

Notice of Meeting and Agenda Scotland Excel Executive Sub-Committee

| Date | Time | Venue |
|-------------------------|-------------|---|
| Friday, 13 October 2017 | 10:45 | Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley |

KENNETH GRAHAM
Clerk

Amended Reports

Please find attached amended reports in relation to items 3(a) - Supply and Delivery of Recycle and Refuse Containers and 3(c) - Supply and Delivery of Bottled Gas of the agenda for the meeting of Scotland Excel Executive Sub-committee scheduled to be held on 13 October 2017.

Items of business

- | | |
|--|----------------|
| 3(a) Supply and Delivery of Recycle and Refuse Containers | 3 - 12 |
| Amended report by Director of Scotland Excel. | |
| 3(c) Supply and Delivery of Bottled Gas | 13 - 20 |
| Amended report by Director of Scotland Excel. | |

Scotland Excel

To: Executive Sub Committee

On: 13 October 2017

**Report
by
Director Scotland Excel**

Tender: Supply and Delivery of Recycle and Refuse Containers

Schedule: 01/17

Period: 3 November 2017 until 2 November 2020 (with option to extend until 3 November 2021)

1. Introduction and Background

The current framework for Recycle and Refuse Containers will expire on 31 October 2017. This recommendation is for the award of a renewal framework which will operate from 3 November 2017 until 2 November 2020 (with an option to extend until 2 November 2021). This framework facilitates the purchase, supply and delivery of various container types to support councils in the delivery of waste and environmental services.

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 general high levels of satisfaction with the current framework services and endorsed the inclusion of seven lots as summarised in Table 1 and these are designed to assist councils in delivering collection services to households for a host of materials collected in various mixes and by various methods, as well as providing suitable containers in urban areas, such as litter bins and containers for waste from commercial premises, including council properties, businesses and schools. The procurement strategy recognised the current market structure and aimed to maximise opportunity for SME's.

Table 1: Lotting Structure

| Lot Number | Description | Estimated % of Spend |
|------------|--|----------------------|
| Lot 1 | 2 Wheeled Bins | 61% |
| Lot 2 | Wheeled and Non Wheeled Containers over 500 Litres | 14% |
| Lot 3 | Kerbside Boxes and Reusable Sacks | 2% |
| Lot 4 | Kitchen Waste | 1% |
| Lot 5 | Urban Waste | 6% |
| Lot 6 | Virgin and Recycled Sacks and Liners | 5% |
| Lot 7 | Compostable Sacks and Liners | 11% |

As detailed in Appendix 1, 32 Councils have confirmed their intention to participate in this framework renewal.

The contract was advertised with an estimated value of £50m over the 4 year period. The forecast annual spend for participating councils is circa £9m per annum.

3. Procurement Process

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 7 April 2017. In addition, a working group of technical and procurement representatives was formed to review technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) was published on 9 Feb 2017, which resulted in expressions of interest from 44 organisations. 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 25 July 2017 with the tender documentation being made available for immediate download from 25 July 2017, 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 criteria and weightings.

| | |
|------------|-----|
| Technical | 20% |
| Commercial | 80% |

Within the technical section, as well as confirming compliance to product specification, bidders were required to evidence their policies, processes and experience on areas including sustainability, community benefits and fair working practices. They were also provided the opportunity to offer additional services such as bin refurbishment and end of life/take back options, as well as additional fixed pricing or guarantees. Questions were also asked relating to added value, distribution only options and potential technological additions.

Bidders were also asked to confirm which councils they will be able to service.

Within the commercial section, bidders were invited to offer on a lot by lot basis and provide prices against a selection of most commonly used and highest spend products. Bidders were encouraged based on the evaluation methodology to bid on as wide a range of core products as possible. Pricing for all lots is fixed for 12 month periods as a minimum as well as the option for bidders to extend this period.

4. Report on Offers Received

The tender document was downloaded by 35 organisations, with 22 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. 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 all 22 suppliers across the seven lots as outlined in Appendix 3.

The 22 recommended suppliers can meet requirements across all geographical areas providing a range of choice and capacity for council members. The recommended suppliers also represent a mix of micro, small, medium and large organisations, with 20 of the recommended suppliers classified as SMEs.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise for each council and the results of this benchmarking are detailed in Appendix 1.

The benchmarking exercise compared the best prices for each core product on the existing framework with the prices for the same products offered for the new framework.

Despite being a fourth generation framework, an overall saving figure has been achieved. The projected average saving across all councils is 1.2%, which equates to an estimated total saving of approximately £112k per annum based on current forecast spend levels. The projected annual savings per council compared to the previous framework ranges from £211 to £16,641. The level of saving achievable is linked to volume of spend, but also influenced significantly by the level of spend on Lot 1 (2 wheeled bins), where the greatest improvement in prices offered was achieved.

It should be noted that each individual council could achieve further savings through conducting mini-competitions. In addition, the framework offers councils opportunities relating to added value and potential to integrate new technologies throughout the framework lifetime.

Price Stability

Twelve suppliers have agreed to the minimum 12 month annual fixed price period whilst the remaining ten suppliers have offered extended fixed pricing periods beyond the 12 month minimum. Provision thereafter is for price reviews every 12 months to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

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 social, economic and environmental areas. A range of sustainable measures were outlined by service providers including;

- Fleet/Vehicle Environmental Standards
- Carbon Footprint
- Waste Reduction

This procurement also evaluated bidders' abilities to offer practical solutions to aid with the sustainability of products life cycles, including bin refurbishment options intended to sustain the life of the product and end of life/take back schemes for used bins that are no longer fit for purpose but could be recycled or reused for other purposes.

Community Benefits

Bidders were also asked to detail and demonstrate their commitment to providing community benefits, that will be further discussed during framework mobilisation and reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a regular basis. A range of community benefits dependent on achieved levels of spend were offered by bidders based around the following:

- Economic Impact
- Improving Employability
- Improving Education
- Improving Skills

Delivered via workshops, training, work experience, sponsorship, donation of time staff and materials and recruitment, including apprentices.

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 22 recommended suppliers, 16 confirmed payment of the Living Wage to their workforce, 1 has confirmed they are currently working through the accreditation process and a further 2 have pledged to do so within the first 2 years of the framework term.

- 2 are accredited Living Wage Employers
- 1 is working towards accreditation
- 2 have committed to gaining accreditation and paying the Living Wage to all employees over the initial two year period of the framework
- 14 are not accredited Living Wage Employers but pay the Living Wage to all employees
- 3 are not accredited Living Wage Employers and do not currently pay the Living Wage to all employees

Scotland Excel monitors Fair Work Practices including the Living Wage within its contract and supplier management process. Scotland Excel will work with the three suppliers who do not currently pay the Living Wage during the lifetime of the new framework to encourage their commitment to this as a minimum.

7. Contract Mobilisation and Management

All councils and suppliers will be issued with a mobilisation pack containing all required details to launch the framework. Each supplier will be invited to a mobilisation meeting 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 process, this framework has been classified as a level 2 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the supply and delivery of recycle and refuse containers aims to maximise collaboration, support local authorities to deliver the waste related services they provide as well as support waste management strategies and activities in compliance with the Zero Waste Plan and the Waste (Scotland) Regulations 2012, as well as the delivery of best value.

A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

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

Appendix 1 – Participation, Spend and Savings Summary – Recycle and Refuse Containers 01-17

| Member Name | Participate in Framework | Participation Entry Date | Estimated Annual Spend | Source of Spend | Forecast Saving % | Estimated Annual Savings (£) | Basis of Savings Calculation |
|---------------------------|--------------------------|--------------------------|------------------------|-------------------|-------------------|------------------------------|------------------------------|
| Aberdeen City | Yes | Contract Start | £435,137 | Contract MI | 1.24% | £5,396 | Benchmarked Current Contract |
| Aberdeenshire | Yes | Contract Start | £664,363 | Council Confirmed | 1.24% | £10,966 | Benchmarked Current Contract |
| Angus | Yes | Contract Start | £62,800 | Council Confirmed | 1.24% | £779 | Benchmarked Current Contract |
| Argyll and Bute | Yes | Contract Start | £50,000 | Council Confirmed | 1.24% | £620 | Benchmarked Current Contract |
| Clackmannanshire | Yes | Contract Start | £58,340 | Contract MI | 1.24% | £723 | Benchmarked Current Contract |
| Comhairle nan Eilean Siar | Yes | Contract Start | £25,329 | Contract MI | 1.24% | £314 | Benchmarked Current Contract |
| Dumfries and Galloway | Yes | Contract Start | £155,000 | Council Confirmed | 1.24% | £1,922 | Benchmarked Current Contract |
| Dundee City | Yes | Contract Start | £379,346 | Contract MI | 1.24% | £4,704 | Benchmarked Current Contract |
| East Ayrshire | Yes | Contract Start | £220,475 | Contract MI | 1.24% | £2,734 | Benchmarked Current Contract |
| East Dunbartonshire | Yes | Contract Start | £155,973 | Contract MI | 1.24% | £1,934 | Benchmarked Current Contract |
| East Lothian | Yes | Contract Start | £112,750 | Council Confirmed | 1.24% | £1,398 | Benchmarked Current Contract |
| East Renfrewshire | Yes | Contract Start | £66,500 | Council Confirmed | 1.24% | £825 | Benchmarked Current Contract |
| Edinburgh City | Yes | Contract Start | £1,342,035 | Contract MI | 1.24% | £16,641 | Benchmarked Current Contract |
| Falkirk | Yes | Contract Start | £280,000 | Council Confirmed | 1.24% | £3,472 | Benchmarked Current Contract |
| Fife | Yes | Contract Start | £220,000 | Council Confirmed | 1.24% | £2,720 | Benchmarked Current Contract |
| Glasgow City | Yes | Contract Start | £1,067,701 | Contract MI | 1.24% | £13,241 | Benchmarked Current Contract |
| Highland | Yes | Contract Start | £190,000 | Council Confirmed | 1.24% | £2,356 | Benchmarked Current Contract |
| Inverclyde | Yes | Contract Start | £157,000 | Council Confirmed | 1.24% | £1,947 | Benchmarked Current Contract |
| Midlothian | Yes | Contract Start | £108,660 | Contract MI | 1.24% | £1,347 | Benchmarked Current Contract |
| Moray | Yes | Contract Start | £57,864 | Contract MI | 1.24% | £718 | Benchmarked Current Contract |
| North Ayrshire | Yes | Contract Start | £146,300 | Council Confirmed | 1.24% | £1,814 | Benchmarked Current Contract |
| North Lanarkshire | Yes | Contract Start | £889,911 | Contract MI | 1.24% | £11,035 | Benchmarked Current Contract |
| Orkney | Yes | Contract Start | £17,048 | Contract MI | 1.24% | £211 | Benchmarked Current Contract |
| Perth and Kinross | Yes | Contract Start | £100,000 | Council Confirmed | 1.24% | £1,240 | Benchmarked Current Contract |
| Renfrewshire | Yes | Contract Start | £286,000 | Council Confirmed | 1.24% | £3,546 | Benchmarked Current Contract |
| Scottish Borders | Yes | Contract Start | £82,197 | Contract MI | 1.24% | £1,019 | Benchmarked Current Contract |
| Shetland Isles | Yes | Contract Start | £123,310 | Council Confirmed | 1.24% | £1,529 | Benchmarked Current Contract |
| South Ayrshire | Yes | Contract Start | £172,476 | Contract MI | 1.24% | £2,139 | Benchmarked Current Contract |
| South Lanarkshire | Yes | Contract Start | £417,059 | Council Confirmed | 1.24% | £5,173 | Benchmarked Current Contract |
| Stirling | Yes | Contract Start | £134,364 | Contract MI | 1.24% | £1,666 | Benchmarked Current Contract |
| West Dunbartonshire | Yes | Contract Start | £150,000 | Council Confirmed | 1.24% | £1,860 | Benchmarked Current Contract |
| West Lothian | Yes | Contract Start | £514,655 | Contract MI | 1.24% | £6,382 | Benchmarked Current Contract |
| TOTALS | | | £8,842,593 | | 1.24% | £112,371 | |

Appendix 2 - SME Status

| Bidder's Name | SME Status | Location | Lots Awarded |
|---|------------|-------------------------|--------------|
| Abfallbehalter & Container Weber UK Ltd | Medium | England | 1,2,5 |
| Biobags Scotland Ltd | Medium | Aberdeen and North East | 6,7 |
| British Polythene Limited | Large | England | 6,7 |
| Broxap Ltd | Medium | England | 5 |
| Craemer UK Limited | Medium | England | 1,2,4 |
| Cromwell Polythene Ltd | Medium | England | 3,6,7 |
| Egbert H Taylor & Co Ltd | Medium | England | 2,4 |
| ESE World Ltd | Small | England | 1,2 |
| Eximex UK Ltd | Small | England | 6 |
| Glasdon UK Limited | Medium | England | 5 |
| Imperial Polythene Products Limited | Medium | England | 6,7 |
| J & HM Dickson Ltd | Small | Glasgow and Strathclyde | 3 |
| Leafield Environmental Ltd | Small | England | 5 |
| One51 ES Plastics (UK) Ltd T/A MGB Plastics | Medium | England | 1 |
| Ridley Recycling Limited T/A Peter Ridley Waste Systems | Micro | England | 4,7 |
| Plastic Omnium Urban Systems Limited | Large | England | 1,2,5 |
| Sphere Professional UK Ltd | Small | England | 3,6,7 |
| SSI Schaefer Ltd | Medium | England | 1,2 |
| Storm Environmental Ltd | Small | England | 2 |
| Straight Manufacturing Limited | Small | England | 2,3,4 |
| Weir & Carmichael Ltd | Small | England | 3 |
| Wybone Limited | Medium | England | 5 |

Appendix 3 - Scoring and Recommendations

| Lot 1 - 2 Wheeled Bins | | |
|---|--|---------------|
| Supplier Name | | Overall Total |
| One 51 ES Plastics (UK) Ltd T/A MGB Plastics* | | 93.50 |
| Craemer UK Ltd* | | 89.22 |
| SSI Schaefer Ltd* | | 87.73 |
| PLASTIC OMNIUM Urban Systems Limited* | | 84.12 |
| ESE World Ltd* | | 79.01 |
| Abfallbehalter & Container Weber UK Ltd* | | 73.79 |

| Lot 2 - Wheeled and Non-Wheeled Containers over 500L | | |
|--|--|---------------|
| Supplier Name | | Overall Total |
| Egbert H Taylor & Co Ltd* | | 89.83 |
| ESE World Ltd* | | 76.78 |
| PLASTIC OMNIUM Urban Systems Limited* | | 75.80 |
| Straight Manufacturing Limited* | | 74.79 |
| Storm Environmental Ltd* | | 72.91 |
| SSI Schaefer Ltd* | | 71.92 |
| Craemer UK Ltd* | | 71.74 |
| Abfallbehalter & Container Weber UK Ltd* | | 69.31 |

| Lot 3 - Kerbside Boxes and Reusable Sacks | | |
|---|--|---------------|
| Supplier Name | | Overall Total |
| J & HM Dickson Ltd* | | 85.92 |
| Straight Manufacturing Limited* | | 82.87 |
| Cromwell Polythene Limited* | | 81.18 |
| Weir & Carmichael Ltd* | | 76.55 |
| Sphere Professional UK Ltd* | | 75.86 |

| Lot 4 - Kitchen Waste | | |
|---|--|---------------|
| Supplier Name | | Overall Total |
| Straight Manufacturing Limited* | | 91.50 |
| Craemer UK Ltd* | | 82.17 |
| Egbert H Taylor & Co Ltd* | | 80.12 |
| Ridley Recycling Limited T/A Peter Ridely Waste Systems * | | 76.14 |

(*) Denotes successful supplier

| Lot 5 - Urban Waste | | |
|---|--|---------------|
| Supplier Name | | Overall Total |
| Broxap Ltd* | | 98.25 |
| Wybone Limited* | | 88.52 |
| PLASTIC OMNIUM Urban Systems Limited* | | 75.78 |
| Glasdon UK Ltd* | | 71.86 |
| Leafield Environmental Limited* | | 67.56 |
| Abfallbehalter & Container Weber UK Ltd | | 58.26 |

| Lot 6 - Virgin and Recycled Sacks | | |
|-----------------------------------|--|---------------|
| Supplier Name | | Overall Total |
| Cromwell Polythene Limited* | | 93.00 |
| British Polythene Ltd * | | 79.61 |
| Sphere Professional UK Ltd* | | 68.78 |
| Eximex (UK) Ltd* | | 67.70 |
| Biobags (Scotland) Ltd* | | 64.47 |
| Imperial Polythene Products Ltd* | | 62.95 |

| Lot 7 - Compostable Sacks and Liners | | |
|---|--|---------------|
| Supplier Name | | Overall Total |
| Cromwell Polythene Limited* | | 95.00 |
| Biobags (Scotland) Ltd* | | 70.88 |
| British Polythene Ltd* | | 63.76 |
| Sphere Professional UK Ltd* | | 62.26 |
| Imperial Polythene Products Ltd* | | 58.72 |
| Ridley Recycling Limited T/A Peter Ridely Waste Systems | | 42.01 |

Scotland Excel

To: Executive Sub Committee

On: 13 October 2017

**Report
by
Director Scotland Excel**

Tender: Supply and Delivery of Bottled Gas

Schedule: 08/17

Period: 6 November 2017 until 5 November 2019 with an option to extend annually until 5 November 2021

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “lighter touch” approach with key stakeholders which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for the supply and delivery of bottled gas which will operate from 6 November 2017 to 5 November 2019 with the option to extend for up to two 1 year periods until 5 November 2021.

This framework will provide councils with a mechanism to purchase bottled gas and bulk gas requirements. The products covered within the framework will include industrial, food and beverage, medical and balloon gas. The framework was advertised at £8 million for the four year period.

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 commercial user intelligence group (CUIG) steering group endorsed the inclusion of six lots as summarised in Table 1. Estimated percentage of spend per lot is based on historical spend data however actually purchasing patterns may differ depending on council requirements.

| Lot Number | Lot Name | Estimated %age of Spend |
|------------|-----------------------|-------------------------|
| Lot 1 | MIG | 16% |
| Lot 2 | Burning (Gas Welding) | 16% |
| Lot 3 | Heating | 18% |
| Lot 4 | Bulk | 16% |
| Lot 5 | Bulk Heating | 18% |
| Lot 6 | Miscellaneous Gases | 16% |

Table 1: Lotting Structure

The lotting structure recognises the importance of councils being able to purchase bottled gas products and gas in bulk form whilst allowing access for a range of suppliers to bid.

During the initial framework information request process for Scotland Excel Operational Supplies and Services frameworks, 75% of respondents indicated that they require this service within the first two years of small value contract activity.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 10 organisations. A number of supplier engagement meetings were held with suppliers to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'lighter-touch' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with councils requirements, a program of consultation with councils was conducted to understand their current purchasing habits and future requirements that could be covered by this framework.

This information was used to generate the specifications, selection and award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 10 August 2017. 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, the offers were evaluated against the following criteria and weightings for all lots:

| | |
|------------|-----|
| Commercial | 80% |
| Technical | 20% |

Within the technical section for both lots, bidders were required to complete scored questions and method statement to evidence their knowledge and experience by responding to technical questions including servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Within the commercial section, bidders were invited to offer for a basket of goods on a lot-by-lot basis.

4. Report on Offers Received

The tender document was downloaded by 10 organisations, with 5 tender responses received.

A summary of all offers received and their SME status is provided in Appendix 1.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 2 confirms the scoring achieved by each bidder.

Two of the tender responses were not evaluated as the offers were non-compliant.

5. Recommendations

Scotland Excel recognised, through feedback from the commercial UIG (CUIG) steering group that the local authorities required a robust collaborative framework to support their requirements for Bottled Gas.

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 3 suppliers across the six lots as outlined in Appendix 2.

The 3 recommended suppliers are all large organisations which provide the choice, scope and broad range of products required by councils as well as representing best value and providing geographical coverage.

6. Benefits

Savings

The projected savings per council were based on an average basket of goods tendered against the most competitive basket of goods tendered.

The projected average saving across all councils for Lots 3 and 5 is 15%. This equates to a total saving of 5% based on Lots 3 and 5 having a forecast spend of 36% of overall contract value.

As only a single compliant bid was received for the remaining lots this method of calculating savings could not be applied. However, it is expected that the pricing for these lots will be at least cost neutral and may show a small saving.

There is also a resource saving associated with Operational Supplies and Services frameworks for Councils.

Savings that can be achieved will depend on council's purchasing habits and the mix of products that councils require.

Price Stability

Within all lots, the three recommended bidders have agreed with the special conditions of framework which states suppliers to hold the prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of the Consumer Price Index (CPI) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

Bidders were asked to detail community benefit initiatives that they would commit to deliver during the life of the framework.

Community Benefits received as part of the tender submissions included employability events and sponsorship and donations to community events.

Fair Work Practices

Bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 3 recommended suppliers, all 3 pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns).

Other Benefits

This framework will provide reasonable delivery of Bottled Gas to Highland Council, Orkney Islands Council and Shetland Islands Council. An ability for the suppliers who are being awarded a place on the framework to subcontract to

smaller local businesses has also been built in to the Terms and Conditions for this framework.

7. Contract Mobilisation and Management

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

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 annual supplier and user group reviews as appropriate.

8. Summary

This framework for supply and delivery of bottled gas aims to maximise collaboration, promote added value and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement.

Appendix 1 -Offers Received and SME Status

| Tenderers | SME Status | Location | Lots Tendered |
|-------------------------------------|------------|-----------|---------------|
| Air Products Public Limited Company | Large | Crew | 1,2,3,4 & 6 |
| Calor Gas Limited | Large | Warwick | 3 & 5 |
| Flogas Britain Limited | Large | Leicester | 3 & 5 |

Non-Compliant Tenders

| Tenderers | SME Status | Location | Lots Tendered |
|-----------------------|------------|-----------|----------------|
| BOC Limited | Large | Guildford | 1,2,3,4, 5 & 6 |
| Angus MacIver Limited | Small | Stornoway | N/A |

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

| Lot 1 - MIG | |
|---------------------------------------|-------|
| Tenderer | Score |
| Air Products Public Limited Company * | 89.05 |

| Lot 2 - Burning (Gas Welding) | |
|--------------------------------------|-------|
| Tenderer | Score |
| Air Products Public Limited Company* | 89.05 |

| Lot 3 - Heating | |
|--------------------------------------|-------|
| Tenderer | Score |
| Calor Gas Limited* | 95.25 |
| Flogas Britain Limited* | 66.71 |
| Air Products Public Limited Company* | 61.9 |

| Lot 4 - Bulk | |
|--------------------------------------|-------|
| Tenderer | Score |
| Air Products Public Limited Company* | 89.05 |

| Lot 5 - Bulk Heating | |
|-------------------------|-------|
| Tenderer | Score |
| Calor Gas Limited* | 95.25 |
| Flogas Britain Limited* | 89.06 |

| Lot 6 - Miscellaneous Gases | |
|--------------------------------------|-------|
| Tenderer | Score |
| Air Products Public Limited Company* | 89.05 |

