



RECORD OF CABINET PORTFOLIO HOLDER DECISION

Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Decision Ref. No.	PH096
Decision made by	Councillor Pip Allnatt Leader of the Council and Portfolio Holder for Housing and Landlord Services
Decision Title	Bradgate Flats – vary the utility supply contract
Key decision?	Yes
Date of decision (same as date form signed)	8 January 2024
Name and job title of Officer requesting the decision	Chris Flannery Housing Asset Manager
Officer contact details	cflannery@melton.gov.uk
Decision	<ol style="list-style-type: none">1. To approve the variation of the contract for gas utility supply at Bradgate Flats2. To enter into any necessary legal documentation to effect the variation
Background	<p>The current contract for the supply of gas at Bradgate Flats is with British Gas. The energy supply broker working on behalf of British Gas has contacted the council to advise us that a more favourable tariff is available. The exact rate is subject to change and fluctuation, but as of November 2023 this would offer an annual saving of £65,000.</p> <p>The majority of gas supplies in communal buildings are managed by Crown Commercial Services (CCS). CCS act as our brokers and find the best deals for each supply. Consideration was given to moving this supply over to CCS but the current contract with British Gas will not allow us to switch.</p>
Reason for Decision/Main Considerations	<p>Varying the contract will represent a significant saving. The residents at Bradgate Flats pay for the gas supply through their service charges, so this saving will have a direct impact on the people living at Bradgate Flats.</p> <p>A wider review of all communal electric and gas supply contracts and tariffs will be carried out in the longer term. This will allow us to fully review the situation with Bradgate Flats and look at longer term options.</p>

<p>Alternative options rejected</p>	<p>To not vary the contract with British Gas, this was discounted as it will mean that we are not meeting our obligation to seek best value for our tenants.</p> <p>To consider options to cancel the British Gas contract, this was discounted as there will be charges. The energy broker has also advised that significantly more favourable rates are not available. However, a wider review will be undertaken to ensure that this is the best option in the longer term.</p>			
<p>Legal implications</p> <p>Officer/Date provided:</p>	<p>This offer allows the Council to make a saving within the current contract. The current contract is still 'live' and cannot be terminated so this is not a case of re-procurement but an in contract saving.</p> <p>Section 17.2 of the Contract Procedure Rules requires a 'material change' to be treated as a new procurement (or an exemption applied).</p> <p>A material change is one which:</p> <p>17.2.2.1 Would have allowed the admission of other Bidders or the acceptance of another tender; or</p> <p>17.2.2.2 Extends the scope of the contract considerably to goods, services or works not initially covered by the Specification; or</p> <p>17.2.2.3 Changes the economic balance in favour of the contractor in a manner not provided for in the procurement documents.</p> <p>This change does not appear to fall under any of the above and is not therefore considered material.</p> <p>The Council are able to enter into variations of contracts.</p> <p>Senior Solicitor – 20 December 2023</p>			
<p>Financial implications</p> <p>Officer/Date provided:</p>	<p>This would represent a saving on the costs from November 2023. This saving has been included in the proposed 2024-25 budgets and will ease the estimated financial position over the remainder of 2023-24. All energy costs to Bradgate flats are fully recharged to residents in the year following the year that the previous years full costs are recognised.</p> <p>Assistant Director for Resources – 8 January 2024</p>			
<p>Other implications</p>	<p>A variation under the existing contract that brings cost savings of this level to residents and the authority is fully supported by the procurement team here.</p> <p>Legal have approved this as not being seen as a material change therefore I am happy to approve this.</p> <p>Welland procurement - 2 January 2024</p>			
<p>Background papers considered</p>				
<p>List consultees</p>		<p>Name</p>	<p>Outcome</p>	<p>Date</p>

(Where applicable)	Ward Councillors	n/a		
	Human Resources	n/a		
	Equalities	n/a		
	Communications	n/a		
Confidential Decision?	No			
Call In Waived by Scrutiny Committee Chair?	N/a			
Has this been discussed by Cabinet Members?	No			
Cabinet Portfolio Holder Signature	Email approval received Councillor Pip Allnatt Leader of the Council and Portfolio Holder for Housing and Landlord Services			
Declarations/conflict of interest?	-			

ONCE SIGNED, THIS FORM MUST BE HANDED TO DEMOCRATIC SERVICES IMMEDIATELY.

FOR DEMOCRATIC SERVICES USE ONLY		
Form Received	8 January 2024	
Date published to all Councillors	8 January 2024	
Call In Deadline	11 January 2024	