

ITEM No ...5.....

REPORT TO: FAIR WORK, ECONOMIC GROWTH, AND INFRASTRUCTURE COMMITTEE – 10 JUNE 2024

REPORT ON: SOURCING STRATEGIES BY HEAD OF DESIGN AND PROPERTY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 158-2024

1 PURPOSE OF REPORT

1.1 The purpose of this report is to present sourcing strategies and seeks approval to commence with the procurement exercise in respect of each project.

2 RECOMMENDATION

2.1 It is recommended that Committee approves the commencement of a procurement exercise in respect of the projects described, based on the sourcing strategy detailed in Appendix 1.

3 SUMMARY OF SOURCING STRATEGIES

3.1 Proposed sourcing strategies for progressing by the Design and Property Division in relation to the projects detailed below.

Proposed Sourcing Strategies
20-50032 - Inspection, Testing, Service and Maintenance of Automatic Doors
20-50033 - Inspection, Testing, Service and Maintenance of Lightning Protection Systems
20-50042 - Inspection, Testing, Service and Maintenance of V&A Museum Security Systems
24-006 - Inspection, Testing, Service and Maintenance of Fan Convectors
DCC/CD/361/23 - Data Cabling Framework
PROC/CD/SXL/06/23 - Passenger Lifts Framework
23-017 - Children and Families Hub, 22-24 Crichton Street – Internal Alterations
22-007 - Shore Terrace – Internal Alterations
22-014 – Lochee Shop Refurbishment (112 and 116 High Street)
22-013 - Central Library Goods Lift
23-007 – DCA – Galleries 1 and 2 Powered Blinds and Lighting Replacement

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.

5 SOURCING STRATEGY SUMMARY

5.1 This Sourcing Strategy seeks approval to progress with an appropriate compliant tender process via Public Contracts Scotland. Bidders will go through a selection process to assess capability to the needs and requirement of the contract.

6 RISK ANALYSIS

- 6.1 There are 4 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 tendered and awarded through a compliant tender procedure, through which all costs have been considered.
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 and awarded through a compliant procedure. Bidders will be required to demonstrate technical competence as part of the tender evaluation process.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low Risk – a contract management process will be put in place with the use of KPI's.
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 - DCC are contractually protected via the contract terms and conditions. The contractor shall be proactively managed during the term of the contract.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Low Risk – this is a regulated contract.

7 SUMMARY

- 7.1 It is recommended that the Committee approve this Sourcing Strategy and award appropriate delegated powers to the Executive Director of City Development to proceed as outlined.

8 POLICY IMPLICATIONS

- 8.1 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.

9 CONSULTATIONS

- 9.1 The Council Leadership Team has been consulted in the preparation of this report.

10 BACKGROUND PAPERS

10.1 None.

Neil Martin
Head of Design and Property

Robin Presswood
Executive Director of City Development

NM/KM

8 May 2024

Dundee City Council
Dundee House
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APPENDIX 1

SOURCING STRATEGY	Inspection, Testing, Service, and Maintenance of Automatic Doors
PROJECT NUMBER	20-50032
PROJECT INFORMATION	Sourcing strategy for the tender process for the H&S contract for the inspection, testing, service, and maintenance of Automatic Doors at 92 properties
PROPOSED CONTRACT DURATION	3 years, with a plus 2, plus 2 option to extend, totalling 7 years
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via Open Tender through Public Contracts Scotland, based on the sourcing strategy summarised in this report; b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder, following a tender process carried out in compliance with Public Contracts (Scotland) Regulations 2015; and. c notes that existing contract will be extended in duration to ensure service coverage. This is to allow the tendering process to be carried out.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous contracts, experience and market enquiries, the total cost of the contract is estimated to be £285K, inclusive of extension options and fees. The contract will be funded from the City Development Revenue (Property Health & Safety) budget.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above then the matter will be reported back to committee for approval.</p> <p>Any repair or maintenance works that are highlighted as being required through inspection and testing will be additional to the servicing contract and funded from the Revenue Property Health and Safety budget.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Inspection, Testing, Service, and Maintenance of Lightning Protection Systems
PROJECT NUMBER	20-50033
PROJECT INFORMATION	Sourcing strategy for the tender process for the H&S contract for the inspection, testing, service, and maintenance of Lightning Protection Systems at 56 properties
PROPOSED CONTRACT DURATION	3 years, with a plus 2, plus 2 option to extend, totalling 7 years
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via Open Tender through Public Contracts Scotland, based on the sourcing strategy summarised in this report; b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder, following a tender process carried out in compliance with Public Contracts (Scotland) Regulations 2015; and c notes that the existing contract will be extended in duration to ensure service coverage. This is to allow the tendering process to be carried out.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous contracts, experience and market enquiries, the total cost of the contract is estimated to be £140K, inclusive of extension options and fees. The contract will be funded from the City Development Revenue (Property Health & Safety) budget.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above then the matter will be reported back to committee for approval.</p> <p>Any repair or maintenance works that are highlighted as being required through inspection and testing will be additional to the servicing contract and funded from the Revenue Property Health and Safety budget.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Inspection, Testing, Service, and Maintenance of V&A Museum Security Systems
PROJECT NUMBER	20-50042
PROJECT INFORMATION	Sourcing strategy for the tender process for the H&S Contract for the inspection, testing, service, and maintenance of the various security systems at the V&A museum
PROPOSED CONTRACT DURATION	3 years, with a plus 2, plus 2 option to extend, totalling 7 years
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via Open Tender through Public Contracts Scotland, based on the sourcing strategy summarised in this report; b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder, following a tender process carried out in compliance with Public Contracts (Scotland) Regulations 2015; and c notes that the existing contract will be extended in duration to ensure service coverage. This is to allow the tendering process to be carried out.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous contracts, experience and market enquiries, the total cost of the contract is estimated to be £126K, inclusive of extension options and fees. The contract will be funded from the City Development Revenue (Property Health & Safety) budget.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above then the matter will be reported back to committee for approval.</p> <p>Any repair or maintenance works that are highlighted as being required through inspection and testing will be additional to the servicing contract and funded from the Revenue Property Health and Safety budget.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Inspection, Testing, Service, and Maintenance of Fan Convectors
PROJECT NUMBER	24-006
PROJECT INFORMATION	Sourcing strategy for the tender process for the H&S contract for inspection, testing, service, and maintenance of Fan Convectors at 18 properties
PROPOSED CONTRACT DURATION	3 years, with a plus 2, plus 2 option to extend, totalling 7 years
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via Open Tender through Public Contracts Scotland, based on the sourcing strategy summarised in this report; b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder, following a tender process carried out in compliance with Public Contracts (Scotland) Regulations 2015; and c notes that the existing contract will be extended in duration to ensure service coverage. This is to allow the tendering process to be carried out.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous contracts, experience and market enquiries, the total cost of the contract is estimated to be £118K, inclusive of extension options and fees. The contract will be funded from the City Development Revenue (Property Health & Safety) budget.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above then the matter will be reported back to committee for approval.</p> <p>Any repair or maintenance works that are highlighted as being required through inspection and testing will be additional to the servicing contract and funded from the Revenue Property Health and Safety budget.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Data Cabling Framework
PROJECT NUMBER	DCC/CD/361/23
PROJECT INFORMATION	Sourcing strategy for the procurement of a Multi Supplier Framework Agreement for Data Cabling to replace the existing framework which will expire on 30 th September 2024
PROPOSED CONTRACT DURATION	3 years, with a plus 1 to extend, totalling 4 years
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the framework described, based on the sourcing strategy summarised in this report. b delegates authority to the Executive Director of City Development to utilise the Multi Supplier Framework Agreement for Data Cabling, following an open tender process carried out on Public Contracts Scotland in compliance with the Public Contracts (Scotland) Regulations 2015, and to procure either by direct award for contracts up to £50,000 or through a mini competition carried out under the terms of the framework; and c notes that any contract awards to be made from this framework which are greater in value than £500k will be brought back to members for consideration in due course.
FINANCIAL IMPLICATIONS	There are no direct financial implications associated with this report. From previous experience within the existing framework, and market testing, the total cost of the contracts awarded is anticipated to be in the order of £250k for the four-year duration of the framework (3 years with an option to extend by 1 year).
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Passenger Lifts Framework
PROJECT NUMBER	PROC/CD/SXL/06/23
PROJECT INFORMATION	<p>Sourcing strategy for the procurement of a Multi Supplier Framework Agreement for Passenger/Goods Lifts to replace the existing framework is due to expire on 30 June 2024. The framework will be split into two lots: Lot 1 – Service, Repair and Maintenance of Passenger/Goods Lifts and Lot 2 – Installation of Passenger/Goods Lifts</p> <p>A further extension of existing framework duration will be necessary to allow the tendering process to be carried out. The new framework will commence on 1 November 2024.</p>
PROPOSED CONTRACT DURATION	2 years from 1 November 2024, with a plus 2 years extension option (totalling 4 years maximum).
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the framework described, based on the sourcing strategy summarised in this report; b delegates authority to the Executive Director of City Development and Neighbourhood Services to utilise the Multi Supplier Framework Agreement for Passenger/Goods Lifts, following an open tender process carried out on Public Contracts Scotland, in compliance with the Public Contracts (Scotland) Regulations 2015, and to make call-offs from the Framework as follows: <u>Lot 1 (Single Supplier Framework Lot)</u>: Service, Maintenance and Repair of Passenger/Goods Lifts (direct award) carried out under the terms of the framework). <u>Lot 2 (Multi-supplier Framework Lot)</u>: Installation of Passenger/Goods Lifts (by mini-competition carried out under the terms of the framework); c notes that any contract awards to be made from this framework which are greater in value than £500k will be brought back to members for consideration in due course; and d notes that the existing Framework will be extended in duration to ensure service coverage. This is to allow the tendering process to be carried out.
FINANCIAL IMPLICATIONS	There are no direct financial implications associated with this report. From previous experience within the existing framework, and market testing, the total cost of the contracts awarded is anticipated to be in the order of £1,200,000 for Lot 1 and £8,000,000 for Lot 2, for the four-year duration of the framework (2 years with an option to extend by 2 years).
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Young Persons Hub, 22-24 Crichton Street – Internal Alterations
PROJECT NUMBER	23-017
PROJECT INFORMATION	Sourcing Strategy for the tender process for the refurbishment of the former Discover Opportunities Offices at 22-24 Crichton Street to create a new City Centre Children & Families Service HUB.
PROPOSED CONTRACT DURATION	12-week duration – programme to be determined
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via mini competition on Scotland Excel – Property Maintenance and Refurbishment Framework, based on the sourcing strategy summarised in this report; and b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous experience and market enquiries carried out, the total cost of the contract is anticipated to be £410k inclusive of non-contract allowances and fees.</p> <p>The contract will be part funded from the Whole Family Wellbeing Fund, and the balance from City Council Capital Plan 2024-29 – Design a Modern Council – property Lifecycle Development Upgrades – Structural Improvements & Property Upgrades.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above, then the matter will be reported back to committee for approval.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	1 Shore Terrace – Internal Alterations
PROJECT NUMBER	22-007
PROJECT INFORMATION	Sourcing Strategy for the tender process for improvement works to the Communities Offices at 1 Shore Terrace, to create a creche, improve reception space, augment small power provision and data connectivity and undertake associated improvements to fire safety.
PROPOSED CONTRACT DURATION	6-week duration – programme to be determined
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via mini competition on Scotland Excel – Property Maintenance and Refurbishment Framework, based on the sourcing strategy summarised in this report: and b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous experience and market enquiries carried out, the total cost of the contract is anticipated to be £175k inclusive of non-contract allowances and fees.</p> <p>The contract will be funded from the City Council Capital Plan 2024-29 – Design a Modern Council – property Lifecycle Development Programme – Structural Improvements & Property Upgrades.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above, then the matter will be reported back to committee for approval.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Lochee Shop Refurbishment (112 and 116 High Street)
PROJECT NUMBER	22-014
PROJECT INFORMATION	Sourcing Strategy for the tender process for the strip-out and refurbishment of the vacant shop units at 112 and 116 High Street, Lochee to prepare for marketing and re-let.
PROPOSED CONTRACT DURATION	4-week duration – programme to be determined
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via min-competition on Scotland Excel – Property Maintenance and Refurbishment Framework, based on the sourcing strategy summarised in this report; and b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous experience and market enquiries, the total cost of the contract is anticipated to be £110k inclusive of non-contract allowances and fees.</p> <p>The contract will be part funded from the City Council Capital Plan 2024-29 – Design a Modern Council – property Lifecycle Development Programme – Structural Improvements and Property Upgrades, part from UK Shared Prosperity Fund.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above, then the matter will be reported back to committee for approval.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	Central Library Goods Lift
PROJECT NUMBER	22-013
PROJECT INFORMATION	Sourcing Strategy for the tender process for the replacement of the Wellgate Library Goods Lift.
PROPOSED CONTRACT DURATION	12-week duration – programme to be determined
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a Approves the commencement of a procurement exercise in respect of the project described, via mini competition on the existing DCC Lifts Framework, based on the sourcing strategy summarised in this report; and b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous experience and market enquiries carried out against existing framework rates, the total cost of the contract is anticipated to be £185k inclusive of non-contract allowances and fees.</p> <p>The contract will be part funded from the City Council Capital Plan 2024-29 – Design a Modern Council – Property Lifecycle Development Programme – Lifecycle Property Improvements.</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above, then the matter will be reported back to committee for approval.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

SOURCING STRATEGY	DCA – Galleries 1 and 2 Powered Blinds and Lighting Replacement
PROJECT NUMBER	23-007
PROJECT INFORMATION	Sourcing Strategy for the tender process for the replacement of the lighting and blinds in galleries 1 and 2 at the DCA. Consideration also to be given to replacement rooflights in the galleries.
PROPOSED CONTRACT DURATION	9-week duration – programme to be determined
RECOMMENDATION	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> a approves the commencement of a procurement exercise in respect of the project described, via direct award on MPF2 Places for People Framework, based on the sourcing strategy summarised in this report; and b delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on previous experience and market enquiries carried out against existing framework rates, the total cost of the contract is anticipated to be £450k inclusive of non-contract allowances and fees.</p> <p>The contract will be part funded from the City Council Capital Plan 2024-29 – Tackle Climate Change – DCA Lifecycle Plant Replacement Programme</p> <p>Where the most economically advantageous tender is more than 10% greater than the sum detailed above, then the matter will be reported back to committee for approval.</p>
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	None

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