

Appendix 4 – Urgency - General Exception Form

Urgent Cabinet Report/Delegated Decision Form

Report/Decision Title	North East Procurement Organisation (NEPO) – Electric contract sign off
Date of request	06/03/2025
Date of meeting/decision	

Urgent – General Exception - Reasons for urgency outlined below

Redcar & Cleveland Borough Council's electricity and water contracts expire on 31st March 2025, with new contracts starting on 1st April 2025. Final confirmation and request for contract sign-off was provided by NEPO week commencing 24th February which required contract sign off within 14 days. Due to the quick turnaround required the decision is unable to be on the Forward Plan for 28 days. Without the general exception the council is at risk of not being within the NEPO contract and being charged out of contract rates.

I confirm that the relevant chair of Scrutiny and Improvement Committee (or if there is not chair, the whole committee individually) and the Cabinet Member have been informed by notice in writing of the decision to be taken.

Officer name (Delegated Power Author)	Lizzie Kemp	Officer Signature		Date	06/03/2025
-------------------------------------------------	-------------	--------------------------	--	-------------	------------

Assistant Director Name	Chris Moon	Assistant Director signature		Date	12/03/2025
--------------------------------	------------	-------------------------------------	--	-------------	------------

This urgent report/decision has been seen and agreed by the following:

Officer / Member	Signature
Managing Director	
Section 151 Officer	
Monitoring Officer	

Delegated Power Record

Are the details of the decision to be public or confidential?

Public

If the details of the decision are confidential, please select the category for exemption under the Local Government Act 1972

Choose an item.

Reference	GEE-25-062
Corporate Plan Priority	A Strong and Sustainable Council
Delegation Title	North East Procurement Organisation – Electricity Contract
Delegated Power Number	450 – Award a Contract
Date of Exercise	21/03/2025
Cabinet Member	Cllr Carrie Richardson
Assistant Director	Chris Moon

Type of Decision (Key/Executive/Non-Executive)	Key - Executive
FOR KEY DECISIONS ONLY	
Delegated Power Forward Plan Ref	If a key decision has not been published in the forward plan at least 28 days in advance of the decision being taken, then the urgency or special urgency rules must be applied, and relevant forms completed in conjunction with Democratic Services
Date Decision Published in Forward Plan	14 March 2025 To be completed by Democratic Services
Urgency (For Key Decisions not included in Forward Plan only)	Special Urgency - Forms Attached

Background to decision:

The current NEPO framework agreement for the supply of electricity is due to expire on 31 March 2025. As the contract value is subject to procurement regulations, NEPO carried out compliant procurement process to appoint EDF Energy from 1 April 2025 on behalf of all its member Authorities. The new contract period is for 72 months (6-years).

The framework agreement includes both electricity supply side services and electricity demand side services. The supply side services will include NEPO trading electricity on a fully flexible basis (amongst other products) and the subsequent supply of electricity to sites on the NEPO Portfolio to include Half Hourly (HH), non-Half Hourly (NHH) and Street Lighting (both HH and Unmetered Supply (UMS). Included in the supply side of the scope is Data Collector (DC) and

Delegated Power Record

Data Aggregator (DA). Also included in the scope of the framework agreement is the provision of Automatic Meter Reading (AMR) and associated services and systems. The demand side services include the intelligent management and reduction of electricity demand. This includes Demand Side Response (DSR) activities.

A robust Service Level Agreement is included in the framework agreement, which contains Key Performance Indicators that are linked to financial penalties for poor performance. The SLA contains KPIs around:

- Customer Satisfaction
- Query Management
- Account Management and Customer Service Team availability
- Meeting Attendance
- Management Information
- Billing
- Site Additions
- Site Removal
- Energy Cost Forecasting
- Systems
- Site Retention
- Framework Agreement Growth
- Reporting Performance
- Trading

Decision Considerations:

Redcar and Cleveland Borough Council have an ongoing requirement for the supply of electricity and spends in the region of £4 million per annum on electricity and therefore subject to procurement regulations. The split is £2.3 million for RCBC sites and £1.7 million for schools and academies.

The Contract is managed and monitored by the Council's Energy Team.

Full details of decision:

Approval is requested to participate in the NEPO Framework for supply of for the supply of electricity to Redcar and Cleveland Borough Council property portfolio, for a period of 72 months (6-years) from 1 April 2025 to 31 March 2031.

Approval to award the framework agreement to EDF Energy has already been agreed through ANEC (Association of North East Council's) and DRG (Director of Resources Group). A Direct Agreement between EDF Energy and Redcar & Cleveland Borough Council is required, to be signed by an authorised Redcar and Cleveland Officer.

Financial detail:

Electricity contract value is £4 million per annum.

RCBC sites value at £2.3 million per annum and schools and academies at £1.7 million per annum.

Delegated Power Record

Budget Code	11399
Is budget available for full contract/service without causing additional pressure?	Revenue budget is allocated for the RCBC sites
Annual Contract Value	£4,000,000.00
Total Contract Value	£24,000,000.00
<p>Delivering Social Value:</p> <p>NEPO incorporated an adapted version of the National TOMS Framework into the Invitation to Tender, to evaluate tenderers on social value. The successful tenderer offered as part of their tender submission, the following :-</p> <ul style="list-style-type: none"> • Jobs: Promote Local Skills and Employment - 80 hours dedicated to supporting unemployed people from the north east into work. • Jobs: Promote Local Skills and Employment – 80 hours dedicated to local school and college visits. • Jobs: Promote Local Skills and Employment – 80 hours dedicated to support young people into work. • Jobs: Promote Local Skills and Employment – 12 weeks meaningful work placements. • Social: Healthier, Safer and more Resilience Communities - £12,500 donations or in-kind contributions to local community projects. • Social: Healthier, Safer and more Resilience Communities – 80 hours volunteering time to support local community projects. • Environment: Protecting and Improving Our Environment – 80 hours voluntary time dedicated to the creation or management of green infrastructure. <p>The successful supplier also has a customer services operation, based in Sunderland, which employs approximately 1,200 staff.</p>	
<p>Reasons for Decision:</p> <p>NEPO, on behalf of its member Authorities, carried out a compliant procurement process to award a framework agreement to EDF Energy from 1 April 2025. EDF Energy were the most economically advantageous tenderer, taking into account the evaluation criteria.</p>	
<p>Details of alternative options considered (if any) and reasons for rejection:</p> <p>Do nothing – not an option, as value of spend for Redcar and Cleveland alone is above procurement thresholds and therefore subject to procurement regulations.</p> <p>In house provision – Local authorities are not a supplier of electricity.</p> <p>Procurement routes to market are detailed in the Options Appraisal, which is included in the Category Strategy. It examines the benefits and risks alongside financial considerations for alternative procurement options.</p> <p>The recommended procurement route to market was agreed as NEPO to carry out a ‘competitive procedure with negotiation’.</p>	

Delegated Power Record



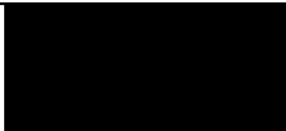
Details of any conflict of interest declared by any Elected Member consulted in relation to the decision:

This must be left blank. Business Support will seek this information from the Cabinet Member.

Details of any dispensation granted in respect of any conflict of interest:

This must be left blank. Business Support will seek this information from the Cabinet Member.




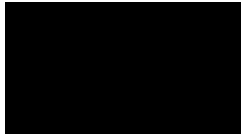
Background Papers:

Officer Name (Print)	Lizzie Kemp	
Officer Signature		
Officer Submission Date	06/03/2025	
Finance Manager Name (Print)	Christine Wood	
Finance Approval Signature		Finance Manager to confirm that budget has been confirmed for the decision
Date of Approval	07/03/2025	
Procurement Officer Name (Print)	Debbie Seaman	
Procurement Approval Signature		Request complies with the Council's Contract Procedure Rules
Date of Approval	07/03/2025	

Delegated Power Record

Reference	GEE-25-062
Delegated Power Forward Plan Reference	SUG001
Corporate Plan Priority	A Strong and Sustainable Council
Delegation Title	North East Procurement Organisation – Electricity Contract
Delegated Power Number	450 – Award a Contract
Date of Exercise	21/03/2025
Cabinet Member	Cllr Carrie Richardson
Assistant Director	Chris Moon

Signatures

CABINET MEMBER FOR DEPUTY LEADER AND CLIMATE, ENVIRONMENT AND CULTURE 	Date 14/03/2025
CHIEF FINANCE OFFICER 	Date 13/03/2025
CHIEF LEGAL OFFICER 	Date 13/03/2025
EXECUTIVE DIRECTOR FOR GROWTH ENTERPRISE AND ENVIRONMENT 	Date 14/03/2025

Call-In (Key Decisions Only)

Call-In to be dis-applied due to urgency, reasons as follows:

Delegated Power Record

Reasons for dis-applying Call-In due to urgency to be added here if relevant. This will need to be reported to the next meeting of the Borough Council and the reasons must demonstrate that any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests.

Redcar & Cleveland Borough Council's Electricity contract expires on 31st March 2025, with the new contract starting on 1st April 2025. Final confirmation and request for contract sign-off was provided by NEPO week commencing 24th February which required contract sign off within 14 days. Due to the quick turnaround required the decision is unable to be on the Forward Plan for 28 days. Without the general exception the council is at risk of not being within the NEPO contract and being charged out of contract rates. As per the urgent decision process the Chair of the relevant scrutiny committee has been consulted as to the reasons behind the decision being enacted in this manner.

Date Decision will become effective	21/03/2025 To be completed by Democratic Services – date will be not less than expiry of 5 working days from publication unless urgency applies.
--------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------