

ITEM No ...3.....

REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE
MANAGEMENT COMMITTEE – 12 MAY 2025

REPORT ON: TENDERS RECEIVED BY HEAD OF DESIGN AND PROPERTY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 151-2025

1 PURPOSE OF REPORT

1.1 This report details tenders received and seeks approval on acceptance thereof.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a delegates authority to the Executive Director of Corporate Services to complete a direct award call off from the SPA Framework (Public Buildings Construction and Infrastructure PB3) as set out in Appendix 1;
- b approve the acceptance of the tenders submitted by the undernoted contractor as set out in the report, with the total amount, including allowances detailed in Appendix 1; and
- c approves expenditure as set out in Appendix 1.

3 SUMMARY OF PROJECTS TENDERED

3.1 Tenders have been received by the Design and Property Division in relation to the projects detailed below.

Engineers Projects - Reference and Description	Contractor
Housing RAAC Support Works (Pilot Project)	Morrison Construction (t/a Galliford Try)

4 FINANCIAL IMPLICATIONS

4.1 The Executive Director of Corporate Services has confirmed that funding for the above projects is available as detailed on the attached sheet.

4.2 Where the Council utilise a national or local framework to procure construction and engineering works, all tenderers that have been assigned to the relevant framework have previously been assessed on a qualitative and cost basis, ensuring a highly competitive benchmark is set for the framework supply chain.

5 RISK ANALYSIS

5.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge.

Description of Risk	Actions to be taken to manage Risk
Commercial Risk – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low risk – the contract will be awarded through a compliant Framework.
Technical Risk – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	Low risk – the contract will be tendered through a compliant procedure. Bidders are required to demonstrate technical competence as part of their admission to the Framework.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	Low risk – ongoing contract management will take place throughout the project.
Contractual Risk – Being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low risk – NEC3 Short Form, Option B (BoQ) form of contract for works contract will be utilised for the call off. The contractor shall be proactively managed during the term of contract.
Legal Risk – where a procurement is found unsound in law, through the public procurement rules	<p>Low risk – this is a compliant route to market.</p> <p>There is a potential for future work coming from this pilot and the Council must ensure that the contractor does not obtain an unfair advantage in any future procurement exercise associated with this pilot project.</p> <p>The terms and conditions for the direct award contract must detail that the Council has ownership of the technical outputs from the pilot.</p>

6 POLICY IMPLICATIONS

- 6.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

7 CONSULTATIONS

- 7.1 The Council Leadership Team were consulted in the preparation of this report.

8 BACKGROUND PAPERS

- 8.1 Report 129-2024 - Neighbourhood Regeneration, Housing and Estate Management Committee
13 May 2024.

Neil Martin
Head of Design and Property

Author: Gary Brady

Robin Presswood
Executive Director of City Development

NM/SM

29 April 2025

Dundee City Council
Dundee House, Dundee

APPENDIX 1

PROJECT	Housing RAAC Permanent Support Works (Pilot Project)											
PROJECT NUMBER	R4230											
PROJECT INFORMATION	<p>The project is to carry out remedial works to RAAC roofs in 5 void properties allocated by Housing for pilot works. The pilot properties have been selected to implement and test a practical, economic solution for each RAAC containing house type and to establish suitability for future roll out across the RAAC estate. The pilot remediation involves installing a new roof structure directly below the RAAC such that the RAAC is fully supported and made structurally redundant.</p> <p>In addition to the pilot project, the RAAC within communal areas to 5 properties in Menzieshill, currently in a poor condition, will have their redundant roof-mounted water tanks decommissioned and the RAAC remediated as above.</p>											
ESTIMATED START AND COMPLETION DATES	Start June 2025 Finish August 2025											
TOTAL COST	Contract		£299,127.52									
	Non-contract allowances		£78,417.10									
	Fees and Contingencies		£122,455.38									
	Total		£500,000.00									
FUNDING SOURCE	Capital Plan 2025-2030 – Building Resilient and Empowered Communities-Housing HRA Element – Capital Roofs											
BUDGET PROVISION & PHASING	2025/2026		£500,000.00									
ADDITIONAL FUNDING	None.											
REVENUE IMPLICATIONS	None.											
POLICY IMPLICATIONS	There are no major issues.											
TENDERS	<table><tr><th>Contractor</th><th>Submitted Tender</th><th>Quality Ranking</th><th>Cost/Quality Ranking</th></tr><tr><td>Morrison Construction</td><td>£299,127.52</td><td>N/A</td><td>N/A</td></tr></table>				Contractor	Submitted Tender	Quality Ranking	Cost/Quality Ranking	Morrison Construction	£299,127.52	N/A	N/A
Contractor	Submitted Tender	Quality Ranking	Cost/Quality Ranking									
Morrison Construction	£299,127.52	N/A	N/A									
RECOMMENDATION	To accept the submitted tender from Morrison Construction via the SPA National Framework. Morrison Construction were selected to tender as they have experience in delivering RAAC projects for private and public sector clients. Working with the Council’s in house design team allows shared knowledge to be brought to this pilot scheme and implement a practical solution to RAAC remediation with competitive market value.											
SUB-CONTRACTORS	N/A											
BACKGROUND PAPERS	Report 129-2024											