme in this area be subject to further consultation with local stakeholders, including ward councillors, local residents, local businesses, local schools and TARSAP members;

- (c) that subject to funding being identified, any future scheme be determined by the Portfolio Holder – Environment, following consideration by TARSAP.
- (7) the making of the experimental traffic orders, where required, to implement the necessary traffic and parking restrictions for the schemes for a minimum of 6 months be approved;
- (8) the Corporate Director of Community, following consultation with the Portfolio Holder for Environment, be delegated authority to undertake a regular review of the schemes and provide a monthly update to members of the Traffic and Road Safety Advisory Panel and Ward Councillors and determined whether any amendments were required for schemes, including ending any experimental scheme;
- (9) a report be submitted to the Traffic and Road Safety Advisory Panel following the initial 6 months of operation of schemes, to feed back the results of consultation and the equality impact assessments and to consider whether schemes should be ended, extended up to a maximum of 18 months or made permanent.
- (10) a review of the procedure for proposing, consulting and determining highway, pedestrian and cycling schemes, be agreed and that such review be presented to the next meeting of the Traffic and Road Safety Advisory Panel.

Reason for Decision: To implement the Street Spaces Schemes in order to address the impact of the Covid-19 health crisis on travel and public transport and to support more active travel by walking and cycling and public health in line with current Department for Transport and Transport for London guidance.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

(Note: The meeting, having commenced at 3.00 pm, closed at 3.27 pm).

(Signed) COUNCILLOR KEITH FERRY
Chair

Publication of decisions:	20 August 2020
Deadline for Call-in:	5.00 pm on 27 August 2020 To call-in a decision please contact: Daksha Ghelani on 020 8424 1881, email daksha.ghelani@harrow.gov.uk
Decisions may be implemented if not Called-in on:	28 August 2020

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Ref PHD (011 - 20/21)

Report for: Decision by Leader of the Council

Subject: Public Sector Decarbonisation Scheme Grant Funding

Responsible Officer: Paul Walker - Corporate Director, Community

Portfolio Holder: Cllr Graham Henson, Leader of the Council

Key Decision: Yes - receipt and use of capital grant funding in excess of £1 million.

Power to be exercised: Paragraph 3 of the Appendix to the Executive Procedure Rules, Part 4D of the Constitution

Exempt: No

Urgent: Yes

Wards affected: Various, please see Appendix for list of sites

Enclosures: Appendix: List of Council Applications & Sites

Section 1 – Summary and Recommendations

This report requests urgent authority to receive and utilise funding from the Public Sector Decarbonisation Scheme, a government grant fund available for the carrying out energy works that support the decarbonisation of public buildings.

Recommendations:

The Leader of the Council is requested to:

(1) Approve the principle of the Council accepting any grant funding received from the Public Sector Decarbonisation Scheme under s31 of the Local Government Act 2003.

(2) Delegate authority to the Corporate Director - Community to enter into documentation and take all other necessary actions to:

(a) formally accept specific awards of funding from the Public Sector Decarbonisation Scheme; and

(b) procure and deliver the implementation of works for which funding has been received.

(3) Delegate authority to the Director of Finance to amend the capital programme to include any capital grant funding awarded to the Council under the terms of the Public Sector Decarbonisation Scheme, subject to the capital project meeting the requirements of Financial Regulation B48.

(4) Note that the outcome of the Council's funding applications will be reported to a future meeting of Cabinet.

Reasons (for the recommendations): To enable the Council to receive and use external funding for the delivery of energy works that will support decarbonisation of its built estate, thereby taking action to address the climate emergency.

Section 2 – Report

1. Introduction & Background

Harrow's Climate Emergency

1.1. Harrow Council declared a Climate Emergency in 2019, which included a resolution to aim to work towards achieving a carbon neutral position by 2030. In March 2020 Cabinet adopted an interim strategy that set out initial actions to begin to address emissions arising both from its own operational activity and across the borough more widely.

- 1.2. The first theme of the interim strategy approved by Cabinet is 'Clean Energy used Efficiently'. This includes the following overarching objectives:
- To transition to 100% renewable and low carbon energy solutions
 - To maximise energy efficiency and conservation measures across our buildings
- 1.3 Energy related emissions connected with our built estate are by far the largest single component of the Council's directly incurred greenhouse gas emissions, comprising over 90% of our combined Scope 1 (direct transport and heating emissions) and Scope 2 (electricity usage) emissions. Taking action to improve the energy efficiency of our buildings is therefore crucial in order to significantly reduce our corporate carbon footprint.

The Public Sector Decarbonisation Scheme

- 1.4 Recognising the importance of decarbonisation the public estate, in the autumn of 2020 the government announced a new grant fund of £1 billion, known as the Public Sector Decarbonisation Scheme (**PSDS**) and administered by its agent, Salix Finance. The PSDS aims to reduce carbon emission associated with public (non-residential) buildings, with a focus on decarbonising the heat supply by utilising alternative technologies (for example heat pumps) to replace gas and other fossil fuels as a source of heating fuel. Public bodies (including local authorities) were invited to propose projects for funding.
- 1.5 In January 2021 the Council submitted a range of funding bids to the PSDS. The Council's applications, which covered 11 maintained school and corporate sites, prioritised according to the age and condition of existing energy infrastructure, totalled c £3.8 million. The applications and the proposed works and sites are listed in the Appendix to this report. The projects include a range of proposed energy interventions including insulation works, installation of building management control systems and the replacement of gas boilers with heat pump technology. Under the terms of the PSDS works are required to be carried out prior to 30th September 2021.
- 1.6 In February 2021 Salix announced that the Fund, much of which has been allocated by the Treasury for 20/21 delivery (but which allowed 21/22 delivery applications) has been significantly oversubscribed with a total value of applications in excess of £2.3 billion. However, due to the complexity and lead in times for delivery of the required energy works it is understood that the works comprised in many applications, including in most of Harrow Council's applications, are unable to be delivered by public authorities by 31st March 2021.
- 1.7 As a solution to meet the Treasury's requirement to distribute funding in the 2020/21 financial year Salix have recently proposed an urgent

change in their national delivery strategy. The proposal is that the government utilises section 31 of the Local Government Act 2003 to pay local authorities funding in advance in the financial year 20/21, for delivery of works into 21/22. This solution requires local authority applicants to respond in a very short timescale, confirming in writing by 20th February 2021 that they agree to receive funding in advance, and then to enter into grant agreements with the Government prior to the end of this month. This will enable the funding to be processed and paid to local authorities prior to the end of the 20/21 financial year.

- 1.8 The Council is currently awaiting confirmation from Salix Finance as to which of its applications will be funded. Early indication is that Application 2, for works to Grimsdyke School, Milmans Resource Centre and Grange Primary School is potentially in scope for funding and is subject to a technical assessment which is currently underway. However, the Council needs to be ready to move quickly to accept any funding and enter into the appropriate documentation with the secretary of state should it be successful with any of its applications.
- 1.9 Consequently it is recommended that authority is delegated to the Corporate Director – Community to accept any funding award and to enter into the necessary documentation to facilitate delivery of works for which funding has been secured. A further delegation is also requested to the Director of Finance to enable any grant funding award to be added to the capital programme when received.

2. Options considered

- 2.1 The Council has two options:
 - (a) Formally agree prior to 20th February 2021 that it will receive any grant funding awarded to it this financial year, to be utilised in 21/22.
 - (b) Decline to accept any funding award.
- 2.2 Salix Finance have made it clear that a failure to meet the February deadline in order to confirm acceptance of funding means that applicants will not receive funding towards decarbonisation works. This is an opportunity to receive significant grant on a 100% fully funded basis that meets the Council's strategic objective to decarbonise its estate. Option (a) is therefore recommended.

3. Implications of the Recommendation

Resources and Staffing

- 3.1 The projects for which grant funding have been applied for can be delivered within existing resources.

Risk Management Implications

- 3.2 Risk included on Directorate risk register? No

Separate risk register in place? Yes

- 3.3 The main risks to delivery of grant funded works concern compliance with the delivery timetable and the risk of cost overruns. If grant funding is awarded the Council will need to ensure completion of the works by 30th September 2021 in accordance with the terms of the PSDS. The proposed utilisation of existing frameworks (see procurement implications below) will enable reduced procurement and commissioning lead in times, and the works will be closely monitored by a project board to ensure compliance with the grant delivery timescales. It is envisaged that any significant works to school heating systems will be carried out over the summer period when the schools are closed.
- 3.4 Costs have been calculated for the funding applications by the Council's professional advisors following site surveys based upon prevailing market rates for the different type of energy interventions specified and a contingency has also been included. Upon receipt of a grant funding award the Council will engage with its professional advisors to produce a detailed scope of work and costing estimates. Any significant discrepancies will be reviewed and as appropriate discussed with the funder before proceeding. Generally, incurred costs will be monitored on a regular basis against the grant funding award by the project board.

Procurement Implications

- 3.5 All works are proposed to be delivered utilising existing capital works and professional services frameworks that have already procured in compliance with the public procurement rules. The Council's corporate capital works and professional services frameworks would be utilised for any funded works in Applications 1 and 2 (listed in the Appendix). For Applications 3-7, although at present it appears unlikely that these are in scope for funding, should these be successful Harrow would propose appointing a delivery partner via the Energy Services and Project Delivery Framework (ESPD) procured in 2020 by Cambridgeshire County Council (CCC). Council officers engaged with CCC colleagues in the preparation of the applications, and are satisfied that the framework, which can be accessed by other local authorities, would meet the council's delivery requirements.

Where there is a need to deviate from the above proposed procurement routes and strategies this will be done in a manner which is compliant with the Public Contract Regulations (as amended) and

the Council's Contract Procedure Rules. This will be in consultation with the Corporate Director – Community and with the professional support and advice of the Head of Procurement.

Legal Implications

- 3.6 It is proposed that the power in s31 of the Local Government Act 2003 is used to pay PSDS funding to successful local authority applicants. Section 31 provides that a minister can pay a grant to a local authority towards expenditure incurred or *to be incurred* by it, on terms and conditions that the minister so specifies.

Financial Implications

- 3.7 The total estimated value of the works comprised in the Council's applications to the PSDS is £3,895,312 (see Appendix). However, as the PSDS is oversubscribed the council is very unlikely to receive grant funding for all of its applications. At present indications from Salix are that Application 2, for £1,413,075 is in scope for funding with further applications potentially considered if available funding is not taken up by other applicants.
- 3.8 All applications have been submitted on a 100% grant funded basis and it is not envisaged that, if successful, they will require any additional capital contributions from the council in order to ensure delivery.
- 3.9 Any grant funding received will need to be included in the capital programme. In year amendments to the capital programme for specific projects up to £5 million are permitted under Financial Regulation B48 where the expenditure is wholly covered by additional external sources, is consistent with existing priorities and provided that there are no full year revenue budget effects.

Equalities implications / Public Sector Equality Duty

- 3.9 It is not considered that the acceptance of funding and the carrying out of energy works to public buildings to improve their efficiency will have any adverse impact upon persons with protected characteristics.

Council Priorities

- 3.10 By making available a funding stream to carry out decarbonisation works to its estate, this decision directly furthers the Council's priority to 'Improve the environment and address climate change'.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Cleared by the Chief Financial Officer

Date: 10th February 2021

Statutory Officer: Hugh Peart

Cleared by the Monitoring Officer

Date: 10th February 2021

Section 3 - Procurement Officer Clearance

Statutory Officer: Nimesh Mehta

Cleared by the Head of Procurement

Date: 9th February 2021

Section 3 – Corporate Director Clearance

Chief Officer: Paul Walker

Cleared by the Corporate Director-Community

Date: 10th February 2021

Mandatory Checks

Ward Councillors notified: NO - if funding is awarded local councillors for sites at which works are to be carried out will be notified.

EqIA carried out: NO

Section 4 - Contact Details and Background Papers

Contact: Matthew Adams, Head of Natural Resources & Climate Strategy - matthew.adams@harrow.gov.uk; tel. 07833 048 924

Background Papers:

[The Climate & Ecological Emergency - Interim Strategy and Action Plan](#)
(Cabinet decision March 2020)

For Leader

* I do agree to the decision proposed

* I do not agree to the decision proposed

* *Please delete as appropriate*

Notification of disclosable non-pecuniary and *pecuniary* interests (if any):

[Should you have a *disclosable* pecuniary interest, you should not take this decision.]

Additional comments made by and/or options considered by the Portfolio Holder

Signature:
Leader

Date:

Call-in waived by the Chair of Overview and Scrutiny Committee

YES - The decision is urgent in order to provide confirmation to Salix Finance, the Scheme administrators, by the government’s deadline of 20th February 2021 that the Council is prepared to accept any awarded grant funding, such funding to be paid in advance prior to the 20/21 financial year end for delivery of works in the next financial year.

APPENDIX

Harrow Council Applications to the Public Sector Decarbonisation Scheme

Application 1 (proposed delivery via Council framework contracts)

Grange Primary School	External wall Insulation, LED lighting
West Lodge Primary School	Cavity wall insulation, LED lighting, Building Management System (BMS)
Grimsdyke School	External wall insulation, LED lighting
Millmans Resource Centre	LED lighting
Bedford House	LED lighting
Pinner Library	Loft insulation, LED lighting

The total grant funding applied for is £603,572.

Application 2 (proposed delivery via Council framework contracts)

Grimsdyke School	Install Air Source Heat Pump (ASHP), BMS extension
Millmans Resource Centre	Replace gas-fired boiler with ASHP
Grange Primary School	Install ASHP, further insulation improvements

The total grant funding applied for is £1,413,075.

Applications 3 -7 (proposed delivery via Cambridgeshire County Council procured Energy Services framework)

Harrow Arts Centre	ASHP, BMS System, Solar PV, Pipework Insulation	£466,549
Whitmore High School	ASHP, BMS System, Solar PV	£449,160
Stag Lane School	ASHP, BMS, Solar, pipework insulation	£313,257
Pinner Park School	ASHP, BMS System, Pipework insulation, Solar PV	£299,559
Whitchurch School	ASHP, BMS System, Pipework insulation, Solar PV	£350,140

The total grant funding applied for applications 3 to 7 is £1,878,665.

TOTAL VALUE OF ALL APPLICATIONS = **£3,895,312**

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