

ITEM No ...2.....

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 6 JANUARY 2025

REPORT ON: SOURCING STRATEGIES BY HEAD OF DESIGN AND PROPERTY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 6-2025

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, and delegates authority to the Executive Director of City Development to award the relevant contracts in line with Standing Orders.

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
St Peter & Pauls PS – Internal Fire Door Replacement
Blackness PS – Upgrade Ground Floor Toilets
Dundee International Sports Centre – Heating Boilers and Controls 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 report seeks approval to progress the listed projects with an appropriate compliant tender process via a suitable route to market, as outlined in the appendix below. 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.

Description of Risk	Actions To Be Taken To Manage Risk
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.	The associated sourcing strategies set out compliance with the Procurement Regulations will be achieved.

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.

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Executive Director of City Development

NM/KM

11 December 2024

Dundee City Council
Dundee House
Dundee

APPENDIX 1

SOURCING STRATEGY	St Peter and Pauls PS – Internal Fire Door Replacement
PROJECT NUMBER	24-6005
PROJECT INFORMATION	The works comprise replacement of life expired and non-compliant internal fire doors and screen partitions to all corridors throughout the school.
PROPOSED CONTRACT DURATION	July 2025 - August 2025
RECOMMENDATION	<p>It is recommended that the Committee:</p> <p>a pproves the commencement of a procurement exercise in respect of the projects described, via the Procurement for Housing Framework, based on the associated sourcing strategy, and</p> <p>b elegates authority to the Executive Director of City Development to finalise the procurement and award a contract to the successful bidder following a competitive tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.</p>
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on experience and market enquiries, the total cost of the contract is estimated to be £85K, inclusive of non-contract allowances and fees. The contract will be funded from the 2024-2029 Capital Plan – 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	Blackness PS – Upgrade Ground Floor Toilets
PROJECT NUMBER	20-6007
PROJECT INFORMATION	The works comprise the refurbishment and upgrade of life expired ground floor girls and upper floor boys toilets to provide modern, clean compliant facilities.
PROPOSED CONTRACT DURATION	July 2025 - August 2025
RECOMMENDATION	<p>It is recommended that the Committee:</p> <p>a pproves the commencement of a procurement exercise in respect of the projects described, via the MPF2 Places for People Framework, based on the associated sourcing strategy; and</p> <p>b elegates authority to the Executive Director of City Development to finalise the procurement and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.</p>
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on experience and market enquiries, the total cost of the contract is estimated to be £170K, inclusive of non-contract allowances and fees. The contract will be funded from the 2024-2029 Capital Plan – Design a Modern Council – Property Lifecycle Development Programme – Toilet 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	DISC – Heating Boiler and Controls Replacement
PROJECT NUMBER	23-004
PROJECT INFORMATION	The works comprise replacement heating boiler and controls to the DISC to replace life-expired installations with new, modern, energy efficient and compliant systems.
PROPOSED CONTRACT DURATION	April 2025 - September 2025
RECOMMENDATION	<p>It is recommended that the Committee:</p> <p>a</p> <p>pproves the commencement of a procurement exercise in respect of the projects described, via the DCC Mechanical Services Framework, based on the associated sourcing strategy; and</p> <p>b</p> <p>elegates authority to the Executive Director of City Development to finalise the procurement and award a contract to the successful bidder following a tender process carried out in compliance with Public Contracts (Scotland) regulations 2015.</p>
FINANCIAL IMPLICATIONS	<p>The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on experience and market enquiries, the total cost of the contract is estimated to be £200K, inclusive of non-contract allowances and fees. The contract will be funded from the 2024-2029 Capital Plan – Design a Modern Council – Property Lifecycle Development Programme – Heating and Ventilation Systems.</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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