

Corporate Policy and Resources Committee

09 September 2024



Title	To Consider a Tender Process for the Procurement of a Solar Canopy Array for the new Spelthorne Leisure Centre Car Park
Purpose of the report	To make a decision
Report Author	Timothy Snook, Sustainability and Flood Risk Officer
Ward(s) Affected	Staines
Exempt	No
Exemption Reason	N/A
Corporate Priority	Resilience Environment Services
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1. Authorise a tender process to procure market solutions for the solar canopy carpark project; and 2. Note that the Sustainability Team and Assets Team will report the outcome of the tender process to this Committee with detailed proposals.
Reason for Recommendation	Having undertaken some soft market testing, officers are of the view that a more appropriate approach to the solar carpark would be to write a high-level performance specification around the goals of the project and tender the market for detailed solutions to be submitted that include full financial breakdowns in terms of capital costs and forecast energy production.

1. Summary of the report

What is the situation	Why we want to do something
Committee asked officers to return with detailed financial figures and specifications for the solar carpark project.	Officers are unable to get sufficient detail around the planning or finances of the project without approaching the market.

This is what we want to do about it	These are the next steps
<p>Go to market and tender in order to receive detailed solutions from the suppliers, which will include financial breakdowns and detailed energy performance forecasts.</p>	<p>Finalise the specification and go to tender for market solutions to the solar carpark.</p>

2. Key issues

- 2.1 Following the report to Committee on the 8th of July 2024, Councillors requested that officers report back to the Committee with additional information and a detailed specification on a solar carpark prior to going to tender in the market.
- 2.2 Officers have subsequently undertaken soft market testing and it has become clear that a more appropriate approach to the solar carpark would be to develop a high-level performance specification around the goals of the project and invite tenders from the market for detailed solutions to be submitted that include full financial breakdowns including capital costs and forecast annual energy yield. This approach gives, the market the opportunity to demonstrate its innovation in bringing forward the most appropriate solution for the project.

3. Options analysis and proposal

Option 1 (Recommended)

- 3.1 Officers will issue a high-level specification for tender outlining the goals of the project, to include a solar canopy array, battery and to meet the requirements of the Leisure Centre Car Park. A schedule of requirements is attached at Appendix 1. The specification will be released to a number of potential contractors as part of a tender process to invite bids setting out detailed solutions, capital costs and forecast annual energy yield.
- 3.2 The solutions presented by the bidders through the tender process will be evaluated and recommendations brought back to this Committee.

Option 2

- 3.3 Officers could persist with trying to get informal proposals from operators as part of a soft market test. However, recent experience indicates the market wants certainty around when a party will be appointed and the criteria against which bids will be assessed. Therefore, progressing a tender process gives potential bidders the certainty they seek and enables officers to provide members with greater detail around what the market can offer.

Option 3: Do nothing.

4. Financial Considerations

- 4.1 The market route will be the ultimate way of defining what are likely to costs associated with either option, steel or glulam timber. Through initial proposals it can be expected to be between £1 million and £2 million. This will be reported back to this Committee for consideration at its meeting in December.

4.2 There is no allocation within the Capital Programme for bringing this project forwards. However, this Committee would need to consider an allocation in next financial year should it be decided to progress with this project.

4.3 Until the tenders are received under the procurement process and costs fully understood final financing options cannot be fully identified at this stage.

5. Risk management comments.

5.1 At this stage, there are no risks in going to market with this project as the Council is not committed to accepting any at that stage.

6. Procurement comments

7. The solar panel installation market has a good supply base. The variety and maturity of the supplier market will stir competition and ensure the Council, through a competitive tender appoint a provider that will offer best value. Given recent progress in technologies, it is suggested any procurement design- service takes into consideration the whole life costing, from design, installation, maintenance and the cost of decommissioning the service. Additionally, due consideration should be given to the ability of the preferred supplier to adapt their technology as we evolve, to ensure the installation can be flexible and adaptable to meet future needs. This will ensure that the installation is not outdated before the end of its lifespan.

7.1 Given that this project is linked to the car park demolition, officers need to ensure that both projects are linked and identify all critical paths to help manage the risks of delays, and control costs.

7.2 Procurement agrees that the Solar Canopy tender can be published as way of testing the market with the view to get the final approval from the Committee to award or to abandon the process, depending on of the price. To go ahead with this option, we will need to ensure that the timetable aligns with December Committee meeting.

7.3 The procurement process will also request tenderers to consider other funding options e.g. power purchasing agreements and grants.

8. Legal comments

8.1 The Legal Services will provide advice and assistance on the negotiation of the contractual documentation and will obtain specialist external advice where necessary.

9. Other considerations

9.1 There are none.

10. Equality and Diversity

10.1 There are none to consider at this stage.

11. Sustainability/Climate Change Implications

11.1 The Council declared a climate change emergency in 2020 and adopted a subsequent Climate Change Strategy in 2022. This project aligns with the commitments made in the Strategy, to deliver clean, renewable energy on Council sites where viable.

- 11.2 This project would create CO2 savings of around 140 tonnes of CO2 thus contributing to the Council's net zero target of 2030.
- 11.3 This project supports the Council's EV infrastructure strategy adopted in 2023, by creating EV charging facilities on site at the car park, also powered by solar generation.

12. Timetable for implementation.

- 12.1 Upon receiving approval to go to tender, officers will initiate the tender process as soon as possible in order to report back to Committee with completed tenders and a preferred option for further approval at the earliest opportunity. .

13. Contact

- 13.1 Tim Snook, Sustainability and Flood Risk Officer
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Background papers: There are none.

Appendices:

Appendix 1 – Schedule of Requirements