

REPORT TO: HOUSING COMMITTEE – 19 JANUARY 2004

REPORT ON: DUNDEE CITY COUNCIL HOUSING STOCK- PREFERRED ENERGY SUPPLIER 2004-2007

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 55-2004

1. PURPOSE OF REPORT

1.1 This report details tenders received and requests a decision on acceptance thereof.

2. RECOMMENDATIONS

2.1 Approval is recommended of the acceptance of the tender submitted by Scottish and Southern Energy Plc. (trading locally as Scottish Hydro-Electric).

2.2 That the Housing Department continues to channel the income received from the Preferred Supplier Scheme to support a Community Energy Efficiency Fund. Thus being able to provide a range of Energy Advice services for the city including home visits for new tenants, links to primary school curriculum and grant advice for owner occupiers.

3. FINANCIAL IMPLICATIONS

3.1 Depending on the annual turnover of housing it is anticipated that the new tender would produce an income of approximately £70,000 per year.

4. LOCAL AGENDA IMPLICATIONS

4.1 It will meet the Local Agenda 21 key theme of providing access to shelter and fuel at a reasonable cost. Also by obtaining external funding it will assist in the continuation of the Dundee Energy Efficiency Advice Project and provide services specifically for people in fuel poverty.

5. EQUAL OPPORTUNITIES IMPLICATIONS

5.1 Action is taken to improve access to information, goods and services.

6. TENDER REPORT

6.1 Five companies capable of providing both gas and electricity to domestic customers were invited to tender. Only Scottish and Southern Energy Plc and Scottish Power Energy Ltd. returned tenders.

6.2 Both tenders were evaluated on the basis of the responses provided to the questionnaire included in the tender documentation. The questionnaire included elements on charges to tenants, services to individual customers, energy matters, contact arrangements, and added value for the City Council entering into a Preferred Supplier arrangement. A total of

100 points were available and the questions were aimed at giving both tenants and the Council the most advantageous deal in terms of cost and quality of services. The evaluation criteria also included a short presentation and interview with each of the tenderers which accounted for 20% of the overall score.

6.3 The overall points totals achieved were

Scottish and Southern Energy plc	-	77
Scottish Power Energy Ltd.	-	71

therefore, it is recommended that Scottish and Southern Energy plc. are appointed as Dundee City Council's preferred energy supplier for domestic void properties between January 2004 and January 2007.

It should be noted that, whilst the Council is endorsing Scottish and Southern Energy plc., it will be up to individual tenants to assess their own situation and if necessary obtain impartial advice from an energy adviser in deciding whether the Council's preferred supplier is right for them.

7. BACKGROUND REPORTS

7.1 Housing Committee, 20th May 2002, Report No. 324-2002 – Energy Advice in Dundee.

ELAINE ZWIRLEIN
DIRECTOR OF HOUSING

8th January 2004