

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 8 JANUARY 2024

REPORT ON: DOSING, MONITORING AND MAINTENANCE OF WATER FEATURE AT ACTIVE TRAVEL HUB - 5 YEAR CONTRACT

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 8-2024

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a sourcing strategy for the tender process for the dosing, monitoring and maintenance of the water feature and associated equipment at the Active Travel Hub and to seek approval to accept the quotation from the current contractor, leading to the award of a contract for 5 years.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee:
- a approves the commencement of a procurement exercise in respect of the project described, 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 the Public Contracts (Scotland) Regulations 2015.

3 FINANCIAL IMPLICATIONS

- 3.1 The financial implications associated with this report are the estimated cost of the contract to be awarded. Based on the quotation received from the Fountains Direct Ltd, the total cost of the contract is anticipated to be £125K for the 5 year contract, inclusive of extension options and fees. The contract will be funded from the City Development Revenue (Property Health & Safety) budget.
- 3.2 Where the most economically advantageous tender is in excess of 10% greater than the sum detailed at 3.1 above then the matter will be reported back to Committee for approval.
- 3.3 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.

4 SOURCING STRATEGY SUMMARY

- 4.1 In summary, this Sourcing Strategy seeks approval to progress with a waiver to direct award to Fountains Direct Ltd. This is a closed protocol installation and specialist market and as such Fountains Direct are the only company with which DCC can currently contract.

5 RISK ANALYSIS

- 5.1 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.

6 SUMMARY

- 6.1 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.

7 POLICY IMPLICATIONS

- 7.1 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.

8 CONSULTATIONS

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

9 BACKGROUND PAPERS

9.1 None.

Neil Martin
Head of Design and Property

Author: Michael McLaughlin

Robin Presswood
Executive Director of City Development

Dundee City Council
Dundee House
Dundee

NM/MM/SL/KM

12 October 2023