

**To:** Finance, Resources and Customer Services Policy Board

**On:** 18 April 2024

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**Report by:** The Director of Finance and Resources and the Director of Environment, Housing and Infrastructure

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**Heading:** National Framework Contract for the Supply of Water and Waste Water Billing Services

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1. **Summary**

1.1 The purpose of this report is to inform the Finance, Resources and Customer Services Policy Board of the new National Framework Contract for the Supply of Water and Waste Water Billing Services (Reference SP-23-07) established by Scottish Procurement. Scottish Procurement is part of the Scottish Government and acts on behalf of Scottish Ministers.

1.2 The Framework Contract commenced on 1 April 2024 and will run until 31 March 2027, with the option for a further 1-year extension until 31 March 2028. The Framework Contract was awarded to Scottish Water Business Stream Limited trading as Business Stream.

1.3 The current Agency Agreement was 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.

The Finance, Resources and Customer Services Policy Board at its meeting on 4 September 2019 approved 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 acting under the terms of the Agency Agreement 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.

- 1.4 On 10 December 2019, the Head of Policy and Commissioning on behalf of Renfrewshire Council signed the Agency Agreement currently in place between Renfrewshire Council and the Scottish Ministers.

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## 2. **Recommendations**

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board:

- (a) notes the Council's spend for Supply of Water and Waste Water Billing through this Framework Contract of approximately £1,123,364 per annum, excluding VAT. The Council's total spend under this Framework Contract (including the extension period) is estimated to be approximately £4,466,000.
- (b) notes that a 3-month Payment in Advance of £276,492.50 will be paid every 3 months throughout the Framework Contract duration.
- (c) notes the contents of this Report.

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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 responsibility for such arrangements transferred to the Scottish Government Commercial & Procurement Directorate to be managed as a National Framework by Scottish Procurement.

- 3.2 Scottish Procurement awarded the re-let of the National Framework Contract for the Supply of Water and Waste Water Billing Services to Scottish Water Business Stream Limited trading as Business Stream (Framework Contract). The Framework Contract commenced on 1 April 2024 and will run until 31 March 2027, with the Scottish Procurement option to extend the Framework Contract for a further 1 year extension until 31 March 2028.
- 3.3 The Framework Contract is accessible to all public bodies in Scotland and some third sector organisations.
- 3.4 On 10 December 2019, Renfrewshire Council signed the current Agency Agreement between Renfrewshire Council and the Scottish Ministers. The Agency Agreement was made 'evergreen', which means that Scottish Ministers acting through Scottish Procurement (the National Procurement Centre of Expertise) can contract on behalf of Renfrewshire Council for this and all subsequent contracts, on this or any future Framework Agreements for the supply of water and waste water billing services until the Agency Agreement is terminated by either party.
- 3.5 Scottish Procurement has confirmed that they will sign the Supply Contract on behalf of Renfrewshire Council.
- 3.6 The Framework Contract provides a number of benefits, including:
- An early payment discount;
  - 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.
- 3.7 The Framework Contract offers early payment discounts. A Payment in Advance (PIA) option allows the Council to make a one-off discounted payment covering 3 months of projected charges. A quarterly payment of £276,492.50 will be made to Scottish Water Business Stream Ltd trading as Business Stream. This secures a 1.1% discount on all charges from 1 May 2024. Utilising this discount option will save Renfrewshire Council circa £12,000 per annum.
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## Implications of the Report

1. **Financial** – The annual forecasted spend of this Contract is £1,123,364. The overall forecasted spend for the period 1 April 2024 to 31 March 2028 (including the extension year) is £4,466,000, and will be met through existing revenue budgets across all council services.
2. **HR & Organisational Development** – None directly arising from this report.
3. **Community/Council Planning** – None directly arising from this report.
4. **Legal** – The Scottish Procurement Agency Agreement relating to the Supply of Water and Waste Water Billing Services between Renfrewshire Council and The Scottish Ministers details the level of authority Scottish Procurement is given by Renfrewshire Council on behalf of the Council.
5. **Property/Assets** – None directly arising from this report.
6. **Information Technology** – None directly arising from this report.
7. **Equality & Human Rights** – None directly arising from this report.
8. **Health & Safety** – None directly arising from this report.
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 directly arising from this report.
11. **Privacy Impact** - None directly arising from this report.
12. **Cosla Policy Position** – None directly arising from this report.
13. **Climate Risk** – None directly arising from this report.

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## List of Background Papers

Scottish Procurement Agency Agreement relating to the supply of Water and Waste Water Billing Services, approved by the Finance, Resources and Customer Services Policy Board on 4 September 2019.

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