LONDON BOROUGH OF BROMLEY

STATEMENT OF EXECUTIVE DECISION

The Leader of the Council, Councillor Colin Smith, has made the following executive decision:

AUTHORISATION TO PROCEED TO CONTRACT: ENERGY SERVICES

Report: <u>Authorisation to Proceed to Contract: Energy services</u>

Decision:

- (1) That contracts be awarded for the supply of electricity and gas via the United Learning Trust Procurement Services framework via a mini-competition for a contract duration of 5 years.
- (2) Contracts be awarded for gas and electricity supplies for a fixed period of two years.
- (3) It is noted that indicative costs are £2.6m per annum for gas and electricity supplies; the proposed costs for the contract term are within the Council's annual energy budget allocation.
- (4) That green energy be procured; the costs of green energy procurement are within the Council's annual energy budget allocation.
- (5) It is noted that the actual prices can only be confirmed at the point of agreement and are variable on a daily basis due to the nature of the market and therefore authority be delegated to the Director of Housing, Planning and Regeneration to finalise the price point and select and contract suppliers based on the quote on the day at point of the agreement.
- (6) The situation be reviewed in two years' time when the fixed term deal expires.

Reasons:

On 21 July 2020 the Leader approved procurement of energy supplies from the United Learning Trust Framework via a mini-competition. The mini-competition has been carried out and two suppliers each for electricity and gas have been selected that meet the Council's criteria for cost and quality. The proposed procurement will provide clearer information on usage and costs, access to renewable energy assisting the Council to meet its 2029 net zero carbon target, direct access to suppliers to resolve issues and flexibility to remove sold or leased sites from the Council's energy portfolio. Fixed term contracts will achieve the best value for money and prevent the Council from having to use default tariff rates.

The proposed decision was considered by Executive, Resources and Contracts PDS Committee at a virtual meeting on 22nd October 2020 and the Committee supported the proposal.

Statue

Councillor Colin Smith Leader of the Council

Mark Bowen
Director of Corporate Services
Bromley Civic Centre
Stockwell Close
Bromley BR1 3UH

Date of Decision: 23 October 2020 Implementation Date: 23 October 2020

Decision Reference: Exec 20047