

Scotland Excel

To: Executive Sub Committee

On: 23 March 2018

**Report
by
Director Scotland Excel**

Tender: Supply, Delivery, Servicing and Maintenance of Fire Safety Products

Schedule: 16/17

Period: 16 April 2018 until 15 April 2020 with an option to extend for up to two further 12 month periods

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services (OSS) Team which was established to deliver lower risk frameworks in an efficient and effective manner. As a result, shorter procurement cycles and a more flexible approach to stakeholder engagement has been developed, supporting the aims of the team by reducing resource pressure on councils, consolidating demand and providing new collaborative procurement opportunities.

This recommendation is for the award of a new framework for supply, delivery, servicing and maintenance of fire safety products, which will operate from 16 April 2018 until 15 April 2020 with an option to extend for up to two further 12 month periods

The framework was advertised at a value of £10 million over the four year period.

The framework will provide councils with a mechanism to procure fire safety products such as extinguishers and fire blankets as well as the servicing, repair and maintenance of these products. The framework also includes the servicing, repair and maintenance of fire safety systems such as wet risers, dry risers, fire hydrants and sprinkler systems. The products and services included in this framework are used across all council service areas.

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 user intelligence group steering group (CUIG-SG) endorsed the inclusion of 3 lots as summarised in Table 1.

Lot Number	Lot Name	Estimated %age of Spend
Lot 1	Fire Safety Products (including signage)	30%
Lot 2	Servicing, Repair & Maintenance of Fire Safety Products	40%
Lot 3	Servicing, Repair & Maintenance of Fire Safety Systems	30%

Table 1: Lot Structure

The lotting structure recognises the importance of councils being able to purchase fire safety products and the servicing, repair and maintenance of these products. The framework will also include the servicing, repair and maintenance of fire safety systems. The lotting structure also allows access for a range of suppliers to bid.

The OSS Team engaged with Councils to establish requirements and anticipated timescales for this tender.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 31 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 a matter of best practice and to ensure that the framework aligned with council requirements, a programme of consultation was conducted to understand their service requirements, technical aspects of these services and 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 19 January

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 this 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	80%
Technical	20%

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.

Area	Maximum Points Available
Customer Service	10
Sustainability, Transportation & Supply Chain	3
Community Benefits	3
Fair Working Practices	2
Innovation & Value Add Services	2

Table 2: Breakdown of Technical Marks Available

Within the commercial section, bidders were invited to offer for a number of products and services on a lot-by-lot basis.

4. Report on Offers Received

The tender document was downloaded by 24 companies, with 5 tender responses received.

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 5 suppliers as outlined in Appendix 1.

Of the 5 recommended suppliers;

- 1 is classified as large business
- 1 is a medium sized business
- 2 are small businesses
- 1 is a micro business.

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

6. Benefits

Savings

The projected average saving across all councils are forecast at 4.8% which equates to estimated total savings of approximately £117k per annum, based on current spend forecasts. This project average saving was calculated by benchmarking the current rate charged by major suppliers against the tendered rate from the same suppliers.

Savings that can be achieved will depend on a council's purchasing practice.

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 request for a price variance on an annual basis. Any price increase will not exceed the rate of CPI (Consumer Price Index) increase in the preceding 12 months. Suppliers may submit a price decrease at any time during the framework contract period.

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 recruitment of full time employees, recruitment of modern apprentices, donations of labour or materials to community groups, donations of product vouchers to support apprentices, work experience placements, workshops and career talks within schools.

Fair Work Practices

Bidders were asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 5 recommended suppliers;

- All pay the Scottish living wage or above to all employees (except volunteers, apprentices and interns)
- One supplier is an accredited Living Wage employer
- Three suppliers have committed to gaining accreditation in the first 2 years of the contract

Sustainability

Bidders were asked to detail their approach to sustainability.

All recommended suppliers being awarded to the framework responded that they are committed to providing a sustainable source of supply and service.

Suppliers provided details of recycling initiatives, sustainable transportation with a focus on reducing their carbon footprint and consideration of the impact of their supply chain on the environment.

Other Benefits

The framework will provide councils with a clear pricing structure simplifying the purchase process and ensuring best value is achieved. In addition;

- Three of the recommended suppliers are based in Scotland, supporting the Scottish economy
- The framework will support small to medium enterprises in Scotland as four of the five recommended suppliers are classified as SMEs

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 requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the supply delivery and maintenance of fire safety products 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 as detailed in Appendix 2.

Appendix 1 - SME Status

Tenderers	SME Status	Location	Lots Tendered
Chubb Fire & Security Limited	Large	Kent	1,2,3
Core Fire Limited	Micro	Greenock	1,2,3
Invincible Security Ltd	Small	Ardrossan	1,2,3
M & S Fire Protection (Glasgow) Limited	Small	Rutherglen	1,2
Walker Fire (UK) Limited	Medium	Preston	1,2,3

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

Lot 1 - Fire Safety Products (including signage)	
Tenderer	Score
M & S Fire Protection (Glasgow) Limited*	89.00
Chubb Fire & Security Limited*	79.67
Walker Fire (UK) Limited*	78.36
Core Fire Limited*	73.47
Invincible Security Ltd*	68.76

Lot 2 - Servicing, Repair & Maintenance of Fire Safety Products	
Tenderer	Score
M & S Fire Protection (Glasgow) Limited*	89.00
Chubb Fire & Security Limited*	84.28
Invincible Security Ltd*	46.28
Walker Fire (UK) Limited*	39.33
Core Fire Limited*	30.26

Lot 3 - Servicing, Repair & Maintenance of Fire Safety Systems	
Tenderer	Score
Core Fire Limited*	93.00
Invincible Security Ltd*	72.02
Walker Fire (UK) Limited*	52.90
Chubb Fire & Security Limited*	42.78