

To: Procurement Sub Committee

On: 9 November 2016

**Joint Report
by
The Chief Executive & Director of Community Resources**

**Contract Authorisation Report For
Supply, Delivery, Installation, Commissioning, Testing &
Maintenance of a Vehicle Tracking System**

RC/RC/184/16

1. Summary

- 1.1 The purpose of this paper is to request authorisation from the Procurement Sub Committee to award a Contract to Masternaut Group Holdings Limited for the supply, delivery, installation, commissioning, testing and maintenance of a vehicle tracking system.
 - 1.2 This procurement exercise has been conducted in accordance with the above EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts.
 - 1.3 A contract strategy document for the supply, delivery, installation, commissioning, testing and maintenance of a vehicle tracking system was signed on 19 August 2016 by the Strategic Commercial & Procurement Manager and Director of Community Resources.
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2. Recommendations

2.1 It is recommended that the Procurement Sub-Committee Authorise:

2.1.1 The Head of Corporate Governance to award a contract to Masternaut Group Holdings Limited for the supply, installation, commissioning, testing and maintenance of a vehicle tracking system.

2.1.2 The value of this contract will be up to £523,000 excluding VAT over the maximum contract duration of five years.

2.1.3 The contract will commence on 7 December 2016 or alternatively, the date confirmed in the Letter of Acceptance and will be for a period of 3 years with the Council option to extend for a period of two x 12 month periods.

3. Background

3.1 The Council has a requirement for a suitable, qualified and experienced supplier for the supply, installation, commissioning, testing and maintenance of a vehicle tracking system which allows for the tracking of various types of Council vehicles and assists in close monitoring of movement and operating status of these vehicles. The benefits of a vehicle tracking system includes improved scheduling and routing of journeys, reduced fuel costs and emissions and increased utilisation of vehicles.

3.2 The tender opportunity followed the open procurement procedure for an above EU threshold for services in accordance with the Council's Standing Orders Relating to Contracts. A Prior Information Notice (PIN) was issued in June 2016 in advance of the open procurement procedure with tender documentation being available for immediate download through the online e-tender system.

3.4 Forty Nine (49) suppliers noted an interest of which four (4) tender submissions were received by the closing date for the receipt of tender submissions at noon, on 27 September 2016.

3.5 The four tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document by representatives from Corporate Procurement Unit, Corporate risk and Corporate Health & Safety. Compliance with specification, IT Government Cyber Security, capacity and experience & track record was assessed by representatives of Community Resources.

3.6 All four bidders successfully passed the mandatory requirements as outlined above and were subsequently evaluated by an evaluation panel comprising

Corporate Procurement Unit and Community Resources against a set of Award Criteria, based on a price / quality matrix of 70% price / 30% quality.

3.7 The quality weighting of the evaluation considered the methodology and approach to delivering additional functionality over and above the minimal specification requirements for example voice technology. Community benefits and workforce matters was also requested as part of the quality criteria.

3.8 The scores relative to the Award Criteria of each tenderer are as follows:

	Price (%)	Quality (%)	Total (%)
Masternaut Group Holdings Limited T/A Masternaut Ltd	70.00%	24.65%	94.65%
EDC Systems Ltd trading as Traffilog UK	59.26%	25.20%	84.45%
Tom Tom Telematics Sales B.V. UK	51.17%	21.90%	73.07%
Track You Ltd	45.76%	25.27%	71.03%

3.9 The evaluation of tenders received identified that the tender submitted by Masternaut Group Holdings Limited is the most economically advantageous.

3.10 Masternaut Group Holdings Limited has confirmed all prices offered within their tender submission will be fixed for the duration of the contact including any extension.

3.11 This new vehicle tracking system will ensure that the Council will have the most up to date technology and management information available to track vehicle movements and operational performance to deliver improved efficiencies from fleet performance. From use of the suite of tracking data available, targeted training will be provided to improve driving styles and reduce fuel usage as well as optimising the number of vehicles in the fleet from improved utilisation data.

3.12 Community Benefits submitted by Masternaut Group Holdings Limited are detailed below:-

Description	Quantity
S/NVQ (or equivalent) for an existing employee	6
Supply Chain Briefings with SME's	1
Meet the buyer events	1
Business Mentoring for an SME	1
Mentoring/ business support for a third sector organisation	1
Financial Support for a Community Project	1

Implications of the Report

1. Financial

The financial status of Masternaut Group Holdings Limited has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the company have satisfied the Council's requirements in relation to financial stability.

2. HR & Organisational Development

None

3. Community Planning

Masternaut Group Holdings Limited has a commitment to deliver Community Benefits under this contract as detailed in section 3.12 of this report. In addition to Community Benefits the following benefits have been derived.

Smarter:- The vehicle tracking system will provide information on vehicle usage which will facilitate better routing, fleet utilisation, planning and scheduling allowing services to operate better and reduce fuel and operating costs.

Greener: - The vehicle tracking system will support a sustained reduction in fuel usage, costs and therefore CO2 emissions.

Developing our Organisation: - The vehicle tracking system will enable services to improve their frontline service operation by better utilisation of vehicles and drivers

4. Legal

The procurement of this contract was tendered in accordance with the above EU Threshold Open Procedure (Services), Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.

5. Property Assets

None

6. Information Technology

The vehicle tracking system will use mobile technology and an externally hosted web based system to provide graphical, management and reporting information.

7. Equality & Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8 Health & Safety

Masternaut Group Holdings Limited health and safety submission has been evaluated by Renfrewshire Council's Health and Safety section. Masternaut Group Holdings Limited has met the minimum requirements regarding health & safety.

9 Procurement

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures.

10. Risk

Insurance levels were provided by Corporate Risk and insurance documents submitted as part of the tendering process were evaluated. Masternaut Group Holdings Limited has sufficient cover in place.

11. Privacy Impact

None

List of background papers

(a) None

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