

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Tender: Provision of Steeplejacks and Associated Services

Schedule: 10/17

Period: 8 December 2017 until 30 November 2019 with an option to extend annually until 30 November 2021

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” 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 steeplejacks and associated services, which will operate from 8 December 2017 to 30 November 2019, with the option to extend for up to two 1 year periods until 30 November 2021.

This framework will provide councils with a mechanism to purchase a range of steeplejack services including statutory inspection work and high level building inspections (including reports) plus reactive repairs and maintenance. The framework was advertised at a value of £7 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 steering group (CUIG-SG) endorsed the inclusion of a single lot as summarised in Table 1.

Description of sections	Estimated %age of Spend
Scenario analysis including High Level Survey, Gutter Clean, Replacement of Loose Slates and Minor Repairs	30%
Statutory Inspection of Lightning Protection Systems (to BS EN 62305) and Fall Arrest Systems (to BS EN 795)	30%
Request for hourly labour rates for Rope Access and Steeplejack operatives of various competencies including out of hours work	30%
<ul style="list-style-type: none"> • Provision of Scaffolding and Fall Protection Working Deck Platforms (to BS EN 12811) for rental • Provision of Mobile Elevated Working Platforms and Scissor Lifts (to BE EN 1570) for rental 	10%

Table 1: Lot Structure

The structure of this lot recognises the importance of councils being able to access steeplejacks services for preventative and reactive maintenance, statutory testing of fall prevention and lightning protection systems; and high level building inspections.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 70% of respondents confirmed they wanted the Operational Supplies and Services Team to tender this opportunity in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 9 companies. A number of supplier engagement meetings were held 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 'faster-tracked' 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 programme of consultation was conducted to understand their service requirements, the technical aspects of these services and their current purchasing practices.

This information was used to generate the specifications and selection/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 18 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 questions relating to conduct and business probity 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	60%
Technical	40%

Within the technical sections, bidders were required to complete scored questions and method statements to evidence their knowledge, experience and general suitability as service providers. This included, servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Bidders were invited to submit a commercial offer for the single lot. Within this lot, bidders had to provide prices for various steeplejack services.

4. Report on Offers Received

The tender document was downloaded by 18 companies, with 3 tender responses received. After review, approximately half of the companies that downloaded the tender do not offer the full range of services required by the councils.

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

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

5. Recommendations

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 as outlined in Appendix 2.

The 3 recommended suppliers are all small businesses which provide the range of services required by councils as well as representing best value and meeting all technical specifications.

6. Benefits

Savings

The savings were based on the total hourly rate being paid by councils against the most competitive total hourly rate tendered for the commercial offer.

The projected average saving across all councils is 7% which equates to an estimated total saving of approximately £160k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing habits and the mix of services that each council requires.

Price Stability

Bidders have accepted as part of the framework contract the requirement that suppliers will hold 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 CPI (Consumer Price Index) 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 sponsorship of local sports teams and community events, donations of materials and labour to support local community projects and donation of product vouchers to support apprentices.

Fair Work Practices

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

Other Benefits

The framework will provide councils with a clear pricing and delivery charge structure, simplifying the purchase process and ensuring best value is achieved. In addition, 3 of the recommended suppliers are classified as small in terms of SME status and 2 are based in Scotland, supporting the Scottish economy.

The framework also provides councils with the opportunity to consolidate future requirements of this type rather than awarding contracts on a job by job basis as is current practice, further streamlining the procurement process.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

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 the provision of steeplejacks and associated services aims to maximise collaboration, consolidate demand 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 - SME Status

Tenderers	SME Status	Location
Horizon Specialist Contracting Limited	Small	Nottingham
Northern Steeplejacks (Edinburgh) Limited	Small	Edinburgh
Pendrich Height Services Ltd	Small	Dunfermline

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

Commercial Offer – Steeplejacks and Associated Services	
Tenderer	Score
Northern Steeplejacks (Edinburgh) Limited*	78.00
Pendrich Height Services Ltd*	75.02
Horizon Specialist Contracting Limited*	52.20