

ITEM No ...7.....

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

REPORT ON: BUS SHELTER REPAIRS PROCUREMENT SOURCING STRATEGY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 99-2024

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 bus shelter glazing and repair services. The proposed contract term is 3 years with an option to extend annually thereafter for a further 3 years.

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 & Roads 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 cost of bus shelter maintenance is met from the City Development revenue budget. The financial implications associated with this report are the estimated cost of the contract to be awarded. The annual cost of glazing repairs varies annually and is dependent on the level of vandalism in any given period. Based on the average costs of repairs in the last three years the contract cost is anticipated to be £480,000 for the 3-year contract with 3-year extension option.

4 SOURCING STRATEGY SUMMARY

4.1 Dundee City Council own and maintain 348 bus shelters which were mostly installed in 2005/2006. The asset group comprises of 18 large city centre bus shelters and 330 smaller bus shelters of which approximately 30 are fitted with polycarbonate panels and the remainder are glazed with toughened glass.

4.2 Report 368-2008 approved by the Planning & Transportation Committee on 8 September 2008 sets out a policy for bus shelter vandalism mitigation. The policy details intervention levels relating to frequency and extent of vandalism where replacement of glass with polycarbonate or mesh should be considered, and situations where continual vandalism may warrant consideration of removing the bus shelter in its entirety.

4.3 This Sourcing Strategy seeks approval to progress with an appropriate compliant tender process via Public Contracts Scotland. This is a specialist market and as such it is anticipated there may be a limited number of bids, therefore pre-qualification is not required. Bidders will, however, go through a selection process to assess capability to the needs and requirements of the contract.

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.
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.	Medium Risk – a contract management process will be put in place with the use of Key Performance Indicators. Due to the limited number of providers of this service, contractor failure presents a risk to continuity of service.
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 – Dundee City Council 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 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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