

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

**On:** 18<sup>th</sup> 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:** Scottish Procurement Framework for the Supply of Electricity

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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 Framework for the Supply of Electricity established by Scottish Procurement, who is part of the Scottish Government and acts on behalf of Scottish Ministers, and to note the Council's estimated annual spend under this framework. The Council's electricity requirements are procured via this framework agreement.
- 1.2 The new Scottish Procurement Framework for the Supply of Electricity is for an initial period of 3 years, with options to extend for a further 3 annual extensions. Supply of electricity under the new Framework started on 1 April 2023 to 31 March 2026 (31 March 2029 including extension periods).
- 1.3 This is a sole supply framework, and the appointed provider is EDF Energy Customers Limited.
- 1.4 The Scottish Ministers acting through Scottish Procurement (the National Procurement Centre of Expertise), on behalf of Scottish Public Bodies, through the Agency Agreement, to ensure the cost effective procurement of electricity.

The existing Agency Agreement in place between Renfrewshire Council and the Scottish Ministers, which allowed Scottish Procurement to place any Contract on the Council's behalf under this Framework and is still operational was signed by the Chief Executive on behalf of Renfrewshire Council 13th March 2012.

- 1.5 Scottish Procurement on behalf of Renfrewshire Council will sign a Supply Contract with EDF Energy Customers Limited.
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## 2. **Recommendations**

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

- (a) note the Council's spend for electricity under this Framework of approximately £6.5 million per annum, excluding VAT. The Council's total estimated spend under this Framework (including the extension period) is £32.5 million, excluding VAT.
  - (b) note the contents of this Report.
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## 3. **Background**

- 3.1 Scottish Procurement formally known as Procurement Scotland was launched in March 2008 with a remit of developing and implementing procurement strategies for national commodities on behalf of all Scottish public bodies. Scottish Procurement manage national frameworks known as "Category A" requirements, contracts which cover a range of goods and services which can be used by central government and the wider public sector.
- 3.2 Scottish Procurement act on behalf of Scottish Public Bodies in a timely manner to ensure opportunities are not missed and that energy is being procured in the most cost effective manner.
- 3.3 On 13 March 2012, the Chief Executive on behalf of Renfrewshire Council signed up to the Scottish Procurement Agency Agreement relating to the supply of Electricity & Natural Gas.

- 3.4 The new Scottish Procurement Framework for the Supply of Electricity is for an initial period of 3 years, with options to extend for a further 3 annual extensions. Supply of electricity under the new Framework started on 1 April 2024, the initial 12 month trading commenced from 1 April 2023. The Framework period is 1 April 2023 to 31 March 2026 (31 March 2029 including extension periods).
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## Implications of the Report

1. **Financial** – The annual forecasted spend of this contract over the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2027 is £19.5 million. The overall forecasted spend including the extension years is £32.5 million 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 Electricity & Natural Gas 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

(a) None

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