



## **Scotland Excel**

**To: Executive Sub Committee**

**On: 07 December 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Provision of Energy Advice**

**Schedule: 17-18**

**Period: 14 January 2019 until 13 January 2022, with the option to extend for up to an additional 12 month period until 13 January 2023**

### **1. Introduction and Background**

This recommendation is for the award of a new framework for Energy Advice, which will operate from 14 January 2019 until 13 January 2022, with the option to extend for up to an additional one-year period until 13 January 2023.

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

The framework was advertised at a value of £4 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 for this framework the UIG endorsed the inclusion of 32 geographical lots representing each local authority area.

It is envisaged that the framework will be utilised by local authorities and associate members in order to help improve fuel poverty for tenants and residents.

### 3. Procurement Process

A Prior Information Notice (PIN) was published on 23 July 2018 with 29 companies expressing an interest in the opportunity. As a result of these expressions of interest, 11 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 local authority requirements, consultation was conducted to understand their service requirements.

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 28 September 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	70%
Technical	30%

Tenderers were required to indicate which lots that they were bidding for. As the tender was lotted geographically, this also indicated an ability to service.

Tenderers were invited to bid on the following basis;

- In the Commercial Section, a price was requested for an initial home visit lasting up to 2 hours with examples of the type of areas expected to be covered within the visit detailed in the specification;

- In the Technical Section, as outlined in Figure 1, scored method statements on contract management & customer service, fair work practices and community benefits.

**Figure 1: Scoring Breakdown**

<b>Section</b>	<b>Question</b>	<b>Maximum Score Available</b>
<b>Commercial 70%</b>		
<b>Technical 30%</b>	contract management & customer service	<b>20</b>
	fair work practices	<b>5</b>
	community benefits	<b>5</b>

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

The tender document was accessed by 24 organisations with 9 of these submitting an offer.

Despite significant engagement with the marketplace, unfortunately, 2 lots failed to attract any bids. Those lots were:

Lot 22 - Orkney Islands Council Area  
 Lot 26 - Shetland Islands Council Area.

Scotland Excel will continue to liaise with these councils following award of this framework, including offering assistance with any future local procurement processes.

A summary of all offers received from tenderers, and their SME status is outlined in Appendix 1.

#### **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 9 tenderers outlined in Appendix 2.

All recommended suppliers are SMEs, with 1 of these being classified as a micro business. Appendix 1 outlines the location of tenderers who submitted an offer, with all of them being based in Scotland.

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

## **6. Benefits**

### **Savings**

Recently the Scottish Government have changed the way in which grants relating to energy efficiency is to be used. Previously it was all geared towards improvement works but now up to 15% of this funding is to be used to provide practical energy advice and advocacy. As a result, this tender is a new procurement opportunity for these services within local authorities and this is also the first time that energy advice has been procured in this way. Therefore, no benchmarking can be conducted at this time. However, due to the nature of the advice being provided, monetary savings will be achieved by tenants within local authorities by tackling their fuel poverty and energy efficiency.

### **Price Stability**

Tenderers have accepted as part of the terms & conditions of the framework that they will hold prices firm for the first 24 months of the framework.

After the initial 24 months fixed pricing periods offered, 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 depending on spend levels.

Community benefits received as part of the tender submissions included; sponsorship, work experience placements, employability workshops, training sessions and the recruitment of modern apprentices and/or staff members.

#### **Fair Work Practices**

Tenderers were also asked to confirm their approach to fair work practices and the Living Wage, details of which can be found in Appendix 3. All recommended suppliers for this framework pay the Living Wage or above.

#### **Sustainability**

This service will assist in removing vulnerable householders from fuel poverty by providing advocacy advice with utility providers, ensuring metering issues are dealt with, educating householders on optimum heating regimes and making sure householders are on the best tariff with utility providers.

#### **Other Benefits**

Successful offers have also been received from 4 Scottish social enterprises and also 4 companies with charitable status.

In one of the social enterprises 15% staff have a declared disability and 35% staff live within the 20% most deprived areas as defined by the Scottish Index of Multiple Deprivation.

## **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 review the framework with suppliers as appropriate, whilst monitoring management information and community benefits associated with this framework.

## **8. Summary**

This framework for the Provision of Energy Advice aims to maximise collaboration, consolidate demand and deliver best value. Benefits can be reported in relation to price stability, sustainability and community benefits.

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
Argyll, Lomond and the Islands Energy Agency (Allenergy) (Company Registration Number SC211429)	Small	Oban	4
Changeworks Resources for Life (Company Registration Number SC103904)	Medium	Edinburgh	4, 10, 12, 14, 16, 18, 25, 32
Energy Agency (Company Registration Number SC191428)	Medium	Ayr	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 27, 28, 29, 31 & 32
Greener Kirkcaldy Ltd (Company Registration Number SC371318)	Small	Kirkcaldy	14
MPC Energy Ltd (Company Registration Number SC533343)	Micro	Clydebank	4, 9 & 31
Scarf (Company Registration Number SC094819)	Medium	Aberdeen	1, 2, 3, 7, 19 & 23
Social Enterprise Direct (Company Registration Number SC415583)	Small	Glasgow	5, 8, 9, 11, 13, 15, 17, 20, 21, 24, 27, 29, 30 & 31
The Wise Group (Company Registration Number SC091095)	Medium	Glasgow	5, 9, 11, 13, 15, 17, 21, 24, 28, 29 & 31
Tighean Innse Gall Limited (Company Registration Number SP2410RS)	Small	Stornoway	30





## Appendix 2 - Scoring and Recommendations

Lot 1 - Aberdeen City Council Area		
Tenderer	Score	Awarded to Lot
Scarf	92.50	Yes
Energy Agency	48.37	Yes

Lot 2 - Aberdeenshire Council Area		
Tenderer	Score	Awarded to Lot
Scarf	92.50	Yes
Energy Agency	50.93	Yes

Lot 3 - Angus Council Area		
Tenderer	Score	Awarded to Lot
Scarf	92.50	Yes
Energy Agency	50.93	Yes

Lot 4 - Argyll & Bute Council Area		
Tenderer	Score	Awarded to Lot
MPC Energy Ltd	72.50	Yes
Argyll, Lomond and the Islands Energy Agency (Allenergy)	56.50	Yes
Changeworks Resources for Life	43.84	No
Energy Agency	38.33	No

<b>Lot 5 - Clackmannanshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
Energy Agency	26.35	No

<b>Lot 6 - Dumfries &amp; Galloway Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Energy Agency	85.00	Yes

<b>Lot 7 - Dundee City Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Scarf	92.50	Yes
Energy Agency	48.37	No

<b>Lot 8 - East Ayrshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
Energy Agency	32.02	No

<b>Lot 9 - East Dunbartonshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
MPC Energy Ltd	36.55	No
Energy Agency	26.35	No

<b>Lot 10 - East Lothian Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Changeworks Resources for Life	88.75	Yes
Energy Agency	63.30	Yes

<b>Lot 11 - East Renfrewshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
Energy Agency	32.02	No

<b>Lot 12 - City of Edinburgh Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Changeworks Resources for Life	88.75	Yes
Energy Agency	57.23	Yes

<b>Lot 13 - Falkirk Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
Energy Agency	26.35	No

<b>Lot 14 - Fife Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Greener Kirkcaldy Ltd	93.75	Yes
Changeworks Resources for Life	44.29	No
Energy Agency	33.90	No

<b>Lot 15 - Glasgow City Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	57.37	Yes
Energy Agency	26.35	No

<b>Lot 16 - Highland Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Changeworks Resources for Life	88.75	Yes
Energy Agency	83.83	Yes

<b>Lot 17 - Inverclyde Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	57.37	Yes
Energy Agency	26.35	No

<b>Lot 18 - Midlothian Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Changeworks Resources for Life	88.75	Yes
Energy Agency	58.63	Yes

<b>Lot 19 - Moray Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Scarf	92.50	Yes
Energy Agency	50.93	Yes

<b>Lot 20 - North Ayrshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
Energy Agency	32.02	No

<b>Lot 21 - North Lanarkshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
Energy Agency	26.35	No

<b>Lot 22 - Orkney Islands Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
No Bids		

<b>Lot 23 - Perth &amp; Kinross Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Scarf	92.50	Yes
Energy Agency	50.93	Yes

<b>Lot 24 - Renfrewshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	57.37	Yes
Energy Agency	32.02	No

<b>Lot 25 - Scottish Borders Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Energy Agency	85.00	Yes
Changeworks Resources for Life	80.42	Yes

<b>Lot 26 - Shetland Islands Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
No Bids		

<b>Lot 27 - South Ayrshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
Energy Agency	32.02	No

<b>Lot 28 - South Lanarkshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
The Wise Group	90.00	Yes
Energy Agency	52.87	Yes

<b>Lot 29 - Stirling Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	51.47	Yes
Energy Agency	26.35	No

<b>Lot 30 - Western Isles Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
Tighean Innse Gall Limited	74.54	Yes

<b>Lot 31 - West Dunbartonshire Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Social Enterprise Direct	96.25	Yes
The Wise Group	57.37	Yes
MPC Energy Ltd	36.55	No
Energy Agency	26.35	No

<b>Lot 32 - West Lothian Council Area</b>		
<b>Tenderer</b>	<b>Score</b>	<b>Awarded to Lot</b>
Changeworks Resources for Life	88.75	Yes
Energy Agency	63.07	Yes



### Appendix 3 – Living Wage

TENDERER	Accredited	Currently progressing through Living Wage accreditation process	Committed to gaining accreditation over the first 2 years of the framework	Pay Living Wage to all employees (except volunteers, apprentices and interns) but not accredited	Neither accredited nor pay Living Wage
Argyll, Lomond and the Islands Energy Agency (Allenergy)				Yes	
Changeworks Resources for Life Energy Agency	Yes				
Greener Kirkcaldy Ltd	Yes				
MPC Energy Ltd				Yes	
Scarf	Yes				
Social Enterprise Direct	Yes				
The Wise Group	Yes				
Tighean Innse Gall Limited				Yes	