

Request for variation of a contract with Solar for Schools Community Benefit Society Limited to install solar panels at an additional six primary schools

Date: 18th July 2022

Report of: Senior Project Officer

Report to: Chief Officer of Sustainable Energy & Air Quality

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report seeks authority to spend and approval to vary the contract with Solar for Schools Community Benefit Society Limited (SFS) to bring into scope additional buildings the Council has secured funding for in the 2022/23 financial year. The variation is in line with the scope of the existing contract.
- This decision flows from a key decision taken to inject capital for the scheme, details of which can be found at: [Council and democracy \(leeds.gov.uk\)](https://www.leeds.gov.uk/council-and-democracy).
- The Council has been successful in bidding for £4,335,357 Public Sector Decarbonisation Scheme (PSDS) Round 3 funding to install renewable energy generation and other energy efficiency measures across a range of sites and buildings across the Council's corporate and school estate. This report seeks authority to spend and approval to vary the contract with SFS to deliver the installation of solar panels at an additional six primary schools.
- The primary focus of the PSDS is conversion to low carbon heating systems in buildings, but proposals involving this can also be combined with other energy efficiency measures to reduce electricity consumption such as solar generation and LED lighting. As well as ensuring significant carbon savings, the scheme will provide a stimulus to the energy efficiency and low carbon heat sector, and represents a significant opportunity to create or safeguard local employment.

Recommendations

The Chief Officer of Sustainable Energy & Air Quality is recommended to:

- a) Take a Significant Operational Decision to approve the variation of the Solar for Schools Community Benefit Society Limited contract to include six additional sites increasing the value by £326,770.60 and therefore requiring a contract extension to 31 March 2023.
- b) Note that the Chief Officer will immediately place orders for the first four sites in the delivery programme, in line with the 'Ordering of Services' processes detailed in the contract, to enable project timescales to be achieved.

Why is the proposal being put forward?

- 1 The approval of the recommendations in this report will allow for delivery activity to ramp up at pace, enabling the project team to meet the grant conditions imposed by the funding provider.
- 2 Delivery of the works will reduce the Council's energy consumption and contribute towards its net zero targets.
- 3 This decision flows from a key decision taken to inject capital for the scheme, details of which can be found at: [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk/council-and-democracy).

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 4 Taking the decisions contained within this report will allow the contractor to place orders and mobilise to site. Solar panels will be installed at the following schools:
 - a) Alwoodley Primary School
 - b) Gledhow Primary School
 - c) Holy Trinity Church of England Primary School
 - d) Iveson Primary School
 - e) Seven Hills Primary School
 - i. This site is awaiting planning approval
 - f) Weetwood Primary School
 - i. This site is awaiting planning approval

What consultation and engagement has taken place?

- 5 Procurement & Commercial Services have been consulted to ensure the variation of the contract aligns with the original scope of the contract, and that CPRs have been followed.
- 6 Governance services have been consulted to ensure that decision making processes have been followed.

What are the resource implications?

- 7 All expenditure for the project will occur within the 2022/23 financial year. The project and contract management of the works will be delivered from existing resource within the Sustainable Energy & Air Quality Team.

What are the legal implications?

- 8 There is no confidential or exempt information included within this report.
- 9 The existing contractual arrangements with Solar for Schools Community Benefit Society Limited that have been utilised for delivering works during PSDS1 are to be utilised for the installation of measures under PSDS3.
- 10 Regulation 72 (1) (a) of the Public Contracts Regulations 2015 provides that “contracts can be varied without a new procurement procedure In...the following case..:— (a) where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses— (i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and (ii) do not provide for modifications or options that would alter the overall nature of the contract..”
- 11 In making this variation the above conditions of Regulation 72 (1) (a) (i) & (ii) are deemed to be satisfied as provision is made for future works to be varied into this contract if/when funding became available during the contract period.
- 12 There is no overriding legal obstacle preventing the variation of this contract under CPRs 21.7 (variations) and the contents of this report should be noted. In making the final decision, the Chief Officer of Sustainable Energy & Air Quality should be satisfied that the course of action chosen represents best value for money.
- 13 The variation will be delivered through the instruction of a compensation event under Clause 60.1 (1) of the NEC3 ECC which covers a change to the Works Information.
- 14 The completion date shall be varied to 31 March 2023 to meet the PSDS3 grant requirements.

What are the key risks and how are they being managed?

- 15 The key risk relates to delivery to meet the pre-determined timescales of the funding provider, and to ensure we can carry out installs at convenient times for building users. The decisions taken as a consequence of this report serve as a mitigation to the risk.

Does this proposal support the council’s three Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

16 The works associated with this decision directly support the Climate Emergency and the Council's aspiration to be net zero carbon by 2030.

17 The installation of solar panels across the Council's school estate support facilitate the installation of heat pumps, thereby providing improved working/learning environments contributing to Health & Wellbeing and Inclusive Growth for those operating in affected buildings and accelerate the rate of improvements in other buildings across the estate.

Options, timescales and measuring success

What other options were considered?

18 None. It was the intent of the contract as described in the drafting that it would be utilised for delivery of works should future funding be secured.

How will success be measured?

19 Success will be measured through the delivery of works within the timescales required.

What is the timetable for implementation?

20 The delivery timescale begins in April 2022 and runs until March 2023.

Appendices

21 None

Background papers

22 None