

## Scotland Excel

**To: Executive Sub Committee**

**On: 28 September 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Supply, Delivery & Installation of Commercial Catering Equipment**

**Schedule: 11/18**

**Period: 01 November 2018 until 31 October 2021, with the option to extend for up to an additional 12 month period until 31 October 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 councils 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 & Installation of Commercial Catering Equipment, which will operate from 01 November 2018 until 31 October 2021, with the option to extend for up to an additional 12-month period until 31 October 2022.

The requirement for this framework opportunity has been identified through consultation with commodity User Intelligence Groups (UIGs) from the Corporate portfolio. This presents an opportunity for Scotland Excel to provide a collaborative and focused approach to providing a framework for these products whilst alleviating the resource challenge associated with these types of procurement exercises for councils.

The framework was advertised at a value of £16 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 UIG endorsed the inclusion of 5 lots as summarised in Figure 1.

The lot structure will provide a mechanism for councils to procure a range of gas, electric and refrigerated commercial catering equipment. This includes, but is not limited to, blast chillers, combi ovens, fridges, freezers, hot and cold holding equipment, gas ranges, mixers, dishwashers and other associated products.

**Figure 1: Lot Structure**

Lot Number	Lot Name	Framework Spend
1	Prime Cooking Equipment	20%
2	Warewashing Equipment	20%
3	Refrigeration Equipment	20%
4	Heated, Ambient and Refrigerated Display	20%
5	Food Preparation Equipment	20%

## 3. Procurement Process

A Prior Information Notice (PIN) was published on 23 April 2018 with 52 companies expressing an interest in the opportunity. As a result of these expressions of interest 13 meetings were held with potential suppliers to discuss the scope of the framework.

As a matter of best practice and to ensure that the framework aligned with council 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 in the Official Journal of the European Union and the Public Contracts Scotland portal on 05 July 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	80%
Technical	20%

Tenderers were required to indicate which lots that they were bidding for, and the councils 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 price & national net installation price for each product listed within the Schedule of Offer for each lot;
- In the technical section, scored method statements on customer service, fair work practices, innovation & added value and sustainability. In addition to these method statements, a scored question was also asked in relation to the commitments bidders would make in respect to community benefits.

**Figure 2: Technical Section Scoring Matrix**

Question	Maximum Score Available
Community Benefits	2
Customer Service	7
Fair Work Practices including the Living Wage	2
Innovation & Added Value	2
Sustainability	7

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

The tender document was accessed by 34 organisations, with 19 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 of compliant offers, 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 14 tenderers outlined in Appendix 2.

Of the 14 recommended suppliers;

- 9 are classified as a medium sized business
- 2 are classified as a small business, and;
- 1 is classified as a micro business

Of the 14 recommended suppliers, 4 are based in Scotland, supporting the Scottish economy.

These suppliers provide the range of products and services required by councils, as well as representing best value.

## **6. Benefits**

### **Savings**

The projected average saving across all councils is forecasted at 9.9%, which equates to an estimated saving of approximately £397,000 per annum, based on current spend forecasts. This projection was calculated by benchmarking the lowest offer received against an average of the other prices tendered.

Savings that can be achieved will depend on individual councils purchasing patterns.

### **Price Stability**

Suppliers 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-month 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**

Community benefits attained as part of this framework will be delivered at a local level for each council and would be aligned to the Scottish Government's National Indicators.

Of the 14 recommended suppliers, 13 have confirmed their commitment to Scotland Excel's community benefits approach for this framework. The supplier who has not committed to this has not done so due to their holistic approach taken to community benefits across the frameworks they are part of.

Examples of benefits which may be offered as part of this framework include:

- Fundraising event for external charities / initiatives within the council area;
- Engage in community projects for a minimum of 10 hours;
- 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;
- Donation of materials and / or labour to support community projects;
- Sponsorship of sports team or community events;

- 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 through the contract and supplier management programme. These benefits will also be reported through six monthly contract management returns.

### **Fair Work Practices**

For information, tenderers were also asked to confirm their approach to fair work practices and the Scottish Living Wage. The status of all 14 tenderers is summarised in Figure 3.

**Figure 3: Living Wage Status**

<b>Living Wage Status</b>	<b>Number of Recommended Suppliers</b>
Accredited Living Wage Employer	6
Not Accredited Living Wage Employer but currently pay the Living Wage to all employees (except volunteers, apprentices and interns)	6
Not Accredited Living Wage Employer and currently do not pay the Living Wage to all employees	2

### **Sustainability**

Suppliers were asked to complete a method statement relating to sustainability in areas such as end of life considerations, waste reduction & environmental considerations, transportation, stock holding and supply chain.

Some end of life, waste reduction & environmental consideration approaches offered include recycling and reuse of equipment or parts, waste segregation, donation of machines to charities and compliance with the Waste Electrical and Electronic Equipment (WEEE) Directive.

Suppliers also advised they consider route planning to ensure minimal mileage and use Euro 6 standard vehicles for delivery of products.

Suppliers provided details on how they monitor stock holding and supply chain. Suppliers advised they regularly conduct supplier assessments to ensure fair working practises and ensure their suppliers are conforming to ISO 14001 regulations.

All suppliers recommended for award onto the framework responded that they are committed to providing a sustainable service.

## **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 & Installation of Commercial Catering Equipment 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 – List of Tenderers with SME status

Tenderer	SME Status	Location	Lots Tendered
AFE Group Limited T/A Williams Refrigeration	Medium	King's Lynn, Norfolk	3,4
AFE Group Limited T/A Falcon Foodservice Equipment	Medium	King's Lynn, Norfolk	1
Airedale Catering Equipment Limited	Medium	Bradford, West Yorkshire	1,2,3,4,5
BGL Rieber Limited	Small	Melksham, Wiltshire	1
Brakes Bros Ltd T/A Brakes Catering Equipment	Large	Ashford, Kent	1,2,3,4,5
Burlodge Limited	Small	Chessington, Surrey	1
C & M (Environmental) Limited	Medium	Glasgow, Glasgow	3
Electrical Catering Services Limited	Micro	Clarkston, East Renfrewshire	1,2,3,4
Fast Fixx Catering Engineers Limited	Small	Clarkston, East Renfrewshire	1,2,3,4,5
Instock Ltd	Medium	Aberdeen, Aberdeenshire	1,2,3,4,5
ITW Limited T/A Foster Refrigerator	Medium	Egham, Surrey	3
ITW Ltd T/A Hobart UK	Medium	Egham, Surrey	1,2
JLA Limited	Large	Ripponden, West Yorkshire	1,2,3,4
Lovat's Catering Engineering Service Limited T/A Lovat's Group	Small	Kirkcaldy, Fife	1,2,3,4,5
Meiko UK Limited	Medium	Slough, Berkshire	2
ScoMac Catering Equipment Ltd	Medium	Burntwood, Staffordshire	1,2,3,4,5
Stephens Catering Equipment Company Limited	Medium	Ballymena, County Antrim	1,2,3,4,5
The Acme Facilities Group Limited	Medium	London, London	1,2,3,4,5
Victor Manufacturing Limited	Medium	Bradford, West Yorkshire	4

## Appendix 2 - Scoring and Recommendations

(NC denotes non-compliant supplier)

<b>Lot 1 – Prime Cooking Equipment</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded (Yes/No)</b>
Airedale Catering Equipment Limited	75.96	Yes
Lovat's Catering Engineering Service Limited TA Lovat's Group	75.36	Yes
Instock Ltd	74.85	Yes
Electrical Catering Services Limited	73.03	Yes
ITW Limited TA Hobart UK	71.68	Yes
ScoMac Catering Equipment Limited	71.22	Yes
Stephens Catering Equipment Company Limited	65.09	Yes
Fast Fixx Catering Engineers Limited	63.86	Yes
JLA Limited	63.84	Yes
Brake Bros Limited TA Brakes Catering Equipment	58.77	Yes
The Acme Facilities Group Limited	55.30	Yes
AFE Group TA Falcon Foodservice Equipment	48.30	No
BGL Rieber Limited	47.24	No
Burlodge Limited	NC	No

<b>Lot 2 – Warewashing Equipment</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded (Yes/ No)</b>
Lovat's Catering Engineering Service Limited TA Lovat's Group	82.48	Yes
Electrical Catering Services Limited	82.00	Yes
JLA Limited	72.14	Yes
Instock Ltd	71.87	Yes
ScoMac Catering Equipment Limited	71.37	Yes
Airedale Catering Equipment Limited	69.40	Yes
The Acme Facilities Group Limited	67.55	Yes
Fast Fixx Catering Engineers Limited	64.98	Yes
Meiko UK Limited	62.93	Yes
ITW Limited TA Hobart UK	56.52	Yes
Brake Bros Limited TA Brakes Catering Equipment	53.98	Yes
Stephens Catering Equipment Company Limited	49.17	Yes



<b>Lot 3 – Refrigeration Equipment</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded (Yes/ No)</b>
Lovat's Catering Engineering Service Limited TA Lovat's Group	86.76	Yes
Instock Ltd	86.25	Yes
The Acme Facilities Group Limited	79.39	Yes
ITW Limited TA Fosters Refrigerator	73.18	Yes
Airedale Catering Equipment Limited	72.89	Yes
Stephens Catering Equipment Company Limited	67.62	Yes
Fast Fixx Catering Engineers Limited	64.39	Yes
ScoMac Catering Equipment Limited	64.19	Yes
JLA Limited	61.79	Yes
Brake Bros Limited TA Brakes Catering Equipment	60.85	Yes
	53.67	No
	It should be noted this bid has not been properly authorised by the bidder	
AFE Group TA Williams Refrigeration		
Electrical Catering Services Limited	50.37	No
C & M Environmental Limited	NC	No

<b>Lot 4 – Heated, Ambient and Refrigerated Display</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded (Yes/ No)</b>
Stephens Catering Equipment Company Limited	91.00	Yes
Brake Bros Limited TA Brakes Catering Equipment	84.95	Yes
Airedale Catering Equipment Limited	80.82	Yes
Lovat's Catering Engineering Service Limited TA Lovat's Group	80.28	Yes
Instock Ltd	80.28	Yes
ScoMac Catering Equipment Limited	78.83	Yes
The Acme Facilities Group Limited	72.58	Yes
JLA Limited	70.42	Yes
Electrical Catering Services Limited	61.12	Yes
Victor Manufacturing Limited	60.26	Yes
Fast Fixx Catering Engineers Limited	58.44	Yes
	48.75	No
	It should be noted this bid has not been properly authorised by the bidder	
AFE Group TA Williams Refrigeration		

<b>Lot 5 – Food Preparation Equipment</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded (Yes/ No)</b>
Instock Ltd	79.97	Yes
The Acme Facilities Group Limited	65.44	Yes
ScoMac Catering Equipment Limited	65.00	Yes
Airedale Catering Equipment Limited	63.15	Yes
Fast Fixx Catering Engineers Limited	60.63	Yes
Lovat's Catering Engineering Service Limited TA Lovat's Group	55.26	Yes
Stephens Catering Equipment Company Limited	52.58	Yes
Brake Bros Limited TA Brakes Catering Equipment	51.07	Yes
ITW Limited TA Hobart UK	45.95	Yes