

North Lanarkshire Council Report

Housing Committee

Does this report require to be approved? Yes No

Ref: HO EE 24 034 / NLC-CLP-24-036

Date: 07 May 2025

Contract Award for MTC Solar PV Panels and Renewable Technologies; 2025-2030

From Stephen Llewellyn, Chief Officer (Housing)

E-mail starbucks@northlan.gov.uk

Telephone: Siobhan Starbuck – Contract
Support Manager – via MS
Teams

Executive Summary

In accordance with the councils General Contract Standing Orders (GCSOs), the Committee is asked to approve the award of a contract for MTC Solar PV Panels and Renewable Technologies; 2025-2030 (the 'Agreement') to:

- Lot 1 - Saltire Facilities Management Ltd with a maximum value of £30,000,000 (excl VAT)
- Lot 2 - Sureserve Energy Services UK Ltd with a maximum value of £20,000,000 (excl VAT)

The Agreement is for an initial period of 36 months anticipated to commence in July 2025. The Council reserves the right to extend the Agreement for additional period(s) up to a maximum of a further 24 months.

Recommendations

It is recommended that Housing Committee:

- (1) approves the award of the Agreement Lot 1 to Saltire Facilities Management Ltd (the "Contractor") at the maximum value of Thirty Million Pounds Sterling (£30,000,000.00 exclusive of VAT for an initial period of 36 months, anticipated to commence on 22 July 2025 with the council reserving the right to extend the Agreement for additional periods up to a maximum of a further 24 months
 - (2) approves the award of the Agreement Lot 2 to Sureserve Energy Services UK Ltd (the "Contractor") at the maximum value of Twenty Million Pounds Sterling (£20,000,000.00 exclusive of VAT for an initial period of 36 months anticipated to commence on 22 July 2025 with the council reserving the right to extend the Agreement for additional periods up to a maximum of a further 24 months
-

The Plan for North Lanarkshire

| | |
|---------------------------|---|
| Priority | Enhance participation, capacity, and empowerment across our communities |
| Ambition Statement | (1) Ensure a housing mix that supports social inclusion and economic growth |
| Programme of Work | Transforming Places |

1. Background

North Lanarkshire Council requires a contractual agreement to deliver the installation of Solar Photovoltaic (PV) systems, battery storage, and associated renewable technologies across its domestic housing stock. These contracts will support the Council's ongoing housing capital programme for property upgrades within the geographical boundaries of North Lanarkshire.

The contracts will facilitate the upgrade of Council-owned domestic properties and necessitates the engagement of suitably experienced and qualified contractors for the installation of new battery storage units, alongside Solar PV systems.

The scope of work encompasses, but is not limited to:

- Installation of new Solar PV systems, electrical battery storage systems (both in conjunction with existing and new Solar PV systems), and the implementation of other appropriate renewable/low carbon solutions.
- Provision of fire break repairs and renewals, particularly where electrical equipment is installed within domestic loft spaces.
- Consideration of alternative and innovative technologies throughout the contract duration, such as Air Source Heat Pumps and Electric Vehicle Charging Points.
- Management of all necessary District Network Operator (DNO) notifications/applications, isolations, down-takings, builders' work, making-good finishes, and associated minor works for each installation.
- The installation of Solar PV systems in conjunction with new and existing battery storage systems across North Lanarkshire Council's housing stock.

The requirements within the Agreement are currently under a single contract with Saltire Facilities Management Ltd. This arrangement is due to expire on 21 July 2025 with the Agreements detailed within this report due to supersede it.

2. Report

- 2.1 To enable appropriate development and execution of the procedure required to form the Agreement, a panel of technical and procurement representatives (the "User Intelligence Group (UIG)") was formed.

The UIG were responsible for developing the required internal contract strategy (the "Contract Strategy") for the Agreement. The Contract Strategy sets out the parameters and approaches the council would apply within the procurement, tendering, contracting and end of life stages

of the Agreement following appropriate analysis, research and investigation to ensure the council achieves maximum benefit where possible. In accordance with GCSO 4.4, the Contract Strategy for the Agreement was approved on 20 January 2025.

- 2.2 The initial estimated value of the Agreement dictated that the opportunity be considered as a “Higher Threshold Regulated” procurement procedure which was undertaken in accordance with the Public Contracts (Scotland) Regulations 2015.
- 2.3 On 20 January 2025, a Contract Notice for the opportunity was published on the Public Contracts Scotland and the UK Find a Tender (FTS) website.
- 2.4 As determined within the Contract Strategy, the procurement procedure was undertaken as an “Open Procedure”. The Open Procedure is a single stage competitive procurement procedure where following the publication of the Contract Notice, any interested party could submit a tender.
- 2.5 Based on the evaluation criteria and scoring methodology set out in the procurement procedure, an evaluation of tenders received was completed by members identified by the UIG as having the technical knowledge and experience to evaluate tenders in a professional and fair manner.
- 2.6 Following completion of the procurement procedure in line with the terms, conditions and processes contained within, the recommended Contractors have been evaluated as submitting the most economically advantageous tenders:
 - Lot 1 - Saltire Facilities Management Ltd
 - Lot 2 - Sureserve Energy Services UK Ltd
- 2.7 Appendix 1 provides a summary of the procurement procedure undertaken including the key considerations and outcomes.

Financial / Budget Consideration

- 2.8 The pre-tender wholelife estimate budget for the Agreement is Lot 1 - £30,000,000.00 and Lot 2 - £20,000,000.00. The costs associated with delivery of the Agreement will be contained within the Capital budget for Housing.

Price Stability

- 2.9 The Agreement pricing is fixed until July 2026. Thereafter, prices will be adjusted annually by the application of the Royal Institution of Chartered Surveyors Building Cost Information Services Index which is an industry standard approach.

Community Benefits

- 2.10 The council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits including apprenticeships and work placements.

- 2.11 Within their tender, Saltire Facilities Management Ltd and Sureserve Energy Services UK Ltd have both committed to delivering significant community benefits and social value throughout the duration of their contract agreement, as detailed below:

| Lot 1 - Saltire Facilities Management Ltd | |
|--|---------------------------|
| Community Benefit Type | Quantity Committed |
| New Entrants – Graduate | 2 |
| New Start - Apprentice | 2 |
| Business Mentoring for a SME's | 5 |
| Financial Support for a Community Project | 6 |
| Supply Chain Briefing with SMEs | 1 |
| Career Events | 3 |
| School Mentoring or Enterprise Programme | 3 |

| Lot 2 – Sureserve Energy Services UK Ltd | |
|---|---------------------------|
| Community Benefit Type | Quantity Committed |
| New Entrants – No Relevant Experience | 2 |
| New Start - Apprentice | 6 |
| Work Experience Placement – 16+ years of age | 6 |
| Work Experience Placement – 14-16 years of age | 6 |
| Business Mentoring for a SME's | 3 |
| Supply Chain Briefings | 3 |
| Non-Financial Support for a Community Project | 9 |
| Site Visit | 3 |
| Career Events | 4 |
| School Mentoring or Enterprise Programme | 3 |
| Work Experience Placement - Graduate | 2 |

Fair Work First and Payment of the Living Wage

- 2.12 The tender submissions from both recommended contractors detailed their commitment to practices consistent with the Scottish Government's 'Fair Work First' framework, and they are verified as Real Living Wage accredited employers.

Contract Management

- 2.13 Officers from Housing will be responsible for managing the Agreement which will be undertaken in accordance with the contract and supplier management conditions applied within the Agreement.
-

3. Measures of success

The Agreement will deliver the following outcomes;

- 3.1 Conclusion of a procurement procedure that is compliant with procurement legislation and internal procedures
- 3.2 Best Value will be demonstrated;
- 3.3 The appointment of a Service Providers who have the experience and capability to deliver an innovative, high quality and responsive service;
- 3.4 Delivery of a range of Community Benefits and Social Value.
-

4. Supporting documents

| | |
|-------------------|---|
| Appendix 1 | Summary of Tender Evaluation Process |
| Appendix 2 | Summary of Procurement Procedure |
| Appendix 3 | Summary of SME Status and Location of All Tenderers |



Stephen Llewellyn
Chief Officer (Housing)

5. Impacts (<http://connect/report-template-guidance>)

| |
|--|
| <p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
| <p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? The maximum total value of the Agreements are Fifty Million Pounds Sterling (£50,000,000) exclusive of VAT including any option to extend the Agreements (£30,000,000 lot 1 and £20,000,000 lot 2). The costs associated with contract delivery will be contained within the HRA Capital budget for Housing Services.</p> |
| <p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |
| <p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |
| <p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
| <p>5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

The Agreements work towards reducing the Councils environmental and carbon impact through the use of renewable technologies.

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Risk will be minimised and managed by a designated contract manager in accordance with the Council's agreed approach to contract and supplier management.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

Appendix 1 – Summary of Tender Evaluation Process

| Lot 1: – Invitation to Tender | | | |
|-------------------------------|---|-----------------|-----------------------|
| Final Rank | Tenderer Name | Total Score (%) | Recommended for Award |
| 1 | Saltire Facilities Management Limited | 94.07% | Yes |
| 2 | Sureserve Energy Services Ltd | 85.74% | No |
| 3 | MP Group Ltd | 85.08% | No |
| 4 | Procast Building Contractors Ltd | 84.89% | No |
| 5 | GMG Contractors Ltd | 79.61% | No |
| 6 | Distrikt Energy Ltd | 73.60% | No |
| 7 | Ailsa Building Contractors Ltd | 71.03% | No |
| 8 | Union Technical Services Ltd | 69.75% | No |
| 9 | Easy Heat Systems Ltd | 67.38% | No |
| 10 | The Castle Building Services Organisation Ltd | 66.45% | No |
| 11 | Bell Group Ltd | 41.76% | No |

| Lot 2: – Invitation to Tender | | | |
|-------------------------------|---|-----------------|-----------------------|
| Final Rank | Tenderer Name | Total Score (%) | Recommended for Award |
| 1 | Sureserve Energy Services Ltd | 85.74% | Yes |
| 2 | Procast Building Contractors Ltd | 84.89% | No |
| 3 | MP Group Ltd | 83.60% | No |
| 4 | GMG Contractors Ltd | 79.62% | No |
| 5 | Distrikt Energy Ltd | 73.60% | No |
| 6 | Ailsa Building Contractors Ltd | 71.04% | No |
| 7 | Union Technical Services Ltd | 69.75% | No |
| 8 | Easy Heat Systems Ltd | 67.38% | No |
| 9 | The Castle Building Services Organisation Ltd | 66.45% | No |
| 10 | Bell Group Ltd | 41.76% | No |

Note: in accordance with the ITT as Saltire Facilities Management Ltd were successful in the first Lot, they were excluded from the Lot 2 calculations.

Appendix 2 - Summary of Procurement Process

| | Lot 1 | | Lot 2 | |
|---|--|-----|---------------|-----|
| CPT Contract Reference Allocated: | NLC-SLP-24-036 | | | |
| Procurement Procedure Utilised: | Open | | | |
| Governing Legislation / Regulations: | Public Contracts (Scotland) Regulations 2015 | | | |
| Date Contract Strategy Approved: | 20 th January 2025 | | | |
| Date Contract Notice Published: | 20 th January 2025 | | | |
| Tender Platform Utilised: | Public Contracts Scotland | | | |
| Total Expressions of Interest Received: | 72 | | | |
| NLC Based Expressions of Interest: | 13 | | | |
| Number of Tenders Received: | 11 | | 11 | |
| Tenders from SME's: | 8 | | 8 | |
| Tenders from NLC Based Tenderers | 3 | | 3 | |
| Tenders from Supported Businesses: | 0 | | 0 | |
| Number of Non-compliant Tenders | 0 | | 0 | |
| Number of Compliant Tenders | 11 | | 11 | |
| Number of Recommended Tenderers: | 1 | | 1 | |
| Basis of Award: | Quality: | 60% | Price: | 40% |
| Evaluation Team: | Officers from Housing | | | |
| Anticipated Start Date of the Agreement: | July 2025 | | | |
| Total Agreement Period (Months): | 36 months + up to 24 months extension | | | |
| Maximum Value of the Agreement: +/- | £30,000,000 | | £20,000,000 | |

Appendix 3 – SME Status and location of all Tenderers

| Name of Tenderer | Size of Tendering Organisation (Micro, Small, Medium or Large) | Location (Local Authority / Council Area) |
|---|---|--|
| Saltire Facilities Management Limited | Large | North Lanarkshire |
| Sureserve Energy Services Ltd | Large | West Lothian |
| MP Group Ltd | Medium | Glasgow |
| Procast Building Contractors Ltd | Medium | South Lanarkshire |
| GMG Contractors Ltd | Medium | Glasgow |
| Union Technical Services Ltd | Medium | Glasgow |
| Distrikt Energy Ltd | Small | Glasgow |
| Ailsa Building Contractors Ltd | Medium | North Lanarkshire |
| Easy Heat Systems Ltd | Medium | Perth & Kinross |
| The Castle Building Services Organisation Ltd | Medium | South Tyneside |
| Bell Group Ltd | Large | North Lanarkshire |