

Record of operational decision

Decision title:	Officer approval to award the Home Upgrade Grant (HUG) Phase 2 project installer contract to Surefire Management Services.
Date of decision:	12 June 2023
Decision maker:	Mark Averill - Service Director for Environment & Highways
Authority for delegated decision:	The authority is for the specified officer to take this decision as per the following cabinet member decision notice dated 24 February 2023: Decision - Home Upgrade Grant - Phase 2 - Herefordshire Council
Ward:	Countywide
Consultation:	The Cabinet Member Environment and Deputy Leader of the Council has been briefed and is supportive of the proposal. Political group consultation has taken place and no further comments were received. The procurement process has been supported by HC Commercial services.
Decision made:	Approval to award a contract to Surefire Management Services for the provision of Whole House Retrofit services to domestic properties throughout Herefordshire for a period of two years at a total cost of £6,455,000
Reasons for decision:	<p>The named company has been chosen as the preferred supplier for the work via a whole house retrofit tender exercise run through the Midlands Net Zero Hub (MNZH) Dynamic Purchasing System (DPS) in conjunction with Commercial Services and Sustainability & Climate Change officers.</p> <p>The project, to install selected retrofit measures including Air Source Heat Pumps (ASHP), Solid Wall Insulation (SWI) and insulated doors and windows across fuel poor homes in Herefordshire uses Home Upgrade Grant (HUG) Phase 2 funding from the Department for Energy Security & Net Zero (DESNZ) via MNZH.</p> <p>352 household installations to be completed across Herefordshire by the end of March 2025.</p> <p>Fuel poverty remains a significant issue in Herefordshire, with an estimated 14,145 (16.7%) of households in fuel poverty across the county.</p> <p>Fuel poverty levels in the county are a result of a combination of low incomes, above average numbers of older, 'hard to treat' properties and poor coverage of the mains gas network, due to rurality.</p> <p>Many homes in the county therefore rely on expensive heating fuel systems and as a result have poor energy efficiency ratings and high relative greenhouse gas emissions. There are an estimated 60,000 properties Energy Performance Certificate (EPC) rated D to G (Building Research Establishment 2019) in Herefordshire.</p> <p>The Home Upgrade Grant scheme aims to raise the energy efficiency of low-income and low EPC rated homes including those living in the worst quality off-gas grid homes, delivering progress towards: reducing fuel poverty, the</p>

	phasing out of high carbon fossil fuel heating and the national and local commitments to net zero. The fund also aims to support the green recovery in response to the economic impacts of Covid-19 and to help take low-income families out of fuel poverty.
Highlight any associated risks/finance/legal/equality considerations:	<p>The contract will be awarded for a value of £6,455,000, to cover 352 installs, which must be completed, reported and scheme compliant by March 31st 2025.</p> <p>Funding will be paid to the supplier at an agreed rate per property based on designated scheme criteria relating to the Energy Performance of the property.</p> <p>As with all grant funding accepted, particular care should be taken to ensure that all grant conditions are understood (including those relating to clawback) and met during the project.</p> <p>The use of the DPS to commission the works is permissible under the Public Contracts Regulations 2015 and is part of the risk mitigation strategy for the risk of under-delivery, which is enhanced by the short timescales of the project.</p> <p>Other actions include putting appropriate project management and governance arrangements in place as well as effective partnership working with our customer journey support partner, Severn Wye Energy Agency (SWEA).</p> <p>SWEA have supplied a similar function on other schemes (Warm Homes Fund, Green Homes Grant LAD phase 1a, 2) as well as being the council's affordable warmth advice and referrals partner for Keep Herefordshire Warm.</p>
Details of any alternative options considered and rejected:	<p>Alternative options considered and rejected:-</p> <p>Not to accept or part accept the grant funding. This is not recommended, as this would make it difficult for Herefordshire fuel poor households to receive support at the levels stated within the bid, as other funding streams alone are likely to result in significant funding shortfalls for fuel poor households.</p> <p>This will result in a risk of not achieving the council's strategic objectives within the County Plan 2020 – 2024 and Health & Wellbeing Strategy and will not make progress towards the Council's 2030 net zero carbon ambition for the county.</p>
Details of any declarations of interest made:	N/A

Signed..... Date: