

Tender evaluation report seeking approval to award a contract for the purchase of Tools for Leeds Building Services

Date: 21st March 2023

Report of: Head of Leeds Building Services

Report to: Director of Resources

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This report outlines the evaluation of the Purchase of Tools tender submissions and seeks to gain approval to award the contract to City Electrical Factors Limited.

This scheme supports the Council's activity to tackle the climate emergency, and the 'Best Ambition' strategies towards growth, health and wellbeing by providing operatives with the tools required to maintain and improve the quality and standards to housing.

Recommendations

- a) The Director of Resources is recommended to note this report and approve the award of Purchase of Tools for Leeds Building Services (LBS) to City Electrical Factors Limited for a period of four years with the option to extend for a further 4 x 12 months. The estimated value of the contract will be £120,000 per annum. The contract will start on the 24th April 2023 and end 23rd April 2027, with a further option to extend for up to 4 x 12 months.
- b) Recognises that Appendix 1 should be designated exempt from publications in accordance with Access to Information Procedure Rule 10.4(3).

What is this report about?

- 1 This report provides details of the tender evaluation process and seeks approval from the Director of Resources to award the contract for the Purchase of Tools.
- 2 This report is a subsequent decision from a Key Decision on the 27th May 2022 that approved the procurement strategy to procure a contractor via an open tender process.
- 3 A tender was published on the 20th July 2022 to the YORtender portal as an open tender. The submission date was the 31st August 2022. The tender was to be evaluated on the basis of a 60% price 40% quality split. Four tenderers submitted a bid, however at the tender opening it was noted that no documents had been submitted in relation to one bidder. The bidder was contacted to ascertain if this was an error, and no response was received.
- 4 The three remaining tenders received were evaluated by the evaluation panel made up of officers from within LBS. The pricing element of the bids required some clarifications on the pricing submissions and this detail was obtained before the quality scoring was carried out.
- 5 The three submissions were scored in line with the tender evaluation criteria with 400 points assigned to quality and 600 points assigned to price. All bidders were required to score a minimum quality threshold of 200 points to ensure they could deliver the level of service required.
- 6 One bidder did not score above the minimum quality threshold. The table below outlines the results of the tender evaluation scores.

Bidder	Quality Score	Price Score	Total	Rank
City Electrical Factors Ltd	302.00	596.37	898.37	1
Bidder B	260.00	600.00	860.00	2
Bidder C	180.00 (Failed to pass min quality threshold)	N/A (Only submissions which passed the min quality threshold were evaluated on price)	180.00	3

- 7 Subsequently the proposal is to award the contract to City Electrical Factors Ltd who is identified as the winning bidder based on the table above.

What impact will this proposal have?

- 8 This proposal will provide a supplier for power tools and other supporting items for operatives to access within LBS to enable them to carry out repair works to Council housing and civic buildings across Leeds.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 9 Social value proposals have been obtained from the winning supplier and this will support inclusive growth.
- 10 The proposed contract will support health and wellbeing by providing the equipment needed to ensure house improvements can be carried out safely and to requirements.

- 11 This contract will support the Zero Carbon ambition by asking bidders to look at sustainability and environmental considerations and what reductions or changes they can make to reduce their impact on the environment.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 12 No consultation with residents has taken place due to the nature of the goods required.
- 13 No consultation with leaseholders has been required as there are no cost implications to leaseholders.

What are the resource implications?

- 14 LBS have an estimated spend of £120,000 per annum for tools and the pricing provided by the suppliers in their submissions are indicative prices based on this annual spend. The items priced by the suppliers are the top ordered products by LBS over the past few years. The contract is for an initial period of 4 years with the option to extend for up to 4 x 12 months. The approximate value for the initial 4 years will be £480,000, this will increase to £960,000 if all the extensions available are taken. In making the final decision, the decision maker should be satisfied that this contract represents Best Value for the Council.
- 15 Tenders were invited in a competitive environment to obtain the best available supplier and prices for the Council.

What are the key risks and how are they being managed?

- 16 Risks of procurement challenges will be present in any procurement that is undertaken. In order to manage this, a fully compliant and transparent tender process has been carried out in line with the Contract Procedure Rules and Public Contract Regulations 2015. A standstill period has been carried out and this received some requests for additional information, these have not been closed out. The standstill period resulted in no formal challenges to the appointment of City Electrical Factors Ltd to this contract.
- 17 Due diligence has been completed in regard to the proposed supplier for award of contract with relevant vetting carried out to obtain technical references from previous delivery of goods, financial checks and due diligence on Health & Safety and safeguarding. Records are stored on file for audit purposes.

What are the legal implications?

- 18 This is a significant operational decision and is not eligible for call in. Other than Appendix 1 – Tender Analysis Report, there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 19 This procurement has been undertaken in compliance with the Council's Contract Procedure Rules and Public Contracts Regulations 2015, as relevant. The tender has been evaluated in accordance with the evaluation criteria set out in the tender documents. Following the tender evaluation, the successful contractor has been identified as City Electrical Factors Limited.
- 20 The information in Appendix 1 of this report has been identified as exempt/confidential under the Access to Information Rules 10.4 (3). The public interest in maintaining the exemption in

relation to the confidential appendices outweighs the public interest in disclosing the information and financial details which, if disclosed would adversely affect the business of the Council and the business affairs of a number of individual companies.

Options, timescales and measuring success

What other options were considered?

21 Several frameworks were explored to see if these could support the procurement of the Purchase of Tools. However, no framework available delivered the requirements needed by LBS. Further details were provided in the previous key decision report that approved the procurement strategy

How will success be measured?

22 KPI's will be in place which will contribute to measuring the success of the contract.

23 The contract will be delivered with robust contract management in place.

What is the timetable and who will be responsible for implementation?

24 Contract Award April 2023

25 Contract Start April 2023

26 Implementation will be carried out by the Head of Leeds Building Services and Team Managers from across LBS.

Appendices

- Appendix 1 – Tender Analysis Report (Confidential)

Background papers

- Authority to Procure Report [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk/council-and-democracy)