



Renewal of Subway Temporary Resource Framework

Committee Strategy and Programmes Committee

Date of meeting 20 November 2020

Date of report 28 October 2020

Report by Director of Subway

1. Object of report

To recommend that the Committee approve the award of a multi-supplier framework contract for the supply of temporary engineering and labour resources in support of:

- (i) Subway operational maintenance; and
- (ii) On-going Subway modernisation programme.

2. Background

The routine Subway maintenance regime requires a flexible call off arrangement in relation to labour and engineering discipline support.

At present, SPT has a framework contract providing temporary resource support for Safety Critical, Engineering and Track based roles. This has proven to be successful in recent years and attractive from the perspective of having this support as and when required, negotiated and planned around the peaks and troughs within the various associated workloads. McGinley Support Services Ltd is the current provider.

With this contract now drawing to conclusion, the requirement to replace the framework is vital to continue to facilitate the various workstreams during predominantly nightshift activities and general planned possessions.

3. Outline of proposals

3.1 Aims and objectives

The overall aims and objectives of the temporary resource framework are to:

- Ensure temporary safety critical, engineering and labour resources are available to support the modernisation, improvement and maintenance works which are required to be undertaken;
- Ensure best value to SPT for quality resources to fulfil the range of support required to meet holistic works programme needs. In implementing a multi-supplier framework this ensures a further layer of commercial competitiveness for SPT over the life of the agreement;

- Secure continued supply of resources with the correct skills necessary to assist in maintaining programme, production and possession safety; and ensure modernisation is completed in line with the programme to introduce new rolling stock.

3.2 Scope of services

SPT aim to appoint well-established and industry respected resource providers (agencies), with the expectation that they will source, deploy and manage a wide range of safety critical, engineering and labour requirements from both a safety of line perspective and quality assurance.

It is proposed that the framework contract would be awarded for a term of 3 years, with an additional 12 months option solely at the discretion of SPT. The disciplines outlined below are typical but not exhaustive of the anticipated skillsets required for supply:

- PICTS (Person In Charge of Track Safety)
- General Labour
- Track Operatives
- Track Foreman
- Track Technician
- Signalling and Telecoms Technician
- Track Supervisor
- Clerk of Works

The above disciplines are illustrative and forecast but may require to be expanded upon and would be determined as work progresses.

3.3 Procurement

A restricted (two stage) procurement procedure was undertaken and advertised in the Official Journal of the European Union (OJEU) in March 2020. Stage one, the European Single Procurement Document (ESPD) allowed SPT to reduce the number of organisations that would be invited to submit a tender at stage two by evaluating the experience and financial robustness of all the organisations.

Nine organisations were invited to submit a tender response, with seven providing bids. All bids received were evaluated on a most economically advantageous tender (MEAT) basis, with the Commercial/Technical ratio being Commercial 60% to Technical 40%.

For the technical evaluation each submission provided a response to a series of technical questions around their ability in relation to account management, recruitment strategy and the management of performance and risks. The responses were scored and weighted. For the commercial evaluation, each tenderer had to provide an hourly rate for each type of required resource for midweek day and night shifts and weekend day and night shifts. SPT created a model of typical weekly hours required and populated the submitted hourly rates to determine the commercial scores

The overall MEAT evaluation scores are as follows:

| Supplier name | Quality Score | Price Score | Total Price + Quality | Ranking |
|---------------------------|----------------------|--------------------|------------------------------|----------------|
| Vital Human Resources | 37 | 60 | 97 | 1 |
| Coyle Personnel | 40 | 53 | 93 | 2 |
| McGinley Support Services | 35 | 54 | 88 | 3 |
| MPI Ltd | 38 | 44 | 82 | 4 |
| ISS Labour | 34 | 45 | 80 | 5 |
| SW Global Resource | 35 | 44 | 78 | 6 |
| Randstad CPE | 40 | 31 | 71 | 7 |

4. Conclusions

In conclusion all bidders were assessed to be technically and financially sound, therefore it is the recommendation that all seven bidders are awarded to the temporary resource framework, to give full flexibility, ongoing competition, and breadth of supply of appropriate resources.

5. Committee action

The Committee is requested to approve the inclusion in the framework:

- Coyle Personnel
- ISS Labour
- McGinley Support Services
- MPI Ltd
- Randstad CPE
- SW Global Resource
- Vital Human Resources

All call-offs from the proposed framework will be time-reimbursable, which will allow SPT to call off at the level of support required and react to the varying needs of the maintenance, modernisation and improvement works programme.

Based on historical spend and consideration of the upcoming and forecast construction and maintenance activity, it is anticipated that the forecast spend for rail engineering and labour support (including risk and contingency) will be circa £500,000 per annum.

It is therefore proposed to award a framework contract with an initial three years duration with an optional further one year extension potentially requiring a total overall budget of £2M, should the full extension be taken up. The call off nature of the contract however allows flexibility on the actual amount required and effective management will be in place to ensure that call offs against the contract are delivered efficiently and within the approved budget.

6. Consequences

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| Policy consequences | <i>None identified.</i> |
| Legal consequences | <i>The Framework shall be subject to the terms and conditions contained within the tender documentation.</i> |
| Financial consequences | <i>The forecasts will be contained within the relevant capital and revenue budgets where the call off costs will be met from.</i> |
| Personnel consequences | <i>None identified. Resources appointed via this contract will be temporary and based on workload demands.</i> |
| Equalities consequences | <i>None Identified.</i> |
| Risk consequences | <i>As this is a reimbursable commission, the level of input will be dependent on the needs of the maintenance and modernisation programmes.</i> |

Name Antony Smith
Title Director of Subway

Name Gordon MacLennan
Title Chief Executive

For further information, please contact *Stephen Shannon, Infrastructure Production Manager* on 0141 333 3162.