

Notice of Meeting and Agenda Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 08 December 2017	09:45	City Chambers, Glasgow City Council, 80 George Square, Glasgow, G2 1DU

KENNETH GRAHAM
Clerk

Membership

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Alister Mackinnon (Highland Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Westlake (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

Councillor John Shaw (Convener): Councillor Paul Di Mascio (Vice Convener)

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to reception at the Council Chambers where they will be directed to the meeting.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

- | | | |
|-----------|---|----------------|
| 1 | Minute of the Executive Sub-committee | 5 - 10 |
| | Submit minute of the Executive Sub-committee meeting on 17 November, 2017. | |
| 2 | Revenue Budget Monitoring Report | 11 - 14 |
| | Report by the Treasurer and Director of Scotland Excel | |
| 3a | Contract for Approval - Milk | 15 - 26 |
| | Report by Director of Scotland Excel, Contract for Approval - | |
| 3b | Contract for Approval - Trade Materials | 27 - 36 |
| | Report by Director of Scotland Excel, Contract for Approval - Trade Materials | |
| 3c | Contract for Approval - Repair and Maintenance of Catering Machines | 37 - 44 |
| | Report by Director of Scotland Excel, contract for approval, repair and maintenance of catering machines. | |
| 3d | Contract for Approval - Water Coolers | 45 - 52 |
| | Report by Director of Scotland Excel, Contract for Approval - Water Coolers | |
| 3e | Contract for Approval - Pest Control Services and Associated Products | 53 - 60 |
| | Report by Director of Scotland Excel, Contract for Approval - Pest Control and Associated Products | |
| 4a | Request for Associate Membership of Scotland Excel - Routes to Work | 61 - 62 |
| | Report by Director of Scotland Excel, for Associate Membership of Scotland Excel by Routes to Work. | |

- 4b Request for Associate Membership of Scotland Excel by Design Dundee** 63 - 64
- Report by Director of Scotland Excel, request for Associate Membership by Design Dundee.
- 4c Request for Associate Membership of Scotland Excel - Scottish Children's Reporter Administration** 65 - 66
- Report by Director of Scotland Excel - Request for Associate Membership of Scotland Excel - Scottish Children's Reporter Administration.
- 5 Sickness Absence Report** 67 - 70
- Report by Director of Scotland Excel
- 6 Date of Next Meeting**
- Note that the next meeting of the Executive Sub Committee will be held at 10.45 am on 26 January 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Minute of Meeting

Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 17 November 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

PRESENT

Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Collette Stevenson (South Lanarkshire Council) and Councillor Amanda Westlake (Shetland Islands Council).

CHAIR

Councillor John Shaw, Convener, presided.

IN ATTENDANCE

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, D Benstead, Principal Procurement Specialist, S Irvine, Procurement Co-ordinator; and C Gibson Procurement Co-ordinator (Policy); (all Scotland Excel); and M Ball, Senior Accountant, D Low, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

APOLOGIES

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Altany Craik (Fife Council); Councillor Alister Mackinnon (Highland Council) and Councillor Todd Ferguson (North Ayrshire Council).

DECLARATIONS OF INTEREST

There were no declarations of interest intimate prior to the commencement of the meeting.

ORDER OF BUSINESS

The Convener advised that Item number 3(b) of the Agenda, Contract for Approval – Pest Control Services and Associated Products, had been withdrawn and would be considered at a future meeting of the Executive Sub-committee.

1 MINUTES OF EXECUTIVE SUB COMMITTEE

There were submitted the Minutes of the meetings of the Executive Sub Committee held on 30 June, 25 August, 15 September and 13 October 2017.

DECIDED: That the Minutes be approved.

2 REVENUE BUDGET MONITORING REPORT

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 13 October 2017.

The report intimated that gross expenditure was £21,000 under budget and income was currently £37,000 over-recovered which resulted in a net underspend of £58,000.

DECIDED: That the report be noted.

3a CONTRACT FOR APPROVAL - SUPPLY AND DELIVERY OF HEAVY AND MUNICIPAL VEHICLES

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for supply and delivery of heavy and municipal vehicles which would be effective from 1 January 2018 until 31 December 2021.

The report intimated that the framework covered a range of heavy vehicle chassis and body types, including the full project management of building completed vehicles to support councils' delivery of various public services.

The framework had been divided into 13 lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 32 councils participating in the framework.

The forecast annual spend for participating councils was circa £37 million per annum with the framework advertised at a value of £40 million per annum equating to an estimated value of £160 million over the term of the contract. Tender responses had been received from 22 suppliers and a summary of offers received was provided in Appendix 2 to the report. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 22 suppliers across the 13 lots as detailed in Appendix 3 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

3b CONTRACT FOR APPROVAL - PEST CONTROL SERVICES AND ASSOCIATED PRODUCTS

This item was withdrawn.

3c CONTRACT FOR APPROVAL - PROVISION OF STEEPLEJACKS AND ASSOCIATED SERVICES

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply and delivery of steeplejacks and associated services which would be effective from 8 December 2017 until 30 November 2019, with the option to extend for up to two one-year periods until 30 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase a range of steeplejack services including statutory inspection work and high level building inspections (including reports) plus reactive repairs and maintenance. The framework was advertised at £7 million over the four-year period. The commercial user intelligence group – steering group endorsed the inclusion of a single lot as summarised in table 1 of the report.

Tender responses had been received from three suppliers, and a summary of offers received and their SME status was provided in Appendix 1 to the report. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 2 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to three suppliers.

DECIDED: That the award of the framework agreement, as detailed in Appendix 2 to the report, be approved.

4a REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY WEST OF SCOTLAND HOUSING ASSOCIATION LIMITED

There was submitted a report by the Director of Scotland Excel advising that West of Scotland Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by West of Scotland Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £5,120 be approved subject to completion and signing of the agreement document.

4b REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY KINGDOM HOUSING ASSOCIATION

There was submitted a report by the Director of Scotland Excel advising that Kingdom Housing Association had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Kingdom Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £5,652 be approved subject to completion and signing of the agreement document.

4c REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY OAK

TREE HOUSING ASSOCIATION LIMITED

There was submitted a report by the Director of Scotland Excel advising that Oak Tree Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Oak Tree Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £2,630 be approved subject to completion and signing of the agreement document.

5 RISK REGISTER UPDATE

There was submitted a report by the Director of Scotland Excel providing an update on the risk register maintained to assess threats and risks that could impact on the delivery of Scotland Excel's organisational objectives and the actions identified to mitigate such risks.

DECIDED:

(a) That members provide feedback on the risk register and actions identified to manage risks to the Director of Scotland Excel; and

(b) That the report be noted.

6 INITIAL OPTIONS ON THE FUTURE GOVERNANCE STRUCTURE OF SCOTLAND EXCEL

There was submitted a report by Director of Scotland Excel relative to initial options on the future governance structure of Scotland Excel. In July 2017, the Senior Management Team of Scotland Excel began to consider initial options for the future governance structure of Scotland Excel, with a view to generating sustainable future revenue streams to support new service development, and allow member requisitions to be protected from inflationary increases.

The report identified four possible options for the future governance structure: maintaining the current model; widening the powers available under the current model; adding a trading company to the current or amended model; and converting the current model into an arm's length external organisation ("ALEO") of Scotland Excel's local authority members with a trading subsidiary. It was emphasised that these options were at the early stages of consideration, and as such no conclusions had been made.

The options presented in the report sought to address various limitations arising from the organisation's current structure and provide Scotland Excel with more freedom of action (within limits set by the 32 local authorities) to respond flexibly, dynamically and quickly to the consultancy services market and access grant funding.

DECIDED:

(a) That further investigation into the future governance structure by Senior Management Team of Scotland Excel be approved;

(b) That a further report be presented to a future Joint Committee meeting in either December 2017 or June 2018; and

(c) That the contents of the report be noted.

7 AUDIT ACTIONS PROGRESS REPORT

There was submitted a report by Director of Scotland Excel relative to the Audit Actions Progress Report. Audit Scotland's 2016/17 Annual Audit Report identified that Scotland Excel's internal audit reports were not provided to members and

recommended that internal audit reports be taken to Joint Committee/Executive Sub-committee meetings.

In June 2017 Renfrewshire Council's internal audit team carried out a review of Scotland Excel's governance arrangements. A report thereon was attached as Appendix 1. The report identified one recommendation in relation to joint committee attendance. An audit tracker where Scotland Excel's audit actions were tracked and completed was attached as Appendix 2 to the report.

DECIDED:

- (a) That the area for improvement identified and the action taken be noted; and
- (b) That future internal audit reports and tracked recommendations be brought to members on a regular basis.

8 MEETINGS OF SCOTLAND EXCEL EXECUTIVE SUB COMMITTEE IN 2018

There was submitted a report by the Clerk relative to proposed dates and venues for meetings of the Executive Sub-committee in 2018.

DECIDED: That the dates and venues for meetings of the Executive Sub-committee in 2018 as detailed in the report, be approved.

9 DATE OF NEXT MEETING

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.45 am on 8 December, 2017 in Glasgow City Chambers.

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

Report by Joint Report by the Treasurer and the Director

Revenue Budget Monitoring Report to 10 November 2017

1. Summary

- 1.1 Gross expenditure is £23,000 under budget and income is currently £37,000 over recovered which results in a net underspend of £60,000 for Scotland Excel. This is summarised in point 4:

2 Recommendations

- 2.1 It is recommended that members consider the report.

3 Budget Adjustments Since Last Report

- 3.1 There have been no budget adjustments since the last report.

4 Budget Performance

- | | |
|-----------------------------|-------------------------------|
| 4.1 Current Position | Net Underspend £60,000 |
| <i>Previously Reported</i> | <i>Net Underspend £58,000</i> |

The variance is due to an underspend in Employee Costs, an overspend in Contractor and others and an over recovery of Other Income. Employee Costs are currently under spent due to:

- a number of staff currently on maternity leave,
- a Learning and Development post not currently filled,
- a Business Change Project Manager post not currently filled,
- IT Manager post not replaced (due to restructure),
- a number of staff exercising their right for flexible working.

Employee Costs will be underspent by the year end due to the delay in filling the Learning and Development post and Business Change Project Manager post. The Learning and Development appointment has been made with a start date of mid-December.

Contractors and Others have an unbudgeted cost this year due to a requirement to complete and mobilise the Energy Efficiency Contractors contract.

The over recovery of Other Income relates to additional funding received from Invest in Renfrewshire for support of the graduate intern scheme and also from the income received for the costs that were awarded by the court when Scotland Excel were successful in defending a legal challenge.

All projects are currently projected to break even.

4.2 Projected Year End Position

The projected year end position shows a draw down from the general reserve of £96,000 which is £70,000 less than the approved draw down.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2017/18
1st April 2017 to 10th November 2017

JOINT COMMITTEE : SCOTLAND EXCEL

Description (1)	Agreed Annual Budget (2)	Year to Date Budget (3)	Year to Date Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)	
	£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs	2,944	1,569	1,539	0	1,539	30	1.9%
Property Costs	226	88	88	0	88	0	0.0%
Supplies & Services	204	61	61	0	61	0	0.0%
Contractors and Others	0	0	7	0	7	(7)	-100.0%
Administration Costs	297	85	85	0	85	0	0.0%
Payments to Other Bodies	39	19	19	0	19	0	0.0%
GROSS EXPENDITURE	3,710	1,822	1,799	0	1,799	23	1.3%
Contributions from Local Authorities	(3,484)	(3,484)	(3,484)	0	(3,484)	0	0.0%
Other Income	(60)	(60)	(97)	0	(97)	37	61.7%
INCOME	(3,544)	(3,544)	(3,581)	0	(3,581)	37	1.0%
TRANSFER (TO)/FROM RESERVES	166	(1,722)	(1,782)	0	(1,782)	60	3.5%

Opening Reserves	General Reserve
Budgeted Draw on Reserves per estimates	£000's
IT Projects per Joint Committee 30th June	(368)
Office Upgrade per Joint Committee 30th June	66
Projected Year End Overspend / (Underspend)	50
Anticipated Closing Reserves	50
	(70)
	(272)

Reserve percentage against requisition income

7.81%

0

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Tender: Supply & Distribution of Milk

Schedule: 19/17

Period: 1 March 2018 until 28 February 2021 (with the option to extend for an additional 1 year period until 28 February 2022)

1. Introduction and Background

The current framework for the Supply & Distribution of Pasteurised Milk and Associated Products will expire on the 28 February 2018. This recommendation is for the award of a renewal framework which will operate from 01 March 2018 to 28 February 2021, with the option to extend for an additional one year period until 28 February 2022.

This framework will provide local authorities and other participating bodies with a mechanism to procure a range of dairy products, including whole milk, semi-skimmed milk, skimmed milk, flavoured milk, organic milk, and fresh cream. It will support the duties established by the Schools (Health, Promotion and Nutrition) (Scotland) Act 2007, and the standards set out by the Nutritional Requirements for Food and Drink in Schools (Scotland) Regulations 2008.

This report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As detailed in Appendix 1, 31 local authorities and Tayside Contracts indicated their intention to participate in this contract. Orkney Islands Council stated that they have existing arrangements in place and declined to participate.

Based on the forecasted spend levels provided by local authorities, the framework is worth approximately £7.5 million per annum. This opportunity was advertised at a value of £36 million over the four-year period (£9 million per annum) to allow for non-participating local authorities to migrate over and to account for;

- The volatility of the marketplace, especially in the wake of Brexit. It is still unclear what impact any potential free trade deals will have on the dairy and wider food industry, as well as the future of the £3 billion which UK farmers receive from the EU's Common Agricultural Policy (CAP).
- A third-generation framework where sustainability is a significantly weighted factor.

3. Procurement Process

A Prior Information Notice (PIN) was published on 27 May 2017 with 15 companies expressing an interest. Market engagement led to 4 supplier meetings, which helped to inform the commodity strategy in areas such as wider market trends, product development, servicing outlying regions, and delivering efficiencies.

The User Intelligence Group (UIG), consisting of procurement and technical representatives from the participating councils, endorsed the procurement strategy at regional events in June 2017. A working group of technical representatives from the councils was formed to review the specifications and the technical criteria to adopt during the tender process. This group also played an integral role in evaluating technical responses from bidders.

To ensure maximum competition, the UIG agreed that an open tender process should be used and this was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 11 September 2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two-stage tendering procedure. Stage one, Qualification, was conducted using the European Single Procurement Document (ESPD). Within the ESPD, tenderers were required to answer a set of exclusionary questions along with providing details and/or acknowledgement on insurance, financial standing, quality management, health & safety and environmental management policies and/or procedures.

At the second stage of the process offers were evaluated against the following criteria and weightings:

- Technical 30%
- Commercial 70%

Tenderers were required to indicate which local authority areas, referred to as "Geographical Lot(s)", for which they wanted to bid. Most Geographical Lots (43 in total) represent an authority area in its entirety, however Argyll & Bute Council (10 lots) and North Ayrshire Council (2 lots) were sub-divided further to make the contract more accessible to local SMEs based in these areas.

Tenderers were invited to bid on the following basis:

- A net delivered unit price for the 24 core products listed within the Schedule of Offer, and;
- A discount or additional on-cost on tendered prices, as they deemed appropriate, for individual Geographical Lots, based on the transactional and/or distribution efficiencies of local authorities.

Within the technical section, tenderers were required to evidence their knowledge and experience in areas such as supply chain sustainability, transparency, and efficiency, as well as how they intend to service the contract and deliver community benefits through the framework.

4. Report on Offers Received

The tender document was downloaded by 12 organisations, with 7 tender responses received.

A summary of all offers received is provided in Appendix 2.

Achieving full geographic coverage for this commodity has historically proved challenging, however through engagement with the marketplace and local authorities contract coverage has improved, with bids being received for areas which previously received no offers, including Shetland Islands Council, and most of the Geographical Lots listed in Argyll & Bute Council.

Despite extensive engagement, no offers were received for Comhairle nan Eilean Siar, Highland Council, Orkney Islands Council and the following Geographical Lots;

Argyll & Bute Council	- Area E, Tiree & Coll
	- Area H, Colonsay
	- Area I, Bute

North Ayrshire Council	- Area B, Isle of Arran
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Scotland Excel will continue to liaise with local authorities who have not received coverage following award of this contract to ensure that they have support in terms of conducting separate exercises to meet their contractual needs, where appropriate.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the offers received was conducted.

Following evaluation of commercial offers, both technical and commercial scores were combined to provide the overall scores achieved by each tenderer for each Geographical Lot for which they submitted a bid. The combined scores can be found in Appendix 3 of this report.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 7 suppliers across the 36 Geographical Lots which received an offer as outlined in Appendix 3.

All recommended suppliers have completed self-audits which have been evaluated by Scotland Excel's appointed Environmental Health team. In addition to this, processing sites have also been audited to ensure compliance.

The 7 recommended suppliers provide the choice, scope and range of milk products required by local authorities, as well as representing best value. It should also be noted that 5 of the recommended suppliers are classified as SMEs.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise for each local authority based on the available management information, the results of which are detailed in Appendix 1.

Following the evaluation of tenders, clarifications were conducted with each tenderer, with a view to securing greater geographical coverage and best value. These discussions did not alter the outcome of the scoring outlined in Appendix 3, or the evaluation process, concluding in a forecast cost increase of 1.3% across the framework. This ranged from a saving of 7.8% to an on-cost of 14.7%. Favourable pricing was offered to authorities with more efficient distribution models and delivery schedules, which helps to explain these variations.

The benefits associated with the clarification process have satisfied Scotland Excel's aim of ensuring best value for all participating local authorities.

Price Stability

All suppliers core pricing will be fixed for 12 months from contract commencement, with the exception John McKerrell and D J Campbell & Son who have agreed to hold their pricing for 9 months and 6 months respectively.

Subsequent pricing will then be held for 6 monthly periods, with any price variance request within these windows being considered in accordance with the defined Scotland Excel process. All requests will be evaluated against market indices which monitor farm gate pricing, fuel, and packaging costs.

Sustainable Procurement Benefits

Tenderers were asked several scored questions in regards to sustainability, where they would have to demonstrate an acute awareness of wider issues within the dairy industry as well as an understanding of local authorities' efforts to recycle and reduce waste as part of wider national strategies.

Following the initiatives set out by the Scottish Government's Dairy Action Plan (2014), and the volatility that the dairy industry has experienced in recent years, tenderers were asked to demonstrate how they promoted an efficient, transparent and resilient supply chain. The information attained from these responses will allow Scotland Excel to have visibility on what suppliers are doing to support sustainable farm gate pricing, and this will be used throughout the duration of the framework for contract management purposes.

Another key area of focus within the tender document was CO2 emissions and Food Miles. Responses noted investment in innovative route planning technology, as well as capital input in milk tankers to increase logistical efficiencies. In addition to this, tenderers also had to outline their recycling policies and how they could assist local authorities with their environmental targets. This included a proposal where local authorities would work in direct partnership with the supplier and packaging manufacturer to implement a carton collection system.

Tenderers also had to provide their procedures for managing the shelf life of products and outline how these could ensure that food waste is minimised. Within this question, they also had to outline what storage solutions they could offer to local authorities which could consolidate delivery schedules thus driving further efficiencies. Responses detailed a collaborative approach with local authorities to reduce delivery days through refrigeration solutions and the amalgamation of accounts, with the potential savings generated from such exercises being passed on to the customer.

Community Benefits

Tenderers were asked to detail community benefit initiatives that they would commit to deliver during the life of the framework in line with the Scottish Government's National Outcomes.

Responses received included:

- National Outcome D – Our young people are successful learners, confident individuals, effective contributors and responsible citizens
 - Dairy farm visits for school pupils to help them attain a better understanding of the dairy industry and how milk is produced.
 - Visiting schools to provide classroom talks.
 - Work experience and apprenticeships.
 - Supporting theme days and recipe competitions which look to promote healthy eating and dietary habits.
- National Outcome F – We live longer, healthier lives;
 - Sponsorship of national campaigns which look to promote healthier eating through educational initiatives.
 - Support and funding for local sporting organisations.
- National Outcome L – We value and enjoy our built and natural environment and protect it and enhance it for future generations

- Promoting community garden projects within schools, to encourage pupils to appreciate their local environment and relationship with food.
- National Outcome M – We take pride in a strong, fair and inclusive national identity
 - Assist local authorities in the promotion of local and Scottish produce.
 - Supporting local businesses through sub-contracting opportunities.
- National Outcome N – We reduce the local and global environmental impact of our consumption and production;
 - Working with local authorities to reduce food miles and their recycling objectives.

Scotland Excel will support the delivery of these commitments throughout the duration of the framework, and a bi-annual report will be produced for publication.

Fair Work Practices

Tenderers were also scored on how they will engage in fair work practices for staff employed in the delivery of this contract.

This included questioning suppliers on how they avoid exploitative employment practices, and improve the wider diversity of their staff. Some suppliers stated that they publish an annual statement which complies with the Modern Slavery Act (2015), with one also stating that they offered free English lessons for staff members whose first language was not English.

In addition, tenderers were asked for details on what training they provided for their staff, as well as how they proactively engage with them to promote empowerment so that they can fulfill their potential. Most suppliers stated that they offered development programmes for their staff, which included training and courses that looked to enhance their skills and advance their careers.

As an unscored question, Scotland Excel asked tenderers if they paid the Scottish Living Wage. Of the recommended 7 suppliers, 3 stated they did pay the Scottish Living Wage but were not accredited.

Scotland Excel will continue to monitor Fair Work Practices, including the Scottish Living Wage through contract management, and will work with all awarded suppliers who do not currently pay the Scottish Living Wage to encourage them to do so.

7. Contract Mobilisation and Management

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 1 arrangement in terms of both risk and spend. As such, Scotland Excel will

conduct quarterly review meetings with suppliers, whilst monitoring management information and community benefits associated with this framework.

Achievement of key performance indicators, to be finalised and agreed at contract award, will be a driver to ensure that the required service is monitored, maintained, and where possible improved upon during the framework period.

8. Summary

This framework for the Supply & Distribution of Milk aims to maximise collaboration, promote added value and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award placings on this framework to the suppliers as detailed in Appendix 3.

Appendix 1 – Participation, Spend and Savings Summary

LOCAL AUTHORITY	PARTICIPATION IN CONTRACT	PARTICIPATION ENTRY DATE	ESTIMATED ANNUAL SPEND	SOURCE OF SPEND DATA	EST. FORECAST SAVINGS (%)	EST. ANNUAL SAVINGS (£)	BASIS OF SAVINGS CALCULATIONS
Aberdeen City Council	YES	01/03/2018	£265,761	Member Provided	7.8%	£20,741	Benchmarked Current Contract
Aberdeenshire Council	YES	01/03/2018	£326,319	Member Provided	-0.3%	-£1,129	Benchmarked Current Contract
Angus Council - Non School Meals	YES	01/03/2018	£29,105	Member Provided	-9.4%	-£2,730	Benchmarked Current Contract
Argyll & Bute Council - Area A, Cowal	YES	01/03/2018	N/A	N/A	0.0%	£0	Benchmarked Current Contract
Argyll & Bute Council - Area B, Oban & Lorne	YES	01/03/2018	N/A	N/A	0.0%	£0	Benchmarked Current Contract
Argyll & Bute Council - Area C, Mid Argyll & Kintyre Peninsula	YES	01/03/2018	N/A	N/A	0.0%	£0	Benchmarked Current Contract
Argyll & Bute Council - Area D, Helensburgh & Lomond	YES	01/03/2018	£35,249	Member Provided	-7.2%	-£2,540	Benchmarked Current Contract
Argyll & Bute Council - Area E, Tiree & Coll	YES, BUT NO OFFERS RECEIVED	01/03/2018	N/A	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Argyll & Bute Council - Area F, Islay & Jura	YES	01/03/2018	£2,652	Member Provided	0.0%	£0	Benchmarked Current Contract
Argyll & Bute Council - Area G, Mull	YES	01/03/2018	N/A	N/A	0.0%	£0	Benchmarked Current Contract
Argyll & Bute Council - Area H, Colonsay	YES, BUT NO OFFERS RECEIVED	01/03/2018	N/A	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Argyll & Bute Council - Area I, Bute	YES, BUT NO OFFERS RECEIVED	01/03/2018	N/A	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Argyll & Bute Council - Area J, Dunoon	YES	01/03/2018	£6,428	N/A	0.0%	£0	Benchmarked Current Contract
City of Edinburgh Council	YES	01/03/2018	£794,933	Member Provided	3.4%	£26,767	Benchmarked Current Contract
Clackmannanshire Council	YES	01/03/2018	£96,733	Member Provided	-2.0%	-£1,928	Benchmarked Current Contract
Comhairle nan Eilean Siar	YES, BUT NO OFFERS RECEIVED	01/03/2018	£50,000	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Dumfries & Galloway Council	YES	01/03/2018	£183,195	Member Provided	-1.5%	-£2,798	Benchmarked Current Contract
Dundee City Council	YES	01/03/2018	£37,585	Contract MI - Confirmed by Member	-8.7%	-£3,275	Benchmarked Current Contract
East Ayrshire Council	YES	01/03/2018	£31,282	Member Provided	-1.5%	-£463	Benchmarked Current Contract
East Dunbartonshire Council	YES	01/03/2018	£89,520	Member Provided	-5.6%	-£4,999	Benchmarked Current Contract
East Lothian Council	YES	01/03/2018	£277,582	Contract MI - Confirmed by Member	-5.2%	-£14,459	Benchmarked Current Contract
East Renfrewshire Council	YES	01/03/2018	£128,633	Contract MI - Confirmed by Member	0.3%	£396	Benchmarked Current Contract
Falkirk Council	YES	01/03/2018	£213,232	Contract MI - Confirmed by Member	5.2%	£11,014	Benchmarked Current Contract
Fife Council	YES	01/03/2018	£822,352	Member Provided	0.7%	£5,978	Benchmarked Current Contract
Glasgow City Council	YES	TBC	£735,000	Member Provided	-4.6%	-£33,950	Benchmarked Current Contract
Highland Council	YES, BUT NO OFFERS RECEIVED	01/03/2018	£160,000	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Inverclyde Council	YES	01/03/2018	£123,675	Contract MI - Confirmed by Member	-1.5%	-£1,857	Benchmarked Current Contract
Midlothian Council	YES	01/03/2018	£227,621	Contract MI - Confirmed by Member	-5.0%	-£11,424	Benchmarked Current Contract
Moray Council	YES	01/03/2018	£60,310	Contract MI - Confirmed by Member	-1.3%	-£794	Benchmarked Current Contract
North Ayrshire Council - Area A, Mainland & Cumbrae	YES	01/03/2018	£295,136	Member Provided	-2.3%	-£6,761	Benchmarked Current Contract
North Ayrshire Council - Area B, Isle of Arran	YES, BUT NO OFFERS RECEIVED	01/03/2018	N/A	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
North Lanarkshire Council	YES	01/03/2018	£640,523	Contract MI - Confirmed by Member	-0.9%	-£6,007	Benchmarked Current Contract
Orkney Islands Council	NO	-	N/A	-	NO OFFER RECEIVED	NO OFFER RECEIVED	NO OFFER RECEIVED
Perth & Kinross Council	YES	01/03/2018	£20,000	Member Provided	-10.1%	-£2,011	Benchmarked Current Contract
Renfrewshire Council	YES	01/03/2018	£329,400	Contract MI - Confirmed by Member	-2.3%	-£7,684	Benchmarked Current Contract
Scottish Borders Council	YES	01/03/2018	£58,623	Member Provided	-6.7%	-£3,928	Benchmarked Current Contract
Shetland Islands Council	YES	01/03/2018	£63,000	Member Provided	0.0%	£0	Benchmarked Current Contract
South Ayrshire Council	YES	01/03/2018	£159,969	Contract MI - Confirmed by Member	-2.6%	-£4,155	Benchmarked Current Contract
South Lanarkshire Council	YES	01/03/2018	£333,659	Member Provided	2.6%	£8,536	Benchmarked Current Contract
Stirling Council	YES	01/03/2018	£61,436	Member Provided	-7.3%	-£4,466	Benchmarked Current Contract
Tayside Councils	YES	01/03/2018	£157,989	Member Provided	-14.7%	-£23,177	Benchmarked Current Contract
West Dunbartonshire	YES	01/03/2018	£261,500	Member Provided	-1.7%	-£4,422	Benchmarked Current Contract
West Lothian Council	YES	01/03/2018	£396,904	Member Provided	-6.3%	-£24,860	Benchmarked Current Contract
TOTALS			£7,475,306		-1.3%	-£96,383	

Appendix 2 – Offers Received & SME Status

ORGANISATION NAME	SME STATUS	LOCATION	NUMBER OF LOTS OFFERED
D & D Dairies Ltd	Small	Crieff, Fife, Scotland	4
D J Campbell & Son	Small	Lochgilphead, Argyll & Bute, Scotland	5
John McKerrell	Micro	Bowmore, Islay, Argyll & Bute, Scotland	1
George Anderson & Sons	Medium	Tranent, East Lothian, Scotland	2
Grahams the Family Dairy Ltd	Large	Bridge of Allan, Stirling, Scotland	13
Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients	Large	Market Drayton, Shropshire, UK	23
Shetland Farm Dairies Ltd	Small	Lerwick, Shetland Islands, Scotland	1

Appendix 3 - Scoring and Recommendations (Asterisk (*) denotes recommended supplier)

Council	Supplier	Score
Aberdeen City Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	95.65
	Grahams the Family Dairy Ltd*	93.00
Council	Supplier	Score
Angus Council - Non School Meals	D & D Dairies Ltd*	85.25
Council	Supplier	Score
Argyll & Bute Council - Area B, Oban & Lorne	D J Campbell & Son*	74.00
Council	Supplier	Score
Argyll & Bute Council - Area D, Helensburgh &	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
Argyll & Bute Council - Area F,Islay & Jura	John Mc Kerrell*	72.00
Council	Supplier	Score
Argyll & Bute Council - Area H, Colonsay	NO OFFER	N/A
Council	Supplier	Score
Argyll & Bute Council - Area J, Dunoon	D J Campbell & Son*	74.00
Council	Supplier	Score
Clackmannanshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	94.18
	Grahams the Family Dairy Ltd*	93.00
Council	Supplier	Score
Dumfries & Galloway Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
East Ayrshire Council	Grahams the Family Dairy Ltd*	93.00

Council	Supplier	Score
Aberdeenshire Council	Grahams the Family Dairy Ltd*	93.00
	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	89.38
Council	Supplier	Score
Argyll & Bute Council - Area A, Cowal	D J Campbell & Son*	74.00
Council	Supplier	Score
Argyll & Bute Council - Area C, Mid Argyll &	D J Campbell & Son*	74.00
Council	Supplier	Score
Argyll & Bute Council - Area E, Tiree & Coll	NO OFFER	N/A
Council	Supplier	Score
Argyll & Bute Council - Area G, Mull	D J Campbell & Son*	74.00
Council	Supplier	Score
Argyll & Bute Council - Area I, Bute	NO OFFER	N/A
Council	Supplier	Score
City of Edinburgh Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
	Grahams the Family Dairy Ltd*	92.21
Council	Supplier	Score
Comhairle nan Eilean Siar	NO OFFER	N/A
Council	Supplier	Score
Dundee City Council - Non School Meals	D & D Dairies Ltd*	85.25
Council	Supplier	Score
East Dunbartonshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75

Council	Supplier	Score
East Lothian Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
	George Anderson & Sons*	85.87
Council	Supplier	Score
Falkirk Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
	Grahams the Family Dairy Ltd*	89.25
Council	Supplier	Score
Glasgow City Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
	Grahams the Family Dairy Ltd*	91.09
Council	Supplier	Score
Inverclyde Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
Moray Council	Grahams the Family Dairy Ltd*	93.00
Council	Supplier	Score
North Ayrshire Council - Area B, Isle of Arran	NO OFFER	N/A
Council	Supplier	Score
Orkney Islands Council	NO OFFER	N/A
Council	Supplier	Score
Renfrewshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	97.61
	Grahams the Family Dairy Ltd*	93.00
Council	Supplier	Score
Shetland Islands Council	Shetland Farm Dairies Ltd*	88.50

Council	Supplier	Score
East Renfrewshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
Fife Council	Grahams the Family Dairy Ltd*	93.00
	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	90.83
Council	Supplier	Score
Highland Council	NO OFFER	N/A
Council	Supplier	Score
Midlothian Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
North Ayrshire Council - Area A, Mainland & Cumbrae	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
North Lanarkshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
Perth & Kinross Council - Non School Meals	D & D Dairies Ltd*	85.25
Council	Supplier	Score
Scottish Borders Council	George Anderson & Sons*	92.25
	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	80.73
Council	Supplier	Score
South Ayrshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75

Council	Supplier	Score
South Lanarkshire Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	99.75
Council	Supplier	Score
Tayside Contracts	D & D Dairies Ltd*	85.25
Council	Supplier	Score
West Lothian Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	95.00
	Grahams the Family Dairy Ltd*	

Council	Supplier	Score
Stirling Council	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	98.00
	Grahams the Family Dairy Ltd*	
Council	Supplier	Score
West Dunbartonshire Council	Grahams the Family Dairy Ltd*	93.00
	Muller UK & Ireland Group LLP T/A Muller Milk & Ingredients*	

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Tender: Supply and Delivery of Trade Materials

Schedule: 07-17

**Period: 17 February 2018 to 16 February 2021, with an option to extend to
16 February 2022**

1. Introduction and Background

This recommendation is for the award of a framework arrangement for the supply and delivery of trade materials. This is a renewal framework to replace the current arrangements, which will expire on 16 February 2018.

This framework will provide councils and other participating bodies with a mechanism to procure a broad range of trade materials for council stores, schools, works depots and other facilities, as well as for collection from supplier trade counters.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

During strategy development, council representatives agreed that the current framework lot structure should be refined to four instead of the previous nine lots to better reflect the main categories of council product requirements.

Table 1: Lotting Structure

Lot No.	Description	Indicative Percentage of Estimated Framework Value
1	Power Tools	7%
2	General and Ground Care Tools	16%
3	General Ironmongery, Fixings, Adhesives, Sealants and Silicons	60%
4	Paint and Paint Sundries	17%

The UIG expect a range of benefits to be delivered from this lotting structure, including more efficient and effective call off and mini competition procedures.

As detailed in Appendix 1, all councils have confirmed their intention to participate in this renewal framework. In addition, the Scottish Prison Service, NHS Scotland and Advanced Procurement for Universities and Colleges (APUC) and the Wheatley Group have confirmed their intention to participate.

To allow for potential migration from existing arrangements during the life of the framework, all other Scotland Excel associate members were also included in the contract notice for this framework.

Spend from new housing association associate members is expected to increase the value of the new generation framework. Total framework spend is projected at £32m, however to accommodate the likely growth from associate members the frameworks was advertised at an overall value of £40m.

3. Procurement Process

A UIG consisting of procurement and technical representatives from councils and associate members was established to support the development of the procurement strategy and specification.

A prior information notice (PIN) was published on 27 April 2017, which resulted in expressions of interest from 83 organisations. Following publication of the PIN, 17 supplier meetings were held, which resulted in the sharing of useful information in relation to market trends, product innovation and cost drivers. These meetings also helped inform the procurement strategy.

To ensure maximum competition, the UIG agreed that an open tender process should be followed to establish the framework.

The contract notice was published via the Official Journal of the European Union and the Public Contracts Scotland portal (PCS) on 11 September 2017 with the tender documentation being made available for immediate download from 11 September 2017, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two stage tendering procedure. Stage one, qualification, was conducted using the European Single Procurement Document (ESPD). Within the ESPD bidders were required to answer a number of

qualification questions along with questions on insurance, financial standing, quality assurance schemes, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weighting:

Technical 20%
Commercial 80%

Within the technical element, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including; service and delivery consistency, customer service and sustainability. Bidders were also assessed in terms of any additional fixed pricing periods and early settlement discounts offered.

Within the commercial element, bidders were invited to offer on a lot by lot basis, with fixed pricing for 12 months required for core items. Bidders were also assessed in relation to discounts offered on non-core items.

To reduce administrative overheads and optimise best value, for each lot, the tender sought pricing for a minimum of 75% of the items listed. Scotland Excel reserved the right to consider a below 75% bid, taking into account the overall level of response for that specific lot.

For lot 1 only, to facilitate a range of power tool items, tenderers were required to submit pricing for three product quality levels. Tenderers had the opportunity to offer the same brand of product across all three quality levels, however the same product model could not be offered across more than one level.

4. Report on Offers Received

In total, 68 organisations accessed the tender documents, with 29 offers received before the closing date and time.

One bidder failed to submit a commercial response and as such was deemed non-compliant: they were subsequently advised that their offer would not be considered further.

In accordance with the pre-determined methodology, for lot 1, no tenderer met the 75% product coverage threshold and offered to service all council areas. Only one tenderer met the 75% product coverage threshold.

The majority of tenderers for lot 1, contrary to the requirements set out in the tender, offered the same products across the three product quality levels.

Accordingly, for lot 1, it is not possible to make a recommendation that will deliver the necessary geographical coverage and competition. Consequently, following endorsement from the UIG, it is recommended that this lot is not awarded.

It is recommended that Scotland Excel separately tender for power tools only using a single tier specification for products. A separate tender for power tools will be released in February 2018. Scotland Excel would ensure that the proposed power tools framework is seamlessly aligned with this trade materials

framework recommendation to allow customers ease of use and functionality across both frameworks.

To ensure continuity of supply with councils, Scotland Excel will extend the life of the power tools lot on the current framework until the new framework arrangement is in place. This is seen as permissible under the EU rules as the insufficient response resulting in a recommendation not to award was not foreseeable as an outcome of the tendering process for lot 1 of the new framework.

Lot 3 also received bids with less than the required product coverage but a good overall response was received in contrast to lot 1. Full product and geographical coverage was ensured by slightly reducing the threshold to 65% for this lot. This enabled Scotland Excel to evaluate a number of offers from new and incumbent suppliers which provided good overall coverage for all council areas. All bids with product coverage below this threshold were deemed as non-compliant and not evaluated further.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the remaining compliant offers received was conducted and details of the overall scores per lot are set out in Appendix 3.

5. Recommendations

Based on the evaluation undertaken and to secure best value, capacity and coverage, it is recommended that a multi supplier framework is awarded to 17 suppliers across the three lots as outlined in Appendix 3.

These 17 recommended suppliers offer complete coverage under the framework and represent a mix of small, medium and large organisations, with seven suppliers classed as small to medium enterprises.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise based upon the previous purchasing patterns of councils, comparing current prices paid with the prices submitted against the new framework. The resultant range of savings are listed in Appendix 1. Subject to validation by councils, the average projected saving for all councils is estimated at 4.8% which equates to a saving of £377,169 per annum based on forecast spend. There is a savings range of -7% to 19%.

Based on current spend patterns, initial analysis has identified a small number of councils with a potential cost associated with a minimal number of specific products. In each of these cases Scotland Excel has identified and analysed the specific cost drivers and has highlighted options for each council to mitigate this cost. These options include the use of alternative framework suppliers or sole supply discounts. Scotland Excel has communicated these options to each council as part of the benchmarking exercise undertaken.

There is potential scope for councils to derive further savings from early settlement discounts, sole supply discounts, use of non-core options and use of mini-competitions

Price Stability

Pricing is fixed for a minimum of 12 months. Any price increase application received following the initial fixed period will be managed annually for application on the contract anniversary. All applications for increases will need to be substantiated with independently verifiable evidence, demonstrating the relevant cost pressure faced by the supplier.

In addition to the minimum of 12 months fixed pricing period, four suppliers offered an extra six months fixed pricing, representing a total fixed pricing period of 18 months for these suppliers.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders in relation to their corporate approach to sustainability and how their organisation promotes social, economic and environmental areas. A range of sustainable measures were outlined by suppliers including;

- availability of electric vehicles
- availability of sustainable packaging
- waste reduction

This procurement also evaluated bidder's ability to offer any innovative initiatives to reduce the organisation's impact upon the environment. Examples from recommended suppliers include providing unused paint to site managers for minor projects, donating surplus paint to community repaint schemes and free collection of wooden pallets for re-use or recycling.

One recommended supplier will facilitate for empty paint tins that are returned to the local branch to then be recycled through a social enterprise and remanufactured into benches and planters.

In addition to this a number of suppliers have confirmed that they are ISO14001 accredited which provides assurance that environmental impact is being continually measured and improved.

Community Benefits

One of the key strategic objectives for this framework is to deliver actual and measurable community benefits. At the strategy UIG, the group developed and endorsed that community benefits attained would be delivered at a local level for each individual council and associate member.

All recommended suppliers have confirmed their compliance with Scotland Excel's community benefits approach for this framework. This will be based on the annual spend thresholds provided for each individual council.

When suppliers meet the minimum annual spend threshold for an individual council they will be required to communicate/meet with the council's community benefits lead or other designated person to finalise the benefits that they are offering under this framework and agree on delivery and monitoring arrangements.

Examples of community benefits conveyed to suppliers were:

- job for long term unemployed
- modern apprenticeship
- supply chain development
- work experience placement
- equipment/product donations
- communal area refurbishment

On an annual basis Scotland Excel will calculate which annual spend thresholds have been met based on submitted Management Information and provide this information to relevant suppliers and councils. Suppliers must report delivered community benefits to Scotland Excel on a six monthly basis.

Fair Work Practices including the Living Wage

Bidders were asked to confirm their approach to workforce matters and the payment of the Scottish Living Wage to their workforce. Of the 17 recommended suppliers, one is already Living Wage accredited, three have committed to gaining accreditation within the first two years of the framework and four pay the Living Wage but are not accredited.

Scotland Excel monitors fair work practices, including Scottish Living Wage, within its contract and supplier management programme and will work with all remaining suppliers to encourage them to pay all staff the Scottish Living Wage.

Additional Benefits

A number of councils indicated an interest in accessing additional services through the framework. In response, some recommended suppliers confirmed they could provide additional services such as service, repair and calibration of tools and paint voucher schemes and paint disposal.

The paint voucher schemes offered allow residents to choose the most appropriate home decorating equipment using a pre-paid card which can be exchanged at their local branch. Alternatively, some suppliers can also provide this service online.

7. Contract Mobilisation and Management

Scotland Excel will host supplier mobilisation meetings prior to the framework start date of 17 February 2018. Mobilisation meetings will take place with successful tenderers to provide an explanation of how the framework will operate and the supplier's roles and responsibilities.

In accordance with Scotland Excel's established contract supplier management (CSM), this framework is classified as level two with contract management reviews occurring, as a minimum, annually.

On a quarterly basis Scotland Excel will collect, analyse and review detailed supplier management information. Scotland Excel will also monitor and report on framework KPIs through CSM Scorecards on PCS-Tender, including the provision of environmental initiatives, community benefits and workforce matters. At least annually Scotland Excel will meet with the framework suppliers and the council UIG to review the framework operation and discuss potential development opportunities.

8. Summary

This framework for the supply and delivery of trade materials aims to maximise collaboration and support councils to deliver the services they provide. A range of additional benefits can be reported in relation to best value, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendations to award this framework agreement as detailed in Appendix 3 in relation to lots 2, 3 and 4. The Executive Sub Committee is also requested to approve the recommendation not to award lot 1 but for Scotland Excel to extend the current arrangements and to undertake a separate tender exercise to ensure sufficient product coverage.

Appendix 1 – Participation and Spend Summary – Excludes lot 1 spend data

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	17 February 2018	£560,330	Contract MI - Confirmed by Member	19.0%	£106,431	Benchmarked Current Contract
Aberdeenshire Council	Yes	17 February 2018	£147,272	Contract MI	3.8%	£5,523	Benchmarked Current Contract
Angus Council	Yes	17 February 2018	£3,215	Contract MI	6.2%	£201	Benchmarked Current Contract
Argyll & Bute Council	Yes	17 February 2018	£1,500	Contract MI - Confirmed by Member	4.8%	£72	Average Saving
City of Edinburgh Council	Yes	17 February 2018	£49,665	Contract MI - Confirmed by Member	-4.3%	-£2,122	Benchmarked Current Contract
Clackmannanshire Council	Yes	17 February 2018	£109,929	Contract MI	0.9%	£944	Benchmarked Current Contract
Comhairle Nan Eilean Siar	Yes	17 February 2018	£21,814	Contract MI - Confirmed by Member	0.9%	£193	Benchmarked Current Contract
Dumfries & Galloway Council	Yes	17 February 2018	£8,520	Contract MI	6.9%	£586	Benchmarked Current Contract
Dundee City Council	Yes	17 February 2018	£167,920	Contract MI	1.8%	£3,097	Benchmarked Current Contract
East Ayrshire Council	Yes	17 February 2018	£103,892	Contract MI	18.8%	£19,482	Benchmarked Current Contract
East Dunbartonshire Council	Yes	17 February 2018	£500	Contract MI	4.8%	£24	Average Saving
East Lothian Council	Yes	17 February 2018	£105,827	Contract MI	14.8%	£15,651	Benchmarked Current Contract
East Renfrewshire Council	Yes	17 February 2018	£8,500	Contract MI	5.7%	£480	Benchmarked Current Contract
Falkirk Council	Yes	17 February 2018	£388,000	Contract MI	8.6%	£33,225	Benchmarked Current Contract
Fife Council	Yes	17 February 2018	£853,012	Contract MI - Confirmed by Member	4.8%	£41,132	Benchmarked Current Contract
Glasgow City Council	Yes	17 February 2018	£26,998	Contract MI	-1.1%	-£292	Benchmarked Current Contract
Highland Council	Yes	17 February 2018	£227,358	Contract MI	3.6%	£8,207	Benchmarked Current Contract
Inverclyde Council	Yes	17 February 2018	£40,000	Contract MI	-0.1%	-£44	Benchmarked Current Contract
Midlothian Council	Yes	17 February 2018	£214,861	Contract MI - Confirmed by Member	-7.0%	-£15,088	Benchmarked Current Contract
North Ayrshire Council	Yes	17 February 2018	£182,000	Contract MI	10.0%	£18,124	Benchmarked Current Contract
North Lanarkshire Council	Yes	17 February 2018	£5,000	Contract MI	-4.8%	-£241	Benchmarked Current Contract
Orkney Islands Council	Yes	17 February 2018	£24,493	Contract MI	0.4%	£93	Benchmarked Current Contract
Perth & Kinross Council	Yes	17 February 2018	£7,000	Contract MI	6.6%	£463	Benchmarked Current Contract
Renfrewshire Council	Yes	17 February 2018	£323,282	Contract MI - Confirmed by Member	0.2%	£724	Benchmarked Current Contract
Scottish Borders Council	Yes	17 February 2018	£9,339	Contract MI	4.2%	£390	Benchmarked Current Contract
Shetland Islands Council	Yes	17 February 2018	£49,831	Contract MI	-2.0%	-£1,004	Benchmarked Current Contract
South Ayrshire Council	Yes	17 February 2018	£249,849	Contract MI - Confirmed by Member	2.0%	£4,931	Benchmarked Current Contract
South Lanarkshire Council	Yes	17 February 2018	£309,429	Contract MI	2.2%	£6,934	Benchmarked Current Contract
Stirling Council	Yes	31 March 2019	£425,000	Contract MI - Confirmed by Member	4.8%	£20,398	Average Saving
Tayside Contracts	Yes	17 February 2018	£20	Contract MI - Confirmed by Member	4.8%	£1	Average Saving
Moray Council	Yes	17 February 2018	£105,053	Contract MI	2.1%	£2,165	Benchmarked Current Contract
West Dunbartonshire Council	Yes	17 February 2018	£294,700	Contract MI	6.8%	£20,180	Benchmarked Current Contract
West Lothian Council	Yes	17 February 2018	£348,042	Contract MI	2.0%	£7,110	Benchmarked Current Contract
Other Public Bodies/Associate Members	Yes	17 February 2018	£2,563,555	-	3.1%	£79,199	Average Saving
Totals			£7,935,707		4.8%	£377,169	

Appendix 2 – SME Status

Tenderer's Name	Location	SME Status	Lots Offered
A1 Ironmongery Limited	Ayr	Small	2 and 3
Allison & Stiven Limited	Dundee	Small	4
Arco Limited	Linlithgow	Large	2
Bell Decorating Group Limited	Airdrie	Large	4
Brammer UK Limited T/A Buck & Hickman	Manchester	Large	2
Bunzl UK Limited T/A Greenham	Middlesex	Large	2
Clow Group Ltd	Glasgow	Medium	2 and 4
Cromwell Tools Limited	Dundee	Large	2
Crown Paints Limited	Darwen	Large	4
Cupar Bearings & Transmissions Ltd *NC	Cupar	Micro	2 and 3
Decco Limited T/A White Milne & Co	Dundee	Medium	2 and 3
Dumfries Timber Company Limited	Dumfries	Medium	2
GPH Builders Merchants Limited *NC	Inverurie	Medium	2 and 3
Grafton Merchanting GB Limited	Glasgow	Large	3
Highland Industrial Supplies Limited	Inverness	Medium	2 and 3
Imperial Chemical Industries Limited T/A ICI Paints Akzonobel	Slough	Large	4
Jewson Limited	Coventry	Large	2 and 3
Kingfisher Building Products Limited *NC	Ulverston	Small	3
MacGregor Industrial Supplies Limited	Inverness	Medium	2 and 3
J.G. Martin Plant Hire Limited *NC	Motherwell	Medium	2 and 3
P.F. Cusack (Tools Supplies) Limited	Glasgow	Medium	2
PPG Architectural Coatings UK Limited	Batley	Large	4
Sealco (Scotland) Limited *NC	Falkirk	Small	3
SIG Trading Limited T/A SIG Fixings *NC	Glasgow	Large	3
S.I.I.S. Limited	Kirkcaldy	Small	2 and 3
Stax Trade Centres PLC	Glasgow	Large	2, 3 and 4
Valtti Specialist Coatings Limited T/A Tikkurila UK	Edinburgh	Small	4

*NC denotes a Non-Compliant supplier

Appendix 3 – Scoring and Recommendations – Asterisk (*) denotes recommended suppliers

Lot 1 - Power Tools		
Tenderer		Score
Lot 1 is not recommended for award		

Lot 3 - General Ironmongery, Fixings, Adhesives, Sealants and Silicons		
Tenderer		Score
Decco Limited T/A White Milne & Co *		82.7
Jewson Limited*		79.3
S.I.I.S. Limited*		79.0
A1 Ironmongery Limited*		77.9
Highland Industrial Supplies Limited*		76.7
MacGregor Industrial Supplies Limited*		64.9
Stax Trade Centres PLC*		57.1
Grafton Merchanting GB Limited		50.8
SIG Trading Limited T/A Sig Fixings		Non-Compliant
GPH Builders Merchants Limited		Non-Compliant
J.G. Martin Plant Hire Limited		Non-Compliant
Kingfisher Building Products Limited		Non-Compliant
Sealco (Scotland) Limited		Non-Compliant
Cupar Bearings & Transmissions Ltd		Non-Compliant

Lot 2 - General and Ground Care Tools		
Tenderer		Score
Decco Limited T/A White Milne & Co *		88.0
Bunzl UK Limited T/A Greenham *		86.9
Arco Limited*		78.3
P.F. Cusack (Tools Supplies) Limited*		63.5
Highland Industrial Supplies Limited*		63.2
A1 Ironmongery Limited*		61.6
Cromwell Tools Limited*		59.8
MacGregor Industrial Supplies Limited*		58.8
Brammer UK Limited T/A Buck & Hickman*		58.6
S.I.I.S. Limited*		58.0
J.G. Martin Plant Hire Limited		45.4
Dumfries Timber Company Limited		44.5
Stax Trade Centres PLC		42.6
Clow Group Ltd		40.9
Jewson Limited		38.9
GPH Builders Merchants Limited		31.3
Cupar Bearings & Transmissions Ltd		Non-Compliant

Lot 4 - Paint And Paint Sundries		
Tenderer		Score
Bell Decorating Group Limited*		88.2
PPG Architectural Coatings UK Limited*		86.0
Valtti Specialist Coatings Limited T/A Tikkurila UK*		78.4
Imperial Chemical Industries Limited T/A ICI Paints Akzonobel*		70.4
Crown Paints Limited*		68.6
Allison & Stiven Limited		46.9
Stax Trade Centres PLC		43.5
Clow Group Ltd		38.0

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Tender: Repair and Maintenance of Catering Equipment

Schedule: 21/17

Period: 8 January 2018 until 7 January 2020 with an option to extend for up to two further 12 month periods

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” approach with key stakeholders, which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for catering equipment repair and maintenance, which will operate from 8 January 2018 to 7 January 2020, with the option to extend for up to two 12 month periods until 7 January 2022.

This framework will provide councils with a mechanism to procure repair and maintenance services for commercial gas, electrical and refrigeration catering equipment. The framework was advertised at a value of £8 million for the four year period.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of 3 lots as summarised in Table 1.

Lot Number	Lot Name	Estimated %age of Spend
1	Repair and Maintenance of Gas Catering Equipment	37.5%
2	Repair and Maintenance of Electrical Catering Equipment	37.5%
3	Repair and Maintenance of Refrigeration Equipment	25%

Table 1: Lot Structure

The lotting structure recognises the importance of councils being able to procure the repair and maintenance of commercial catering equipment whilst allowing access for a range of suppliers to bid.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 60% of respondents confirmed they would like this opportunity tendered in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 3 July 2017 which resulted in expressions of interest from 21 companies. A number of supplier engagement meetings were held to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'faster-tracked' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with councils requirements, a programme of consultation was conducted to understand their service requirements, the technical aspects of these services and their current purchasing practices.

This information was used to generate the specifications and selection/award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 5 October 2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two-stage tendering procedure. Stage one, Qualification was conducted using the European Single Procurement Document (ESPD). Within the ESPD tenderers are required to answer a number of questions relating to conduct and business probity along with questions on insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weightings for all lots:

Commercial	80%
Technical	20%

Within the technical sections, bidders were required to complete scored questions and provide method statements to evidence their knowledge, experience and general suitability as service providers. This included servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Within the commercial section, bidders were invited to offer for a number of services on a lot-by-lot basis.

4. Report on Offers Received

The tender document was downloaded by 14 companies, with 8 tender responses received.

A summary of all offers received and their SME status is provided in Appendix 1.

Following a full evaluation, scoring was completed, and Appendix 2 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 8 suppliers as outlined in Appendix 2.

The 8 recommended suppliers, of which 7 are SMEs provide the range of services required by councils as well as representing best value and meeting all technical specifications.

6. Benefits

Savings

The projected average saving across all councils are forecast at 1.5% which equates to estimated total savings of approximately £30k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing practice.

Price Stability

Bidders have accepted as part of the framework contract the requirement that suppliers will hold prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of CPI (Consumer Price Index) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

Bidders were asked to detail community benefit initiatives that they would commit to deliver during the life of the framework.

Community benefits received as part of the tender submissions included employability workshops, work experience placements, training sessions for council apprentices and recruitment of modern apprentices and other persons.

Fair Work Practices

For information, bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 8 recommended suppliers;

- all pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns)
- 2 suppliers are accredited Living Wage employers

Other Benefits

The framework will provide councils with a clear pricing and delivery charge structure, simplifying the purchase process and ensuring best value is achieved. In addition;

- 3 of the recommended suppliers are classified as small in terms of SME status
- 2 of the recommended suppliers are classified as micro businesses

7 of the recommended suppliers are based in Scotland, supporting the Scottish economy.

The framework also provides councils with the opportunity to consolidate future requirements of this type rather than awarding contracts on a job by job basis as is current practice, further streamlining the procurement process.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 3 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the provision of catering equipment repair and maintenance aims to maximise collaboration, consolidate demand and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement.

Appendix 1 - SME Status

Tenderers	SME Status	Location	Lots Tendered
Catering Supplies and Repairs Ltd	Small	Larbert	1,2,3
Fast Fixx Catering Engineers Ltd	Small	Glasgow	1,2,3
ICE UK Ltd	Micro	Aberdeen	1,2,3
JLA Limited	Large	Ripponden	1,2,3
Lovat's Catering Engineering Services Ltd T/A Lovat's Group*	Small	Kirkcaldy	1,2,3
Merchant City Refrigeration (Scotland) Ltd.	Micro	Glasgow	3
ScoMac Catering Equipment Ltd	Medium	Livingston	1,2
Sparks Mechanical Services Ltd	Medium	Paisley	1,2,3

Appendix 2 - Scoring and Recommendations

(Asterisk (*)) denotes recommended supplier)

Lot 1 – Gas Catering Equipment Repair and Maintenance	
Tenderer	Score
FastFixx Catering Engineers Ltd*	93.57
Lovat's Catering Engineering Services Ltd T/A Lovat's Group*	63.30
Catering Supplies and Repairs Ltd*	60.21
Integrated Catering Equipment UK Ltd*	59.15
Sparks Mechanical Services Ltd*	58.74
JLA Limited*	52.83
Merchant City Refrigeration (Scotland) Ltd*	48.50
ScoMac Catering Equipment Ltd*	45.50

Lot 2 – Electrical Catering Equipment Repair and Maintenance	
Tenderer	Score
FastFixx Catering Engineers Ltd*	93.57
Lovat's Catering Engineering Services Ltd T/A Lovat's Group*	63.29
Catering Supplies and Repairs Ltd*	60.21
Integrated Catering Equipment UK Ltd*	59.16
Sparks Mechanical Services Ltd*	58.74
JLA Limited*	52.84
Merchant City Refrigeration (Scotland) Ltd*	48.50
ScoMac Catering Equipment Ltd*	45.50

Lot 3 – Refrigeration Equipment Repair and Maintenance	
Tenderer	Score
FastFixx Catering Engineers Ltd*	97.83
Catering Supplies and Repairs Ltd*	70.88
Sparks Mechanical Services Ltd*	68.01
Integrated Catering Equipment UK Ltd*	62.72
Lovat's Catering Engineering Services Ltd T/A Lovat's Group*	59.20
JLA Ltd*	55.37

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Tender: Supply, Delivery, Installation and Maintenance of Water Coolers and Associated Consumables

Schedule: 13/17

Period: 8 January 2018 until 07 January 2020 with an option to extend for up to two further 12 month periods

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” approach with key stakeholders, which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for the purchase and rental of water coolers and associated services, which will operate from 8 January 2018 to 7 January 2020, with the option to extend for up to two further 12 month periods until 7 January 2022.

This framework will provide councils with a mechanism to purchase and rent a range of water coolers including free standing bottled water coolers and plumbed in water coolers. Councils can also procure the associated maintenance and sanitisation services. The framework was advertised at a value of £6 million for the four year period.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of three lots as summarised in Table 1.

Lot Number	Description of sections	Estimated %age of Spend
Lot 1	Bottled Water Coolers and Associated Products (including installation)	42%
Lot 2	Plumbed-In Water Coolers (including installation)	42%
Lot 3	Sanitisation and Maintenance of Bottled and Plumbed-In Water Coolers	16%

Table 1: Lot Structure

The structure recognises the importance of councils being able to purchase both bottled and plumbed in water coolers, as well as the rental of these units, where this is required. The structure also recognises that not all suppliers in the marketplace are able to provide all types of units.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 70% of respondents confirmed they would like this opportunity tendered in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 15 companies. A number of supplier engagement meetings were held to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'faster-tracked' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with councils requirements, a programme of consultation was conducted to understand their service requirements, the technical aspects of these services and their current purchasing practices.

This information was used to generate the specifications and selection/award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 5 October 2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two-stage tendering procedure. Stage one, Qualification was conducted using the European Single Procurement Document (ESPD). Within the ESPD tenderers are required to answer a number of questions relating to conduct and business probity along with

questions on insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weightings for all lots:

Commercial	80%
Technical	20%

Within the technical sections, bidders were required to complete scored questions and provide method statements to evidence their knowledge, experience and general suitability as service providers. This included, servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Bidders were invited to submit a commercial offer on a lot by lot basis. Within the commercial section for lots 1 and 2, bidders were invited to offer for a basket of goods, lot 3 bidders were invited to offer for a basket of services and maintenance elements.

4. Report on Offers Received

The tender document was downloaded by 12 companies, with 8 tender responses received.

A summary of all offers received and their SME status is provided in Appendix 1.

Following a full evaluation, scoring was completed, and Appendix 2 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 8 suppliers as outlined in Appendix 2.

Of the 8 recommended suppliers 4 are small businesses and 2 are micro businesses. The recommended suppliers provide the range of services required by councils as well as representing best value and meeting all technical specifications.

6. Benefits

Savings

The projected average saving across all councils is 9% across both lots which equates to an estimated total saving of approximately £135k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing habits and the mix of products and services that each council requires.

Price Stability

Bidders have accepted as part of the framework contract the requirement that suppliers will hold prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of CPI (Consumer Price Index) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

Bidders were asked to detail community benefit initiatives that they would commit to deliver during the life of the framework.

Community benefits received as part of the tender submissions included sponsorship of local sports teams and community events as well as weekly/monthly work experience placements and recruitment of modern apprentices.

Fair Work Practices

For information, bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 8 recommended suppliers;

- 3 are accredited Living Wage employers
- 3 are not an accredited Living Wage Employer but pay the Living Wage to all employees (except volunteers, apprentices and interns).
- 1 has committed to gaining accreditation over the initial two year period of the Framework Contract

Scotland Excel will work with all awarded suppliers to ensure commitment to the Scottish Living Wage during the framework period.

Other Benefits

The framework will provide councils with a choice of suppliers providing a clear pricing and delivery charge structure.

The framework also provides councils with the opportunity to consolidate requirements of this type, including bottled water and plumbed in units maintenance, streamlining the process and contract management for councils.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 3 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the supply, delivery installation and maintenance of water coolers and associated services aims to maximise collaboration, consolidate demand and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement.

Appendix 1 - SME Status

Tenderers	SME Status	Location	Lots Tendered
Angel Springs Limited (T/A Waterlogic)	Large	Wolverhampton	1, 2 and 3
AquAid Franchising Ltd T/A AquAid Glasgow	Medium	Glasgow	1, 2 and 3
Cameron Water Ltd	Small	Hamilton	2 and 3
Early Bird Catering Ltd	Micro	Aberdeen	1, 2 and 3
Eden Springs UK Ltd	Large	Blantyre	1, 2 and 3
Selecta UK Limited (00157122) (now Selecta Refreshments Limited)	Large	Basingstoke	2 and 3
Total Refreshment Solutions Ltd t/a Alba Water	Micro	Penicuik	1, 2 and 3
Water Coolers Ltd	Small	London	1, 2 and 3

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

Lot 1

Bottled Water Coolers and Associated Products (including installation)	
Tenderer	Score
Eden Springs UK Ltd*	95.25
AquAid Franchising Ltd T/A AquAid Glasgow*	75.01
Angel Springs Limited (T/A Waterlogic)*	66.21
Water Coolers Ltd*	66.16
Total Refreshment Solutions Ltd t/a Alba Water*	58.03
Early Bird Catering Ltd*	36.16

Lot 2

Plumbed-In Water Coolers (including installation)	
Tenderer	Score
Angel Springs Limited (T/A Waterlogic)*	97.50
Eden Springs UK Ltd*	78.60
Water Coolers Ltd*	67.59
Early Bird Catering Ltd*	55.33
AquAid Franchising Ltd T/A AquAid Glasgow*	53.46
Total Refreshment Solutions Ltd t/a Alba Water*	47.28
Selecta UK Limited* 00157122 (now Selecta Refreshments Limited)	45.55
Cameron Water Ltd*	45.46

Lot 3

Sanitisation and Maintenance of Bottled and Plumbed-In Water Coolers	
Tenderer	Score
Angel Springs Limited (T/A Waterlogic) *	96.72
AquAid Franchising Ltd T/A AquAid Glasgow*	94.50
Eden Springs UK Ltd*	88.95
Cameron Water Ltd*	75.81
Water Coolers Ltd*	65.62
Total Refreshment Solutions Ltd t/a Alba Water*	64.13
Early Bird Catering Ltd*	41.02
Selecta UK Limited* 00157122 (now Selecta Refreshments Limited)	40.52

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Tender: Pest Control Services and Associated Products

Schedule: 12/17

Period: 8 December 2017 until 30 November 2019 with an option to extend for up to two further 12 month periods

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” approach with key stakeholders, which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for Pest Control Services and Associated Products, which will operate from 8 December 2017 to 30 November 2019, with the option to extend for up to two 1 year periods until 30 November 2021.

The framework will cover the removal of rats and mice, crawling insects, flying insects and the supply of pest control chemicals and accessories. Additionally, it will also include the use of hawks and falcons as a bird deterrent.

The framework was advertised at a total value of £8 million for the four year period. Due to Lot 2 being excluded from the evaluation process this total has now been revised to £6 million.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of four lots as summarised in Table 1. Estimated percentage of spend per lot is based on historical spend

data but actual purchasing patterns may differ depending on council requirements.

Lot Number	Lot Name	Estimated %age of Spend
Lot 1	Pest Control Services	25%
Lot 2	Bird Control Services	25%
Lot 3	Birds of Prey Services	25%
Lot 4	Pest Control Chemicals	25%

Table 1: Lotting Structure

The lotting structure recognises the importance of councils being able to purchase pest control services whilst allowing access for a range of suppliers to bid.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 84% of respondents confirmed they would like this opportunity tendered in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 13 companies. A number of supplier engagement meetings were held to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'fast-tracked' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with the councils' requirements, a programme of consultation was conducted to understand their current purchasing practices and future requirements that could be covered by this framework.

This information was used to generate the specifications and selection/award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 26 August 2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two-stage tendering procedure. Stage one, Qualification was conducted using the European Single Procurement Document (ESPD). Within the ESPD tenderers are required to answer questions relating to conduct and business probity along with questions on

insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weightings for all lots:

Commercial	80%
Technical	20%

Within the technical section for both lots, bidders were required to complete scored questions and provide method statement to evidence their knowledge and general suitability as service providers. This included, servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Within the commercial section, bidders were invited to offer on a lot-by-lot basis.

4. Report on Offers Received

Offers received were as follows;

- The tender document was downloaded by 19 companies
- 9 tender responses were received
- 1 late bid was submitted which was rejected
- After review, 1 non-compliant bid was removed from the evaluation process

A summary of all offers received and their SME status is provided in Appendix 1.

Following a full evaluation, scoring was completed, and Appendix 2 confirms the scoring achieved by each bidder.

The quality and range of responses for lot 2 made it not possible to carry out a full evaluation due to a number of abnormally low and high bids. As a result, this lot was excluded from the evaluation process and no recommendation will be made.

5. Recommendations

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 7 suppliers across the 3 lots as outlined in Appendix 2.

The 7 recommended suppliers are a range of small and large businesses which provide the choice, scope and broad range of services and products required by councils as well as representing best value and providing geographical coverage.

6. Benefits

Savings

The projected average saving across all councils is 5% which equates to an estimated total saving of approximately £75k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing practices and the mix of products and services that each council requires.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

Price Stability

Within all lots proceeding to award, the 7 recommended bidders have agreed with the special conditions of framework which states that suppliers will hold their prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of the Consumer Price Index (CPI) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

The majority of suppliers have made major commitments in terms of the type and volume of community benefits that will be delivered locally should they be successful in securing work under the framework.

A sample of the wide range of benefits offered directly relating to work awarded under the framework includes:

- employability events and training sessions to council apprentices
- employability workshop or events in schools, college or community groups
- sponsorship of local sports teams and community events
- donations of products and vouchers
- recruitment of apprentices
- recruitment of full time employees

Fair Work Practices

Bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 7 recommended suppliers;

- 4 suppliers are accredited living wage employer

- 2 suppliers pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns)
- 1 supplier has committed to gaining the accreditation over the initial 2 year contract period.

Other Benefits

The framework will provide councils with a clear pricing and delivery/ mileage charge structure, simplifying the purchase process and ensuring Best Value is achieved.

In addition, the recommended suppliers include 2 small Scottish suppliers and 1 sole trader, supporting the Scottish economy.

An ability for the suppliers who are being awarded a place on the framework to subcontract to smaller local businesses has also been built in to the terms and conditions for this framework.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 3 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for pest control services & associated products aims to maximise collaboration, promote added value and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to award placings on the framework to the recommended suppliers listed and marked in Appendix 2 to this report.

Appendix 1 - Offers Received and SME Status

Tenderers	SME Status	Location	Lots Tendered
Anderson Pest Prevention	Sole Trader	Moray	1
Graham Environmental Services Limited (t/a Graham Pest Control)	Small	Perth & Kinross	1, 2
Killgerm Chemicals Limited	Large	West Yorkshire	4
Mitie Pest Control Limited	Large	Gloucestershire	1, 2, 3
North East Falconry Limited	Small	Tyne and Wear	1, 2, 3
Orbis Protect Limited	Large	Middlesex	1, 2
Pestguard Services (Scotland) Limited	Small	Renfrewshire	1, 2

Late Offer

Tenderers	Location
Rentokil Initial UK Ltd	Surrey

Non-compliant Offer

Tenderers	Location
Ecolab Limited	Caerphilly

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

Lot 1 - Pest Control Services	
Tenderer	Score
Graham Environmental Services Limited (t/a Graham Pest Control)*	95.00
Mitie Pest Control Limited*	94.00
Pestguard Services (Scotland) Limited*	78.25
Orbis Protect Limited*	73.50
Anderson Pest Prevention*	67.50
North East Falconry Limited*	60.75

Lot 2 - Bird Control Services	
Tenderer	
Graham Environmental Services Limited (t/a Graham Pest Control)	Not proceeding to award
Mitie Pest Control Limited	
North East Falconry Limited	
Orbis Protect Limited	
Pestguard Services (Scotland) Limited	

Lot 3 - Raptor Services	
Tenderer	
North East Falconry Limited*	86.75
Mitie Pest Control Limited*	44.14

Lot 4 - Pest Control and Associated Products	
Tenderer	
Killgerm Chemicals Limited*	84.25

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Request for Associate Membership of Scotland Excel by Routes to Work

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

2 Application

The structure of North Lanarkshire's economy has undergone a major transformation in the last twenty years. North Lanarkshire's economy has been most affected by the loss of its heavy industry, particularly during the 1980s and early 90s, and more recently significant reduction in its manufacturing sector which has suffered a decline of approximately 40% between 1995 and 2008, representing a loss of some 10,000 jobs.

Routes to Work are an Arm's Length charity of North Lanarkshire Council who exist to support North Lanarkshire's unemployed into further education, training and/or sustained employment. Their vision for North Lanarkshire is of a strong vibrant community where everyone is committed to improving the quality of life, work, and attainment for themselves and others.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the application and a Membership Agreement between Scotland Excel and the organisation is signed. The Membership Agreement protects Scotland Excel

and Renfrewshire Council in the event of default by the Associate Member in any contract.

Scotland Excel monitors all requests from arm length organisations to become associate members to ensure that any legal requirements are met as not all such organisations are fully funded from their local authority, in this case Routes to Work qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970 namely that the organisation is not a public body but has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that Routes to Work's application to join Scotland Excel as an associate member be approved, with no annual fee, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Request for Associate Membership of Scotland Excel by Design Dundee

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

2 Application

Design Dundee is a charity founded by Dundee City Council, Scottish Enterprise, The University of Abertay, The University of Dundee and The Victoria and Albert Museum to manage the Victoria and Albert Museum of Design in Dundee.

The museum, which is due to open in 2018, will bring a new perspective. An international centre of design and it will present the brilliance of Scottish creativity and the best of design from around the world. It's a place where people from every walk of life can find enjoyment and inspiration.

The museum's aim is to be a catalyst, a point of connection that brings together people and diverse organisations in a new creative way, demonstrated by the partnership of the five founding organisations

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the application and a Membership Agreement between Scotland Excel and the organisation is signed. The Membership Agreement protects Scotland Excel

and Renfrewshire Council in the event of default by the Associate Member in any contract.

Scotland Excel monitors all requests from arm length organisations to become associate members to ensure that any legal requirements are met as not all such organisations are fully funded from their local authority, in this case Design Dundee qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970 namely that the organisation is not a public body but has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the Design Dundee's application to join Scotland Excel as an associate member be approved, at an annual fee of £500, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Scottish Children's
Reporter Administration**

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

2 Application

The Scottish Children's Reporter Administration (SCRA) is a national body focused on children and young people most at risk. SCRA was formed under the Local Government (Scotland) Act 1994 and became fully operational on 1st April 1996.

The Children's Hearings System provides the operational setting in which SCRA and our partner agencies work. The aim is to provide a safety net for vulnerable children and young people, and deliver tailored solutions which meet the needs of the individuals involved, while helping to build stronger families and safer communities.

SCRA has nine localities, supported by a Head Office. The nine localities are: Highlands & Islands, North Strathclyde, Glasgow, Grampian, South East, Tayside & Fife, Ayrshire, Central, and Lanarkshire/Dumfries & Galloway.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to

access. Membership commences once committee has approved the application and a Membership Agreement between Scotland Excel and the organisation is signed. The Membership Agreement protects Scotland Excel and Renfrewshire Council in the event of default by the Associate Member in any contract.

Scotland Excel monitors all requests from arm length organisations to become associate members to ensure that any legal requirements are met as not all such organisations are fully funded from their local authority, in this case the Scottish Children's Reporter Administration qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970 namely that the organisation is a public body and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the Scottish Children's Reporter Administration's application to join Scotland Excel as an associate member be approved, at an annual fee of £500, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 08 December 2017

**Report
by
Director Scotland Excel**

Employee Absence Management Report

1. Introduction and purpose of the report

In response to the Renfrewshire Council Internal Audit team recommendation, the Joint Committee has requested that a report on organisational sickness absence be submitted on a quarterly basis highlighting the absence rate in the organisation. The absence rate is also a key performance indicator within the business plan section on organisational development and as such is monitored closely.

2. Scotland Excel Absence Management Target

The Joint Committee has previously agreed that Scotland Excel should work to an absence rate of below 4%. This target aligns Scotland Excel with partner organisations, supports good practice in this area and demonstrates the ongoing commitment to absence management as a key efficiency target.

3. Overview of Attendance

In line with audit recommendations, the attached report has been prepared for the Executive Sub Committee. The report details:

- Breakdown of current month, last six months and last 12 months absence figures
- Illustration of 12 months in days
- Illustration of last 12 months in percentages and full-time equivalent (FTE)

The report includes the latest absence details for period to October 2017. The rate of absence across the organisation has been maintained below the 4% target with the rolling 6 and 12 month average absence rates now below 2%.

The absence rates for the reporting periods are:

- previous 1 month to 1.6% (24 days / 0.56 FTE)
- previous 6 months to 1.7% (143 days / 1.93 FTE)
- previous 12 month period to 1.9% (297 days / 1.32 FTE)

Scotland Excel will continue its positive practices, including working with Occupational Health and other support services, to maintain attendance and in particular to support the members of staff who have significant health issues and will work to maintain the absence rate below the 4% target.

4. Recommendation

The Executive Sub Committee is requested to note the contents of report.

Absence Report

Organisation Level

Month Ending: 31 October 2017

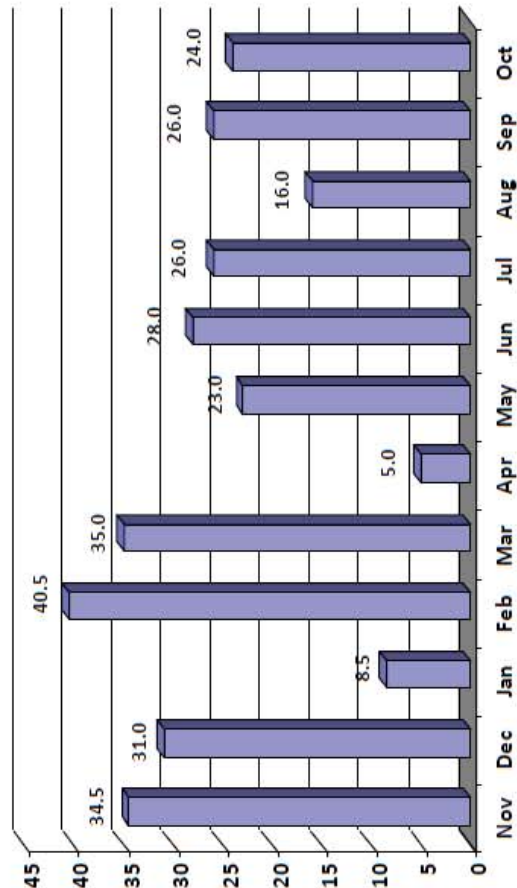
Current Month					Last 6 Months					Last 12 Months				
Self Certified Sick	Doctor Certified Sick	Total Sick Leave	Sickness Absence Rate	Sickness Absence Instances	Self Certified Sick	Doctor Certified Sick	Total Sick Leave	Sickness Absence Rate	Sickness Absence Instances	Self Certified Sick	Doctor Certified Sick	Total Sick Leave	Sickness Absence Rate	Sickness Absence Instances
14	10	24	1.6%	7	42	101	143	1.7%	28	136	161.5	297.5	1.9%	63
Total:														

No of Employees (Permanent and Temporary): 84

No of Leavers included: 8

Average no of Sickness Absence Days per Employee: 3.5

Total Sickness Absence Days by Month for Last 12 Months



Monthly YTD Absence Rate

