

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 19 SEPTEMBER 2017

Title of report	AUTHORITY TO AWARD THE CONTRACT FOR GAS SUPPLY
Key Decision	a) Financial Yes b) Community No
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Interim Director of Resources 01530 454833 andrew.hunkin@nwleicestershire.gov.uk
Purpose of report	The report requests that Cabinet delegate authority to award the contract for supply of gas to the Interim Director of Resources in consultation with the Corporate Portfolio Holder.
Reason for Decision	The level of expenditure on this contract exceeds the authority threshold in the Scheme of Delegation.
Council Priorities	Value for Money.
Implications:	
Financial/Staff	Budgets are already in place.
Link to relevant CAT	Procurement Corporate Action Team
Risk Management	Not applicable
Equalities Impact Screening	Not applicable
Human Rights	Not applicable
Transformational Government	Not applicable
Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory

Comments of Monitoring Officer	Report is satisfactory
Consultees	None
Background papers	None
Recommendations	IT IS RECOMMENDED THAT CABINET DELEGATES AUTHORITY TO AWARD THE CONTRACT FOR THE SUPPLY OF GAS TO THE INTERIM DIRECTOR OF RESOURCES IN CONSULTATION WITH THE CORPORATE PORTFOLIO HOLDER.

1.0 INTRODUCTION

- 1.1 The council's constitution (Contract Procedure Rules 2.6.3) provides that when procuring supplies or services, any provision via pre-existing contracts or frameworks shall first be considered.
- 1.2 The council uses contracts available via the Eastern Shires Purchasing Organisation (ESPO) for the supply of energy, as it is able to utilise the combined purchasing power of its other local authority and wider public sector customers. ESPO undertake an EU-compliant procurement process to appoint a gas supply contractor, acting as a central purchasing body. Their current contract expires on 30 September 2019.
- 1.3 ESPO are in the process of undertaking their procurement to establish their new gas supply contractor. In September 2017 this process will have been completed, and the council will immediately need to sign a new contract with ESPO to continue to provide our gas supply for period 1 April 2019 to 31 March 2023 (early commitment is needed in order for ESPO to access the best possible market rates).
- 1.4 For financial year 2016/17 expenditure on gas was £189,673, so the overall value of the contract could be in the region of £760,000 subject to usage. The contract is managed by the Corporate Contracts Group, which reports to the Procurement Corporate Action Team.