

TITLE OF REPORT: **Contract for Solar Photovoltaic Design and Installation Services**

REPORT OF: **Peter Udall, Strategic Director, Economy, Innovation and Growth**

Purpose of the Report

1. The purpose of this report is to ask Cabinet to consider the evaluation of tenders received for the Contract for Solar Photovoltaic Design and Installation Services.
2. The background to these proposals are contained in the attached appendices.

Proposal

3. Cabinet is asked to agree the recommendations below.

Recommendations

4. It is recommended that Cabinet:
 - i) Agrees the tender received from Solar Advanced Systems Ltd be accepted for the Contract for a Solar Photovoltaic Design and Installation Services, subject to no challenge being received during the statutory standstill period.
 - ii) Delegates authority to the Strategic Director, Economy, Innovation and Growth to agree and approve the final contract sum within the budget allocation of £4.3m, and the scope and terms of the contract with Solar Advanced Systems Ltd, following consultation with the Strategic Director, Corporate Services and Governance and the Strategic Director, Resources and Digital

For the following reason:

A comprehensive evaluation of the tender received from Solar Advanced Systems Ltd has been carried out. The tender received from Solar Advanced Systems Ltd passed all the required evaluation criteria and achieved the highest combined score of the three tenders received.

Contract for a Solar Photovoltaic Design and Installation Services

Policy Context

1. The Contract for a Solar Photovoltaic Design and Installation Services has been organised in accordance with the Council's Contract Procedure Rules.

Background

2. The Contract is being arranged on behalf of the Energy Services Team, Major Projects and Property Services.
3. The Council sought tenders for contractors to design and install solar PV system, through a further competition under the Dynamic Purchasing System (DPS) for construction contractors and sub - contractors (NEPO portal reference dn367216 - lot 12h)
4. The invitation to tender requested design / installation of the following PV systems
 - 2MW ground mount PV array, on Baltic Quarter
 - 1MW ground mount PV array on land adjacent to Gateshead Academy of Sport
 - Rooftop solar PV on PROTO
 - Car park canopy PV in Civic Centre car park
5. The contract is for a 12 month period commencing March 2021 with an option to extend for a further 12 month period.
6. Three tenders were received from the following:
 - 1 Centrica Business Solutions Ltd
 - 2 Evo Energy Ltd
 - 3 Solar Advanced Systems Ltd
7. Following a full evaluation, the tender received from Solar Advanced Systems Ltd scored the highest combined price / quality score, based on a 60 / 40 weighting between price and quality. It is recommended that Solar Advanced Systems Ltd be accepted for the Contract for a Solar Photovoltaic Design and Installation Services
8. The final appointment of the contractor remains subject to receiving no challenge during the statutory standstill period, following notification of bidders. Contract terms and conditions, along with the final contract scope and value, are to be agreed. Its requested that these approvals are delegated to Strategic Directors, to allow the delivery of the works not to be delayed, as the timescales for delivery are dictated by government grants.

Consultation

9. Consultation has taken place with the Leader and Deputy Leader, Stakeholders and Suppliers during the development of the specification model.

Alternative Options

10. The anticipated value of this contract exceeded the threshold requiring competitive tenders to be invited in accordance with the EU Public Procurement Directives; therefore, there are no alternative options

Implications of Recommended Option

11. Resources:

- a) **Financial Implications** – The Strategic Director of Resources & Digital confirms that the cost of the contract can be accommodated by the Council's capital programme, where the scheme is funded from both the Public Sector Decarbonisation Scheme grant and prudential borrowing, which has an allocation of £4.3m to cover the cost of works. The awarded contract value is within this budget.
- b) **Human Resources Implications** – Nil
- c) **Property Implications** – The contract will install solar PV systems on Council land and buildings, with resultant savings on energy costs, as well as reducing the carbon emissions of Council buildings.

12. **Risk Management Implication** – as contracts are funded 100% from grants, financial risks are low. Key risks are around delivery, to ensure works are completed by end September 2021. Programmes received from all tenderers confirm this programme is achievable, subject to contract award being made in early March 2021

13. **Equality and Diversity Implications** – The recommended tenderer meets the legal obligations of the Equality Act 2010.

14. **Crime and Disorder Implications** – Nil

15. **Health Implications** – Nil

16. **Climate Emergency and Sustainability Implications** – The contract will significantly reduce the Council's carbon emissions, in line with the Climate Emergency target to become net zero emissions by 2030

17. **Human Rights Implications** - Nil

18. **Ward Implications** – The works will take place in Bridges and Felling Ward

Background Information

19. The documents that have been relied on in the preparation of the report include the received tender.