

ITEM No ...6.....

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 22 APRIL 2024

REPORT ON: WINTER FORECASTING PROCUREMENT SOURCING STRATEGY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 92-2024

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a sourcing strategy for the tender process for the provision of winter forecasting required for the road winter maintenance service.
- 1.2 Dundee City Council is the lead authority in a North of Scotland collaborative procurement on behalf of Perth & Kinross Council, Angus Council, Aberdeenshire Council, Aberdeen City Council, Moray Council, and The Highland Council.
- 1.3 The proposed contract term is 3 years covering the period 1 October 2024 to 30 September 2027, which would provide a coterminous end date with the interdependent contract for Data Management (Bureau Services) Calibration and Maintenance Services, which relates to weather station maintenance. A future procurement exercise will be administered to incorporate both requirements with 2 Contract Lots (one for Bureau Services and one for Winter Forecasting Services).

2 RECOMMENDATION

- 2.1 It is recommended that the Committee:
 - a approves the commencement of a procurement exercise in respect of the commission described, based on the sourcing strategy, summarised in this report; and
 - b delegates authority to the Head of Sustainable Transport and Roads to finalise the procurement strategy and award a contract to the successful bidders, following a tender process carried out in compliance with the Public Contracts (Scotland) Regulations 2015.

3 FINANCIAL IMPLICATIONS

- 3.1 The cost of providing winter forecasting is met from the City Development revenue budget. The financial implications associated with this report are the costs of the contract to be awarded, of which Dundee City Council's share is estimated to be in the region of £19,000 per annum. The costs will be fixed for the 3 year period.

4 SOURCING STRATEGY SUMMARY

- 4.1 This Sourcing Strategy seeks approval to progress with an appropriate, compliant tender process and the tender opportunity will be advertised via Public Contracts Scotland (PCS). Bidders will go through a selection process to assess capability to the needs and requirement of the contract and a tender evaluation process to determine best value.

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 contracts 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. This will be a commitment contract on behalf of all of the Partners, and each Partner has signed a Participation Agreement.
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 – bidders will be required to demonstrate technical competence as part of the tender evaluation process. The specification has been comprehensively reviewed by each of the Partners referred to in paragraph 1.2 of this report.
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 and specified response times.
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 – the contractor shall be proactively managed during the term of the contract. The Partners referred to in paragraph 1.2 of this report will be named as Purchasers to afford the necessary contractual protection to all participating Partners.
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 Head of Sustainable Transport & Roads 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 have been consulted in the preparation of this report and are in agreement with its content.

9 BACKGROUND PAPERS

9.1 None.

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