

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: RENEWAL OF THE MODEL CONTRACTS FOR EDF AND CORONA ENERGY UNDER THE CCS FRAMEWORK

Notice is hereby given that the Cabinet Member for Finance and Corporate Services has made the following executive decision on the above mentioned subject for the reasons set out below.

Summary of Decision

1. That Appendix B of this report be exempt from disclosure by virtue of the Local Government Act 1972 Schedule 12A, Part 1, Paragraph 3 (as amended), in that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).
2. That the Cabinet Member for Finance and Corporate Services approved the execution of the Model contracts with EDF and Corona Energy for the period 1st April 2016 to 31st March 2020 in order for the Council to use the two supplier frameworks as set out below:
 - I. EDF – Framework Agreement for the provision of electricity supply ancillary services and additional goods works and services. Product: Electricity – Large supplies and Unmetered supplies.
 - II. Corona Energy – The supply of Natural Gas (Daily/Non Daily metered) and Ancillary Services. Product: Gas.
3. That the Cabinet Member for Finance and Corporate Services delegated authority to the Executive Director of Growth, Planning and Housing the decision as to whether to accept the utilities rates offered (on a 12 months rolling basis) by the CCS framework each September who will notify CCS accordingly.

Reasons for Decision

1. The previous Model Contracts with EDF and Corona-Energy have expired on 31st March 2016. If the Council does not sign the model contracts, it is at risk of being ejected from the CCS framework and being charged significantly more (+40-100%) for its energy until such time as alternative arrangements can be put in place. It would take the Council a significant period of time to secure a new contract with a different energy buying group that follows the government recommendations. Meanwhile, the council could be paying increased electricity and gas rates with no additional benefits. Furthermore, the Council does not have the same buying capability as CCS whom buys energy of behalf of central government and wider public sector organisations.

2. To continue making use of the CCS' energy procurement services, the Council needs to sign the contracts with EDF and Corona Energy, the sole suppliers under CCS' Framework. CCS procures these frameworks in an OJEU compliant manner.

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