

**Report to** Cabinet  
18 January 2017  
**Report of** Director of Neighbourhoods  
**Subject** Installation of sixty thermodynamic hot water systems

**Item**

12

## **KEY DECISION**

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### **Purpose**

To seek approval to award a contract for the installation of sixty thermodynamic hot water systems on council owned homes.

### **Recommendation**

To award a contract for the installation of Thermodynamic hot water systems to 60 council owned homes to Impact Renewable Energy Ltd.

### **Corporate and service priorities**

The report helps to meet the corporate priority “Decent housing for all” and the service plan priorities to continue to deliver the programme of making all council homes decent, to maximise the use of our housing stock and to enable new homes.

### **Financial implications**

The value of the contract will be £184,766. Funding for this will be taken from the capital budget allocated to improve energy efficiency of council owned homes.

### **Wards**

Mile Cross, Wensum, Bowthorpe and University

**Cabinet member** Councillor Harris – Deputy Leader and Council Housing

### **Contact officers**

Gary Atkins – Associate Director, NPS Norwich Ltd 01603 227902

Jay Warnes – Head of Strategic Property Services, NPS 01603 227906  
Norwich Ltd

### **Background documents**

None

# Report

## Background

1. Thermodynamic hot water systems include a panel which sits on the roof of a property. They are similar in appearance to a photovoltaic (PV) panel however, they are dependent on air temperature rather than sunlight. The panels use the sun's thermal energy to provide some free hot water all through the year.
2. The work contributes to the council's aim of reducing fuel poverty across the city and in addition, to reducing the risk of tenants falling into arrears due to rising energy costs. This may also release money into the local economy that would have otherwise gone towards fuel bills.
3. To date, Norwich City Council has successfully installed 198 thermodynamic hot water systems to its housing properties. The properties which have been highlighted for these systems have older boilers and hot water systems which are due for replacement during 2017-18. Thermodynamic systems use a certain type of cylinder which will be installed prior to a boiler upgrade. This will reduce the cost of the heating upgrade next financial year.
4. Impact Renewable Energy Ltd has already successfully installed over 170 of these thermodynamic systems to the council's housing stock.
5. The panels and associated works would be maintained and repaired by Impact Renewable Energy Ltd.

## Procurement process

6. A contract notice was placed on the council's e-procurement website and on the Contracts Finder national portal to ensure an open competitive tendering process.
7. Only one supplier expressed an interest in the opportunity and submitted a tender bid.
8. The evaluation of the tender revealed that Impact Renewable Energy Ltd provided comprehensive evidence of being able to successfully deliver the required outcomes contained within the tender documentation and specification.
9. The price of installation is comparable to previous installations. The technology has become widely used throughout the country which has resulted in more economically efficient installations.

## Integrated impact assessment



**NORWICH**  
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	18 January 2017
<b>Head of service:</b>	Lee Robson
<b>Report subject:</b>	Installation of 60 Thermodynamic Hot Water Systems
<b>Date assessed:</b>	December 2016
<b>Description:</b>	To seek approval to award a contract to Impact Renewable Energy Ltd for the installation of thermodynamic panels to 60 council owned homes.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This procurement process ensures the council achieves the best value for money. The tender return is competitively priced and lower cost compared to previous installations.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic panels will reduce energy bills and fuel poverty for tenants. In lowering energy bills tenants have more money, some of which may be spent on the local economy. Through employment of local labour, the project assists in social economic benefits for the city and county.
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As above
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The project introduces new and proven technology to these homes thus enhancing the image of the housing stock. Property surveys are carried out ahead of the natural stock condition surveys increasing additional asset data.
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reduction in carbon footprint of affected properties.
Sustainable procurement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	E-procurement.
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic project will contribute to reducing the council's overall carbon emissions and footprint.

(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

Reduced fuel bills therefore preventing fuel poverty, reduction in carbon emissions within the housing stock and for the city contributing to our overall reduction target.

Negative

Neutral