

Title: Procurement Exercises over £150,000

Lead Officer: Rebecca Reading, Strategic Procurement & Creditors  
Manager

Portfolio Holder: Councillors Adkins, Chilvers & Williams

Wards of the District directly affected: All

<b>Approvals required</b>	<b>Date</b>	<b>Name</b>
<b>Portfolio Holder</b>	7/10/2024	Councillor Adkins Councillor Chilvers Councillor Williams
<b>Finance</b>		
<b>Legal Services</b>		
<b>Chief Executive</b>	7/10/2024	Chris Elliott
<b>Director of Climate Change</b>	7/10/2024	Dave Barber
<b>Head of Service(s)</b>	7/10/2024	Andrew Rollins, Graham Leach
<b>Section 151 Officer</b>	7/10/2024	Andrew Rollins
<b>Monitoring Officer</b>	7/10/2024	Graham Leach
<b>Leadership Co-ordination Group</b>		
<b>Final decision by this Committee or rec to another Cttee / Council?</b>	Yes	
<b>Contrary to Policy / Budget framework?</b>	No	
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>	Yes, Appendix 1 confidential due to Paragraphs 3, as set out of the report.	
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>	Yes, Forward Plan item exemption.	
<b>Accessibility Checked?</b>	Yes	

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## Summary

The report seeks approval to begin the procurement exercises identified in this report, in line with the agreed Procurement Code of Practice, with details set out in the Confidential appendix to the report.

## Recommendation(s)

- (1) That Cabinet notes the commencement of the procurement exercises of the following and provides Key decision approval where indicated. Please view in conjunction with the Confidential appendix 1 to the report, in respect of Housing Consultancy advice for Housing Repairs and Temperate House Decarbonisation
  - (2) The Cabinet supports the reallocation of Public Sector Decarbonisation 3c grant funding to decarbonisation works at the Temperate House and Restaurant in Jephson Gardens, subject to the formal agreement of the funder.
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## 1 Reasons for the Recommendation

- 1.1 The report brings forward all proposed procurement exercises ready to be sourced, some of which form key decisions as they are over £150,000; others are provided for advisory purposes. As explained in the report to Cabinet in March 2024 a gap was identified within procurement governance process at WDC which was clarified by Cabinet and Council to confirm that any proposed procurement activity above £150,000 needs to be considered by Cabinet.
- 1.2 These exercises are set out in the Confidential appendix (due to the values associated and the Council not wanting to declare the anticipated budget) to the report for consideration. These items and the reason for their procurement are set out within the confidential appendix to the report, so as not to disclose the Council's position in respect of the Anticipated cost
- 1.3 In respect of the Housing Consultancy advice for Housing Repairs the property consultants will be working with the Council's asset and housing teams to support the responsive repairs and maintenance procurement exercise. The preferred supplier brings sector experience and market insight that will be essential to ensure we have an approach that is fit for purpose. Their support will include scope, soft market testing, specification, contract management training and general advice. WDC Procurement will also be involved on this procurement project throughout to provide guidance and interpretation on WDC Procurement Policy. Shared Legal team will also be involved as required as well. The funding for this will come from the Council's Housing Revenue Account Responsive Repairs budget.
- 1.4 The Cabinet will recall that Temperate House Decarbonisation features as part of the report on Low Cost Low Carbon Energy that went to Cabinet in July. This set out that Corporate Strategy Strategic Goal 1 - Reduce energy consumption and carbon emissions from the Council's public buildings:  
"Priority Action (a)- utilising the Renewable Energy Generation Reserve and other funding sources to deliver rooftop solar / low energy lighting in key WDC assets, alongside other decarbonisation works for WDC assets with the greatest potential to benefit from decarbonisation measures. As part of this we will seek

to develop proposals for assets such as the Glasshouse Restaurant and Temperate House; the Pump Rooms; Jubilee House; and the leisure centres.”

- 1.5 In Spring 2024 the Council received a grant offer from Salix for decarbonisation works at the Spa Centre and Althorpe Street Enterprise Hub. Due to issues in delivering the schemes originally included in the grant offer, it is now proposed that the grant should be switched to the Temperate House and Restaurant which, subject to formal agreement from the funders and subject to some outstanding practical considerations, achieves better value (in terms of tonnes of CO2 saved per £).
- 1.6 The Council will match fund the grant to deliver a new Air Source Heat Pump system for the Temperate House to replace the existing gas boilers. The works will be funded through the PSDS 3c Grant Funding administered by Salix. The remaining contribution will be provided by WDC from the Climate Change Action Fund. Delegated authority is in place to spend the Climate Action Fund on building decarbonisation ([Report Climate Change Action Programme, Cabinet December 2023](#)). However, due to the value being greater than £150k, Cabinet approval to proceed with the procurement is required.
- 1.7 The priority decarbonisation measure at Temperate house, is the removal of the fossil fuel heating system and its replacement with Air Source Heat Pumps (ASHPs). For successful Installation of ASHPs, alterations to the ventilation system, heating distribution, and building management technologies are required. The grant value that Salix is allowing WDC to retain, has not yet been confirmed. If WDC are successful in retaining a larger portion of grant money, the scheme will be expanded to include LED lighting and rooftop Solar PV. These technologies will be fully integrated into the project to optimise performance and further reduce carbon emissions. For this reason, the total value of the works has been included in the appendix to show the potential cost range.
- 1.8 Heart of England Community Energy (HECE) have also agreed to fund Solar Installations on public buildings across the district. Depending on the finalised value of the Salix grant allocation, it may be decided to utilise the HECE soft-loan, to fund the Solar PV installation at Temperate House. This will reduce the match funding required from WDC.
- 1.9 Due to the re-allocation of the funding, timescales for scheme implementation are tight, and detailed designs require completion prior to work beginning onsite. It is necessary to determine the direct award procurement route, considering the limited time frames and the many other project constraints.

## **2 Alternative Options**

- 2.1 In respect of recommendation the Cabinet could decide not approve some or all of the identified procurement activities, however some of these relate to the provision of core or statutory services, and to pause or stop at this stage would significantly delay some of these activities were new contracts are required.

## **3 Legal Implications**

- 3.1 There are legal implications when determining the financially sensitive Appendix to the report to the extent that the discussions on those appendices should be treated as confidential under (paragraph 3 under Local Government Act 1972 - Schedule 12A After the Local Government (Access to Information) (Variation) Order 2006). Following completion of any procurement each of the contracts for these products will be detailed on the Council’s public contracts register.

#### **4 Financial Implications**

- 4.1 The anticipated values of the contracts sought for procurement are built into the budget of the Council as agreed in February 2024. Where no budget is in place specific separate Cabinet reports will be brought for consideration.

#### **5 Corporate Strategy**

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation. The delivery of good procurement is a key aspect in in Delivering valued, sustainable services in order that the Council can continue to focus its efforts and activities on the needs of its residents, communities and businesses.

#### **6 Environmental/Climate Change Implications**

- 6.1 The environmental implications of the proposal in relation to the Council's policies and Climate Emergency Action Plan will be considered at early stage of procurement in line with the Council's current procurement code and with appropriate advice from officers.

#### **7 Analysis of the effects on Equality**

- 7.1 There are no direct Equality implications of the report and each procurement exercise will be required to complete Equality Impact Assessment as part of the procurement exercise.

#### **8 Data Protection**

- 8.1 There are no specific data protection implications of the proposals as set out, but any procurement activity which will result in a change of how the Council handles personal data or security of personal data will be subject to a Data Protection Impact Assessment being approved before the final contract is awarded.

#### **9 Health and Wellbeing**

- 9.1 There are no direct health and wellbeing implications of the proposal.

#### **10 Risk Assessment**

- 10.1 There are minimal risks associated directly with the report as the report introduces improved equity of speaking at Planning Committee and improved governance for procurement as an interim measure.

**Background papers:** None

**Supporting documents:**

Warwick District Council Constitution [Article 13](#) & [Code of Procurement Practice](#)  
[Warwick District Council Cabinet March 2023](#)