

## **Scotland Excel**

**To: Executive Sub-Committee**

**On: 19 April 2024**

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

**Tender: Supply Delivery Maintenance and Repair of Cleaning Equipment**

**Schedule: 05/23**

**Period: An initial period of 36 Months from commencement date with an option to extend for a single twelve-month period**

### **1. Introduction and Background**

This recommendation is for the award of the second-generation renewal framework for the Supply Delivery Maintenance and Repair of Cleaning Equipment.

This framework will provide a mechanism for councils to procure a range of cleaning equipment which will include, but is not limited to, floor sweepers, scrubbers, vacuum cleaners, and associated products.

This framework was advertised for a period of up to 48 months, comprising an initial period of 36 months from the commencement date with an option to extend for a single 12-month period subject to satisfactory operation and performance. Subject to approval and completion of a standstill period, the framework is intended to commence on or around early May 2024.

The report summarises the outcome of the procurement process for this national framework agreement and presents recommendations for award.

### **2. Scope, Participation and Spend**

As part of the strategy development and through consultation with the Commercial User Intelligence Group Steering Group (CUIG-SG), the inclusion of two lots was endorsed as shown in Table 1. The framework structure remains unchanged from the previous generation of the framework.

**Table 1: Lotting Structure**

Lot No.	Description	Estimated % Spend through lot
1	Supply & Delivery of Cleaning Equipment & Associated Products	90%
2	Maintenance & Repair of Cleaning Equipment & Associated Products	10%

As detailed in Appendix 1, 27 councils plus Tayside Contracts have confirmed their intention to participate in this framework, with all councils included in the advertised contract notice.

The framework was advertised at a total value of £1 million per annum, which equates to an estimated spend of £4 million over the maximum 4-year term of the framework. This advertised spend allows for increased participation from council and associate members not currently utilising the framework.

### **3. Procurement Process**

A Prior Information Notice (PIN) was published on the 22nd February 2023 which resulted in expressions of interest from 21 suppliers.

Thereafter, the contract notice was published via the Find a Tender and Public Contracts Scotland (PCS) portal on the 11th January 2024, 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.

The procurement exercise followed an open tender procedure to encourage maximum competition.

The published tender documents anticipated the appointment to the framework of tenderers with relevant and demonstrable experience and capabilities. There was no fixed number of tenderers to be awarded participation and no fixed score ensured success. The most economically advantageous tenderer or tenderers were identified once all of the bids had undergone evaluation in accordance with the requirements set down within the tender documents.

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

At the second stage of the evaluation process, offers were evaluated against the award criteria and weightings outlined in Table 2.

**Table 2: Evaluation Criteria/Weighting – Lot 1 and Lot 2**

<b>Award Criteria</b>	<b>Total Available Scores</b>
Commercial Section	80
Technical Section	20

Tenderers were required to indicate which local authorities they had an ability to service.

- In the Commercial Section, for lot 1, tenderers were asked to offer a National Net Delivered Product Price for at least 50% of a basket of goods. For lot 2 tenderers were asked to enter its “National Rate” for all engineer costs listed in the Schedule of Offer. For lot 1, tenderers were also asked to submit pricing for additional products, which prices were not scored, but have contractual effect. For lot 2, tenderers were also asked to submit mileage rates, which were not scored, but have contractual effect.
- In the Technical Section, as outlined in Table 3, by the evaluation of scored method statements taking the form of a single response from each tenderer on: Contract Management and Customer Service, Sustainability, Fair Work First and Community Benefits. A number of unscored technical requirements were also applied to tenderers relative to Ability to Service, Restrictions on Ability to Service, Ability to Transact, Vehicle Environmental Standards and Real Living Wage which have contractual effect.

**Table 3: Method Statement Scoring**

<b>Section</b>	<b>Question</b>	<b>Maximum Score Available</b>
<b>Technical 20%</b>	<b>MS1- Contract Management and Customer Service</b>	<b>5</b>
	<i>1.1 Contract Management</i>	<i>2.5</i>
	<i>1.2 Customer Service</i>	<i>2.5</i>
	<b>MS2 - Sustainability</b>	<b>5</b>
	<i>2.1 Waste</i>	<i>2</i>
	<i>2.2 Transportation</i>	<i>2</i>
	<i>2.3 Supply Chain</i>	<i>1</i>
	<b>MS3 - Fair Work First</b>	<b>5</b>
	<b>MS4 - Community Benefits</b>	<b>5</b>

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

#### **4. Report on Offers Received**

The tender documents were downloaded by 25 suppliers, with 13 tender responses received by the specified closing date and time.

Based on the criteria and scoring methodology set out in the tender documents, a full evaluation of offers received was completed. A summary of all the offers received and the scoring achieved by each tenderer is set out in Appendix 2.

#### **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 (in whole or in part) to 3 suppliers as outlined in Appendix 2 subject to satisfactory conclusion of insurance checks.

The 3 recommended suppliers offer best value and represent a mix of small and medium organisations.

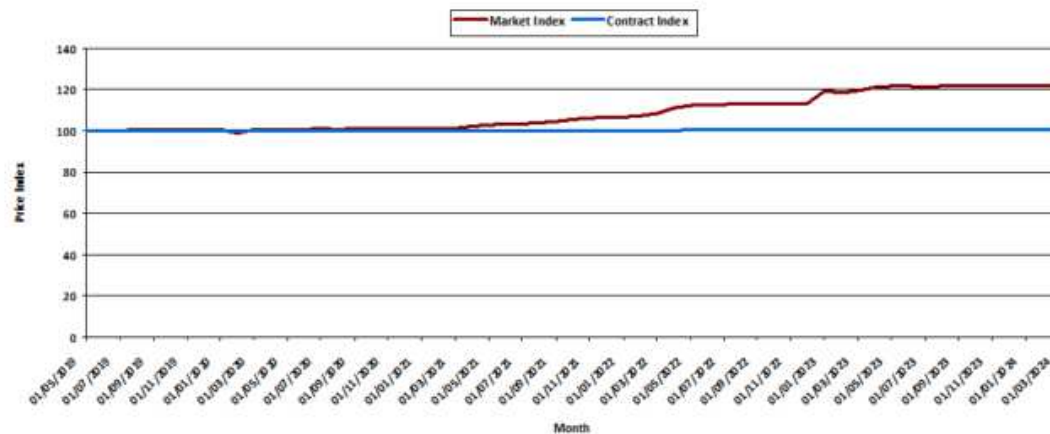
The range of suppliers recommended provides coverage and competitive options for all participating bodies.

The Executive Sub Committee is accordingly requested to approve the recommendation to award this framework as detailed within Appendix 2.

#### **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 on cost across all councils is 11%, which equates to an estimated total increase of approximately £60,740 per annum based on current forecast spend levels. Given the market movement forecast of 11% over the period of the current framework as demonstrated in figure 1, the impact through transition to the new framework is cost neutral.



**Figure 1 Indexation Report March 2024**

These savings are summarised in Table 4 in accordance with the Scottish Government procurement benefits reporting guidance.

**Table 4: Benefit Types**

Reference	Type	Reportable Outcome
BT1	Direct price-based savings	£60,740
BT2	Price versus market savings	11%
BT3	Process savings from use of collaborative arrangements	£337,000

### Price Stability

Pricing is fixed for the first 12-months of the framework. 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.

After the first 12-months, suppliers may submit a request for a price variance on an annual basis. Suppliers may submit a price decrease at any time throughout the duration of the framework.

### Rebate

A rebate of 0.5% payable to Scotland Excel will be applied to framework spend above £75,000 annually and will be calculated based on all frameworks spend

with the supplier reported through management information returns. It is important to note that the £75,000 threshold resets annually.

## **Sustainable Procurement Benefits**

The following sustainability benefits represent the Scottish Government reporting guidance for sustainability-based benefits (BT14).

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

- Waste
- Transportation
- Supply Chain

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

In terms of waste, suppliers are seeking advice from specialist consultants as and when required regarding management of waste to maintain a Reduce, Reuse and Recycle culture.

Suppliers are using effective route management to monitor journey routing, and fuel efficiency. Electric vehicles are also being considered as technology improves.

Suppliers are using environmental policies to address their carbon footprint and to seek innovation on new products from their own supply chain.

## **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 spending 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 3 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:

- Fundraising (Events in the local authority area for charity)
- Community Volunteering (Community Projects e.g., food growing/ allotment assistance)

- Work Experience (Placements for school students in the local authority)
- Training (Training sessions for wider community)
- Employability Workshops (Events in school, college, or community group)
- Material/Labour Donation (Help support community projects)
- Sponsorship (Local sports team or community event)

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.

### **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 First and payment of the Real Living Wage to their workforce. Of the 3 recommended suppliers, all 3 pay the Real Living Wage with one being an accredited Real Living Wage employer, as detailed in Appendix 2 – Scoring and Recommendations.

Scotland Excel will continue to monitor Fair Work First, including encouraging further uptake by suppliers to gain Real Living Wage accreditation during contract and supplier management activity.

## **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 classification tool, 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.

## **8. Summary**

This second-generation framework for the Supply Delivery Maintenance and Repair of Cleaning Equipment 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 2.



**Appendix 1 – Participation, Spend and Savings Summary**  
**0523 Supply Delivery Maintenance and Repair of Cleaning Equipment**

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	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Aberdeenshire Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Angus Council	YES	May 2024	£392	MI Confirmed	11.0%	-11.0%	-£43	Benchmark Current Contract
Argyll & Bute Council	YES	May 2024	£9,634	MI Confirmed	11.0%	-11.0%	-£1,060	Benchmark Current Contract
City of Edinburgh Council	YES	May 2024	£94,543	MI Confirmed	11.0%	-11.0%	-£10,400	Benchmark Current Contract
Clackmannanshire Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Comhairle nan Eilean Siar	NO	May 2024	£992	MI Confirmed	11.0%	-11.0%	-£109	Benchmark Current Contract
Dumfries & Galloway Council	YES	May 2024	£2,343	MI Confirmed	11.0%	-11.0%	-£258	Benchmark Current Contract
Dundee City Council	TBC	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
East Ayrshire Council	YES	May 2024	£32,947	MI Confirmed	11.0%	-11.0%	-£3,624	Benchmark Current Contract
East Dunbartonshire Council	YES	May 2024	£21,644	MI Confirmed	11.0%	-11.0%	-£2,381	Benchmark Current Contract
East Lothian Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
East Renfrewshire Council	YES	May 2024	£25,151	MI Confirmed	11.0%	-11.0%	-£2,767	Benchmark Current Contract
Falkirk Council	YES	May 2024	£11,960	MI Confirmed	11.0%	-11.0%	-£1,316	Benchmark Current Contract
Fife Council	YES	May 2024	£1,024	MI Confirmed	11.0%	-11.0%	-£113	Benchmark Current Contract
Glasgow City Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Highland Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Inverclyde Council	YES	May 2024	£192	MI Confirmed	11.0%	-11.0%	-£21	Benchmark Current Contract
Midlothian Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Moray Council	TBC	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
North Ayrshire Council	YES	May 2024	£25,986	MI Confirmed	11.0%	-11.0%	-£2,858	Benchmark Current Contract
North Lanarkshire Council	YES	May 2024	£91,890	MI Confirmed	11.0%	-11.0%	-£10,108	Benchmark Current Contract
Orkney Islands Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
Perth & Kinross Council	NO	May 2024	£479	MI Confirmed	11.0%	-11.0%	-£53	Benchmark Current Contract
Renfrewshire Council	YES	May 2024	£4,921	MI Confirmed	11.0%	-11.0%	-£541	Benchmark Current Contract
Scottish Borders Council	YES	May 2024	£1,124	MI Confirmed	11.0%	-11.0%	-£124	Benchmark Current Contract
Shetland Islands Council	YES	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
South Ayrshire Council	YES	May 2024	£38,446	MI Confirmed	11.0%	-11.0%	-£4,229	Benchmark Current Contract
South Lanarkshire Council	YES	May 2024	£95,695	MI Confirmed	11.0%	-11.0%	-£10,526	Benchmark Current Contract
Stirling Council	TBC	May 2024	£0	MI Confirmed	11.0%	-11.0%	£0	Benchmark Current Contract
West Dunbartonshire Council	YES	May 2024	£23,560	MI Confirmed	11.0%	-11.0%	-£2,592	Benchmark Current Contract
West Lothian Council	YES	May 2024	£2,860	MI Confirmed	11.0%	-11.0%	-£315	Benchmark Current Contract
Tayside Contracts	YES	May 2024	£4,935	MI Confirmed	11.0%	-11.0%	-£543	Benchmark Current Contract
<b>Totals</b>			<b>£490,718</b>			<b>-11.0%</b>	<b>-£53,979</b>	
Associate Members	YES	May 2024	£61,467	MI Confirmed	11.0%	-11.0%	-£6,761	Benchmark Current Contract
<b>Totals</b>			<b>£552,185</b>			<b>-11.0%</b>	<b>-£60,740</b>	

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 – Scoring and Recommendations

<u>LOT NUMBER AND NAME</u>	<u>TENDERER NAME</u>	<u>SME STATUS</u>	<u>REAL LIVING WAGE STATUS</u>	<u>LOCATION</u>	<u>NUMBER OF LOTS BID FOR</u>	<u>NUMBER OF LOTS RECOMMENDED</u>	<u>OVERALL RECOMMENDATION STATUS</u>	<u>COMMERCIAL SCORE</u>	<u>TOTAL TECHNICAL SCORE</u>	<u>TOTAL SCORE</u>	<u>PLACING</u>	<u>RECOMMENDED FOR AWARD FOR LOT/SUB-LOT?</u>
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	DMG FLOORCARE LTD	Small	1	Glasgow	2	2	SUCCESSFUL	80.00	18.50	98.50	1	Y
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	HIGHLAND INDUSTRIAL SUPPLIES LIMITED	Medium	4	Inverness	2	1	PART-SUCCESSFUL	76.88	20.00	96.88	2	Y
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	NILFISK LTD.	Medium	4	Cumbria	2	1	PART-SUCCESSFUL	79.95	16.38	96.32	3	Y
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	IIC PRODUCTS LIMITED	Small	3	Birmingham	2	0	UNSUCCESSFUL	60.01	20.00	80.01	4	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	NUMATIC INTERNATIONAL LIMITED	Large	4	Chard	2	0	UNSUCCESSFUL	59.21	19.38	78.58	5	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	UNICO LIMITED	Medium	1	Falkirk	1	0	UNSUCCESSFUL	56.65	20.00	76.65	6	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	BUNZL UK LIMITED	Large	4	London	2	0	UNSUCCESSFUL	56.62	17.00	73.62	7	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	DIVERSEY LIMITED	Large	4	Northampton	1	0	UNSUCCESSFUL	50.89	20.00	70.89	8	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	CAPITAL POWER CLEAN LIMITED	Small	2	Livingston	2	0	UNSUCCESSFUL	48.85	20.00	68.85	9	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	ALLIANCE DISPOSABLES LIMITED	Medium	2	Glasgow	1	0	UNSUCCESSFUL	48.75	20.00	68.75	10	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	GT CLEANING MACHINES LIMITED	Small	4	East Kilbride	2	0	UNSUCCESSFUL	47.69	17.50	65.19	11	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	POWERWASHER SERVICES LIMITED	Small	1	Laurencekirk	2	0	UNSUCCESSFUL	41.06	17.63	58.69	12	N
Lot 1 - Supply & Delivery of Cleaning Equipment & Associated Products	BRIGGS EQUIPMENT UK LIMITED	Large	6	Cannock	2	0	UNSUCCESSFUL	38.26	19.00	57.26	13	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	DMG FLOORCARE LTD	Small	1	Glasgow	2	2	SUCCESSFUL	80.00	18.50	98.50	1	Y
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	NUMATIC INTERNATIONAL LIMITED	Large	4	Chard	2	0	UNSUCCESSFUL	53.33	19.38	72.71	2	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	CAPITAL POWER CLEAN LIMITED	Small	2	Livingston	2	0	UNSUCCESSFUL	44.60	20.00	64.60	3	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	POWERWASHER SERVICES LIMITED	Small	1	Laurencekirk	2	0	UNSUCCESSFUL	39.53	17.63	57.15	4	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	HIGHLAND INDUSTRIAL SUPPLIES LIMITED	Medium	4	Inverness	2	1	PART-SUCCESSFUL	32.00	20.00	52.00	5	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	GT CLEANING MACHINES LIMITED	Small	4	East Kilbride	2	0	UNSUCCESSFUL	26.25	17.50	43.75	6	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	BUNZL UK LIMITED	Large	4	London	2	0	UNSUCCESSFUL	26.53	17.00	43.53	7	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	IIC PRODUCTS LIMITED	Small	3	Birmingham	2	0	UNSUCCESSFUL	11.72	20.00	31.72	8	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	BRIGGS EQUIPMENT UK LIMITED	Large	6	Cannock	2	0	UNSUCCESSFUL	12.29	19.00	31.29	9	N
Lot 2 - Maintenance & Repair of Cleaning Equipment & Associated Products	NILFISK LTD.	Medium	4	Cumbria	2	1	PART-SUCCESSFUL	12.80	16.38	29.17	10	N

**KEY** – Real Living Wage Status Reference and Descriptions

Real Living Wage Ref.	Description
<b>1</b>	<b>Paying and Accredited</b> Accredited Real Living Wage Employer and commit to maintaining this for the duration of the Framework Contract.
<b>2</b>	<b>Paying &amp; Progressing to Accreditation</b> Currently Paying the Real Living Wage and going through the process of becoming an accredited Real Living Wage Employer. Commitment to gaining accreditation over the initial two-year period of the Framework Contract.
<b>3</b>	<b>Paying &amp; Commitment to Accreditation</b> Currently paying the Real Living Wage. Not yet progressing accreditation but commitment to gaining accreditation over the initial two-year period of the framework contract.
<b>4</b>	<b>Paying but No Commitment to Accreditation</b> Currently paying the Real Living Wage. Not an accredited Real Living Wage Employer but paying the Real Living Wage to all employees (except volunteers, apprentices, and interns) and commit to maintaining this for the duration of the framework contract.
<b>5</b>	<b>Not Paying but Commitment to Pay</b> Not an accredited Real Living Wage Employer and do not currently pay the Real Living Wage to all employees (except volunteers, apprentices, and interns) but commit to paying the Real Living Wage to all employees (except volunteers, apprentices, and interns) within the initial two-year period of the framework contract.
<b>6</b>	<b>Not Paying</b> Neither accredited nor paying Real Living Wage.