

Item No.	Classification: Open	Date: August 2020	Meeting Name: Strategic Director of Environment and Leisure
Report title:		Gateway 2 - Contract Award Approval Supply of gas and electricity to Southwark Council	
Ward(s) or groups affected:		All Wards	
From:		Head of Sustainability and Business Development	

RECOMMENDATIONS

1. That the Strategic Director of Environment and Leisure in consultation with the cabinet member for Environment, Transport and the Climate Emergency, approve the use of LASER's appointed energy framework suppliers for the supply of gas and electricity through the framework duration (October 2020 to March 2025). The total cost is estimated at £67.5m. The breakdown of contract spend between the appointed suppliers is estimated at; Npower (LASER Framework Y18003 - corporate electricity supplies, HRA and street lighting) at £5m per annum (up to £22.5m over 4.5 years), and Corona Energy (LASER Framework Y18002 - corporate gas supplies) at £10m per annum (up to £45m over 4.5 years).
2. That the Strategic Director of Environment and Leisure approves the management options and purchasing strategies as follows
 - The council use the fully managed service for all meters where the additional fee is equivalent to less than 3.6% of the annual billed cost of each meter, and to use the procurement only approach for the meters where the fee would equate to above 3.6% of the total annual cost.
 - The council uses the PIA purchasing strategy for both electricity and gas for an initial 18month period

Further detail on these options can be found in paragraphs 10-21

3. That the Strategic Director of Environment and Leisure approves the use of the Renewables Energy Guarantee of Origin (REGO) backed 'green' tariff for Corporate Estate (Schools, Civic Buildings, Street Lighting etc.), as part of the council's commitment to carbon reduction as detailed in paragraphs 22-26.

BACKGROUND INFORMATION

4. On 7 April 2020, cabinet agreed for the council to use the London Energy Project (LEP)/Laser framework agreement for the supply of gas and electricity to the council, and delegated authority to the strategic director of environment and leisure in consultation with the cabinet member for environment, transport and the climate emergency to select the suppliers and to agree purchasing strategies within the framework.
5. The council's energy consumption represents a significant, but necessary cost to the council. The council is committed to mitigating these costs as much as possible through

flexible purchasing solutions, transactional efficiencies and energy conservation measures. However, the council recognises that a risk-managed flexible approach to procurement is one measure to help off-set prices in a volatile market, and we need to ensure that the council continues to utilise best value procurement solutions.

6. The strategy set out in this report ensures the council is less exposed to peaks in prices by spreading our purchasing over several months. In addition, the aggregation of our consumption with other public sector bodies helps reduce costs further, through economies of scale.
7. These contracts also set new and modern standards for suppliers to support the council's efforts in back-office transactions and transformation; and finally, they will enable the council to deliver greater social value and to purchase green energy at little or no additional cost than we currently pay for our standard energy supply, or have future opportunities to have power purchase agreements and other deeper green options to respond to climate emergency.

Procurement project plan (Non Key decisions)

Activity	Completed by/Complete by:
Briefed relevant cabinet member (over £100k)	06/02/2020
Approval of Gateway 1: Procurement Strategy Report	07/04/2020
DCRB Review Gateway 2: Contract award report	04/08/2020
CCRB Review Gateway 2: Contract award report	13/08/2020
Notification of forthcoming decision	20/08/2020
Approval of Gateway 2: Contract Award Report	01/09/2020
Debrief Notice and Standstill Period (if applicable)	5 days
Contract award	08/09/2020
Add to Contract Register	30/09/2020
Publication of award notice on Contracts Finder	30/09/2020
Contract start	01/10/2020
Contract completion date	31/03/2025

Add in missing timetable elements

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

8. On the 29 April 2019, LASER issued an OJEU Contract Notice (Contract Notice 2019/S 083-196621) to procure a Framework Agreement for the flexible procurement and supply of energy, with the intention of appointing suppliers for the following Lots:
 - Lot 1: Primarily Half Hourly (HH) Metered and Unmetered Electricity and Additional Services

- Lot 2: Primarily Non-Half Hourly (NHH) Metered and Unmetered Electricity and Additional Services
 - Lot 3: Daily Metered and Non-Daily Metered Gas with Additional Services
9. Following the EU compliant tender process, Corona was appointed the supplier for gas (Lot 1) within the framework, and Npower appointed supplier of electricity (Lot 2 and 3). Details of the tender evaluation are shown sections 29-36.

Management and Purchasing Options

Management options

10. Laser provides two management options for the contract. Their fully managed service is charged, and fixed per meter point. This is added to the invoice sent to each individual site once per annum. The services provided for a fully managed service include;
- Arrangements for the suppliers to send bills to Laser who check for accuracy, and act to resolve supply queries
 - Validation of pass through cost e.g. those from network operators
 - Bill payment administration charges
 - Electronic billing information
 - Site contact, central point of contact and support
11. Laser's unmanaged service is known as the Procurement Only Service Option (POSO). Laser secure gas and electricity prices from the wholesale market on behalf of the consortium for a fixed price per meter point. The supplier would directly invoice sites for the amount of gas used. Sites are responsible for monitoring the accuracy of invoices. Electronic copies of the bills can also be sent direct to the authority on the framework and/or the site contact. Laser charge a set fee per meter, per year for this service.

The fees for Lasers different management options are as follows:

Supply Type	No. Supply Points	Service Level	LASER Service Fees £/meter/annum (exc VAT)		
			PRM Framework + Procurement & Risk Management Services	Fully Managed (PRM) + Contract & Query Management, Bill Validation and Payment Services	Total Fee £/mtr/yr
Gas (all meter sizes)	All	Procurement & Risk Management	£65		£65
Gas (all meter sizes)	All	Fully Managed	£65	£95	£160
Elec Half Hourly, incl UMS (00 profiles)	All	Procurement & Risk Management	£230		£230
Elec Half Hourly, incl UMS (00 profiles)	All	Fully Managed	£230	£95	£325

Elec Non-Half Hourly, incl UMS (01-08 profiles)	All	Procurement & Risk Management	£15		£15
Elec Non-Half Hourly, incl UMS (01-08 profiles)	0-499 supplies*	Fully Managed	£15	£95	£110
Elec Non-Half Hourly, incl UMS (01-08 profiles)	500-999 supplies*	Fully Managed	£15	£65	£80
Elec Non-Half Hourly, incl UMS (01-08 profiles)	more than 1000 supplies*	Fully Managed	£15	£40	£55

12. Sites that were on the fully managed option on the previous contract saved around 3.6% of their total spend through avoiding erroneous bills, overcharges, late payment charges etc.

13. Looking at the table above, and using the Councils current site portfolio, the following charges would be applicable to use the fully managed service;

- 250 gas supplies at £95 per meter which would equate to a total cost of £23,750
- 20 HH electricity at £95 which would cost £1900
- 3500 NHH electricity at £40 per meter which would cost £140,000 if all taken.
- It is estimated that only around 1000 NHH electricity meters would use the fully managed service due to cost vs benefit, so would cost approximately £40,000.

14. This means the total cost for Southwark to use the fully managed service where financially viable would be £65,650, though this would be 'saved' on the bills through avoiding erroneous billing, overcharges, late payment etc.

15. It is therefore proposed the council use the fully managed service for all meters where the additional fee is equivalent to less than 3.6% of the annual billed cost of each meter, and to use the procurement only approach for the meters where the fee would equate to above 3.6% of the total annual cost.

16. Southwark has the option to change between a managed and unmanaged service throughout the duration of the framework agreement and this aspect will be reviewed as part of the annual performance reporting to ensure continued best value for money.

Purchasing Options

17. Within the fully managed service, Laser has different risk management strategies to purchase energy from the wholesale market. These are applied during buying windows lasting from six months up to four years. These strategies are known as Purchase In Advance (PIA) or Purchase Within Period (PWP). The two strategies are as follows;

- PIA is predominately seen as the less risky of the two options. Over the four year period customers will receive four prices, each price will be set for the 01st of October anniversary date. This price will be a set price for this period as all of the energy requirements for the twelve month period would have been purchased in advance of the 01st of October start date. This is the preferred option for some

authorities with smaller budgets as it can be seen as easier to budget for sites with very specific budgeting needs.

- PWP (Purchase Within Period) is seen as potentially the more risky option of the two but also has the potential for greater returns. Over the four year period customers will receive eight prices, each lasting for a six month period with the anniversary dates set on the 1st of October and the 01st of April for price changes. At the start of the period, customers will be given a reference price, which will be based on the current volume purchased already, and the predicted forward curve of the market. Laser then continue to purchase throughout the supply period until the next anniversary date, when reconciliation against the actual price of energy purchased for that period is made. If they have purchased under the reference price this will prompt a positive reconciliation, if purchased over the reference price, there will be a negative reconciliation.
18. Over the term of the two previous framework agreements, PWP outperformed PIA in the first four years between 2012 and 2016, and PIA has performed marginally better from 2016 to 2020.
 19. Both options have consistently performed better than the wholesale market average and been rated as 'good' or better by the LEP.
 20. Oil and gas markets have continued to drop though 2020 and independent advice from the LEP and also Lasers own strategists have suggested that PIA is the better option at the moment so that we can forward buy the entire requirement for up to 18 months in advance and take advantage of this market low point.
 21. It is therefore recommended that Southwark utilise the PIA purchasing strategy for both electricity and gas for an initial 18 month period, and to be reviewed prior to the end of this initial term via annual performance reports.

Green Energy

22. The premium for green electricity at this time is between £0.40 and £0.50 MWh for each REGO volume that is 100% renewable backed.
23. The estimated annual financial impact of sourcing green REGO-backed electricity based on current consumption volumes is £10,000. This would cover the council's corporate estate, including schools and community buildings. The Housing Revenue Account has been removed from this part, due to tenants needing to agree this increase with their rent/lease agreements. The HRA can be included if this alters in the future. In 2018/19 the corporate estate purchased 20,000,000 kWh of electricity. To purchase green electricity would cost the organisation £10,000.00 (at the upper cost of £0.50 MWh). This cost would be shared across all organisations who buy through the council, within their invoiced energy cost – schools, community groups in our buildings, street lighting etc.
24. Approximately 30,000,000kWh of electricity was purchased for the Council's housing stock. If this were to be purchased as green electricity, it would cost the Council an estimated £15,000.00. Future discussions will need to be held to decide if the Council would want to subsidise this as it is not possible to re-charge leaseholders and tenants.

25. With regards to a green source of gas; this is not available at the moment in either the quantity, or the price that makes it a viable option for the council's estate. This element will be reviewed within the annual performance reporting as the situation develops.
26. It is recommended that Southwark Council purchase green electricity for all of its own corporate estate (buildings and operational supplies).

Key/Non Key decisions

27. This is a key decision

Policy implications

28. Please refer to sections 38-51.

Tender process

29. The tender closed on the 3 June 2019 and the evaluation process, in which several LEP members participated was completed. Of all the offers received, no supplier provided a bid that met the service requirement, quality, price criteria specified (summarised below):
 - Electricity – no supplier met the LEP requirement to provide at least 50% REGO backed renewable electricity for the duration of the framework at no additional cost. There were also concerns around additional costs that could be incurred by customers to install smart meters to non-half hourly supplies.
 - Gas – of the bids received there was a mixture of high capability / quality and attractive pricing, however, there wasn't a sufficiently high combined quality and price score from any individual supplier.
30. Whilst not being able to award a contract from the exercise, the LEP and LASER were committed to delivering pan-LEP energy contracts, to the required timescales (to commence 1st April 2020), by managing an alternative, compliant OJEU process.
31. To deliver the pan-LEP energy contracts, LEP accessed an existing LASER National framework which had been awarded in December 2018
 - Y18002 – Flexible Procurement and Supply of Daily and Non-Daily Metered Natural Gas and Additional Services
 - Y18003 – Flexible Procurement and Supply of Half Hourly and Non-Half Hourly Metered and Unmetered Electricity and Additional Services
32. The LEP specification for transactional efficiency, online portal, budget tools, customer service and wider strategic objectives including social value and green energy were embedded as an enhanced Service Level Agreement with the suppliers for LEP members.
33. The contract to supply Electricity (Half Hourly – covering large electricity sites, Non-Half Hourly – covering small electricity sites, unmetered supplies and streetlighting) was awarded directly to the Framework supplier (Npower) following formal evaluation to

ensure the enhanced Service Level Agreement (SLA) for LEP members could be fully delivered.

34. A mini-competition was undertaken between the Framework gas suppliers that assessed the supplier's capability and price to deliver the enhanced pan-LEP SLA. Corona Energy was evaluated to be the most economically advantageous provider following this process.
35. Full details of the tender evaluation carried out by the LEP are held by the sustainability and business development team.
36. The breakdown of contract spend between the appointed suppliers is estimated at; Npower (LASER Framework Y18003 - corporate electricity supplies, HRA and street lighting) at £5m per annum (up to £22.5m over 4.5 years), and Corona Energy (LASER Framework Y18002 - corporate gas supplies) at £10m per annum (up to £45m over 4.5 years). These costs include the agreed purchasing and management options.

Plans for the transition from the old to the new contract

37. Transition from the old contract to the new contract will be completed by the sustainability and business development team and the central purchasing body, working with the suppliers to ensure a smooth migration of sites where necessary.
38. This will include taking final meter readings and ensuring any debt/credit has been settled prior to transfer. This is resolved by the existing and incoming suppliers and will go beyond the start date of the new contract if necessary.

Plans for monitoring and management of the contract

39. The monitoring and management of the contact will be completed by the sustainability and business development team, including providing annual performance reports to contract review boards in line with the Contract Standing Orders. These will form the basis for decision on future purchasing strategies.

Identified risks for the new contract

40. The greatest risk in buying gas and electricity is in deciding when, and how much volume to purchase. This report sets out how the recommended procurement approach will mitigate this risk by purchasing gas and electricity within a flexible framework agreement that spreads buying decisions across the contract period. The use of an organisation offering a framework agreement for the supply of gas and electricity is also one of the energy procurement solutions recognised as being best practice by central and regional government.
41. The authority needs to consider the risk in prices fluctuating during the contract periods, and the framework provider will need to show a robust methodology in its purchasing strategies. These will also be scrutinised by elected members of organisations within the framework. The selection criteria, including delegated authority for purchasing, in addition to the market analysis (all detailed in the proposed procurement route) will ensure the authority is able to select a solution that allows those risks to be managed.
42. The award of a contract through a framework agreement is a long commitment of four and a half years. There is a break clause within the framework that can be exercised

after two years if it is felt the performance is not as expected. This decision will be part of ongoing analysis shown in the annual performance reports and presented accordingly.

Community impact statement

43. This contract covers gas and electricity supplies to central boiler systems and landlords supplies which provide heating and lighting to smaller housing estates. The estimated increase in gas prices will therefore affect tenants' service charges. However, all sections of the community are equally affected by rising energy prices, whether they have their own domestic boilers (and pay their own gas bills) or are connected to communal systems. The aim of the recommended contract is to adopt a flexible purchasing option whereby falls in the market price for gas and electricity can be secured to minimise the overall price to the consumer. This strategy is not an option that is open to individual consumers with their own heating systems.
44. Climate change is already impacting on residents in the borough, for example, more extreme weather events. Climate change adversely affects those with the least resources and creates greater inequality. The council's commitment to tackling the climate emergency is aligned with our values to deliver a fairer future for all and reduce inequality in our borough and society. The proposals in this report give the council the option to move to an energy procurement that will reduce the impact of climate change.

Social Value considerations

45. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The social value considerations included in the tender (as outlined in the Gateway 1 report) are set out in the following paragraphs in relation to the tender responses, evaluation and commitments to be delivered under the proposed contract.

Economic considerations

46. Due to the nature of the energy supply market requirements for suppliers to support local employment is unlikely to be possible.
47. Any subsidiary services within the framework will seek to support employment where possible.

Social considerations

48. The council's social value considerations for this will focus on the environmental benefits associated with the energy being provided in support of the council's commitment to being a carbon neutral borough by 2030. The London Living Wage is not applicable due to the supply nature of this contract.
49. Pursuant to section 149 of the Equality Act 2010 the council has a duty to have due regard in its decision making processes to the need to:
- Eliminate discrimination, harassment, victimisation or other prohibited conduct
 - Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not

- Foster good relations between those who share a relevant characteristic and those that do not share it.
50. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equalities Duty also applies to marriage and civil partnership.
51. The council's social value considerations are not possible to include directly as the tender evaluation will be completed by the LEP.
52. The suppliers comply with the Modern Slavery Act (2015) incorporating a whistleblowing policy and enabling the freedom of employees to join a trade union and not be treated unfairly because of belonging to one.
53. Both suppliers are committed to the prompt payment of SMEs.

Environmental/Sustainability considerations

54. Npower are committed to securing arrangements for the supply of 100% Renewable Energy Guarantee Origin (REGO) sourced electricity and Corona are providing options for certified green gas.
55. Suppliers will deliver arrangements which facilitate on-site energy generation, demand side response, community engagement, development of district heat networks and Power Purchase Initiatives.
56. Suppliers are committed to implement energy supply contracts that provide a one-stop route for energy efficiency, financing innovation and carbon reduction measures.

Market considerations

57. A regional approach to energy procurement for London and the south was endorsed because it maximises LEP members' collective buying power, optimises contract options, enables the use of different price risk products than those currently available and makes best use of new supply and service options in the market. This delivers as close to a bespoke energy supply solution for LEP authorities, whilst retaining public sector ethos and aggregation, that can go beyond the value-for-money we receive in 'national' contracts with the currently endorsed Central Purchasing Bodies (CPB). It will also enable the council to purchase 'Green' energy within the current budget. Therefore, this will allow the council to start delivery on its Zero Carbon ambition.

Staffing implications

58. The contract management of energy supplies is carried out by the energy and sustainability team and the new contract will not create any additional requirement for staffing resources.

Financial implications

59. The nominal costs of the contract over the 4.5 year term, are estimated at £67.5m (£22.5m - Electricity; £45m - Gas), an annual average of £15m (£5m - Electricity; £10m - Gas).

60. The financial implications for purchasing REGO backed green electricity are estimated to be approximately £10,000 across the council's operational estate. This is less than 0.5% of the budget. If the council is committed to reaching zero carbon by 2030, then this proves excellent value to help achieve those goals.
61. The fully managed service costs £95 per meter point to validate all billing aspects and has been estimated to save approximately 3.6% per bill per annum by doing this. Sites where £95 represents less than 3.6% of the total annual bill will therefore utilise this function. Ongoing analysis for value will be reviewed as part of the annual performance reporting.

Investment implications

62. There are no investment implications.

Legal implications

63. Please see concurrent from the Director of Law and Democracy.

Consultation

64. Officers in property and regeneration managing the disposal of council offices and the Modernise Programme will be consulted prior to the contract start date in order to finalise a site listing for the contract.
65. For those schools and leisure centres included in the contract notification will be sent to those responsible for paying the bills of the intention to renew the contract and the purchasing strategies adopted..

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (EL20/021)

66. The strategic director of finance and governance notes the recommendations in this report for the approval of the use of LASER's appointed energy framework suppliers for the supply of gas and electricity for the period 1 October 2020 to 31 March 2025 at an estimated value of £15m (£5m-Electricity; £10m-Gas) per annum and a total estimated value of £67.5m over 4.5 years.
67. The strategic director of finance and governance also notes the sources of funding for the contract and that there are no other financial implications arising from this contract.
68. All staffing and other related costs to be contained within existing departmental revenue budgets.

Head of Procurement (Draft to be revised following CCRB)

69. This report seeks the approval of the Strategic Director of Environment and Leisure in consultation with the cabinet member for Environment, Transport and the Climate

Emergency for the use of LASER's energy framework agreements for the supply of gas and electricity. The use of the framework to appoint suppliers (as set out in the report) covers the time period from October 2020 to March 2025.

70. The breakdown of contract spend between the appointed suppliers for these supplies is estimated at:
Corporate electricity supplies, HRA and street lighting at £5m per annum and a total spend up to to £22.5m over 4.5 years.
Corporate gas supplies at £10m per annum or (up to a total of £45m over 4.5 years.
71. The management options and purchasing strategies for the corporate electricity and gas are outlined in the report in paragraphs 11-20.
72. The report also seeks the approval of the Strategic Director of Environment and Leisure for the use of the renewables energy guarantee of origin (REGO) backed 'green' tariff for the Corporate Estate (Schools, Civic Buildings, Street Lighting etc), as part of The council's commitment to carbon reduction.

Director of Law and Democracy (draft to be revised following CCRB)

73. This report seeks approval of the award of contracts for the purchase and supply of gas and electricity for the Council's corporate estate, including schools and community buildings for a period of four and a half years from 1 October 2020.
74. The nature and estimated value of this procurement is such that the procurement process is subject to the full application of the (EU) Public Contracts Regulations 2015. The report advises that the proposed contracts will be "called off" two pre procured EU compliant LASER frameworks for the supply of gas and electricity which the council is eligible to use. The use of these frameworks means that the council is not required to carry out its own competitive tendering exercise.
75. This procurement is classed as a strategic procurement under the council's Contract Standing Orders ("CSOs") which reserve to the cabinet or cabinet committee the decision to authorise the proposed contract awards, after consideration of the report by the corporate contracts review board (CCRB). However, the report notes that the decision to select the suppliers and to agree purchasing strategies within the framework had been delegated by Cabinet to the strategic director of environment and leisure, in consultation with the cabinet member for environment, transport and the climate emergency.
76. The recommended contract awards are also consistent with domestic legislation and when approving those recommendations the strategic director must be satisfied that due regard has been given to the Public Sector Equality Duty contained within the Equality Act 2010. Paragraphs 59 and 60 set out the arrangements for consultation in relation to the recommended contract awards.

Head of homeownership

77. This agreement is not considered to be a Qualifying Long Term Agreement within the terms of the Commonhold and Leasehold Reform Act 2002 since the costs associated with Laser's management options fall well below the cost threshold.

78. The purchase of gas and electricity through this agreement does not fall within the consultation requirements of S20, which is for agreements that are for a minimum of twelve months. This agreement facilitates the purchase of fuel on a flexible basis, purchasing in advance in order to obtain the best value from the market, and does not have a fixed cost period of twelve months. It is a procurement model that has been substantially scrutinised by the First-tier Tribunal in 2008 and in 2015, and which minimises the cost to leaseholders through buying power which is not available through traditional procurement routes.

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council’s Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report.



Signature

Date: 1st September 2020

Designation: Strategic Director of Environment & Leisure

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers
- 2) Any non-key decisions which are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available.

1. DECISION(S)
As set out in the recommendations of the report.

2. REASONS FOR DECISION
As set out in the report.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION
Not applicable.

4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST

If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.

6. DECLARATION ON CONFLICTS OF INTERESTS

I declare that I was informed of no conflicts of interests.*

or

I declare that I was informed of the conflicts of interests set out in Part B4.*

(* - Please delete as appropriate)

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Laser energy framework documents	LASER Energy	02075257728
https://www.laserenergy.org.uk/ojeu-awards/		

APPENDICES

No	Title
None	

AUDIT TRAIL

Lead Officer	Caroline Bruce, Strategic Director of Environment & Leisure	
Report Author	Chris Owen, Sustainability and Energy Manager	
Version	Final	
Dated	August 2020	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Director of Exchequer (for housing contracts only)	No	No
Cabinet Member	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team	01-09-2020	

BACKGROUND DOCUMENT – CONTRACT REGISTER UPDATE - GATEWAY 2

Contract Name	Supply of gas and electricity to Southwark Council
Contract Description	Supply of gas and electricity
Contract Type	Flexible framework
Lead Contract Officer (name)	Chris Owen
Lead Contract Officer (phone number)	0207 5257728
Department	Sustainability and Business Development
Division	Environment and Leisure
Procurement Route	Framework
EU CPV Code (if appropriate)	
Departmental/Corporate	Corporate
Fixed Price or Call Off	Flexible
Supplier(s) Name(s)	Laser
Contract Total Value	£67.5m
Contract Annual Value	£15m
Contract Start Date	1/10/2020
Initial Term End Date	31/3/2025
No. of Remaining Contract extensions	
Contract Review Date	1/3/2021
Revised End Date	
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	
Comments	
London Living Wage	

This document should be passed to the member of staff in your department responsible for keeping your departmental contracts register up to date.