



Officer Key Decision

Report to the
Assistant Chief Executive

AUTHORITY TO AWARD CONTRACT FOR THE PUBLIC SECTOR DECARBONISATION SCHEME - ENERGY EFFICIENCY WORKS IN BRENT CORPORATE BUILDINGS

Wards Affected:	Barnhill, Harlesden, Kenton, Kilburn, Northwick Park, Preston, Queensbury, Queens Park, Tokyngton, Welsh Harp, Wembley Central, Willesden Green
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	Two Appendix 1 (exempt): List of Tenderers Appendix 2: Tender Evaluation
Background Papers¹:	Cabinet report of 6 th April 2021
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1.0 Purpose of the Report

- 1.1 This report concerns Brent's building stock which offers significant potential for improvement in energy efficiency. This report details a project which sets out to improve the energy efficiency of the selected Brent Council retained buildings, creating carbon and cost savings to the council.
- 1.2 This project forms part of the wider Climate and Ecological Emergency delivery strategy, to reach net zero carbon emissions before 2030, and specifically in leading by example to decarbonise Brent's own buildings.
- 1.3 The project will be funded using the Section 31 grant funding won through the Public Sector Decarbonisation Scheme (PSDS), via the Government department BEIS (Department for Business, Energy & Industrial Strategy), and administered by Salix Finance, a non-departmental public body. The breakdown of costs of the project is included in 4.2, and the total includes funding for Project Management support.
- 1.4 This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That the Assistant Chief Executive in consultation with the Lead Member for Environment:

- 2.1 Approves the award of the contract for the Public Sector Decarbonisation Scheme - Energy Efficiency Works in Brent Corporate Buildings to Ameresco Ltd.

3.0 Detail

- 3.1 The Council undertook a mini competition through the RE:FiT framework by inviting Service Providers on the framework through the London Tender Portal to submit their tenders and an online presentation was held for tenderers on 15 June 2021.
- 3.2 Tender Responses had to be submitted electronically by 2 July 2021 at 12:00 noon using the Council's electronic tendering system by logging onto London Tenders and two tender responses were received.
- 3.3 The two tender responses were accepted and Tenderer A (Ameresco Ltd), a specialist energy services company (ESCO) to the Council's satisfaction detailed in their tender their ability to deliver an excellent program of works in the short timeframe set out by the Department for Business, Energy & Industrial

Strategy (BEIS), and Salix Finance for the works to be completed.

The Tender Process

- 3.4 The Council will enter into a call off contract under the RE:FiT framework with the successful tenderer. As the works and services will be delivered in stages, the Investment Grade Proposal will be based on the IGP Services Conditions (Schedule 5 of the call off contract), the provision of service under the project will be based on the Optimisation services terms (Schedule 6 of the call off contract) and JCT form of contracts will be used for the works. The contract period is 24 months plus 12 months plus 12 months.
- 3.5 Advertisements were placed on London Tenders Portal (DN DN544729) on 09 June 2021 to seek Tender responses. Suppliers were provided with specification and details of the tender completed the questionnaire.
- 3.6 Officers conducted a mini competition via the RE:FiT framework and all suppliers were invited to bid.
- 3.7 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following:
- Project management
 - Analysis and design
 - Installation phase
 - Performance delivery
 - Achieving strategic goals and wider benefits
 - Pricing approach
 - Commercial (Price)

Evaluation process

- 3.8 All tenders had to be submitted electronically no later than 02 July 2021 at 12:00 noon. Tenders were opened on 02 July 2021 at 12:47 and two tenders were received. Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 3.9 The panel met on Tuesday 13 July and each submission was evaluated by three officers from the Energy Team, and was moderated by a member of the procurement team.
- 3.10 Two members of RE:FiT (Framework provider) were also present to ensure that the scoring requirements of the framework were met as well as Brent's internal scoring requirements.
- 3.11 The names of the tenderers are contained in Appendix 1. The scores received

by the tenderers are included in Appendix 2. It will be noted that Supplier A was the highest scoring tenderer. Officers therefore recommend the award of the contract to Supplier A.

- 3.12 The contract will commence on 10 August 2021 subject to observation of a 5 days call in period.

4.0 Financial Implications

- 4.1 Under the Council's Constitution Chief Officers have delegated authority to approve the award of contracts for works valued at less than £5 million.

- 4.2 The estimated value of this contract is £2,450,000.

- 4.3 It is anticipated that the cost of this contract will be funded from the Public Sector Decarbonisation Scheme (PSDS) capital works cost centre budget, which consists of Section 31 grant funding won through the Public Sector Decarbonisation Scheme (PSDS), via the Government department BEIS, and administered by the non-departmental public body Salix Finance).

- 4.4 £500,000 for dedicated LED lighting upgrades across our corporate buildings was agreed by Full Council on 12 July 2021 under the Climate Emergency Programme. The allocation of this extra money is to be added to the £2,450,000 grant cost code that this report refers to, to reach a total of £2,950,000. The PSDS budget is specifically for carbon reduction measures. We have been made aware that some of the buildings may require non-carbon reduction related works in order to facilitate the carbon reduction measures. Non-carbon reduction measures works would need to be funded from alternative budgets, e.g. building maintenance budgets.

5.0 Legal Implications

- 5.1 The value of this contract over its lifetime is below the threshold for Works and the award of the contract is therefore not governed by the Public Contracts Regulations 2015 (the "Regulations"). The award is subject to the Council's own Standing Orders in respect of Medium Value Contracts and Financial Regulations.

- 5.2 As indicated in paragraph 5.1, the award of the contract is subject to the Council's own Standing Orders in respect of Medium Value Contracts. Chief Officers have delegated to them power to award Medium Value Contracts in accordance with paragraph 9.5, of Part 3 of the Constitution.

- 5.3 As the procurement was undertaken under a framework and the value below the threshold for Works under the Public Contracts Regulations, there is no requirement for the Council to observe the mandatory minimum 10 calendar day standstill period under the Regulation before the contract can be awarded.

Therefore once the Assistant Chief Executive has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. The successful tenderer will be issued with a letter of acceptance and the contract can commence.

6.0 Equality Implications

6.1 The Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

6.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

6.3 The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.

6.4 There are no adverse equality implications arising from the recommendations.

7.0 Consultation with Ward Members and Stakeholders

7.1 Not required.

8.0 Human Resources/Property Implications

8.1 The recommended procurements are Works contracts and there are no implications for Council staff arising from the procurement of these contracts.

8.2 Property implications are risk is low due to project aim being to reduce energy use in buildings. There may be a small number of instances where buildings have to be temporarily (partially) closed for works, for a small number of days. There are no accommodation implications.

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. This duty does not strictly apply to the proposed contracts as they are not services contracts. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the procurements.
- 9.2 The Social Value Act 2012 places a duty on the Council to consider how what is being procured in relation to services contracts might improve the:

Social, economic and environmental wellbeing (“Social Value”) of the relevant area.

It is the Council’s policy to consider and include Social Value deliverables in all of its procurements with a value over £100,000.

Tenderers completed the Social Value Action Plan and Method Statement (where they incorporated their commitments from the Action Plan) and submitted it as part of their tender submission. The winning tender from Ameresco Ltd. offered an excellent, comprehensive Social Value Action Plan and Method Statement which Officers are confident will benefit Brent residents.

Report sign off:

Shazia Hussain
ASSISTANT CHIEF EXECUTIVE
Date: