
To: Finance, Resources and Customer Services Policy Board

On: 31 January 2018

Report by: Joint Report by the Chief Executive and the Acting Director of Development and Housing Services

Heading: Relocation of External Gas Services (RC-CPU-17-095)

1. Summary

- 1.1. The purpose of this report is to seek the approval of Finance, Resources and Customer Services Policy Board to grant permission for the use of Scotia Gas Network Ltd to undertake the relocation of external gas services at a number of properties throughout Renfrewshire.
 - 1.2. The recommendation to award the Contract follows a below EU Threshold negotiated procedure conducted in accordance with the Council's Standing Orders relating to Contracts.
 - 1.1 A Request to Negotiate was approved by the Corporate Procurement Manager on 13 December 2017.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the use of Scotia Gas Network Ltd to undertake the relocation of external gas services at a number of properties throughout Renfrewshire.
 - 2.2 It is proposed that the Finance and Customer Services Policy Board approve the use of Scotia Gas Networks Ltd for a maximum spend of £1,500,000 over a maximum three year period from February 2018 to February 2021 with permission given to use Scotia Gas Network Ltd expiring on whatever event happens first.
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3. Background

- 3.1 The Housing Capital Investment Plan 2017/18 to 2019/20 sets out the requirement to ensure all housing stock achieves the minimum energy rating under the Energy Efficiency Standard for Social Housing (EESH) by the first milestone of 31 December 2020. Accordingly, the focus of the planned investment programme is external improvements which contribute to the achievement of EESH.
- 3.2 The Council has developed a programme of energy efficiency improvement works to target mixed tenure blocks, as well as wholly owned Council blocks, utilising the Housing Revenue Account (HRA) capital resources, HEEPS ABS grant funding and also contributions from individual homeowners to deliver a varying package of works which will reflect the requirements of each block.
- 3.3 The energy efficiency improvement works include the application of external wall insulation. In order to ensure that the wall insulation is fitted appropriately and fully sealed, there is a requirement to remove and relocate external gas services, for example, external meter boxes, meters and associated piping.
- 3.4 Scotia Gas Network Ltd own and maintain the gas network to the point of, and including, the gas meter located within the external gas boxes. Accordingly, Scotia Gas Network Ltd are the only company available on the market who can undertake relocations and alterations to the gas meter.
- 3.5 It is anticipated that up to 600 properties per year will require gas service relocation works in advance of the installation of external wall insulation at an annual cost of approximately £500,000. This figure is based on works carried out during 2017 and includes a tolerance for any additional properties and rate rises by Scotia Gas Network Ltd
- 3.6 It is proposed that the Finance and Customer Services Policy Board approve the use of Scotia Gas Networks Ltd for a maximum spend of £1,500,000 over a maximum three year period from February 2018 to February 2021.
- 3.7 All costs associated with this contract will be met from existing Housing Revenue Account Capital Investment Plan resources.

Implications of the Report

1. Financial

The financial status of Scotia Gas Networks was assessed by undertaking a Dun and Bradstreet and it confirmed that the company satisfied the Council's requirements in relation to financial stability.

2. HR & Organisational Development

No TUPE implications have arisen or are anticipated.

3. **Community Planning**

By undertaking works related to the Councils programme of energy efficiency works, it will provide Council tenants and owner occupiers with improved external aesthetics of their properties whilst achieving reductions in carbon emissions and fuel poverty by lowering the costs of utility bills.

4. **Legal**

The procurement of this Contract has been conducted in accordance with the Council's Standing Orders relating to Contracts

5. **Property/Assets**

Renfrewshire Council will improve the quality of its housing stock by carrying out an extensive external works programme.

Installing External Wall Insulation will improve building insulation resulting in reduced energy bills for tenants/owners, as well reducing the carbon footprint of the building, and improving the aesthetics.

6. **Information Technology**

No Information Technology implications have arisen or are anticipated.

7. **Equality & Human Rights**

Due to the process undertaken, the Council was unable to request additional information from Scotia Gas Network Ltd in regards to Equality & Human Rights. It should be noted however that Scotia Gas Network Ltd are bound by all statutory regulations in regards to this aspect.

8. **Health & Safety**

The Council received a copy of Scotia Gas Network Ltd's health and safety documentation which demonstrates that they meet all statutory obligations in terms of Health & Safety. The information received shall be kept on record and monitored throughout the identified term of the agreement.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

The Council received a copy of Scotia Gas Network Ltd's insurance documentation which demonstrates they meet all statutory obligations in terms of

insurable risk. The information received shall be kept on record and monitored throughout the identified term of the agreement.

11. **Privacy Impact**

No Privacy Impact implications have been identified or are anticipated

12. **Cosla Policy Position**

No Cosla Policy Position implications have arisen or are anticipated

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