

**REPORT TO:** Executive Board

**DATE:** 24<sup>th</sup> May 2012

**REPORTING OFFICER:** Strategic Director, Communities

**PORTFOLIO:** Health and Adults

**SUBJECT:** Contribution to local Energy Projects Plus  
Advice Line

**WARD(S)** Borough-wide

**1.0 PURPOSE OF THE REPORT**

1.1 To seek agreement to award a contract without conducting a tender exercise or seeking three written quotations in order to comply with procurement standing order 4.1 and 4.2, which places a requirement on the Council to invite quotations or tender for contracts with a value less than £173,934.

**2.0 RECOMMENDATION: That:**

- i) **Procurement SO 1.8.2 (e) SOs 4.1 and 4.2 be waived in respect of Energy Projects Plus Local Advice Line.**
- ii) **The Operational Director (Prevention and Assessment) be authorised to award a contract to Energy Projects Plus to deliver a local energy advice line.**

**3.0 SUPPORTING INFORMATION**

3.1 Energy Projects Plus has delivered a locally based telephone advice service to residents across Merseyside and Cheshire since 1995. From 1995 to 2008 this service was jointly funded by central Government, through the Energy Saving Trust, and local funding support including local authorities. From 2008-12 the service was fully funded by central government, again through the Energy Saving Trust.

3.2 Central government has reviewed its approach to meeting the legally binding targets for reduction of carbon emissions and fuel poverty in the UK and is implementing a change to the previous approach of utilities part funding measures or grants such as Warm Front to one of full cost being met by householders through the new Green Deal programme. Legislation is currently passing through Parliament to formalise this approach and ensure adequate structures are in place for its implementation (including amended obligations on utilities to meet carbon reduction targets).

- 3.3 As part of this amended approach the locally based advice service is being changed to a Green Deal advice line, operated from London. While residents will be able to contact the advice line for information about Green Deal and the energy measures included in the Green Deal the advice line will have no knowledge of specific local schemes, their availability and operation.
- 3.4 One of the key roles of the current local advice service has been to provide a local anchor point for residents to contact, confident that they will receive high quality, locally specific, advice that will link to the range of local initiatives including advice schemes (such as Heat Aware), fuel poverty or health related programmes (such as Health Through Warmth), local referral networks (such as Halton Healthy Homes Network) and contact details of key local authority officers or third party organisations able to provide more detailed support (for example benefits advice or fire home safety assessments). This local support will be lost with the move to the single national Green Deal advice line.
- 3.5 Energy Projects Plus is the local charity that has delivered the energy efficiency advice line across Merseyside and Cheshire from its commencement in 1995. They have discussed with local authorities across Merseyside and Cheshire the value placed on the local advice provision and have received strong support for the retention of the service should sufficient funding be secured.
- 3.6 It is proposed to offer a local telephone advice service, initially resourced with 2 full time equivalent (FTE) advisers, available 9.00-17.00 Monday to Friday to provide the following support:
- Free and impartial advice on energy efficiency, renewable energy and other measures aimed at reducing carbon emissions
  - Free and impartial advice on issues associated with fuel poverty including relative costs of different fuels and heating systems, availability of alternative tariffs and payment methods and support available to increase income e.g. benefit health checks
  - Information on local and national grants available to fund improvement measures such as Halton's Heat Aware and Emergency Heat schemes, npower's Health Through Warmth programme, and other utility insulation discount schemes
  - Referral into other networks such as Halton Healthy Homes Network to enable residents to receive other local support available.
- 3.7 Part-funding support has been confirmed by a number of other local authorities, which will contribute to the total cost of the advice service. To provide the same level of service individually would be

cost prohibitive and the joint funding of the service is a means of accessing the service at much reduced cost.

- 3.8 The initial proposal for funding support is for the financial year April 2012-March 2013 during which time full costs of service will be identified in light of the structures that evolve with the forthcoming Green Deal. Based on the results of this review a proposal for a longer term service will be put forward for consideration.

#### 4.0 **BUSINESS CASE**

##### 4.1 **Value for Money**

Initially, each local authority has been asked to contribute £6,500 toward the cost of the service, with the balance of the total cost being met from Energy Projects Plus' charitable reserves. However, a budget that meets the full contribution is unavailable and Energy Projects Plus have agreed to a reduced contribution from Halton of £4,500 which will be funded from remaining funds from the Department of Health's Warm Homes, Healthy People grant allocation.

A contribution of this amount to access the support offers a very cost effective way to provide access to a valuable local advice service, which could not be achieved individually, and enables the service to continue from April 2012 without any break in provision.

##### 4.2 **Transparency**

This contract will be subject to issues of confidentiality and be open to scrutiny under the Freedom of Information Act, through the internal and external audit process and through the Policy & Performance Board scrutiny arrangements.

##### 4.3 **Propriety and Security**

Integrity clauses will be built into the contract document and only staff with a need to know will have information about the contract.

##### 4.4 **Accountability**

This will remain with the Operational Director awarding the contract and the internal and external audit process.

##### 4.5 **Position of the Contract under the Public Contracts Regulations 2006**

The requirement for transparency and non-distortion of competition are met by the details set out in the earlier parts of the business case. In any event, the value of this contract is below the financial

threshold of £173,794

## 5.0 **POLICY IMPLICATIONS**

5.1 None identified.

## 6.0 **FINANCIAL IMPLICATIONS**

6.1 The funding for the local energy advice line has been identified from unspent funds from the Department of Health's Warm Homes, Healthy People funding.

6.2 The contract is subject to annual renewal. The Council has made it clear to Energy Projects Plus that funding for future years cannot be guaranteed.

## 7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### 7.1 **Children & Young People in Halton**

A local energy advice line will provide support to enable vulnerable residents, including families with children to access local energy efficiency and advice initiatives with the aim of maximising household income and reducing levels of fuel poverty. Provision of the service will, therefore, help to reduce levels of child poverty in the Borough.

### 7.2 **Employment, Learning and Skills in Halton**

None identified

### 7.3 **A Healthy Halton**

The provision of energy advice will help to reduce levels of fuel poverty in the Borough which increases the risk of cardiovascular and respiratory diseases and is a contributory factor in excess winter deaths.

### 7.4 **A Safer Halton**

Research reveals that there is a link between cold, inadequate housing and reoffending rates.

### 7.5 **Halton's Urban Renewal**

The provision of energy advice will have a positive impact on climate change.

## 8.0 **RISK ANALYSIS**

8.1 If Halton does not make a contribution to the energy advice line,

there is a risk that locally developed schemes will be undersubscribed.

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 None identified

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 None under the meaning of the Act