



**Record of Officer
Executive Decision**

Date of Decision: 26 August 2021

**ADUR & WORTHING
COUNCILS**

If you have any questions about this decision please contact Democratic Services on 01903 221006 or email democratic.services@adur-worthing.gov.uk

Record of Decision: DforE/009/21-22 Renewal of Corporate Electricity Contracts

Decision taken by: Director for the Economy

Declaration of Disclosable Pecuniary Interests: I do not have a disclosable pecuniary interest, or conflict of interest.

Delegated authority: At 2.6.8, a Director has delegated authority to do all matters in relation to procurement and the letting of contracts. The procurement for this contract must have regard to the Councils' Joint Contract Standing Orders and to the Public Contract Regulations 2015.

Decision:

Approve the renewal of the electricity supply contracts (hourly and non half hourly) for a 12 or 24 month period commencing 1st October 2021.

The Director for Economy to approve the outcome of the LASER (Local Authority South East Region) Energy Buying Consortium tender process and enter into a contract with the most competitive utility company (or companies), as assessed by LASER, for the delivery of green (renewable) electricity supplies to the Councils.

Tenders have been received for Electricity and the decision is to award contracts as follows for a 12 month period:

SSE Half Hourly Supply £606,934.10

SSE Non Half hourly £272.282.62

The above figures include some tenanted sites where the supply is arranged by the Councils but the cost of usage is paid by the tenant, for example Worthing Theatres Trust These contracts are for renewable energy supplies and will be fixed for 12 months.

The overall financial effect on the Council's budget will necessitate additional budget provision as electricity wholesale prices have increased significantly to decade highs. The overall increase compared to current contracted rates depending on the site ranges from 25% to 33% A contingency sum will be set aside within the Councils overall revenue budget to fund these additional costs.

Key Decision: Yes

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| Reason For Decision: To provide electricity for council premises at cost effective rates with the best renewable energy type. | | | |
| Alternative Options Considered: As outlined by the LASER Energy Buying Group (A local Authority Energy Procurement Framework) | | | |
| Other Matters Considered: | | | |
| Legal Advice and Issues | x | Financial Advice and Issues | x |
| Sustainability Issues | x | Equality Issues | x |
| Community Safety Issues | x | Human Rights Issues | x |
| Reputation | x | Risk Assessment | x |
| Health & Safety Issues | x | | |
| Consultation: Adur and Worthing Councils use Kent County Council's LASER Energy Buying Group (framework) to procure its energy suppliers for all its sites. Tenders are sought by this specialist procurement framework provider on our behalf with LASER comparing and scoring the best deal across our site portfolio. Prices are obtained on a spot market basis via an e-auction with limited time for approval (same day authorising signature required) to lock in the prices. | | | |
| Background Papers: Emailed offers from LASER. | | | |
| Contact Officer: Steve Spinner Head of Facilities & Technical Services steve.spinner@adur-worthing.gov.uk | | | |
| Call-in: With agreement of the Joint Chairs of the Joint Overview and Scrutiny Committee this item was considered a case of special urgency and is not subject to call-in | | | |

Date: 26/08/21

Name: Martin Randall, Director for the Economy

