

# Finance and Resources Committee

10.00am, Thursday, 9 December 2021

## Contract Award Recommendation Report for Furniture Removal and Storage, Design and Move Management

Executive/routine Wards Council Commitments	Routine All
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### 1. Recommendations

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- 1.1 It is recommended that the Finance and Resources Committee approves:
  - 1.1.1 The appointment of a three-lot multiple contractor framework agreement for Furniture Removals and Storage, Design and Move Management; and
  - 1.1.2 The commencement of the contract on 10 January 2022, for a period of four years with no option to extend, at a total estimated value of £3.66 million.

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## Contract Award Recommendation Report for Furniture Removal and Storage, Design and Move Management

### 2. Executive Summary

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- 2.1 This report outlines the result of a competitive tender process for the provision of a Furniture Removal and Storage, Design and Move Management Services Framework and recommends the appointment of multiple service providers.
- 2.2 It is proposed that the new Contract will commence on 10 January 2022 for a period of four years with no option to extend, with an overall value of £3.66 million.
- 2.3 The report confirms the outcome of the procurement process and seeks approval to award the contract to the preferred bidders.

### 3. Background

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- 3.1 For the past four years the Council has been operating a Removals and Storage Framework which has principally been utilised by two services – Property and Facilities Management (PFM) and Temporary Accommodation Service (TAS). Health and Social Care as well as Housing Services, have also used both Lots of this Contract from time to time.
- 3.2 The current framework has two Lots to meet the requirements of PFM and TAS:
  - 3.2.1 Lot 1 (Project Based Work) – the Contractor is required to relocate/deliver furniture within or between properties occupied by the Council. This service includes advice and support as well as ensuring relocations are carried out efficiently with minimum disruption or down time to business; and
  - 3.2.2 Lot 2 (Daily Removal and Storage) - the Contractor is required to assist tenants and homeless households with the removal, transfer and storage of belongings, which could be for an unspecified amount of time.
- 3.3 The Council is currently seeking to move towards a hybrid working model and is looking at how best to manage the current estate in support of that model. This is likely to require a number of specialist relocation projects which were last undertaken during the original property rationalisation that ended in 2011. As such the Council is proposing to add a third Lot to this framework.
  - 3.3.1 Lot 3 (Relocations Management Consultant) – the Contractor will work with the Council's Estates Team and Lot 1 Removal companies to design, facilitate and undertake strategic move projects.

- 3.4 The current Framework for Furniture Removals and Storage of Furniture has been in place with a number of Contractors since 17 September 2016 and expired on 16 September 2021. The framework has been extended for up to four months to allow the procurement process to be concluded in accordance with the Council Contract Standing Orders.

## 4. Main report

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- 4.1 Commercial and Procurement Services (CPS) have been working with key officers within the Place Directorate on a procurement strategy for the re-tendering of the current Furniture Removals and Storage Framework, now named Furniture Removal and Storage, Design and Move Management Framework.
- 4.2 The existing specification and evaluation criteria have been reviewed and developed to consider the unique service area requirements. This will allow the Council to build in improvements in the current service levels and bring in a range of new requirements. This will enable the Council to implement full life-cycle contract management, bring in additional savings and encourage innovation from suppliers through supplier relationship management.
- 4.3 CPS placed a Regulated Contract Notice within Public Contract Scotland ('PCS') on 10th September 2021 utilising the Open Procedure.
- 4.4 Following tender returns on 11 October 2021, submissions were evaluated by a technical evaluation panel. This placed an emphasis on quality, as well as price, with the aim of selecting the most economically advantageous tenders for each of the three Lots based on organisations tendering on a quality/cost ratio of 40% quality and 60% price. The quality/cost ratio was determined due to a need for suppliers to provide a quality service at the most economical price.
- 4.5 The quality analysis was based on weighted award criteria questions, which were scored using a 0 to 4 matrix. Following completion of the quality analysis, tenders that passed the minimum quality threshold of 60% were subject to cost analysis.
- 4.6 Where contractors have a "0.0" score for price, this is due to their quality bid failing to achieve the pre-set quality threshold of 60% and their fee proposal was not reviewed.
- 4.7 All evaluated elements were combined to provide the final commercial offer. The tender results for each Lot are set out in Appendix 2.
- 4.8 The Council intends to award a Multi Contractor Framework Agreement with three Contractors per Lot (except Lot 2) to the highest scoring Contractors per Lot.
- 4.9 The recommendation for award of this contract is based on the completed evaluation scores in the following table(s):

### Lot 1 Project Based Work

Contractor	Position
Kelerbay Limited trading as Doree Bonner International	Preferred
AMC Removals (UK) Limited	Second Supplier
Pickfords Move Management Limited	Third Supplier

### Lot 2 Daily Removal and Storage

Contractor	Position
Kelerbay Limited trading as Doree Bonner International	Preferred
AMC Removals (UK) Limited	Second Supplier

### Lot 3 Design and Move Management

Contractor	Position
CBRE Managed Services Limited	Preferred
Space Solutions (Scotland) Limited	Second Supplier
Moveplan Limited	Third Supplier

## **5. Next Steps**

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- 5.1 Subject to Committee approval, the contract will be awarded, implemented and mobilised.
- 5.2 The Contract and Grants Management team will engage with the contract manager to ensure that effective contract management is delivered throughout the contract lifecycle. All efficiencies identified in the procurement process should be delivered by the service area through proactive supplier engagement and monitoring of management information.

## **6. Financial impact**

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- 6.1 The prices are fixed for the four years of the contract as part of the tender. In a change from previous tenders, the Council will now seek to harmonise storage costs by introducing a single rate for storage (per month). It will also remove current charges to access storage and cancellation by introducing a zero charge for both elements.
- 6.2 The addition of a space planning and move management consultant with specialism in auditing, refurbishment and adaptation of existing equipment will also bring circular economy / sustainability considerations.
- 6.3 Once the Council has discharged its statutory duty to homeless households, the Code of Guidance states that a reasonable period, set at 6 months, must be given to allow people to make arrangements to retrieve their belongings. The service will

endeavour to make contact with people prior to this to make arrangements for delivery of their belongings. If any items are to be disposed of they will be recycled where possible.

- 6.4 The costs associated with procuring this contract are estimated at up to £10,000.

## **7. Stakeholder/Community Impact**

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- 7.1 Lot 2 is necessary to fulfil the Council's statutory duty as set out in Section 36 of the Housing (Scotland) Act 1987 and the Code of Guidance on Homelessness to provide a removal and storage of belongings service to people who are homeless.
- 7.2 Analysis over the years from the Scottish Government, third sector partners and feedback from service users has shown higher tenancy sustainment when people experiencing homelessness are able to set themselves up successfully in a new home with all, or most, of their existing possessions. Therefore, the preservation of their possessions benefits not only the applicant themselves but can reduce the risk of homelessness recurring, or the need for such support as provision of furniture.
- 7.3 Following consideration of the Integrated impact Assessment (IIA), it was agreed that by procuring a Furniture Removal and Storage service for the Temporary Accommodation Service, the Council will protect existing and future homeless households' belongings and store them until such times as the statutory duty owed by the Council is discharged and homeless households are able to have their belongings delivered to their new permanent tenancy.
- 7.4 The framework utilises the Council's menu of community benefits which currently lists 41 available benefits each with a point value associated. Every contractor is committed to this system. The value of the call off pre-determines the amount of points that the supplier is required to spend, this will occur for every call off. Each community benefit offer will be monitored on the Council's community benefits platform by the Council's contract manager and reported annually.
- 7.5 This framework provides a strong commitment to Small Medium Enterprises (SME) development, of the six unique successful contractors (some won a position on several Lots) 66.66% identify as SME, two registered as small, two registered as medium with the remaining two having no SME status.
- 7.6 The Council requires every contractor to identify if they pay the living wage, all six contractors on the framework have identified they are committed to paying the living wage with two having achieved full Living Wage Accreditation, and three contractors committed to achieving Living Wage Accreditation during the framework operation. In addition, all six contractors do not operate any Zero Hours contracts.
- 7.7 Finally, in a further commitment one out of the six contractors has signed up to Scottish Business Pledge with another currently undergoing through the application process.

## **8. Background reading/external references**

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8.1 N/A.

## **9. Appendices**

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9.1 Appendix 1 – Summary of Tendering Process

9.2 Appendix 2 – Summary of Tender Evaluation Outcome

## Appendix 1 – Summary of Tendering and Tender Evaluation Processes

<b>Contract</b>	Supply of Furniture Removal and Storage, Design and Move Management		
Contract Period	Four years: commencing 10 January 2022		
Estimated Aggregate Contract Value (including extensions)	£3.66m*  *Depending on usage likely to be higher depending on use of Lot 3		
Procurement Route Chosen	Open Procedure		
Tenders Returned	7 contractors submitted tenders across 3 lots		
Recommended supplier	LOT 1	LOT 2	LOT 3
	Kelerbay Limited trading as Doree Bonner International	Kelerbay Limited trading as Doree Bonner International	CBRE Managed Services Limited
	AMC Removals (UK) Limited	AMC Removals (UK) Limited	Space Solutions (Scotland) Limited
	Pickfords Move Management Limited		Moveplan Limited
Price / Quality Split	<b>Price</b> <b>60</b>		<b>Quality</b> <b>40</b>
Cost/Quality Rationale	In order the for Council to achieve the best commercial outcome from Contractors on this Framework using the 60:40, Commercial and Procurement Services undertook a full tendering exercise where a minimum quality threshold of 60% was implemented, to guarantee the highest quality submission.		
Quality Split Breakdown (60%)	<b>Criteria</b>		<b>Weighting</b>
	A.1	BUSINESS CONTINUITY - COVID-19	For Information Only

		SUPPLEMENTARY INFORMATION	
	A.2	FAIR WORK MANAGEMENT INFORMATION	For Information Only
	A.3	TUPE	For Information Only
	A.4	DATA PROTECTION	For Information Only
	A.5	SME STATUS	For Information Only
<b>AWARD CRITERIA FOR LOT 1</b>			
	B1.1	FRAMEWORK MANAGEMENT	15%
	B1.2	DELIVERY OF THE CONTRACT	25%
	B1.3	BUSINESS CAPABILITY	25%
	B1.4	SECURITY	10%
	B1.5	CUSTOMER SERVICE AND MANAGEMENT	10%
	B1.6	COMMUNITY BENEFITS	10%
	B1.7	FAIR WORK PRACTICES	5%
<b>AWARD CRITERIA FOR LOT 2</b>			
	B2.1	FRAMEWORK MANAGEMENT	10%
	B2.2	DELIVERY OF THE CONTRACT	20%
	B2.3	BUSINESS CAPABILITY	20%



	B2.4	STORAGE	15%
	B2.5	EXIT STRATEGY	10%
	B2.6	CUSTOMER SERVICE AND MANAGEMENT	10%
	B2.7	COMMUNITY BENEFITS	10%
	B2.8	FAIR WORK PRACTICES	5%
<b>AWARD CRITERIA FOR LOT 3</b>			
	B3.1	FRAMEWORK MANAGEMENT	25%
	B3.2	DELIVERY OF THE CONTRACT	35%
	B3.3	CUSTOMER SERVICE AND MANAGEMENT	25%
	B3.4	COMMUNITY BENEFITS	10%
	B3.5	FAIR WORK PRACTICES	5%
Evaluation Team	Evaluated by Technical officers from Place and Corporate Services		
Procurement Costs	Up to £10,000		

## Appendix 2 – Tender Evaluation Outcome

### Lot 1 Project Based Work

Contractor	Quality (Max 40)	Price (Max 60)	Total (100)	Overall Rank
Kelerbay Limited trading as Doree Bonner International	33.50	60.00	93.50	1
AMC Removals (UK) Limited	33.50	47.75	81.25	2
Pickfords Move Management Limited	32.00	46.86	78.86	3
Bidder Anonymised	30.00	44.51	74.51	4

### Lot 2 Daily Removal and Storage

Contractor	Quality (Max 40)	Price (Max 60)	Total (100)	Overall Rank
Kelerbay Limited trading as Doree Bonner International	30.00	60.00	90.00	1
AMC Removals (UK) Limited	34.50	39.22	73.72	2

### Lot 3 Design and Move Management

Contractor	Quality (Max 40)	Price (Max 60)	Total (100)	Overall Rank
CBRE Managed Services Limited	31.00	60.00	91.00	1
Space Solutions (Scotland) Limited	36.00	39.25	75.25	2
Moveplan Limited	28.50	23.10	51.60	3
Bidder Anonymised	21.50	0.0	Fail	Fail
Bidder Anonymised	19.00	0.0	Fail	Fail