

Report to Cabinet
09 September 2015

Item

Report of Executive head of strategy, people and neighbourhoods
Subject Installation of 100 thermodynamic panels to social housing properties

12

KEY DECISION

Purpose:

To consider the procurement process and seek approval for the award of contract relating to the installation of 100 thermodynamic panels on council owned homes.

Recommendation:

To award the contract for the installation of thermodynamic hot water systems to 100 council owned homes to Impact Renewable Energy Ltd.

Corporate and Service Priorities:

The report helps to meet the corporate priority to deliver a healthy city with good housing 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 £385,500.00. The funding for this will be taken from the capital budget allocated to improve energy efficiency of council owned homes. The properties which have been highlighted for these systems have older boilers and hot water systems which are due for replacement in financial year 2016/17. 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 in the next financial year.

Ward/s:

The majority of work in the current programme will occur in Catton Grove, Crome, Lakenham, Mile Cross and Wensum wards.

Cabinet member: Councillor Harris – Housing

Contact Officers

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NPS Norwich Ltd

Background Documents

None

Report

Background

1. Thermodynamic hot water systems include a solar 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 shall contribute to the council's aim of reducing fuel poverty across the city and in addition, reducing the risk of tenants falling into arrears due to rising energy costs. This could also release more money into the local economy that would have otherwise gone towards fuel bills.
3. The work will enable council tenants to benefit from free hot water, reducing their energy bills. This will also contribute to the city's carbon reduction target.
4. Impact Renewable Energy Ltd has already successfully installed a number of 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. One supplier expressed an interest in the opportunity.
8. 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. Price of installation was comparable to previous installation; costs are around £200 cheaper per property than our previous installations

Use of NPS Norwich Ltd

10. NPS Norwich Ltd is a joint venture company jointly owned by NPS Group and Norwich City Council. The JV now provides the entire professional property function for Norwich City Council.
11. The advantages of this proposal would be that NPS Norwich Ltd would provide overall project management resources and would receive fees in addition to any survey fee work to cover the project. 50% of NPS Norwich profit is returned to Norwich City Council.
12. NPS Norwich Ltd will project manage the surveys, installations and resident liaison. NPS Norwich Ltd will ensure that the regular monthly meetings are held to ensure project and contract compliance.

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

Committee:	Cabinet
Committee date:	9th September 2015
Head of service:	Andy Watt
Report subject:	Managing Assets (Housing)
Date assessed:	01 August 2015
Description:	To seek approval to award a contract to Impact Renewables for the installation of thermodynamic panels to 100 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 cheaper compared to previous installations.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The contract may generate enquiries with the customer contact team at the early stages of the project. Correspondence will be aimed at reducing the need for customer contact.
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The recommended option will not impact on our ICT systems.
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic panels will reduces 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"/>	

	Impact			
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	More energy efficient homes for tenants, reduced energy bills and reduction in the council's carbon footprint.
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.

	Impact			
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic project will contribute to reducing the councils 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

Issues