

Delegated Decision Notice (DDN)

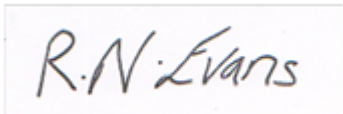
This form is the written record of a key, significant operational or administrative decision taken by an officer.

Decision type	<input type="checkbox"/> Key Decision	<input checked="" type="checkbox"/> Significant Operational Decision	<input type="checkbox"/> Administrative Decision
Approximate value	<input type="checkbox"/> Below £500,000 <input type="checkbox"/> £500,000 to £1,000,000 <input type="checkbox"/> over £1,000,000	<input type="checkbox"/> below £25,000 <input type="checkbox"/> £25,000 to £100,000 <input type="checkbox"/> £100,000 to £500,000 <input checked="" type="checkbox"/> Over £500,000	<input type="checkbox"/> below £25,000 <input type="checkbox"/> £25,000 to £100,000
Director¹	Director of Resources and Housing		
Contact person:	Chris O'Brien		Telephone number: 3786362
Subject²:	Grant agreement for phase 3E of the Leeds PIPES district heating network		
<p>What decision has been taken? (Set out all necessary decisions to be taken by the decision taker including decisions in relation to exempt information, exemption from call in etc.)</p> <p>The Director of Resources and Housing has provided authority to accept the HNIP grant offer of £2.438m and to enter into the grant agreement with The Secretary of State for Business, Energy and Industrial Strategy.</p> <p>A brief statement of the reasons for the decision (Include any significant financial, procurement, legal or equalities implications, having consulted with Finance, PACS, Legal, HR and Equality colleagues as appropriate)</p> <p>Executive Board gave approval in July 2020 (the report can be seen here: https://democracy.leeds.gov.uk/documents/s208245/District%20Heating%20Cover%20Report%20090720.pdf) to inject £6.215m into a Phase 3E extension of the DHN, subject to securing funding from HNIP and securing commercial connection agreements with Vastint. Authority to spend for construction was also granted by Executive Board in July 2020, with this based on securing a £2.438m HNIP grant.</p> <p>A successful application to HNIP has secured a £2.438 grant with a firm grant offer having been received by the council. A draft agreement has been provided by HNIP, which has been reviewed and follows the same principles as the HNIP grant agreement entered into for construction of Phase 2 of the DHN. The grant agreement is considered satisfactory and now requires authority to be sealed by the council.</p>			

¹ Give title of Director with delegated responsibility for function to which decision relates.

² If the decision is key and has appeared on the list of forthcoming key decisions, the title of the decision should be the same as that used in the list

	<p>As per the executed Phase 2 HNIP grant there are points to note:</p> <ul style="list-style-type: none"> - The majority of the grant agreement is stated as being not legally binding, with a requirement for the LCC Section 151 officer to signed a 'confirmation' on how the grant will be used and that the terms of the agreement will be complied with. However this does not affect the decision to accept the grant which rests with the Director of Resources and Housing. The obligation on HNIP to pay the grant can be withdrawn or not paid for various reasons including non-availability of funds. - In entering into the grant agreement the council are obliged to discharge an intensive and detailed set of Conditions Precedent prior to the grant being transferred to the council, with these to be met by the end of February 2021. These are being reviewed by the team with the necessary evidence being agreed. - The grant agreement contains a clause which covers the eventuality that if the agreement is signed, but the grant is then not disbursed, the costs would be recoverable. A single drawdown will take place, but only once the council has secured commercial agreement with Vastint. As such it should be noted there is a risk the council will be obliged to pay the costs associated with administering the grant, should the council not reach agreement with Vastint. However it has been advised that the value of any recoverable costs, if any, is considered low. - The grant agreement contains ongoing obligations in relation to project delivery which if breached may result in clawback of some or all of the grant. <p>Entering into the grant agreement does not commit the council to spend but ensures the grant agreement is secured. The evidence required to fulfil the Conditions Precent to enable drawdown of the grant include a similar requirement to conditions set out by Executive Board to inject capital to construct the extension, namely to secure a commercial connection agreement with Vastint.</p> <p>The final decision to invest in the network and drawdown the HNIP grant will be sought from the Director of Resources and Housing once a commercial connection agreement has been reached.</p> <p>The decision to enter into the grant is a Significant Operational Decision. Whilst the value of the grant is a Key Decision, the authority to enter the grant is a consequential decision to the Key Decisions approved at Executive Board in July 2020.</p> <p>Brief details of any alternative options considered and rejected by the decision maker at the time of making the decision</p>
Affected wards:	Burmantofts & Richmond Hill; Hunslet & Riverside; Beeston & Holbeck
Details of	Executive Member

consultation undertaken³:	Ward Councillors	
	Others	
Implementation	Officer accountable, and proposed timescales for implementation	
List of Forthcoming Key Decisions⁴	Date Added to List:-	
	If Special Urgency or General Exception a brief statement of the reason why it is impracticable to delay the decision	
	If Special Urgency Relevant Scrutiny Chair(s) approval Signature _____ Date _____	
Publication of report⁵	If not published for 5 clear working days prior to decision being taken the reason why not possible:	
	If published late relevant Executive member's approval Signature _____ Date _____	
Call In	Is the decision available ⁶ for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If exempt from call-in , the reason why call-in would prejudice the interests of the council or the public:	
Approval of Decision	Authorised decision maker ⁷ Director of Resources and Housing – Neil Evans	
	Signature 	Date: 30/11/20

³ Include details of any interest disclosed by an elected Member on consultation and the date of any relevant dispensation given.

⁴ See Executive and Decision Making Procedure Rule 2.4 - 2.6. Complete this section for key decisions only

⁵ See Executive and Decision Making Procedure Rule 3.1. Complete this section for key decisions only

⁶ See Executive and Decision Making Procedure Rule 5.1. Significant operational decisions taken by officers are never available for call in. Key decisions are always available for call in unless they have been exempted from call in under rule 5.1.3.

⁷ Give the post title and name of the officer with appropriate delegated authority to take the decision.