

Members' Library Service Request Form

Date of Document	19/01/15
Originator	Acting Head Of Development
Originator's Ref (if any)	
Document Title	Tender Acceptance for the Delivery of Energy Efficiency Measures

Please indicate if access to the document is to be “unrestricted” or “restricted”, with regard to the terms of the Local Government (Access to Information) Act 1985.

Unrestricted	<input checked="" type="checkbox"/>	Restricted	<input type="checkbox"/>
--------------	-------------------------------------	------------	--------------------------

If the document is “restricted”, please state on what grounds (click on grey area for drop-down menu):

For Publication

Please indicate which committee this document should be recorded into (click on grey area for drop-down menu):

Cabinet

Additional information:

Authorised By	Douglas Proudfoot
Designation	Acting Head of Development
Date	19/01/15

For Office Use Only:	
Library Reference	08/15
Date Received	19/01/15
Bulletin	Jan 15

REPORT TO: Members' Library Service

MEETING DATE:

BY: Depute Chief Executive – Partnerships and Community Services

SUBJECT: Tender Acceptance for the Delivery of Energy Efficiency Measures

1. PURPOSE

- 1.1 To note the decision to award the contract for the delivery of energy efficiency measures and reports to Messers Everwarm.

2. RECOMMENDATIONS

- 2.1 Members are asked to note the decision of the Head of Development, acting under delegated authority, to accept Messrs Everwarm's tender offer amounting to £157,670 after checking, for the installation of energy efficiency measures and provision of reports to private households in Prestonpans. This report is submitted to the Members Library Service in accordance with Standing Order 3.4 (a) and (c) for Members' information.

3. BACKGROUND

- 3.1 Home Energy Efficiency Scotland Programmes: Area Based Schemes (HEEPS: ABS) is one of the Scottish Government's three home energy efficiency programmes launched in March 2013 to tackle fuel poverty and increase energy efficiency in homes.
- 3.2 Councils are the leading delivery body for HEEPS:ABS with the funding from the Scottish Government being used to enable improvements to privately owned housing within area wide energy efficiency improvement projects.
- 3.3 The properties being targeted in this scheme are in fuel poor areas of Prestonpans, which has the highest concentrations of fuel poverty in East Lothian. Prestonpans has previously been targeted with a free-to-all insulation programme and despite this is still an area with high instance of fuel poverty. This project will intensively target the area to determine ways to improve the energy efficiency of the housing stock and to reduce fuel bills for householders.
- 3.4 The Council received an offer of funding from the Scottish Government following submission of outline HEEPS:ABS projects. In March 2014, £679,500 of funding was allocated to the Council.
- 3.5 A two stage tender process is in place to deliver this package of work. The Energy Savings Trust has undertaken a procurement exercise on behalf of a number of Local Authorities across Scotland, including East Lothian Council.

- 3.6 The first stage of this process concluded in January 2014, with seven contractors appointed to a framework based on a range of indicators, including quality and price. On this basis the following contractors were appointed to the framework.

Keepmoat	BCA	Carillion	Everwarm	Wates	SIG	AC Whyte
-----------------	------------	------------------	-----------------	--------------	------------	-----------------

- 3.7 In the second stage of this tender exercise a package of work was put to the framework as a mini-tender in November 2014. Two of the contractors on the framework submitted pricing schedules.

- 3.8 Results of mini-tender competition

Table 1 Results of mini-tender competition

Keepmoat	Everwarm
£326,189	£157,670

- 3.9 Following checking and assessment Everwarm have been selected as the lowest priced contractor.

4. POLICY IMPLICATIONS

- 4.1 The installation of these energy efficiency measures will assist in delivering one of the Council's key SOA outcomes "Everyone in East Lothian has access to quality sustainable housing" and specifically "Housing is more energy efficient and in better condition".

5. EQUALITIES IMPACT ASSESSMENT

- 5.1 This Report is not applicable to the wellbeing of equalities groups and an Equalities Impact Assessment is not required.

6. RESOURCE IMPLICATIONS

- 6.1 The project will predominately be funded by the Scottish Government's HEEPS:ABS scheme and additional funding will be through the leveraging in of Energy Company Obligation (ECO) from energy suppliers which is an external funding source.
- 6.2 An initial budget of £210,000 was allocated to the project, based upon completion of installations and producing reports for 250 properties. A successful tendering process priced these works at £157,670. This means more properties can be targeted in the scheme to ensure expenditure of the allocated budget is achieved, which in turn will maximise draw down of Scottish Government grant. The number of installations undertaken is dependent upon engagement and uptake with private homeowners.

6.3 Under the terms of the Scottish Government's HEEPS:ABS grant, the Council is required to pay the contractor for the works and then in turn claim funding from the Scottish Government. There is no capital expenditure required from the Council for this project.

6.4 Personnel – None.

6.5 Other – None.

7. BACKGROUND PAPERS

7.1 None

AUTHOR'S NAME	Douglas Proudfoot
DESIGNATION	Acting Head of Development
CONTACT INFO	Alastair Ranyard – 01620 828717