

Cabinet Meeting		Agenda Item: 9
Meeting Date	12 February 2020	
Report Title	Procurement of Fuel and Water Poverty Outreach Service	
Cabinet Member	Cllr Tim Valentine, Cabinet Member for the Environment	
SMT Lead	David Clifford, Head of Policy, Communications and Customer Services	
Head of Service		
Lead Officer	Janet Hill, Climate Change Officer	
Key Decision	Yes	
Classification	Open	
Recommendations	1. That the Cabinet approves the appointment of Children and Families as the Fuel and Water Poverty Outreach Service provider from 02 March 2020 for an initial period of 2 years and 1 month with a possible extension of one year.	

1 Purpose of Report and Executive Summary

- 1.1 As part of the climate and ecological emergency declared by the Council in June 2019, and with fuel and water poverty at current levels in the borough, members decided to provide a dedicated advice service to vulnerable householders and to fund it through the Special Projects Fund.
- 1.2 The Policy team carried out a one stage tender process based on the most economically advantageous tender (MEAT) which was evaluated on 40% price and 60% quality. This report summarises the procurement process and its results and seeks Cabinet approval of the recommended contractor.

2 Background

- 2.1 Swale has one of the highest rates of fuel poverty in Kent. Up to 20% of households in some wards are living in fuel poverty and on average 10% of households across the borough live in fuel poverty. A household is said to be in fuel poverty if they have required fuel costs that are above average (the national median level) and were they to spend that amount they would be left with a residual income below the official poverty line.
- 2.2 No national water poverty statistics are collated but levels of water poverty are thought to be comparable with fuel poverty according to Ofwat the water regulator. Local water companies consider a household to be in water poverty if they spend more than 3% of their disposable income on water and sewerage bills.

- 2.3 In addition to the money saving benefits to householders, there will be energy and water savings and carbon emission reductions, which will help the council to achieve one of its Climate Change ambitions around reducing carbon emissions across the borough.
- 2.4 It is estimated that 1,200 households will be assisted over the initial two years of this contract. The provider will monitor savings for householders and reductions in emissions and report back to the Council. Performance will be reported in the annual Climate and Ecological Emergency report.
- 2.5 Although this is being brought forward by the Cabinet Member for the Environment, under the Climate and Ecological Emergency declared by the council, it will also have beneficial impacts on the portfolios of the Cabinet Members for Housing, Community and Health and Wellbeing.
- 2.6 An invitation to tender for a borough wide advice service was advertised in October and November 2019.
- 2.7 Three responses were received, and scores were allocated according to the criteria explained in the tender document. The tender evaluation panel consisted of the Commissioning Officer, Interim Policy Manager and the Climate Change Officer

3 Proposals

- 3.1 Cabinet is requested to approve the proposal to enter into a contract with Children and Families for two years and one month with the option to extend the contract for a further one year subject to satisfactory performance.
- 3.2 Children and Families is a locally based organisation with over 70 directly employed staff. They deliver the Children's Centre service for KCC - an annual contract of circa £200k. They manage local food banks and run the Fare Share Kent warehouse and service. Although their tender price was slightly higher than the lowest price, they scored highly in the quality evaluation due to the evidence they supplied of their track record, local knowledge and networks, policies and procedures and approach to social value and therefore submitted the most economically advantageous tender.

3.3

Bid	Price	Price Score	Quality Score	Total Score
Children and Families	£99,120.00	39.55	48.33	87.88
Bid B	£99,976.00	39.21	36.00	75.21
Bid C	£98,000.00	40.00	39.33	79.33

4 Alternative Options

- 4.1 With all add on costs and an electric vehicle rental we had preliminarily suggested a cost of £48k pa to deliver this in house, however we believe that an organisation with established skills and knowledge has the expertise and networks in place to start delivery of the service more quickly and efficiently than if we were to do so in house.
- 4.2 We could choose not to deliver this service; however, we have committed to helping our most vulnerable residents as part of the Climate and Ecological Emergency declaration.

5 Consultation Undertaken or Proposed

- 5.1 There has been internal consultation with relevant Cabinet Members and Officers.

6 Implications

Issue	Implications
Corporate Plan	Appointing a contractor that meets a good quality standard and provides good value for money will further several corporate objectives in the emerging corporate plan.
Financial, Resource and Property	Anticipated annual spend on the Fuel and Water Poverty Outreach Service contract is £49,560. The total contract value for the two years is therefore £99,120 with a possible third year at £49,560. The contract is funded from the Special Projects Fund.
Legal, Statutory and Procurement	The contract will be the standard Council contract and undertaken using the Council's current Terms and Conditions.
Crime and Disorder	None identified at this time
Environment and Sustainability	Advice delivered under this service will help residents to reduce their carbon emissions and water use making a contribution to our zero net carbon target.
Health and Wellbeing	Lifting people out of fuel and water poverty has proven health benefits including reduced respiratory illness, reduced cardiovascular conditions, and improved mental health.
Risk Management and Health and Safety	None identified at this time

<p>Equality and Diversity</p>	<p>The preferred bidder has demonstrated their approach to equality and diversity throughout their bid document, both internally in terms of supporting staff and externally by engaging with the community in an inclusive way.</p> <p>Although none of the protected characteristics in equalities legislation include poverty there are undoubtedly some correlation with some protected groups and poverty, specifically older people, disabled people and those protected due to pregnancy and maternity. These groups are all more likely to be fuel poor than others. Therefore there is the strong likelihood that this service will benefit people with these protected characteristics.</p>
<p>Transparency and Data Protection</p>	<p>The preferred bidder has demonstrated their approach to transparency and data protection.</p>

7 Appendices

7.1 n/a

8 Background Documents

n/a.