



## Approval of Framework for Rail Pad Supply

**Committee** Strategy & Programmes

**Date of meeting** 18 February 2022

**Date of report** 2 February 2022

### Report by Director of Subway

#### 1. Object of report

To recommend that the Committee approves the award of a framework for supply of rail pads to Tiflex Limited.

#### 2. Background

##### 2.1 Basis of requirement

A vital part of Subway operation is the infrastructure that the trains operate on, specifically the track system. In addition to the rails and trackbed, the track system includes track furniture which secures the rail to the trackbed. Within the Subway, each rail is secured at intervals of nominally 1.1 metres, resulting in approximately 40,000 track fastening assemblies in the sub-surface system and further assemblies in the Operational Yard at SPT's Broomloan Depot.

The rail pad is an integral part of each track fastening assembly. Rail pad technical properties are defined so as to meet assembly requirements including for stiffness and electrical resistivity, thereby contributing to optimising the life of the rail and baseplates, and supporting effective and safe performance of the interface between the rail and trains.

Track furniture is subject to a variety of degradation mechanisms that result from the Subway environment and service conditions (cyclical loading under vehicle operations). In order to provide assurance that track furniture (including rail pads) remains fit for purpose, inspections are conducted regularly to establish condition. Where condition is found to be outside required standards, replacement of components is undertaken in order to ensure continued fitness for purpose of the track system.

##### 2.2 History of supply

Historically, since 2009, supply of rail pads has been secured via discrete orders to a single supplier (Tiflex Limited) based on annual routine maintenance requirements.

To ensure ongoing supply and best value, a framework is now preferred.

### **3. Outline of proposals**

#### **3.1 Scope of supply**

SPT invited suppliers to tender for an eight-year framework for supply of rail pads suitable for use with the other track fastening assembly components used in the Subway. It is crucial to note that there is no guaranteed spend; call-offs on an agreed framework will be raised as required to reflect demand over an eight-year term.

#### **3.2 Tender assessment process**

An Invitation to Tender (ITT) was issued by SPT as an open route via Public Contracts Scotland - Tender (PCS-T). At qualification stage, bidders were required to confirm relevant experience and appropriate certification via a Single Procurement Document (SPD). Subject to successful qualification, tender submissions were to be evaluated against pre-determined criteria in order to determine the Most Economically Advantageous Tender (MEAT). For the purpose of evaluation, and as the rail pad component is fairly simple by nature, weightings were: 60% price and 40% technical/quality.

Quality questions were defined in order to allow evaluation of bidders' proposed measures to control and assure quality of supply, and to facilitate optimisation of rail pad properties throughout the life of the framework. To facilitate commercial evaluation, bidders were requested to submit a price for an order of 40,000 rail pads.

A single tender response was returned by Tiflex Limited. No other bids were received despite SPT engagement with several suppliers prior to issue of the ITT. Nonetheless, the Tiflex Limited tender met the requirements for bidders as defined in the SPD. The technical submission was reviewed against the evaluation criteria and found to fulfil all requirements. In particular, within the tender submission, Tiflex Limited detailed the processes to be employed in order to ensure the quality of supplied rail pads. In addition, whilst Tiflex Limited is the incumbent supplier of rail pads to SPT, within the tender submission, Tiflex Limited highlighted a commitment to continuous improvement and identified capabilities to support potential optimisations including through trials and testing.

Through preferred bidder negotiations, Tiflex Limited has agreed a fixed price for the first 40,000 rail pads, or for the first 4 years, whichever comes first. CPI would apply thereafter. Based on historical demand and supplier submitted rates, approximate total spend by SPT across the first four years is expected to be £261,333, representing a saving of approximately £20,000 against current arrangements. For subsequent years, variation in spend is expected as a result of agreed indexation and adjustment of supply volumes to reflect demand.

### **4. Conclusions**

The submission by Tiflex Limited was found to fulfil quality and price requirements. The proposal provides SPT with a lower unit cost than at present, and prevents CPI increases in the first 4 years/40,000 units, which is of financial benefit to SPT compared with current arrangements. SPT standard Terms and Conditions allow SPT to terminate at any time and a specific Break Clause at the end of year 4 allows either party to terminate.

### **5. Committee action**

It is recommended that the Committee approves the award of a framework to Tiflex Limited for provision of rail pads for a period up to eight years with estimated maximum spend of £600,000 (excl. VAT).

## 6. Consequences

Policy consequences	<i>None identified.</i>
Legal consequences	<i>Contract will be awarded subject to the conditions of contract contained within SPT's ITT.</i>
Financial consequences	<i>The call-off costs for rail pads supply will be accommodated within the revenue budget each financial year.</i>
Personnel consequences	<i>None identified.</i>
Equalities consequences	<i>None identified.</i>
Risk consequences	<i>None identified.</i>

**Name**     **Antony Smith**  
**Title**     **Director of Subway**

**Name**     **Valerie Davidson**  
**Title**     **Chief Executive**

For further information, please contact *Graeme Cameron, Infrastructure Asset Engineer* on 0141 333 3624.