

## Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 24 August 2018	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

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); (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)

### Video Conferencing

Should any member wish to participate using video conferencing please contact Lesley Jones on 0141 618 7444.

### 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 <http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx>

For further information, please either email [democratic-services@renfrewshire.gov.uk](mailto: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 the customer service centre where they will be met and 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.

- |             |   |                |
|-------------|---|----------------|
| <b>1</b>    | <b>Minute of the Executive Sub-committee</b>                              | <b>5 - 8</b>   |
|             | Minute of meeting of the Executive Sub-committee held on 29 June 2018.    |                |
| <b>2</b>    | <b>Revenue Budget Monitoring</b>  | <b>9 - 12</b>  |
|             | Joint Report by Treasurer and Director of Scotland Excel.                 |                |
| <b>3</b>    | <b>Contract for Approval</b>  |                |
| <b>3(a)</b> | <b>Provision and Delivery of Washroom Solutions and Sanitary Products</b> | <b>13 - 26</b> |
|             | Report by Director of Scotland Excel.                                     |                |
| <b>3(b)</b> | <b>Supply and Delivery of First Aid Materials</b>                         | <b>27 - 34</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>3(c)</b> | <b>Domestic Gas Boiler Maintenance</b>                                    | <b>35 - 50</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>3(d)</b> | <b>Supply and Delivery of Road Maintenance Materials</b>                  | <b>51 - 62</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>3(e)</b> | <b>Supply and Delivery of Street Lighting Materials</b>                   | <b>63 - 74</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>3(f)</b> | <b>Treatment and Disposal of Recyclable and Residual Waste</b>            | <b>75 - 84</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>4</b>    | <b>Request for Associate Membership: Wise Group</b>                       | <b>85 - 86</b> |
|             | Report by the Director of Scotland Excel.                                 |                |
| <b>5</b>    | <b>Employee Absence Management Report</b>                                 | <b>87 - 90</b> |
|             | Report by the Director of Scotland Excel.                                 |                |

## **6 Date of Next Meeting**

Note that the next meeting of the Executive Sub-committee will be held on 28 September 2018 in Scotland Excel Meeting Room 1, Renfrewshire House.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 29 June 2018	09:45	City Chambers, Glasgow City Council, 80 George Square, Glasgow, G2 1DU

### Present

Provost Bill Howatson (Aberdeenshire Council); 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 Amanda Westlake (Shetland Islands Council); and Councillor Collette Stevenson (South Lanarkshire Council).

### Chair

Councillor John Shaw, Convener, presided.

### In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, L Richard, Strategic Procurement Manager, L Cairns, Senior Procurement Specialist and S Brysdon, Procurement Coordinator (all Scotland Excel); M Conaghan, Legal and Democratic Services Manager, D Low, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Councillor Graham Hutchison (City of Edinburgh Council); Councillor Altany Craik (Fife Council); Councillor A Mackinnon (Highland Council); and Councillor Todd Ferguson (North Ayrshire Council).

## **Declarations of Interest**

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

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 1 June 2018.

**DECIDED:** That the Minute be approved.

### **2(a) Contract for Approval: Supply and Distribution of Fresh Meats, Cooked Meats and Fresh Fish**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the supply and distribution of fresh meats, cooked meats and fresh fish which would be effective from 1 October 2018 to 30 September 2021 with the option to extend to 30 September 2022.

The report intimated that the framework provided councils with a mechanism to procure a range of fresh goods and that users of the framework were likely to include schools, nurseries, leisure centres, community centres, social work, council buildings and civic centres. The renewal framework incorporated a number of enhancements including locally sourced produce and an increase in sustainable products.

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

The framework had been divided into four lots and 41 geographical sub-lots as detailed in table 1 of the report and had been advertised at an estimated value of £10 million per annum.

It was noted that 28 councils had confirmed their intention to participate in the framework. In addition, Tayside Contracts had confirmed their intention to participate.

Tender responses had been received from ten suppliers and a summary of offers received was detailed in Appendix 2 to the report. The report highlighted that Hartleys Farm Foods Limited was non-compliant with the second stage technical assessment as they failed to offer an ability to service any council area. It was also noted that reference to Gordon McWilliam (Aberdeen) Limited in Appendix 2 to the lots offered should read 1, 2 and 4.

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 set out in the report it was recommended that a multi-supplier framework agreement be awarded to seven suppliers across the four lots as outlined in Appendix 3 to the report.

**DECIDED:**

(a) That the award of the framework agreement for the supply and distribution of fresh meats, cooked meats and fresh fish, as detailed in Appendix 3 to the report, be approved; and

(b) That it be noted that reference to Gordon McWilliam (Aberdeen) Limited in Appendix 2 to the lots offered should read 1, 2 and 4.

**2(b) Contract for Approval: Supply and Delivery of Roadstone**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the supply and distribution of roadstone which would be effective from 23 July 2018 to 30 June 2022.

The report intimated that the framework provided councils with a mechanism to procure a range of coated, uncoated and recycled roadstone as well as ready mixed concrete to support the requirements of councils' road departments. The renewal framework incorporated a number of enhancements including additional products, the removal of any limits on the number of quarries or plants offered and an increased commercial focus on distribution costs.

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

The framework had been divided into four lots as detailed in table 1 of the report and had been advertised at an estimated value of £20 million over the four-year period. It was noted that 10 councils had confirmed their intention to participate in the framework.

Tender responses had been received from 14 suppliers and a summary of offers received was detailed 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 set out in the report it was recommended that a multi-supplier framework agreement be awarded to 14 suppliers across the four lots as outlined in Appendix 3 to the report.

**DECIDED:** That the award of the framework agreement for the supply and delivery of roadstone, as detailed in Appendix 3 to the report, be approved.

**2(c) Contract for Approval: Social Care Agency Workers**

There was submitted a report by the Director of Scotland Excel relative to the award of a national framework agreement for social care agency workers.

The report intimated that the framework aimed to bring flexibility and scope to meet the ever-changing needs of the care and support market by allowing the addition of new suppliers throughout the duration of the agreement, where required, to enable the continued delivery of best value and sufficient geographic and service coverage across all of Scotland.

The framework had been divided into three lots as detailed in table 1 of the report and also 17 geographical regions to encourage SME participation and allow suppliers operating in specific geographical areas to submit competitive bids. It was noted that the framework was available to all 32 councils, NHS National Procurement, the Scottish Prison Service and a number of associate member housing associations.

Tender responses had been received from 48 suppliers and a summary of offers received was detailed in Appendix 2 to the report. A number of tenderers withdrew their tender submissions or were deemed non-compliant and the reasons were detailed in section 4 of the report

Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the remaining compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

In order to provide a range of providers for each region and to provide coverage and choice it was recommended that participation on the flexible framework be awarded to 15 tenderers as outlined in Appendix 3 to the report.

**DECIDED:** That the participation of 15 tenderers on the flexible framework, as detailed in Appendix 3 to the report, be approved.

### **3 Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 10.45 am on 24 August 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.



To: Executive Sub Committee

On: 24 August 2018

**Report  
by  
Joint Report by the Treasurer and the Director**

**Revenue Budget Monitoring Report to 20 July 2018**

**1. Summary**

1.1 Gross expenditure is £2,000 under budget and income is currently break even which results in a net underspend of £2,000 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 £2,000**

*Previously Reported                      n/a*

The variance is due to an underspend in Employee Costs and an overspend in Administration Costs.

Employee Costs are currently underspent due to:

- the pay award for 18/19 has still to be processed,
- a delay in filling some vacancies

Administration Costs are overspent due to the cost of recruitment support.

All projects are currently projected to break even.

**4.2 Projected Year End Position**

It is currently forecast that Scotland Excel will achieve a breakeven position by the year end.



**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2018/19**  
**1st April 2018 to 20th July 2018**

**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	%	
Employee Costs	3,040	741	715	14	729	12	1.6%	underspend
Property Costs	196	0	0	0	0	0	0.0%	breakeven
Supplies & Services	141	60	69	(9)	60	0	0.0%	breakeven
Contractors and Others	0	0	0	0	0	0	0.0%	breakeven
Administration Costs	266	84	114	(20)	94	(10)	-11.9%	overspend
Payments to Other Bodies	20	0	(2)	2	0	0	0.0%	breakeven
<b>GROSS EXPENDITURE</b>	<b>3,663</b>	<b>885</b>	<b>896</b>	<b>(13)</b>	<b>883</b>	<b>2</b>	<b>0.2%</b>	<b>underspend</b>
<b>Contributions from Local Authorities</b>	<b>(3,484)</b>	<b>(82)</b>	<b>(82)</b>	<b>0</b>	<b>(82)</b>	<b>0</b>	<b>0.0%</b>	<b>breakeven</b>
<b>Other Income</b>	<b>(90)</b>	<b>(56)</b>	<b>(56)</b>	<b>0</b>	<b>(56)</b>	<b>0</b>	<b>0.0%</b>	<b>breakeven</b>
<b>INCOME</b>	<b>(3,574)</b>	<b>(138)</b>	<b>(138)</b>	<b>0</b>	<b>(138)</b>	<b>0</b>	<b>0.0%</b>	<b>breakeven</b>
<b>TRANSFER (TO)/FROM RESERVES</b>	<b>90</b>	<b>747</b>	<b>758</b>	<b>(13)</b>	<b>745</b>	<b>2</b>	<b>0.3%</b>	<b>underspend</b>

	<b>General Reserve</b>
	<b>£000's</b>
Opening Reserves	(292)
Budgeted Draw on Reserves	90
Projected Year End Overspend / (Underspend)	0
Anticipated Closing Reserves	(202)



## Scotland Excel



**To: Executive Sub Committee**

**On: 24 August 2018**

### Report by Director Scotland Excel

**Tender: Provision and Delivery of Washroom Solutions and Sanitary Products**

**Schedule: 32-17**

**Period: 1 October 2018 until 30 September 2022**

#### 1. Introduction and Background

The current framework for the delivery of washroom solutions will expire on 30 September 2018. This recommendation is for the award of a renewal framework which will operate from 1 October 2018 until 30 September 2022 with no option to extend beyond this date.

This framework will provide councils with a mechanism to procure a range of products and services including, but not limited to, sanitary waste disposal; nappy waste disposal; sanitisers; air fresheners, sharps disposal and medical waste disposal and the provision of sanitary products. Users of the framework are likely to include schools, nurseries, leisure centres, community centres, social work, council buildings and civic centres.

The renewal framework also supports the Scottish Government's commitment of promoting dignity to women by providing free sanitary protection to students in educational establishments.

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 User Intelligence Group (UIG) endorsed the development of two lots as summarised in Table 1

**Table 1: Lotting Structure**

Lot No.	Description	Estimated % Spend through lot
1	Washroom Solutions	85%
2	Sanitary Products	15%

This lotting structure recognises the current landscape of the market place and is designed to more closely align with council requirements. The lotting strategy continues to maximise opportunities for Small and Medium Enterprises (SMEs).

The framework was advertised to enable access by all 32 councils in Scotland. As detailed in Appendix 1, 29 councils have confirmed their intention to participate in this framework. Comhairle nan Eilean Siar, Orkney Islands Council and Shetland Council currently have their own arrangements in place and have confirmed that they do not intend to participate.

Historical spend data suggests a forecast framework spend of c. £1.87 million per annum, however, the framework was advertised with a potential value of £3.5 million per annum. This will allow for the Scottish Government's commitment to offer free sanitary protections for students, thereby requiring additional products and waste disposal services as well as the Scottish Government's pledge to increase delivery of free early learning and childcare provision by 2020, necessitating additional nappy waste disposal services. This value will also facilitate the potential for non-participating councils to make use of the framework at a later date. It should be noted however, that no guarantee is given of any business or any level of business under the framework.

### **3. Procurement Process**

A Prior Information Notice (PIN) was published on 12 December 2017 resulting in expressions of interest from 18 companies. Market engagement led to six supplier meetings, which helped inform the delivery strategy in areas such as ability to service, market trends, community benefits as well as inclusion of potential products and specifications.

The User Intelligence Group (UIG), consisting of procurement and technical representatives from the participating councils, endorsed the procurement strategy in February 2018. A working group of technical representatives from the councils was formed to review the technical criteria to be utilised 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 16 May 2018. 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 exclusionary questions along with questions on insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, offers were evaluated against the following criteria and weightings, with the technical scoring breakdown shown in table 2 below:

- Lot 1
  - Technical 25%
  - Commercial 75%
  
- Lot 2
  - Technical 13%
  - Commercial 87%

**Table 2: Scoring Breakdown**

Area	Maximum Score Available
<b>Lot 1 Technical</b>	
Fair Work Practices	5
CO2 Emissions & Route Planning	2
Customer Communication & Staff Resources	2
Service Performance	6
Recycling, Waste Disposal	8
Community Benefits	2

Area	Maximum Score Available
<b>Lot 2 Technical</b>	
Fair Work Practices	5
CO2 Emissions & Route Planning	2
Customer Communication & Staff Resources	2
Recycling	2
Community Benefits	2

Within the master lot section, bidders were required to evidence their knowledge and experience by responding to the questions in the following areas: fair work practices; reduction of CO<sub>2</sub> emissions & route planning and customer communication & staff resources. The master technical section required to be completed once only, regardless of the number of lots applied for.

In addition to these questions, lot specific technical questions were asked in relation to service performance, recycling, waste disposal and community benefits.

Within the commercial section for both lots, bidders were invited to offer a net delivered price for each of the core products / services used by councils.

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

The tender document was downloaded by 23 organisations, with 7 tender responses received.

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

All respondents passed the first stage assessment. However, Personal Hygiene Services Limited (PHS) was non-compliant in the second stage lot 1 commercial assessment. This company failed to upload a pricing schedule of offer for lot 1. PHS did upload a compliant bid for lot 2, but chose to withdraw from the tender exercise completely as they believed that lot 2 alone would not deliver sufficient business for them.

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

## **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 six suppliers across two lots as outlined in Appendix 3.

The six recommended suppliers provide the choice, scope and range required by councils as well as representing best value and providing geographical coverage. These six suppliers also represent a mix of small, medium and large organisations, with five of the recommended suppliers classified as SMEs.

## **6. Benefits**

### **Savings**

Scotland Excel conducted a benchmarking exercise for each council based on the available historical information. The results of this benchmarking are detailed in Appendix 1.

Based on current forecast spend levels, the cost impact to the councils can be recorded as being cost neutral.

### **Price Stability**

For both lots, tenderers agreed to hold both core and non-core pricing for 12 months.

### **Sustainable Procurement Benefits**

Within the technical section of the tender, bidders were asked to complete a method statement on assisting councils with innovative process and recycling and systems and processes for reducing waste.

One solution offered an innovative process for recycling waste through a commercial composting plant for Absorbent Hygiene Product (AHP) waste. The company delivering this solution will provide the infrastructure to transfer all

waste. This represents a significant environmental benefit as it diverts AHP waste away from Landfill.

Other providers stated their experience of recycling medical and hazardous waste with one offering a fully audited reusable sharps system to help reduce the need to manufacture plastic sharps' bins which, in turn, reduces the need to dispose of the same plastic products.

Another company launched a UK wide metal recovery programme which helps to recycle metals, reducing the requirement for plastic materials. The company has a collection service for metal materials and where it undergoes high temperature steam sterilisation within their treatment facility.

### **Community Benefits**

At the strategy UIG, the group endorsed that community benefits attained would be delivered at a local level for each council and would be aligned to the Scottish Government's National Indicators. This is a different approach to the current framework and should ensure that councils receive community benefits tailored to their own spend levels, and reflective of their local needs, whilst taking the National Indicators into account.

All six recommended suppliers confirmed their commitment to Scotland Excel's community benefits approach for this framework. Delivered benefits will be based on the annual spend thresholds of bidder's costs provided for individual councils.

When councils reach annual spend thresholds with a supplier they will accrue "Community Benefit Points". The community benefits lead or other designated person within the council will liaise with the bidder to finalise the specific benefits that they are offered under the framework relative to spend.

Within the published tender documents, tenderers were given a list of indicative community benefits that could be delivered. Examples of the indicative benefits which were conveyed to tenderers were:

- Fundraising event for external charities / initiatives within the council area;
- Work placements to school students from council area;
- Offer training sessions to wider community within the council area (non-employees / school children);
- Employability workshop or event in a school, college or group within the council area;
- Sponsorship of sports team or community event within the council area;
- Recruit a modern (or other approved) apprentice from within the council area; and
- Recruit one person from with the council area.

Scotland Excel will support 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 six-monthly basis.

### **Fair Work Practices**

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

When asked to define how fair work practices would be applied, tenderers responded with various approaches such as: provision of in-depth induction programmes designed to develop staff which covered manual handling, safety driving courses and communication skills. Other methods included ensuring staff are aware of legislation surrounding unlawful discrimination in the workplace and by promoting equal opportunities to all in terms of race, gender and age. Commitment to respect and inclusiveness was stated as an important training topic during induction.

For information, tenderers were also asked to confirm their approach to the Scottish Living Wage. Of the six recommended suppliers:

- 3 are accredited Scottish Living Wage suppliers;
- 1 is working towards accreditation of becoming a Scottish Living Wage supplier; and
- 2 have stated they are not accredited Living Wage Employers, but pay the Living Wage to all employees (except volunteers, apprentices and interns).

Scotland Excel will continue to monitor Fair Work Practices including the Scottish Living Wage within its contract and supplier management programme.

### **Other Benefits**

Other benefits to be noted within this framework include the availability of sanitary products within lot 2 which are free to students within educational establishments.

A bid from a Scottish social enterprise for lot 2 was received. This organisation supports social and ethical responsibility by donating environmentally friendly sanitary products to women's groups, food banks etc. They also work in conjunction with a supported business, Haven, who assist them by quality-checking the products and help to distribute the donations across the UK.

## **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 3 arrangement in terms of both risk and spend requiring as a minimum, annual supplier meetings. The UIG will be convened on a regular basis throughout the framework period.

## **8. Summary**

This framework for the provision and delivery of washroom solutions and sanitary products aims to maximise collaboration, promote added value in addition to delivering best value. A range of benefits can be reported in relation to price stability, sustainability and community benefits.

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



**Appendix 1 – Participation, Spend and Savings Summary<sup>1</sup>**  
**Provision and Delivery of Washroom Solutions and Sanitary Products 32-17**

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 October 2018	£57,456	Supplier MI	2%	-10.10%	£5,803	Benchmarked Current Contract*
Aberdeenshire Council	Yes	01 October 2018	£65,701	Supplier MI	2%	-10.10%	£6,636	Benchmarked Current Contract*
Angus Council	Yes	01 October 2018	£60,174	Council Confirmed	2%	0.55%	£331	Benchmarked Current Contract*
Argyll & Bute Council	Yes	01 October 2018	£27,731	Council Confirmed	2%	-10.10%	£2,801	Benchmarked Current Contract*
City of Edinburgh Council	Yes	01 October 2018	£149,336	Supplier MI	2%	0.55%	£821	Benchmarked Current Contract*
Clackmannanshire Council	Yes	01 October 2018	£18,725	Supplier MI	2%	0.55%	£103	Benchmarked Current Contract*
Comhairle nan Eilean Siar	No				2%	0.00%	£0	
Dumfries & Galloway Council	Yes	01 October 2018	£28,457	Supplier MI	2%	0.55%	£157	Benchmarked Current Contract*
Dundee City Council	Yes	01 October 2018	£25,636	Council Confirmed	2%	0.55%	£141	Benchmarked Current Contract*
East Ayrshire Council	Yes	01 October 2018	£58,692	Supplier MI	2%	0.55%	£323	Benchmarked Current Contract*
East Dunbartonshire Council	Yes	01 October 2018	£42,856	Supplier MI	2%	0.55%	£236	Benchmarked Current Contract*
East Lothian Council	Yes	01 October 2018	£36,919	Council Confirmed	2%	0.55%	£203	Benchmarked Current Contract*
East Renfrewshire Council	Yes	01 October 2018	£31,059	Council Confirmed	2%	0.55%	£171	Benchmarked Current Contract*
Falkirk Council	Yes	01 October 2018	£72,853	Council Confirmed	2%	0.55%	£401	Benchmarked Current Contract*
Fife Council	Yes	01 October 2018	£73,107	Council Confirmed	2%	0.55%	£402	Benchmarked Current Contract*
Glasgow City Council	Yes	01 October 2018	£315,975	Council Confirmed	2%	0.55%	£1,738	Benchmarked Current Contract*
Highland Council	Yes	01 October 2019	£37,909	Supplier MI	2%	-10.10%	£3,829	Benchmarked Current Contract*
Inverclyde Council	Yes	01 October 2018	£20,282	Council Confirmed	2%	0.55%	£112	Benchmarked Current Contract*
Midlothian Council	Yes	01 October 2018	£39,160	Council Confirmed	2%	0.55%	£215	Benchmarked Current Contract*
Moray Council	Yes	01 October 2018	£28,359	Council Confirmed	2%	-10.10%	£2,864	Benchmarked Current Contract*
North Ayrshire Council	Yes	01 October 2018	£79,326	Council Confirmed	2%	0.55%	£436	Benchmarked Current Contract*
North Lanarkshire Council	Yes	01 October 2018	£180,331	Council Confirmed	2%	0.55%	£992	Benchmarked Current Contract*
Orkney Islands Council	No		£0		2%	0.00%	£0	
Perth & Kinross Council	Yes	01 October 2018	£33,604	Council Confirmed	2%	0.55%	£185	Benchmarked Current Contract*
Renfrewshire Council	Yes	01 October 2018	£92,000	Council Confirmed	2%	0.55%	£506	Benchmarked Current Contract*
Scottish Borders Council	Yes	01 October 2018	£25,369	Council Confirmed	2%	0.55%	£140	Benchmarked Current Contract*
Shetland Islands Council	No		£0		2%	0.00%	£0	
South Ayrshire Council	Yes	01 October 2018	£56,140	Council Confirmed	2%	0.55%	£309	Benchmarked Current Contract*
South Lanarkshire Council	Yes	01 October 2018	£63,123	Council Confirmed	2%	0.55%	£347	Benchmarked Current Contract*
Stirling Council	Yes	01 October 2018	£15,542	Council Confirmed	2%	0.55%	£85	Benchmarked Current Contract*
West Dunbartonshire Council	Yes	01 October 2018	£36,809	Council Confirmed	2%	0.55%	£202	Benchmarked Current Contract*
West Lothian Council	Yes	01 October 2018	£63,996	Council Confirmed	2%	0.55%	£352	Benchmarked Current Contract*
<b>Totals</b>			<b>£1,836,627</b>			<b>-0.7%</b>	<b>£13,026</b>	

Asterisk (\*) denotes confirmation TBC

<sup>1</sup> Indexation: This column indicates the comparison between relevant market indices and current contract pricing. For this contract, current contract pricing is presently 2% below the market.



## Appendix 2 – Tenderers with SME Status

<b>Company Name</b>	<b>SME Status</b>	<b>Location</b>	<b>Lots Offered</b>
Cannon Hygiene	Medium	Morecambe, Lancashire	1 & 2
Co-An UK Ltd	Small	Blairgowrie, Tayside	1 & 2
Greenleaf Hygiene Solutions (Scotland) Ltd	Small	Hamilton, South Lanarkshire	1
Healthcare Environmental Services Ltd	Medium	Shotts, North Lanarkshire	1 & 2
Hey Girls CIC	Small	Dunbar, East Lothian	2
Rentokil Initial Uk Ltd T/A Rentokil Pest Control	Large	Camberley, Surrey	1 & 2



### Appendix 3 - Scoring and Recommendations <sup>2</sup>

Lot 1 Washroom Solutions		Lot 2 Sanitary Products	
Tenderer	Final Score	Tenderer	Final Score
Healthcare Environmental Services**	96.75	Healthcare Environmental Services**	94.6
Cannon Hygiene**	73.27	Hey Girls CIC**	94.5
Rentokil Initial UK Ltd**	73.21	Co-An UK**	86.88
Greenleaf Hygiene Solutions**	50.82	Rentokil Initial UK Ltd**	79.03
Co-An UK**	46.82	Cannon Hygiene**	79.01

<sup>2</sup> \*\* Denotes supplier recommended as successful





## Scotland Excel

**To: Executive Sub Committee**

**On: 24 August 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Supply & Delivery of First Aid Materials**

**Schedule: 10/18**

**Period: 01 October 2018 until 30 September 2021, with the option to extend for up to an additional one-year period until 30 September 2022**

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

This framework has been developed by the Operational Supplies and Services (OSS) Team with a fast-tracked approach involving key stakeholders. This has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. The OSS team continue to support local authorities by reducing resource pressure, whilst consolidating demand and providing new collaborative procurement opportunities.

This recommendation is for the award of a new framework for the Supply & Delivery of First Aid Materials, which will operate from 01 October 2018 until 30 September 2021, with the option to extend for up to an additional one-year period until 30 September 2022.

The requirement for this procurement has arisen due to the upcoming expiration of two regional contracts led by North Lanarkshire Council and Midlothian Council. It is estimated that around two-thirds of local authorities are currently procuring first aid materials through these existing frameworks, whilst the rest are procuring these products through their own individual arrangements. It is intended that this Scotland Excel framework will consolidate and replace these, offering a national collaborative solution for first aid materials.

The framework was advertised at a value of £8 million over the four-year period.

This 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 UIG steering group (CUIG-SG) endorsed the inclusion of 2 lots as summarised in Figure 1.

The lot structure will provide a mechanism for local authorities so that they can adhere to the Health and Safety (First-Aid) Regulations 1981, and procure a range of first aid materials relevant for the workplace and the public. This will include, but is not limited to, first aid kits, gloves, ice & heat packs, wipes & tissues, hand sanitiser & soap, dressings & plasters.

It also encompasses automated external defibrillators (AEDs), and will meet the needs of local authorities with AED programmes or Public Access Defibrillation (PAD) schemes.

**Figure 1: Lot Structure**

Lot Number	Lot Name	Framework Spend
1	First Aid Materials & Associated Products	95%
2	Automated External Defibrillators (AEDs)	5%

## 3. Procurement Process

A Prior Information Notice (PIN) was published on 26 March 2018 with 39 companies expressing an interest in the opportunity.

As a matter of best practice and to ensure that the framework aligned with local authority requirements, consultation was conducted to understand their service requirements and current purchasing practices.

To ensure maximum competition, an open tender process was used and this was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 14 May 2018. The tender process was conducted using the Public Contracts Scotland Tender (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, 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 process, offers were evaluated against the following criteria and weightings for all lots:

Commercial	85%
Technical	15%

Tenderers were required to indicate which lots that they were bidding for, and the local authorities which they had an ability to service.

Tenderers were invited to bid on the following basis;

- In the Commercial Section, a National Net Delivered Product Pack Price for each product listed within the Schedule of Offer for each lot;
- In the Technical Section, as outlined in Figure 2, scored method statements on community benefits, contract management & customer service, fair work practices, innovation & added value, and sustainability.

**Figure 2: Technical Section Scoring Breakdown**

<b>Section</b>	<b>Question</b>	<b>Maximum Score Available</b>
<b>Commercial 85%</b>		
<b>Technical 15%</b>	Community Benefits	<b>3</b>
	Contract Management & Customer Service	<b>5</b>
	Fair Work Practices	<b>2</b>
	Innovation & Added Value	<b>2</b>
	Sustainability	<b>3</b>

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

The tender document was accessed by 42 organisations, with 8 of these submitting an offer.

A summary of all offers received from tenderers, and their SME status is outlined in Appendix 1.

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

#### **5. Recommendations**

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

Of the 8 recommended suppliers, 6 are classified as SMEs with one of these classed as a micro business.

These suppliers provide the range of products and services required by local authorities, as well as representing best value and meeting all technical specifications.

#### **6. Benefits**

## **Savings**

The projected average saving across all local authorities is forecasted at 15%, which equates to an estimated saving of approximately £213k per annum, based on current spend forecasts. This projection was calculated by benchmarking the lowest offer received against the pricing offered by the supplier from which most authorities currently procure from.

Savings that can be achieved will depend on a local authority's purchasing patterns.

## **Price Stability**

Tenderers have accepted as part of the terms & conditions of the framework that they will hold prices firm for the first 12 months of the contract.

After the initial 12 months period, 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.

## **Sustainable Procurement Benefits**

### **Community Benefits**

Tenderers were asked to detail community benefit initiatives that they would commit to deliver throughout the duration of the framework.

Community benefits received as part of the tender submissions included; sponsorship of local sports teams and community events, donation of materials and labour to support community projects, donation of product vouchers, work experience placements, employability workshops, training sessions, and the recruitment of modern apprentices and/or staff members.

### **Fair Work Practices**

For information, tenderers 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), and;
- One supplier is an accredited Living Wage employer

### **Sustainability**

Tenderers were asked to detail their approach to sustainability, and were asked how their organisations reduced waste, considered the environmental impact of transportation, and demonstrated that their products came from sustainable, reliable, and approved sources.

## **Other Benefits**

The framework will provide local authorities with a clear pricing structure simplifying the purchasing process, whilst ensuring best value is achieved. Appendix 1 outlines the location of tenderers who submitted an offer, with several recommended suppliers being based in Scotland.

## **7. Contract Mobilisation and Management**

Both suppliers and participating members will be issued with a mobilisation pack containing information relating to the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

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. As such, Scotland Excel will conduct annual review meetings with suppliers, whilst monitoring management information and community benefits associated with this framework.

## **8. Summary**

This framework for the Supply & Delivery of First Aid Materials aims to maximise collaboration, consolidate demand and deliver best value. A range of benefits can be reported in relation to savings, price stability, community benefits and sustainability.

The Executive Sub Committee is requested to approve the recommendation to award placings on this framework to the suppliers as detailed in Appendix 2.



## Appendix 1 – Offers Received & SME Status

Tenderer	SME Status	Location	Lots Tendered
Aero Healthcare Ltd	Medium	Slinford, Horsham, West Sussex, UK	1, 2
Arco Ltd	Large	Hull, North Humberside, UK	1, 2
Bunzl UK Ltd T/A Bunzl Greenham	Large	Uddingston, Glasgow, Scotland	1, 2
Cardiac Science Holdings (UK) Ltd	Small	Stockport, Cheshire, UK	2
Fast-Aid Products Ltd	Small	Loanhead, Midlothian, Scotland	1
Prometheus AlphaMed Ltd	Micro	Edinburgh, Scotland	1, 2
SP Services (UK) Ltd	Medium	Telford, Shropshire, UK	1, 2
Crest Medical Ltd T/A Wallace Cameron International	Medium	Wishaw, North Lanarkshire, Scotland	1, 2

## Appendix 2 - Scoring and Recommendations

(Asterisk (\*\*)) denotes recommended suppliers as successful)

Lot 1 – First Aid Materials & Associated Products	
Tenderer	Score
Crest Medical Ltd T/A Wallace Cameron International**	93.00
Fast-Aid Products Ltd**	89.87
Aero Healthcare Ltd**	84.50
Prometheus AlphaMed Ltd**	75.22
Arco Ltd**	63.60
Bunzl UK Ltd T/A Bunzl Greenham**	60.60
SP Services (UK) Ltd**	60.57

Lot 2 – Automatic External Defibrillators (AEDs)	
Tenderer	Score
Crest Medical Ltd T/A Wallace Cameron International**	93.00
Aero Healthcare Ltd**	84.24
Bunzl UK Ltd T/A Bunzl Greenham**	82.55
Arco Ltd**	80.96
Cardiac Science Holdings (UK) Ltd**	70.13
Prometheus AlphaMed Ltd**	68.41
SP Services (UK) Ltd**	64.65



**Scotland Excel**



**To: Executive Sub Committee**

**On: 24 August 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Domestic Gas Boiler Maintenance**

**Schedule: 22/17**

**Period: 14 September 2018 to 13 September 2020 (with an extension up to two years until 13 September 2022).**

## **1. Introduction and Background**

This recommendation is for the award of the first national collaborative framework for domestic gas boiler maintenance.

This framework will provide councils and associate members with a mechanism to procure a contractor to carry out annual servicing, maintenance and ad hoc repairs of gas boilers across their housing stock.

The framework should encourage efficiencies by having one contractor conduct the servicing, maintenance and repairs for an annual cost per unit. This will incentivise contractors to pro-actively maintain boilers during the annual service, keeping reactive maintenance requirements to a minimum, reducing disruption to tenants and creating a positive impact on the environment.

Councils own 215,000 properties across Scotland. Scotland Excel also has a number of housing associations as associate members. These housing associations manage a further 91,000 properties. Typically, a council/ housing association appoints a single contractor to manage their gas boiler maintenance and repair requirements over a multi-year period.

While councils and housing associations will be able to award services directly from this framework, it is anticipated that most contracts will be awarded via mini competitions.

Health and safety requirements, maintenance planning, progress reporting and the customer journey, which includes engaging with elderly and vulnerable householders, are all critical elements of this framework.

Registered Social Landlords must provide reports to the Housing Regulator and a vital part of this is ensuring that boilers are serviced on time and certification is

recorded. Purchasers also require access to a system that keeps them up to date with specific job information so that they can respond to tenant queries.

For domestic gas boiler maintenance compliance is a vital element and it is imperative that suppliers provide a consistent, high level of service as failure could result in the Housing Regulator issuing penalties to the housing provider.

This new framework will support councils in delivering against Scotland's National Outcomes. Through this framework, councils will ensure gas boilers are efficient and working economically, reducing fuel emissions and increasing energy efficiency within the housing sector.

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

The core service of the framework will be providing an annual gas boiler safety check, including carbon monoxide detector check and breakdown service.

In addition, a void service will be provided where a heating system may be drained and the gas supply capped until a new tenancy agreement is in place.

In addition to these core services, the framework will also support the provision of several supplementary services such as:

- Diagnostics and repairs to electrical equipment providing power up to the boiler
- Diagnostics, repairs and replacements to boiler controls
- Installation of parts or, when deemed beyond economic repair, installation of entire heating systems
- Servicing, repairs or replacements to fire alarm systems
- Building and maintaining of property asset lists
- Servicing and maintenance of other domestic heating appliances
- Storage and refitting of boilers in void properties.
- Servicing and maintenance of commercial gas boilers
- Servicing and maintenance of boilers powered by other fuels

As detailed in Appendix 1, ten councils and six associate members have confirmed their intention to participate on this framework either from the framework start date or when existing agreements come to an end.

The remaining councils are unlikely to access this first national framework for a variety of reasons, including:

- the council has no housing stock;
- the service falls within a broader facilities management agreement;
- the service is provided by an in-house workforce; or
- the council's domestic boilers are powered using an alternative fuel to gas.

To meet the requirements of contracting councils, Scotland Excel has developed this framework to incorporate two sets of standard industry terms and conditions.

To award contracts, participating bodies can select the New Engineering Contract 4 (NEC4) Term Service Contract or the Scottish Building Contract Committee (SBCC) Measured Term Contract.

The level of spend is anticipated to be an average of £10 million per annum over the four years, increasing as current contractual arrangements expire and members migrate across to the framework.

### 3. Procurement Process

During the development of the procurement strategy, in addition to member councils, Scotland Excel consulted with a range of key stakeholders. Following publication of a Prior Information Notice (PIN), 16 supplier meetings were held, which resulted in the sharing of valuable information in relation to market trends, innovation and cost drivers. This also provided an opportunity to consult with suppliers on their views of a national collaborative framework.

A User Intelligence Group (UIG) consisting of procurement and technical representatives from the participating councils was established to support the development of the procurement strategy and specification.

Due to the labour-intensive nature the services, technical panel representatives agreed that the framework should be a single lot with 37 geographical sub lots. This strategy was designed to simultaneously encourage Small to Medium Enterprises (SMEs) to submit offers and to ensure suppliers bid only for those areas they had realistic capacity to deliver high quality services.

The UIG endorsed the use of the open procedure. To be eligible for award, tenderers were required to pass the minimum standards of bidder selection. The minimum standards were assessed using the European Single Procurement Document (ESPD) and included questions on insurance, financial standing, quality management, health and safety and environmental management.

Within the technical section, suppliers were required to evidence their knowledge and experience by responding to a series of scored questions, covering the following areas

**Table 1: Available Points**

Area	Question	Maximum points available
Commercial 60%		
Technical 40%	Service Response	14.5
	Reporting	11.4
	Customer Interface	7.5
	Mobilisation	3.5

	Community Benefits	2
	Workforce Matters (Inc. living wage)	1

Within the commercial section, tenderers were invited to submit offers for one, all or any number of the 37-geographical locations. Tenderers were invited to offer rates for the core service, void service and supplementary services for each geographical location they tendered. Some pricing assumed a standard term of three years. In such cases, a percentage discount was sought as an option for councils prepared to commit to a term of four years; conversely percentage uplifts were offered as options for councils only agreeing to terms of one or two years.

#### 4. Report on Offers Received

In total, 37 organisations accessed the tender documents, with 12 offers received before the closing date.

One tenderer failed to submit a commercial response, as such this bid was non-compliant, they were advised that they would not be considered further.

Two tenderers submitted pricing, which on initial assessment was considered to be abnormally low. Both tenderers were asked to clarify the submitted pricing in line with regulation 69 of the Public Contracts Regulations 2015, which requires a contracting authority to investigate such concerns. One of the tenderers offered a reasonable explanation for their tendered pricing, which satisfied the requirements of the regulation. The other tenderer withdrew those elements of their submission that were abnormally low. The remaining aspects of their offer were evaluated in accordance with the established criteria.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the 11 compliant offers set out in Appendix 2 was conducted and details of the overall scores 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 10 contractors across the 37 geographical areas as outlined in Appendix 3.

These 10 recommended tenderers offer nationwide coverage under the framework with eight of the suppliers classified as SME's.

#### 6. Benefits

##### **Benchmarking**

Scotland Excel sought current rates from councils and housing associations as a comparative benchmark for measuring the competitiveness of the tendered rates. Further benchmarking will be carried out on an individual basis for those who wish to join the framework throughout its lifetime.

The benchmarking exercise projects an average saving of 5.8% for councils, equating to a total council saving of approximately £617k per annum. The benchmarking exercise projects a saving of 9.5% for housing associations, equating to a total annual saving for housing associations of approximately £163k per annum.

An additional average savings of 2% is available for framework users that award a four-year contract.

### **Price Stability**

Framework pricing is fixed for the first two years of the framework. Thereafter, in accordance with the terms of the framework, any price increases will require to be supported with documentary evidence and will be validated against changes in market pricing, tracked in accordance with Scotland Excel's indexation model.

### **Sustainable Procurement Benefits**

#### ***Environmental Initiatives***

Tenderers were asked to show how they will minimise the environmental impact of their services and work towards the achievement of Scotland's National Outcomes, such as:

- We value and enjoy our built and natural environment and protect it and enhance it for future generations.
- We reduce the local and global environmental impact of our consumption and production.
- We live in well-designed, sustainable places where we are able to access the amenities and services we need.

The following is an overview of some of the environmental commitments from the recommended suppliers, which will be monitored as Key Performance Indicators throughout the lifetime of the framework:

- Six suppliers will implement and maintain policies to ensure that vehicles meet high environmental standards at the time of procuring them.
- Three suppliers will provide staff with fuel efficient driver training – both practical and theory.
- Three suppliers will utilise a fully auditable telematic solution for their vehicle fleet for monitoring CO2 emissions, idle time and vehicle trip data.

#### ***Community Benefits***

All recommended suppliers have agreed to deliver a specified level of community benefit 'points' within each council area. These points will be commensurate with the level of spend achieved in that council area. This approach will give councils the opportunity to agree with suppliers the specific benefits that will best support their local area. Examples of the type of benefits that could be delivered include:

- Employment opportunities;

- Apprenticeships, work experience and training;
- Sponsorship of local community projects.

Suppliers will meet with Scotland Excel annually to identify what spend thresholds have been met and agree the specific community benefits to be delivered with the relevant council representatives. Suppliers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis.

### ***Workforce Matters***

Suppliers were asked to confirm their approach to workforce matters and the payment of the Scottish Living Wage to their workforce. All ten recommended suppliers pay their employees (except volunteers, apprentices and interns) the Scottish Living Wage, with eight of these living wage accredited.

Tenderers also detailed their fair working practices including how they will support staff development, flexible working policies and employee training.

Scotland Excel will work with all awarded suppliers during the lifetime of the framework to ensure commitments are met.

## **7. Contract Mobilisation and Management**

Both awarded suppliers and participating members will be issued with a mobilisation pack containing information relating to the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

In accordance with Scotland Excel's established Contract and Supplier Management (CSM) programme, this framework is classified as level two. This classification will be reviewed on a bi-annual basis.

As such, on a quarterly basis Scotland Excel will collect, analyse and review management information submitted by suppliers. Scotland Excel will also regularly monitor and report on framework KPIs, including the provision of environmental initiatives, community benefits and workforce matters. At least annually, Scotland Excel will meet with the framework suppliers and the UIG to review the framework operation and discuss potential development opportunities.

## **8. Summary**

This framework aims to maximise collaboration and deliver best value to Scotland Excel members and associate members who are procuring essential gas boiler maintenance services. It is anticipated that a range of sustainable benefits will be delivered in relation to environmental initiatives, community benefits and fair work practices.

The Executive Sub Committee is requested to approve the recommendations to award this framework agreement as detailed in Appendix 3.

## Appendix 1 – Participation and Spend Summary

\* Denotes further discussion with council prior to current contract end.  
Benchmarking sent to members for validation.

Domestic Gas Boiler Maintenance Framework 22-17							
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	01 March 2020	£2,199,000	Spikes Cavell	5.8%	£127,542	Average Saving
Aberdeenshire Council	No						
Angus Council	No						
Argyll & Bute Council	No						
City of Edinburgh Council	No						
Clackmannanshire Council	No						
Comhairle nan Eilean Siar	No						
Dumfries & Galloway Council	No						
Dundee City Council	No						
East Ayrshire Council	No						
East Dunbartonshire Council	No						
East Lothian Council*	No						
East Renfrewshire Council	Yes	01 November 2018	£296,300	Spikes Cavell	5.8%	£17,185	Average Saving
Falkirk Council*	No						
Fife Council	No						
Glasgow City Council	No						
Highland Council	No						
Inverclyde Council	No						
Midlothian Council	Yes	01 March 2022	£670,800	Spikes Cavell	5.8%	£38,906	Average Saving
North Ayrshire Council	Yes	01 April 2019	£1,296,600	Spikes Cavell	5.8%	£75,203	Average Saving
North Lanarkshire Council	Yes	01 January 2021	£3,635,200	Spikes Cavell	5.8%	£210,842	Average Saving
Orkney Islands Council	No						
Perth & Kinross Council	Yes	01 October 2018	£739,200	Member Provided	8.5%	£62,832	Benchmarked Current Contract
Renfrewshire Council	No						
Scottish Borders Council	No						
Shetland Islands Council	No						
South Ayrshire Council	Yes	Contract Start	£800,000	Spikes Cavell	5.8%	£46,400	Average Saving
South Lanarkshire Council	No						
Stirling Council	No						
Moray Council	No						
West Dunbartonshire Council	Yes	Contract Start	£1,200,000	Member Provided	3.2%	£38,400	Benchmarked Current Contract
West Lothian Council	No						
<b>Totals</b>			<b>£10,837,100</b>		<b>5.7%</b>	<b>£617,310</b>	

Domestic Gas Boiler Maintenance Framework 22-17							
Associate Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	% Estimated Forecast	Estimated Annual	Basis of Savings Calculation
Bield Group	Yes	Contract Start	£430,600	Member Provided	2.4%	£10,334	Benchmarked Current Contract
Dumfries & Galloway Housing Partnership	Yes	Contract Start	£1,014,100	Member Provided	9.5%	£96,340	Average Saving
Clydebank Housing Association	Yes	Contract Start	£112,600	Member Provided	9.5%	£10,697	Average Saving
Ferguslie Park Housing Association	Yes	Contract Start	£79,200	Member Provided	16.7%	£13,226	Benchmarked Current Contract
Trust Housing Association	Yes	01 April 2020	£257,800	Member Provided	9.5%	£24,491	Average Saving
Hanover Housing Association	Yes	01 July 2019	£80,000	Member Provided	9.5%	£7,600	Average Saving
<b>Totals</b>			<b>£1,974,300</b>		<b>8.2%</b>	<b>£162,688</b>	

## Appendix 2 – List of Tenderers with SME status

<b>Organisation</b>	<b>Based</b>	<b>SME status</b>
British Gas Social Housing Limited trading as PH Jones	Maidenhead Road, Windsor, SL4 5GB	Large
City Building (Contracts) LLP	350 Darnick Street, Glasgow, G21 4BA	Medium
City Technical Services (UK) Limited	16 Clydesmill Place, Glasgow, G32 8RF	Medium
Everwarm Ltd	3-5 Melville Street Melville Street, Edinburgh, EH3 7PE	Large
Gas Call Services Ltd	2 Queenslie Court, Summerlee St, G33 4DB	Medium
IQA Operations Group Limited	101 Abercorn Street, Paisley, Renfrewshire, PA3 4AT	Medium
James Frew Limited	83 New Street, Stevenston, KA20 3HD	Small
O'Neil Gas Services Limited	55 Green Street, Ayr, KA8 8BQ	Small
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	58 Howard Street, North Shields, Tyne & Wear, NE30 1AL	Large
Saltire Facilities Management Limited	10 James Street, Bellshill, ML4 3LU	Medium
WRB Gas (Contracts) Ltd	40 N Ellen St, Dundee, DD3 7DH	Medium



## Appendix 3 – Scoring and Recommendations -

Lot 1 - Aberdeen City Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Gas Call Services Limited	76.8	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	76.8	Y
Everwarm Limited	75.2	N
British Gas Social Housing Limited trading as PH Jones	67.5	N

Lot 3 - Angus Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	78.2	Y
Gas Call Services Limited	76.8	N
Saltire Facilities Management Limited	76.8	N
Everwarm Limited	76.4	N
British Gas Social Housing Limited trading as PH Jones	75.4	N

Lot 5 - City of Edinburgh		
Supplier	Final Score	Recommended for award
WRB Gas (Contracts) Limited	82.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	80.4	Y
Saltire Facilities Management Limited	80.2	Y
James Frew Limited	78.8	Y
Gas Call Services Limited	76.8	N
Everwarm Limited	76.5	N
British Gas Social Housing Limited trading as PH Jones	74.1	N
City Technical Services (UK) Limited	74.1	N

Lot 7 - Comhairle nan Eilean		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.7	Y
IQA Operations Group Limited	61.6	N

Lot 2 - Aberdeenshire Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Gas Call Services Limited	76.8	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	76.7	Y
Everwarm Limited	75.2	N
British Gas Social Housing Limited trading as PH Jones	67.5	N

Lot 4 - Argyll & Bute		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.7	Y
IQA Operations Group Limited	53.7	N

Lot 6 - Clackmannanshire Council		
Supplier	Final Score	Recommended for Award
Gas Call Services Limited	81.8	Y
WRB Gas (Contracts) Limited	60.0	Y
Saltire Facilities Management Limited	58.1	N
James Frew Limited	58.1	N
City Technical Services (UK) Limited	56.0	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	54.4	N
Everwarm Limited	53.5	N
British Gas Social Housing Limited trading as PH Jones	52.6	N

Lot 8 - Dumfries & Galloway		
Supplier	Final Score	Recommended for Award
Saltire Facilities Management Limited	83.6	Y
James Frew Limited	83.5	Y
Gas Call Services Limited	81.5	Y
British Gas Social Housing Limited trading as PH Jones	79.8	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	78.3	N
City Technical Services (UK) Limited	73.1	N

Lot 9 - Dundee City Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	80.4	Y
Saltire Facilities Management Limited	77.9	N
Gas Call Services Limited	76.8	N
Everwarm Limited	75.3	N
British Gas Social Housing Limited trading as PH Jones	74.1	N
City Technical Services (UK) Limited	74.1	N

Lot 11 - East Dunbartonshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
James Frew Limited	77.1	Y
IQA Operations Group Limited	71.3	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	69.1	N
Saltire Facilities Management Limited	68.8	N
Gas Call Services Limited	68.7	N
City Technical Services (UK) Limited	68.3	N
Everwarm Limited	67.2	N
British Gas Social Housing Limited trading as PH Jones	62.3	N

Lot 13 - East Renfrewshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
James Frew Limited	77.1	Y
IQA Operations Group Limited	71.3	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	69.5	N
Saltire Facilities Management Limited	68.8	N
Gas Call Services Limited	68.7	N
City Technical Services (UK) Limited	68.3	N
Everwarm Limited	66.3	N
British Gas Social Housing Limited trading as PH Jones	62.3	N

Lot 15 - Fife Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
James Frew Limited	78.8	Y
Saltire Facilities Management Limited	77.9	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	77.1	Y
Gas Call Services Limited	76.8	Y
British Gas Social Housing Limited trading as PH Jones	74.1	N
Everwarm Limited	73.3	N

Lot 10 - East Ayrshire Council		
Supplier	Final Score	Recommended for Award
O'Neil Gas Services Limited	81.8	Y
City Building (Contracts) LLP	76.7	Y
Saltire Facilities Management Limited	73.0	N
James Frew Limited	73.0	N
City Technical Services (UK) Limited	70.5	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	69.0	N
Gas Call Services Limited	68.8	N
British Gas Social Housing Limited trading as PH Jones	64.9	N
Everwarm Limited	63.7	N

Lot 12 - East Lothian Council		
Supplier	Final Score	Recommended for Award
James Frew Limited	83.5	Y
Saltire Facilities Management Limited	83.3	Y
Gas Call Services Limited	78.7	Y
City Technical Services (UK) Limited	76.3	N
Everwarm Limited	75.7	N
British Gas Social Housing Limited trading as PH Jones	73.6	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	73.2	N

Lot 14 - Falkirk Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Saltire Facilities Management Limited	80.0	Y
James Frew Limited	78.8	Y
City Technical Services (UK) Limited	78.2	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	77.1	N
Gas Call Services Limited	76.8	N
British Gas Social Housing Limited trading as PH Jones	75.4	N
Everwarm Limited	75.3	N

Lot 16 - Glasgow City Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.0	Y
Saltire Facilities Management Limited	81.2	Y
James Frew Limited	80.3	Y
City Technical Services (UK) Limited	79.7	Y
Gas Call Services Limited	78.4	N
Everwarm Limited	78.0	N
British Gas Social Housing Limited trading as PH Jones	75.4	N

Lot 17 - Highland Council		
Supplier	Final Score	Recommended for Award
Gas Call Services Limited	81.8	Y
Everwarm Limited	78.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	76.4	N

Lot 19 - Midlothian Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
James Frew Limited	79.0	Y
Saltire Facilities Management Limited	78.9	Y
Gas Call Services Limited	74.5	N
City Technical Services (UK) Limited	72.4	N
Everwarm Limited	71.8	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	70.7	N
British Gas Social Housing Limited trading as PH Jones	69.9	N

Lot 21 - North Ayrshire Council		
Supplier	Final Score	Recommended for Award
O'Neil Gas Services Limited	81.8	Y
City Building (Contracts) LLP	77.1	Y
Saltire Facilities Management Limited	75.7	Y
James Frew Limited	73.8	N
City Technical Services (UK) Limited	72.6	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	72.1	N
Gas Call Services Limited	71.9	N
British Gas Social Housing Limited trading as PH Jones	70.8	N
Everwarm Limited	70.5	N

Lot 23 - Orkney Islands Council		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.7	Y
IQA Operations Group Limited	61.6	N

Lot 18 - Inverclyde Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
Saltire Facilities Management Limited	82.4	Y
James Frew Limited	80.3	N
City Technical Services (UK) Limited	79.7	N
Gas Call Services Limited	78.4	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	78.1	N
Everwarm Limited	78.0	N
British Gas Social Housing Limited trading as PH Jones	76.9	N

Lot 20 - Moray Council		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.7	Y
Everwarm Limited	78.3	Y

Lot 22 - North Lanarkshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
Saltire Facilities Management Limited	82.4	Y
James Frew Limited	80.3	Y
City Technical Services (UK) Limited	79.7	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	78.5	N
Gas Call Services Limited	78.4	N
British Gas Social Housing Limited trading as PH Jones	76.9	N
Everwarm Limited	74.7	N

Lot 24 - Perth & Kinross Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	77.9	Y
Saltire Facilities Management Limited	76.3	Y
Gas Call Services Limited	74.5	N
Everwarm Limited	71.8	N
British Gas Social Housing Limited trading as PH Jones	69.9	N

Lot 25 - Renfrewshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
James Frew Limited	77.1	Y
IQA Operations Group Limited	71.3	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	69.5	N
Saltire Facilities Management Limited	68.8	N
Gas Call Services Limited	68.7	N
City Technical Services (UK) Limited	68.3	N
Everwarm Limited	66.3	N
British Gas Social Housing Limited trading as PH Jones	62.3	N

Lot 27 - Shetland Islands		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	82.7	Y

Lot 29 - South Lanarkshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
Saltire Facilities Management Limited	82.4	Y
James Frew Limited	80.3	N
City Technical Services (UK) Limited	79.7	N
Gas Call Services Limited	78.4	N
Everwarm Limited	76.7	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	76.0	N
British Gas Social Housing Limited trading as PH Jones	75.4	N

Lot 31 - West Dunbartonshire Council		
Supplier	Final Score	Recommended for Award
City Building (Contracts) LLP	84.0	Y
Saltire Facilities Management Limited	81.8	Y
James Frew Limited	80.3	Y
City Technical Services (UK) Limited	79.7	Y
Gas Call Services Limited	78.4	N
Everwarm Limited	77.9	N
British Gas Social Housing Limited trading as PH Jones	76.9	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	76.1	N

Lot 26 - Scottish Borders Council		
Supplier	Final Score	Recommended for Award
Saltire Facilities Management Limited	82.1	Y
Gas Call Services Limited	81.8	Y
British Gas Social Housing Limited trading as PH Jones	80.6	N
Everwarm Limited	78.6	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	75.9	N

Lot 28 - South Ayrshire Council		
Supplier	Final Score	Recommended for Award
O'Neil Gas Services Limited	81.8	Y
City Building (Contracts) LLP	76.7	Y
Saltire Facilities Management Limited	73.0	N
James Frew Limited	73.0	N
City Technical Services (UK) Limited	70.5	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	69.2	N
Gas Call Services Limited	68.8	N
Everwarm Limited	66.5	N
British Gas Social Housing Limited trading as PH Jones	64.9	N

Lot 30 - Stirling Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
James Frew Limited	79.0	Y
Saltire Facilities Management Limited	76.3	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	74.7	N
Gas Call Services Limited	74.5	N
City Technical Services (UK) Limited	72.4	N
Everwarm Limited	71.8	N
British Gas Social Housing Limited trading as PH Jones	69.9	N

Lot 32 - West Lothian Council		
Supplier	Final Score	Recommended for Award
WRB Gas (Contracts) Limited	82.6	Y
Saltire Facilities Management Limited	80.8	Y
James Frew Limited	78.8	N
Gas Call Services Limited	76.8	N
Everwarm Limited	76.5	N
British Gas Social Housing Limited trading as PH Jones	75.4	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	73.6	N
City Technical Services (UK) Limited	73.4	N

Lot 33 - Regional Area 1		
Supplier	Final Score	Recommended for Award
IQA Operations Group Limited	71.3	Y
Saltire Facilities Management Limited	52.9	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	49.7	N
Gas Call Services Limited	49.5	N
Everwarm Limited	49.2	N
British Gas Social Housing Limited trading as PH Jones	49.1	N
City Technical Services (UK) Limited	49.0	N

Lot 35 - Regional Area 3		
Supplier	Final Score	Recommended for Award
IQA Operations Group Limited	71.3	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	54.2	Y
Gas Call Services Limited	53.9	Y
Everwarm Limited	52.5	N
British Gas Social Housing Limited trading as PH Jones	49.4	N

Lot 37 - Regional Area 5		
Supplier	Final Score	Recommended for Award
IQA Operations Group Limited	71.3	Y
Saltire Facilities Management Limited	56.4	Y
City Technical Services (UK) Limited	55.6	Y
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	53.9	N
Gas Call Services Limited	53.8	N
Everwarm Limited	52.6	N

Lot 34 - Regional Area 2		
Supplier	Final Score	Recommended for Award
IQA Operations Group Limited	71.3	Y
Saltire Facilities Management Limited	52.9	Y
City Technical Services (UK) Limited	51.4	N
Gas Call Services Limited	49.5	N
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	49.4	N
Everwarm Limited	49.2	N
British Gas Social Housing Limited trading as PH Jones	49.1	N

Lot 36 - Regional Area 4		
Supplier	Final Score	Recommended for Award
Richard Irvin & Sons Limited, trading as Richard Irvin Energy Solutions	75.4	Y
IQA Operations Group Limited	71.3	Y

**Regional Area 1** (Angus, Dundee, Clacks, Fife, East Lothian, West Lothian, Midlothian, Edinburgh, Scottish Borders, Perth & Kinross, Falkirk)

**Regional Area 2** (Glasgow, South Ayrshire, Stirling, South Lanarkshire, North Lanarkshire, Inverclyde, East Renfrewshire, Renfrewshire, East Ayrshire, North Ayrshire, Dumfries & Galloway, West Dunbartonshire, East Dunbartonshire, Argyll & Bute)

**Regional Area 3** (Aberdeen, Aberdeenshire and Moray)

**Regional Area 4** (The Highlands, Comhairle nan Eilean Siar, Orkney, The Shetland Islands)

**Regional Area 5** (Biield Housing). Angus, Argyll & Bute, City of Edinburgh, Dundee City, East Ayrshire, East Dunbartonshire, East Lothian, East Renfrewshire, Falkirk, Fife, Glasgow, Inverclyde, Midlothian, North Ayrshire, North Lanarkshire, Perth and Kinross, Renfrewshire, Scottish Borders, South Ayrshire, South Lanarkshire, Stirling, West Dunbartonshire, West Lothian





## **Scotland Excel**

**To: Executive Sub Committee**

**On: 24 August 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Supply and Delivery of Road Maintenance Materials**

**Schedule: 30/17**

**Period: 17 September 2018 until 31 August 2022**

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

The current framework for road maintenance materials expired on 30 June 2018. This recommendation is for the award of a new framework, which will operate from 17 September 2018 until 31 August 2022.

The framework covers the supply and delivery of an extensive range of commonly purchased road maintenance materials such as pedestrian safety barriers, drainage products, kerbstones, bollards and traffic cones to support councils' road departments.

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 User Intelligence Group (UIG) endorsed the inclusion of seven lots as summarised in Table 1. The strategy was designed to align with council requirements, whilst also recognising the current structure of the market place, as well as maximising opportunities for Small and Medium Enterprise (SME) participation.

**Table 1: Lotting Structure**

<b>Lot Number</b>	<b>Description</b>	<b>Estimated % of Total Spend</b>
1	Pedestrian Safety Barriers	5%
2	Drainage Products	30%
3	Concrete Products	25%
4	Line Marking & Anti Skid	5%
5	Bollards and Verge Markers	15%
6	Traffic Management	5%
7	Miscellaneous Road Products	15%

As detailed in Appendix 1, all 32 Scottish councils plus Tayside Contracts will participate in this framework renewal.

The contract was advertised with an estimated value of £10m over the 4 year period. The forecast annual spend for participating councils is circa £1.3m per annum, however the framework was advertised at a value of £2.5m per annum to allow for growth in demand from participating councils, as well as potential participation by other public sector bodies and Scotland Excel associate members.

### **3. Procurement Process**

A Prior Information Notice (PIN) was published on 9 December 2017, which resulted in expressions of interest from 40 organisations. Market engagement led to four supplier meetings, which helped inform the procurement strategy in areas such as ability to service, market trends, community benefits, sustainability and innovations as well as inclusion of potential products.

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 25 January 2018. A working group of technical representatives from councils was formed to review specifications and the technical criteria to adopt during the tender process.

To ensure maximum competition, the UIG agreed that an open tender process should be followed and this was advertised in the Official Journal of the European Union and the Public Contracts Scotland portal (PCS) on 3 June 2018. The tender documentation was made available for immediate download, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two-stage tendering procedure. At the first stage, tender European Single Procurement Document (ESPD) responses were assessed against financial capability, technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award.

At the second stage, offers were evaluated against the following overarching criteria and weightings, with the technical criteria breakdown shown in table 2 below.

**Table 2: Scoring Breakdown**

<b>Area</b>	<b>Question</b>	<b>Maximum Score Available</b>
<b>Commercial 80%</b>		
<b>Technical 20%</b>	Fair Work Practices	<b>2</b>
	Community Benefits	<b>4</b>
	Sustainability	<b>4</b>
	Operational Processes	<b>8</b>
	Warranty Period	<b>2</b>

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including; sustainability, operational processes and community benefits. In addition to these questions, bidders were asked to provide added value suggestions to councils.

Within the commercial section, bidders were invited to offer, on a lot by lot basis, a net delivered price for each of the most commonly used road maintenance materials.

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

The tender document was downloaded by 37 organisations, with 23 tender responses received. A summary of all offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was carried out. Two non-compliant bids were received for lot 3 and lot 7 and these offers were not evaluated.

Appendix 3 sets out the scoring achieved by each bidder.

#### **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 arrangement is awarded to 19 suppliers across the seven lots as outlined in Appendix 3.

The 19 recommended suppliers can meet operational requirements across all geographical areas, provide a range of choice and capacity for council members. These 19 recommended suppliers also represent a mix of micro, small, medium and large organisations, with 12 of the recommended suppliers classified as SMEs and one of the recommended suppliers classified as micro.

## 6. Benefits

### Savings

Scotland Excel conducted a benchmarking exercise for each council based on the available historic information. The results of this benchmarking are detailed in Appendix 1.

The projected average savings across councils is 2%, which equates to an estimated total saving of approximately £25k per annum based on current forecast spend levels. This saving has been derived from a range of projected lot values to reflect the lot spend.

Furthermore, in addition to the projected average savings, four of the recommended suppliers have offered early settlement discounts ranging from 0.5% to 2.5% and six of the recommended suppliers have offered sole supply discounts ranging from 0.05% to 2.5%.

### Price Stability

All suppliers have agreed to the 12 month fixed price period at the start of the framework. Provision thereafter is for price reviews once per 12 month period to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

In addition to the mandatory 12 month fixed pricing periods for all lots, two of the recommended suppliers provided fixed pricing periods for three years and one further recommended supplier fixed their pricing for the entire four year period.

### 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 recycle, reuse and reduce initiatives to minimise the impact of the supply chain on the environment. A range of sustainable measures were outlined by suppliers including measures to reduce waste, methods to reduce carbon footprint in aspects of operations and innovative and sustainable methods of recycling/ disposing of products and/ or packaging at end of life.

Bidders were also asked to detail the environmental standards of the vehicles that will be used to deliver the goods supplied under this framework.

### Community Benefits

Bidders were also asked to detail and demonstrate their commitment to providing community benefits. A range of community benefits dependent on spend levels were offered by bidders including:

- Recruitment of additional staff, including modern apprentices
- Sponsorship of local sports teams
- Sponsorship of community events

- Work experience to school children and further education students
- Assistance with community projects
- Training sessions to council apprentices
- Workshop/school/college event
- Employability workshop or event
- Donation of product vouchers

Scotland Excel will support 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 six monthly basis.

### **Fair Work Practices including the Living Wage**

Bidders were asked a question on their approach to Fair Work Practices for staff employed in the delivery of this framework.

This included questioning suppliers on how they avoid exploitative employment practices and improve the wider diversity of their staff. In addition, suppliers were also 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 fulfil 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.

For information, bidders were also asked to confirm their approach to the Scottish Living Wage. Of the 19 recommended suppliers, 13 pay the Scottish Living Wage:

- 1 is an accredited Scottish Living Wage Employer;
- 1 is currently going through the process of becoming an accredited Scottish Living Wage Employer;
- 1 is not accredited Scottish Living Wage Employers, but has committed to gaining accreditation within two years; and
- 10 are not accredited Scottish Living Wage Employers, but pay the Living Wage to all employees (except volunteers, apprentices and interns)

Scotland Excel will continue to monitor Fair Work Practices including the Scottish Living Wage within its contract and supplier management programme. Scotland Excel will work with all awarded suppliers who do not yet pay the Scottish Living Wage to encourage them to achieve this.

## **7. Contract Mobilisation and Management**

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

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a category 2 arrangement in terms of both risk and spend requiring bi annual supplier and user group reviews as appropriate.

## **8. Summary**

This framework for the supply and delivery of road maintenance materials aims to maximise collaboration, support councils' roads departments to deliver the various services they provide, promote added value and deliver best value. A range of benefits can be reported in relation to best value, price stability, sustainability and community benefits.

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

## Appendix 1 – Participation, Spend and Savings Summary – Supply and Delivery of Road Maintenance Materials 30/17

ROAD MAINTENANCE MATERIALS FRAMEWORK								
Member Name	Participate In Framework	Participation Entry Date	Est. Annual Spend (£)	Source of Spend	Indexation	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City	Yes	Contract Start	£46,456	Contract MI	5%	2%	£929	Benchmarked current framework
Aberdeenshire	Yes	Contract Start	£150,000	Council Confirmed	5%	2%	£3,000	Benchmarked current framework
Angus	Yes	Contract Start	£1,366	Council Confirmed	5%	2%	£27	Benchmarked current framework
Argyll & Bute	Yes	Contract Start	£12,092	Contract MI	5%	2%	£242	Benchmarked current framework
Clackmannanshire	Yes	Contract Start	£7,728	Contract MI	5%	2%	£155	Benchmarked current framework
Comhairle nan Eilean Siar	Yes	Contract Start	£39,523	Contract MI	5%	2%	£790	Benchmarked current framework
Dumfries & Galloway	Yes	Contract Start	£4,953	Council Confirmed	5%	2%	£99	Benchmarked current framework
Dundee City	Yes	Contract Start	£91,800	Council Confirmed	5%	2%	£1,836	Benchmarked current framework
East Ayrshire	Yes	Contract Start	£67,837	Council Confirmed	5%	2%	£1,357	Benchmarked current framework
East Dunbartonshire	Yes	Contract Start	£20,000	Council Confirmed	5%	2%	£400	Benchmarked current framework
East Lothian	Yes	Contract Start	£40,000	Council Confirmed	5%	2%	£800	Benchmarked current framework
East Renfrewshire	Yes	Contract Start	£20,000	Council Confirmed	5%	2%	£400	Benchmarked current framework
Edinburgh City	Yes	Contract Start	£12,461	Contract MI	5%	2%	£249	Benchmarked current framework
Falkirk	Yes	Contract Start	£79,188	Contract MI	5%	2%	£1,584	Benchmarked current framework
Fife	Yes	Contract Start	£64,459	Council Confirmed	5%	2%	£1,289	Benchmarked current framework
Glasgow City	Yes	Contract Start	£45,000	Council Confirmed	5%	2%	£900	Benchmarked current framework
Highland	Yes	Contract Start	£25,293	Contract MI	5%	2%	£506	Benchmarked current framework
Inverclyde	Yes	Contract Start	£17,000	Council Confirmed	5%	2%	£340	Benchmarked current framework
Midlothian	Yes	Contract Start	£100,000	Council Confirmed	5%	2%	£2,000	Benchmarked current framework
Moray	Yes	Contract Start	£70,000	Council Confirmed	5%	2%	£1,400	Benchmarked current framework
North Ayrshire	Yes	Contract Start	£11,079	Contract MI	5%	2%	£222	Benchmarked current framework
North Lanarkshire	Yes	Contract Start	£17,350	Contract MI	5%	2%	£347	Benchmarked current framework
Orkney Islands	Yes	Contract Start	£1,648	Council Confirmed	5%	2%	£33	Benchmarked current framework
Perth & Kinross	Yes	Contract Start	£8,858	Contract MI	5%	2%	£177	Benchmarked current framework
Renfrewshire	Yes	Contract Start	£61,445	Contract MI	5%	2%	£1,229	Benchmarked current framework
Scottish Borders	Yes	Contract Start	£5,588	Contract MI	5%	2%	£112	Benchmarked current framework
Shetland Islands	Yes	Contract Start	£3,576	Council Confirmed	5%	2%	£72	Benchmarked current framework
South Ayrshire	Yes	Contract Start	£77,445	Contract MI	5%	2%	£1,549	Benchmarked current framework
South Lanarkshire	Yes	Contract Start	£24,323	Contract MI	5%	2%	£486	Benchmarked current framework
Stirling	Yes	Contract Start	£60,126	Contract MI	5%	2%	£1,203	Benchmarked current framework
Tayside Contracts	Yes	Contract Start	£26,172	Contract MI	5%	2%	£523	Benchmarked current framework
West Dunbartonshire	Yes	Contract Start	£60,294	Contract MI	5%	2%	£1,206	Benchmarked current framework
West Lothian	Yes	Contract Start	£203	Contract MI	5%	2%	£4	Benchmarked current framework
<b>Totals</b>			<b>£1,273,263</b>			<b>2%</b>	<b>£25,465</b>	

\*Indexation: this column indicates the comparison between relevant market indices and current contract pricing. For this contract, current contract pricing is presently 5% below the market.



## Appendix 2 – List of Tenderers with SME Status

Tenderer	SME Status	Location	Lots Tendered
Arthur McLuckie & Son Limited	Small	Dalry, Glasgow & Strathclyde	2,3
Broxap Limited	Medium	Staffordshire, England	5
Bunzl UK Limited	Large	Uddingston, Glasgow & Strathclyde	6,7
Fabrikat ( Nottingham ) Limited	Medium	Sutton in Ashfield, England	1
Fleming & Company ( Machinery) Limited	Micro	Glasgow, Glasgow & Strathclyde	6
Geveko Markings UK Ltd	Large	Stalbridge, England	4
Glasdon ( UK ) Limited	Medium	Blackpool, England	5
GPH Builders Merchants Limited	Medium	Inverurie, Aberdeen & North East	2,3,7
Grafton Merchants GB Limited	Large	Glasgow, Glasgow & Strathclyde	2,3,7
Hugh Logan Plant & Engineering Services Limited	Small	Hamilton, Glasgow & Strathclyde	1
Jack Coupe & Sons Limited	Small	Shildon, England	4
James Cowie & Co. Limited	Small	Hamilton, Glasgow & Strathclyde	1
James M Anderson Limited	Small	East Kilbride, Glasgow & Strathclyde	5
Saint-Gobain Building Distribution Limited	Large	Coventry, England	2,3,4,5,7
Keyline Builders Merchants Limited	Large	Broxburn, Edinburgh & Lothians	2,3,5,6,7
LC Packaging UK Ltd	Medium	Friockheim, Tayside, Central & Fife	7
Leafield Environmental Limited	Small	Corsham, England	5
Mallatite Limited	Large	Inchinnan, Glasgow & Strathclyde	1,4,5,6,7
Marwood Electrical Company Limited	Medium	Tonbridge, England	5
P.F. Cusack ( Tools Supplies ) Limited	Medium	Glasgow, Glasgow & Strathclyde	6,7
Scotia Supply Co. Ltd	Small	Larbert, Tayside, Central & Fife	2,7
Simmons Signs Limited	Medium	Telford, England	5
Traffic Management Products Limited	Small	Horsham, England	5



**Appendix 3  
- Scoring  
and**

<b>Lot 1 - Pedestrian Safety Barriers</b>	
<b>Tenderer</b>	<b>Total Score</b>
Mallatite Limited**	91.06
Fabrikat ( Nottingham ) Limited**	89.53
Hugh Logan Plant & Engineering Services Limited**	85.56
James Cowie & Co. Limited**	82.14

<b>Lot 2 - Drainage Products</b>	
<b>Tenderer</b>	<b>Total Score</b>
GPH Builders Merchants Limited**	87.52
Saint-Gobain Building Distribution Limited**	76.99
Grafton Merchanting GB Limited**	76.47
Scotia Supply Co. Ltd**	70.54
Arthur McLuckie & Son Limited	65.17
Keyline Builders Merchants Limited	64.30

<b>Lot 3 - Concrete Products</b>	
<b>Tenderer</b>	<b>Total Score</b>
Saint-Gobain Building Distribution Limited**	92.75
GPH Builders Merchants Limited**	89.21
Grafton Merchanting GB Limited**	88.02
Keyline Builders Merchants Limited*	83.94
Arthur McLuckie & Son Limited	N/C

<b>Lot 4 - Line Marking and Anti Skid</b>	
<b>Tenderer</b>	<b>Total Score</b>
Saint-Gobain Building Distribution Limited**	90.12
Mallatite Limited**	86.30
Geveko Markings UK Ltd**	85.11
Jack Coupe & Sons Limited**	80.00

<b>Lot 5 - Bollards and Verge Markers</b>	
<b>Tenderer</b>	<b>Total Score</b>
Glasdon ( UK ) Limited**	92.75
Marwood Electrical Company Limited**	78.50
Traffic Management Products Limited**	76.90
Mallatite Limited**	75.94
Broxap Limited**	73.83
Keyline Builders Merchants Limited*	73.75
Saint-Gobain Building Distribution Limited**	72.32
Simmons Signs Limited	65.65
Leafield Environmental Limited	64.65
James M Anderson Limited	63.67

<b>Lot 6 - Traffic Management</b>	
<b>Tenderer</b>	<b>Total Score</b>
Mallatite Limited**	89.30
P.F. Cusack ( Tools Supplies ) Limited**	89.00
Bunzl UK Limited**	86.46
Fleming & Company ( Machinery) Limited**	82.87
Keyline Builders Merchants Limited	60.11

<b>Lot 7 - Miscellaneous Road Products</b>	
<b>Tenderer</b>	<b>Total Score</b>
P.F. Cusack ( Tools Supplies ) Limited**	72.28
Mallatite Limited**	72.00
Bunzl UK Limited**	70.43
LC Packaging UK Ltd**	69.43
Scotia Supply Co. Ltd**	69.15
Saint-Gobain Building Distribution Limited**	66.27
GPH Builders Merchants Limited**	55.65
Grafton Merchanting GB Limited**	54.08
Keyline Builders Merchants Limited	N/C

**Recommendations** (Asterisk (\*\*)) denotes successful supplier, Asterisk (\*) denotes part successful supplier, N/C denotes non-compliant supplier)





## Scotland Excel

**To: Executive Sub Committee**

**On: 24 August 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Supply and Delivery of Street Lighting Materials**

**Schedule: 26/17**

**Period: 1 August 2018 until 31 July 2021 with an option to extend for a further 12 month period until 31 July 2022 (effective date 1 October 2018)**

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

The current framework for Street Lighting Materials expired on 30 June 2018. The proposed renewal framework will operate from 1 October 2018 until 31 July 2021 with an option to extend for a further 12 month period until 31 July 2022.

This framework covers a range of products from traditional street lighting materials such as steel and aluminium lighting columns to latest generation high technology Light Emitting Diode (LED) Lanterns. The renewal framework will assist councils in the maintenance of their street lighting infrastructure and delivering the LED street lighting replacement programmes supporting the Scottish Government's climate change targets and the transition to a low carbon economy.

This renewal incorporates a number of enhancements to the current framework including a revised lot structure to increase flexibility, SME participation and competition in the relevant lots and built-in flexibility to allow innovative/upgraded products to be added during the lifetime of the framework to meet future requirements and to take advantage of the fast pace of advancements in LED technology.

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 User Intelligence Group (UIG) confirmed a level of satisfaction with the current framework, and endorsed the inclusion of eight lots as summarised in Table 1. This strategy is designed to

closely align with council requirements, whilst also recognising the current structure of the market place, as well as maximising opportunities for SME participation.

**Table 1: Lotting Structure**

<b>Lot Number</b>	<b>Description</b>	<b>Estimated % of Spend</b>
1	LED Lanterns	77%
2	Cable/Wiring	3%
3	Steel Columns & Poles	1%
4	Aluminium Columns & Poles	6%
5	Sundry Items	6%
6	Traffic Bollards & Signs	2%
7	Luminaires/Lanterns	2%
8	Lamps & Maintenance Components	3%

As detailed in Appendix 1, all 32 Councils have confirmed that they will participate in this framework renewal.

The forecast annual spend for participating councils is circa £26m per annum and the framework was advertised at a value of £35m per annum to allow for growth within participating councils.

### **3. Procurement Process**

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 13 December 2017. In addition, a working group of technical representatives was formed to review the lot structure, technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) was published on 6 January 2018, which resulted in expressions of interest from 60 organisations. Market engagement led to 22 supplier meetings. Thereafter, in order 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 4 May 2018 with the tender documentation being made available for immediate download via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two stage tendering procedure. At the first stage, tenderers European Single Procurement Document (ESPD) responses were assessed against financial capability, technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award.

At the second stage, offers were evaluated against the following overarching criteria and weightings, with the technical criteria breakdown shown in table 2 below.

**Table 2: Technical Scoring Breakdown**

<b>Area</b>	<b>Question</b>	<b>Maximum Score Available</b>
<b>Commercial 72%</b>		
<b>Technical 28%</b>	Warehouse & Stockholding	<b>6</b>
	Distribution & Logistics	<b>6</b>
	Account Management & Technical Support	<b>5</b>
	Sustainability	<b>5</b>
	Community Benefits	<b>3</b>
	Fair Work Practices	<b>3</b>

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements as detailed in Table 2 above. In addition to these questions, bidders were asked to provide added value suggestions to councils.

Bidders were also asked to confirm which council areas they had the ability to service.

Within the commercial section, bidders were invited to offer on a lot by lot basis and provide prices for a range of the most commonly used street lighting products.

Due to the nature of the market, fixed pricing for 12 months was requested for lots 1 and 6, and fixed pricing for 6 months was requested for lots 2, 3, 4, 5, 7 and 8, with further options for bidders to confirm if they were willing to offer longer periods of fixed pricing, non-core discounts or additional guarantee.

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

The tender document was downloaded by 61 organisations, with 31 tender responses received.

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

All respondents passed the first stage assessment. However, ARK Lighting Ltd, Designplan Lighting Limited and R.S.T. Power Distribution Limited were non-compliant with the second stage technical assessment as they failed to offer specification compliant products.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was carried out. Appendix 3 sets out the scoring achieved by each bidder.

## **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 arrangement is awarded to 25 suppliers across the eight lots as outlined in Appendix 3.

The 25 recommended suppliers can meet operational requirements, provide a range of choice and capacity for council members, whilst also representing a mix of small, medium and large organisations, with 21 of the recommended suppliers classified as SMEs.

## **6. Benefits**

### **Savings**

Scotland Excel conducted a benchmarking exercise based on the existing framework prices and compared these against the new framework prices for similar product types.

The results of this benchmarking are detailed in Appendix 1. The benchmarking shows a projected contract average saving of 13% (£3.4m per annum). However, this is derived from a range of projected values from savings of 16% on lot 1 LED Lanterns and an average 2% cost across other lots.

The key influencing factors within this range are the reducing cost of technology in the development of LED's and conversely with the rising material costs in steel and aluminum prices used in the manufacture of cables and columns.

It should be noted, however, that each individual council could achieve additional savings through conducting mini-competitions.

### **Price Stability**

All suppliers have agreed to the stated fixed price period at the start of the framework. Provision thereafter is for price reviews annually for lots 1 and 6, and on a six-monthly basis for lots 2, 3, 4, 5, 7 and 8 to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

In addition to the mandatory fixed pricing periods for all lots, 15 of the recommended suppliers have offered further additional fixed pricing periods ranging from a further twelve-month period, twenty four-month period to the lifetime of the framework.

### **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 recycle, reuse and reduce initiatives to

minimise the impact of the supply chain on the environment. A range of sustainable measures were outlined by suppliers including;

- Implementing environmental initiatives;
- Developing reusable, returnable packaging solutions
- Controlling their fleet/vehicle environmental standards;
- Reducing carbon footprint and emissions;
- Waste reduction and
- End of life recycling / disposing.

LED lanterns will provide councils with energy and carbon efficient alternatives to traditional street lighting lanterns. In addition to energy savings, it is also estimated that there will be operational efficiencies gained through the use of LED Lighting as the light source has a service life expectancy which far outstrips that of traditional light sources such as sodium or fluorescent lamps, requiring less reactive and planned maintenance; also reduced light pollution due to the directional nature of the light produced by LEDs.

Throughout the lifetime of the framework Scotland Excel will continue to engage with councils and suppliers to ensure that advances in technology, particularly in relation to LED lighting, are incorporated into the framework in order that councils can easily access the latest products.

### **Community Benefits**

Bidders were also asked to detail and demonstrate their commitment to providing community benefits, and this will be further reviewed during framework mobilisation and reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a six-monthly basis. A range of community benefits dependent on spend levels were offered by bidders including:

- Sponsorship of local sports teams
- Sponsorship of community events
- Recruitment of modern apprentices
- Work experience to school children and further education students
- Assist in community projects
- Offer training sessions to council apprentices
- Workshop/school/college event
- Employability workshop or event
- Donation of materials and labour
- Donation of product vouchers
- Recruitment

A number of suppliers are Scottish based, or have operational centres in Scotland, and have offered local community benefits based on the achievement of specific spend levels under the contract.

## **Fair Work Practices including the Living Wage**

Bidders were asked a question on their approach to Fair Work Practices and the Scottish Living Wage status. Of the 25 recommended suppliers:

- 5 are accredited Scottish Living Wage Employers;
- 2 have agreed to become an accredited Scottish Living Wage employer within the initial two-year period of the Framework Contract;
- 12 are not currently accredited Scottish Living Wage Employers, but do pay the Scottish Living Wage to all employees (except volunteers, apprentices and interns).

Scotland Excel will continue to monitor Fair Work Practices including the Scottish Living Wage within its contract and supplier management programme. Scotland Excel will work with all awarded suppliers who do not yet pay all staff the Scottish Living Wage to encourage them to achieve this.

## **Other Benefits**

Bidders were also asked to offer non-core discounts. Six suppliers offered non-core discounts ranging from 2% to 20% across various lots.

In addition, the majority of the suppliers offered a range of added value benefits available to councils free of charge including: free expert technical advice on product selection, lighting design procedures, technical workshops, site visits and installation advice to maximise operational efficiencies.

## **7. Contract Mobilisation and Management**

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

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a category 1 arrangement in terms of both risk and spend requiring quarterly supplier and user group reviews as appropriate.

## **8. Summary**

This framework for the supply and delivery of street lighting materials aims to maximise collaboration, support councils' street lighting departments to deliver the various services they provide, promote added value and deliver best value. A range of benefits can be reported in relation to best value, price stability, non-core discount, sustainability, community benefits and added value.

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

## Appendix 1 – Participation, Spend and Savings Summary – Supply and Delivery of Street Lighting Materials 26/17

STREET LIGHTING FRAMEWORK								
Member Name	Participate In Framework	Participation Entry Date	Est. Annual Spend (£)	Source of Spend	Indexation	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	Contract Start	£ 942,734	Contract MI	6%	13%	£122,555	Benchmarked current framework
Aberdeenshire Council	Yes	Contract Start	£ 516,505	Contract MI	6%	13%	£67,146	Benchmarked current framework
Angus Council	Via Tayside Contracts	Contract Start	£ -	Council Confirmed	6%	13%	£0	Benchmarked current framework
Argyll & Bute Council	Yes	Contract Start	£ 325,262	Contract MI	6%	13%	£42,284	Benchmarked current framework
Clackmannanshire Council	Yes	Contract Start	£ 328,399	Contract MI	6%	13%	£42,692	Benchmarked current framework
Comhairle nan Eilean Siar	Yes	Contract Start	£ 94,833	Council Confirmed	6%	13%	£12,328	Benchmarked current framework
Dumfries & Galloway Council	Yes	Contract Start	£ 684,050	Contract MI	6%	13%	£88,927	Benchmarked current framework
Dundee City Council	Via Tayside Contracts	Contract Start	£ -	Council Confirmed	6%	13%	£0	Benchmarked current framework
East Ayrshire Council	Yes	Contract Start	£ 578,144	Contract MI	6%	13%	£75,159	Benchmarked current framework
East Dunbartonshire Council	Yes	Contract Start	£ 569,111	Contract MI	6%	13%	£73,984	Benchmarked current framework
East Lothian Council	Yes	Contract Start	£ 315,896	Contract MI	6%	13%	£41,066	Benchmarked current framework
East Renfrewshire Council	Yes	Contract Start	£ 182,396	Contract MI	6%	13%	£23,711	Benchmarked current framework
Edinburgh City Council	Yes	Contract Start	£ 425,012	Contract MI	6%	13%	£55,252	Benchmarked current framework
Falkirk Council	Yes	Contract Start	£ 710,500	Council Confirmed	6%	13%	£92,365	Benchmarked current framework
Fife Council	Yes	Contract Start	£ 1,648,501	Contract MI	6%	13%	£214,305	Benchmarked current framework
Glasgow City Council	Yes	Contract Start	£ 3,551,667	Council Confirmed	6%	13%	£461,717	Benchmarked current framework
Highland Council	Yes	Contract Start	£ 897,806	Contract MI	6%	13%	£116,715	Benchmarked current framework
Inverclyde Council	Yes	Contract Start	£ 397,300	Contract MI	6%	13%	£51,649	Benchmarked current framework
Midlothian Council	Yes	Contract Start	£ 224,321	Contract MI	6%	13%	£29,162	Benchmarked current framework
Moray Council	Yes	Contract Start	£ 1,416,333	Council Confirmed	6%	13%	£184,123	Benchmarked current framework
North Ayrshire Council	Yes	Contract Start	£ 1,030,127	Contract MI	6%	13%	£133,917	Benchmarked current framework
North Lanarkshire Council	Yes	Contract Start	£ 19,080	Contract MI	6%	13%	£2,480	Benchmarked current framework
Orkney Islands Council	Yes	Contract Start	£ 248,230	Contract MI	6%	13%	£32,270	Benchmarked current framework
Perth & Kinross Council	Via Tayside Contracts	Contract Start	£ -	Council Confirmed	6%	13%	£0	Benchmarked current framework
Renfrewshire Council	Yes	Contract Start	£ 133,333	Council Confirmed	6%	13%	£17,333	Benchmarked current framework
Scottish Borders Council	Yes	Contract Start	£ 840,572	Contract MI	6%	13%	£109,274	Benchmarked current framework
Shetland Islands Council	Yes	Contract Start	£ 11,138	Contract MI	6%	13%	£1,448	Benchmarked current framework
South Ayrshire Council	Yes	Contract Start	£ 639	Contract MI	6%	13%	£83	Benchmarked current framework
South Lanarkshire Council	Yes	Contract Start	£ 3,803,889	Contract MI	6%	13%	£494,506	Benchmarked current framework
Stirling Council	Yes	Contract Start	£ 668,015	Contract MI	6%	13%	£86,842	Benchmarked current framework
West Dunbartonshire Council	Yes	Contract Start	£ 1,426,122	Contract MI	6%	13%	£185,396	Benchmarked current framework
West Lothian Council	Yes	Contract Start	£ 1,738,841	Council Confirmed	6%	13%	£226,049	Benchmarked current framework
Tayside Contracts	Yes	Contract Start	£ 2,330,075	Council Confirmed	6%	13%	£302,910	Benchmarked current framework
<b>Totals</b>			<b>£26,058,831</b>			<b>13%</b>	<b>£3,387,648</b>	

\*Indexation: this column indicates the comparison between relevant market indices and current contract pricing. For this contract, current contract pricing is presently 6% below the market.



## Appendix 2 - List of Tenderers with SME Status

TENDERER	SME STATUS	LOCATION	LOTS OFFERED
The Aluminium Lighting Company Ltd	Small	Port Talbot, Wales	4
ARK Lighting Ltd	Micro	Barnsley	1
ASD Lighting Plc	Medium	Rotherham	1
BATT Cables Public Limited Company	Large	Erith	2
UK Electric Limited	Medium	Newbury, Berkshire	1, 3, 5, 6 and 8
City Electrical Factors Limited	Large	Kenilworth	1, 2, 5 and 8
Cleveland Cable Company Limited	Large	Cambuslang	2
C. U. Lighting Limited	Medium	Great Amwell, Hertfordshire	1, 3 and 7
Designplan Lighting Limited	Medium	Sutton, Surrey	1
D.W. Windsor Limited	Medium	Hoddesdon	1
R.S.T. Power Distribution Limited	Micro	Ennis, Republic of Ireland	1
Fabrikat (Nottingham) Limited	Medium	Sutton-In-Ashfield, Nottingham	3 and 5
Glasdon (UK) Limited	Medium	Blackpool	6 and 8
Indo Lighting Limited	Small	Southampton	1
James M Anderson Limited	Small	East Kilbride	1, 2, 3, 4, 5, 6, 7 and 8
Light & Energy Distribution Limited	Small	Cumbernauld	1, 2, 3, 4, 5, 6 and 8
Mallatite Limited	Medium	Paisley	1, 3, 4, 5, 6 and 7
Marwood Electrical Company Limited	Medium	Tonbridge	1, 3, 4, 5, 6 and 8
Orangetek Limited	Small	Burton-On-Trent, Staffordshire	1
Philips Lighting UK Limited	Large	Guildford	1
Ritherdon and Co. Limited	Small	Darwen	5
Signpost Solutions Limited	Small	Tipton	6
Simmonsigs Limited	Medium	Telford, Shropshire	6 and 8
Snapfast	Small	Gateshead	1 and 8
Street Lighting Supplies & Co Ltd	Small	Grangemouth	1, 2, 3, 4, 5 and 8
ZG Lighting (UK) Limited	Medium	Spennymoor, County Durham	1
Traffic Management Products Limited	Small	Horsham, West Sussex	6
TRT Lighting Limited	Medium	Redditch	1
Urbis Schreder Ltd	Medium	Basingstoke, Hampshire	1
Westire Technology Limited	Small	Belmullet, Republic of Ireland	5
Zeta Specialist Lighting Limited	Small	Bicester, Oxfordshire	1 and 6



**Appendix 3 - Scoring and Recommendations** (Asterisk (\*\*)) denotes successful supplier, asterisk (\*) denotes part successful supplier, (N/C) denotes Non-Compliant bid)

LOT 1 - LED Lanterns	
SUPPLIER	TOTAL SCORE
Philips Lighting UK Limited**	95.50
Urbis Schreder Ltd**	93.30
Marwood Electrical Company Limited*	92.28
City Electrical Factors Limited*	92.06
ZG Lighting (UK) Limited**	91.58
Light & Energy Distribution Limited*	90.47
TRT Lighting Limited**	84.95
UK Electric Limited*	82.53
Mallatite Limited**	82.07
Orangetek Limited**	81.73
Street Lighting Supplies & Co Ltd*	81.71
ASD Lighting Plc**	79.87
James M Anderson Limited*	79.33
Indo Lighting Limited*	78.90
D.W. Windsor Limited*	77.11
C. U. Lighting Limited**	73.88
ARK Lighting Ltd	N/C
Designplan Lighting Limited	N/C
R.S.T. Power Distribution Limited	N/C
Snapfast	N/C
Zeta Specialist Lighting Limited	N/C

LOT 2 - Cable/Wiring	
SUPPLIER	TOTAL SCORE
Cleveland Cable Company Limited**	93.00
Street Lighting Supplies & Co Ltd*	85.14
City Electrical Factors Limited*	80.32
James M Anderson Limited*	72.62
BATT Cables Public Limited Company**	71.09
Light & Energy Distribution Limited*	69.08

LOT 3 - Steel Columns & Poles	
SUPPLIER	TOTAL SCORE
Mallatite Limited**	97.00
Marwood Electrical Company Limited*	85.65
James M Anderson Limited*	84.51
Fabrikat (Nottingham) Limited*	83.56
C. U. Lighting Limited*	80.51
Light & Energy Distribution Limited*	78.39
Street Lighting Supplies & Co Ltd*	73.16
UK Electric Limited*	66.31

LOT 4 - Aluminium Columns & Poles	
SUPPLIER	TOTAL SCORE
Mallatite Limited**	96.50
Street Lighting Supplies & Co Ltd*	95.58
The Aluminium Lighting Company Ltd**	67.06
Marwood Electrical Company Limited*	67.02
Light & Energy Distribution Limited*	66.63
James M Anderson Limited*	62.97

LOT 5 - Sundry Items	
SUPPLIER	TOTAL SCORE
Street Lighting Supplies & Co Ltd*	77.70
Marwood Electrical Company Limited*	74.77
Mallatite Limited**	69.63
Light & Energy Distribution Limited*	67.56
James M Anderson Limited*	66.43
Westire Technology Limited	62.88
City Electrical Factors Limited	62.44
Fabrikat (Nottingham) Limited	61.70
Ritherdon and Co. Limited	60.19
UK Electric Limited	40.98

LOT 6 - Traffic Bollards & Signs	
SUPPLIER	TOTAL SCORE
Mallatite Limited**	97.00
Marwood Electrical Company Limited*	69.05
Traffic Management Products Limited**	64.08
Simmons signs Limited**	62.22
Light & Energy Distribution Limited*	61.95
James M Anderson Limited*	59.62
Zeta Specialist Lighting Limited*	58.07
Glasdon (UK) Limited**	57.49
UK Electric Limited	49.20
Signpost Solutions Limited	49.19

LOT 7 - Luminaires/Lanterns	
SUPPLIER	TOTAL SCORE
Mallatite Limited**	96.36
C. U. Lighting Limited*	93.00
James M Anderson Limited*	92.00

LOT 8 - Lamps & Maintenance Components	
SUPPLIER	TOTAL SCORE
Simmons signs Limited**	92.75
Marwood Electrical Company Limited*	88.47
James M Anderson Limited*	75.12
Snapfast*	74.64
Street Lighting Supplies & Co Ltd*	74.07
Glasdon (UK) Limited**	73.04
City Electrical Factors Limited*	72.08
Light & Energy Distribution Limited*	71.78
UK Electric Limited*	63.66



## Scotland Excel

**To: Executive Sub Committee**

**On: 24 August 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Treatment and Disposal of Recyclable and Residual Waste**

**Schedule: 27/17**

**Period: From September 2018**

### **1. Introduction**

The purpose of this report is to notify the Executive Sub-Committee that the Scotland Excel Environment Category Team (within Transport, Roads and Environment) intends to introduce a Dynamic Purchasing System (DPS) for the Treatment and Disposal of Recyclable and Residual Waste. This DPS will replace the recently expired Recyclable and Residual Waste Framework (14/13). This will involve following a route to market that is new to Scotland Excel and is intended to secure the provision of assorted services for the treatment and disposal of various waste related materials collected by councils.

This route to market has been chosen for a number of reasons that will be outlined within this report. The following will detail the definition of a DPS and its key differences to a framework agreement. It will also outline the desired outcomes that the team and the User Intelligence Group (UIG) hopes to achieve with its creation, how it aligns with guidance/legal tests in terms of its validity as an option and explain how it will operate, as well as detailing next steps going forward.

### **2. Definition of a Dynamic Purchasing System**

As defined under Regulation 35 of the Public Contracts (Scotland) Regulations, a DPS is a route to market that a “contracting authority may use for commonly used purchases the characteristics of which, as generally available on the market, meet their requirements”. It has similarities to a framework agreement, but unlike a framework, allows new service providers to join at any point throughout its lifetime. It has to be run as a completely electronic process, and is set up using the restricted procedure and other associated conditions. Public bodies are permitted to set up a DPS which may be divided into categories of service (Lots).

Although available for some time, traditionally, DPS's were largely considered non-user friendly due to the perceived cumbersome nature of award procedures. In recent years however, as part of the EU's review of procurement rules taken forward into Scottish Government's Regulations of 2015, the associated processes have been reviewed and changes implemented at a European Union (EU) level that has seen its use and popularity increase.

Traditionally the DPS route to market has generally lent itself well to service areas such as the provision of taxis and/or school buses for example. However, the breadth and scope of services it has been used to deliver has evolved, as evidenced by the DPSs issued by organisations including local authorities, the Scottish Government, Crown Commercial Services, HM Revenue and Customs and the NHS National Services Scotland, covering services ranging from recruitment, health specialists and trade contractors to fleet purchase, maintenance and repair. Importantly there are also a number of examples of the DPS route to market being utilised at the level of a council or small group of councils for waste treatment services, including examples of material types that are likely to be included as part of scope within this solution.

This DPS will be seeking legally compliant service providers, capable of delivering the treatment of material(s), whilst allowing for a small level of tailoring for operational requirements at an individual council level.

### **3. Market Background**

The waste material sector and associated issues have been well documented recently, even out-with the industry itself. Stringent targets have been set by the EU and the Scottish Government has set itself ambitious targets of its own, as detailed via its strategy "Making Things Last – A Circular Economy Strategy for Scotland", aimed at generating remanufacturing and creating opportunities linked to the strive for a circular economy.

It should also be noted that the market for waste materials has been negatively impacted by recent policy changes implemented by China, which on a global level, had been the main outlet for much of the world's waste material. So far during 2018, China has implemented ever increasingly strict criteria on what they are willing to allow to be exported to their country by businesses from across the world, including the UK. This has raised serious concern about the longer-term sustainability of available outlets for material and therefore demand within the UK for the types of material collected by councils.

At a more localised level, Scotland's ban on biodegradable municipal waste going to landfill comes into effect from 1<sup>st</sup> January 2021. In addition, more than two-thirds of councils have signed up to the "Household Recycling Charter" and associated Code of Practice, developed jointly by the Scottish Government and COSLA that aims to bring more consistency to recycling collections. These and any future interventions that may follow, will have an impact on the content and volume of material collected by councils in Scotland, which in turn could influence the type of treatment(s) the material requires.

Considering these factors and the market overall, councils require a simple method to contract award for treatment (and disposal) services from appropriately qualified contractors, assured of regulatory compliance and ideally, with as much choice as possible in terms of capacity to contract. It is our view that a DPS is more likely to satisfy this need than the traditional framework model.

#### **4. Desired Outcomes**

A matrix of desired outcomes and the likelihood of achieving each under the framework model versus the DPS can be found in Appendix 1, at the end of this report. These can be summarised as follows:

- To allow new entrants to offer services throughout the lifetime of the arrangement, on a lot by lot basis, and thereby not “lock-out” new service providers who can meet the regulatory requirements and potentially offer better value to councils.
- To allow additional offers to be included throughout the lifetime of the arrangement, such as new treatment facilities that come on line as well as on Lots to which they may not have originally offered.
- To maximise treatment capacity throughout the lifetime of the arrangement.
- To encourage offers that are representative of a council’s quality of material, reflective of market conditions of the day, safeguarding service and reducing risk of contract frustration.
- To safeguard and encourage a high level of council participation in terms of looking to Scotland Excel for its service solutions.

#### **5. Procurement Guidance**

The Scottish Governments Procurement Journey provides guidance which details when a DPS could be an appropriate route to market. Whilst much of the guidance is subject to interpretation, based upon knowledge of this market area, Scotland Excel believes that the needs related to this service area meet the majority of the defined criteria. For information, Appendix 2, at the end of this report lists the key criteria presented by the guidance, (as well as a number of “checklist points” not already covered under key criteria), and a summary of Scotland Excel’s interpretation of how it aligns:

#### **6. User Intelligence Group (UIG) Engagement**

An Environment Category UIG took place in January 2018 where the group was asked to consider the feasibility of implementing the DPS model as opposed to retendering a framework. Following internal approval to pursue, the group were formally asked to consider during March 2018. Feedback identified two key concerns, one was the loss of the direct award option available under a

framework model and the second related to the increased level of input from individual councils compared with the framework direct award/mini-competition process. These concerns will be mitigated with the provision of template documents that can be amended as required as well as ongoing mobilisation support, ensuring users are comfortable with the process involved.

In relation to participation and uptake of the DPS, the proposed scope and breadth of choice of treatment options and available technologies on an ongoing basis, (should the DPS attract the expected level of interest from service providers), would ensure a straight forward route to securing services and it is hoped, further compliment Scotland Excels suite of options that assist councils in delivering their waste related responsibilities.

## **7. Operating the DPS in Practice**

Under the DPS model, councils will be presented with a list of service providers, on a per Lot basis that have successfully passed the minimum qualification criteria, (capability to service, licensing, convictions, insurances and so on), confirming that they are capable of providing a service as defined within the Contract Notice. Councils will be able to tailor their own specifications, within clearly defined parameters as outlined within the Contract Notice. Submitted offers will then be evaluated by the council on both technical and commercial viability and the overall best value offer awarded.

Scotland Excel will provide template terms and conditions and a template evaluation methodology, that councils can opt to use, or tailor to their own operational need, allowing focus upon the areas that matter most to them, both in an operational sense, as well as areas such as community benefits and added value.

Awarding contracts under the DPS will ensure councils achieve bespoke pricing based upon their own material content and quality as well as individual operational requirements. Decisions relating to price variations, changes to terms and conditions and service delivery would be made directly by councils, allowing much greater control. Licensing, insurances and other associated documentation it is anticipated will be held, monitored and updated by Scotland Excel centrally and made available for councils.

In relation to new entrants during the lifetime of the DPS, approval will be the responsibility of Scotland Excel. Potential new entrants will notify their intent and following completion of the Qualification Document, will be notified by Scotland Excel of their success or failure, after which, if successful, will become available for councils to utilise, further stimulating competition among providers.

## **8. Next Steps**

Following strategy approval at Contract Steering Group, the dynamic purchasing system will be advertised by formal notice to the market by late August 2018, closing late September 2018, inviting interested service providers to complete a qualification process, that if successful in passing, will allow them to be named as

approved providers on the relevant Lot(s) that they have bid. Following notification to successful bidders, the DPS will be made available for councils to conduct award processes and put in place compliant contracts relevant to their needs.

## **9. Summary**

The introduction of a Dynamic Purchasing System is a first for Scotland Excel as an organisation and provides an alternative to a framework model that in relation to this particular service area, offers a number of key benefits that will help councils meet their operational service needs within a landscape of policy change and market uncertainty. Scotland Excel notes that whilst we believe this route to be compliant and appropriate to implement, it is new to Scotland Excel and as such, attention to detail in order to ensure the process is followed correctly is essential in order to mitigate any risk associated with the introduction of a new process/route to market. As Scotland's leading procurement organisation for local authorities, we firmly believe that this particular contract area provides an opportunity to be at the forefront in terms of introducing a procurement tool that could offer benefits across the organisation's contract portfolio as a whole, whilst securing a service delivery option for councils that will be relatively easy to use and will cover need at a national level.

## **10. Recommendation**

The Executive Sub-Committee are requested to:

- a) Approve the use of the Dynamic Purchasing System procurement tool for the Treatment and Disposal of Recyclable and Residual Waste
- b) Note that a report will be submitted to a future meeting of the executive Sub-Committee on progress with the tender to set up the Dynamic Purchasing System



## Appendix 1 - Desired Outcome Matrix

Desired Outcome	Achievable under current framework model	Achievable with changes to the framework model	Achievable under Dynamnic Purchasing System
Ability to allow new entrants to offer services throughout the lifetime of the arrangement, thereby not disclosing providers who can meet the regulatory requirements and potentially offer best value to councils.	<i>No. Only those bidders successfully awarded at time of tender can service the framework througout its lifetime.</i>	<i>No. Only those bidders successfully awarded at time of tender can service the framework througout its lifetime.</i>	Yes. Under a DPS new entrants are permissible, subject to passing the necessary qualification requirements.
Ability to allow new/addtional offers (eg: new facilites).	<i>No. Although potentially possible, additional offers have proven difficult to accept/award.</i>	Yes. If structured appropriately, the ability to accept additional offers may become more feasible. <i>However, new offers would be limited to awarded providers.</i>	Yes. Under a DPS new offers, for new facilities or otherwise could be accepted at point of award subject to passing necessary qualifications requirements.
Ability to allow providers to submit new offers across Lots, (as opposed to being tied to the original Lot(s) bid on).	<i>No. Bidders are only allowed to offer on Lot(s) to which they were awarded for the duration of the framework lifetime.</i>	<i>No. Bidders are only allowed to offer on Lot(s) to which they were awarded for the duration of the framework lifetime.</i>	Yes. Under a DPS, bidders would be able to submit offers under whichever Lot they wished (subject to approval/passing required qualification.
Maximise capacity.	<i>Unlikely, unless a significant number of bidders were successfully awarded. Risk would be that either they choose not to bid or are deemed uncompetitive at this time and fail to be awarded.New entrants would not be permitted.</i>	<i>Unlikely, unless a significant number of bidders were successfully awarded. Risk would be that either they choose not to bid or are deemed uncompetitive at this time and fail to be awarded.New entrants would not be permitted.</i>	Yes. As new entrants/new offers would be able to be submitted as an option to councils at any point.
Safeguard Council Participation.	<i>Unlikely. Unless the majority of the market bids and are successfully awarded, choice will be limited and options will remain outwith the framework itself.</i>	<i>Unlikely. Unless the majority of the market bids and are successfully awarded, choice will be limited and options will remain outwith the framework itself.</i>	Likely. The scope of providers available/ability for new entrants etc should reduce options outwith Scotland Excel, except in cases where providers opt not to make themselves available via the DPS.



## Appendix 2 – Procurement Guidance

Guidance Consideration	Scotland Excel Interpretation
Difficult to bulk buy/achieve economies of scale	It is challenging to bulk buy service/achieve economies of scale under this service area. The prime reasons are that at the moment each council's collection method can vary, the methods used to collect materials varies, as does the quality of material presented for treatment and consequently its value due to the effects of operational decisions and the level of well-informed public participation.
Local bespoke offering/local SMEs	Individual council requirements vary, for example the requirements of a council that is largely urban may vary from a more rural council. Geographic location can be a factor, for example those councils located within the central belt may have more options in terms of locally available treatment capacity than those in the north of Scotland. SMEs have a significant role in the waste industry. As an example, 61% of framework providers were SMEs.
Opportunity to automate elements	Achievable under the DPS route.
Price sensitive market	Market conditions, quality of material, collection method, demand for recycled material versus virgin material, global manufacturing output, legislative policy developments (at national, EU level and beyond) and ultimately end market uncertainty can all influence price, as can other issues such as cost of shipping, storage and insurance. Particular materials streams will of course be more susceptible to fluctuation than others at any given time, but generally this market is prone to price sensitivity and many market materials are indexed on a fortnightly or monthly basis.
Large volume of service providers	The Procurement Journey Guidance suggests 20+ suppliers/service providers should be deemed as large. Although no guarantee can be given regarding number of bids or likely number of bids on individual mini-competitions, 35 service providers were awarded to the framework and 72 expressed an interest in a PIN issued during January 2018. Should the DPS include the level of expected scope in terms of number of material streams catered for, it is expected this number will rise even further.
Large volume of transactions	The proposed DPS Lot structure could include treatment options for an array of materials, possibly between 25-30 different streams. Procurement Journey Guidance gives no definitive figure on what should be deemed large volume of transactions beyond that it should be in at least the hundreds. When considering the potential number of contract awards, or indeed number of contracts currently awarded across councils for multiple material streams, it is likely there could be a high level of transactional activity.
Capacity issues/market shaping opportunity	Capacity for treatment is a major concern across the market, particularly in light of policy in China, introduced earlier this year that imposes far more stringent conditions on imported material than previously. Until this policy introduction, China imported in excess of 50% of the world's waste material, primarily for reprocessing. Similar export markets are being sought, however the long-term durability of these are being questioned. Government is seeking inward investment for infrastructure and investment that could give rise to new internal markets or alternative treatment options. Should during the lifetime of the framework additional service providers enter the market, subject to being suitably qualified and capable of delivering a service as defined under the original Contract Notice, such providers could be made available as options to councils under the DPS. This ability, plus the ability to cater for councils as they diversify their own internal operations should assist in ensuring that councils have continuity of service as the market changes
Low barriers of entry for supply market	The supply market is very well established. New entrants wishing to offer a waste treatment service would require an appropriate licence to handle, store, treat and potentially move such material, as well as associated equipment and infrastructure to carry out the service, such as adequately trained staff. This is not dissimilar to other contract areas where the DPS route has been more common, such as provision of school buses for example, where a service provider would require appropriate licencing, disclosure of its record on legal and regulatory matters, compliant infrastructure and equipment (such as vehicles and maintenance) as well as suitably trained staff. As stated earlier in this report, it is not uncommon for SMEs to enter this market place.
Many internal Procurement Officers	Guidance does not indicate a figure that should be considered "many". From an individual council perspective, the number of procurement officers involved in the tender and award process on individual contracts are likely to be relatively low for this particular service area.
Are there regular new entrants/suppliers exiting the market	Although difficult to predict, legislative change and market conditions suggests a number of current providers may exit the market in the short to medium term. Conversely, policy interventions and the impact of market conditions could stimulate activity and see new entrants enter the market. By way of comparison, under the framework model (and arguably more stable market conditions), during its lifetime, three providers exited the market, one significantly changes its service delivery model in order to sustain service capability and others diversified their overall offering.
Is overall annual spend significant enough to warrant setting up specific arrangements for this spend	Guidance suggests spend should be in excess of £1million per annum, the framework achieved a valued at £80million over its lifetime, and when considering potential scope of material streams requiring treatment, this value may increase.
Are there lots of low average unit price per transaction orders being raised	Guidance does not provide an interpretation of transaction in terms of actual contract awards, (likely to be high unit price) or per delivery (likely to be low unit price). Regardless of interpretation, the guidance does caveat that higher individual unit price may occur due to the nature of the service being provided.
Would the type of services benefit from ongoing competition around price/delivery due to on-going volatility in the market	Even should the market settle in terms of stability, councils could only benefit from increased competition via a fully transparent, fair and open to all (subject to qualification criteria), maximising treatment capacity and encouraging healthy competition between providers.





## Scotland Excel

**To: Executive Sub Committee**

**On: 24 August 2018**

### **Report by Director Scotland Excel**

#### **Request for Associate Membership of Scotland Excel by The Wise Group**

##### **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 Wise Group are a leading social enterprise and registered charity which delivers key services to employability, sustainability and community justice sectors across Scotland.

The Wise Group partner with public sector bodies to provide employment training to their constituents and deliver local economic benefits.

To assist fuel poverty in Scotland, The Wise Group operate the Home Energy Scotland advice centre for Strathclyde and Central which covers 11 local authorities. This provides impartial energy advice and referrals to Scottish Government schemes to applicable households. The aim is to reduce fuel poverty, lower fuel bills and increase householder comfort within their own home.

The Wise Group are also a Living Wage employer.

To ensure the efficient and cost effective delivery of these services The Wise Group have approached Scotland Excel and requested approval to become an associate member with access to our contracts.

### **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.

Scotland Excel monitors all requests from arms length and other organisations to become associate members to ensure that any legal requirements are met. In this case The Wise Group qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970, section 1(1B), namely that the organisation is not a public body, but it 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 Wise Group application to join Scotland Excel as an associate member be approved, at a £1,000 annual fee, subject to completion and signing of the agreement document.



## Scotland Excel

**To: Executive Sub Committee**

**On: 24 August 2018**

**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

The report includes the latest absence details for period to 31 July 2018. 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 0.3% (4 days)
- previous 6 months to 1.0% (86.5 days)
- previous 12 month period to 1.3% (211.5 days)

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 July 2018

	Current Month					Last 6 Months					Last 12 Months									
Total:	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					
	4	0	4	0.3%	3	71.5	15	86.5	1.0%	34	136	75.5	211.5	1.3%	71					
No of Employees (Permanent and Temporary):						93					Average no of Sickness Absence Days per Employee:					2.3				
No of Leavers included:						10														



