

# EXECUTIVE DECISION

made by a Council Officer




## REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL COUNCIL OFFICER

Executive Decision Reference Number – *SPI01 21/22*

Decision	
1	<b>Title of decision: Contract Award for PCC Big 4 Decarbonisation Project</b>
2	<b>Decision maker (Council Officer name and job title):</b> Paul Barnard, Service Director for SP&I
3	<b>Report author and contact details:</b> Alastair Gets, <a href="mailto:alastair.gets@plymouth.gov.uk">alastair.gets@plymouth.gov.uk</a> , 01752 306930
4a	<b>Decision to be taken:</b> To award the Contract for The Design and Build, Supply, Installation, Commissioning and Monitoring of Heat Decarbonisation M&E measures (Details of the successful tenderer are set out in the Contract Award Report - Part II), following the competitive procurement exercise
4b	<b>Reference number of original executive decision or date of original committee meeting where delegation was made:</b> L40 20/21 on 11 February 2021
5	<b>Reasons for decision:</b>  In accordance with the delegated authority granted by the Executive Decision made by the Leader of the Council on 11 <sup>th</sup> February 2021 the project undertook a procurement exercise and delegated authority to the Service Director of SP&I to award the Contract.  The Council received 2 tender returns and following tender assessment is now in a position to award the contract.  See Contract Award Report - Part II.
6	<b>Alternative options considered and rejected:</b>  Alternative technologies such as ground source open loop heat pumps were investigated but well-testing proved that it was not feasible for this part of the heat network, so air source heat pumps were chosen.  <b>Option 1: Do Nothing</b> – no capital spending or revenue pressure but PCC fails reduce its carbon emissions and loses out on government grant money.  <b>Option 2: Do Minimum Option</b> - only do buildings with energy savings but less carbon savings than the full project, challenging the net-zero by 2030 pledge, and losing out on a significant portion of grant money, which may be a one-off offer

7	<p><b>Financial implications:</b></p> <p>Vital Energi Ltd. tender price initially exceeded the budget set for this project. However, through a Value Engineering process have managed to reduce it to within a slightly increased budget. These included:</p> <ul style="list-style-type: none"> <li>- alternative cost saving options such as relocating plant at Ballard and Crownhill, a better priced heat pump for Crownhill and eliminating the district heat connection to Midland House,</li> <li>- securing other sources of PCC funding (\$106).</li> </ul> <p>Work is continuing to explore options to reallocate of Public Sector Decarbonisation Scheme funding from other measures (with Salix consent)</p>																
8	<table border="1"> <thead> <tr> <th data-bbox="225 510 759 600">Is the decision a Key Decision? (please contact <a href="#">Democratic Support</a> for further advice)</th> <th data-bbox="759 510 852 600">Yes</th> <th data-bbox="852 510 1007 600">No</th> <th data-bbox="1007 510 1495 600">Per the Constitution, a key decision is one which:</th> </tr> </thead> <tbody> <tr> <td data-bbox="225 600 759 770"></td> <td data-bbox="759 600 852 770"></td> <td data-bbox="852 600 1007 770" style="text-align: center;">✓</td> <td data-bbox="1007 600 1495 770">in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save in excess of <b>£3million</b> in total</td> </tr> <tr> <td data-bbox="225 770 759 958"></td> <td data-bbox="759 770 852 958"></td> <td data-bbox="852 770 1007 958" style="text-align: center;">✓</td> <td data-bbox="1007 770 1495 958">in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1 million</b></td> </tr> <tr> <td data-bbox="225 958 759 1099"></td> <td data-bbox="759 958 852 1099"></td> <td data-bbox="852 958 1007 1099" style="text-align: center;">✓</td> <td data-bbox="1007 958 1495 1099">is <b>significant</b> in terms of its effect on communities living or working in an area comprising <b>two or more</b> wards in the area of the local authority.</td> </tr> </tbody> </table>	Is the decision a Key Decision? (please contact <a href="#">Democratic Support</a> for further advice)	Yes	No	Per the Constitution, a key decision is one which:			✓	in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save in excess of <b>£3million</b> in total			✓	in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1 million</b>			✓	is <b>significant</b> in terms of its effect on communities living or working in an area comprising <b>two or more</b> wards in the area of the local authority.
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8b	<p>If yes, date of publication of the notice in the <a href="#">Forward Plan of Key Decisions</a></p>																
9	<p><b>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</b></p> <p>This project helps deliver JLP <b>DEV32</b> – Delivering low carbon development by reducing the heating energy load and JLP <b>DEV33</b> – Renewable and low carbon energy by the installation of heat pumps and solar PV.</p> <p>It also helps to deliver the promise of a “Green, sustainable city that cares about the environment” through delivering low energy heating to reduce carbon emissions and pollution.</p>																
10	<p><b>Please specify any direct environmental implications of the decision (carbon impact)</b></p> <p>A reduction in carbon emissions estimated at nearly 5,000t over the life of the measures due to lower use of on-site fossil fuels and reduced imported electricity.</p>																
<b>Urgent decisions</b>																	
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12a	<p><b>Reason for urgency:</b></p>																

I2b	Scrutiny Chair signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
<b>Consultation</b>				
I3a	Are any other Cabinet members' portfolios affected by the decision?	Yes		
		No	✓	(If no go to section I4)
I3b	Which other Cabinet member's portfolio is affected by the decision?			
I3c	Date Cabinet member consulted			
I4	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer
		No	✓	
I5	Which Corporate Management Team member has been consulted?	Name	Paul Barnard	
		Job title	Service Director for SP&I	
		Date consulted	21 July 2021	
<b>Sign-off</b>				
I6	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS3I 21/22	
		Finance (mandatory)	pl.21.22.61.	
		Legal (mandatory)	LS/35935A/JP/210721	
		Human Resources (if applicable)		
		Corporate property (if applicable)		
		Procurement (if applicable)	GA/PS/591/ED/0821	
<b>Appendices</b>				
I7	Ref.	Title of appendix		
	A	Contract Award Report Part I		
	B	Equalities Impact Assessment		
<b>Confidential/exempt information</b>				

<b>18a</b>	<b>Do you need to include any confidential/exempt information?</b>	<b>Yes</b>	<input checked="" type="checkbox"/>	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in <b>18b</b> below.				
		<b>No</b>	<input type="checkbox"/>					
		<b>Exemption Paragraph Number</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>18b</b>	<b>Confidential/exempt briefing report title:</b>  Contract Award Report Part 2			<input checked="" type="checkbox"/>				
<b>Background Papers</b>								
<b>19</b>	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.							
<b>Title of background paper(s)</b>		<b>Exemption Paragraph Number</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
CAPITAL INVESTMENT BUSINESS CASE Big 4 Decarbonisation Proj				<input checked="" type="checkbox"/>				
<b>Council Officer Signature</b>								
<b>20</b>	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.							
<b>Signature</b>				<b>Date of decision</b>	09.08.2021			
<b>Print Name</b>	Paul Barnard							