

Members' Library Service Request Form

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Originator	John Durkin
Originator's Ref (if any)	
Document Title	Award of Contract for the Delivery of External Wall Insulation to Council Orlit type properties throughout East Lothian as well as facilitating the HEEPS:ABS Programme

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Authorised By	D Proudfoot
Designation	Head of Development
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REPORT TO: Members' Library Service

MEETING DATE:

BY: Head of Development

SUBJECT: Award of contract (CON-ELC-19-1914) for the delivery of External Wall Insulation (EWI) to Council Orlit type properties throughout East Lothian as well as facilitating the HEEPS: ABS programme for private dwellings in the same areas.

1 PURPOSE

- 1.1 To note the decision to award the contract for the delivery of external wall insulation to East Lothian Council properties to Everwarm Ltd, and to facilitate the Councils HEEPS: ABS programme which includes the same areas.

2 RECOMMENDATIONS

- 2.1 Members are asked to note the decision to directly award the contract through the Scottish Procurement Alliance (SPA) Framework to Everwarm Ltd for the installation of external wall insulation to both East Lothian Council properties (CON-ELC-19-1914) and those eligible private properties through the HEEPS: ABS 2018/19 Programme.

3 BACKGROUND

- 3.1 Home Energy Efficiency Programme Scotland: Area Based Schemes (HEEPS: ABS) is one of the Scottish Government's three home energy efficiency programmes launched in March 2013 to tackle fuel poverty and increase energy efficiency in homes.
- 3.2 Councils are the leading delivery body for HEEPS: ABS with the funding from the Scottish Government being used to enable improvements to privately owned housing within area wide energy efficiency improvement projects.
- 3.3 The properties being targeted are Orlit type properties located in small clusters throughout East Lothian which were built just after the Second World War. They are mostly recognised as 'non-traditional' construction and have been selected as they meet the criteria set out by the Scottish Government's HEEPS: ABS scheme as being suitable for external wall insulation.

- 3.4 The Council received an offer of funding from the Scottish Government following submission of a bid outlining potential HEEPS: ABS projects. In June 2018, £736,013 of funding was allocated to the Council to carry out these energy efficiency works on those private properties identified within the bid.
- 3.5 The Council have also identified properties within their own stock in the same areas that would also benefit from this works and have appointed the same contractor to deliver the EWI project to Council properties also.
- 3.6 The HEEPS funding will be used to install EWI on private properties and at the same time, using economies of scale, Council properties will also be included. For private households, the following will be the maximum average spend per unit, for the 2018/19 programme:
- Flats £6,500
Mid and end Terraces £7,000
Semi-detached and detached homes £7,500
- 3.7 Installing EWI on private and Council properties will improve the energy efficiency of the building and reduce tenants' and owners energy costs.
- 3.8 The procurement of this contract is by direct award through the SPA Framework for Energy Efficiency work. Everwarm are the most cost effective Contractor on this framework and therefore were invited to tender. Prices returned by Everwarm have been verified as correct and commensurate with their SPA Framework rates. Following review by the Councils Quantity Surveyor, the tender submitted by Everwarm for the delivery of EWI to 57Nr Council Houses, in the amount of £530,259.63, is compliant and is recommended for acceptance.

4 COMMUNITY BENEFITS

- 4.1 Everwarm Ltd have undertaken to comply with the contract requirements governing the Contractors Community Benefits responsibility.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 An integrated impact assessment has been completed and has no negative impact on the wellbeing of the community or equality, the environment or economy.

6 POLICY IMPLICATIONS

- 6.1 The installation of these energy efficiency measures will assist in delivering outcome 5 and 6 in our LHS.

- 'Priority Outcome 5: The condition, energy efficiency and where appropriate the management of existing stock is improved.
- Priority Outcome 6: Fuel poverty is reduced and climate targets exceeded. '.

It will also contribute to meeting the Energy Efficiency Standard for Social Housing (EESH), particularly on the non-traditional house types.

7 RESOURCE IMPLICATIONS

- 7.1 There is no capital expenditure required from the Council for the delivery of external wall insulation improvements on private dwellings through HEEPS: ABS.

The estimated cost of the works is £736,013 based on completing approximately 85 installations. At this stage only an estimate of the value of the contract is available as the project is dependent upon engagement and uptake with private homeowner.

- 7.2 The HEEPS: ABS project for private homeowners will predominantly funded by the Scottish Government with some Energy Company Obligation (EDO) which is an external funding source and a further contribution from the private householders up to a maximum of £500 per property.
- 7.3 Under the terms of the Scottish Government's HEEPS: ABS grant, the Council is required to pay the contractor for the works and then in turn claim funding from the Scottish Government
- 7.4 The estimated cost of the works to the Council for the improvement of its own stock is £530,259.63 based on 57 installations. The Council will meet this cost through the approved HRA capital programme.
- 7.5 Personnel – The Council will manage the EWI project for Council dwellings and utilise enabling funding from the HEEPS: ABS funding to manage EWI for private dwellings.

8 BACKGROUND PAPERS

- 8.1 The Contract ELC-19-1914
- 8.2 Home Energy Efficiency Programmes for Scotland Area Based Schemes (HEEPS; ABS) Guidance.
- 8.3 Energy Company Obligation – Flexible Eligibility (ECO3)

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