

NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

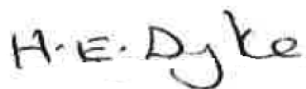
As Leader I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Sustainable Warmth funding	To agree the procurement process and tender evaluation for a contractor to undertake work in relation to HUGS2 and to amend the capital programme to include the £1,155,000 for the sustainable warmth programme.	To comply with the council's contract standing orders and the delegation to cabinet for capital programme amendments as the sustainable warmth funding is an external grant.	09/05/2023

I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated: 9th May 2023

Signed:



Councillor: Helen Dyke
Leader

WYRE FOREST DISTRICT COUNCIL

Strong Leader Report

Report to consider the procurement of a contractor to deliver the Home Upgrade Grant (HUG) Phase 2 programme of works and an amendment to the capital programme.

CABINET MEMBER:	Cllr Helen Dyke, Leader of the Council and Cabinet Member for Economic Regeneration, Planning and Localism
RESPONSIBLE OFFICER:	Kate Bailey -Head of Strategic Growth 01562 732560 Kate.Bailey@wyreforestdc.gov.uk
CONTACT OFFICER:	Brent Metcalf- Housing Project Officer- Sustainable Warmth 01562 732759 Brent.Metcalf@wyreforestdc.gov.uk
APPENDICES	Appendix One: Quality Assessment scoring and questions

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval to enter into a procurement exercise via a Dynamic Purchasing System (DPS) to appoint a contractor(s) to undertake the works required under the Home Upgrade Grant Phase 2 (HUG2) programme.

2. RECOMMENDATION

That the Leader;

- 2.1 Approves the procurement exercise and the tender evaluation model contained in Section 4 of this report;
AND
- 2.2 Grants delegated authority to the Head of Strategic Growth in consultation with the Solicitor to the Council and the Cabinet Member for Housing, Health, Wellbeing and Democratic services to make any non-material amendment to the tender documents and evaluation criteria, to evaluate the tenders received in accordance with the approved evaluation model and to award the contract(s) to the highest scoring tenderer;
AND
- 2.3 Amends the capital programme to include capital of £1,155,000 as per the delegation of 12 May 2021 as this funding is an external capital grant

3. BACKGROUND

- 3.1 HUG2 is a government scheme awarding grants to Local Authorities (LAs) for energy efficiency and clean heating upgrades in owner occupied and private rented fuel poor homes off the gas grid. HUG2 aims to deliver two main objectives:
- To deliver progress towards the statutory fuel poverty target for England, by improving as many fuel-poor homes energy efficiency rating band D, E, F and G as reasonably practicable to B and C by 2030.
 - To progress the UK's target to reach Net Zero by 2050, by supporting the phase out of off-gas grid fossil fuels and transition to low-carbon heating systems.
- 3.2 HUG2 funding has been awarded, with delivery running from April 2023 until March 2025. HUG2 will follow on from HUG1, which is expected to be in delivery until May 31st 2023. The funding bid was secured by the Midlands Net Zero Hub (MNZH), (who form part of Nottingham city council) on behalf of WFDC. The customer journey partner Act On Energy (AOE) are procured by the MNZH to deliver the application stage of the project. AOE also have built into their contract opt in facilitation services including retrofit coordination which we would like to utilise. In addition there are some additional services we could pay AOE to provide either utilising the balance of the revenue grant or up to 10% of the capital funding see paragraph 5.2. This would be for delivery of the retrofit assessments and retrofit coordination.
- 3.3 To support the delivery of the above targets the scheme will deliver installation of energy efficiency improvement measures through an approved contractor. Some examples energy efficiency improvements are, cavity wall insulation, loft insulation and external wall insulation and installation of low carbon heating technologies such as heat pumps and solar PV. Such changes will provide warmer homes that are cheaper to heat.
- 3.4 Delegated authority to award the contract(s) following evaluation in accordance with the approved criteria is sought as this needs to be done promptly to provide sufficient purchase and implementation time between award and commencement of the new contract.

4. KEY ISSUES

4.1 Route to Procurement

Procurement for services and works will be via Nottingham City Council's Dynamic Purchasing System (DPS) which has been put in place on behalf of the Midlands Energy Hub. The DPS was established to give public bodies, primarily Local Authorities and Housing Associations, a compliant route to access qualified consultants and contractors to assist them to deliver projects involving energy efficient retrofits covering a range of measures and technologies and to support the regional delivery of funding from the Department of Energy Security and Net Zero (DESNZ).

- 4.2 A Dynamic Purchasing System (DPS) framework is a method of buying commonly used goods, services and works. It combines a pre-qualification process for suppliers, similar in effect to a 'select' or 'approved' list, with elements of electronic

tendering and aims to streamline the procurement process, reducing the workload and making it more efficient for both buyers and suppliers.

4.3 The Nottingham City Council DPS is compliant with the advertising requirements of the Public Contracts Regulations 2015 and requires users to undertake a mini competition between the pre-approved suppliers.

4.4 Our aim is to work primarily with one contractor; however, we recognise that one contractor will not be able to offer all the measures required, therefore, it will be necessary to contract with other contractors to ensure all works identified and required are carried out.

4.5 The proposed tender timetable is as follows:

Key Event	Date
Tender notice publication	22/05/23
Deadline for submission of clarification questions	07/07/23
Deadline for tender submissions	14/07/23 @ 12:00hrs
Expected evaluation period	17/07/23 – 19/07/23
WFDC review & approval	23/07/23 – 25/07/23
Expected date of contract award	26/07/23
Expected contract commencement	07/08/23

4.6 **Criteria for eligibility to participate on the DPS**

In order to participate in the DPS, contractors are required to meet the following criteria, and to maintain them throughout the period of validity of the system:

- Trustmark registration (all categories)
- PAS 2030:2019 certification (for applicable categories)
- Micro-generation Certification Scheme certification (for applicable categories)
- Minimum insurance levels (all categories)

4.7 Applicants unable to demonstrate to the satisfaction of Nottingham City Council that they meet the criteria for eligibility will not be admitted to the DPS until such time as Nottingham City Council is satisfied. Applicants admitted to the DPS who subsequently fail to meet any of the criteria for eligibility will be suspended from the DPS until such time as they can demonstrate their renewed eligibility.

4.8 **Evaluation criteria and scoring methodology**

The marks available, relative weightings, and total score available for each element of the assessment are as shown in the table below, all tenders will be evaluated on a 70/30 split in favour of quality over price.

Evaluation Area	Available Marks (1-5)	Total Weighting
Price – Fee Proposal (Schedule 1)	N/a	30%
Quality Assessment Questions	-	-
Technical Details	5	20%
Management Team	5	20%

Customer Journey & Complaints Handling	5	20%
Sustainability and Social Value	5	10%

4.9 **Price- Fee Proposal**

Contractor to provide a fixed price and indicative cost breakdown. Ensuring that they have accounted for the full range of work required under the Scope of Services.

The total proposed fee for each Tender will be awarded a score proportionate to the lowest priced Tender received, according to the following formula:

score = (lowest price received / tender price) x available score

4.10 **Quality Assessment Questions Scoring**

For *Pass/Fail* questions, Suppliers must achieve a rating of 'Pass'; any bids receiving a 'Fail' on any question will be disqualified.

For scored questions, the Authority will assess Tenderers' responses to each question against the criteria set out in the following table and will award points up to the maximum shown against each heading. Failure to achieve a rating of at least Satisfactory for any one or more questions may result in the Supplier being disqualified at the Authority's discretion. Quality Assessment Scoring and Quality Assessment Questions are in Appendix One.

- 4.11 At the sole discretion of the Council, Tenderers may be invited to present their proposals at clarification meeting and demonstrate details of their submission. The meeting may be used to validate the provisional scores for the Tenderer's written submissions in relation to quality and technical merit. The Council's tender evaluation panel may therefore reduce a Tenderer's provisional score for their written submissions in relation to quality where the meeting indicates that a Tenderer's provisional score on the basis of their written submission cannot be justified. Conversely, the evaluation panel may increase a Tenderer's provisional score where it considers their written submissions in relation to quality did not sufficiently reflect the quality of their actual delivery proposals for the Contract.

5. FINANCIAL IMPLICATIONS

- 5.1 The Council have been awarded £1,270,500 for HUG2 (Homes Upgrade Grant) covering the period of April 2023 - March 2025. This includes a £115,000 element for revenue costs which has also been awarded.
- 5.2 Local authorities may use up to 10% of capital grant funding to fund administrative, delivery and ancillary works to support activities such as the completion of EPC, essential repair, maintenance, and preparation of properties to facilitate energy efficiency upgrades and other support as required for low-income households.
- 5.3 A full time Housing Project Officer (Sustainable Warmth) will be employed to manage and oversee the project as well as completing monitoring information required by the MNZH. The costs of the post will be met in full from the revenue grant.
- 5.4 The Capital Programme requires amendment to include £1,155,000 expenditure in respect of the HUG2 project. The expenditure is fully funded

from external grant income and as such approval to amend the capital programme can be given under the delegation to Cabinet.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 As stated in the Council's Contracts Procedure Rules Cabinet Approval is sought for procurements where the value of the purchase is more than £175,000.
- 6.2 Use of the DPS in accordance with the framework guidance is compliant with the Public Contracts Regulations 2015.
- 6.3 The successful contractor will be required to enter into a formal contract upon terms permitted by the DPS and approved by the Solicitor to the Council

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 This report relates solely to the procurement of a contractor to deliver HUG2 for Wyre Forest District Council so there is no requirement for an Equality Impact Assessment. The fundamental principles of no discrimination and transparency relate to all procurement exercises.

8. RISK MANAGEMENT

- 8.1 By using the DPS risks are reduced as Wyre Forest District Council's requirement gets exposure to pre-qualified, suitable contractors, and will be procured via a compliant procurement procedure. This will allow the Council the ability to provide reliable, supported and fully accredited contractors to install measures. The project is being overseen by the Midlands Net Zero Hub.

9. CONCLUSION

- 9.1 Due to the value of the contract proposed, authorisation is required for the proposed evaluation model that will be used to assess the tenders. This model has been provided in section 4 of this report.
- 9.2 The successful appointment of a suitably qualified contractor will allow for the work that is programmed to be undertaken to be met within the programme time period. The use of Nottingham City Council's DPS will ensure that there are suitably qualified companies with experience of undertaking large complex development projects bidding for the work.

10. CONSULTEES

- 10.1 Helen Ogram, Head of Resources and S151 Officer
Sally Tallon, Contracts Solicitor

11. BACKGROUND PAPERS

- 11.1 Not applicable

Appendix One

Quality Assessment Questions Scoring	Score
Unacceptable: The Supplier has failed to address the question, submitted no response, or any element of the response gives cause for major concerns that requirement[s] will not be met.	0
Poor: The Supplier has provided an unsatisfactory response addressing some of the requirement but with very little detail. The response provided does not provide full confidence that the requirements can be met.	1
Weak: The Supplier has provided an acceptable response addressing some of the requirement with partial detail. There are a few concerns about whether the requirements can be met, which requires further clarification.	2
Satisfactory: The Supplier has provided a satisfactory response addressing most of the requirements in sufficient detail, providing confidence that most requirements can be met.	3
Good: The Supplier has provided a strong response addressing most of the requirements in detail, providing confidence that the requirements can be met in full.	4
Excellent: The Supplier has provided a thorough response, addressing ALL requirements in extensive detail, providing confidence that the requirements can be met in full, with added value solutions.	5

Quality Assessment Questions

Set out your proposals to deliver the work as specified in the 'Details of Requirement' above. Ensure as a minimum you have covered the following headings:

Technical Details

1) For each of the following measures provide details of the systems / materials you plan to use. Demonstrate how they meet the technical specifications, give details of warranties etc. and attach the relevant datasheets e.g., BBA certificates (certificates do not count towards the page limit):

- Cavity Wall Insulation
- Loft Insulation
- External Wall Insulation
- Internal Wall Insulation
- Room in Roof Insulation
- Flat Roof Insulation
- Underfloor Insulation
- Park Home Insulation
- Air Source Heat Pumps
- Ground Source Heat Pumps
- High Temperature Heat Pumps
- Hot Water Cylinder Insulation
- Hot Water Cylinder Thermostat
- Digital/Smart Heating Controls
- PV Battery Storage
- Solar PV
- Double Glazing (only when required by PAS 2035 to complement EWI or for the home to be PAS compliant)
- Biomass room heater with boiler
- Solar Thermal Panels
- Solar Thermal Battery
- Direct Electric Heaters
- High Retention Storage Heaters

2) Can you please confirm you are able to complete or subcontract the completion of the measures below. Technical specs are not needed for these for the purpose of the tender bid.

- Low energy lighting
- Draught Proofing
- Low Carbon District Heating
- Shared Loop Ground Source Heat Pumps
- Communal Heat Networks
- Wet Central Heating

Maximum of 1 side of A4 per measure

Data sheets / certificates do not count towards the page limit

Management Team

- 1) Give details of the key named team members who will be assigned to this project to ensure successful delivery including the name of the project manager who will act as the priority point of contact for the scheme. Provide a summary CV for each, demonstrating the skills, experience and qualifications that will contribute to successful delivery.
- 2) Provide an organisation / management structure chart showing their reporting lines to each other, and to the organisation as a whole.
- 3) Please explain how you will deliver the installations within the given timeframes and demonstrate you have the capacity to complete the programme giving indicative timescales for the installation of individual measures and timescales to fulfil the retrofit duties
- 4) Set out your proposals for engaging Subconsultants/contractors to work for you on this project. Ensure you include, as a minimum:

Details of any Subconsultants/contractors that you intend to engage / have already engaged with for delivery of this contract.
Methods for locating / sourcing appropriate Subconsultants/Contractors.
Methods for vetting Subconsultants/Contractors to ensure they meet statutory requirements and the Authority's stated policies
Details for managing Subconsultants/Contractors engaged on this project, including your procedures for performance management and addressing any failures to deliver to expected standards.

Maximum of 2 sides of A4 per point 8 total

CVs/ certificates do not count towards the page limit

Customers' Journey & Complaints Handling

- 1) Set out your proposals for contacting, communicating, and managing interactions with the homeowners, tenants and landlords. Provide details of your procedures for dealing with any complaints that arise during or after installation and include details of any dispute resolution and/or escalation procedures you will have in place with timescales and designation of responsibilities.
- 2) Please provide details explaining how your company's procedures and the key people you employ to monitor and control quality will ensure the successful delivery of this contract. Ensure you cover, as a minimum, the procedures, and systems you intend to employ to:
 - Manage quality control for this contract
 - Avoid defects
 - Minimise re-work
 - Avoid repeat failures
 - Reduce impacts on timely completion & delivery of outcomes

Maximum of 2 sides of A4 per point 4 total

Sustainability & social Values

1) Outline how you will improve sustainability and increase social value through your delivery of this contract. Your answer should include but not be limited to the following headings:

- Economic: e.g., generating local employment, training, and work-experience opportunities; increasing spend with local companies.
- Social: e.g., supporting local community initiatives e.g., charities, local amateur sports teams etc.
- Environmental: e.g., Reducing your energy use and carbon footprint; Using environmentally friendly goods and services; and minimising Waste.

Maximum of 1 side of A4 per point 3 total
