

EXERCISE OF DELEGATED POWER**Title: Contract Award to Switch2 for heat metering services.****Parties: The Borough Council of Gateshead and Switch2 Energy Limited****Total Contract Value: £310,000**Gateshead Council Constitution (14th edition – July 2017)
Part 2 General Delegations to Managers

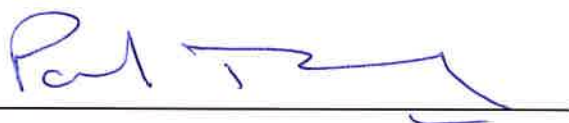
4(e) where it is impracticable to obtain authorisation from the body exercising the function and subject to action being reported (for information) to the next convenient meeting of that body, take necessary urgent action, within legal powers, in respect of matters otherwise reserved to Cabinet.

This contract is a service provider agreement between Gateshead Council and Switch2 Energy Limited ("Switch2") who will provide heat metering, payment, customer support and repair and maintenance services to Gateshead Council as part of the HEIGHTs project. The contract is set up as a framework agreement so the same services can be extended to other similar schemes in the future if required. The contract lasts for five years, with either party having the ability to exit the contract within that time, provided they give 6 months written notice.

Switch2 was appointed as the subcontractor to install heat metering equipment by Wilmott Dixon under the HEIGHTs contract, and therefore due to technical reasons they are the only supplier who can provide these ongoing operation and maintenance services for their equipment. We are confident Switch2 are a suitable choice, as they are a market leader in terms of being the largest and most well established provider of these services, and were awarded the Customer Engagement Award at the ADE Awards in 2017.

The decision to enter into this contract has been taken urgently under delegated powers because contract negotiations have taken longer than expected, reducing the time to seek approval of contract through normal processes, prior to heat supply commencing to the first customer at Regent Court imminently (within the next 2-3 weeks). The Switch2 services need to start as soon as the supply to these customers starts. In particular, this will mean Switch2 can set up customer accounts, put payment processes in place and process customer queries and repairs and maintenance issues from the supply start date. A subsequent notification will be provided to Cabinet, to confirm that this has taken place.

Signature _____



Paul Dowling - Strategic Director Communities and Environment

Date: 1/3/18