

To: Finance, Resources and Customer Services Policy Board

On: 4 September 2019

Report by: The Chief Executive and the Director of Finance and Resources

Heading: Scottish Procurement Agency Agreement relating to the supply of Water and Waste Water Billing Services

1. **Summary**

- 1.1 The purpose of this report is to seek authorisation from the Finance, Resources and Customer Services Policy Board to enter into an Agency Agreement between The Renfrewshire Council and the Scottish Ministers to permit the Scottish Ministers to enter into a successor framework agreement with suppliers of water and waste water billing services under the terms of which the Contract (a call off contract) for water and waste water billing services will be supplied to the Council.
- 1.2 The current Scottish Government Framework for the Supply of Water and Waste Water Billing Services is due to expire on the 29 February 2020. The Scottish Procurement and Commercial Directorate are currently in the process of re-tendering its replacement.
- 1.3 The existing Agency Agreement, which allowed the Scottish Procurement and Commercial Directorate to place any Contract on the Council's behalf under the framework will also expire on 29 February 2020. The Scottish Procurement and Commercial Directorate have advised that in order to continue to act on behalf of the Council, the Council will require to sign a new Agency Agreement.

- 1.4 The new Agency Agreement has been made ‘evergreen’, which means that it will remain in force for all subsequent contracts, on this or future Framework Agreements for the Supply of Water and Waste Water Billing Services until it is terminated by either party.
- 1.5 The Scottish Ministers have asked that the Agency Agreement be signed by the Council prior to establishing the new Framework Agreement.
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2. **Recommendations**

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Policy and Commissioning to enter into an Agency Agreement with Scottish Ministers on the Council’s behalf to allow the Scottish Procurement and Commercial Directorate acting under the terms of the Agreement acting on behalf of the Council to enter into any Contract for the supply of Water and Waste Water Billing from 1 March 2020 and until such time as the Agency Agreement is terminated in accordance with Clause 11 **Termination** of the Agreement.
- 2.2 The Finance, Resources and Customer Services Policy Board is asked to note that spend on the current contract for supply of Water and Waste Water Billing is approximately £900,000.00 per annum.
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3. **Background**

- 3.1 The Renfrewshire Council was a participant in the Authorities Buying Consortium water and energy framework until 2010 when frameworks of this type were reclassified as “Category A” [contracts which cover a range of goods and services which can be used by central government and the wider public sector] and transferred to Scottish Government Procurement Directorate to be managed as a National Framework.
- 3.2 The current provider of the Council’s water and waste water services is Anglian Water Business (National) Ltd. That contract was awarded following a previous tender conducted by Scottish Procurement, and the contract period is 1st March 2016 to 28th February 2020.

- 3.3 The current framework agreement for water and waste water services is accessible to all public bodies in Scotland and some third sector organisations. The guarantee of a high volume of business has encouraged very competitive pricing from utility providers, at a rate which would not be available to organisations tendering on their own. It is anticipated that similar benefits will be achieved from the new tendering arrangements by Scottish Procurement.
- 3.4 In addition to competitive pricing, the existing contract provides a number of benefits, including:
- An early payment discount which has historically saved Renfrewshire Council circa £20,000.00 per annum;
 - Value added services such as water efficiency surveys which help support the Council to identify opportunities to maximise savings and benefits from these services;
 - An active water management programme that highlights increases in water consumption, providing an early warning of potential leaks or burst pipes when compared to normal usage patterns.

Implications of the Report

1. **Financial - None.**
2. **HR & Organisational Development - None.**
3. **Community/Council Planning – None**
4. **Legal** –Once the Agency Agreement is signed, Scottish Ministers will have the authority to enter into a contract for the supply of Water and Waste Water Billing on the Council's behalf, therefore in accordance with Clause 27.4 of Renfrewshire Council's Standing Orders Relating to Contracts, this report recommends that the Finance, Resources and Customer Services Policy Board authorise the HOPAC to enter into this Agency Agreement. Clause 29.5 of the Standing Orders Relating To Contracts allow the Council to enter into contracts under a properly constituted Framework Agreement once established.
5. **Property/Assets - None**
6. **Information Technology**

7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

8. **Health & Safety - None**

9. **Procurement** - The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures.

10. **Risk - None**

11. **Privacy Impact - None**

12. **Cosla Policy Position – None.**

13. **Climate Risk - None**

List of Background Papers

- (a) None

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