

**27 January 2021**

<b>Report of</b>	<b>Assistant Director of Place &amp; Client Services</b>	<b>Author</b>	<b>Clare Lawrance</b> ☎ 282506
<b>Title</b>	<b>Request for Delegated Authority for new “Utilities &amp; Energy Bureau Service” Contracts</b>		
<b>Wards affected</b>	All Wards		

## **1. Executive Summary**

- 1.1 The Council’s contracts for the provision of utilities and an “Energy Bureau Service” will end on 31 March 2021. Re-procurement of both contracts is being carried out currently and returns are due for evaluations during February and March. Evaluations will lead to a recommendation for contract awards that are likely to fall between Cabinet meetings, which would then delay the agreement of the new contracts.

## **2. Recommended Decision**

- 2.1 To delegate the contract awards for the provision of utilities and an “Energy Bureau Service” to the Portfolio Holder for Resources, in consultation with the Portfolio holder for Housing.

## **3. Reason for Recommended Decision**

- 3.1 To ensure continuation of each service and avoid any adverse impacts on all Council services (utilities), as well as the Council’s financial functions.

## **4. Alternative Options**

- 4.1 Not to delegate authority: However, failure to ensure continuation of each service will have an adverse impact on Council property and services (utilities) and affect the Council’s financial functions.
- 4.2 To wait until March Cabinet: It is not to complete tender evaluations and make contract award recommendations to Cabinet in March.

## **5. Background Information**

- 5.1 The Council has an existing “Energy Bureau Service” contract that has been with Smith Bellerby since the last contract review in 2016. This contract was due to conclude in 2020 but was extended by 12 months to ensure co-termination with the Council’s “Utilities” contracts.
- 5.2 An Energy Bureau Service is a dedicated energy administrator that acts as the experts in reducing the Councils energy costs. They would be expected to monitor and analyse energy usage; identify, investigate and resolve anomalies in the estate; undertake cost recovery; and validate billing data. They liaise directly with officers across the Council’s estate (e.g. The Castle, Town Hall, etc) and several service areas to ensure accurate meter readings are relayed to utilities suppliers.
- 5.3 Utilities are procured via a Crown Commercial Services Framework. This remains the preferred procurement route as it ensures Value for Money can be evidenced and means the Council can be assured of Suppliers’ Green credentials.
- 5.4 Although the majority of the service relates to the Councils General Fund property it also includes parts of the HRA property. These contracts cover 530 electricity supplies, 40 gas supplies and 100 water supplies to sheltered housing schemes, housing estates, corporate buildings and sites managed by third parties (parish council’s, leaseholders and partner organisations) where the Council retains ownership of and responsibility for the utility supply.

## **6. Equality, Diversity and Human Rights Implications**

- 6.1 The Council’s Equality Impact Assessment for Procurement can be found [here](#).

## **7. Strategic Plan References**

- 7.1 The delivery of these contracts directly contributes to [Tackling the climate challenge and leading sustainability](#)

## **8. Consultation**

- 8.1 None

## **9. Publicity Considerations**

- 9.1 It is expected that the award of these contracts will provide opportunities for positive news stories.

## **10. Financial implications**

- 10.1 The Council sets its budgets annually based on estimates received from the Energy Bureau Service for the forthcoming financial year and this information is used for budget setting. The costs of the Energy Bureau Service are allocated across the Council based on the proportion of sites in each service area (currently approximately 1/3 to the HRA and 2/3 to the General Fund).

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 None.

## **12. Health and Safety Implications**

12.1 None.

## **13. Risk Management Implications**

13.1 Failure to reprocure and award new contracts poses significant issues to all Council services. The key priority is the smooth continuation of services.

## **14. Environmental and Sustainability Implications**

14.1 The CCS Framework for Utilities utilises only renewable energy sources.

## **Appendices**

None.

## **Background Papers**

None.