



**To:** Finance, Resources and Customer Services Policy Board

**On:** 8 February 2024

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**Report by:** The Director of Finance and Resources, the Director of Environment, Housing and Infrastructure and the Director of Children's Services

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**Heading:** Supply of Biomass Fuel

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**1. Summary**

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract for the Supply of Biomass Fuel to AMP Biomass Fuel Ltd.
  - 1.2 The recommendation to award the Contract follows a procurement exercise conducted as a mini-competition under Lot 3 - Solid fuel and Biomass fuel of the Crown Commercial Services Framework Agreement for National Fuels 2, reference RM6177. The mini-competition was organised, ran and evaluated by Crown Commercial Services specifically on behalf of Renfrewshire Council.
  - 1.3 A Contract Strategy was approved by the Head of Operations and Service Development, Head of Service Early Years and Broad General Education, the Strategic Commercial Category Manager for Environment, Housing and Infrastructure and the Strategic Commercial Category Manager for Adult Services, Children's Services and Renfrewshire Leisure Limited in January 2024.
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## 2. **Recommendations**

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board:
- i) Authorises the Head of Corporate Governance to award the Contract for the Supply of Biomass Fuel to AMP Biomass Fuel Ltd;
  - ii) Notes that the intended Call-Off Start Date is 1 March 2024 with the Call-Off Initial Period being 24 months;
  - iii) Notes that the award of this Contract is subject to the completion of the Crown Commercial Services National Fuels 2 Framework Agreement Order Form;
  - iv) Notes that the cumulative spend made under this Contract will be up to a maximum value of £300,000 excluding VAT.
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## 3. **Background**

- 3.1 Seven schools within Renfrewshire have a requirement for biomass fuel.
- 3.2 This procurement exercise was tendered as a mini-competition under Lot 3 – Solid fuel and Biomass fuel for purchase of biomass fuel from the Crown Commercial Services Framework Agreement for National Fuels 2, reference RM6177. The mini-competition was organised, ran and evaluated by Crown Commercial Services specifically on behalf of Renfrewshire Council.
- 3.3 The 2 suppliers on Lot 3 Solid fuel and Biomass fuel were invited to participate in the mini-competition, which was issued on 5 October 2023.
- 3.4 By the closing date set for return of electronic tenders of 19 October 2023, 1 supplier submitted a Tender Submission with 1 supplier failing to provide a response.
- 3.5 The Tender Submission received was evaluated by Crown Commercial Services on behalf of the Council against a series of pass/fail questions and price.
- 3.6 Following evaluation in line with the criteria set out in the procurement documents, the bid received from AMP Biomass Fuel Ltd was the only submission which followed the procurement documents and was therefore deemed to be value for money.

- 3.7 Community Benefits were requested as part of the procurement process and AMP Biomass Fuel Ltd has committed to the following Community Benefits:

<b>Community Benefit Description</b>	<b>No of People / Activities</b>
Industry Awareness Events	1
Event to promote supply chain opportunities	1
Financial Support for a Community Project	1
Non-Financial Support for a Community Project	1

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## **Implications of the Report**

1. **Financial**  
The cost of up to £300,000 excluding VAT over the term of this Contract will be met by the Children's Services revenue budget.
2. **HR & Organisational Development**  
None arising directly from this report.
3. **Community/Council Planning**  
Living our values - Delivering our financial strategy and transformation programmes in order to maintain sustainable, effective and efficient services and within our challenging financial environment – the Contract proposed will support the delivery of this outcome.
4. **Legal**  
The tendering procedure followed the procedures required for a contract awarded under the Crown Commercial Services Framework Agreement for National Fuels 2, reference RM6177 and the Council Standing Orders Relating to Contracts.
5. **Property/Assets**  
None arising directly from this report.
6. **Information Technology**  
None arising directly from this report.

7. **Equality & Human Rights**

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety**

AMP Biomass Fuels Ltd.'s health and safety credentials were evaluated and accepted by the Crown Commercial Services when awarded a place on the National Fuels 2, reference RM6177, framework agreement.
9. **Procurement**

The procurement procedures outlined in this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern government.
10. **Risk**

AMP Biomass Fuels Ltd insurances were evaluated by the Crown Commercial Services when awarded a place on the National Fuels 2, reference RM6177, framework agreement and were not revised for this contract.
11. **Privacy Impact**

None arising directly from this report.
12. **Cosla Policy Position**

None arising directly from this report.
13. **Climate Risk**

The level of impact associated with the supplies to be provided under the Contract is considered to be low risk.

14. **Carbon Emissions**

When fossil fuels are extracted and burned for energy, their sequestered carbon is released into the atmosphere. Fossil fuels do not reabsorb carbon. In contrast to fossil fuels, biomass comes from recently living organisms. The carbon in biomass can continue to be exchanged in the carbon cycle. Biomass fuel is also a renewable energy source whereas fossil fuels are a finite resource. The lower carbon, more sustainable fuel option of biomass fuel contributes to the Council's goal of working towards net zero by 2030.

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**List of Background Papers**

None

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**Author:** Brian Bradley, Assistant Category Manager, 0141 487 1522,  
brian.bradley@renfrewshire.gov.uk