

TITLE OF REPORT: Tenders for the Supply of Goods and Services

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. The purpose of this report is to:
 - I. Ask Cabinet to consider the tenders received for the Framework to Provide Repair, Recovery and Modification Works to Commercial Vehicles.
 - II. Ask Cabinet to consider the tenders received for the framework agreement for ICT Hardware for Schools.
 - III. To inform Cabinet of an executive decision that was made by the Service Director, Corporate Commissioning and Procurement, as a matter of urgency in accordance with Part 2 General Delegations to Managers, Paragraph 4(e) of the Council's Constitution with regards to the bids received as part of the call off under a Crown Commercial Service (CCS) Framework for the delivery of a Managed Print Service (MPS).
2. The background to these contracts is contained in the attached appendices.

Proposal

3. Cabinet is asked to agree and note the recommendations below.

Recommendations

4. It is recommended that:
 - i. The following tenders be accepted for the Framework to Provide Repair, Recovery, and Modification Works to Commercial Vehicles for a period of three years commencing 1 October 2016 with an option to extend for a 12 month period:

Lot 1 Specialist Repairs for Terberg Bodies & Bin Lifts:
Terberg Matec UK Ltd (Warrington (mobile specialist located at Washington))

Lot 2 General Mechanical Repair & Recovery:
Hoddy's Recovery (Gateshead);

Lot 3 Vehicle Body Repairs:
JC Selby Vehicle Services (South Shields);

Lot 4 Vehicle Hydraulic Repairs:
Pirtek Tyne and Wear (Gateshead);

Lot 5 Metal Fabrication:
FSG Engineering Ltd (Gateshead);

Lot 6 Auto Electrical Repairs:
DJS Auto Electrics (Newcastle).

- ii. The following tenders be accepted from the companies listed below and that all of the companies are appointed onto the framework for ICT Hardware for Schools for a period of three years commencing 1 October 2016 with an option to extend for a further 2x12month periods.

Bechtle Direct Limited, Wiltshire
Dell Corp Limited, Berkshire
Insight Direct Limited, Sheffield

- iii. The executive decision taken by the Service Director, Corporate Commissioning and Procurement, as a matter of urgency in accordance with Part 2 General Delegations to Managers, Paragraph 4(e) of the Council's Constitution, to accept the bid from Canon (UK) Limited, Surrey for the contract for the delivery of a Managed Print Service (MPS) under a Crown Commercial Service (CCS) Framework for a period of five years commencing 1 September 2016 with an option to extend for a further 2x12month periods be noted.

For the following reason:

A comprehensive evaluation of the tenders received has been undertaken. The recommended tenders are the most economically advantageous tenders submitted.

CONTACT: Andrea Tickner extension: 5995

Policy Context

1. The Framework to Provide Repair, Recovery and Modification Works to Commercial Vehicles has been organised in accordance with the Council's Consolidated Procurement Policy.

Background

2. The Framework to Provide Repair, Recovery and Modification Works to Commercial Vehicles is required to provide vehicle repair support for the internal vehicle repair workshop at Park Road Depot.

3. The Framework consists of the below Lots:

Lot 1 Specialist Repairs (1a Dennis Eagle Bodies & Bin Lifts; 1b Faun Bodies & Bin Lifts; 1c Terberg Bodies & Bin Lifts);
Lot 2 General Mechanical Repair & Recovery;
Lot 3 Vehicle Body Repairs
Lot 4 Vehicle Hydraulic Repairs
Lot 5 Vehicle Metal Fabrication
Lot 6 Auto Electrical Repairs
Lot 7 Tail Lift & Platform Repairs

4. The estimated value of the contract for an initial 3 year period commencing 1 October 2016 with a 12 month option extension is £1,409,000.00.

5. Tenders were received from the following companies:

Pirtek Tyne and Wear Ltd (Gateshead)
DJS Auto Electrics Ltd (Newcastle)
Hoddy's Recovery (Gateshead)
Rochford Garage Ltd (Durham)
JC Selby Ltd (South Shields)
Dependable Bodies Ltd (Dunston)
FSG Engineering Ltd (Gateshead)
PA Hydraulics Ltd (Cramlington)
Quay Coachworks (Hebburn)
Terberg Matec Ltd (Warrington (mobile specialist located at Washington))

6. A comprehensive evaluation of the tenders has been undertaken against the following criteria:

- Grounds for Mandatory Exclusion, Insurance, Equality & Diversity, Health & Safety and Environmental Management.
- Relevant experience and contracts within the last three years.
- Ability to deliver the relevant specification including employee technical qualifications, availability of technical workshop, equipment/tools, mobile facilities, technical experience/ability, and demonstration of safe system of work methodology.
- Value for money.

7. All tenders received for Lots 1c, 2, 3, 4, 5, and 6 were evaluated in accordance with the above and it is recommended that they are awarded to the Most Economically Advantageous tenderer for each Lot as detailed above.
8. All tenders received for Lots 1a, 1b, and 7 were evaluated, however, all failed the Suitability Assessment, therefore the Council are unable to award these lots and it will be necessary to re-tender these lots.

Consultation

9. A Health & Safety Workshop was provided at Gateshead Civic Centre, hosted by Gateshead's Health & Safety Service, with additional representation from Gateshead's Fleet Management, and Corporate Commissioning & Procurement. This was undertaken as part of the market engagement in order to update interested companies on Health & Safety requirements for this contract.

Alternative Options

10. The anticipated value of this contract exceeded the threshold requiring competitive tenders to be invited in accordance with the EU Public Procurement Directives; therefore there are no alternative options.

Implications of Recommended Option

11. Resources:

a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that this can be met from existing resources.

b) **Human Resources Implications** – Nil

c) **Property Implications** - Nil

12. **Risk Management Implication** - Nil

13. **Equality and Diversity Implications** - Nil

14. **Crime and Disorder Implications** – Nil

15. **Health Implications** - Nil

16. **Sustainability Implications** - Nil

17. **Human Rights Implications** - Nil

18. **Area and Ward Implications** - Nil

Background Information

19. The documents that have been relied on in the preparation of the report include:

- The received tenders

Policy Context

1. The contract for a Framework Agreement for ICT Hardware for Schools has been organised in accordance with the Council's Consolidated Procurement Policy.

Background

2. The aim of this procurement is to identify external contractors to work collaboratively with the Council and schools to underpin the Council's Computer Hardware Replacement Strategy for school curricular activities, that is, to support the procurement, deployment and maintenance of computer hardware under equipment warranty arrangements for equipment supplied under this contract.
3. The contract period is for 24 Months commencing 1st October 2016 with the Option to Extend for a further 2 X 12 Months.
4. Tenders were received from the following companies:
 - Academia Limited (Enfield)
 - Amicus ITS Limited (Southampton)
 - Bechtle Direct Limited (Wiltshire)
 - Dacoll Limited (Bathgate)
 - Dell Corp Limited (Berkshire)
 - Insight Direct Limited (Sheffield)
 - Misco Limited (Edinburgh)
 - Stone Computers Limited (Staffordshire)
5. A comprehensive evaluation of the tenders received has been undertaken against the following criteria: Insurance, Health and Safety, Equalities and Diversity, Implementation and Planning, Service and Support, Warranty, Equipment Lifecycles and other Miscellaneous Criteria.
6. This evaluation was carried out by officers from the following departments:-
 - School ICT Support Service, Finance and ICT
 - Corporate Procurement, Legal and Corporate Services.

Consultation

7. There has been no external consultation

Alternative Options

8. The anticipated value of this contract exceeded the threshold requiring competitive tenders to be invited in accordance with the EU Public Procurement Directives; therefore there are no alternative options.

Implications of Recommended Option

9. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that funding has been allocated for the Hardware for Schools Framework and that the tender is within the available total allocation.
- b) **Human Resources Implications** – Nil
- c) **Property Implications** - Nil

10. Risk Management Implication – Nil

11. Equality and Diversity Implications – The recommended tenderer meets the legal obligations of the Equality Act 2010.

12. Crime and Disorder Implications – Nil

13. Health Implications - Nil

14. Sustainability Implications – Nil

15. Human Rights Implications - Nil

16. Area and Ward Implications -Nil

Background Information

17. The documents that have been relied on in the preparation of the report include:

The received tenders.

Policy Context

1. The contract for the delivery of a Managed Print Service (MPS) has been organised in accordance with the Council's Consolidated Procurement Policy.

Background

2. The contract was agreed and awarded via an urgent executive decision due to the CCS Framework coming to an end on 31st August 2016.
3. The contract is to supply a 2nd generation managed print service that will address print requirements for a broad range of users within the Council and it will deliver the following primary outcomes:
 - A reduction in the volume of printing within the Council
 - A reduction in the Council's total spend on all aspects of print including a 5 year roadmap for the reduction of the cost per head or cost per impression provided under this contract.
4. Both of these outcomes will deliver cashable savings from existing print budgets.
5. The estimated value of the contract for the 5 year period plus 2 x 12 month extensions to cover the Managed Print Service is £1,610,000.00.
6. Tenders were received from the following companies:

Canon (UK) Limited, Surrey
Konica Minolta Business Solutions, Essex
7. A comprehensive evaluation of the tenders has been undertaken against the following criteria:
 - Award Questionnaire which included:
 - Managed Print Service – Questions relating to how bidders proposed to provide the MPS detailed in the Council's specification as well as their method of delivery of additional efficiency savings.
 - Price per User: The lowest 5 year total cost of the price per user model
 - Price per Impression: The lowest 5 year total cost of the price per impression

Consultation

8. There has been no external consultation.

Alternative Options

9. Due to the anticipated value of this contract exceeding EU Thresholds the only alternative option to the Framework Call off would be to carry out a full OJEU Tender process which would take a significant amount of time with no Guarantee of

an improved result. This would also leave the Council at risk as it would need to continue the current MPS without a formal contract which would leave it open to legal challenge.

Implications of Recommended Option

10. **Resources:**

a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that funding has been allocated for the Digital Platform and that the tender is within the available total allocation.

b) **Human Resources Implications** – Nil

c) **Property Implications** - Nil

11. **Risk Management Implication** – Nil

12. **Equality and Diversity Implications** – The recommended tenderer meets the legal obligations of the Equality Act 2010.

13. **Crime and Disorder Implications** – Nil

14. **Health Implications** - Nil

15. **Sustainability Implications** – Nil

16. **Human Rights Implications** - Nil

17. **Area and Ward Implications** -Nil

Background Information

18. The documents that have been relied on in the preparation of the report include:

- The submitted bids
- Crown Commercial Service Framework Guidance Documents