

## CABINET MEETING

DATE: Wednesday, 31 July 2019

**NOTICE OF PROPOSAL TO TAKE AN URGENT KEY DECISION IN ACCORDANCE WITH THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS) (MEETINGS AND ACCESS TO INFORMATION) (ENGLAND) REGULATIONS 2012 AND THE FOLLOWING RULE(S) IN THE FOLKESTONE AND HYTHE DISTRICT COUNCIL CONSTITUTION:-**

**Part 6.4, 'Cabinet Access to Information Procedure Rules' – Rule 12 'General Exception'**

**Part 6.3, 'Call-in and Urgency' – paragraph 7**

### **Heating Contract Award**

The former contractor for gas servicing and heating installations, P&R Installation Company Ltd (P&R), triggered a no fault break clause under the terms of the contract with a termination date 3/7/19. The four councils with DDC acting as the lead started the procurement for a new contract. This report details the outcome of this procurement process and makes a recommendation for reward. The report also outlines risk controls to be implemented by East Kent Housing to improve the management of the next contract.

#### **NOTICE IS GIVEN THAT:**

1. The decision on the matter outlined above cannot practically be deferred until the publicity requirements for key decisions can be met because:

The current gas servicing and heating contractor, P&R Ltd, gave formal notice of their intention to terminate the contract on 2 April 2019 bringing the contract to an end on 3 July 2019. The successful completion of the procurement process in that time was ambitious and it became clear at the evaluation stage that additional due diligence and clarifications to bidders were needed and it was not possible to successfully award the contract before the end of the contract. A temporary interim contract has been set up with a single supplier for a limited period provisionally set for 4 months.

#### **Reasons for urgent decision:**

- It is also imperative in terms of service to council tenants and to meet the landlord's responsibilities under Gas Safety (Installation and Use) Regulations 1998 and Landlord Tenant Act 1985.
- Service is being provided under an interim contract and swiftly moving to more stable long-term working arrangements would be in the interest of tenants.

2. The decision will therefore be taken after five clear working days have elapsed from the date of this notice and its publication; that is, at a meeting of the Cabinet on the

date shown above.

3. The Head of Paid Service has notified the Chairman of the Overview and Scrutiny Committee, in writing, of the matter on which the decision is to be made.
4. The Chairman of the Overview and Scrutiny Committee has agreed both that the decision proposed is reasonable, in the circumstances, and should be treated as a matter of urgency, and therefore the call-in period is waived.



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Head of Paid Service  
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Date: 17 July 2019

A Key Decision is any decision:

- (a) Relating to the approval of or variation to the Council's Budget or Policy Framework which is reserved in the Council's Constitution for determination by full Council on a recommendation from Cabinet; or
- (b) Which involves the incurring of expenditure, or the making of savings, by the Council, which are anticipated to be in excess of £300,000 with the exception of items previously included in the relevant approved budget ; or
- (c) Where the Council is entering into a contractual obligation with a value in excess of £500,000; or
- (d) For the acquisition or disposal of land or property with a value of over £500,000; or
- (e) Which is likely to be significant in terms of its effect on communities living or working in an area comprising two or more wards in the Council's area.

A decision will not be a key decision if it relates to expenditure, income or savings that:

- a) Has been approved previously by full Council; or
- b) Has been approved previously, following compliance with the key decision procedure; or
- a) Is in accordance with the current treasury management and investment policy of the Council.