

Record of Decisions

LASER Energy Contract

Decision Taker

Cabinet on 11 July 2023.

Decision

- 1) To continue to contract with LASER Energy Group (Kent County Council) to procure, manage and supply Torbay Council's gas and electricity (metered & unmetered) needs from 1 October 2024 for four-years.
- 2) To give delegated authority to the Director of Finance in consultation with Cabinet Member for Finance and Corporate Services to ascertain which basket option, Purchase in Advance (PIA) or Purchase within Period (PWP) Torbay Council should adopt.
- 3) That Torbay Council remains part of the Devon Energy Group and sign up to Torbay Council's preferred solution.
- 4) To continue with the current Bureau Service at a cost of c£12k per annum, which includes monitoring, reviewing and reporting in respect of utilities consumption, which will provide a solution to data required to compile carbon footprint statistics and identify high usage area.

Reason for the Decision

The Devon Energy Group led by Devon County Council, who along with Torbay Council and several other Authorities, use the contract as a vehicle for their energy needs. Each of the participating authorities liaises and contracts directly with LASER. This was a good example of local public bodies collaborating for mutual gain. Further savings have been offered by LASER through the group committing to the contract.

Implementation

This decision will come into force and may be implemented on 24 July 2023 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

Since April 2016 Torbay Council had procured its energy through LASER Energy Group who were part of Kent County Council. LASER were a specialist trading arm within their Council, dedicated to delivering gas, electricity and other utility value added services for the public sector. They were an established Public Buying Organisation (PBO) set up for this very purpose and recognised nationally. The current contract was for the supply of gas and electricity supplies for 280, single or multiple meter points.

The current energy contract with LASER Energy Group ends on the 30 September 2024. However, to date LASER have purchased Torbay Council's energy requirements in advance of a year, 1 October to 30 September for the following energy supply year, known as PIA – purchase in advance model.

The Council needed to consider the procurement options and next steps. The options varied from undertaking a full OJEU procurement process to a direct award to one of the Public Buying Organisations. An early decision would allow the supplier around 16 months to procure energy in advance of the new energy supply period which might enable a better PIA price to be secured.

At the meeting, Councillor Tyerman proposed and Councillor David Thomas seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

An options appraisal was set out in the submitted report.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None.

Published

14 July 2023

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet