

# **Greater Manchester Combined Authority**

This paper was presented to GMCA Exec Committee on 28th March 2025

Date: 28 March 2025

Subject: Net Zero Housing Retrofit Framework Agreement

Report of: Councillor Tom Ross, Portfolio Lead for Green City Region and

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Green City Region

# **Purpose of Report**

To provide information on the procurement of a GMCA led £1 billion national Net Zero Housing Retrofit Framework Agreement. The Framework Agreement provides a Public Procurement Regulations compliant route to market for Local Authorities and Social Housing Providers, amongst others, to procure energy efficiency and low carbon heating retrofitting measures in social and private sector housing.

#### Recommendations

The GMCA is requested to:

- Note the creation of a Net Zero Housing Retrofit Framework Agreement and promote its use.
- 2. Note that the sustainability assessment identified numerous long term positive impacts on health, wellbeing, jobs and skills as well as carbon reduction through the increase in home energy efficiency and reduction in fuel poverty.

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# 1. Background

- 1.1. The Greater Manchester Combined Authority (GMCA) received feedback from Local Authorities and Social Housing Providers stating that their existing procurement models were a delaying factor when delivering retrofit schemes.
- 1.2. In addition, several Framework Agreements and Dynamic Purchasing Systems operated by the Department for Energy Security's Net Zero Hubs across the country were coming to the end of their four-year terms.
- 1.3. The GMCA consulted Local Authorities and Social Housing Providers on which procurement models they required for future retrofit schemes. The majority expressed a preference for a Framework Agreement, as it allowed for the speedy appointment of contractors through a direct award.
- 1.4. Therefore, the GMCA has worked with the Net Zero Hubs in using its specialist expertise to specify and procure a £1 billion national Net Zero Housing Retrofit Framework Agreement.
- 1.5. The Framework Agreement provides a Public Procurement Regulations compliant route to market for Local Authorities and Social Housing Providers (amongst others) for the retrofitting of energy efficiency and low carbon heating measures in social and private sector housing.
- 1.6. The Framework Agreement will help to facilitate the delivery of the Government's Warm Homes Plan, in particular the Warm Homes: Social Housing Fund and the Warm Homes: Local Grant which are due to be launched in April 2025.
- 1.7. With both direct award and mini competition call-off mechanisms, the Framework Agreement will help simplify and speed up the procurement of retrofit projects across the country.

#### 2. Bids

- 2.1. The opportunity for suppliers to join the Framework Agreement was published on <a href="The-ent-to-suppliers">The Chest</a> procurement portal with a closing date of 28 October 2024.
- 2.2. Suppliers could bid for one or more of the following Lots:

Lot	Description
1	Supply of Heat Pump systems and associated components.
2	Supply of Controls and Monitors, Low Energy Lighting, Electrical Storage Heaters, and associated components.
3	Supply of Insulation products and associated components.
4	Supply of Ventilation and Extraction systems and associated components.
5	Supply of Glazing and Doors and associated components.
6	Supply of Solar and associated components.
7	Design, Supply and Installation of Heat Pump systems and associated components.
8	Design, Supply and Installation of Glazing and doors and associated components.
9	Design, Supply and Installation of Ventilation and Extraction and associated components.
10	Design, Supply and Installation of Solar and associated components.
11	Design, Supply and Installation of Insulation and associated components.
12	Design, Supply and Installation of Controls and Monitors, Low Energy Lighting, Electrical Storage Heaters, and associated components.
13	Turnkey Solutions.
14	PAS 2035 Roles (Consultancy).
15	Customer Journey Services.

- 2.3. Suppliers could also select which of the following regions of England they were able to operate in:
  - North West

- North East
- Yorkshire and Humber
- West and East Midlands
- South West
- South East
- Greater London
- East of England.
- 2.4. Suppliers were required to provide fixed pricing for the four-year life of the Framework Agreement, which could be updated annually in line with the Consumer Price Index.
- 2.5. 128 bids were received and have been evaluated against the following criteria set out in Appendix 01. The awarded suppliers are listed on the GMCA website.

# 3. User Support and Fee Income

- 3.1. The GMCA will be providing support for Contracting Authorities who choose to use the Framework Agreement through the provision of advice, guidance, and template resources, as well as offering to run mini competitions on behalf of, or in conjunction with, Contracting Authorities where required.
- 3.2. In return, the GMCA will receive a fee income of 1% of the value of contracts calledoff the Framework Agreement which will be used to cover its staffing and administration costs.

#### 4. Recommendations

4.1. Recommendations are presented at the front of this report.

### **APPENDIX 01 – Evaluation Criteria**

### 1. Pass / Fail Requirements:

- Financial Standing
- Information Governance
- GM Good Employment Charter
- Real Living Wage and Real Living Hours
- Carbon Neutral by 2038 or 2050
- Carbon Reduction Plans.
- 2. Overall weightings were split 60% Quality and 40% Pricing. Quality was further split by Mandatory Questions for all bidders to respond to weighted at 30%, and Lot specific questions weighted at 30%.

#### Mandatory Questions (all bidders) (30%):

### 3. Social Value (20%):

- Fighting Climate Change main environmental impacts and how they are monitored, measured, and reduced.
- Tackling Economic Inequality how bidders will deliver skills development training to support the future needs of the retrofit industry.

# 4. Skills Development (5%):

 How bidders support the wider retrofit eco system, with more of a focus on training and educating those outside of their organisation, e.g., working with colleges and training providers, awareness raising in schools, providing training equipment for learners, etc.

# 5. Embodied Carbon (3%):

- How bidder plans to minimise the embodied carbon within the retrofit products they will
  use.
- Environmental Product Declarations (EPDs) required for products which will be provided
  to the University of Manchester to run through a Carbon Calculator it has developed to
  provide comparative embodied carbon scores.

# 6. Supply Chain (2%)

The verification level (self-verification or external verification) that their supply chains are free of any forced labour.