

# North Lanarkshire Council

## Report

### Finance and Resources Committee

approval  noting

Ref

Date 18/09/19

### Contract Award for Provision of Winter Related Services 2019-2023

**From** James McKinstry, Head of Asset and Procurement Solutions

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#### Executive Summary

Committee is asked to approve the award of two Contracts for Provision of Winter Related Services 2019-2023 (the 'Contracts') to;

- Lot 1 – Gritting and snow clearing services within the Council's corporate property portfolio to; Mitie Landscapes Ltd, to a potential maximum value of £660,000; and
- Lot 2 – Gritting and snow clearing services within North Lanarkshire Properties LLP commercial property portfolio to; Mitie Landscapes Ltd, to a potential maximum value of £110,000.

The Contracts are for an initial period of three years from the date of the award of each Contract. The Council reserves the right to extend the Contracts for an additional year.

The maximum potential total value of work that may be spent through the Contracts is Seven Hundred and Seventy Thousand Pounds (£770,000).

This recommendation follows the completion of a contract award procedure, where the tender recommended for award of each of the lots has been evaluated as providing the most economically advantageous tender in terms of cost and quality for the Council.

#### Recommendations

It is recommended that the Committee approves the award of the two Contracts for Provision of Winter Related Services 2019-2023 to;

- Lot 1 – Gritting and snow clearing services within the Council's corporate property portfolio to; Mitie Landscapes Ltd, to a potential maximum value of £660,000; and
- Lot 2 – Gritting and snow clearing services within North Lanarkshire Properties LLP commercial property portfolio to; Mitie Landscapes Ltd, to a potential maximum value of £110,000.

## The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions

### 1. Background

- 1.1 The Contracts are for the future provision of Winter Related Services within the Councils corporate property and North Lanarkshire Properties portfolios. The Contracts cover routine gritting and snow clearances at educational establishments, multi-tenanted buildings, industrial estates and common car parks throughout both portfolios. In addition, some other sites may require ad-hoc gritting and snow clearance along with other services as weather conditions dictate throughout the winter season.
- 1.2 The Contracts, for the first time, consolidate arrangements across two significant Council service areas, allowing the Council to benefit from economies of scale by pulling together resources and leveraging spending power.
- 1.3 The contract opportunity was presented as two separate Lots;
  - Lot 1 – Gritting and snow clearing services within the Council's corporate property portfolio; and
  - Lot 2 – Gritting and snow clearing services within North Lanarkshire Properties LLP commercial property portfolio.

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### 2. Report

- 2.1 A user intelligence group (the 'UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy that would deliver maximum benefit for the Council.
- 2.2 The value of the Contracts dictated that the contract award procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015. The contract opportunity was published on the Public Contracts Scotland website. The Open procurement procedure was adopted.
- 2.3 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the tender responses was completed by members of the UIG. Selection stage responses were evaluated first. Tenderers who satisfied the selection stage criteria progressed to the award stage evaluation.
- 2.4 The contract award recommendation is made on the basis of the Tenderer who submitted the most economically advantageous tender for each Lot.
- 2.5 The tenders submitted by:

- Lot 1 – Gritting and snow clearing services within the Council’s corporate property portfolio to; Mitie Landscapes Ltd; and
- Lot 2 – Gritting and snow clearing services within North Lanarkshire Properties LLP commercial property portfolio to; Mitie Landscapes Ltd

have been evaluated as representing the most economically advantageous tenders for each of the Lots.

- 2.6 Appendix 1 confirms the scoring achieved by each Tenderer, further details of the contract award procedure is provided in Appendix 2.
- 2.7 Officers from Enterprise and Communities and North Lanarkshire Properties will be responsible for managing the Contract which will be undertaken in accordance with the Councils agreed approach to Contract and Supplier Management.

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### **3. Equality and Diversity**

#### **3.1 Fairer Scotland Duty**

The report is not about a key strategic decision and not subject to the Fairer Scotland Duty.

#### **3.2 Equality Impact Assessment**

An Equality Impact Assessment is not required.

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### **4. Implications**

#### **4.1 Financial Impact**

The Contracts have an estimated total value of £770,000 split across Lot 1 and Lot 2 over the maximum period of the Contract.

The costs associated with contract delivery will be contained within existing budgets across the Services.

#### **4.2 HR/Policy/Legislative Impact**

The Tenderer recommended for contract award has given a commitment to delivering community benefits including, collaboration with schools to broaden students’ employability prospects and a ‘Ready to Work’ programme to aid candidates the chance to gain full time employment within the workplace. The Tenderer recommended for contract award has also demonstrated commitment to Fair Work practices including paying their workforce employed on delivering the Contracts a Living Wage Foundation rate wage.

The contract award procedure excludes any Tenderer where a complaint had been upheld after investigation by the Equality and Human Rights commission or its predecessors and a failure to take remedial action.

#### **4.3 Environmental Impact**

There is no environmental impact arising from this report.

#### 4.4 Risk Impact

There are no significant risk implications arising from this report.

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### 5. Measures of success

The Contracts will deliver the following outcomes;

- 5.1 the appointment of a Service Provider who has the experience and capability to deliver an innovative, high quality and responsive service;
  - 5.2 the contract award procedure is compliant with the procurement legislation and internal procedures;
  - 5.3 that best value is both demonstrable and achieved;
  - 5.4 that the Contracts secure a range of community benefits;
  - 5.5 that the Contracts support payment of the living wage to staff employed in the delivery of the Contracts;
  - 5.6 that the Contracts performance is proactively managed against a number of Key Performance Indicators; and
  - 5.7 a collaborative approach to the procurement of the requirement, minimising the burden on internal resource and leveraging the economies of scale.
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### 6. Supporting documents

<b>The plan for North Lanarkshire</b>	Improve economic opportunities and outcomes, and to improve North Lanarkshire's resource base
<b>Appendix 1</b>	Summary of Evaluation Process
<b>Appendix 2</b>	Summary of Procurement Process

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**James McKinstry**  
**Head of Asset & Procurement Solutions**

## Appendix 1 – Summary of Evaluation Process

### Lot 1

Tenderer Name	Final Tender Score	Final Rank	Recommended for Contract Award (Yes/No)
Mitie Landscapes Ltd	92.23%	1	Yes
Nurture Landscapes Ltd	91.62%	2	No
Inex Works Ltd	91.55%	3	No
J H Civil Engineering Ltd	21.83%	4	No
Amey Public Services Ltd	Withdrawn		
JW Crowther & Son Ltd	Non-compliant		
Murdoch MacKenzie Construction Ltd	Non-compliant		

### Lot 2

Tenderer Name	Final Tender Score	Final Rank	Recommended for Contract Award (Yes/No)
Mitie Landscapes Ltd	91.57%	1	Yes
Inex Works Ltd	91.55%	2	No
Nurture Landscapes Ltd	76.60%	3	No
J H Civil Engineering Ltd	23.13%	4	No
CCMS (1984) Ltd	Failed to satisfy selection stage criteria		
Amey Public Services Ltd	Withdrawn		
GRITIT Ltd	Withdrawn		
JW Crowther & Son Ltd	Non-compliant		
Murdoch MacKenzie Construction Ltd	Non-compliant		

## Appendix 2 – Summary of Procurement Process

Contract Title	Provision of Winter Related Services 2019-2023
Contract takes effect from	10 October 2019
Total contract period that can be adopted by the Council (months)	48 months
Estimated total contract value including extension option	£770,000 Lot 1 – £660,000 Lot 2 – £110,000
Governing UK Regulation	Public Contracts (Scotland) Regulations 2015
Procurement procedure adopted	Open Procedure
Interest List – number of organisations that downloaded the procurement documents from the procurement portal	22
Number of tenders received	Lot 1 – 7 Lot 2 – 9
Number of non-compliant tenders	Lot 1 – 1 Lot 2 – 2
Number of compliant tenders	Lot 1 – 6 Lot 2 – 7
Number of recommended providers	1
Basis of contract award	Most economically advantageous tender (per lot)  30.00% Quality 70.00% Price
Evaluation Team	Staff from Enterprise and Communities and North Lanarkshire Properties