

Committee: **Lead Cabinet Member for Transport and Environment**

Date: **14 September 2015**

Report By: **Director of Communities, Economy and Transport**

Title of Report: **Your Energy Sussex**

Purpose of Report: **To recommend to Lead Member that East Sussex County Council becomes an Affiliate Partner in the Your Energy Sussex Partnership**

RECOMMENDATIONS: The Lead Member is recommended to:

- (1) Note the expected benefits of becoming an Affiliate Partner;**
 - (2) Agree that the County Council becomes an Affiliate Partner rather than a Strategic Partner; and**
 - (3) Delegate to the Director of Communities, Economy and Transport authority to take all actions necessary to give effect to the decision to become an Affiliate Partner including authority to enter into all necessary agreements.**
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1. Background Information

1.1 On 28 January 2014 Cabinet agreed that the County Council should join the Your Energy Sussex (YES) Partnership (previously called the Sussex Energy Saving Partnership) as a Strategic Partner. The YES Partnership is led by West Sussex County Council (WSCC) and is open to all Sussex Local Authorities. The YES Partnership has been set up to:

1. reduce fuel poverty;
2. support local businesses that are part of the energy efficiency supply chain;
3. help local residents and businesses cut their energy bills;
4. help Local Authorities to cut their own energy bills.

Therefore, the YES Partnership provides the opportunity to:

- 1) support the County Council's core priorities to drive economic growth, help residents and businesses to become more resilient, and to make better use of its own resources;
- 2) benefit from the economies of scale to be gained from working in a partnership covering the whole of Sussex.

1.2 WSCC procured the services of a private sector partner, Carillion, through a competitive dialogue process, to set up and manage a local supply chain to deliver the benefits outlined above. WSCC proposed that partner Local Authorities join YES as either Affiliate or Strategic partners, based on the different levels of resource and commitment that partners wished to contribute.

1.3 Following receipt of independent legal advice, procured jointly by the County Council, Eastbourne Borough Council, Brighton & Hove City Council and Crawley Borough Council, it is considered that the contract between WSCC and Carillion does not allow other Local Authorities to appoint Carillion to carry out any works or services on their behalf in a manner which is compliant with procurement Regulations. Consequently, the County Council would not be able to directly engage Carillion, through the YES Partnership Agreement, to cost up and carry out works on its own estate. Instead, a new and separate procurement process would be required to appoint a contractor for such works. As such, it is considered that it would not be appropriate to join YES as a Strategic Partner as the County Council could not lawfully comply with the obligations that such a membership status would entail.

1.4 However, the the County Council can lawfully join YES as an Affiliate Partner, as the obligations of this category of membership are significantly less onerous. Membership as an Affiliate Partner would enable the County Council to:

- signpost residents and businesses to Carillion, as the branded delivery partner for YES, for energy efficiency retrofit and renewable energy measures on their property;
- refer residents in fuel poverty to Carillion's local supply chain for the installation of new boilers and/or insulation;
- work across Sussex with the existing network of community energy groups;
- work across Sussex on joint bids for external funding to help deliver this agenda;
- Benefit from the size, expertise and experience of Carillion to ensure value for money, use of local businesses, and consumer protection through appropriate quality control.

1.5 The County Council will not be required, by virtue of becoming an Affiliate Partner, to contribute any finance to the YES Partnership. In addition, the County Council can withdraw from the YES Partnership at any time.

1.6 The main risk from becoming an Affiliate Partner is to the County Council's reputation, should Carillion fail to deliver a good quality service. This risk can be managed through the existing terms and conditions of the contract between WSCC and Carillion.

1.7 There are no direct financial implications for the County Council from the recommendations in this report. However, there is the cost of existing officer time to participate in the Your Energy Sussex Partnership ('the YES Partnership').

2. Conclusion and Reason for Recommendation

2.1 It is no longer appropriate for County Council to sign up to the Yes Partnership as a Strategic Partner. However, there are considerable potential benefits to the County Council and East Sussex businesses and residents, from the County Council joining the YES Partnership as an Affiliate Partner. This does not require the County Council to contribute any finance to the YES Partnership.

2.2 Lead Member is recommended to:

- 1) note the expected benefits of becoming an Affilate Partner in the YES Partnership;
- 2) agree that the County Council becomes an Affiliate Partner in YES rather than a Strategic Member;
- 3) delegate to the Director of Communities, Economy and Transport authority to take all actions necessary to give effect to the decision to become an Affiliate Partner including authority to enter into all necessary agreements.

RUPERT CLUBB

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None