

Procurement Title

Energy Purchasing Strategy 2020-2024

Procurement Option

Access Third Party Framework (LASER Energy Electricity and Gas Flex 2020-2024)

New or Existing Provision

Existing – current contract end date 30/09/2020

Estimated Contract Value and Funding Arrangements

£21,600,000 per annum split approximately:

Electricity:

Lancashire County Council (LCC) including street lighting: £7.6million

Lancashire schools: £7.5million

Lancashire County Developments Limited(LCDL): £200k

Lancashire Renewables Limited (LRL): £2million

Gas:

LCC: £1.1million

Lancashire schools: £3million

LCDL: £200k

LRL: £5k

Overall total contract value up to approximately £98.9million, factoring in forecasted rising energy costs.

Funding will continue to be met by operational budgets.

Contract Duration

Initial period of three years with an option to extend the contract beyond the initial term to a maximum of a further 12 months.

Lotting

Separate contracts will be entered into for the supply of electricity, and the supply of gas.

Evaluation

A formal tender evaluation is not required as the contracts will be awarded through the LASER Energy framework via a direct award: Npower Ltd for electricity, Total Gas and Power for gas. A benchmarking exercise was conducted in order to identify the most suitable route to market (see Contract Detail section).

Contract Detail

The current energy supply contracts for gas and electricity were secured by the county council in 2016 via the public buying organisation LASER Energy, who purchase the required energy from Npower Ltd (electricity) and Total Gas and Power Ltd (gas). The contracts are due to expire 30 September 2020 and replacement contracts are required for 1 October 2020 onwards.

Electricity and gas supply contracts are required for:

- Lancashire County Council (LCC), including street lighting and schools.
- Lancashire County Developments Limited (LCDL) landlord supplies.
- Lancashire Renewables Limited (LRL).

LASER Energy has developed a new OJEU compliant, competitively tendered framework for the period October 2020 to September 2024. Npower Ltd and Total Gas and Power Ltd have retained their places as lead suppliers on the framework and can be contracted through the framework via direct award.

A thorough benchmarking exercise of alternative routes to market was conducted by the Asset Management Service and Procurement Service by analysing available contracting options within the market. This included other public buying organisations and private energy brokers.

The evaluation criteria used in the benchmarking exercise comprised commercial terms including;

- framework provider and supplier management fees,
- OJEU compliance,
- portfolio sizes,
- governance and trading policies,
- purchasing strategies and supply periods available;
- suppliers (such as factoring in whether a switch in supplier would be required),
- quality and depth of account management and customer support,
- green options available; framework terms and the contracting process.

Following this benchmarking exercise, it has been concluded that the LASER Energy framework continues to offer best value.

The purchasing strategy to be entered into for the new contracts is a flexible purchase in advance strategy. Supply will commence from 1 October 2020.

The contracts via the LASER Energy framework include the option of paying a Renewable Energy Guarantee Origin premium for green electricity. It is recommended that this premium is considered for the council's corporate and street lighting sites. Purchasing this allows the council to offset some of its energy consumption from the national grid, supporting the development of renewable energy sources. The current estimated cost for this is in the region of £23,500 per annum.

The Renewable Energy Guarantee Origin rate can vary each year and should be assessed on an annual basis, with a decision taken as to whether to opt in. The decision whether to opt into the Renewable Energy Guarantee Origin premium and/or switch of purchasing strategy within the contract term is to be delegated to the Head of Asset Management in consultation with the Head of Procurement.

Procurement Title

Extra Care Services

Procurement Option

OJEU – Open Tender under the Light Touch Regime

New or Existing Provision

Existing – current contract end on 23/07/2020.

Estimated Contract Value and Funding Arrangements

Annual value of all schemes combined is currently around £1.2m, though this may fluctuate depending on occupancy and eligible needs of service users.

The total estimated contract value will be in the order of £7-8m over six years to be met from the adult social care budget.

Contract Duration

Initial period of three years with an option to extend the contracts beyond the initial term for a maximum period of six years in total.

Lotting

Extra Care Services will be lotted according to the location of the schemes. There are eight schemes to be tendered in this procurement, and the proposal is to offer six lots in total.

1. Ainscough Brook (Preston)
2. Hyndbrook House & Kirk House (Accrington)
3. St Annes Court (Clitheroe)
4. Bannister Brook Extra Care & Greenwood Court (Leyland)
5. Marlborough Court Extra Care (Skelmersdale)
6. Stanner Lodge (Lytham St Annes)

Evaluation

Quality Criteria 60%	Financial Criteria 40%
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*Social Value to be weighted at 10% focussing on training and employment opportunities for the people of Lancashire and raising the living standard of local residents

Contract Detail

Extra Care Housing offers a real alternative to residential care by providing self-contained flats, communal facilities and on site domiciliary care and support, which is available to all tenants. Extra Care Housing offers independent living by providing services and support that are tailored to be flexible and responsive to people's changing needs. All services proposed are for older people.

The Council recognises the unique nature of Extra Care Housing and the need to ensure that there is a 24 hour staff presence on site. This will be provided via a core/background service, which is available to all individuals. This service is intended to be flexible and able to respond to the unplanned needs of tenants, to contribute to meeting wider wellbeing needs and to develop the community aspects of the schemes.

A proportion of service users in the Extra Care Schemes will have individual eligible care needs, which will be met via a planned care service. The Council envisages that a number of individuals who require care will choose to receive it from the onsite provider of the core/background service, where the services that are being offered are high quality, flexible and personalised. However, service users are able to choose any provider to deliver their planned care.

Consequently, the budgetary spend for the new contracts will be split into two parts:

- the block purchase arrangement for the core/background element of the service as described above and
- spot contracts for the planned care.

Procurement Title

Safer Roads Fund Programme

Procurement Option

Crown Commercial Service (Framework Agreement) – Traffic Management Technology 2 Framework

New or Existing Provision

New project

Estimated Contract Value and Funding Arrangements

The total value of the scheme is £6m, which will be funded by DfT Safer Roads Fund monies in the Highways Capital Programme.

Contract Duration

The duration of the Contract will be 5 years plus options to extend by a maximum of 2 years (in one year periods (5+1+1))

Lotting

The contract will not be lotted as there is a need for consistency across all locations within the project.

Evaluation

Crown Commercial Services have evaluated suppliers on the Framework Agreement in compliance with EU Regulations. The evaluation included financial standing, technical capability, and experience.

The weighting for the further competition under the framework is:

Quality Criteria 80%

Financial Criteria 20%

5% of the Quality Criteria weighting will be allocated to evaluate Social Value.

Contract Detail

Lancashire County Council have been successful in securing funding for five route lengths from the Safer Road Fund. The schemes aim is to reduce the risk of fatal and serious collisions, which will increase the International Road Assessment Programme Star Rating for each of the identified routes.

The contract covers the funding awarded by the DfT for:

A6 from Lancaster to M6 Junction 33

A581 Rufford to Euxton

A588 Lancaster to Skippool

A682 Barrowford to Long Preston

A683 Lancaster to Kirby Lonsdale

The scope of the works for each of these routes includes:

- Design, installation and maintenance of a system of average speed cameras,
- Supply, installation and maintenance of solar powered LED road studs,
- Supply and installation of high visibility white lining, and
- Supply and installation of vehicle restraint barriers.

The target start date is 1st July 2020 and will include for installations, completed by 31 March 2022 and maintenance through to 31st March 2027.

Procurement Title

Highways Repairs & Maintenance service based on dayworks rates

Procurement Option

OJEU - Open Tender

New or Existing Provision

Existing contract that is due to expire on 21/5/2020.

Estimated Annual Contract Value and Funding Arrangements

The estimated annual value is £2m with a total value over the four years of the Framework of £8m.

This will be funded from the Highways revenue budget

There is no commitment, or guarantee of the value of these services and/or the number of call-offs to be placed with suppliers appointed to the Framework Agreement.

Contract Duration

The contract will be let for an initial period of two years with the option to extend for two further years. The new Framework Agreement will commence 22/05/2020.

Lotting

The Framework Agreement will be split into five Lots:

Lot 1 – General Civils (Inc. Maintenance & Shallow Drains)

Lot 2 – Deep Drainage

Lot 3 – Confined Spaces

Lot 4 – Structures

Lot 5 – Street Lighting

Evaluation

The Crown Commercial Services approved Selection Questionnaire (PAS 91) will be used to evaluate potential supplier information. The evaluation will consist of:

Stage 1 : A selection questionnaire to ascertain suppliers' financial status, technical capability, experience, and references, with particular reference to their ability to demonstrate their experience in operating in compliance with Industry standards. Each tenderer must pass this stage in order to proceed to Stage 2, the award stage.

Stage 2: The award criteria will be based on a schedule of rates for each Lot. Award will be based on 100% Price (Schedule of Rates).

Contract Detail

Lancashire County Council has an ongoing requirement for a Framework Agreement for Highways Repairs & Maintenance service based on dayworks rates.

The Framework Agreement will be used by Highways, to deliver repairs for :

- General Civils (includes Maintenance & Shallow Drains): Highway maintenance/cyclic maintenance/construction/ Shallow Channel drainage (Lot 1)

- Deep Drainage: Point drainage, which intercepts water at gullies (points). Gullies connect to drainage pipes beneath the ground surface and deep excavation is required to facilitate this system. Support for deep trenches is required in the shape of planking, strutting or shoring (Lot 2)
- Confined Spaces: Confined Spaces defined as Cellars, Chambers, Pits, Tanks, Flues, Boreholes, Manholes, Sewers, Drains, Pipes, Boilers, Shafts, Tunnels, Culverts (Lot 3)
- Structures: Construction, maintenance and repairs of Bridges, structures & retaining walls (Lot 4)
- Street Lighting: Bulk change, lanterns, installations, takedowns and signage (Lot 5)

Award of Contracts under the Framework

Suppliers will be ranked in each Lot based on a schedule of rates provided. Low risk work will be allocated to highest ranked contractor available to complete the works programme.

Medium to high risk work (for example works deemed to involve complex requirements, elements of specialised working or specific regulatory requirements, as determined by Lancashire County Council prior to call off) will be allocated to the highest ranked supplier provided that the supplier is able to demonstrate, on a pass/fail basis, task specific health and safety methods and assessments prior to such work taking place; such that Lancashire County Council has confidence that the supplier can safely, pursuant to its health and safety obligations, perform the work.

Should the highest ranked supplier not be able to demonstrate compliance with the identified criteria, the work will be offered to the next highest ranked supplier on the list who will be required to demonstrate such compliance, and so on.

To ensure that the Framework Agreement remains competitive throughout the duration of the framework annual mini-competition will be conducted with all suppliers on the Framework Agreement.