

ITEM No ...10.....

REPORT TO: POLICY AND RESOURCES COMMITTEE – 13 FEBRUARY 2017

REPORT ON: AWARD OF CONTRACT FOR SUPPLY OF CARD MANAGEMENT SERVICES FOR SCOTLAND

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 33-2017

1. PURPOSE OF REPORT

The purpose of this report is to seek approval for the award of contract for the supply of Card Management Services for the National Entitlement Card Scheme, managed by Dundee City Council NEC Programme Office on behalf of all 32 Scottish Councils.

2. RECOMMENDATIONS

The Committee is asked to approve the following:

Agree the outcome of the Tender Evaluation to procure Card Management Services for the National Entitlement Card scheme from the highest overall scoring bidder, ESP Systex Holdings Limited (Trading as The ESP Group):

- i. for a period of 2 years initially with optional extensions of 3 x 1 year.
- ii. Note external funding will cover the costs of awarding this tender.

3. FINANCIAL IMPLICATIONS

- 3.1 The value of the contract is estimated at £4,749,788.00 based on providing business as usual for 5 years as well as expansion and growth in line with the NEC Strategy.
- 3.2 The Improvement Service administers the funds that cover the National Entitlement Card and have confirmed the continuation of the service agreement and funding with Dundee Council.

4. MAIN TEXT

- 4.1 The National Entitlement Card (NEC) is funded by the Scottish Government to support high-quality easy to access public services for all 32 local councils. The Improvement Service (IS) coordinates Council operations and Dundee City Council (DCC) provides a managed service (called NEC Programme Office or NECPO) to support Councils and their service providers, and to manage contracts for goods and services to support NEC. There are approximately 2 million NEC holders in Scotland.
- 4.2 Following on from Policy and Resources Committee 8 June 2015, Article 'X NATIONAL ENTITLEMENT CARD', report 179-2015, where approval was granted for the NEC Programme Office to continue with the issuing of tenders for the National Entitlement Card scheme, a single stage open Invitation to Tender procedure for the provision of Card Management Services has now taken place and the evaluation outcome is that the best overall proposal was that of ESP Systex Holdings Limited (Trading as The ESP Group).

- 4.3 Two companies submitted a response to the Tender. However, only one was considered to be fully compliant. ESP Systex Holdings Limited (Trading as The ESP Group) was evaluated based on combined scores for both price (40%) and quality (60%).

The evaluation panel consisted of two staff members from NEC Programme Office, two staff members from Transport Scotland, one staff member from City of Aberdeen Council (representing Scottish local authorities) and one staff member from Dundee City Council Corporate Procurement Team (Community Benefits Officer). The results were as follows:

Bidder	Price Score 40%	Quality Score 60%	Overall Score	Comment
ESP Systex Holdings Limited (Trading as The ESP Group)	40	78.69	87.22	

- 4.4 The Community Benefits from this contract comprises a requirement to deliver a minimum of 2 awareness raising / curricular support events per annum for the duration of the contract.

5. **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality and Impact Assessment and Risk Management. There are no major issues.

6. **CONSULTATIONS**

Executive Director of Corporate Services and the Head of Democratic and Legal Services have been consulted in the preparation of this report.

7. **BACKGROUND PAPERS**

None.

David R Martin
Chief Executive

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