

**Record of
Executive
Decisions
published
24/Mar/2023**



Elaine Waugh
Assistant Director of Law and Governance

Civic Centre
Sunderland

24 March 2023

Record of Executive Decisions Published: 24/Mar/2023

Decision Taker:

Paul Wilson, Director of Finance

Appropriate Scrutiny Committee:

Scrutiny Coordinating Committee

Date decision in force:

3 April 2023

Date of decision:

24 March 2023

Title and author(s) of written report:

Proposed Extension Of Contract For Water Retail (Supply) Services – Joint report of the Director of Finance and the Assistant Director of Assurance and Property Services

Full description of decision:

To extend the Council's Water Retail Services Contract with Anglian Water Business (National) Limited (trading as Wave) for a further 2-year period, in accordance with the terms of the existing contract.

Reasons for decision:

This is a key utilities contract which underpins the day-to-day workings of the Council, and which provides for water supply to all Council facilities. Extending the current contract will help ensure continuation of a key utility supply, required to enable the day-to-day workings of the Council.

The Council's current contract with Anglian Water Business (National) Limited commenced on 1 April 2021, and contains provision for the contract to be extended for a further 2 year period. To date, the service has been provided in accordance with the Council's requirements, and continues to represent value for money.

Extending the current contract will help minimise any risk of disruption to the workforce and Council services that may arise following a change of provider.

Alternative options considered and rejected:

The alternative option is not to extend the existing contract. This option is not recommended as it means the Council would need to separately procure its own standalone contract for Water Retail Services, and would not benefit from the collective bargaining power (and any favourable rates and savings) secured by NEPO when it established the regional Water Retail Services framework.

Contact Officer: Paul Wilson

Email: Paul-S.Wilson@sunderland.gov.uk

Is this a key decision:

Yes

Does the Decision contain Confidential/Exempt Information:

No

Declarations of Interest and Dispensations:

None

Decision Record

(For use in the case of Decisions (including Key Decisions) made by Officers under Delegated Powers)

Name and job title of Delegated Officer with power under the Constitution to make the decision:

Paul Wilson
Director of Finance

Directorate:

Paragraph of Constitution relied upon:

Part 4, Section 8 Paragraph 9.3
Part 4, Section 8 Paragraph 21.1 (Contract Extensions)

Where the decision maker is an officer authorised by the Delegated Officer to make the decision (an Authorised Officer) the name and job title of the Authorised Officer and paragraph of Directorate delegation scheme relied upon:

Date of decision: 24th March 2023

In the case of a Key Decision, date of implementation (subject to "call-in"): 3rd April 2023

Statement of decision made:

To extend the Council's Water Retail Services Contract with Anglian Water Business (National) Limited (trading as Wave) for a further 2-year period, in accordance with the terms of the existing contract.

Where applicable, report(s) considered (state the title and author of the report(s)) and list of background papers:

N/A

The Council's current utilities contract for Water Retail Services was called off from the NEPO Water Retail Services framework on 1st April 2021 for an initial period of 2 years.

NEPO have subsequently extended the Water Retail Services framework for a further 2 years, and there is the opportunity for the Council to also extend its contract for an equivalent 2 year period, to help ensure continuation of a key utilities supply required to enable the day-to-day workings of the Council.

The cost of the extension is in the region of £1,200,000 per annum, however this is purely a demand driven utilities service contract and the cost can vary over the duration of the contract depending on demand / usage. Provision exists within the Council's revenue budget for this cost. The total cost of the variation is expected to be in the region of £2,400,000.

Alternative options considered and rejected:

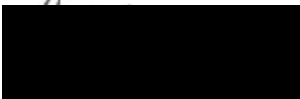
No other options were considered.

Members/Officers/others consulted:

Paul Davies – Assistant Director of Assurance and Property Services
Chris Cummings – Procurement Category Manager
Andrew Atkinson – Energy Services Manager
Patrick Houghton - Governance Law Specialist

Where the decision was made under a specific express authorisation of Council, Cabinet, a Committee, Sub-Committee or Joint Committee, the name of any member who declared a conflict of interest in relation to the decision:

N/A

In respect of any declared conflict of interest, a note of any dispensation granted by the Council's Head of Paid Service: N/A	
Is the decision a key decision as defined in the Constitution? Yes	
If yes, on what basis? Anticipated contract spend exceeds £500,000	
Does the decision contain Confidential / Exempt Information? No	If applicable, ground on which information is confidential/exempt: N/A
Have you provided Governance Services with a copy of this decision record and any reports, other documents or background papers considered?	
NOTE: Do not forward documentation for publication if it contains exempt or confidential information. If in doubt, take advice from Law and Governance Services	
 Signed: (Officer making decision) Name (print): Paul Wilson Position: Director of Finance Dated: 24 March 2023	Signed: (Portfolio Holder/Chairman of Committee) Name (print): Dated:
Counter Signed: Name (print): Position: Dated:	For completion in respect of any decisions which have financial implications and regarding which consultation is required with the Executive Director of Corporate Services or his/her representative. Signed: (Executive Director of Corporate Services or his/her representative) Name (print): Position: Dated:
Notes: [1] Officers are reminded to follow the procedure set out in the Guidance on the Making and Recording of Decisions by Officers, in order to ensure compliance with the law. This is particularly important in the case of "key decisions." [2] A "Key Decision" is an executive decision which is likely (a) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the City. For the purposes of (a) above, 'Significant' in terms of budget means £500,000 savings or expenditure, whether capital or revenue [3] A key decision will come into force and may be implemented on the expiry of five working days after publication, unless it is "called in". [4] It is a requirement of the Constitution that Chief Officers will consult the relevant portfolio holder and/or the Chairman of the relevant Committee prior to taking action where the action has policy or significant financial implications or where the portfolio holder or Chairman has given prior indication that he or she wishes to be consulted on the matter or type of matter. Ward members should also be consulted as appropriate.	

PROPOSED EXTENSION OF CONTRACT FOR WATER RETAIL (SUPPLY) SERVICES

February 2023

REPORT OF THE DIRECTOR OF FINANCE AND THE ASSISTANT DIRECTOR OF ASSURANCE AND PROPERTY SERVICES

1. Purpose of the Report

To seek approval to extend the Council's current Water Retail Services contract with Anglian Water Business (National) Limited, for a further 2-year period.

2. Background and Proposal

- 2.1 The Council's current utilities contract for Water Retail Services was awarded for an initial period of 2 years on 1 April 2021, following a call off from the NEPO Water Retail Services framework.
- 2.2 NEPO have subsequently extended its Water Retail Services framework for a further 2 years, and there is now the opportunity for the Council to also extend its contract for an equivalent 2-year period.
- 2.3 The cost of the extension is anticipated to be in the region of £1,200,000 per annum. However, this is a demand driven utilities service contract and the cost can vary over the duration of the contract depending on demand/usage.
- 2.4 Provision exists within the Council's revenue budget for this cost. The total cost of the variation is expected to be in the region of £2,400,000.

3. Reasons for the Decision

- 3.1 This is a key utilities contract which underpins the day-to-day workings of the Council, and which provides for water supply to all Council facilities. Extending the current contract will help ensure continuation of a key utility supply, required to enable the day-to-day workings of the Council.
- 3.2 The Council's current contract with Anglian Water Business (National) Limited commenced on 1 April 2021, and contains provision for the contract to be extended for a further 2 year period. To date, the service has been provided in accordance with the Council's requirements, and continues to represent value for money.
- 3.3 Extending the current contract will help minimise any risk of disruption to the workforce and Council services that may arise following a change of provider.

4. Alternative Decisions

The alternative option is not to extend the existing contract. This option is not recommended as it means the Council would need to separately procure its own standalone contract for Water Retail Services, and would not benefit from the collective bargaining power (and any favourable rates and savings) secured by NEPO when it established the regional Water Retail Services framework.

5. Recommendation

It is recommended that the Director of Finance approves the extension of the Council's existing contract for Water Retail Services for a period of 24 months, from 1 April 2023 to 31 March 2025.