



Portfolio Holder Decisions

Fleetwood Market Improvement Work, Procuring specialist consultants for Low Carbon Skills Work

1. **Fleetwood Market Improvement Works** (Pages 3 - 8)
Report of Corporate Director Communities.
2. **Acceptance of Low Carbon Skills Fund grant and appointment of consultants** (Pages 9 - 14)
Report of the Corporate Director Environment.

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Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date
Marianne Hesketh, Corporate Director Communities	Councillor Lesley McKay, Resources Portfolio Holder	13 July 2023

Fleetwood Market additional improvement Works

1. Purpose of report

- 1.1 To ensure additional improvement works at Fleetwood Market are completed in 2023/24 as part of the existing contract.

2. Outcomes

- 2.1 The investment will deliver additional security to a key council asset, provide additional match funding towards the Public Sector Decarbonisation Scheme grant secured in 2022/23 and the UK Shared Prosperity Funding (UKSPF) grant allocation.
- 2.2 Removes the requirement for further disruption to the market in the next financial year. All additional works will be completed within 2023/24.

3. Recommendations

- 3.1 That approval is given to bring forward Capital Funding of £357,000, originally earmarked for roof replacement works from the Planned Maintenance Schedule in 2024/25 and reallocate to additional improvement works at Fleetwood market. A breakdown of the additional works (including contingencies) in the table below highlights where this funding is proposed to be reallocated and brought forward.
- 3.2 That the scheme, costing £357,000 is added to the Council's 2023/24 Capital Programme, funded from capital receipts.
- 3.3 That approval is given to proceed with the work under the exemption to Contract Procedures contained within the Financial Regulations and Financial Procedure Rules on the grounds that exceptions apply where the goods works or services constitute an extension or variation of an existing contract or are required urgently, or the goods/materials, works or services consist of repairs to, or the supply of parts for existing proprietary plant or equipment.

4. Background

- 4.1** Fleetwood Market is going through an exciting period of rejuvenation as we carry out significant improvement works to support its future as a key attraction in Wyre. The ongoing enhancement works are expected to be completed later in the year.
- 4.2** As part of Wyre Council's ambition to achieve net zero carbon emissions, grant funding of £999,468 was secured by the council from the Public Sector Decarbonisation Scheme in 2022/23. This is allowing energy efficiency works at the market to be carried out, including the installation of renewable energy technologies and removing fossil fuel gas heating.
- 4.3** The council are also investing over £2million to carry out repairs and reinstate the historic features of the nineteenth century Market Hall, partly funded by the High Streets Heritage Action Zone (HSHAZ) grant sourced via Historic England (HE) (£505,672 (originally £512,136 but now slightly reduced)) and UKSPF (£411,904 (originally £264,000 and subsequently increased in the investment plan)), with the council contributing £2,010,296 (originally £2,025,516). The original figures can be seen in the report that was approved by Council on 27 October 2022.
- 4.4** This will greatly improve the appearance of the market and ensure the continued life of the building through the delivery of significant enhancement works.
- 4.5** Further to the Council report taken on 27 October 2022, there is now an opportunity to bring forward the funding for roof replacement works originally scheduled for 2024/25 and reallocate the monies for additional photovoltaic panels, fitting new internal shutters (in the Birdcage and Annex), the removal of the Victoria Street canopy (Annex), improvements to the existing rainwater goods, groundworks and steel frameworks required to facilitate the proposed glazing and new doors, gull management (physical measures), the provision of external lighting and additional preliminaries to meet the extension of time costs to be incurred (see Project Budget table below).
- 4.6** The capital funding will complement the additional UKSPF funding of £147,904 going into enhancing the Annex Hall and office accommodation to attract additional traders/leaseholders and improve the visitor experience to Fleetwood Market. The S.151 Officer, in conjunction with the Corporate Director Communities have authorised this change to the investment plan in line with the approval previously given in October.

5. Key issues and proposals

5.1 Project Budget

The project budget required to deliver the works is outlined below.

Item	£
Internal Shutters (Birdcage and Annex)	111,500
Emergency/External Lighting/Signage/Fencing/Gates	37,000
Uplift in quantity of Photovoltaic panels (Annex Roof)	24,000
Gull Management Measures – Outside of Breeding Season (September-March)	13,500
Removal of Existing Canopy / Signage (Annex-Victoria St)	14,000
Groundworks (Birdcage and Annex)	20,000
Improvements to Rainwater Goods (Guttering etc)	6,000
Steel Framework (Annex) to facilitate new doors/glazing installations	9,000
Extension of Time (for the additional works)	40,000
Replace roller shutters to internal units (approx. 20 No.)	35,000
Contingencies	47,000
TOTAL	357,000

- 5.2** The existing external shutters are now showing their age with their position and appearance visually diminishing Fleetwood's town centre which is also within the surrounding Conservation area. The figure above allows for the installation of an internal concertina type shutter, which will be far easier to open and close than the existing external shutter boxes. The external lighting is being added following a recommendation from Lancashire Police (Designing Out Crime).
- 5.3** The additional photovoltaic panels rebalance the potential annual electricity generation as a result of the array being relocated from the flat Birdcage Roof to the sloping Annex roof.
- 5.4** The gull management measures are to prevent future maintenance issues at the market. Physically excluding birds is the best way of preventing or minimising problems caused by gulls. In the long-term this will be far more cost-effective and successful than year on-year management. There are a wide variety of products available to prevent birds from nesting, including netting or wiring to deter the use of potential nest sites, anti-nesting spikes and target hardening of key areas such as chimney pots or guttering/roof valleys. All exclusion measures do need to be appropriately maintained to ensure that they remain effective and do not cause welfare problems (e.g., entanglement).

Financial Year	PROJECT FUNDING SOURCE				Notes	TOTAL
	Wyre Council Capital Investment	Historic England High Street Heritage Action Zone (HSHAZ)	Public Sector Decarbonisation Scheme (PSDS)	UK Shared Prosperity Fund (UKSPF)		£
	£	£	£	£		£
2022/23	30,604	57,189	71,584	31,658	All Fees (Architect/Structural Engineer/Quantity Surveyor/Project Management/MEP/Surveys/Building Control/Planning)	191,035
	779,603	377,940	868,927	131,083	Contract Spend	2,157,553
	2,381		58,957	17,662	Works/Other Expenditure outside of the Main Contract	79,000
2022/23 TOTAL	£812,588	£435,129	£999,468	£180,403		2,427,588
2023/24	77,802			12,001	All Fees (Current Actual+Commitments)	89,803
	103,361				Contract Wyre (PSDS) Match (Committed)	103,361
	1,016,544	70,543		102,000	Contract (Commitment)	1,189,087
				117,500	Contract (Commitment) - Agreed 07/06/2023	117,500
2023/24 TOTAL	1,197,707	70,543	£0	231,501		1,499,751
CUMULATIVE TOTAL	2,010,295	505,672	999,468	411,904		3,927,339
2023/24	357,000				2024/25 Funding Brought Forward & Re-allocated	357,000
GRAND TOTALS	2,367,295	505,672	999,468	411,904		4,284,339

5.5 The table above highlights the total investment in the Market. The additional element in relation to the Principal Contractor is shown under Wyre's contribution and totals £357,000.

6. Delegated functions

- 6.1** The matters referred to in this report are also considered under the following executive functions delegated to the Resources Portfolio Holder (as set out in Part 3 of the council's constitution):” To consider departures from Rules relating to financial and contractual matters if appropriate”, on the grounds that “The goods works or services constitute an extension or variation of an existing contract or are required urgently, or the goods/materials, works or services consist of repairs to, or the supply of parts for existing proprietary plant or equipment”.

Financial and legal implications	
Finance	The cost of the works totalling £357,000 (including contingency) as itemised at 5.1 will be added to the 2023/24 capital programme and will be funded from existing capital receipts. The remaining estimated balance on capital receipts will be £4.016m.
Legal	The additional works and cost as set out in the body of the report will be added into the existing main works contract with the Contractor as a variation to the Contract. The current contract value is below the UK procurement threshold for works, which allows for minor variations or modifications of up to 15% to be added to the contract without further notice. The additional works recommended in this report represent an increase of 9% of the original contract value and therefore falls within the thresholds that can be added as a variation/modification to the contract as agreed between the parties.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	✓
equality and diversity	x
sustainability	✓
health and safety	✓

risks/implications	✓ / x
asset management	✓
climate change	✓
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal

data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

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List of background papers:		
name of document	date	where available for inspection
Fleetwood Market Improvement Works – Report to Council	27.10.2022	Wyre Council Website

List of appendices

None



Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of publication
Mark Billington, Corporate Director Environment	Councillor Lesley McKay, Resources Portfolio Holder	13 July 2023

Acceptance of Low Carbon Skills Fund grant and appointment of consultants

1. Purpose of report

- 1.1 To seek approval to accept a grant from Salix as part of the Phase 4 Public Sector Low Carbon Skills Fund (LCSF) for the creation of heat decarbonisation plans and detailed designs for eligible council-owned buildings utilising gas heating systems.

2. Outcomes

- 2.1 Access to the skills and expertise needed to produce heat decarbonisation plans and detailed designs for removing gas from council-owned buildings and installing alternative renewable energy solutions.
- 2.2 Detailed understanding of the costs, savings, benefits and actions needed to be taken to decarbonise our buildings.
- 2.3 Demonstrating a strong commitment towards achieving our net zero target.

3. Recommendations

- 3.1 That approval is given to accept the LCSF grant of £177,728 for heat decarbonisation plans and detailed designs of council owned buildings with a reliance on gas heating systems.
- 3.2 That approval is given to appoint Parker Wilson to complete the works via the NEPRO 3 framework operated by Bloom Procurement Services, as an exemption to Contract Procedures contained within the Financial Regulations and Financial Procedure Rules, on the grounds that exceptions apply where a framework is available that necessitates the Council not having to go out to tender and the goods, works and services will still provide the Council with the best value for money.

4. Background

- 4.1** The council declared a climate emergency on 11 July 2019. This committed the council to making its activities net zero by 2050. An intermediate target of reducing emissions by 78% by 2035 was agreed on 8 July 2021, to reflect the government's revised target.
- 4.2** As part of this declaration, the council committed to achieving 100% clean energy across the council's full range of functions by 2050. The Baseline Carbon Footprint Report identified that gas heating and electricity use account for approximately two thirds of the council's carbon footprint. In order to meet this target, it is clear that decarbonising the council's buildings are a key priority.
- 4.3** Wyre Council have previously been awarded £999,468 from the Phase 3a Public Sector Decarbonisation Scheme (PSDS) for works to decarbonise Fleetwood Market, involving retrofitting the site to improve energy efficiency and replacing the gas boilers with air source heat pumps.
- 4.4** The Department of Energy Security and Net Zero have since released funding for Salix Finance to provide the LCSF. This enables the public sector to access specialist skills and advice to produce heat decarbonisation plans/detailed designs for their estate. These plans are necessary to prepare for future rounds of the PSDS, to complete the identified decarbonisation works.
- 4.5** Following a successful bid, the council has been awarded £177,728 from Phase 4 of the LCSF. This covers buildings that are heated by gas which, as a fossil fuel, emits carbon dioxide when burned and is a major driver of climate change. As such, the eight council buildings eligible for specialist designs as part of the grant include:
- Wyre Civic Centre
 - Thornton Little Theatre
 - Copse Road Depot
 - Fleetwood Leisure Centre
 - Poulton Leisure Centre
 - Thornton Leisure Centre
 - Garstang Leisure Centre
 - Garstang Swimming Pool

5. Key issues and proposals

- 5.1** The total grant award is £177,728 funded by Salix Finance through Phase 4 of the LCSF. For the eight council buildings currently heated by gas, this includes:
- Surveys and completion of heat decarbonisation plans per site.
 - Identification of suitable sites for energy efficiency improvements and alternative heating upgrades.

- Calculation of the carbon and energy savings via the implementation of low and zero carbon technologies and alternative heating systems.
- Production of detailed design drawings, specifications and budget costs up to RIBA stage 4.
- Review of the incoming mechanical (heating, hot water generation, cold water service feeds, gas and mechanical ventilation) and electrical (electrical distribution associated with changes to the heating system) services requirements and procurement of quotations for new or amended services.

5.2 A key stipulation of the grant is that the works must be completed by 28 March 2024 and final payment requests must be submitted by 12 April 2024. Monitoring reports are to be submitted to Salix throughout the year.

5.3 Where a local authority provides exempt services and incurs Value Added Tax (VAT) on expenditure associated with an exempt service, it is still able to fully reclaim the VAT on expenditure incurred, but such VAT is considered against a limit of 5% of total VAT expenditure reclaimed. This is known as the partial exemption limit. Some of the buildings referred to in this report provide exempt services and so any expenditure incurred would form part of the partial exemption calculation. The funding has been considered against the partial exemption limit and there is sufficient capacity to cover this level of expenditure; should future expenditure come forward as a result of these plans and designs, this would need to be considered at the time.

5.4 The council has previous experience working with Parker Wilson to complete PSDS decarbonisation work at Fleetwood Market, in addition to ad hoc maintenance work. It is recommended that we appoint Parker Wilson through the NEPRO 3 framework, operated by Bloom Procurement Services, owing to their experience delivering Salix grants, their experience working with the council and their knowledge of council sites within the borough. NEPRO 3 is a compliant procurement framework which assist the UK public sector to buy and manage specialist professional services. Bloom Procurement Services are the exclusive operator of the NEPRO solution on behalf of NEPO (the North East Procurement Organisation). NEPRO 3 is the third evolution of the solution.

5.5 Without LCSF funding, Wyre Council would have to rely on internal funding for the heat decarbonisation plans and detailed designs for all eight sites. Accepting the grant enables the council to prepare for the next stage of the PSDS, which will fund the designs prepared as a result of this grant.

6. Delegated functions

6.1 The matters referred to in this report are considered under the following executive functions delegated to the Resources Portfolio Holder (as set out in Part 3 of the council's constitution):

"To consider the Council's strategic direction in relation to asset management including the management, repair, maintenance and use of the Council's land and buildings" and "To consider departures from Rules relating to financial and contractual matters if appropriate".

Financial and legal implications	
Finance	The total grant funding we will obtain is £177,728 from Phase 4 of the LCSF, managed by Salix Finance. Payment of the grant will be monthly from September 2023 to May 2024. The council must cover any overspend generated throughout the project. VAT implications have been considered and at present there is capacity to cover this expenditure level without exceeding the councils partial exemption limit. This work will inform future capital investment and maintenance projects.
Legal	The council would have to sign a contract to deliver the project by 28 March 2024, agreeing to the Terms and Conditions set out within the grant offer letter. The award of the contract under the framework agreement referred to in the report complies with the exemptions contained in the Council's contract procedures contained within the Financial Regulations and Financial Procedures Rules.

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sustainability	✓
health and safety	x

risks/implications	✓ / x
asset management	✓
climate change	✓
ICT	x
data protection	x

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