

**Item 7**

13th June 2024



**Glasgow City Council**

**Contracts and Property Committee**

**Report by Director of Legal and Administration**

**Contact: Maureen Fitzpatrick Ext: 76406**

**The Provision of Meter Operator, Data Collection and Aggregation Services**

**Tender Reference :- GCC005813CPU**

**Purpose of Report:**

To submit details of the tenders received for the provision of meter operator, data collection and aggregation services and recommend acceptance of the most economically advantageous tender as detailed in this report.

**Recommendations:**

The Contracts and Property Committee is requested to approve the award of a contract for the provision of meter operator, data collection and aggregation services to the supplier listed below.

Stark Software International Limited  
Companies House Number - 02911704

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes  No  consulted: Yes  No

## **1 Background and Tender**

- 1.1 Glasgow City Council's ("the council's") annual budget for the provision of meter operator, data collection and aggregation services is approximately £112,500.
- 1.2 The council has a requirement to appoint a single supplier to provide meter operator services, data collection and data aggregation for its portfolio of gas meters and electricity half hourly / non-half hourly meters within the council owned buildings.
- 1.3 A Meter Operator Agreement (MOP) is a legal requirement to comply with electricity Half Hourly Measurement Class (HH). This requirement was brought in around April 2017 to ensure organisations in profile 5-8 are 'settled' using their actual half-hourly consumption data rather than estimates.
- 1.4 The MOP agreement relates to the management of meters with options for the Purchase or Lease of the equipment required i.e. meters and or AMRs (Automatic Meter Reader) ensuring that the council has the correct meters in place to track and measure its data accurately.
- 1.5 A commodity team consisting of stakeholders from Neighbourhoods, Regeneration and Sustainability (NRS) and the Corporate Procurement Unit (CPU) was formed to develop the sourcing strategy and delivery a new contract. The tender was split into 3 categories to cover all services required by the council under the MOP agreement, as well as the data collection and aggregation services, details as follows;
  - Category 1 – Purchase Option
  - Category 2 – Lease Option
  - Category 3 – Data Collection and Aggregation

Categories 1 and 2 relate to the MOP requirements for the management of the council's portfolio of meters and equipment while category 3 relates to the data collection and aggregation element for all the council's metered premises.

- 1.6 It was agreed that an open tender process would be the most appropriate method to deliver this contract. The opportunity was advertised via UK Find a Tender Service and Public Contracts Scotland.
- 1.7 The duration of the contract is from 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2029 with an option to extend for a further 3 periods of 12 months (June 2032).
- 1.8 The contract will be utilised by NRS.

## **2 Evaluation**

- 2.1 12 suppliers expressed an interest to the open tender and 4 submitted a bid. Of the 8 suppliers that failed to respond, only 1 provided feedback, citing concerns around the Terms and Conditions and Environmental, Social and Governance,

albeit no details were provided. One supplier withdrew their tender offer as we were unable to come to agreement in relation to the terms and conditions.

2.2 The award evaluation was based on the following criteria and weightings:-

Price	Price Sub Criteria	Quality	Quality Sub Criteria
30%	Purchase Option 5%	70%	Ownership of GCC Portfolio 7%
			Account Contacts 7%
	Lease Option 15%		Complex Site Arrangements 5%
			End of Life Meters 6%
	Data Collection and Aggregation 10%		Data Format 15%
			Data Collection and Aggregation Process 15%
			Sustainability 10%
			Fair Work First (including the Glasgow Living Wage) 5%

2.3 The evaluation of award scoring of the supplier which has been recommended for award is shown in the table below:-

Description	Supplier	Total Evaluation Score (out of 100)	Rank
The Provision of Meter Operator, Data Collection and Aggregation Services	Stark Software International Limited	91.26	1

A summary of the unsuccessful tender evaluation results can be found at Appendix A.

### 3 Contract implementation and Supplier Management

- 3.1 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a medium. The supplier will be monitored in line with our contract and supplier management process which includes tracking the suppliers performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.
- 3.2 The agreed community benefits outcomes and Fair Work First commitments will be monitored via Cenefits which is a web based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

## 4 Policy and Resource Implications

### **Resource Implications:**

#### *Financial:*

The estimated annual value of £112,500, totaling £900,000, over the 8 years duration of the contract, if the extensions are implemented, will be met in full by NRS revenue budget.

Given the nature of the services required under this contract we do not hold the appropriate level of management information to accurately determine the full commercial impact of this award, therefore an estimation of commercial impact is provided based on the information we currently hold.

The rates submitted, by the supplier recommended for award, represent a 17.6% saving when compared to the rates of the previous agreement.

Going forward the CPU will work with the client team and the supplier to improve our management information over the duration of the contract.

#### *Legal:*

The report raises no new legal issues.

The Director of Legal and Administration will be responsible for concluding the contract.

#### *Personnel:*

No direct personnel implications.

#### *Procurement:*

An open tender, as outlined in paragraph 1.7.

### **Council Strategic Plan:**

Grand Challenge 3, Mission 2.

### **Equality and Socio-Economic Impacts:**

#### *Does the proposal support the Council's Equality Outcomes 2021-25*

Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the

area in which it operates, with a particular focus on reducing inequality.

*What are the potential equality impacts as a result of this report?*

An EQIA was not required for this contract as there is no impact.

*Please highlight if the policy/proposal will help address socio economic disadvantage.*

Fair Work First was included as part of the award criteria with a weighting of 5%.

The supplier recommended for award, Stark Software International Limited, has confirmed the following;-

- It pays the real Living Wage and has profit sharing scheme,
- It does not utilise zero-hour contracts inappropriately,
- It opposes the use of fire and rehire practices,
- It offers flexible working hours and location
- It offers training and development opportunities,
- It is working towards certification to better assist and support with the mental health of their lone workers.

Community Benefits was included as part of the tender process. The supplier recommended for award, Stark Software International Limited, has offered the below outcomes;-

- Taster Sessions (Council or Delivery Partner Programmes) - x1
- Work Experience Placement - School - x1
- Work Experience Placement - Non School - x1
- Career Event - x1
- Workplace Visit – x4
- Community Engagement - Financial Support (minimum £1k) – x1
- Community Engagement - Non-Financial Support (min. 5 hrs.) – x1

The outcomes will be delivered over the duration of the agreement in line with the spend thresholds.

The proposal supports outcome 1 of the councils Equality Outcomes 2021 to 2025.

**Climate Impacts:**

*Does the proposal support any Climate Plan actions? Please specify:*

No, not any specific actions. Effective metering allows the council to monitor consumption accurately and examine the ways in which energy consumption and consequent greenhouse gas emissions can be reduced and eliminated where possible.

*What are the potential climate impacts as a result of this proposal?*

Climate change related emissions are a direct result of energy consumption and this contract will allow accurate measurement of both consumption and emissions. The council can then work to reduce emissions and minimise impacts on climate.

*Will the proposal contribute to Glasgow's net zero carbon target?*

The detailed and accurate data provided through this contract will allow projects to be undertaken which will allow for the reduction and ultimately elimination of carbon emissions.

**Privacy and Data Protection impacts:**

No data protection impacts identified.

**5 Recommendations**

The Contracts and Property Committee is requested to approve the award of a contract for the provision of meter operator, data collection and aggregation services to the supplier listed below.

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## Appendix A

<b>Supplier</b>	<b>Total Evaluation Score</b>	<b>Rank</b>
SP Dataserve Limited	89.47%	2
SMS Energy Services Ltd	79.74%	3