

Contract Procedure Rules Exemption Form (CPRE)

Refer to Rule 4 of the Council's Contract Procedure Rules before completing this form (see below)

CPRE Number: 2021-002

Date Raised: 20/04/2021

NATURE OF PROPOSED EXPENDITURE

It is proposed to develop and submit a Green Homes Grant Local Authority Delivery Phase 2 (LAD2) bid that, if successful, will enable approximately 75 low income households in poorly insulated homes to benefit from major energy efficiency improvement measures (either solid wall insulation or solar PV).

ESTIMATED LIFETIME VALUE OF THE CONTRACT £722,100

REASON WHY COMPETITIVE TENDERING IS NOT VIABLE

(Any application for exemption is required to demonstrate valid reasons for not going through an open competition process together with a risk assessment).

On 5th March 2021, the Council received an email from the Midlands Energy Hub regarding the Government's allocation of grant funding to the Council under the Green Homes Grant Local Authority Delivery Phase 2. Initially it was felt that the timescales were too difficult to achieve and the Council did not have the resources to deliver the programme. However, discussions with two neighbouring authorities (Gedling and Rushcliffe) raised the prospect of working in partnership with EON to deliver our programme.

Following initial discussions with EON, a draft proposal has been drawn up which means the Council could potentially now deliver an effective programme of support and ensure the grant allocation is invested in a way that effectively targets and benefits some of our worst private sector housing stock. Fully developed proposals must be submitted by no later than 24th May 2021 and strict funding criteria and project reporting arrangements must be adhered to.

EON is our preferred delivery partner due to their previous experience/track record in this field; the fact that they are working with at least 2 other neighbouring local authorities (Gedling & Rushcliffe) to deliver similar programmes and the Council has successfully worked with them on the Nottinghamshire-wide Warm Homes Hub/First Time Gas Central Heating scheme so plans to build on the existing infrastructure and relationships.

Detailed knowledge of external wall insulation and solar PV (and their associated costings) are required in order to write an effective bid, as well as a comprehensive understanding of the LAD 2 criteria. E-ON's Strategic Funding Manager has agreed to work with the Council's Energy & Home Support Officer to write the bid as E-on has direct experience of writing successful LAD proposals and managing their effective delivery.

PREFERRED CONTRACTOR(S)/SUPPLIER(S) TO BE USED

We are proposing to contract with E-on to deliver and manage the Council’s LAD 2 scheme. E-on will be responsible for ensuring delivery targets are met within the funding timeframes set out by the Midlands Energy Hub, and for ensuring their installers meet the required standards. In addition, E-on has offered to bring other added value services to the scheme at no additional cost, e.g. triaging residents who do not meet the LAD 2 criteria to other relevant support schemes. To our knowledge, this is not available from competitors. Also, E-on has agreed to work with the Council to produce tailored information for residents, such as typical savings occupiers can expect to gain from the energy efficiency measures proposed for their home. E-on has also agreed to provide full support to residents throughout the pre and post installation phase.

Risk Assessment:

The risk of going through an open competition process is that (a) we do not get the support we need to write and submit a successful funding proposal within the tight timeframe specified and (b) we could miss the opportunity of contracting with a known, trusted partner that has the experience and capacity to provide the project management support that the Council currently does not have in house.

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|-------------------------|-----------------------|----------------------|
| Contract Officer | Helen Richmond | Date 20/04/21 |
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AUTHORISATIONS: *(refer to Rules 4.3 & 4.5 below as appropriate)*

| | | |
|----------------------------|-------|-------------------|
| Director | | Date |
| Section 151 Officer | | Date |
| Chief Executive | | Date |

Note: A copy of the authorised Exemption Form must be forwarded to the Business Manager – Financial Services for recording and monitoring purposes

4. EXEMPTIONS

4.1 The Contract Procedure Rules must be followed. This is to ensure open and transparent competition and protect the Council from any undue risk of challenges of anti-competitive behaviour.

4.2 Where the total lifetime value of a proposed contract is likely to exceed the EU threshold, a Chief Officer has no delegated powers and no exemption can be applied for.

4.3 For Supplies and/or Services contracts where the total lifetime value is below the EU threshold, an exemption to all or part of the requirements under section 9.1.1 may be granted with the written approval of the Council's Section 151 Officer. For Works contracts with an estimated total value below the EU threshold, an exemption to all or part of the requirements under section 9.1.1 may be granted with the written approval of the Council's Chief Executive and the Section 151 Officer. Any application for exemption is required to demonstrate valid reasons for not going through an open competition process together with a risk assessment.

4.4 Any contract entered into through collaboration with other Local Authorities or other public bodies, where a competitive process has been followed that complies with the Contract Procedure Rules of the leading organisation, will be deemed to comply with these Contract Procedure Rules and no exemption is required. However, advice must be sought from the Procurement Manager.

4.5 Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Council services, approval must be sought from the Section 151 Officer, or in the event of his absence the Deputy Section 151 Officer or in his absence, the Chief Executive or the relevant Business Unit Manager. Where this situation arises a report must be sent to the next Policy & Finance Committee to support the action taken.

4.6 All exemptions, and the reasons for them, must be recorded using the Contract Procedure Rules Exemption form which is available from the Council's Procurement Manager. Exemptions shall be detailed by the Contract Officer and signed by the relevant Director and Section 151 Officer and a copy sent to the Procurement Manager for subsequent recording and monitoring.

4.7 The use of e-procurement technology does not negate the requirement to comply with all elements of these Contract Procedure Rules, particularly those relating to competition and Value for Money.

4.8 Competitive tenders are not required in any of the following circumstances:

(i) EU contracts or framework agreements may be modified without a new procurement procedure only in clearly defined situations as provided for under Regulation 72 of the Public Contracts Regulations 2015.

(ii) The work to be executed or goods or materials to be supplied or the services to be provided constitute an extension of an existing below EU threshold contract provided that such an extension has received approval by the Section 151 Officer. The Procurement Manager must be consulted and must be satisfied that the extension is in accordance with procurement legislation.

(iii) The work to be executed or the goods or materials to be supplied consists of repairs to or the supply of parts to existing proprietary machinery or plant by the manufacturers or their agents. The Procurement Manager must be consulted and be satisfied that Value for Money is being achieved.

(iv) The estimated expenditure is less than £10,000 provided that the appropriate Chief Officer shall take reasonable steps to secure the order at the most competitive price.

(v) The purchase is by or at public auction, including online auction facilities (e.g. eBay) and the total value of the procurement is below the prevailing EU threshold.