

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	4224
<b>Author:</b>	Jack Hayhoe
<b>Department:</b>	Growth and City Development
<b>Contact:</b>	Jack Hayhoe (Job Title: Regional Principal Energy Project Officer, Email: jack.hayhoe@nottinghamcity.gov.uk, Phone: 07864973065)
<b>Subject:</b>	OnGen and OnEfficiency Tools
<b>Total Value:</b>	£46,040(100% External Grant Funded) (Type: Revenue)
<b>Decision Being Taken:</b>	To dispense with contract procedure Rule 4.1.1 in accordance with Financial Regulation (3.29) (Operational Issues) to allow for a direct award of contract, to develop specialist business cases to increase the energy efficiency of public buildings in the Midlands Energy Hub area, to OnGen and OnEfficiency.

**Reasons for the Decision(s)** The Midlands Energy Hub is looking to procure two online feasibility and asset management tools (OnGen and OnEfficiency) as a part of its role to support Local Authorities identifying low carbon projects and renewable energy opportunities. OnGen and OnEfficiency are online tools that produce reports on energy generation and efficiency feasibility. They allow a user to take informed investible decisions and the best route for net zero for a specific building. These are cloud-based tools into which information is inputted, and thus they can create the reports needed at a significant speed and reduced cost. OnGen and OnEfficiency are both efficient methods to identify opportunities for carbon reduction, energy cost savings and energy efficiency and have great potential to support Local Authorities across the Midlands in the delivery of public sector decarbonisation. We are looking to deliver 100 of these energy generation and efficiency reports through the OnGen and OnEfficiency platforms. These will be allocated equally across the LEP areas covered by the Midlands Energy Hub. The Midlands Energy Hub officers will be working with LEPs as well as County and District Councils to best identify the assets to complete reports on; the information needed is light but will be compiled and inputted by the project officers. We expect the reports to deliver a clear road-map of investible options for a building. An additional aim of this work will be to turn the reports into a pipeline of potential projects for the Midlands Energy Hub to support with. This all contributes to the net zero ambitions of the Local Authorities and LEP's across the Midlands. There is £20,000 grant funding offered from the Department for Business, Energy and Industrial Strategy (BEIS) that is linked to phase 2 of piloting the OnGen and OnEfficiency online tool, BEIS have already run the tool with the North East Energy Hub and would like to investigate further the effectiveness of the tool. The remaining funds (£26,040) would come from the Midlands Energy Hubs own consultancy fund that is fully funded by BEIS, this spend has been reviewed and signed off by the Hub Steering Group.

**Other Options Considered:** Not accepting the funding - This would result in a missed opportunity to support Local Authorities throughout the Midlands region decarbonise and work towards a green recovery. We would also lose the opportunity to work with BEIS on the joint working pilot with North East Energy Hub and ourselves. Therefore this option was rejected.

**Background Papers:** None

**Published Works:** None

**Affected Wards:** Citywide

**Colleague / Councillor Interests:** None.

**Dispensation from Financial Regulations:** Yes

**Use of Consultants**

Number of Days:365
Rate per Day:126.13698630136990
Total value:46040

	<b>Start date:01/03/2021</b>
	<b>End date:28/02/2022</b>
<b>Reason for using a consultant:</b>	The purpose of this project is to continue the investigation and piloting of a tool on behalf of the department of Business, Energy and Industrial Strategy. It will continue and support existing work that the Midlands Energy Hub is working on. This will support Local Authorities throughout the Midlands in identifying building assets to focus decarbonisation efforts on. It requires the development of specific reports, and OnGen and OnEfficiency can provide their online tool which creates those signposting reports.
<b>Other options considered:</b>	Not accepting pilot funding or using own consultancy fund.
<b>Name of consultant:</b>	OnGen & OnEfficiency
<b>Reason for selection?</b>	The consultant is the owner of the tools, and has retained rights over the development and usage of the tool. We have completed sector research and not found any alternative options that can run the same wide ranging level of analysis. The BEIS Pilot completed so far has used OnGen to complete the reports in the North East Energy Hub and continuation is expected in order to further work on this pilot scheme.
<b>Has the consultant previously completed work for the City Council?</b>	No
<b>Specific activities to be undertaken by the consultant are:</b>	1. Allow access to the software they have developed. 2. Provide account management support. 3. Create API link into public-accessed commercial EPC data. 4. Provide access to reports generated.
<b>Period of engagement:</b>	12 months from 1st March 2021
<b>By what process was the consultant selected?</b>	The consultant is the owner of the tools, and has retained rights over the development and usage of the tool. We have completed sector research and not found any alternative options that can run the same wide ranging level of analysis. We have had discussions with alternative consultants who provided us with a list of potential alternatives, these were investigated but were found to either be focused on residential properties, or too focused on individual elements, rather than looking at a generalised pre-feasibility report. These alternatives were not suitable for the intended task.
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	This decision will not have any direct implications on crime and disorder
<b>Equality:</b>	EIA not required. Reasons: The decision does not relate to new or changing policies or services.
<b>Social Value Considerations:</b>	This service will continue carbon reduction throughout the Midlands by identifying potential projects, and it will highlight Renewable Energy generations options in said buildings. The reports generated will be used to identify the best options in order for the local authorities to generate public savings through energy and carbon usage reduction.

<b>Any implications affecting IT:</b>	Yes
<b>Relates to staffing:</b>	Yes
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	04/06/2021
<b>Advice Sought:</b>	Legal, Finance, Procurement, Human Resources, IT
<b>Legal Advice:</b>	Dispensation from CPR 4.1.1 in accordance with Financial Regulation 3.29 is required in order to directly award a contract to OnGen. The grant funding for the contract will be subject to grant funding conditions which must be complied with, failing which there is the risk of clawback of the funding. Advice provided by Sarah O'Bradaigh (senior solicitor) on 23/02/2021.
<b>Finance Advice:</b>	<p>The decision seeks to award a contract directly to OnGen &amp; OnEfficiency requiring dispensation from contract procedure Rule 4.1.1 in accordance with Financial Regulation (3.29) (Operational Issues). This is supported as per the reasons stated by the author.</p> <p>The funding for the contract is to be earmarked within the Midlands Energy Hub grant as part of their planned programme, and will need to be evidenced as part of the grant conditions in order to minimise potential clawback.</p> <p>Advice provided by Tania Clayton Perez (Commercial Business Partner) on 02/02/2021. Advice provided by Tania Clayton Perez (Commercial Business Partner) on 03/02/2021.</p>
<b>Procurement Advice:</b>	If the dispensation to Contract Procedure Rules is granted then there are no procurement issues with the decision being sought. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 03/02/2021.
<b>HR Advice:</b>	<p>No people impact is identified based on the information provided with this decision.</p> <p>Management will need to consider training requirements and any future impact on staffing where efficiencies are introduced through the introduction of this system. Advice provided by Matthew Hackney (Resourcing Consultant) on 04/02/2021.</p>

**IT Advice:**

The IT Service support the proposals made within this delegated decision.  
 The proposal is to use 3rd party web based applications to deliver IT services for particular business functions. The implementation of these systems may require some support from the IT Service and this will be provided as requested in line with other organisational priorities. The IT Service will also provide an IT security assessment of the products to be used if this is a requirement of the DPIA.  
 Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 04/02/2021.

**Signatures:**

<b>David Mellen (Leader/ PH Strategic Regeneration Communications)</b>
<b>SIGNED and Dated: 21/05/2021</b>
<b>Sally Longford (PH for Energy, Environment and Waste Services)</b>
<b>SIGNED and Dated: 23/04/2021</b>
<b>Chris Henning (Corporate Director for Growth and City Development)</b>
<b>SIGNED and Dated: 22/04/2021</b>
<b>Clive Heaphy (Chief Finance Officer/CD for Finance &amp; Resources) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 05/04/2021</b>
<b>Chief Finance Officer's Comments:</b>