

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

4022

Author:

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Department:

Commercial and Operations

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Subject:

Consultancy Report - Low Carbon and Environmental Goods and Services Sector (Midlands Wide)

Total Value:

£120000 (Type: Revenue)

Decision Being Taken:

To commission a consultant, on behalf of the BEIS funded Midlands Energy Hub, to complete a piece of work on the Low Carbon and Environmental Goods and Service Sector. The Midlands Energy Hub, Regional Energy Team have gone out to market, requested four organisations to tender, and have received three responses. The Regional Energy Team are requesting authorisation to award the work to one of the three consultants. The decision is for approval to dispense with Contract Procedure Rule 4.1.2 (previously 5.1.2) in accordance with Financial Regulation (3.29) (Operational Issues) to allow for a direct award of a contract to one of the three consultants who responded to the invitation to tender.

**Reasons for the Decision(s)** The Midlands Energy Hub Board, made up of representatives from across the nine Midlands LEPs, unanimously voted for up to £120,000 of the Midlands Energy Hub consultancy budget to be allocated to delivering a critical report on the Low Carbon and Environmental Goods and Service Sector . The report will help LEPs and Local Authorities understand the state of the sector and identify where support is needed to help grow this sector across the Midlands from a Local Authority to a regional level, and the role the sector can play in driving a low-carbon recovery from covid-19.

Nottingham City Council are the accountable body for the Midlands Energy Hub and therefore have oversight of how the BEIS funding is spent.

The project specification is attached. Initial research by Hub Board member suggested the work would cost £120,000. Value for Money has been incorporated into the tender process, with four organisations approached and the scoring matrix gives the project cost a weighting of 40%. No tender responses exceed the £120,000 ceiling, so the work can be completed within the budget.

The issue of needing to understand the Low Carbon Goods and Environmental Service Sector was raised in the MEH Board meeting in March 2020, In the MEH Board in April 2020 it was decided to look at funding 50% of a study, this was confirmed in the May MEH Board meeting. On 10th June an extraordinary meeting was called in light of additional funding due from BEIS, and the decision was made to fully fund the project, this was confirmed in the June Board with no objections.

**Briefing notes documents:** Scope - LCEGSS Final.pdf

**Other Options Considered:**

1. Doing nothing - report would not get done.
2. On-line tendering - this would add significant time to the process which is time sensitive, to extract the most value the work needs to be completed this financial year. Furthermore, companies invited to tender in the first round were targetted for having done similar work previously and so have will be able to complete the work more efficiently and have a track record of delivering this challenging project in the timescales required.

**Background Papers:** None

**Published Works:**

A number of the Midlands LEP Energy strategies reference the need to support / Grow the Low Carbon Economy / Low Carbon Sector. but have not been able to define it or set a baseline. This work will compliment the energy strategies, alongside enabling LEPs and LAs to better / more strategically support a green recovery. Example Energy Strategies that incorporate this includes:

D2N2 LEP Energy Strategy 2019-2030  
Worcestershire Energy Strategy 2030

**Affected Wards:** Citywide

<b>Colleague / Councillor Interests:</b>	None.
<b>Dispensation from Financial Regulations:</b>	Yes
<b>Use of Consultants</b>	<b>Number of Days:203</b> <b>Rate per Day:557</b> <b>Total value:113063</b> <b>Start date:17/08/2020</b> <b>End date:31/12/2020</b>
<b>Reason for using a consultant:</b>	This is a significant regional piece of specialist work that requires considerable resource to ensure it is completed within the required time-frame. The required combination of skills, knowledge and capacity are not available at a Local Authority level. This project is not being funded by Nottingham City Council. BEIS funding is being utilised as per the decision by the Midlands Energy Hub Board. The quality of this work is critical as it will have significant benefits Nottingham as well as to LEPs and LAs across the Midlands.
<b>Other options considered:</b>	NCC Energy Services - no capacity Other LEPs & LAs - lack of skills / knowledge / resource
<b>Name of consultant:</b>	Three contenders - K Matrix, Winning Moves, Ecuity
<b>Reason for selection?</b>	The selection process is underway using a scoring matrix to ensure value for money is met while also ensuring the brief will be met to produce a high quality piece of work that will add value to the region and can be readily utilised by LEPs and Local Authorities. The decision will also be confirmed by members on the Midlands Energy Hub.
<b>Has the consultant previously completed work for the City Council?</b>	All three consultants have experience in delivering work for Local Authorities including WMCA, GLA and Worcestershire County Council (the work for WCC was done on behalf of the Energy Hub. All three consultants have sufficient experience and expertise to deliver against the brief.
<b>Specific activities to be undertaken by the consultant are:</b>	To produce a Low Carbon and Environmental Goods and Services Sector Study for the Midlands region down to a LA level. Provide a definition of the Low Carbon & Environmental Goods and Service Sector to enable consistency across the Midlands. Provide each LEP area, with sufficient data to inform policies aimed at the development and scalability of the LCEGSS economy. Provide a robust evidence base that will inform the economic recovery plans.
<b>Period of engagement:</b>	up to six months
<b>By what process was the consultant selected?</b>	Invitation to tender. Four organisations that had demonstrated competence in this type of work were identified and approached for a tender response.
<b>Consultations:</b>	<b>Date: 09/09/2020</b> <b>Other:Councillor Mellen and Andrew Errington</b> Briefed on this work.
	Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

None

**Equality:**

EIA not required. Reasons: This work will have no impact on the Council's existing services or functions. The work will be made available to the Council for it to utilise as it sees fit.

**Relates to staffing:**

Yes

**Decision Type:**

Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

22/10/2020

**Advice Sought:**

Legal, Finance, Procurement, Human Resources

**Legal Advice:**

Because of the total estimated value of this proposed contract and the fact that only quotations have been obtained, dispensation from Contract Procedure Rule 4.1.2 is needed to award this contract in accordance with Financial regulation 3.29. Advice provided by Sarah O'Bradaigh (senior solicitor) on 11/08/2020.

**Finance Advice:**

The decision seeks to earmark a maximum of £0.120m spend from the existing external BEIS grant allocated to the BEIS Midlands Energy Hub (BEIS MEH) to fund the Low Carbon Goods and Service Sector report. This decision has been unanimously supported through a BEIS MEH Emergency meeting decision dated 10 June 2020. This decision will embark an element of existing grant funding for programs from the BEIS MEH grant. Initial indications are that the £0.120m allocation may not be fully used - any unused funds can be released back to the MEH programme for other initiatives.

Dispensation from contract procedural 4.1.2\* in accordance with financial regulations 3.29 (Operational Issues) Is supported as per the author comments.

\*Financial regulations; version 7.29 April 2020.

Tania Clayton Perez (Commercial Business Partner) 09/10/20.

**Procurement Advice:**

Quotations were sought although not via the Procurement Team and a dispensation from Financial Regulations is required to award the contract. Advice provided by Paul Ritchie (Lead Procurement Officer) on 03/08/2020.

**HR Advice:**

As this is a specialist piece of work it requires organisations with the ability and experience to undertake. There are no people management or staffing issues as the successful organisation will undertake the work on a consultancy basis. Advice provided by Shakeel Khalil (Senior HR Consultant) on 06/08/2020.

**Signatures:**

<b>David Mellen (Leader/ PH Regeneration, Schools, Communications)</b>
<b>SIGNED and Dated: 14/10/2020</b>
<b>Sally Longford (PH for Energy, Environment and Democratic Services)</b>
<b>SIGNED and Dated: 12/10/2020</b>
<b>Andrew Errington (Strategic Director, Community Protection)</b>
<b>SIGNED and Dated: 09/10/2020</b>
<b>Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 09/10/2020</b>
<b>Chief Finance Officer's Comments:</b>