

Gritting and snow clearing services

Committee Operations

Date of meeting 10 November 2017

Date of report 3 November 2017

Report by Assistant Chief Executive (Operations)

1. Object of report

To recommend the approval of an award of a call off contract for a period of up to 5 years for gritting and snow clearing services to Cardwell Nurseries.

2. Background

To ensure safe operating conditions at all SPT sites during periods of adverse weather, it is necessary to ensure adequate gritting and snow clearing arrangements across Bus Stations, Subway Stations and Depots.

In 2010 SPT invested in vehicles and equipment to aid winter resilience and since this time, SPT has continued to ensure operations are not greatly affected by periods of bad weather. This has been achieved using internal resource where available and dependence for gritting and snow clearing services from an external contractor.

By utilising in-house resources over the past four years to operate SPT's vehicles and equipment for gritting and snow clearing, a reduction in expenditure has been achieved, whilst also providing SPT with a contingency to respond to adverse weather. In order to maximise operational flexibility and guarantee service provision to SPT at all times, it is acknowledged that an external contractor should be secured to reflect both a proactive and reactive approach to gritting and snow clearing.

The current cost of snow clearing and gritting per annum is £51,000, but clearly this cost is highly variable. The current utilisation rates were used for the purpose of tendering. In the past four years, SPT received 199 gritting visits and 11 snow clearing visits across mainly Subway, with the majority of bus locations being tackled internally, using operational staff.

The current contract will expire at the end of November 2017.

3. Current proposals

In tendering for a snow clearing and gritting service, it was essential that tendering contractors were able to demonstrate a planned and reactive gritting/snow clearing service based on advanced bespoke weather reports (verified by a professional weather forecasting service), at continuously high frequencies, for each geographical area of SPT's Bus, Subway and Depot locations.

It is intended that the contract will be awarded for an up to 5-year period with suitable break clauses after 3 years to allow performance and value for money to be assessed. The requirements for SPT are:

- To appoint a contractor for the service provision of works detailed in the tender, following HSE guidelines.
- The contractor will utilise a professional weather forecasting system to ensure gritting and snow clearing services are justifiable to SPT.
- To appoint a contractor with appropriate spreading equipment/vehicles, qualified & trained personnel, sufficient levels of grit/salt supplies for the duration of the contract.
- Provision of detailed management information which will allow SPT to report on gritting and snow clearing services across SPT's locations, which will be used to benchmark future budgetary requirements.

SPT tendered this Lot using the OJEU Open process. Tenderers were invited to attend site visits, with tenders being submitted from seven companies.

The tender assessment was based on the most economically advantageous tender against a 50% price / 50% quality split. This tender process sought to identify contractors that could not only provide best value for SPT, but would be able to evidence capacity, experience, sufficient equipment and resources/reserves, reactive management, planned methodology and overall contract management.

The prices below are based on one combined gritting and snow clearing service at each location. The combined quality and price scores are provided in the table below and ranked in order of preferred supplier:

Combined Commercial / Price & Technical / Quality Scores				
Supplier	Price Per visit	Price Score	Quality Score	Combined Quality & Price score
Cardwell Nurseries	£4,445	42	50	92
CCMS	£4,815	39	42	81
ISS	£5,146	36	43	79
Nurture	£3,755	50	24	74
Mitie Landscapes	£4,863	39	33	72
J W Crowther	£6,180	30	24	54
Caley Construction	£25,722	7	22	29

Cardwell Nurseries is the preferred supplier for the provision of gritting and snow clearing to SPT, having scored the highest combined score for price and quality. The projected cost for a revised five-year contract is estimated to be £474,400 as detailed in the table below, based on the number of gritting visits and snow clearing visits over the last four years, adjusted to include bus station sites.

Service Provision	Cost for One Service Visit Across All Locations	Cost for 1 Year	Cost for 3 Years	Cost for 4 Years	Cost for 5 Years
		Gritting	£1,735	£86,750	£260,250
Snow Clearing	£2,710	£8,130	£24,390	£32,520	£40,650
Total	£4,445	£94,880	£284,640	£379,520	£474,400

4. Conclusion

This tender process has resulted in the preferred contract being awarded to Cardwell Nurseries.

The Customer Standards department will monitor and report on contract spend throughout the term of the contract and enforce service level agreements around response times to ensure SPT remains fully operational. Prior to the end of the 3 years SPT will undertake assessments of performance and determine whether to utilise the break clause within the contract.

Outwith the winter seasons SPT vehicles are utilised by SPT's in-house Facilities Team, to transport other plant/equipment across SPT locations and have proven invaluable in aiding our operation. SPT will continue to maintain these vehicles and equipment for future years to ensure there is a contingent in place to aid winter resilience.

5. Committee action

The Committee is recommended to approve the contract award for the provision of gritting and snow clearing services to Cardwell Nurseries, for an up to 5-year period, with a suitable break clause after year 3.

6. Consequences

Policy consequences: *In line with Regional Transport Strategy.*

Legal consequences: *Contract will be awarded in accordance with the terms detailed in the Invitation to Tender*

Financial consequences: *Annual expenditure resulting from the award of the gritting and snow clearing services contract should be contained within the approved revenue budget for the given year.*

Personnel consequences: *None.*

Equalities consequences: *None.*

Risk consequences: *Ensures mitigations in place during periods of adverse weather.*

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