

Scotland Excel

To: Executive Sub-Committee

On: 27 January 2023

**Report by:
Chief Executive of Scotland Excel**

Tender: Supply and Delivery of Janitorial Products

Schedule: 12/22

Period: 1 March 2023 until 28 February 2027

1. Introduction and Background

The current framework for janitorial products will expire on 28 February 2023. This proposed framework will be for a period of four years from 1 March 2023 until 28 February 2027. Subject to approval and completion of a standstill period, the framework agreement is anticipated to commence on 1 March 2023.

This framework provides councils with a mechanism to procure a range of janitorial products including, but not limited to, paper-towels, cleaning chemicals, hand-soap, refuse sacks, cleaning equipment such as mops & buckets. Users of the framework are likely to include schools, nurseries, leisure centres, community centres, social work, council buildings, civic centres. This framework is also available to Scotland Excel associate members.

The renewal framework will include a one-stop-shop lot; giving councils the option to choose a sole supplier for their janitorial requirements, either via a mini competition or by direct award.

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

2. Scope, Participation and Spend

During the strategy development, the User Intelligence Groups (UIG) endorsed the development of four lots as summarised in Table 1.

Table 1: Lotting Structure

Lot No.	Description	Estimated % Spend through lot
1	Paper Products	40%
2	Janitorial Products	30%
3	Chemicals	15%
4	One-Stop-Shop	15%

This lotting structure recognises the current landscape of the marketplace and is designed to more closely align with council requirements. The lotting strategy continues to offer opportunities for small, medium and large enterprises (SMEs) in the marketplace and is explained further in report section 3, below.

The framework was advertised to enable access by all 32 councils in Scotland. As detailed in Appendix 1, 32 councils confirmed their intention to participate in this framework.

Historical spend data suggests a forecast framework spend of c. £12 million per annum, however, this figure increased over the course of the pandemic due to the implementation of enhanced cleaning regimes to c. £16 million. The new framework was advertised with a potential value of £14 million per annum. This value will facilitate the potential for low/non spending councils and other associate members to make use of the framework at a later date. It will also allow for the increase cost of alternative/eco-friendlier products. It should be noted that no guarantee is given for any business or any level of business under the framework.

3. Procurement Process

A Prior Information Notice (PIN) was published on 13 July 2022 which resulted in expressions of interest from 61 companies. Several supplier engagement meetings were held on the basis of Regulation 41 (Preliminary Market Consultation) of the Public Contracts (Scotland) Regulations 2015 to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

The User Intelligence Group (UIG), consisting of procurement and technical representatives from the participating councils, endorsed the procurement strategy in September 2022. A working group of technical representatives from the councils was formed to review the technical criteria to be utilised during the tender process.

Thereafter, the Contract Notice was published via the Find a Tender and Public Contracts Scotland (PCS) portal on 15 November 2022, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system. The tender exercise was conducted and concluded in accordance with the law and procedures currently in force.

Scotland Excel has taken cognisance of the current situation relative to the Coronavirus pandemic and related pressures on the health and social care system in Scotland. Balancing the current situation with the need to provide a route to market for councils to obtain essential cleaning and janitorial products, Scotland Excel has carefully monitored the situation throughout the period of the current framework and determined it was appropriate to undertake this renewal tender exercise and to recommend the establishment of this framework.

The procurement exercise followed an open tender procedure to encourage maximum competition and participation. All suppliers were evaluated against the advertised selection criteria using the Single Procurement Document (SPD), and the stated award criteria of:

1. Technical 25%
2. Commercial 75%

Within the technical section, suppliers were required to evidence their knowledge and experience by responding to a series of technical areas which are detailed within table 2 below:

Table 2: Technical Criteria

Description	Weighting
Service Performance	3
Fair Work First	5
Customer Communications & Staff Services	4
Recycling	7
Supply Chain	4
Community Benefits	2
Total score	25

The commercial section of the tender was worth 75 points. Points were awarded in the commercial section based on comparison of all offers received, whilst accounting for the supplier's response to the commercial award criteria. In all lots, tenders were evaluated on the basis of a 'basket of goods'. Together with other requirements, suppliers were required to submit pricing for at least 80% of the goods listed within the schedule of offer(s), otherwise their offers would have been deemed non-compliant and removed from the evaluation process.

Following a full evaluation of all compliant offers, scoring was completed in accordance with the published tender evaluation methodology, and a score was calculated for each supplier.

Lot 4 (One-Stop-Shop) is intended to be a "one-stop-shop" lot for councils that wish to consolidate their spend. Consequently, suppliers must be successfully awarded a place onto lots 1, 2 and 3 to be eligible for award on Lot 4. Scotland Excel did not award a separate score to Lot 4 participants.

4. Report on Offers Received

The tender document was downloaded by 69 organisations, with 20 tender responses received by the specified closing date and time. A summary of all offers received is provided in Appendix 2, and pricing was checked and validated where appropriate.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of all compliant offers received was completed. Appendix 3 confirms the scoring achieved by each supplier.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings summarised above, it is recommended that a multi-supplier framework arrangement is awarded to 12 suppliers across four lots as outlined in Appendix 3.

The 12 recommended suppliers offer best value and represent a mix of small, medium and large organisations. By taking an inclusive approach this will provide members with a greater offering.

The range of suppliers recommended provides coverage for all awarding framework lots and competitive options for all participating bodies as well as offering a degree of choice and capacity.

The Executive Sub Committee is accordingly requested to approve the recommendation to award this framework as detailed within Appendix 3 (Scoring and Recommendations).

6. Benefits

Savings

Scotland Excel has conducted a benchmarking exercise comparing current pricing against the pricing submitted within the renewal tender. The result of this benchmarking is listed in Appendix 1. The projected average saving across all councils is 4%, which equates to an estimated total saving of approximately £641k per annum based on current forecast spend levels.

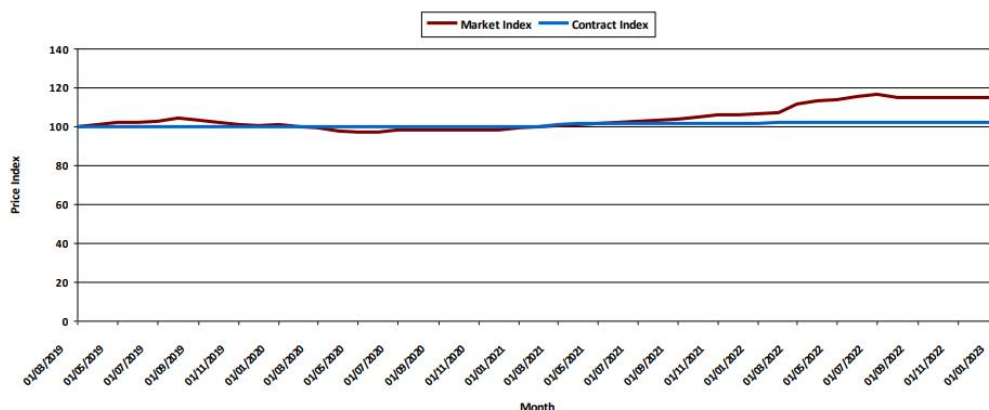
It should also be noted that the current framework contract is currently operating 12% under market conditions as detailed in Figure 1 indexation report below, therefore achieving an accumulative saving of 16%. This saving is in addition to the conducted benchmarking exercise and is a result of tight contract management procedures.

Indexation Report - Janitorial Products



Schedule No: 1218
Contract Title: Janitorial Products
Contract Manager: Angie McCarty
Start Date: 01/03/2019

Index	Type	Index Weighting (%)
Index Mundi - Wood Pulp	Standard	45
Consumer Price Index	Standard	20
Road Fuel - Diesel	Standard	20
Producers Price Index (EU28)	Specific	15



Notes:

The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Produced by Scotland Excel - 05/01/2023

Figure 1 Indexation Report – January 2023

Price Stability

The framework applies 6 months fixed pricing to all lots. Thereafter, all requests for price increases will be evaluated according to the Terms and Conditions of the framework and require to be supported by documentary evidence.

Rebate

A rebate of 0.5% payable to Scotland Excel will be applied to framework spend above £200,000 and will be calculated based upon all framework spend with the supplier reported through management information returns.

Sustainable Procurement Benefits

Sustainability

Within the technical section of the tender, Scotland Excel included a sustainability related method statement, which included, amongst other questions the following:

- Recycling
- Supply Chain

Responses received as part of the tender exercise are summarised, below:

One supplier is currently introducing an innovative sustainable cleaning and sanitising concept which virtually eliminates the use of single-use plastic from a

client's operation, whilst at the same time drastically reducing the carbon footprint impact from the supply chain.

Another supplier is proactively working with supply partners to seek out solutions to use less plastic and drive plastic reduction for example working with a mop head and cloth supplier to stop wrapping each item individually – instead these now come in packs of 10.

Another example is a supplier's commitment to achieve Net Zero by 2025 and zero waste by 2025. In direct response to Zero Waste Scotland's statement that 'four-fifths (80%) of Scotland's carbon footprint comes from the goods, materials and services which they produce' the supplier has implemented a Zero Waste Plan covering the procurement of sustainable and recyclable materials to prevent waste going to landfill and reduce the associated carbon emissions.

Community Benefits

Scotland Excel is committed to maximising community benefits delivery for members. Suppliers were asked to commit to the delivery of community benefit initiatives, against pre-agreed spend thresholds outlined within the community benefits method statement. These aim to be reflective of the National Indicators outlined within the Scottish Government's National Performance framework, and their underlying vision and goals. Councils will accrue 'community benefit points' based on their level of spend with a supplier. These 'points' correlate to a negotiable benefit that the council can elect to receive at any given point throughout the lifetime of the framework. Of the recommended suppliers, all 12 have committed to delivering these benefits. Scotland Excel will continue to engage with all appointed suppliers to drive maximum adoption and delivery of community benefits where appropriate

Within the published tender documents, suppliers were given a list of indicative community benefits that could be agreed with councils. Examples of these are:

- 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 full-time employees

Scotland Excel will monitor delivery of these commitments during the lifetime of the framework, and this will also be reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a 6 monthly basis

Fair Work First including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making.

Within the technical section of the tender, suppliers were assessed on their approach to fair work practices and payment of the Real Living Wage to their workforce. Of the 12 recommended suppliers, 11 pay the Real Living Wage, with 4 suppliers being accredited, as detailed in Appendix 4 - List of Recommended Suppliers with Living Wage Status. Scotland Excel will continue to work with suppliers to encourage greater coverage in those that pay the Real Living wage, and also to monitor additional commitment made.

7. Contract Mobilisation and Management

As part of the mobilisation process, all suppliers will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Suppliers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class D. As such, it will require annual supplier meetings and surveys, and annual user group reviews as appropriate. During the current market conditions Scotland Excel will continue to engage with suppliers on a regular basis to manage the response to the pandemic and ensure continuity of this essential service delivery for members.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This fourth-generation framework for the supply and delivery of Janitorial Products continues 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 this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1 – Participation, Spend and Savings Summary
1222 Supply and Delivery of Janitorial Products

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	01 March 2023	£1,361,700	Council Provided	12%	4.0%	£54,468	Benchmarked Current Framework
Aberdeenshire Council	Yes	01 March 2023	£1,565,527	Council Provided	12%	4.0%	£62,621	Benchmarked Current Framework
Angus Council	Yes	01 March 2023	£2,013,840	Council Provided	12%	4.0%	£80,554	Benchmarked Current Framework
Argyll & Bute Council	Yes	01 March 2023	£58,055	Council Provided	12%	4.0%	£2,322	Benchmarked Current Framework
City of Edinburgh Council	Yes	01 March 2023	£1,011,949	Council Provided	12%	4.0%	£40,478	Benchmarked Current Framework
Clackmannanshire Council	Yes	01 March 2023	£168,945	Council Provided	12%	4.0%	£6,758	Benchmarked Current Framework
Comhairle nan Eilean Siar	Yes	01 March 2023	£0	Council Provided	12%	4.0%	£0	Benchmarked Current Framework
Dumfries & Galloway Council	Yes	01 March 2023	£138,587	Council Provided	12%	4.0%	£5,543	Benchmarked Current Framework
Dundee City Council	Yes	01 March 2023	£340,181	Council Provided	12%	4.0%	£13,607	Benchmarked Current Framework
East Ayrshire Council	Yes	01 March 2023	£297,792	Council Provided	12%	4.0%	£11,912	Benchmarked Current Framework
East Dunbartonshire Council	Yes	01 March 2023	£581,022	Council Provided	12%	4.0%	£23,241	Benchmarked Current Framework
East Lothian Council	Yes	01 March 2023	£340,769	Council Provided	12%	4.0%	£13,631	Benchmarked Current Framework
East Renfrewshire Council	Yes	01 March 2023	£504,494	Council Provided	12%	4.0%	£20,180	Benchmarked Current Framework
Falkirk Council	Yes	01 March 2023	£121,921	Council Provided	12%	4.0%	£4,877	Benchmarked Current Framework
Fife Council	Yes	01 March 2023	£121,921	Council Provided	12%	4.0%	£4,877	Benchmarked Current Framework
Glasgow City Council	Yes	01 March 2023	£0	Council Provided	12%	4.0%	£0	Benchmarked Current Framework
Highland Council	Yes	01 March 2023	£7,625	Council Provided	12%	4.0%	£305	Benchmarked Current Framework
Inverclyde Council	Yes	01 March 2023	£321,542	Council Provided	12%	4.0%	£12,862	Benchmarked Current Framework
Midlothian Council	Yes	01 March 2023	£170,870	Council Provided	12%	4.0%	£6,835	Benchmarked Current Framework
Moray Council	Yes	01 March 2023	£171,791	Council Provided	12%	4.0%	£6,872	Benchmarked Current Framework
North Ayrshire Council	Yes	01 March 2023	£91,899	Council Provided	12%	4.0%	£3,676	Benchmarked Current Framework
North Lanarkshire Council	Yes	01 March 2023	£944,170	Council Provided	12%	4.0%	£37,767	Benchmarked Current Framework
Orkney Islands Council	Yes	01 March 2023	£345,499	Council Provided	12%	4.0%	£13,820	Benchmarked Current Framework
Perth & Kinross Council	Yes	01 March 2023	£399,651	Council Provided	12%	4.0%	£15,986	Benchmarked Current Framework

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Renfrewshire Council	Yes	01 March 2023	£400,000	Council Provided	12%	4.0%	£16,000	Benchmarked Current Framework
Scottish Borders Council	Yes	01 March 2023	£130,201	Council Provided	12%	4.0%	£5,208	Benchmarked Current Framework
Shetland Islands Council	Yes	01 March 2023	£0	Council Provided	12%	4.0%	£0	Benchmarked Current Framework
South Ayrshire Council	Yes	01 March 2023	£585,685	Council Provided	12%	4.0%	£23,427	Benchmarked Current Framework
South Lanarkshire Council	Yes	01 March 2023	£1,836,707	Council Provided	12%	4.0%	£73,468	Benchmarked Current Framework
Stirling Council	Yes	01 March 2023	£165,272	Council Provided	12%	4.0%	£6,611	Benchmarked Current Framework
Tayside Contracts	Yes	01 March 2023	£326,863	Council Provided	12%	4.0%	£13,075	Benchmarked Current Framework
West Dunbartonshire Council	Yes	01 March 2023	£399,336	Council Provided	12%	4.0%	£15,973	Benchmarked Current Framework
West Lothian Council	Yes	01 March 2023	£929,643	Council Provided	12%	4.0%	£37,186	Benchmarked Current Framework
Totals			£15,853,458				£634,138	
Associate Members	Yes	01 March 2023	£176,289	Supplier MI	12%	4.0%	£7,052	Benchmarked Current Framework
Totals			£16,029,747				£641,190	

Indexation – This column confirms the difference when the relevant market indices are compared with the relevant Contract indices derived from framework specific cost drivers.

Appendix 2 – List of Suppliers with SME Status

Supplier's Name	SME Status	Location	Lots Tendered	Lots awarded
Alliance Disposables Limited	Medium	Glasgow	1, 2 & 3	1, 2, 3 & 4
Arrow County Supplies Limited	Medium	Shrewsbury	1, 2 & 3	1, 2, 3 & 4
Aspire Industrial Services Limited	Small	Glasgow	1, 2 & 3	3
BFS Group Limited	Large	Slough	1, 2 & 3	N/A
Bunzl UK Limited	Large	London	1, 2 & 3	1, 2, 3 & 4
Cleaning & Wiping Supplies Ltd.	Small	East Kilbride	1 & 2	N/A
Creative Activity Group Limited	Small	Londonderry	3	N/A
Enviroclean Global Ltd	Small	Grangemouth	1, 2 & 3	1, 2, 3 & 4
Findel Education Limited	Large	Hyde	1, 2 & 3	N/A
GMC Corsehill Ltd.	Small	Irvine	1, 2 & 3	1, 2, 3 & 4
Instock Ltd	Medium	Aberdeen	1, 2 & 3	1, 2, 3 & 4
OT Group Limited	Large	Tameside	1, 2 & 3	2
Perfect Hygiene Limited	Small	Aberdeen	1	N/A
Personnel Hygiene Services Limited	Large	Caerphilly	1, 2 & 3	1 & 2
Prime Industrial & Janitorial Supplies Limited	Small	Dunfermline	1, 2 & 3	2
Pro Health Solutions Ltd	Micro	Altrincham	1	N/A
Rentokil Initial UK Ltd	Large	Crawley	1, 2 & 3	N/A
Sky Chemicals (UK) Limited	Small	Sheffield	3	N/A
The Guthrie Group Limited	Small	Livingston	2 & 3	2 & 3
Unico Limited	Medium	Falkirk	1, 2 & 3	1, 2, 3 & 4

Appendix 3 - Scoring and Recommendations

Lot 1 – Paper Products		
SUPPLIER NAME	TOTAL SCORE	Recommended for award (Yes/No)
Arrow County Supplies Limited	99.00	Yes
Alliance Disposables Limited	97.93	Yes
Personnel Hygiene Services Limited	93.08	Yes
Instock Ltd	90.50	Yes
Unico Limited	89.87	Yes
GMC Corsehill Ltd.	87.78	Yes
Bunzl UK Limited	85.91	Yes
Enviroclean Global Ltd	81.06	Yes
Rentokil Initial UK Ltd	75.02	No
BFS Group Limited	73.31	No
Pro Health Solutions Ltd	73.11	No
OT Group Limited	72.31	No
Cleaning & Wiping Supplies Ltd.	71.74	No
Aspire Industrial Services Limited	67.83	No
Perfect Hygiene Limited	55.71	No
Prime Industrial & Janitorial Supplies Limited	51.60	No
Findel Education Limited	50.13	No

Lot 2 – Janitorial Products		
SUPPLIER NAME	TOTAL SCORE	Recommended for award (Yes/No)
Unico Limited	97.75	Yes
Instock Ltd	93.84	Yes
GMC Corsehill Ltd.	93.21	Yes
Arrow County Supplies Limited	92.46	Yes
Enviroclean Global Ltd	89.56	Yes
Bunzl UK Limited	89.41	Yes
Personnel Hygiene Services Limited	85.82	Yes
Alliance Disposables Limited	82.22	Yes
Prime Industrial & Janitorial Supplies Limited	81.74	Yes
The Guthrie Group Limited	81.52	Yes
OT Group Limited	80.22	Yes
Findel Education Limited	68.32	No
Rentokil Initial UK Ltd	63.21	No
Aspire Industrial Services Limited	60.79	No
BFS Group Limited	57.74	No
Cleaning & Wiping Supplies Ltd.	54.20	No

Lot 3 – Chemicals		
SUPPLIER NAME	TOTAL SCORE	Recommended for award (Yes/No)
The Guthrie Group Limited	98.15	Yes
Bunzl UK Limited	97.50	Yes
Arrow County Supplies Limited	95.78	Yes
Instock Ltd	93.38	Yes
Unico Limited	93.38	Yes
GMC Corsehill Ltd.	92.24	Yes
Enviroclean Global Ltd	81.72	Yes
Aspire Industrial Services Limited	79.36	Yes
Alliance Disposables Limited	76.95	Yes
Prime Industrial & Janitorial Supplies Limited	67.32	No
Personnel Hygiene Services Limited	61.13	No
Rentokil Initial UK Ltd	53.73	No
OT Group Limited	52.93	No
Creative Activity Group Limited	48.14	No
Findel Education Limited	45.31	No
Sky Chemicals (UK) Limited	36.88	No
BFS Group Limited	35.40	No

Lot 4 – One Stop Shop	
SUPPLIER NAME	Recommended for award (Yes/No)
Alliance Disposables Limited	Yes
Arrow County Supplies Limited	Yes
Bunzl UK Limited	Yes
Enviroclean Global Ltd	Yes
GMC Corsehill Ltd.	Yes
Instock Ltd	Yes
Unico Limited	Yes
Aspire Industrial Services Limited	No
BFS Group Limited	No
Cleaning & Wiping Supplies Ltd.	No
Creative Activity Group Limited	No
Findel Education Limited	No
OT Group Limited	No
Perfect Hygiene Limited	No
Personnel Hygiene Services Limited	No
Prime Industrial & Janitorial Supplies Limited	No
Pro Health Solutions Ltd	No
Rentokil Initial UK Ltd	No
Sky Chemicals (UK) Limited	No
The Guthrie Group Limited	No

Appendix 4 - List of Recommended Suppliers with Living Wage Status

Supplier	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Alliance Disposables Limited		X				
Arrow County Supplies Limited			X			
Aspire Industrial Services Limited	X					
Bunzl UK Limited	X					
Enviroclean Global Ltd				X		
GMC Corsehill Ltd.			X			
Instock Ltd	X					
OT Group Limited						X
Personnel Hygiene Services Limited				X		
Prime Industrial & Janitorial Supplies Limited				X		
The Guthrie Group Limited				X		
Unico Limited	X					

Appendix 5 – Segmentation classifications

1222 Supply & Delivery of Janitorial Products is classified as Class D.

There are five segmentation classifications, and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.