

To: Procurement Sub Committee

On: 16 September 2015

Report by:

**Joint Report
by
The Chief Executive and Director of Development & Housing**

Contract Authorisation Report: Framework Agreement - Removal, Relocation & Warehouse Storage Services

1. Summary

- 1.1 The purpose of this contract authorisation report is to seek the approval of the Procurement Sub Committee to enter into a Framework Agreement for Removal, Relocation and Warehouse Storage Services, reference RC1409_2856.
- 1.2 The Framework Agreement was tendered in accordance with the above the EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts. A Contract Strategy was agreed by the Procurement Manager and the Head of Housing Services on 1 October 2014.
- 1.3 The Framework Agreement will commence on 13 October 2015, or alternatively, the date confirmed in the Letter of Acceptance and will be for a period of 3 years with an option to extend for a period of up to 12 months.
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2. Recommendations

2.1. It is recommended that the Procurement Sub Committee:

- 2.1.1 Authorise the Head of Corporate Governance to establish a Framework Agreement for Removal, Relocation and Warehouse Storage Services.

2.1.2 Authorise the Head of Corporate Governance to award the following 3 suppliers on to the Framework for Lot 1 – Adhoc Removal & Storage Services;

Kelerbay Limited

Richard Healey Removals Ltd

Harrow Green Limited

2.1.3 Authorise the Head of Corporate Governance to award the following 3 suppliers on to the Framework for Lot 2 – Homeless Services Removal & Storage Services;

Kelerbay Limited

Richard Healey Removals Ltd

The Removal Company (Scotland) Ltd

2.1.4 Note the Framework Agreement shall be for an initial period of three years, following which time the Council have the option to extend up to an additional 12 months.

2.1.5 Note spend under this Framework Agreement will be in the region of £625,000 excluding VAT over the maximum four year period.

3. Background

3.1 The Council require to put in place a Framework for Removal, Relocation and Warehouse Storage Services. The Framework is required for adhoc removals which may be required throughout the Council's departments and also for homeless persons removals where the Council has a statutory duty to provide removal and storage facilities for persons who find themselves homeless and are being assisted by the Council's Housing Advice and Homeless Services.

3.2 The tender opportunity followed the open procurement procedure for an above the EU threshold for services in accordance with the Council's Standing Orders Relating to Contracts. A contract notice advertising the opportunity was sent to the Public Contracts Scotland portal and the Official Journal of the European Union (OJEU) on 22 June 2015. Tender documentation was available for immediate download through the online e-tender system.

3.3 Seventeen (17) suppliers noted an interest of which eight (8) tender submissions were received by the closing date for the receipt of tender submissions at noon, on 24 July 2015.

- 3.4 Tender submissions were evaluated using a two stage process of Bid Selection and Award criteria. The tender submissions were first evaluated by representatives from the Corporate Procurement Unit, Development & Housing, Health & Safety and Corporate Risk against pre-determined Bid Selection criteria which assessed their capacity, experience & track record and their technical and financial capabilities. Two submissions failed to meet the minimum requirements and were not considered further.
- 3.5 The remaining six tenderers, who met the minimum requirements as outlined above, were then evaluated against a set of Award Criteria, based on a price / quality matrix of 70% price / 30% quality. The outcome of this evaluation determined the total score achieved by each tenderer.
- 3.6 Only the top 3 scoring tenderers will be awarded onto each Lot of the Framework.

Lot 1 – Adhoc Removals

Tenderer	Quality Score (%)	Price Score (%)	Total Score (%)	Ranked Position
Kelerbay Ltd	17.40	70.00	87.40	1
Richard Healey Removals Ltd	16.00	60.33	76.33	2
Harrow Green Limited	15.30	59.55	74.85	3
Clockwork Removals Ltd	13.60	59.14	72.74	4
The Removal Company (Scotland) Ltd	14.80	57.74	72.54	5
Bishops Move Ltd	14.10	49.38	63.48	6

Lot 2 – Homeless Services Removals

Supplier	Quality Score (%)	Price Score (%)	Total Score (%)	Ranked Position
Kelerbay Ltd	17.20	63.59	80.79	1
Richard Healey Removals Ltd	17.80	60.07	77.87	2
The Removal Company (Scotland) Ltd	15.60	56.48	72.08	3

- 3.7 Services under the value of £20,000 will be ordered under the Framework Agreement as a direct call off, with services being offered to the supplier ranked first. Should this supplier be unable to deliver the services, services will be offered to the next ranked supplier. Mini competitions will be undertaken over £20,000.00.
- 3.8 Suppliers have committed to no price increases over the initial 3 year period of the Framework. Mini competitions and negotiations may result in price decreases which may alter the ranking of suppliers under the Lot.
- 3.9 The Council's anticipated spend under this Framework will be in the region of £625,000 over the 4 year period.
- 3.10 Community benefits have been offered subject to the level of spend under the Framework:

Kelerbay Ltd:

Depending on contract volumes and demand they would take an active part in Renfrewshire employment projects.

Richard Healey Removals:

The company currently work with local organisations to provide work experience to long term unemployed. They encourage young people to join the company straight from school and provide a continuous training development plan to progress within company.

Depending on contract volumes and demand they may have the possibility of creating 2 permanent full time jobs.

Harrow Green Ltd:

Depending on contract volumes and demand they could:

- Agree a project in conjunction with the Council involving local school pupils or community groups.
- Undertake a workshop in a community group or youth group in Renfrewshire with a view to introducing/developing employability skills.
- Take on a work placement for a minimum of 5 days for an S4, S5 or S6 pupil from a Renfrewshire School.
- Take on a work placement for a minimum of 5 days for a teacher from a Renfrewshire school
- Undertake a programme of career talks in Renfrewshire schools
- Take on a person for work experience for a minimum of 5 days for unemployed person (not necessarily young person)
- Take on an extended work placement for a total period of 15 days for a school pupil from a Renfrewshire School (Placement could be over a period of time with individual placements ie one day or a week and not necessarily a block placement)
- Provide one-to-one mentoring to a young person from Renfrewshire (e.g one hour per month for 12 months)
- Take on an extended work placement for young person from a Council employability support programme (3-6 months).

- Support a programme of mock interviews for pupils, not necessarily in the one school).
- Recruit and commence an additional formal apprenticeship

The Removal Company (Scotland) Ltd:

Depending on contract volumes and demand they would be happy to enter into discussion with Renfrewshire Council and its partners with a view to starting one.

Implications of the Report

1. **Financial** – The financial status of each of the tenderers has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that all tenderers have satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** - None
3. **Community Planning** – As there is no guarantee of any level of spend under the Framework Agreement tenderers could not give a firm commitment to community benefits however the suppliers to be appointed onto the Framework have noted that any community benefits offered would be subject to the level of spend and activity under the Framework as per 3.10 above.
4. **Legal** – The tendering procedures for the establishment of this Framework Agreement were in accordance with the requirements of the Public Contracts (Scotland) Regulations 2012, as amended, schedule 3 Part A for contracts and Renfrewshire Council's Standing Orders Relating to Contracts.
5. **Property Assets** - None
6. **Information Technology** – None.
7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Tenderers health and safety submissions have been evaluated by Renfrewshire Council's Health and Safety section. All tenderers have met the minimum requirements regarding health & safety.

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** – None

List of background papers

(a) None

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