



To: **Procurement Sub-Committee**

On: **11th November 2015**

Report by:

Joint Report

by

The Chief Executive and the Director of Community Resources

Heading:

**Contract Authorisation Report:
Scottish Procurement SP-15-005-01 Liquid Fuels**

1. Summary

- 1.1 The purpose of this report is to seek approval of the Procurement Sub Committee to enter into a contract for Liquid Fuels utilising Lots 103 – heating oils, central region and 203 – automotive fuels, central region, of Scottish Procurement's Liquid Fuels contract SP-15-005-1 from 14th October 2015 to 13th October 2017 with the option to extend for an additional 2 x 12 months.
- 1.2 Scottish Procurement's call-off for lots 103 and 203 is under the Crown Commercial Service Liquid Fuels Framework Agreement RM1013.

- 1.3 A contract authorisation report has been submitted to the Director of Community resources and the Strategic Commercial & Procurement Manager to authorise spend with Certas Energy t/a Scottish Fuels for the interim period from 14th October to 25th November 2015 under lots 103 and 203 of Scottish Procurement's Liquid Fuel contract SP-15-005-1.
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2. Recommendations

2.1 It is recommended that the Procurement Sub-Committee authorise:

- The Head of Corporate Governance to award the contract for Liquid Fuels to Ceritas Energy t/a Scottish Fuels from 14th October 2015 to 13th October 2017 with the option to extend for up to an additional 2 x 12 months.
 - Spend under the call-off contract will be in the region of £6 million pounds over the four years of the contract if the extension period is utilised.
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3. Background

- 3.1 National contracts for commercial utilities for water services, electricity, gas and fuel are tendered by Scottish Procurement for the public sector in order to achieve economies of scale.
- 3.2 Scottish Procurement carried out a call-off against the Crown Commercial Service's RM1013.
- 3.3 Estimated Savings compared to previous rates and volumes from utilising the contract will be in the region of £19,000 per annum.
- 3.4 Scottish Procurement has achieved the following community benefits from Ceritas Energy t/a Scottish Fuels across the period of the contract. Scottish Procurement has advised that Renfrewshire Council's Economic Development team can liaise with the supplier re these opportunities.
- 12 Full time employees
 - to 10 apprentices
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Implications of the Report

1. **Financial**
The cost is financed via services revenue budgets.
2. **HR & Organisational Development**
None
3. **Community Planning**
Certas Energy t/a Scottish Fuels has committed to Community benefits under the Scottish Procurement's call-off contract. The Council's Economic Development team will investigate opportunities with Certas Energy t/a Scottish Fuels.
4. **Legal**
The Scottish Procurement mini competition has been carried out in accordance with the Crown Commercial Service framework. Individual call off orders will be carried out under the previous arrangement.
5. **Property Assets**
None
6. **Information Technology**

None
7. **Equality & Human Rights**
None.
8. **Health & Safety**
None
9. **Procurement**
The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures.
10. **Risk**
None.
11. **Privacy Impact**
Not Applicable

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