



RECORD OF DELEGATED DECISION

**Contract Exemption Form and
Funding Approval**

This form is used to record officer decisions. The constitution details who can take delegated decisions.

The Officer must obtain a fully approved exemption in advance of awarding a contract, and must ensure that the actual spend does not exceed the total value stated in the approved exemption.

1. Name & Title of Officer: (who is taking the Decision)	Edd de Coverly Chief Executive
2. Decision Reference No.	CEX090
3. Contract Title / Subject Matter:	Bradgate House Boiler Replacement
4. Contract Type:	<input type="checkbox"/> Goods <input type="checkbox"/> Services <input checked="" type="checkbox"/> Works
5. Key Decision	Yes
6. Type of Decision:	Public
7. Decision Taken:	
<ol style="list-style-type: none"> 1. Authority to use a Contract Exemption as detailed below; 2. Authority to award and enter into any necessary agreements with Hinckley Plumbing subject to approval of funding. 3. Authorisation for expenditure to the value of £85,000 in connection with urgent work to replace the boiler and plant at Bradgate House. 	

8. Contract Details:

Service area	Housing Asset Management
Short contract description	Bradgate House Boiler Replacement
Length of Exemption (months)	One-off
Exemption start date	Not applicable
Exemption end date	Not applicable
Total exemption value (£)*	£85,000
Cumulative value of all previous Exemption requests (if applicable)	Not applicable

* Where the total value of the contract is £5,000 or more, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

An award notice is required on Contracts Finder for all Contracts with a total value of £25,000 or above. Welland Procurement is responsible for such award notices. Officers must formally advise Welland of the award details, so that they can publish the award notice.

9. Exemption Details:

Type of Exemption:	<input checked="" type="checkbox"/> New Requirement <input type="checkbox"/> Change to Existing Requirement <input type="checkbox"/> Replacement to Existing Requirement <input type="checkbox"/> Other
Which rule are you seeking an exemption from?	<input checked="" type="checkbox"/> To advertise <input checked="" type="checkbox"/> To follow a competitive process
Name of Proposed Provider:	Hinckley Plumbing
Has the requirement been subject to a previous Exemption?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes [If yes give details below]
Applicable Exemption:	<input type="checkbox"/> (1) No genuine competition: proprietary or patented goods or services; requirement of such a specialist nature that it can genuinely only be fulfilled by one person or organisation; compatibility with existing goods or services is required and where those existing goods or services can only be sourced from the same supplier.

<p><i>If the justification being relied upon is as detailed in here, the relevant Service Director will need to approve the exemption prior to it being submitted to the Director for Corporate Resources and the Director of Governance and Regulatory Services for approval.</i></p>	<input type="checkbox"/>	<p>(2) There is a sound business case and/or an independent review that there is no value for money in running a full procurement process. Supporting evidence will need to demonstrate market testing and enquiries to other suppliers. This should not be used to avoid competition or where decisions to procure have been postponed and there are insufficient timelines to procure.</p>
	<input checked="" type="checkbox"/>	<p>(3) Genuine emergencies: critical preventative or remedial work where there is a real and imminent risk to the safety of people or property arising from hitherto unforeseen 'catastrophic' events or incidents, for example fire, bombing, landslide etc.</p>
	<input type="checkbox"/>	<p>(4) Urgent Situations not of the Council's own making: the urgency must have been reasonably unforeseeable (e.g. existing supplier going into liquidation) and genuinely be a case of time is of the essence. Urgency arising from the Council's own making (e.g. lack of planning) shall not justify an exemption. Where this exemption is used, a compliant procurement must be implemented as soon as possible.</p>
	<input type="checkbox"/>	<p>(5) Collaborative/Joint Procurement: where another authority/public body is acting as the 'lead buyer' and provided that the Officer can demonstrate those arrangements comply with relevant Regulations and best practice.</p>
	<input type="checkbox"/>	<p>(6) Grants which the Council may receive or make: except where the grant is the form of payment for a contract for services where the Council specifies the output or outcomes to be delivered. The awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination and value for money. Officers cannot choose to treat procurement as a grant in order to avoid conducting a competitive process.</p>

	<input type="checkbox"/>	(7) Contracts for the execution of either mandatory works or provision of goods or services which must be provided by Statutory Provider other than the Council. This includes but is not limited to public utility companies and other legal authorities.
Details of benchmarking or market testing carried out		Three quotations from local competent commercial heating contractors have been obtained on the basis of a specification prepared by MBC.
How will value for money be secured?		The contractors have been selected for their expertise in the type of boilers and plant room equipment. The contract will be awarded based on the lowest value.

10. Reasons for Decision:

There are three commercial boilers at Bradgate House which are in excess of 20 years old. One of these boilers is beyond repair and one is not reliable and is breaking down more frequently. The remaining boiler is working but the system in the winter months requires two boilers to work effectively and reliably.

We have recently appointed an interim Mechanical Officer who has been investigating the condition and risks associated with the age of these boilers and he has indicated that the probability of a complete system failure over this winter period is high. In addition he has identified that the gas supply is insufficient for the existing plant and non-compliant.

There are 24 flats within the block and given the age and vulnerability of the residents, the impact of heating failure in winter and particularly whilst we are still managing the impact and effects of Covid 19 all result in unacceptably high risk of harm to residents through loss of heat and potentially being unable to decant 24 residents in to suitable accommodation at short notice.

Urgent works are required to replace the boilers and associated plant at Bradgate House.

The existing boilers present a high risk of failure over this winter period and urgent replacement of the plant is needed to ensure that the vulnerable clients do not lose heating over the winter months. The works conversion of an existing store-room and so improving the premises with the installation of a new laundry room, while also improving the safety of the plant room.

An associated decision notice has been drafted which will provide authority to award the contract subject to approval of this funding.

Authority / Legal Power

Officers have advised that the award of the contract is part of the Housing Improvement Plan. There is a rolling item on the Forward Plan for award of contract

for matters relating to the Housing Improvement Plan. Council delegated authority to award contracts as part of the Housing Improvement Plan.

Council approved the following delegation in relation to the Housing Improvement Plan on [4 November 2019](#):

That delegated authority is given to the Chief Executive in consultation with the Director for Corporate Services to access the HRA Development and Regeneration Reserve to fund works in support of the HIP and Health and Safety Works.

11. Background Papers attached?

(Background papers are to be attached (unless exempt))

Not applicable

12. Alternative options available / rejected:

1. Putting the job out to open tender through Wellend Procurement. This option is rejected due to the delays which would be introduced through this process.

13. Implications:

(Please ask the respective professional officers ((a) Legal, (b) Finance and (c) Human Resources) for their assessment of the potential implications of this decision. You should also consult any other relevant officers if you think the decision will have an impact on their areas of responsibility.)

<p>Legal</p>	<p>The Council has the power to enter into contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (contract) Act 1997, s1).</p> <p>The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK and EU legislation every contract entered into on behalf of the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations. The Contract Procedure Rules provide exemptions but the exemptions listed do not apply to procurements valued above the relevant EU Threshold.</p> <p>Exemptions must be approved by the Director for Corporate Services and the Director for Governance & Regulatory Services and are subject to one of more of the criteria being fulfilled.</p>
<p>Finance</p>	<p>This is unforeseen expenditure which is not contained within the budget. A separate decision record will be completed to authorise the release of funding under delegation to fund the works.</p>

	As new expenditure on the HIP, this will need approval to draw from the Development and Regeneration Reserve and to be added to the capital programme.
HR	Not applicable
14. Signature of relevant Service Director: Where justification (2) is being relied upon, the relevant Service Director will need to approve the exemption prior to it being submitted for further approval	Email authorisation received Edd de Coverly Chief Executive
15. Signature of Decision Maker: Please do not 'pp' for a Senior Officer	Signature redacted Dawn Garton - Director for Corporate Services
16. In Consultation with:	Signature redacted Adele Wylie - Director for Governance & Regulatory Services
17. Date:	29 September 2020

Please send all decision for publication to: Democratic Services at democracy@melton.gov.uk