

Scotland Excel

To: Executive Sub Committee

On: 24 August 2018

**Report
by
Director Scotland Excel**

Tender: Supply & Delivery of First Aid Materials

Schedule: 10/18

Period: 01 October 2018 until 30 September 2021, with the option to extend for up to an additional one-year period until 30 September 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 local authorities 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 of First Aid Materials, which will operate from 01 October 2018 until 30 September 2021, with the option to extend for up to an additional one-year period until 30 September 2022.

The requirement for this procurement has arisen due to the upcoming expiration of two regional contracts led by North Lanarkshire Council and Midlothian Council. It is estimated that around two-thirds of local authorities are currently procuring first aid materials through these existing frameworks, whilst the rest are procuring these products through their own individual arrangements. It is intended that this Scotland Excel framework will consolidate and replace these, offering a national collaborative solution for first aid materials.

The framework was advertised at a value of £8 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 commercial UIG steering group (CUIG-SG) endorsed the inclusion of 2 lots as summarised in Figure 1.

The lot structure will provide a mechanism for local authorities so that they can adhere to the Health and Safety (First-Aid) Regulations 1981, and procure a range of first aid materials relevant for the workplace and the public. This will include, but is not limited to, first aid kits, gloves, ice & heat packs, wipes & tissues, hand sanitiser & soap, dressings & plasters.

It also encompasses automated external defibrillators (AEDs), and will meet the needs of local authorities with AED programmes or Public Access Defibrillation (PAD) schemes.

Figure 1: Lot Structure

Lot Number	Lot Name	Framework Spend
1	First Aid Materials & Associated Products	95%
2	Automated External Defibrillators (AEDs)	5%

3. Procurement Process

A Prior Information Notice (PIN) was published on 26 March 2018 with 39 companies expressing an interest in the opportunity.

As a matter of best practice and to ensure that the framework aligned with local authority 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 on the Official Journal of the European Union and the Public Contracts Scotland portal on 14 May 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	85%
Technical	15%

Tenderers were required to indicate which lots that they were bidding for, and the local authorities 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 Pack Price for each product listed within the Schedule of Offer for each lot;
- In the Technical Section, as outlined in Figure 2, scored method statements on community benefits, contract management & customer service, fair work practices, innovation & added value, and sustainability.

Figure 2: Technical Section Scoring Breakdown

Section	Question	Maximum Score Available
Commercial 85%		
Technical 15%	Community Benefits	3
	Contract Management & Customer Service	5
	Fair Work Practices	2
	Innovation & Added Value	2
	Sustainability	3

4. Report on Offers Received

The tender document was accessed by 42 organisations, with 8 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, 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 8 tenderers outlined in Appendix 2.

Of the 8 recommended suppliers, 6 are classified as SMEs with one of these classed as a micro business.

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

6. Benefits

Savings

The projected average saving across all local authorities is forecasted at 15%, which equates to an estimated saving of approximately £213k per annum, based on current spend forecasts. This projection was calculated by benchmarking the lowest offer received against the pricing offered by the supplier from which most authorities currently procure from.

Savings that can be achieved will depend on a local authority's purchasing patterns.

Price Stability

Tenderers 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 months 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

Tenderers were asked to detail community benefit initiatives that they would commit to deliver throughout the duration of the framework.

Community benefits received as part of the tender submissions included; sponsorship of local sports teams and community events, donation of materials and labour to support community projects, donation of product vouchers, work experience placements, employability workshops, training sessions, and the recruitment of modern apprentices and/or staff members.

Fair Work Practices

For information, tenderers were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 8 recommended suppliers;

- All pay the Scottish living wage or above to all employees (except volunteers, apprentices and interns), and;
- One supplier is an accredited Living Wage employer

Sustainability

Tenderers were asked to detail their approach to sustainability, and were asked how their organisations reduced waste, considered the environmental impact of transportation, and demonstrated that their products came from sustainable, reliable, and approved sources.

Other Benefits

The framework will provide local authorities with a clear pricing structure simplifying the purchasing process, whilst ensuring best value is achieved. Appendix 1 outlines the location of tenderers who submitted an offer, with several recommended suppliers being based in Scotland.

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 of First Aid Materials 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 – Offers Received & SME Status

Tenderer	SME Status	Location	Lots Tendered
Aero Healthcare Ltd	Medium	Slinford, Horsham, West Sussex, UK	1, 2
Arco Ltd	Large	Hull, North Humberside, UK	1, 2
Bunzl UK Ltd T/A Bunzl Greenham	Large	Uddingston, Glasgow, Scotland	1, 2
Cardiac Science Holdings (UK) Ltd	Small	Stockport, Cheshire, UK	2
Fast-Aid Products Ltd	Small	Loanhead, Midlothian, Scotland	1
Prometheus AlphaMed Ltd	Micro	Edinburgh, Scotland	1, 2
SP Services (UK) Ltd	Medium	Telford, Shropshire, UK	1, 2
Crest Medical Ltd T/A Wallace Cameron International	Medium	Wishaw, North Lanarkshire, Scotland	1, 2

Appendix 2 - Scoring and Recommendations

(Asterisk (**)) denotes recommended suppliers as successful)

Lot 1 – First Aid Materials & Associated Products	
Tenderer	Score
Crest Medical Ltd T/A Wallace Cameron International**	93.00
Fast-Aid Products Ltd**	89.87
Aero Healthcare Ltd**	84.50
Prometheus AlphaMed Ltd**	75.22
Arco Ltd**	63.60
Bunzl UK Ltd T/A Bunzl Greenham**	60.60
SP Services (UK) Ltd**	60.57

Lot 2 – Automatic External Defibrillators (AEDs)	
Tenderer	Score
Crest Medical Ltd T/A Wallace Cameron International**	93.00
Aero Healthcare Ltd**	84.24
Bunzl UK Ltd T/A Bunzl Greenham**	82.55
Arco Ltd**	80.96
Cardiac Science Holdings (UK) Ltd**	70.13
Prometheus AlphaMed Ltd**	68.41
SP Services (UK) Ltd**	64.65