

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Supply, Distribution & Property

Tendering Committee: 21 April 2021

Subject: Contract Authorisation Report – Supply & Delivery of Tyres and Associated Services

1. Purpose

- 1.1.** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the Supply & Delivery of Tyres and Associated Services.

2. Recommendations

- 2.1.** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer – Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for the Supply & Delivery of Tyres and Associated Services Lot 1 Cars & Vans to McConechy's Tyres Services Ltd. The estimated value of the initial 2 year contract is £64,500 ex VAT and the overall 4 year contract is £129,000 ex VAT.
 - b) Authorise the Chief Officer – Regulatory and Regeneration to conclude on behalf of the Council, the award of the contract for the Supply & Delivery of Tyres and Associated Services Lot 2 Trucks to McConechy's Tyres Services Ltd. The estimated value of the initial 2 year contract is £77,000 ex VAT and the overall 4 year contract is £154,000 ex VAT; and
 - c) Note that the contracts shall be for a period of two years from 1 May 2021 with an option to extend for a further two x 12 months until 30 April 2025. The combined overall estimated value for both contracts for the initial 2 year contract is £141,500 ex VAT and the overall 4 year contract is £283,000 ex VAT.

3. Background

- 3.1.** The Council purchases a range of tyres to meet the requirement of the Council's vehicle fleet. This includes the provision for supply, fitting, emergency roadside assistance and associated services e.g., call outs and roadside repairs.
- 3.2.** The budget for the Supply & Delivery of Tyres and Associated Services was approved as part of the Infrastructure, Regeneration and Economic Development Committee on 12 February 2020. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts (Scotland) Regulations 2015*

for Goods. A Contract Strategy document was also approved by the Business Partner - Strategic Procurement (Place) on 1 February 2021.

4. Main Issues

- 4.1.** Historically, the Council has used Scotland Excel Framework Agreements (FA) for the Supply & Delivery of Tyres and Associated Services and the Contract Strategy identified that this is the best route to market for this requirement. The FA allows for the facility to undertake a reverse electronic auction (e-Auction).
- 4.2.** The requirement was split into 2 lots based on type of vehicle, Lot 1 Cars & Vans and Lot 2 Trucks. Two e-Auctions conducted under this FA were published on the Public Contracts Scotland - Tender (PCS-T) portal.
- 4.3.** Two of the six FA tenderers invited to each e-Auction submitted responses by the deadline of 10am and 11am respectively on 3 March 2021. The two submissions were evaluated against a set of award criteria which was based on Price / Quality ratio of 80% / 20%. The scores relative to the award criteria of each tenderer are as follows:

a) Lot 1 Cars & Vans

	Weighting	McConechy's Tyre Services Ltd	Direct Tyre Management Ltd
Quality (20%)	20%	17%	16.3%
Quality Sub-Total	20%	17%	16.3%
Price (Per Year)	-	£32,338	£41,034
Price (80%)	80%	80%	62.7%
Price Sub-Total	80%	80%	62.7%
Overall Total	100%	97%	79%

b) Lot 2 Trucks

	Weighting	McConechy's Tyre Services Ltd	Direct Tyre Management Ltd
Quality (20%)	20%	17%	16.3%
Quality Sub-Total	20%	17%	16.3%

Price (Per Year)	-	£38,458	£43,034
Price (80%)	80%	80%	71.5%
Price Sub-Total	80%	80%	71.5%
Overall Total	100%	97%	87.8%

- 4.4.** It is recommended that the contract for the Supply & Delivery of Tyres and Associated Services Lot 1 Cars & Vans is awarded to McConechy's Tyre Service Ltd, Ayr, with the contract being delivered from their branch in Paisley. McConechy's Tyre Service Ltd has provided the most economically advantageous tender. The estimated value of the initial 2 year contract is £64,500 ex VAT and the overall 4 year contract is £129,000 ex VAT.
- 4.5.** It is recommended that the contract for the Supply & Delivery of Tyres and Associated Services Lot 2 Trucks is awarded to McConechy's Tyres Services Ltd, Ayr, with the contract being delivered from their branch in Paisley. McConechy's Tyre Service Ltd has provided the most economically advantageous tender. The estimated value of the initial 2 year contract is £77,000 ex VAT and the overall 4 year contract is £154,000 ex VAT.
- 4.6.** The contracts shall be for a period of two years from 1 May 2021 with an option to extend for a further two x 12 month periods until 30 April 2025. The combined overall estimated value for both contracts for the initial 2 year contract is £141,500 ex VAT and the overall 4 year contract is £283,000 ex VAT.
- 4.7.** McConechy's Tyre Services Ltd pay all employees of all ages above the UK Government's Living Wage, as well as providing employees with benefits such as flexible working hours and options for enhanced pensions.
- 4.8.** As part of the Scotland Excel FA, McConechy's Tyre Services Ltd offered a range of social benefits based on the level of spend by the Council under the FA for each year of the FA. Social benefits will be discussed and agreed at the implementation meeting with McConechy's Tyre Services Ltd and actions to take these forward will be agreed. The range of social benefits include:
- Improving Education - Tyre safety awareness sessions for council employees;
 - Improving Employability – Work Experience Placements; and
 - Improving Skills – Recruitment of a Modern Apprentice.
- 5. People Implications**
- 5.1.** There are no people implications.
- 6. Financial and Procurement Implications**
- 6.1.** The overall evaluation outcome for the combined lots offers the Council a

saving of 33.2% against the specific budget within Fleet and Waste services for this requirement.

- 6.2.** This procurement exercise was conducted in accordance with the agreed contract strategy produced by the Corporate Procurement Unit in close consultation with Fleet & Waste Services officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

7. Risk Analysis

- 7.1.** The successful supplier has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

8. Equalities Impact Assessment (EIA)

- 8.1.** An equalities screening was undertaken for this report to determine if there is an equalities impact. The results were there is no equalities impact.

9. Consultation

- 9.1.** The Fleet & Waste Services Manager has been consulted regarding the Contract Strategy. Finance Services has also been consulted on the contents of this report.

10. Strategic Assessment

- 10.1.** The Supply & Delivery of Tyres and Associated Services will contribute to the delivery of the Council's strategic priorities by supporting the provision of efficient and effective frontline services.

Angela Wilson
Chief Officer - Supply, Distribution & Property
07 April 2021

Person to Contact: Daniel O'Donnell - Procurement Officer, Corporate Procurement Unit, 16 Church Street, Dumbarton, G82 1QL. Telephone 01389 738572

Appendices: None

Background Papers: 1. Contract Strategy;
2. EIA Screening;

Wards Affected: All