

Contract Title:	Provision of Fire Equipment Servicing, Repairs and Maintenance
Contract Ref:	LCPS1020/NA
Contract Period:	From 21 April 2022 To 20 April 2025 with the option to extend by up to two (2) further periods of twelve (12) months each
Report Author:	Nick Abbott (Procurement and Value For Money Manager)

1. Purpose of Report

- 1.1. The purpose of this report is to seek approval from Scott Sanders (CEO) and confirm Nick Abbott's (Procurement and Value For Money Manager) to award a contract to AFT Group (Wales) Ltd for both Lots of the contract for Provision of Fire Equipment Servicing, Repairs and Maintenance subject to approval by Richard Norton (Chair of the Board) under Chair's Delegated Authority.
- 1.2. Approval is being requested in accordance with section 10 of Linc's Financial Standing Orders and Procurement and Contracts Policy (CS08-00).

2. Background

- 2.1. Linc has statutory obligations as a landlord to ensure appropriate fire safety equipment including smoke and other detectors, alarms, call-points, fire suppression and firefighting equipment installed in all relevant properties and is maintained in safe working order. This includes both the periodic testing and servicing of equipment in line with relevant British Standards as well as ensuring prompt repair and maintenance in the event of damage or malfunction.
- 2.2. There is an existing contract in place for servicing, testing, repairs and maintenance of Fire Safety equipment. The contract has been in place for a number of years and during this time it has grown in scope as Linc's stock, and the range of fire safety equipment installed has increased. Records indicated that contract has not been subject to a formal procurement process for a significant period. It was therefore considered important that a procurement process was undertaken to ensure Linc is achieving value for money and achieve compliance with the Public Contracts Regulations 2015.
- 2.3. The opportunity to conduct a procurement process also allowed for a full and in-depth review of the contract requirements and specification ensuring it reflects Linc's modernisation principles and includes the Linc Customer Journey.

3. Procurement Project Team

- 3.1. The Client Department for this procurement was identified as Health and Safety. The Client Department lead was Matthew Rees (Fire Safety Officer).
- 3.2. To support the contract and specification development as well as tender evaluation a Procurement Project Team was established including the following key personnel: Matthew Rees (Fire Safety Officer) and Jonathan Watson (Head of Health and Safety) with procurement support provided by Nick Abbott (Procurement and Value For Money Manager).
- 3.3. The Procurement Project Team engaged representatives from Technology, Business Improvement and Finance to support the review of Linc's requirements and drafting of the new contract specification.
- 3.4. It has been agreed that Matthew Rees (Fire Safety Officer) will be primary internal contact and the nominated contract manager once the contract is awarded.

4. Procurement Strategy

- 4.1. The Procurement Project Team in conjunction with Procurement and Value For Money Services gave consideration to the best method for approaching the market with a competitive tender.
- 4.2. The review of Linc's requirements and the experience of contract delivery as well as understanding of the market identified that there were a broader range of potential providers for fire extinguisher servicing, repair and maintenance. The fire extinguisher requirements were also slightly different to all other equipment, in that outside of repairs, the requirement involved a more extended period of time at a site but only once per year. This contrasts with the more frequent but often shorter visits required for the majority of the other fire safety equipment.
- 4.3. Accordingly, the Project Team agreed that the contract should be divided into two (2) lots, one for fire extinguishers and another covering all the other fire safety equipment.
- 4.4. This contract is classed as services and the estimated total value was calculated as £450,000.00 excluding VAT which is over the relevant threshold (set out in the Public Contracts Regulations 2015) and therefore a fully regulated procurement procedure was required including formal advertising of the opportunity.

5. Procurement Process

- 5.1. A contract notice with reference 30904-2021 was published via Sell2Wales to Find a Tender Service (the UK's post Brexit replacement for OJEU) on 13 December 2021. The Invitation to Tender ('ITT') documentation was made available on this date via eTenderWales the electronic procurement solution provided by Welsh Government.

- 5.2. In total twenty-four (24) organisations registered an interest in the contract opportunity via eTenderWales and accessed the Invitation to Tender documentation. These were as detailed in the table below.

Company Name	
AFT Group (Wales) Ltd	AFT Group (Wales) Ltd
Amalgamated Limited	Amalgamated Limited
Central Security Services (Wales) Ltd	Central Security Services (Wales) Ltd
Churches Fire Security Ltd	Churches Fire Security Ltd
FAST Fire & Security Technologies Ltd	FAST Fire & Security Technologies Ltd
FireRite Ltd	FireRite Ltd
H3 Group LTD	H3 Group LTD
IDS Security Systems Ltd	IDS Security Systems Ltd
LS Fire Group Ltd	LS Fire Group Ltd
OCON Fire & Security Ltd	OCON Fire & Security Ltd
Protectorcomms Ltd	Protectorcomms Ltd
Tremorfa Ltd	Tremorfa Ltd

- 5.3. In total the following three (3) organisations submitted a response to the ITT by the submission deadline of 12:00 Hours (noon) on 17 January 2022: AFT Group (Wales) Ltd, Boyd Fire and FireRite Ltd. The table below indicates for which lots each organisation submitted a response.

Company Name	Lot 1	Lot 2
AFT Group (Wales) Ltd	✓	✓
Boyd Fire		✓
FireRite Ltd	✓	✓

- 5.4. Following a detailed check of the responses received all were deemed to be compliant with the requirements of the ITT and scored a 'Pass' in relation to all the pass/fail questions subject to evidence being provided on request in accordance with the self-declaration question approach.
- 5.5. The submissions were then evaluated using the most economically advantageous tender methodology. The evaluation was weighted 60.0% quality and 40.0% price. The 60.0% quality score was sub-divided between two (2) general technical questions relating to both Lot 1 and Lot 2 and then four (4) lot

specific technical questions in Lot 1 and three (3) lot specific quality questions in Lot 2. Appendix 1 sets out in detail the breakdown of the 60.0% quality score.

- 5.6. The quality evaluation of the submitted responses was carried out by a range of key stakeholders from across Linc representing the different services impacted by the new contract. Appendix 2 sets out the Linc staff involved in the evaluation of each question.
- 5.7. The price evaluation of the submitted responses was carried out by Matthew Rees (Fire Safety Officer) and Jonathan Watson (Head of Health and Safety) with procurement support provided by Nick Abbott (Procurement and Value For Money Manager).
- 5.8. During the evaluation of the submitted rates, it was identified based on notes included by the Tendering Organisations, that the description for one of the rates within Lot 2 (item 2.18 – replacement of any other fire extinguisher) was potentially ambiguous. This meant that it was not possible to conduct a like for like evaluation without further clarification. Accordingly, all Tendering Organisations participating in Lot 2 were requested to resubmit their rate for item 2.18. A satisfactory response was received from all three (3) Tendering Organisations reconfirming their respective tendered rate in line with the clarification.
- 5.9. In addition, a potential error was identified within AFT Group (Wales) Ltd's submitted rate for item 2.14 (Replacement of one 2L Wet Chemical Fire Extinguisher including installation) in Lot 2. The rate included by AFT Group (Wales) Ltd was £0.00. In accordance with paragraph 28.3 of Linc's Procurement and Contracts Policy (CS08-00), a clarification was issued to AFT Group (Wales) Ltd requesting confirmation of their rate. The response received advised that AFT Group (Wales) Ltd could only supply 3L Wet Chemical Fire Extinguishers and larger. They requested their rate of £98.10 ex VAT included in their submission for a 3L model be inserted in place of £0.00 for the 2L model. This was agreed as acceptable, and the tender evaluation adjusted accordingly.
- 5.10. A full breakdown of the quality scores achieved by each organisation is set out in Appendix 3. The total weighted quality and price scores for each organisation are summarised in the tables below.

Lot 1

Company Name	Quality Score	Price Score	Total Score
AFT Group (Wales) Ltd	44.40%	40.00%	84.40%
FireRite Ltd	34.80%	35.04%	69.84%

Lot 2

Company Name	Quality Score	Price Score	Total Score
AFT Group (Wales) Ltd	41.40%	40.00%	81.40%
Boyd Fire	24.0%	26.5%	50.50%
FireRite Ltd	39.00%	35.67%	74.67%

- 5.11. Financial due diligence has been undertaken on AFT Group (Wales) Ltd by Nick Abbott (Procurement and Value For Money Manager) in conjunction with Stephen Wardrobe (Finance Director). The due diligence assessment was based on publicly available accounts and a Dun and Bradstreet Credit Report and did not identify any concerns regarding AFT Group (Wales) Ltd's financial standing.
- 5.12. As set out in the table above AFT Group (Wales) Ltd has achieved the highest total score in both Lot 1 and Lot 2 therefore it is intended that they are awarded the contract.

6. Health & Safety and Insurance

- 6.1. Relevant documentation regarding AFT Group (Wales) Ltd's Public Liability and Employers' Liability Insurance cover was provided as part of their submissions in this procurement process. The documentation received has been checked by Nick Abbott (Procurement and Value For Money Manager) and confirmed as showing the required levels of cover.
- 6.2. Health and Safety First Phase Vetting was conducted based on the documentation provided by AFT Group (Wales) Ltd during the procurement process. Jonathan Watson (Head of Health and Safety) confirmed AFT Group (Wales) Ltd had passed First Phase Vetting and that all the require accreditation and certification evidence provided AFT Group (Wales) Ltd met with the requirements set out in the ITT.

7. Equalities Implications

- 7.1. There are considered to be no equalities implications related to this proposal to appoint AFT Group (Wales) Ltd.

8. Financial Implications

- 8.1. The commercial model and operation of Lot 1 involves the provision of materials and components at cost in addition to the tendered labour rates. This is due to the wide variation in cost of components meaning a fully all-inclusive commercial model with composite labour and materials rates would not represent value for money.
- 8.2. The anticipated cost of this contract is difficult to accurately estimate as requirements for repairs are demand led. Moreover, materials and components are excluded from the submitted rates as noted above in paragraph 8.1. However, based on historic data regarding repairs, for the full contract duration

of five (5) years the estimated total cost excluding materials and components is £470,699.30 excluding VAT. This represents an additional cost of £20,699.30 against the estimate.

- 8.3. The additional cost against the estimate is considered reasonable and is not unexpected taking into consideration it was prepared based on existing rates which had not been market tested for a significant period. Moreover, recent material and other price rises within the wider supply chain (labour rates, fuel and energy, national insurance contributions) are likely to have had an impact on tendered rates. Overall therefore the tendered rates submitted by AFT Group (Wales) Ltd are considered to represent value for money.
- 8.4. For information, in the majority of circumstances Linc is unable to reclaim VAT. Therefore, the total estimated gross cost of this contract against the budget will be £564,839.16 including VAT.
- 8.5. Jonathan Watson (Head of Health and Safety) has confirmed there is sufficient budget available to cover the full costs of this contract and will work with the Finance team to ensure appropriate adjustments are made to Service Charges when they are next reviewed.

9. Personnel Implications

- 9.1. There are considered to be no personnel implications related to the appointment of AFT Group (Wales) Ltd.

10. Community Benefits

- 10.1. Community Benefits are included as a mandatory requirement of the contract (refer to Appendix 4) and as part of their submission AFT Group (Wales) Ltd confirmed their commitment to deliver the mandatory requirements. Throughout the lifetime of the contract the Contract Manager will work with key internal stakeholders and AFT Group (Wales) Ltd to maximise the Community Benefit outcomes that are delivered overall.

11. Consultation

- 11.1. Consultation has taken place with the staff members detailed and comments have been incorporated into the report.

12. Recommendations

- 12.1. It is recommended that Linc enters into a contract with AFT Group (Wales) Ltd for the Provision of Fire Equipment Servicing, Repairs and Maintenance.

Appendices	Appendix 1: Quality Score Breakdown By Technical Question Topic. Appendix 2: Technical Question Evaluation Panel. Appendix 3: Technical Question Scores achieved by each organisation. Appendix 4: Community Benefits Requirements	
Author	Nick Abbott <i>Procurement and Value For Money Manager</i>	
Consultation	Louise Attwood <i>Executive Director Property & Commercial</i>	

	Matthew Rees <i>Fire Safety Officer</i>	
	Jonathan Watson <i>Head of Health and Safety</i>	
Approval	Nick Abbott <i>Procurement and Value For Money Manager</i>	<i>Report Author</i>
	Richard Norton <i>Chair of the Board</i>	<i>Confirmed Under Separate Cover</i>
	Scott Sanders <i>CEO</i>	
Background Papers	Procurement Project File: LCPS1020/NA Linc's Procurement and Contracts Policy CS08-00 Public Contract Regulations 2015	
Date	14 March 2022	

Appendix 1

The tables below set out the breakdown of the 60.0% quality score between the scored technical questions.

All Lots

Question Topic	Weighting
Sustainability and Decarbonisation	15.0%
Onsite Delivery	15.0%

Lot 1

Question Topic	Weighting
Inbound Customer Contact Centre	10.0%
Service Delivery – First Visit Fix	20.0%
Service Delivery – Programme of Cyclical Servicing and Maintenance	20.0%
Experience of Similar Contracts	20.0%

Lot 2

Question Topic	Weighting
Service Delivery – First Visit Fix	25.0%
Service Delivery - Programme of Fire Extinguisher Testing, Servicing and Maintenance	25.0%
Experience of Similar Contracts	20.0%

Appendix 2

The table below details the Linc staff forming the evaluation panel for each of the technical questions.

Name	Question								
	A	B	1C	1D	1E	1F	2C	2D	2E
Billington, Rebecca	✓								
Corsi, Paul				✓	✓	✓	✓	✓	✓
Stevens, Rachel			✓						
Rees, Matthew	✓	✓	✓	✓	✓	✓	✓	✓	✓
Watson, Jonathan	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chinnick, David		✓							

Appendix 3

The tables below set out the technical question scores achieved by each Tendering Organisation.

Lot 1

Company Name	Question Scores (0 – 5)					
	A	B	1C	1D	1E	1F
AFT Group (Wales) Ltd	3	3	4	5	3	4
FireRite Ltd	2	4	2	4	2	3

Lot 2

Company Name	Question Scores (0 – 5)				
	A	B	2C	2D	2E
AFT Group (Wales) Ltd	3	3	4	3	4
Boyd Fire	2	2	2	2	2
FireRite Ltd	2	4	3	4	3

Appendix 4

The following Community Benefits requirements were stipulated as mandatory within the Procurement Documents.

- Contractor to co-develop and deliver with Linc, education initiatives for communities within Linc's area of operation covering pertinent topics such as home safety including fire, electrical and carbon monoxide.
- Targeting Training and Recruitment
 - Lot 1: A minimum of one (1) new apprenticeship opportunity created and sustained throughout the contract duration.
 - Lot 2: Commitment to actively support creation of targeted training and recruitment opportunities where possible.
- Work experience opportunities for people living in Linc's area of operation as identified by Linc.
- Support for other Linc social benefit and charitable activities as may be identified and defined by Linc from time to time with cash or equivalent resources to a minimum of 1.0% of annual contract value per twelve (12) months or part thereof of the contract.
- The Prompt payment of all sub-contractors and suppliers within the wider supply chain and in all circumstances on terms no longer than thirty (30) days.
- A commitment to actively consider where possible and appropriate the use or development of local sub-contractors and a supply chain.