

North Lanarkshire Council

Report

Environment and Transportation Committee

approval noting

Ref AMcP/JS

Date 26/08/2020

Fleet Procurement – Tyres for Vehicles and Plant

From ANDREW MCPHERSON, HEAD OF REGULATORY SERVICES AND WASTE SOLUTIONS

Email mcpersona@northlan.gov.uk **Telephone** 07939 280467

Executive Summary

Committee is asked to note the actions taken by the Executive Director of Enterprise and Communities to approve the award of one call-off contract (the "Contract") for the Supply of Tyres for Vehicles and Plant including Additional Services. The total combined value of the Contract is a maximum of £800,000.

Recommendations

Committee is asked to note the actions of the Executive Director of Enterprise and Communities to approve the award of the Contract to the supplier detailed below:

- Supply of Tyres for Vehicles and Plant including Additional Services
 - McConechy's Tyre Service Ltd £800,000

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 Fleet Services is responsible for the procurement of all fleet vehicles and plant for North Lanarkshire Council and the Council's ALEO's, and has an ongoing requirement to procure a full range of tyre types and sizes as well as associated tyre management services.
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2. Report

- 2.1 In January 2020, Fleet Services and the Corporate Procurement engaged in a data gathering exercise in order to determine what the specific requirements would be in terms of tyres of vehicles and plant. Once this requirement was determined, a market analysis exercise was undertaken in order to review what routes to the market were available. Scotland Excel had an established framework which was created for all 32 local authorities to call-off, if required. It was decided that we would engage in a mini-competition exercise by using the information derived from the above data gathering exercise. This was in accordance with the Scotland Excel framework terms and the Council's General Contract Standing Orders.
- 2.2 The specific requirements highlighted the requirements for tyres across three lots in the framework which were:
- Lot 1 – Tyres for Cars/Vans (Supply & Fit);
 - Lot 2 – Tyres for Trucks (Supply & Fit); and
 - Lot 3 – Tyres for Agriculture/Plant (Supply & Fit).

This gives the Council more flexibility to vary or stipulate the brand of tyre to be fitted, or to allow for unforeseen short term stock issues with the contractor.

- 2.3 In April 2020, the Council had completed the Mini Competition procurement process for Tyres for Vehicles and Plant under the Scotland Excel Framework 04/17. All compliant tenders were to be evaluated on the basis of the 'Most Economically Advantageous Tender' with the award criteria based on 90% price and 10% quality.
- 2.4 On completion of the mini-competition a single tender was received and appropriately evaluated. The outcome from this process was that the above three Lots detailed in 2.2 should be awarded to McConechy's Tyre Service Ltd.
- 2.5 This award was approved by the Executive Director of Enterprise and Communities and the contract duration will be from 4th May 2020 to 3rd May 2022.
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3. Equality and Diversity

3.1 Fairer Scotland

No implications

3.2 Equality Impact Assessment

Not applicable

4. Implications

4.1 Financial Impact

The total combined value for the Supply and Delivery of Tyre Contract has been set at a maximum of £800,000.

4.2 Environmental Impact

The Council has responsibilities under the Climate Change Act, 2008, with regard to its Carbon Reduction Commitment (CRC). The Council will look at improving the sustainability of tyres to reduce environmental impacts, save fuel and ensure the environmentally safe disposal of end of life tyres.

4.3 Risk Impact

No significant risks were identified. This new agreement enables the Council to better fulfil its statutory requirements in relation to obtaining the full range of tyre types and sizes along with tyre management services.

4.4 Community Benefits

The Council is committed to maximising the delivery of community benefits. The procurement conducted by Scotland Excel included a community benefit requirement. McConechy's Tyre Service Ltd has committed to delivering a range of community benefits, which include:

- Providing employee opportunities for learning and development. This will include a tyre safety awareness session for Council employees.
- Launching a Modern Apprenticeship scheme nationwide and already have work experience placements nationally.
- Providing financial support and engagement to community group charities.

4.5 Fair Working Practices

As part of the framework agreement, McConechy's Tyre Service Ltd have committed to the following Fair working practices:

- They are not an accredited Living Wage Employer but commit to paying the Living Wage to all employees (except volunteers, apprentices and interns) within the initial two year period of the Framework Contract.
- They have a flexible working policy in place.
- They have no zero hour contracts.

5. Measures of success

- 5.1 This agreement will ensure that we continue to have continuity of supply for tyres and also achieve Best Value on behalf of the authority.
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6. Supporting Documents

Appendix 1 Summary of Procurement and Evaluation Exercises

Appendix 2 SME Status and Location of all Tenderers



Andrew McPherson
Head of Regulatory Services and Waste Solutions

Appendix One – Summary of Procurement Procedure and Tender Evaluation Activities

Procurement Title	Tyres for Vehicles & Plant		
Initial Contract Period	Two (2) Years		
Contract period extension options	N/a		
Estimated Total Contract value	£800,000		
Contract Reference Number	NLC-CPT-20-013		
Contract Notice Reference	FEB380750		
Governing UK Regulation	The Public Contracts (Scotland) Regulations 2015		
Procurement Procedure	Call-off mini completion via Quick Quote on Public Contracts Scotland		
Evaluation approach adopted	The call-off mechanism utilised via the Scotland Excel is using the terms of evaluation from the SXL 0417 framework.		
Number of recommended suppliers	1		
Basis of contract award	Quality	10%	Price 90%
Evaluation team names and job titles of Evaluators and their role in evaluation	Chris Gannon, Category Manager – Procurement Lead John Stewart, Fleet Resource Manager (Fleet Services) – Price Verification Scotland Excel – Quality & Price Evaluation		

Appendix Two – SME status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority/Council Area)
McConechy's Tyre Service Ltd	Medium	Glasgow City Council