

Heat Metering & Billing Services

Framework Agreement

User Guide



Fife Council Contract No. 10366

1st August 2018 to 31st July 2022

ISSUE 1 – AUGUST 2018

1. OVERVIEW OF FRAMEWORK AGREEMENT

This Framework Agreement is to provide Heat Metering and Billing services and Associated Equipment in order to ensure compliance with the Heat Network (Metering and Billing) Regulations and to put in place individual service requirements to ensure that statutory obligations are met with regard to collection of accurate meter readings and provision of clear billing information and bills.

This includes retrofitting metering systems into properties with existing communal heating following publication of the cost effectiveness tool by BEIS (Business Energy and Industrial Strategy), which should determine whether properties are feasible or exempt.

The Framework Agreement covers Domestic and Non-Domestic properties. Domestic heat customers will be predominately Council tenants, and non-domestic customers may range from small enterprises to large multi-national companies who have business units in areas with heat networks where the District Heat Network is operated for or by your Local Authority.

This Framework Agreement is a collaborative opportunity for the named Local Authorities to procure for their own requirements, where Fife Council owns and manages the Framework Agreement.

2. SCOPE OF THE FRAMEWORK AGREEMENT

- PERIOD OF FRAMEWORK**

This Framework shall run from 1st August 2018 to 31st July 2022, with the opportunity to award call-off Contracts for up to ten years, to run with the average meter life span. A Contract should only be awarded for more than four years if it is in line with project and system requirements, best value can be demonstrated, and it is justifiable - but not to circumvent the rules.

- AWARD OF FRAMEWORK**

The Framework Agreement was awarded using the award criteria:

CRITERIA	WEIGHTING
Price	60%
Service:	40%
- Customer Support – 50% - Case Studies and Personnel – 12.5% - Project Methodology – 25% - Community Benefits – 12.5%	

- **USERS**

This Framework can be used by any Local Authority or Housing Association.

- **SUPPLIERS**

The Providers on the Framework Agreement are:

- Switch2 Energy Ltd
- Pinnacle Power
- Vital Energi

- **SUMMARY OF AVAILABLE PRODUCTS AND SERVICES**

- Supply of Domestic and Non-Domestic Heat Meters, Bulk Meters, and Heat Cost Allocators
- Supply, Installation and Commission of Heat Meters + Communication Module (with Installation of Prepay Shut-off Valve if required)
- Annual Prepay Billing & Customer Care Service
- Annual Credit Billing & Customer Care Service
- Planned Meter Maintenance Service Only
- Response Meter Maintenance Service Only
- Training Packages
- Consultancy Services

- **ADDITIONAL SERVICES**

In addition to the above, Fife Council can provide a range of services direct to participating Councils ranging from procurement support, commercial and technical guidance specific to the scope of the Heat Metering and Billing Framework.

- **BENEFITS OF FRAMEWORK**

- The Framework Agreement has already been subject to a tender process which is compliant with Scottish and European Procurement Law thereby saving you valuable time and resources
- Compliance with the Heat Network (Metering and Billing) Regulations to ensure that statutory obligations are met
- The Suppliers listed on the Framework has already been assessed for their technical and professional conformance; as well as cost to ensure value for money
- Pre-agreed terms and conditions are embedded into the Framework agreement
- Direct award, via catalogue, allows projects to get underway quickly and efficiently
- Mini-competition to three Suppliers allows you to ensure value for money for larger/complex projects

3. FRAMEWORK SUPPLIER PROFILES



- **Company Information**

Switch2 Energy Limited
The Waterfront, Salts Mill Road, Shipley, Bradford, BD17 7EZ
Registered with Heat Trust
Compliant with the Heat Metering and Billing Regulations.

- **Framework Agreement Products & Solutions**

Switch2 is the UK's most experienced and capable provider of end-to-end solutions for community and district heating schemes. We have been involved in community and district heating for over 35 years, providing services to 70,000 properties across the UK, connected to 500 district energy and communal heating schemes.

Switch2 are the largest generator of heat billing in the UK and produce in excess of 240,000 individual energy bills per year. We collect over 15 million meter readings every year and handle over £17 million of our client's money.

We manage 110 plant rooms. Installed equipment varies widely with a range of CHP, biomass and gas fired boilers, underground pipework and ancillary equipment.

Switch2 is the UK's most experienced and capable provider of prepayment/pay-as-you-go (PAYG), metering with over 38,000 units operational throughout the UK. We have been developing our PAYG units for over 25 years with our latest development, Incontro, being awarded the Smart Metering Technology award for 2016.

We put the customer first. Customers are always at the forefront of our business strategy. Our core values include the provision of affordable heat to residents, and the delivery of service excellence - with products, solutions, processes and procedures continually reviewed and improved to ensure service quality is optimised.

We have recently been recognised for our dedication to customer service and were presented with the ADE award for customer engagement of the decade 2017. We hold ISO 9001, 14001 and OHSAS 18001 accreditations to give our clients confidence in the quality of our service.

From manufacturing HIUs and prepayment solutions to providing maintenance services to properties and plant rooms across the UK through and issuing 240,000 bills per annum with unrivalled back

office support, Switch2 can provide the full end to end solution for community and district heating networks.

Equipment: Switch2 will supply MID approved heat meters for both domestic and commercial applications, Heat Cost Allocators where a meter installation is not possible, and data collectors or PAYG units in order to provide a metering, billing or prepayment service.

Services: Switch2 provide a comprehensive data collection, metering and billing service to our clients including:

- Financial / tariff modelling
- Resident communication management and customer care
- Data management service
- Credit billing
- Pay as you go billing
- Debt management
- Financial accounting
- Property maintenance
- Energy centre maintenance

Planned Maintenance – we recommend these are carried out every two years to the associated meters and PAYG unit/data collector.

During planned maintenance visits we will;

- Check security seals, and metering functionality
- Clean, reset, repair or replace the metering equipment and/or the installed PAYG solution as required
- Manual 'eyeball' reading with respect to all meters
- Check flow rates
- Explain the system to the consumer and answer any queries
- Operation of the room thermostat
- Heating flow rates
- Motorised valves
- Flow and return sensors
- Terminations on the programmer and key switch
- Heat meter is recording energy used

Switch2 will co-ordinate the planned maintenance directly with the residents, in line with the agreed access procedure. We will provide a schedule of works to be approved by the authority.

Response maintenance – Switch2 will provide a responsive maintenance service for the metering and data collection equipment/PAYG unit, in line with a set of agreed SLA's.

During the warranty period call outs and replacement equipment will not be charged.

- Customer helpline between the hours of 8am-6pm with OOH cover for emergencies
- Resident engagement meetings
- Resident liaison officers for larger projects
- Customer literature
- Customer website – my.switch2.co.uk

- Welcome pack
- Customer communications
- Vulnerable customer register

Switch2 will deliver the works in house

- **Community Benefits**

- Recruiting locally
- Apprenticeships
- Work experience / Volunteering
- Spending Locally
- Get Involved with community projects
- Support the client with their commitments

- **Account Contacts**

Chloe Chandler, Framework Contact

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Mobile: 07831090607

Paul Fleming, Account Manager

Paul.Fleming@switch2.co.uk

Mobile: 07469153289



- **Company Information**

Head Office:

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Scotland Office:

Thistle Court, 1/2 Thistle Street, Edinburgh, Scotland, EH2 1DD

Pinnacle Power is part of Pinnacle Group, a group of businesses providing development and management services for social housing and regeneration, currently directly managing over 30,000 properties and providing complementary services to a further 300,000 homes, under a range of long term agreements. There are over 2,400 employees in Pinnacle Group.

Pinnacle Power (PPW) aspires to deliver a modern approach to the four core building blocks of District Energy (DE); Fund, Design/Build, Operate/Maintain and Customer Service. PPW offers these services as a total package (using our extensive experience to ensure that best design standards deliver high, long-term operational performance for customers) or as individual elements, either within an ESCo structure or as a service provider for house builders, local authorities, social landlords and developers. PPW is very comfortable being the main point of contact for clients on these large-scale infrastructure projects. Pinnacle has funded and entered into long term agreements (20+ years) on over 12 projects with a value in excess of £19.5m per annum. We are a large trustworthy organisation with a strong track record in the provision of services to communities throughout the UK.

PPW established the company 'With Energy' for the provision of metering & billing and customer service to DE customers. Through With Energy, PPW will deliver the Heat Metering & Billing Services for this Scottish Local Authority Framework.

With Energy was launched in 2016 and is already set to provide operations, maintenance and customer service to over 3,000 properties on DE networks. The fact that we have in-house experience across the full value chain of DE networks allows With Energy to deliver the best possible service to customers. We specialise in understanding how networks operate most efficiently and we incorporate pro-active monitoring and maintenance of these systems, avoiding downtime and minimising disruptions for residents.

- **Framework Agreement Products & Solutions**

Through this Framework, Pinnacle Power are able to provide meter and billing provision, as well as ongoing customer service and annual maintenance for district heating developments. In addition, Pinnacle Power can provide ancillary services to any Local Authority or Social Housing body who are at any stage of a communal or district energy project.

Equipment/services:

- Domestic Heat Meters
- Non-Domestic Heat Meters
- Heat Cost Allocators
- Bulk Meters
- Installation and Commissioning
- Pre-payment option,
- Supply & remote commissioning of communication module
- Annual Credit Billing & Customer Care Service
- System and Installer Training
- Consultancy Services

Installations will be in line with the agreed access methodology done by the designated Resident Liaison Officer (RLO). The residents will be briefed by the RLO on the works and on any potential risks or exclusion zones during installation. Works will be undertaken in a single visit by 2 operatives, a qualified electrician and a qualified plumber/pipefitter.

With Energy would deliver the Heat Metering & Billing customer services. With Energy has spent considerable time tailoring a revolutionary online portal. This allows heat customers to take ownership of their heat provision and have extensive visibility on their computer or smartphone. The portal operates equally for self-serve / web-first and assisted-serve / cash-first residents. It allows customers to check their billing status, monitor energy consumption and print copies of bills and annual statements. Customers can view their account statement, including the heat charge, variable charges, standing charges, and VAT, giving the total charges over the accounting period. This also includes average daily consumption expressed in kWh and the average daily cost values, allowing for the customer to have full visibility. We are equally able to service customers using the same principles over the phone and via post if required.

For payment collection, we use proven, 3rd party payment methods:

- Regular payment via Direct Debit using GoCardless
- Account top up via Card using Stripe (online/phone, including overseas cards)
- Account top up via Cash on the high street using PayPoint

In addition to the equipment and billing services offered above, Pinnacle Power are also able to provide ancillary services. This allows us to support any Local Authority or Social Housing provider at any stage of a communal or district energy project. The earlier we are involved in any project, the easier it is for us to ensure that the end product will deliver heat to customers in the most cost-effective and efficient way possible. Using our in-house experience, we are able to provide consultancy on design, controls and/or remediation works, and we can also provide operation and maintenance support where required.

For this framework we have provided the following prices for the two options that were requested in the catalogue:

Routine Maintenance (£26.68/unit for 30 unit batch):

- Checking of metering functionality;
- Clean, reset, repair or replace the meter where applicable, and the installed pre-payment solution where required;
- Manual reading with respect to all meters;

- Check flow rates
- [Parts not included]

Response Maintenance (£71.17/hour in working hours)

- Checking of metering functionality;
- Clean, reset, repair or replace the meter where applicable, and the installed pre-payment solution where required;
- Manual reading with respect to all meters;
- Check flow rates
- [Parts not included]
- Response within 24 normal working hours

Customer service provision and its' cost is dependent on the quality and the type of meter data that is available at the property. To be able to provide high the quality service the With Energy offers, we need to ensure that the metering infrastructure and architecture is capable of delivering adequate data in the right granularity. That is what we can offer when delivering a contract to fully supply, install, commission and operate the metering and billing provision. This allows us to bill fairly, to ensure billing is up-to-date and this assists Local Authorities in bringing themselves in line with Metering & Billing regulations in order to be compliant.

For this framework we have assumed:

- Meters are up to EU Metering Standards
- Only 1 Meter per property
- Automated meter reading / Remote collection of meter readings is possible
- Meter readings are in a Standardised format
- There a minimum of Daily reads
- Any third-party fees for meter reading collection is not included

We have provided prices below for this service:

Annual Credit Billing & Customer Care Service
Annual Prepay Billing & Customer Care Service

This includes:

- 24 hr call answering service
- Customer Care Team (Monday to Friday 9am to 5pm)
- Email enquiry response within 8 working hours
- Customer Portal Access
- Customer Booking Services and Repairs
- Quarterly reports on Operations and Customer Service Levels
- Management of Vulnerable Persons Heat Register
- Payments taken by phone (Monday to Friday 9am to 5pm)
- Automated Payment Processing- via CC
- Processing Refund Claims
- Processing Compensation Claims
- Monthly Billing
- Debt Management/ Reporting
- Debt Collection
- Dispute Resolution
- Heat Trust Application Management (Does not include any membership fees)

Our sub-contractor requirements will be dependent on the nature and the scale of the works we are requested to deliver. We are not a manufacturer/supplier so all equipment will be supplied by third parties through sub-contracts. We intend to deliver all design, installation, commissioning and maintenance using in-house employees. We are open to the use of local authority or local resources as and when this makes sense and can discuss this on a contract by contract basis.

- **Community Benefits**

Pinnacle Power fully support the local community in all the projects we deliver. We are part of Pinnacle Group, whose company ethos is 'Transforming Communities, Changing Lives.' Pinnacle Group consists of a number of different businesses, all of which are focused on improving and managing the spaces in which people live their lives. Specifically focusing on this is Pinnacle People, which is an innovative solutions-focused business committed to delivering socioeconomic impacts in the communities in which we operate, particularly aimed at enabling people to find lasting employment.

While this framework is not directly related to these services, we would look to draw on our internal experience in these areas and would engage with the Local Authorities to provide project and site-specific community benefits to the areas in which the works are being carried out.

We understand the lack of knowledge and awareness and the nervousness surrounding the industry we work in, district heat networks in particular. As a result, we are very keen to be able to support sustainability advice to communities and local schools where possible. Elsewhere we have hosted open days for local schools or residents to visit energy centres and see the systems at work first hand. Our engineers are on-site to allow any questions to be explained as fully as possible. We also host local resident engagement events where the residents who are connected to the network can come and learn more about how their heating is provided. This improves customer understanding and benefits our customer service team as the residents gain a better understanding of the processes involved. We would be equally happy to present to local schools where appropriate.

A specific example of one of our initiatives in London can be seen across our housing management contracts for CityWest Homes (Westminster ALMO) and Woking Borough Council. We have held 30 cycle cinema events whereby films are shown in public spaces and powered by bicycles that the audience ride. These events were so successful that we have taken them to other sites as well. The cinemas have highlighted the benefits of 'green' and renewable energy and promoted cycling as a sport and sustainable form of transport. Pinnacle were able to provide these initiatives free of charge with support from the local authorities.

We are comfortable with offering work experience opportunities in the local area and we currently have an engineering graduate from Edinburgh University as an intern over the summer. We would look to engage with local resources and encourage local apprenticeships where this is possible/appropriate.

This would be dealt with on a project by project basis where we would assess the project scope to define required resources and identify roles that could be fulfilled locally. We would engage with the Local Authority through this process and report back where required.

- **Account Contacts**

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Mobile: 07763 419 090



- **Company Information**

Vital Energi Utilities Ltd

Head Office: Century House, Roman Road, Blackburn, BB1 2LD

Scotland Branch Office: Office G8, Duart House, 3 Finch Way, Strathclyde Business Park, ML4 3PR

London Branch Office: 2nd Floor 14-18 Holborn, London, EC1N 2LE

Accreditations:

Registered with the Heat Trust

Member of the BSI (British Standards Institute)

Member of ADE (The Association for Decentralised Energy) (formerly CHPA)

Member of RECC (The Renewable Energy Consumer Code)

Member of the ukDEA (UK Decentralised Energy Association)

Compliant with the Heat Network (Metering & Billing) Regulations 2014

(and the Heat Network (Metering & Billing) (Amendment) Regulations 2015)

- **Framework Agreement Products & Solutions**

Further information

In addition, we have also provided further information regarding the services we offer:

- 'How To' video to register on Vital Energi's portal
- A video guide to our Smart Meters
- Heat Meter Presentation (from both a client and customer perspective)
- Draft scope of works for Metering & Billing

Please note that we have provided the above for information / illustrative purposes only. We will tailor this to be bespoke to Fife Council and the Heat Metering & Billing Framework.

Reporting

We have also provided some examples of the reports we generate for Metering & Billing contracts:

- Monthly Finance report (anonymised accordingly)
- Daily Meter Data report (anonymised accordingly)

It is worth noting that the reports provided are basic data reports; we can offer a lot more data analysis, such as analysis across specific meters, specific times and date ranges.

- **Community Benefits**

Vital Energi is committed to the principles of the Social Value Act 2012, as well as supporting the Scottish Government's aim of delivering procurement that improves public services for a prosperous, fairer and more sustainable Scotland.

We are a socially and environmentally responsible organisation, who will work with Fife Council and the other Framework members to ensure we have fully considered the economic, social and environmental impact of any scheme delivered via this Heat Metering & Billing Framework.

Our approach, to maximise the benefits felt in the communities in which we work, focuses on:

- Sustainability advice in the community
 - How to be more environmentally aware and help to reduce energy bills etc.
- Presenting in local schools
 - Provide an overview of the services provided by Vital Energi, including Metering & Billing
- Work experience
 - Engage with local schools and colleges to provide training / learning opportunities such as careers advice, site visits and work placements/taster sessions
- Local employment
 - Utilising existing
 - local people on schemes awarded through the Framework
 - Recruit locally to fill any vacant posts
 - Using a local supply chain (already established through existing projects in Scotland) and supporting local shops and businesses when working onsite
 - Paying above the Living Wage to all employees (including agency and subcontractors), with no use of zero hours contracts
- Apprenticeship Schemes
 - Offer our existing (local) apprentices valuable experience through the Framework

We will also look to share the community benefits we have committed to on other schemes local to Fife Council, including:

- the University of St Andrews
- building a new Energy Centre for RWE at Markinch
- delivering the heat network in Glenrothes (onsite late 2018)

University of St Andrews

On a recent District Heating Scheme for the University of St. Andrews, we made significant commitments around sustainable delivery, including local labour and local spend, to minimise commuting and maximise local investment and procurement.

- > Our local spend forecast is 73.3% against a target of 60%
- > 81% of the workforce has been recruited from Central Scotland and Fife
- > Vital Energi direct resource and supply chain have contributed circa £700k to the local economy

Dundee City Council

Through the NDEE Fund, we have recently undertaken our first community benefits activity. This involved taking 12 Plumbing, Gas and Renewable Technologies pupils and lecturers from Dundee and Angus College on a site visit to the Guardsbridge Energy Centre at St. Andrews.

A further visit has been arranged with pupils and lecturers from the Engineering Department.

- **Account Contacts**

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4. USING THE FRAMEWORK AGREEMENT

- DIRECT AWARD**

For each call-off, you may identify a supplier that can meet your service requirements based on the catalogue pricing provided, and assuming that such an approach conforms to your Council standing orders and that you can justify that this option delivers best value for your Local Authority area over the other Suppliers on the Framework Agreement.

Before any order takes place, you **MUST** invite the supplier to carry out a site visit to confirm the costs and to prepare a project plan that fits the required timescale.

- MINI-COMPETITION**

If you prefer to invite all three Providers to quote for a project, you must invite all Providers on the Framework Agreement to the mini-competition, and shall apply the following criteria to each mini-competition:

- Price – 60% (+/- 10%)
- Service – 40% (+/-10%)

It is advised that the service criteria should include elements of community benefits, project management, and customer support however you shall have the flexibility to apply service criteria that is relevant and proportionate to your own requirement within the above weightings. Please Quote Framework Reference FC10366 on all correspondence.

You must complete a Local Authority Access Agreement prior to using the Framework Agreement, each time a call-off is made.

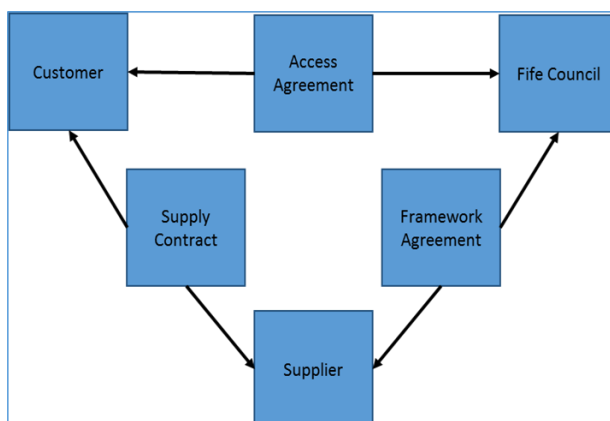


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Local Authority User Agreement HM

The Framework Agreement shall operate as below:



5. CONTRACT MANAGEMENT

- ACCOUNT MANAGEMENT**

Each Provider will appoint a dedicated Account Manager, to support the framework, who shall act as the single point of contact during the Contract Period.

It is anticipated that day to day transactions (including call-offs and undertaking further competitions, the appointment of Provider and delivery of and payment for services) will all be conducted directly between Councils and the Providers. All contractual documentation, for example direct awards, mini competition ITTs, contractual issues, must be forwarded to Fife Council Procurement to assist in the effective management of the framework agreement.

Fife Council Procurement shall carry out a high level contract monitoring process which may take the form of questionnaires from Fife Council to Local Authorities, and if the Provider is found consistently not to conform or to meet customer satisfaction then relevant action shall be taken by Fife Council.

- KPIs**

The Providers will abide by the agreed KPIs which will be used to measure the performance of the services provided. KPIs and parameters can be found in the table below:

KPI	SLA	Trigger Level
Failure to collect meter data due to Provider fault	1 Working Day	95%
Late Issue of Data Collection Report	1 Working Day	95%
Failure to Issue Reconciliation Payment Report by Agreed Date	28 Days	98%
Failure to Transfer Monies to Fife Council by Agreed Date	1 Working Day	98%
System/Meter Fault Resolution	4 Hours (normal hours unless emergency)	98%
Applicable Community Benefits	As per Call Off	90%

Where a KPI Trigger Level is triggered in two consecutive months, or three times per annum, then Fife Council will request the Provider to provide an action plan to address and correct the failure, for review at the next meeting.

6. CONTACTS

Fife Council Contacts:

Framework Procurement Officer - Billie Mitchell - Billie.Mitchell@fife.gov.uk

Framework Category Manager - Lee Parry Lee.Parry@fife.gov.uk

Please register on our Knowledge Hub Group page by following this link:

<https://khub.net/group/procurement-for-heat-metering-billing-equipment-and-services>