

**ANGUS COUNCIL**

**POLICY AND RESOURCES EXECUTIVE SUB-COMMITTEE – 15 JULY 2019**

**SUPPLY OF WATER AND WASTE WATER BILLING SERVICES - AGENCY AGREEMENT**

**REPORT BY THE DIRECTOR OF INFRASTRUCTURE**

**ABSTRACT**

This report seeks Executive Sub Committee approval for entering into an Agency Agreement with Scottish Ministers which will authorise them to undertake a procurement exercise on the council's behalf for the supply of Water and Waste Water Billing Services, as a national contract, for which there is no current delegated authority for officers.

**1. RECOMMENDATIONS**

1.1 It is recommended that the Executive Sub Committee:

- (i) agrees to delegate to the Director of Infrastructure to enter into an Agency Agreement with Scottish Ministers which will authorise them to undertake a procurement exercise for the supply of Water and Waste Water Billing Services on behalf of Angus Council.

**2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN / CORPORATE PLAN**

**ECONOMY**

- An inclusive and sustainable economy

**PLACE**

- Safe, secure, vibrant and sustainable communities
- A reduced carbon footprint
- An enhanced, protected and enjoyed natural and built environment

**3. CURRENT POSITION**

3.1 The supply of Water and Waste Water Billing Services to the council's buildings is undertaken through a Scottish Government Framework national contract arranged by Scottish Procurement. This is one of a number of national contracts covering utility services as well as a range of other common areas across the public sector such as IT and e-procurement.

3.2 The current contract for the supply of Water and Waste Water Billing Services is due to expire at the end of February 2020. In advance of this date, the council is required to enter into an Agency Agreement with Scottish Ministers to allow Scottish Government to undertake the national procurement for the supply of Water and Waste Water Billing Services. The new Agency Agreement has been made 'evergreen', which means that it will remain in force for all subsequent contracts for the Supply of Water and Waste Water Billing Services unless it is terminated by either party. The Agency Agreement covers the procurement exercise only for a framework agreement. It does not cover the award of contract for the supply of water and waste services. This will be the subject of a further report to committee for approval to award. The termination notice period is three months.

3.3 The council will in due course thereafter be eligible to use the replacement contract for the supply of water and waste services (following a decision by committee on the award of contract from the framework agreement).

3.4 Whilst Financial Regulations, under 16.24.16, give a standing exemption for utility provision, this pre-dates the current open market approach for utilities and does not address the authority required to enter into an agency agreement. Therefore Executive Sub Committee approval is required to agree to the agency agreement.

#### **4. PROPOSALS**

- 4.1 The Executive Sub Committee are asked to agree to the Agency Agreement ahead of the required submission date of 31 July 2019. The Agreement will then be signed by the Director of Infrastructure on the council's behalf.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 There are no direct financial implications associated with entering into the agency agreement as there are no rechargeable costs to either parties, Scottish Ministers or Angus Council. There are some minor costs for the council associated with providing information which is part of the routine work required for arranging such a supply.
- 5.2 In due course the council will be eligible to use the replacement contract for the supply of Water and Waste Water Billing Services, as part of the national contract, which will have financial implications which are currently provided for in the respective service budgets and will be the subject of a future report to committee.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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