

Report to Portfolio Holder for Public Protection

Subject: Membership of Efficiency East Midlands Ltd

Date: 17th January 2018

Author: Food, Health and Housing Manager

Wards Affected

Borough-wide

Purpose

To seek approval for Gedling Borough Council to become a member of Efficiency East Midlands Ltd (EEM).

To obtain authorisation for the Director of Health and Community Well-being in consultation with the Director of Organisational and Democratic Services to complete and sign the membership agreement to enable Gedling Borough Council to become a member of EEM

Key Decision

This is not a key decision.

Background

EEM is a free to join, not for profit procurement consortium owned by its members supporting the members' objective of obtaining volume rates for a wide range of services and materials. EEM procure a range of services and products, developing frameworks for members to access instantly. Some of the frameworks which can be accessed include frameworks for repair, installations and maintenance of heating and hot water systems, electrical repairs and re-wires, damp proofing and property improvement works. As a not for profit organisation they do not charge the members for any of their services as EEM receives a commission from the manufacturers and contractors. As EEM are owned by their members they operate as a transparent organisation. The Board (who are unpaid) provide direction and support and the Board also set the commission values.

EEM also shares its members' commitment to the local communities and

economies it serves and as a not for profit organisation, EEM also ensures its surplus is reinvested back into these communities, through a community grant scheme. EEM deliver thousands of pounds cost savings to their public sector members, helping EEM to have an even wider impact in the communities they serve.

EEM have a variety of members including local authorities, NHS organisations, police bodies and housing associations. In order to become a member a Membership Agreement must be entered into. The Members Agreement does not commit the Member to any spend, volume or future procurement spend. There is no direct cost to the Member and EEM never charges the Member for the use of the EEM services.

Through joining EEM the Council will be able access procured contractors that comply with EU and public procurement requirements. This could be beneficial for a variety of Council schemes but in particular will enable access to procured contractors that can deliver installations associated with the Warm Homes on Prescription or Disabled Facilities Grants service. Newark and Sherwood District Council (NSDC) have recently led a tendering exercise using an EEM framework to run a mini competition to procure a local central heating specialist to deliver low cost heating installations for all Nottinghamshire local authorities through the Warm Homes of Prescription (WHOP) Scheme. As a member of the WHOP scheme, Gedling Borough Council can utilise its membership of EEM to benefit from similar contractual arrangements through the NSDC tendering exercise. This will reduce the cost to the Council through procured economies of scale and also increase the speed at which jobs can be installed and completed.

Proposal

To give approval to become a member of EEM to enable the Council to secure best value materials and services on behalf of residents in delivery of capital projects such as DFG or WHOP.

To enable the Council to access low cost materials and services procured through EEM it is proposed that approval is given by the Portfolio Holder for Public Protection to become a member of EEM. This will deliver additional benefits for residents through the provision of services and allow the Council's funding to reach more residents.

It is also proposed that authority is given to the Director of Health and Community Well-being in consultation with the Director of Organisational development and Democratic Services to complete and sign the Membership Agreement to enable the Council to become a member of EEM.

Alternative Options

The Council does not sign to become a member of EEM - the Council would not secure best value as we would not secure the economies of scale achieved by the frameworks.

Financial Implications

There are no fees to become a member – membership is free.

Through signing the membership agreement the Council is becoming a member of a limited company. There is no investment or borrowing involved. EEM is a limited company so if there are any losses these cannot be claimed from the individual members. The Council's liability in joining is several (not joint) this means that we are only liable for any losses which are due to our own breach of the contract.

Appendices

None

Background Papers

Efficiency East Midlands Brochure 'About Us'

Recommendation(s)

THAT

- a) approval is given for Gedling Borough Council to become a member of Efficiency East Midlands Ltd
- b) authorisation is given to the Director of Health and Community Well-being in consultation with the Director of Organisational Development and Democratic Services to complete and sign the Membership Agreement enabling the Council to become a member of Efficiency East Midlands Ltd.

Reasons for Recommendations

To enable the Council to secure best value and economies of scale provided through Efficiency East Midlands.