

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	4924
Author:	Razak Joomrally
Department:	Communities, Environment and Resident Services
Contact:	Razak Joomrally (Job Title: Project manager, Email: razak.joomrally@nottinghamcity.gov.uk, Phone: 07882 139043)
Subject:	Approval to tender for solar PV portal services
Total Value:	£331,800 (Type: Revenue)
Decision Being Taken:	1) Approval to spend £331,800 on the PV monitoring software, working with procurement colleagues to seek competitive tenders in order to secure value for money and to comply with Contract Procedure Rules. 2) Approval to enter into a contract for the period of 3 years with the option to extend for a further 2 years with the successful bidder. 3) Delegate authority to the Director of Environment and Sustainability to award the contract following the competitive procurement exercise.
Reasons for the Decision(s)	Nottingham City Council own and maintain approximately 3,750 domestic solar PV systems which provide free electricity to the tenants/homeowners. Additionally the systems provide a financial benefit to the authority, namely the Feed-in-Tariff (FiT), which generates in the region of £1.6m annually. The renewable generation also prevents the need for fossil fuel use and therefore contributes to the City Council's Carbon Neutral agenda. To ensure the maximum production of electricity from NCC's solar portfolio it is important that we are able to understand how they are performing and receive automated notifications of systems that have generation and/or safety issues. All generation and/or safety issues will require engineer attendance to ascertain the fault and provide a timely solution. The benefits of a solar monitoring portal are; 1) Monitor individual homes solar generation; 2) Report to senior management on generation, expected FiT and export revenue; 3) Retrieve generation meter readings which are used to submit to our FiT provider; 4) Receive automated alerts for sites that are not generating and require engineer attendance; 5) Receive automated alerts for systems that are under-performing and require analysis and potentially engineer attendance; Details of how this will be funded can be found in Appendix A (exempt from publication under Paragraph 3, Schedule 12A of the Local Government Act 1972).

**Other Options Considered:**

1) Do nothing. By doing nothing, it will mean that NCC have no means of capturing meter readings to submit to NCC's FiT provider to enable FiT payments. NCC will not be aware of any system malfunction or safety concerns. Systems may not be generating to their potential and NCC will not be aware. Loss and or minimised electricity production will have a negative impact on the expected FiT returns to the HRA and NCC ESPR contribution. Loss of production will impact predicted carbon savings. 2) Employ a solar PV data collector. This option has been considered and the risks associated with this decision are that NCC will not be notified of system malfunctions and or safety issues, which may not be identified until the 3 year inspection. This would have a significant impact on the FiT revenues. Gaining access to 3,750 homes every quarter will be challenging and there is a high risk access will not be given or tenants forget and appointments will need to be re-scheduled at extra cost.

**Background Papers:**

N/A

**Published Works:**

N/A

**Affected Wards:**

Citywide

**Colleague / Councillor Interests:**

No known Councillor interests.

**Any Information Exempt from publication:**

Yes

**Exempt Information:**

**Description of what is exempt:**

I have detailed the expected Feed-in-Tariff (FiT) revenues that the authority receive, of circa £1.6m and the proposed budget for the services.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information displays our budget and financial business case that could give potential organisations an advantage which may result in NCC not getting best value for money.

**Documents exempt from publication:**

**Appendix A - SPV Portal Services DDM - For information only. Not for publication. Appendix B - financial business case - For information only. Not for publication.**

**Consultations:**

**Those not consulted are not directly affected by the decision.**

**Crime and Disorder Implications:**

**I do not believe that this decision will have any crime and disorder implications.**

**Equality:**

**EIA not required. Reasons: EIA is not required as full procurement tender process will be undertaken.**

**Relates to Building Services:**

**Yes**

**Decision Type:**

**Portfolio Holder**

**Subject to Call In:**

**Yes**

**Call In Expiry date:**

**09/05/2023**

**Advice Sought:**

**Legal, Finance, Procurement, Building Services, Other: Doreen Whitaker(Doreen.Whitaker@nottinghamcityhomes.org.uk)**

**Legal Advice:**

Authority is sought to approve the spend of £ 331,800 on and procurement of Solar PV Panel monitoring software, to ensure compliant contracting of these services on the basis of a 3 year contract, plus the option of 2 further years extension.

There are no significant legal issues arising subject to compliance with the Council's Contract Procedure Rules and Public Contract Regulations 2015 (PCR) as the proposed spend on the supply of software is above the PCR threshold, on the basis of the estimated value inclusive of VAT including all extensions. This process must ensure equal treatment transparency and proportionality. A compliant procurement process will also need to ensure that the best value duty under s3 of the Local Government Act 1999 is fully considered to "make arrangements to secure continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness". This includes maximising social value in procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves.

The project looks to have data processing implications and it is recommended that the Information Governance Team are consulted and consideration is given to a DPIA at an early stage to inform what data protection measures will need to be considered in the procurement and contractual implementation phases.

Legal advice and support will be provided with regard to the drafting of the contracting arrangements to be put in place.

Advice provided by Richard Bines (Solicitor) on 14/02/2023.

**Finance Advice:**

The decision is looking to:

- . Approve spend of £331,803 on the PV monitoring software, working with procurement colleagues to seek competitive tenders in order to secure value for money and to comply with contract procedure rules

- . Approval to enter into a contract for the period of 3 years with the option to extend for a further 2 years with the successful bidder

There are approximately 3,750 domestic solar PV assets. The total cost of the PV monitoring software over 5 years is £331,803. An inflation rate of 3.5% has been applied each year. In year one, costs are £61,875 and increase by inflation; with the costs of year five approximately equating to £71,003.

Solar PV assets labelled as phase 1 and or retrofit and new builds, will be re-charged to the HRA account and solar PV assets labelled phase 2 will be funded via the Feed-in-Tariff (FiT) returns received for these generating assets.

This project is approved by finance and is fully funded.

Advice provided by Sejal Mistry (Senior Commercial Business Partner) on 12/04/2023.

**Building Services Advice:**

There are no significant Building Services issues arising from this proposal. Advice provided by Trevor Bone (Property Maintenance Manager) on 23/03/2023.

**Procurement Advice:**

Procurement colleagues will assist with the tendering process to ensure compliance with Contract Procedure Rules and that best value is secured. Advice provided by Paul Ritchie (Procurement Manager) on 14/03/2023.

**Other Advice:**

**We support the monitoring of the domestic solar arrays and the function is vital for the operation, maintenance and submission of meter readings to our Feed-in-Tariff provider. Procurement colleagues will need to support to ensure compliance with procedures and best value. Advice provided by Doreen Whitaker (Communal Energy Officer, Nottingham City Homes) on 28/03/2023.**

**Signatures**

<b>Sally Longford (PH for Energy, Environment and Waste Services)</b>
<b>SIGNED and Dated: 28/04/2023</b>
<b>Dr Ita O'Donovan (Interim Corporate Director, CERS)</b>
<b>SIGNED and Dated: 28/04/2023</b>