

RECOMMENDATIONS TO CABINET 17 OCTOBER 2017 FROM THE CORPORATE PERFORMANCE PANEL HELD ON 9 OCTOBER 2017

CP39: Cabinet Report: Re-fit Proposals for Council Building Assets

In presenting the report, the Chief Operating Officer explained that discussion had taken place to access a Government initiative "Refit" aimed at helping public bodies to deliver energy saving projects cheaply and efficiently.

Members were advised that the Refit programme was an OJEC compliant tender produced by HM Treasury and the Local Government Association (LGA) which was accessible to public bodies.

It was noted that local Partnerships, also a joint venture of HM Treasury and LGA and were commissioned to assist public organisations to deliver Refit projects.

The contract provided a framework of 16 contractors who could deliver projects under the terms of the scheme.

The Chief Operating Officer highlighted that initial discussions had identified that in King's Lynn and West Norfolk a Phase project based on the sites in Appendix A could deliver savings of £112,000 for an investment of £1,000,000.

The Panel was informed that to procure a tailed energy project for the Council delivering the savings above an initial budget of £70,000 was required. The fee to be paid on a phased basis throughout the procurement as detailed in section 3.1.

In conclusion, the Chief Operating Officer explained that once a contractor had been appointed through the contract and had produced an investment Grade Proposal detailing the investment/payback guaranteed for each site a further Cabinet report would be produced for authorities to proceed with projects.

The Chairman, Councillor Wareham asked how the project would be monitored. In response, the Leader explained why he was the Leader Member and suggested that as there were financial savings to be achieved, the Corporate Performance Panel monitor and evaluate the project. The Chief Operating Officer explained that the onus was on the selected contractor to deliver the savings or payback guaranteed.

In response to questions, the Leader explained that the Refit proposal was an LGA/ Treasury initiative and the project provided the Council with an opportunity to consider all the Council's buildings under one contract instead of on an ad hoc basis. He explained that it was necessary to make the capital investment in order to achieve savings year on year.

Following further questions and comments, the Chief Operating Officer advised that the contract provided a framework of 16 contractors who could deliver projects under the terms of the scheme. The Chief Operating Officer provided an overview of the benefits of the scheme and informed Members that a significant number of public bodies including local authorities had signed up to the initiative. It was explained that the selected contractor could make suggestions to bring equipment etc up to date in order to achieve savings in future years.

In response to questions as to why the Council maintained and updated buildings operated by Alive Management, the Leader explained that Alive Management operated the buildings owned by the Borough Council and that the buildings had been included in the contract to make them as efficient as possible and therefore generating a saving to the Council.

Councillor Moriarty asked if the decision was within Cabinet's power to make the decision or whether it would need to go to Full Council. In response, the Leader advised that he would take advice from the Legal Services Manager/Democratic Services Manager.

Councillor Daubney asked who the £70,000 would be paid to. In response, the Chief Operating Officer advised that an initial budget of £70,000 was required to procure a tailored energy project for the Council to deliver savings. The cost would be charged by Local Partnerships on a phased basis.

Councillor Moriarty drew attention to the expected timeframe set out at 1.13 of the report and commented that it was optimistic if Full Council approval was required. The Chairman, Councillor Wareham added that this was a moveable feast and if necessary the timetable would be adjusted at the appropriate time.

Following questions on the Council's buildings and in particular the Oasis, the Chief Operating Officer explained that each building would be looked at on an individual basis including the Oasis to identify potential savings and timescales

RESOLVED: That the Panel support the recommendations to Cabinet as follows, with an additional recommendation 4:

- 1) That the Refit scheme is adopted by the Council.
- 2) The revenue budget to be amended to meet the £70,000 project costs as detailed in the report.
- 3) That delegated authority be given to the Executive Director – Finance Services (S151 Officer) in consultation with the Monitoring Officer to sign the necessary agreements to enter into the Refit Scheme.
- 4) The project to be monitored on an ongoing basis by the Corporate Performance Panel.