

ED2. EXECUTIVE DECISIONS BY A CABINET MEMBER OR AN OFFICER

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| A. Report Title: TGSE Leading a Low Carbon Economy Programme – Offer Letter, Partnership and Grant Funding Agreements | |
| B. Report Author(s): Tina Murphy & Tim Rignall, Sustainable Prosperity Unit, Thurrock Council | Tel: 01375 652186 E-mail: tmurphy@thurrock.gov.uk |
| C. Decision Maker: Cllr Garry Hague | |
| D. Position held: Cabinet Member for Strategic Planning and Regeneration | |
| E. Key decision: <u>YES/NO</u> | F. Delegation ref: |
| G. Is the decision urgent? <u>YES/NO</u> | |
| H. If yes, state why. The deadline for the signature of the EEDA Offer Letter for the £2.5 million grant from ERDF is 30 th October 2009. The Offer Letter from EEDA includes a number of Project Specific Conditions including a deadline for finalisation of the Partnership and Grant Funded Agreements as the end of December 2009. These will require a sufficient lead in time to allow the Legal Team and the Programme Manager within Thurrock Council to draft, negotiate and finalise the agreements with partners and their legal teams. | |

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| I. DECISION (strike out whichever does not apply) : | |
| 1. I agree the recommendations in the attached report for the reasons given in the report; OR | |
| 2. *My decision is: | |
| *The reason for my decision is: | |
| * Continue overleaf or on an additional sheet if necessary. | |
| Signed: | Date: |

URGENCY

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| Democratic Services will arrange for the completion of the following: | |
| J. I confirm that in my opinion a decision on this matter is urgent and cannot reasonably be delayed: | |
| Signed: | Date: |

To be completed by Democratic Services

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|---|---------------------------------|
| Date decision received by Dem. Services: | Date decision published: |
| Implementation date: | |
| Relevant O & S Committee: Approved by Councillor P Tolson via e-mail on 20 October 2009 | |

A GUIDE TO THE PROCEDURE FOR MAKING AND RECORDING DECISIONS BY A CABINET MEMBER OR AN OFFICER

INTRODUCTION

The essential principle is that a decision by a Cabinet Member or an Officer takes the place of a conventional decision taken by full Cabinet. It must therefore be based upon an **Officer report** following the usual requirements for both content and consultation with other Heads of Services, including the Legal and Finance teams.

The report should contain a clear recommendation in the form of a resolution or minute.

The correct template should be used and is accessible through J:\Thurrock\Corporate Templates - Delegated Decision Proforma.

A and B. TITLE AND AUTHORS OF THE REPORT

These should be the same as in the accompanying report and the Officer's contact details included.

C. NAME OF DECISION TAKER

Name and initial

D. POSITION AND RESPONSIBILITY HELD

This will be the area of responsibility for a Cabinet Member or the job title of an officer.

E. KEY DECISION

There are procedures for Key Decisions. If in doubt, consult the Legal Section.

F. DELEGATION REFERENCE

If the decision is being made by a Cabinet Member, the delegation will appear under the name/title of the Cabinet Member in Part 3.8 of the Constitution, eg "the Leader: Delegation (m)".

If the decision is to be made by an Officer, quote the relevant number in the Officer Delegation Scheme in Part 3.9 of the Constitution, eg 12.3.68.

G and H. URGENCY

Yes or No should be deleted as appropriate.

A "No" indicates that the normal call in rules will apply and the decision, once made, cannot be implemented for 5 working days.

If “Yes” is indicated the reason for the urgency must be stated. Democratic Services will contact the Chairman of the relevant Overview and Scrutiny Committee or the Mayor to agree that the matter is urgent and that, therefore, the usual call-in provisions will not apply.

I. DECISION

For completion only by the person making the decision. If the recommendations in the accompanying report are correctly drafted, the decision will in the great majority of cases accord with the recommendation.

J. OVERVIEW AND SCRUTINY CHAIRMAN

Democratic Services will consult the Chairman of the Overview and Scrutiny Committee or Vice-Chairman (or if they are unavailable the Mayor) to agree that a matter is urgent and cannot await call-in and scrutiny.

ACTION REQUIRED

An Officer seeking a decision from a Cabinet Member or an Officer with the Delegated powers to make a Key Decision shall send a copy of the report together with Form KD to Democratic Services.

Democratic Services will check that it complies with procedures and then send two copies to the decision-maker (one for the decision-maker’s retention) together with a return envelope and circulate the report in accordance with Administration Rules 11 and 12. The decision-maker will be asked not to make the decision until five clear days have passed (to allow time for representations) unless the special urgency procedures apply.

On receiving a signed decision from the decision-maker, Democratic Services will publish it. The implementation date (subject to call-in) will then be a further 5 working days later. The Officer seeking the decision will be notified as soon as the decision is cleared for implementation.

Please note that taking a delegated decision should always be done in consultation with legal services – no delegated decision should be taken without their advice.

(Form ED2 can be found on J:\Thurrock\Corporate Templates)

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| 18 November 2009 | | ITEM |
| The Cabinet | | |
| TGSE Leading a Low Carbon Economy Programme – Offer Letter, Partnership and Grant Funding Agreements | | |
| Portfolio Holder: Cllr Garry Hague – Cabinet Member for Strategic Planning and Regeneration | | |
| Wards and communities affected: All | Key Decision: Key | |
| Accountable Head of Service: Andrew Millard – Head of Strategic Planning and Delivery | | |
| Accountable Director: Bill Newman – Sustainable Communities | | |
| This report is Public | | |
| Purpose of Report: To obtain Cabinet approval to sign the Offer Letter from EEDA for the ERDF grant and to enter into formal partnership and grant funding agreements with our key partners in the ERDF Leading a Low Carbon Economy Programme for matched funding contributions totalling approximately £1.7 million between 2009 and 2012. | | |

EXECUTIVE SUMMARY

Thurrock Council (as accountable body) has been awarded a grant from the European Regional Development Fund (ERDF) by EEDA of £2.5 million towards the cost of delivering the Thames Gateway South Essex (TGSE) Leading a Low Carbon Economy Programme. The aim of the programme is to increase the competitiveness of the South Essex economy and the economic prosperity of SMEs by coordinating interventions to reduce their carbon footprint.

The total budget for this programme is £6.3 million. £2 million will be sought from private business and £1.7 million will come from our partners Basildon, Castle Point, Southend, and Rochford Councils; TTGDC; Thurrock Local Enterprise Agency; Groundwork South Essex; and the National Industrial Symbiosis Programme through matched funding contributions. Partnership Agreements will ensure that these matched funded contributions are forthcoming and minimise the risk to the accountable body.

Approval is sought for Thurrock Council to: a) sign the Offer Letter from EEDA for the £2.5 million grant from ERDF by 30th October 2009 deadline; b) to enter into

Partnership Agreements with each of the partners outlining the individual matched funding contributions and the delivery targets contained in the Business Case; and c) to enter into a Grant Funded Agreement with Groundwork South Essex who are providing day-to-day programme management on behalf of the Council. Additional matched funding is being sought from the Economic Participation Programme.

1. RECOMMENDATIONS:

- 1.1 Cabinet is requested to approve the signing of the Offer Letter with EEDA.
- 1.2 Cabinet is requested to approve the signing of the appropriate partnership and grant funding agreements with our key partners (Basildon, Castle Point, Southend, and Rochford Councils; TTGDC; Thurrock Local Enterprise Agency; and the National Industrial Symbiosis Programme).
- 1.3 Cabinet is requested to delegate any decisions relating to the establishment and delivery of the programme to Director, Sustainable Communities in consultation with Cllr Hague.

2. INTRODUCTION AND BACKGROUND:

- 2.1 In June 2009 it was approved that the Council should submit, on behalf the Thames Gateway South Essex Partnership, a bid for European Regional Development Funding (ERDF) for a Low Carbon Economy Programme. In approving submission of the bid the Council also agreed to act as the accountable body.
- 2.2 The business case for the Low Carbon Economy Programme was submitted in September 2009 and was subsequently approved. A grant of £2.5m has now been awarded by EEDA towards total programme costs of £6.3m. The remainder of the costs will come from a mix of matched funding contributions (£1.7m) and private sector contributions (£2m). A number of programme specific posts will be created as detailed in the business case including a South Essex wide team employed by Groundwork South Essex and 4 new posts based in Thurrock Council. All posts will be recruited in the start up phase of the programme.

3. ISSUES AND/OR OPTIONS:

- 3.1 One of the most significant challenges facing South Essex is the need to address the high levels of carbon emissions whilst supporting the competitiveness of the existing economic base and creating new employment opportunities. TGSE partner authorities, led by Thurrock, have come together to collectively tackle this issue in a planned and coordinated way. The Low Carbon Economy Programme seeks to address the challenges by providing SME beneficiaries across the sub region with access to expertise on best practice in 'greening' businesses, and by introducing carbon reduction solutions at an individual business level. This will help businesses to:

- Understand their environmental impact on the economy;
- Lead to a reduction in their carbon footprint;
- Increase competitiveness of the existing economy by reducing wastage of resources; and
- Lead to the creation of new employment opportunities in a range of sectors.

3.2 Key programme activities will be delivered in each of the six participating areas in three key stages:

- Stage 1: **Engagement and Awareness** aimed at actively engaging and awareness raising amongst the SME beneficiaries of the benefits of greening their businesses, reducing their carbon footprint and enhanced business performance.
- Stage 2: **Diagnostics and Assessment** aimed at embedding green management principles within businesses to ensure that they have the ability and capacity to continue to innovate long beyond the life of the programme.
- Stage 3: **Carbon Reduction Solutions** aimed at strengthening approaches to low carbon practices in delivering enhanced business activity.

3.3 Currently, there is no single entity across South Essex that is able to provide the coordination and bespoke support required to achieve significant reductions in carbon emissions. This is essentially the rationale for this project - to create a bespoke and critically sub-regional initiative, which has a region-wide impact both in outcomes and transfer of best practice across TGSE and three Local Strategic Partnerships – Essex County, Southend and Thurrock. The geographical focus of the programme in TGSE includes Basildon, Castle Point, Essex County, Rochford, Southend and Thurrock. The details of delivery will vary according to local business need.

3.4 Serious consideration has also been paid to the sub-region's growth agenda, and whereas the core of this programme targets existing SMEs, it is essential we also address the carbon impact of new businesses coming on stream over the next three years. There will therefore be a targeted programme to support new business start-ups who specifically adopt a 'green' business model, with the principles of low carbon and resource efficiency at the forefront, resulting in a programme that addresses both existing business activity and minimising the carbon footprint of new businesses.

3.5 Coupled with this is a programme aimed at developing a culture of social enterprise. Firstly it is widely recognised that the prevalence of social enterprise not only creates a route to employment for those living in deprived communities but also puts in place local services providing local suppliers, thus minimising the logistics chain and subsequently carbon emissions. The programme will explore this issue further, and in particular look to support the development of the waste sector and how social enterprises can minimise wastage. The work of NISP and ReMaDe Essex will come into play here also.

This is an exciting component of the programme and will provide knowledge and understanding that we can disseminate regionally and nationally.

- 3.6 As indicated above the financial case for the programme relies on £1.7m of matched funded contributions from partner organisations. These matched funded contributions, which include staff time, have been clearly identified in the business case. If any organisation failed to meet its contributions then, as accountable body, responsibility would fall to Thurrock Council. To protect our interests in this matter and minimise the risks it is proposed that we enter into formal partnership agreements with Basildon, Castle Point, Southend, and Rochford Councils; TTGDC; Thurrock Local Enterprise Agency; Groundwork South Essex; and the National Industrial Symbiosis Programme. Through the agreements it will be very clear what is expected from partners.
- 3.7 Additionally Groundwork South Essex will be delivering a significant element of the programme on behalf of TGSE. To provide a framework for managing this relationship it is proposed that we should enter into a Grant Funding Agreement.

4. CONSULTATION (including Overview and Scrutiny, if applicable)

- 4.1 There has been extensive consultation with partner organisations throughout the development of the business case. This included Basildon, Castle Point, Southend, and Rochford Councils; TTGDC; Thurrock Local Enterprise Agency; Groundwork South Essex; and the National Industrial Symbiosis Programme. As part of the bidding process all partner organisations

5. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

- 5.1 The project has the potential to impact significantly across the Council’s priorities. It will encourage job creation and economic prosperity whilst at the same time contributing to our aspirations of having a high quality environment.

6. IMPLICATIONS

6.1 Financial

Implications verified by: **Michael Jones**
 Telephone and email: **01375 652772**
mxjones@thurrock.gov.uk

There are no additional financial implications to those identified as part of the original business case, previously report to Cabinet. This report is part of the implementation of the project that has been previously outlined

6.2 *Legal*

Implications verified by: **Howard Russell**
Telephone and email: **01375 65 2938**
hrussell@thurrock.gov.uk

The Council as Accountable body to EEDA must ensure that the Partners fulfil their obligations under the Grant and Business Plan. The only time during which the Council will not enjoy an indemnity from the partners in respect of that risk is between October and December 2009 whilst the form of Business Plan and Partnership agreement are being negotiated; during this period the Council's quantum of risk will be limited to the wasted costs of project progress during those months.

6.3 **Diversity and Equality**

Implications verified by: **Samson DeAlyn**
Telephone and email: **01375 652472**
sdealyn@thurrock.gov.uk

As part of the business case partners have fully considered the equality implications of the programme and this has been considered by EEDA within the ERDF grant eligibility criteria.

6.4 **Other implications** (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

None

7. **CONCLUSION**

7.1 This is an exciting programme which provides opportunities to address the challenge of high levels of carbon emissions whilst also supporting the competitiveness of the existing economic base and creating new employment opportunities. It also puts Thurrock Council at forefront of a key sub-regional partnership with an opportunity to enhance our regional and national reputation.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- TGSE Leading a Low Carbon Economy Full Business Case, 2 September 2009
- ERDF Funding Offer Letter from EEDA, 1 October 2009

APPENDICES TO THIS REPORT:

- None

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