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## Document of Recommendations for the Installation of Renewable Energy Technologies for BEES Grant Applicants on the Isles of Scilly.

### BACKGROUND:

This document should be used in conjunction with the Order of Progress Flow Chart.

This document is designed to assist in the successful deployment of renewable energy installations on the Isles of Scilly and specifically to help small businesses who have met the eligibility criteria to benefit from the Isles of Scilly Council 'Business Energy Efficiency Scheme' (BEES) grant of 60% match funding for renewable energy and energy saving goods and services.

Businesses who have successfully met the eligibility criteria as defined by the Isles of Scilly Council and who have expressed interest in the BEES grant should consider the following information for a Phase One technical self-assessment:

1. **Landlord consent** - *If the business owner does not own the freehold of the building or land being considered for the renewable energy system installation.*
2. **Structural integrity** - *A load bearing roof survey if the business is applying for a roof mounted solar system.*
3. **Asbestos assessment** - *To determine if asbestos exists and if so the type (blue, brown, white) and location. Remedial action to be advised by the appointed asbestos surveyor if required.*
4. **Planning permission** - *In every case a conversation should be conducted with the Isles of Scilly Council planning department to determine whether planning permission is necessary.*
5. **Wiring check** - *Confirmation from an electrician that the wiring in the building is up to date with current regulations*

The council have stipulated that it does not wish to be involved in the procurement of services, and are unable to provide funds for a Phase One technical assessment. The requirement then lies with the business to conduct a self-assessment and the cost to be included in the 40% payment terms owned by the business, whereas the 60% grant provided through the BEES scheme will be used for renewable energy installation costs.

Once the formal application and eligibility criteria for the BEES grant has been met and passed by the council, each business will also need to gather the following information ready for procurement:

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- Self-service questionnaire (DOCUMENT A) to record basic information on proposed technology and installation space. This is likely to include roof space measurements, orientation, and building footprint.
- Photographic representation of the property / land in question
- A copy of the most recent electricity/fuel bill, with MPAN number and annual usage statement.

Each business should be organised to join with other businesses to form a procurement group by i) location and ii) technology to recruit a service provider to quote for the installation work. This should attract better value for both the business and the service provider.

The business may be required to pay for an additional site survey from the Service Provider which will be non-refundable if for any reason the installation is unable to go ahead.

Each group of businesses on the Isles of Scilly shall be responsible for appointing a Service Provider for their group; having advertised and sent a mini tender to the 'List of Recommended Service Providers' in accordance with public procurement regulations, a copy of which is attached to the Appendix of this document.

## **1.0 PROJECT RECOMMENDATIONS:**

1.1 A designated project manager (The Isles of Scilly Council should specify who this is) should keep a record of all communications relating to each group of businesses, and the companies invited to tender using a mini-tender process that is easy to participate in. Service Providers which are being asked to quote should all be sent the same tender pack and all receive a copy of any questions and answers relating to that tender for that group. **The total value of the contract for the group of businesses should be recorded.**

1.2 The successful Service Provider will be appointed by the group and will need to present a separate contract to each business in that group with specific payment terms.

1.3 Once initial site surveys and checks have been conducted, the business will be locked into a price with the group and with the Service Provider.

1.4 The responsibility of all goods and services will remain with the Service Provider.

1.5 The work should aim to be conducted outside of the main tourist season April - September so as to cause minimal disruption to the business.

1.6 Accommodation, travel and storage for the Service Provider will be costed into the job for the group and split equally between the businesses. A contingency of 10% may be added to cover to travel disruption or extended accommodation costs.

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1.7 Some flexibility in time will be required from the business to allow for deviations in weather, travel, and any other event that is likely to affect the ability of the Service Provider to work outside at height.

1.8 The Service Provider should consider within their contract with the business what action to take should the weather be unforeseen and cause delay or prevent the work from taking place.

1.9 If it is possible to do so, island businesses may offer accommodation free of charge or subsidised to the Service Provider to reduce the cost of the installation.

1.10 The Service Provider should insure their travel arrangements to minimise the risk of travel disruption and additional costs being incurred in the event of delayed or cancelled travel due to weather conditions.

1.11 Scaffolding is the responsibility of the Service Provider unless other arrangements are made with the business. Costs may be included in the quote for work; the cost is to be shared between the groups of businesses where it is practical to do so. This should be defined in the contract.

1.12 Planning permission is usually required for any commercial roof mounted solar system, or air source heat pump.

1.13 Planning permission is always required for ground mounted solar installations or those associated with Listed buildings.

1.14 Owners or leaseholders of buildings with asbestos panelling, asbestos slate, or risk of asbestos anywhere in the building will need to seek advice. Solar PV can be installed on asbestos roofs in some cases but extra precautions are necessary

1.15 It is the responsibility of the business and not the Service Provider, to pay for the safe removal of any asbestos.

1.16 A load bearing roof survey by a structural engineer is required for on-roof solar application to make sure the additional load increase of the roof is able to support the weight of a solar array.

1.17 All roof structures should be assessed for their strength and robustness to accommodate additional dead load of around 15% but to be guided by the appointed engineer.

1.18 A structural roof survey can be conducted by a structural surveyor and will help assist the Service Provider in giving an estimated quote for the work before a site visit is conducted. It is also a legal requirement of the Micro Generation Certification Scheme (MCS).

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1.19 The Best Practice note on application of Building Regulations *Retrofitting Solar Panels* can provide more information, published by the Local Authority Building Control in England and Wales (LABC) Reference code 0001-05-2011.

1.20 The Isles of Scilly Council should provide guidance on meeting the procurement requirements for spending public money, attached to the BEES grant.

## 2.0 APPOINTING A SERVICE PROVIDER

2.1 Recommended Service Providers are mentioned in the document 'Recommended Service Providers for Renewable Energy Installations' and where provided, accompanied by a company statement and two case studies.

2.2 A minimum of 3 Service Provider companies will be asked to quote. Once a quote is accepted and terms agreed between the contractor and the business a non-refundable deposit will be paid to cover the costs of a technical site survey.

2.3 The quotes from each Service Provider should be filed and recorded to provide justification of value for money in line with procurement regulations for public money.

2.4 Contracts will be provided by the Service Provider individually to each business in place of a call off contract, to detail payment terms and prices to each customer.

2.5 The Service Provider shall have the option to alter the cost of the services if the value of the agreed scope of work changes.

2.6 The minimum value of each set of procurement works should be £50,000 (Ex VAT) to attract enough interest from the Service Provider.

2.7 The business will retain a minimum of 5% of the total cost until the work is complete and commissioned and the system is in full working order.

2.8 At the point of commissioning the retainer fee will be paid on receipt of the final invoice.

2.9 Health and Safety is the responsibility of the Business.

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### 3.0 RULES OF ENGAGEMENT

3.1 Locking In. The businesses which form the group should acknowledge that once the contract has been signed with the Service Provider that they are locked into the contract and the group, and cannot drop out.

3.2 Prior to the contract being signed, the Service Provider reserves the right to put their quotation on hold if one of the businesses in the group drops out and the combined value becomes uneconomic for delivery.

3.3 The list of recommended Service Providers is made up of businesses in Cornwall that we are aware of who provide these services and who have been consulted on the process of working on the Isles of Scilly. The tender application is not limited to those businesses on the list.

### 4.0 FORMS OF CONTRACT

4.1 The business must keep proper records in the form of a works order and payment receipts.

4.2 Public Contract Regulations must be adhered to. (Copy in Annexe)

4.3 All of the various orders need to be aggregated to establish the total value.

4.4 Please note the requirement to publish the contract notice.

4.5 Demonstrating 'Good Practice' in procurement is strongly recommended and should include (but not be limited to):

- a. Businesses should seek to have a minimum of 3 suppliers saying yes before they send out the tender packs to the supplier
- b. Businesses should ensure they send out the same information to each tenderer at the same time. A copy of the information, questions and responses should be kept on file.
- c. If three suppliers are unable to quote a record should be kept in writing of everyone invited to quote when assembling a shortlist.
- d. Ensure that all suppliers are contacted in the first instance with an invitation to tender.
- e. Businesses should not exclude anyone who wants to quote unless there are objective grounds to exclude them.
- f. The work should be publicly advertised.
- g. Tender packs should state when quotes have to be submitted by and who they should be sent to.

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- h. Any questions from any tenderer should be circulated to other interested parties with the response in writing.
- i. The businesses need to show that the winning tenderer was awarded against objective criteria.
- j. Businesses should let all of the tenderers know the outcome in writing and keep a record to show this has been done.
- k. These records need to be kept for at least the duration of the contract in case of audit

## 5.0 RECOMMENDED PAYMENT CONSIDERATIONS

5.1 All payments will be made as to the payment terms stated in a contract provided by the Service Provider.

5.2 The business may be given the opportunity to offer accommodation and storage for the Service Provider on the Islands where it is practical to do so.

5.3 The Service Provider acknowledges that no form of exclusivity has been conferred on, or volume guarantee granted in relation to the provision of the services

5.4 The Service Provider shall complete the ordering process once a deposit has been paid by all the businesses that make up the group to ensure the best price for the customer.

5.5 The cost of any additional survey work that arises as a result of questionable structural integrity, electrical compatibility, health and safety, or any other work that is required to ensure work is safe to complete will be made at the cost of the business and may be non-refundable unless otherwise agreed.

## 6.0 GOODS AND SERVICES

6.1 If the goods are sent directly to the Isles of Scilly, the Service Provider is responsible for assuring storage facilities on the island until the installation is able to take place.

6.2 All energy generating equipment should be of a marine grade construction, and in the case of solar PV, panels should have a salt mist certificate Severity 1 'Marine'

6.3 The Service Provider shall be responsible for removing any unused parts from the islands in a responsible way unless alternative arrangements have been made and agreed in writing

6.4 All waste packaging is the responsibility of the Service Provider and shall be removed to the mainland after the contract is finished.

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6.5 The Service Provider shall recycle waste packaging where possible, and dispose of any other waste in accordance with the Waste Management Plan for England (2013)

## 7.0 ROLE OF THE PROJECT MANAGER

7.1 The Project Manager role has not been determined at the time of writing, and is the responsibility of the Isles of Scilly Council. The Project Manager should be responsible for the following:

- a) Creating a file for each business on the Isles of Scilly who are successful grant beneficiaries.
- b) Checking the paperwork is present as described in the BACKGROUND.
- c) Arrangement of the businesses into groups.
- d) Responsibility for advertising each group of work to service providers
- e) Responsibility for distributing the mini-tender and recording all conversation, questions and responses to questions to all the interested parties as described in section 4.0.
- f) Assisting the successful Service Provider in finding accommodation and storage facilities, if necessary
- g) Assisting the Service Provider in the schedule of works
- h) Responsibility to hold the deposit for works, and the retainer fee in the interim of assigning a Service Provider, and between the commencement of work and the handover to the business.
- i) Checking the installation is successfully working at the point of completion and assisting in the handover to the business.

## 8.0 GRANT AND PAYMENTS

Details are available from the IOS Council.

8.1 Claiming the grant happens via the application process laid out by the Isles of Scilly Council. Terms and conditions apply.

8.2 Defrayal happens at the end of the project, subject to the terms and conditions stipulated by Cornwall Council. The Business must keep all correspondence and receipts for work associated with the installation of renewable energy and energy efficiency product.

8.3 VAT is usually excluded from the grant process for those businesses who are VAT registered. VAT registered businesses must cover the additional VAT until they are able to claim the money back through their own company. VAT is charged at 5% for domestic

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renewable energy products and services, but costs for businesses including survey work, travel and other accessories of the project will be charged at 20%

8.3.1 For businesses which are not VAT registered, it is usual to include VAT in the cost of services and 60% of this is eligible to be claimed back through the grant. The outstanding VAT will be paid by the business.

8.4 Cash flow must include the cost of the services and include the VAT as applicable for private limited companies in 8.3 or for sole traders or partnerships in 8.31

8.5 Any retainer fee withheld until commissioning needs to be paid before defrayal can begin.

8.6 Eligible grant covered costs - to include survey work, travel, accommodation and scaffolding can be covered through the 40% cost paid by the business.

**PRP do not take any responsibility for the allocation of grant money or the installation of renewable energy technologies.**

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**Cornwall New Energy would like to acknowledge the following businesses which have facilitated the production of this piece of work, which is designed to assist any business on the Isles of Scilly in benefitting from the BEES grant.**

**Bennett Boat Yard  
Bryher, Isles of Scilly**

**Carn Ithen, Trench Lane,  
Old Town,  
St Mary's, Isles of Scilly**

**Dibble and Grub  
The Old Fire Station  
Porthcressa Beach  
St Mary's, Isles of Scilly**

**The Paper Shop, CJ Mumford  
Hugh Street,  
St Mary's, Isles of Scilly**

**The Turks Head  
The Quay,  
Saint Agnes, Isles of Scilly**

**Veronica Farm Cottages,  
Bryher, Isles of Scilly**