

City Chambers
DUNDEE
DD1 3BY

23rd August, 2024

Dear Colleague

You are requested to attend a MEETING of the **NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE MANAGEMENT COMMITTEE** to be held in the Council Chamber, City Chambers, City Square, Dundee and also to be held remotely on Monday, 2nd September, 2024 following the meeting of the Children, Families and Communities Committee called for 5.00pm.

The meeting will also be livestreamed to YouTube. Members of the Press or Public wishing to join the meeting as observers should follow this link www.dundee.gov.uk/live or alternatively they may attend in person.

Should you require any further information please contact Committee Services on telephone (01382) 434228 or by email at committee.services@dundee.gov.uk

Yours faithfully

GREGORY COLGAN

Chief Executive

AGENDA OF BUSINESS

1 DECLARATION OF INTEREST

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decisionmaking.

2 SOURCING STRATEGY FOR THE TENDER OF 24 FLATS AT BLACKNESS ROAD - Page 1

(Report No 224-2024 by the Executive Director of Neighbourhood Services, copy attached).

3 PROCUREMENT OF WORKS TO INSTALL RETROFIT FABRIC UPGRADES IN THE FLEMING GARDENS AREA, INCLUDING FLEMING TRUST - Page 5

(Report No 225-2024 by the Executive Director of Neighbourhood Services, copy attached).

4 PROCUREMENT OF WORKS TO INSTALL RETROFIT FABRIC UPGRADES IN THE GLENPROSEN TERRACE & LAWTON 1ST AREAS - Page 11

(Report No 226-2024 by the executive Director of Neighbourhood Services, copy attached).

5 SOURCING STRATEGY FOR THE PROCUREMENT OF WINDOW REFURBISHMENT SERVICES - Page 17

(Report No 227-2024 by the Executive Director of Neighbourhood Services, copy attached).

6 TENDERS RECEIVED BY HEAD OF DESIGN AND PROPERTY - Page 21

(Report No 230-2024 by the Executive Director of City Development, copy attached).

ITEM No ...2.....

**REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE
MANAGEMENT COMMITTEE – 2 SEPTEMBER 2024**

**REPORT ON: SOURCING STRATEGY FOR THE TENDER OF 24 FLATS AT BLACKNESS
ROAD**

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 224-2024

1. PURPOSE OF REPORT

1.1 The purpose of this report is to seek approval for a sourcing strategy for a tendering exercise for the site at Blackness Road, the results of which will be reported to a future meeting of this Committee.

2. RECOMMENDATIONS

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 in conjunction with the Executive Director of Corporate Services to undertake a two-stage invited competitive tender process carried out in compliance with the Public Contracts (Scotland) Regulations 2015. The results of the competitive tender will be reported to a future committee with a recommendation for the course of action.

3. FINANCIAL IMPLICATIONS

3.1 The total cost of the contract will be determined from the tender process and will be met from the Capital Plan 2024-2029. The approved Capital Plan includes provision of £33.7m over the period 2024-29 for Increased Supply of Council Housing – Housing HRA. Any amounts that have not already been incurred will require to be met from this budget.

3.2 An application will be submitted to the Scottish Government Housing and Regeneration Projects (HARP) grant funding for 2025/26. Previously, it has been stated by Scottish Government officers that £2,326,000 is the maximum grant payable for this project. The exact sum will be determined on submission of an application.

3.3 The balance of the expenditure will be met from borrowing.

4. POLICY IMPLICATIONS

4.1 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.

5. BACKGROUND

- 5.1 Report [379-2017](#) was presented to the Neighbourhood Services Committee on 30 October 2017 (Article VII of the Minute of Meeting of Neighbourhood Services Committee of 30 October 2017 refers). This detailed the extent of problems with degradation of the open stairwell towers to the rear of the existing tenement and water ingress at the roof.

Given the estimated budget cost to remedy these issues of up to £1.2m, the recommended, and approved, course of action was demolition of the existing tenement and re-build at an estimated cost of £4.5m.

- 5.2 Key Actions since October 2017

Following rehoming of tenants, buy-back and compulsory purchase of owned properties, City Development were appointed in 2019 to develop and manage the proposed construction of social housing on the site. The demolition of the existing building was completed in September 2021; and an application for planning permission for the construction of 6 wheelchair adapted ground floor flats and 18 mainstream flats was granted on 09/02/2022.

A contractor was appointed through the Procurement Hub, Major Projects Framework 2 (MPF2) Lot 1 in January 2022 and worked with Dundee City Council's design team to develop the scheme. In December of 2023, the latest cost plan was issued.

- 5.3 Assessment of Cost Plan and Options Appraisal

It is acknowledged that the project was developed during a period of unprecedented inflation, materials and labour shortages. The site also has significant challenges being constrained on all sides, has difficult to access services, and significant foundations required due to the slope from Blackness Road to Glenagnes Street. Given the level of costs above the original estimate of £4.5m, it was decided to undertake an options appraisal to assess the future direction of the project.

This exercise identified that the preferred initial option is that a further procurement exercise should be undertaken to demonstrate Best Value.

It is recommended that a two-stage competitive tender would be the most advantageous route to achieving a tender price. The Single Procurement Document (SPD) will be populated with standard questions and registered on Public Contracts Scotland (PCS) and PCS-Tender. The scoring of the SPD will determine the Contractors requested to submit a full tender.

Once the outcome of the tender process is known it will be brought back to this Committee for further consideration on the future of this development.

6. SOURCING STRATEGY SUMMARY

- 6.1 The route to market is proposed as: SPD registered on PCS and PCS-Tender. Those Contractors who achieve sufficiently high scoring from the SPD will be invited to take part in a competitive tender process. The result of the tender process is expected to be presented to the Neighbourhood Regeneration, Housing and Estate Management committee meeting of 2 December 2024.

7. RISK ANALYSIS

- 7.1 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 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.	The contract will be the subject of a competitive tender to demonstrate best value.
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.	The project is designed to meet the current technical standards. All dwellings will achieve an EPC B rating.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	The ability of the supplier to perform as required will be scored at the SPD stage.
Contractual Risk – being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and avoiding reliance on the contracted supplier as the contract develops.	The contract will be awarded based on a standard form of Scottish Building Contracts Committee building contract which includes remedy of shortcomings in performance. Due diligence prior to award will ensure that only Contractors with a track record of delivery are invited to participate in the tender process.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	A competitive tender process overseen by Corporate Procurement is a compliant route to award a contract.

8. CONCLUSION

- 8.1 It is recommended that approval is given to undertake a two-stage competition for the development of twenty-four flats at Blackness Road. By competitively tendering the project, the pursuit of best value will be demonstrated. The outcome of the tender process will determine the recommendation that is presented to a future committee.

9. CONSULTATIONS

- 9.1 The Council Leadership Team have been consulted in the preparation of this report and are in agreement with its contents.

10. BACKGROUND PAPERS

10.1 None

Tony Boyle
Executive Director of Neighbourhood Services

Robin Presswood
Executive Director of City Development

31 July 2024

ITEM No ...3.....

REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE MANAGEMENT COMMITTEE– 2 SEPTEMBER 2024

REPORT ON: PROCUREMENT OF WORKS TO INSTALL RETROFIT FABRIC UPGRADES IN THE FLEMING GARDENS AREA, INCLUDING FLEMING TRUST

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 225-2024

1 PURPOSE OF REPORT

1.1 The purpose of this report is to provide an update on the development of a sourcing strategy for the tender process to procure a Principal Contractor to install retrofit fabric upgrades including external wall insulation; underfloor and loft insulation; replacement doors and windows; solar PV panels and battery energy storage; decentralised mechanical ventilation with heat recovery and to seek approval to commence a compliant tender process, leading to award of a contract.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a approves the commencing 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 utilise the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320 and report the preferred tender to a future committee, following a tender process carried out in compliance with the Public Contracts (Scotland) Regulations 2015.

3 FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications associated with this report, other than the estimated cost of the contract to be awarded, the sum of which has already been approved in the relevant budget. From previous experience and market testing carried out, the total cost of the contract awarded is anticipated to be £6,000,000. This comprises £2.7m from the Capital Plan 2024-2029 - Tackle Climate Change and Reach Net Zero Emissions by 2045 - Housing HRA Element. The balance of funding in the sum of £3.3m will be met through contributions from the Fleming Trust, the Energy Efficient Scotland - Area Based Scheme (EES - ABS) funding for 2025/2026, the Energy Company Obligation (ECO 4) funding, which is available until March 2026 and Contractor contributions, the exact sub-division of which will be dependent upon the levels of funding available from each source.

3.2 Dundee City Council requires to maximise funding from the Energy Efficient Scotland - Area Based Schemes (EES: ABS) from the Scottish Government to ensure owner occupiers can be included in the programme and mixed tenure blocks comprehensively treated. Officers are having ongoing discussions with SCARF to maximise the number of owners who can access ECO4 flex funding to take advantage of the works.

3.3 Any material deviation from this sum, resulting from the tender process that is above the amount allowed for contingencies, will require further approval from this Committee, prior to the contract being awarded.

4 SOURCING STRATEGY SUMMARY

- 4.1 The framework has a very specific route to market: Capability & Capacity Enquiry followed by a mini-competition between those Contractors best aligned with the project outcomes.
- 4.2 The expected benefits from this contract and the wider fabric retrofit project include: improvements in the quality of the built environment; protecting communities against the threat of climate change; increasing the value of housing assets; reducing the maintenance costs of housing assets; reducing heating costs to tenants and owners, reducing the instances of fuel poverty and the associated impacts on tenants' mental and physical health and improving tenants' satisfaction with their homes and their neighbourhood.
- 4.3 The services comprise the procurement of a Principal Contractor to install retrofit fabric upgrades including external wall insulation in accordance with PAS 2035 as the Council require this for the 175 DCC tenanted properties and 129 privately owned properties in the Fleming Gardens area.
- 4.4 Dundee City Council have delivered an External Wall Insulation Programme across the city for many years under a bespoke Delivery Agreement with OVO Energy Solutions Ltd, who have decided to withdraw from the market and not deliver further developments. Accordingly, it is recommended that these services are procured via the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320.
- 4.5 Properties in the Fleming Gardens area, which are of traditional solid masonry construction, are deemed to be suitable for upgrading using external wall insulation. A range of measures are deemed to be required to deliver the best possible results for occupiers. The selected framework takes cognisance of this requirement and provides access to suitably certified contractors.
- 4.6 Community Benefits - Framework Spend Value of £6,000,000 equates to 600 Community Benefits Points which may be used for initiatives under the following headings (although parties may agree on alternative equivalents): Carbon Offsetting, Fuel Poverty Support, Energy Efficient Community Project Support, Local Community Meetings and Events, Community Volunteering, Carbon Reduction, Upskilling Staff and/or Local Residents, Supply Chain Initiatives, Job Creation, Educational Engagement, Local Sponsorship, and Foodbank Donation. Alternatively, Community Benefits Points can be "banked" with Scotland Excel to be used to provide benefits throughout Scotland.

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 contract regulations and leaving the Council open to a legal challenge

Sourcing Strategy Section 4 Key Risk Table

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.	The contract will be the subject of a mini-competition between those Framework Contractors qualified to install the systems.
Technical Risk – this concerns the difficulty in being able to specify the desired outcome	The installation will be designed to comply with PAS 2035, and all the framework

Description of Risk	Actions to be taken to manage Risk
and on the market being unable to deliver to the specification.	contractors have the relevant experience to install the systems.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	The ability of the supplier to perform the service is a pre-requisite of inclusion in the Framework.
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.	The suppliers continued presence on the Framework and future income stream is dependent upon their performance.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Appointment through the framework is a compliant procurement route. Risk is further mitigated by following the appointment procedures laid down in the framework guidance.

6 CONCLUSION

- 6.1 It is recommended that approval is given to utilise the mini competition process available through the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320.

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 were consulted in the preparation of this report and are in agreement with its contents.

9. BACKGROUND PAPERS

- 9.1 Reference should be made to Item II of the Minute of Meeting of this committee on 21st August 2023, report 215-2023 refers, which approved detailing the strategy for design and costs associated with the delivery of the EWI programmes.

Tony Boyle
Executive Director of Neighbourhood Services

Olga Clayton
Head of Housing and Construction

31 July 2024

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APPENDIX 1

PROJECT	Fleming Gardens Fabric Retrofit Upgrades												
PROJECT NUMBER	22-EWI05												
PROJECT INFORMATION	Fabric Retrofit Upgrades to 304 properties												
ESTIMATED START AND COMPLETION DATES	April 2025 – October 2025												
TOTAL COST	<table> <tr> <td>Total Net Cost:</td> <td>£6,000,000</td> </tr> <tr> <td>Contractor Contribution:</td> <td>-£200,000</td> </tr> <tr> <td>Fleming Trust Contribution:</td> <td>£1,300,000</td> </tr> <tr> <td>Council Contribution:</td> <td>£2,700,000</td> </tr> <tr> <td>EES: ABS Funding</td> <td>£1,800,000</td> </tr> <tr> <td>Total Contract Value minus Contractor Contribution</td> <td><u>£5,800,000</u></td> </tr> </table>	Total Net Cost:	£6,000,000	Contractor Contribution:	-£200,000	Fleming Trust Contribution:	£1,300,000	Council Contribution:	£2,700,000	EES: ABS Funding	£1,800,000	Total Contract Value minus Contractor Contribution	<u>£5,800,000</u>
Total Net Cost:	£6,000,000												
Contractor Contribution:	-£200,000												
Fleming Trust Contribution:	£1,300,000												
Council Contribution:	£2,700,000												
EES: ABS Funding	£1,800,000												
Total Contract Value minus Contractor Contribution	<u>£5,800,000</u>												
FUNDING SOURCE	HRA Capital Plan 2024-29 - Tackle Climate Change and reach Net Zero carbon emissions by 2045 EES: ABS Funding Contractor Contribution Fleming Trust												
HRA CAPITAL PLAN 2024-29 BUDGET PROVISION & PHASING	2025/26 - £2,700,000												
REVENUE IMPLICATIONS	None												
POLICY IMPLICATIONS	None												
TENDERS	To be presented at future committee.												
ADDRESSES	Arklay Street, Clepington Road, Fleming Gardens East, Fleming Gardens North, Fleming Gardens South, Fleming Gardens West, Hindmarsh Avenue, Provost Road.												
RECOMMENDATION	To agree the commencement of a tender process utilising the Scotland Excel Energy Efficiency Contractors Framework Ref: 1320.												
SUB-CONTRACTORS	To be reported with preferred tender.												
BACKGROUND PAPERS	238-2023												

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ITEM No ...4.....

REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE MANAGEMENT COMMITTEE– 2 SEPTEMBER 2024

REPORT ON: PROCUREMENT OF WORKS TO INSTALL RETROFIT FABRIC UPGRADES IN THE GLENPROSEN TERRACE & LAWTON 1ST AREAS

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 226-2024

1 PURPOSE OF REPORT

1.1 The purpose of this report is to provide an update on the development of a sourcing strategy for the tender process to procure a Principal Contractor to install retrofit fabric upgrades including external wall insulation; underfloor and loft insulation; replacement doors and windows; solar PV panels and battery energy storage; decentralised mechanical ventilation with heat recovery and to seek approval to commence a compliant tender process, leading to award of a contract.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a approves the commencing 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 utilise the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320 and report the preferred tender to a future committee, following a tender process carried out in compliance with the Public Contracts (Scotland) Regulations 2015.

3 FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications associated with this report, other than the estimated cost of the contract to be awarded, the sum of which has already been approved in the relevant budget. From previous experience and market testing carried out, the total cost of the contract awarded is anticipated to be £6,500,000. This comprises £1.9m from the Capital Plan 2024-2029 - Tackle Climate Change and Reach Net Zero Emissions by 2045 - Housing HRA Element. The balance of funding in the sum of £4.6m will be met through contributions from the Energy Efficient Scotland - Area Based Scheme (EES - ABS) funding for 2025/2026, the Energy Company Obligation (ECO 4) funding, which is available until March 2026 and Contractor contributions, the exact sub-division of which will be dependent upon the levels of funding available from each source.

3.2 Dundee City Council requires to maximise funding from the Energy Efficient Scotland - Area Based Schemes (EES: ABS) from the Scottish Government to ensure owner occupiers can be included in the programme and mixed tenure blocks comprehensively treated. Officers are having ongoing discussions with SCARF to maximise the number of owners who can access ECO4 flex funding to take advantage of the works.

3.3 Any material deviation from this sum, resulting from the tender process that is above the amount allowed for contingencies, will require further approval from this Committee, prior to the contract being awarded.

4 SOURCING STRATEGY SUMMARY

- 4.1 The framework has a very specific route to market: Capability & Capacity Enquiry followed by a mini-competition between those Contractors best aligned with the project outcomes.
- 4.2 The expected benefits from this contract and the wider fabric retrofit project include: improvements in the quality of the built environment; protecting communities against the threat of climate change; increasing the value of housing assets; reducing the maintenance costs of housing assets; reducing heating costs to tenants and owners, reducing the instances of fuel poverty and the associated impacts on tenants' mental and physical health and improving tenants' satisfaction with their homes and their neighbourhood
- 4.3 The services comprise the procurement of a Principal Contractor to install retrofit fabric upgrades including external wall insulation in accordance with PAS 2035 as the Council require this for the 111 DCC tenanted properties and 245 privately owned properties in the Glenprosen Terrace and Lawton 1st areas.
- 4.4 Dundee City Council have delivered an External Wall Insulation Programme across the city for many years under a bespoke Delivery Agreement with OVO Energy Solutions Ltd, who have decided to withdraw from the market and not deliver further developments. Accordingly, it is recommended that these services are procured via the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320.
- 4.5 Properties in the Glenprosen Terrace and Lawton 1st area, which are of traditional solid masonry construction, are deemed to be suitable for upgrading using external wall insulation. A range of measures are deemed to be required to deliver the best possible results for occupiers. The selected framework takes cognisance of this requirement and provides access to suitably certified contractors.
- 4.6 Community Benefits - Framework Spend Value of £6,500,000 equates to 650 Community Benefits Points which may be used for initiatives under the following headings (although parties may agree on alternative equivalents): Carbon Offsetting, Fuel Poverty Support, Energy Efficient Community Project Support, Local Community Meetings and Events, Community Volunteering, Carbon Reduction, Upskilling Staff and/or Local Residents, Supply Chain Initiatives, Job Creation, Educational Engagement, Local Sponsorship, and Foodbank Donation. Alternatively, Community Benefits Points can be "banked" with Scotland Excel to be used to provide benefits throughout Scotland.

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 contract regulations and leaving the Council open to a legal challenge

Sourcing Strategy Section 4 Key Risk Table

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.	The contract will be the subject of a mini-competition between those Framework Contractors qualified to install the systems.
Technical Risk – this concerns the difficulty in being able to specify the desired outcome	The installation will be designed to comply with PAS 2035, and all the framework

Description of Risk	Actions to be taken to manage Risk
and on the market being unable to deliver to the specification.	contractors have the relevant experience to install the systems.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	The ability of the supplier to perform the service is a pre-requisite of inclusion in the Framework.
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.	The suppliers continued presence on the Framework and future income stream is dependent upon their performance.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Appointment through the framework is a compliant procurement route. Risk is further mitigated by following the appointment procedures laid down in the framework guidance.

6 CONCLUSION

- 6.1 It is recommended that approval is given to utilise the mini competition process available through the Scotland Excel Framework for Energy Efficiency Contractors, Ref: 1320.

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 were consulted in the preparation of this report and agree with its contents.

9. BACKGROUND PAPERS

- 9.1 Reference should be made to Item III of the Minute of Meeting of this committee of 4 September 2023, report 238-2023 refers, which approved the strategy for design and costs associated with the delivery of the EWI programmes.

Tony Boyle
Executive Director of Neighbourhood Services

Olga Clayton
Head of Housing and Construction

31 July 2024

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APPENDIX 1

PROJECT	Glenprosen Terrace & Lawton 1 st Fabric Retrofit Upgrades	
PROJECT NUMBER	-	
PROJECT INFORMATION	Fabric Retrofit Upgrades to 356 properties	
ESTIMATED START AND COMPLETION DATES	April 2025 – October 2025	
TOTAL COST	Total Net Cost:	£6,500,000
	Contractor Contribution:	-£250,000
	Council Contribution:	£1,900,000
	EES: ABS Funding:	£3,960,000
	ECO Flex Funding:	£390,000
	Total Contract Value minus Contractor Contribution	<u>£6,250,000</u>
FUNDING SOURCE	HRA Capital Plan 2024-29 - Tackle Climate Change and reach Net Zero carbon emissions by 2045 EES: ABS Funding Contractor Contribution	
HRA CAPITAL PLAN 2024-29 BUDGET PROVISION & PHASING	2025/26 - £1,900,000	
REVENUE IMPLICATIONS	None	
POLICY IMPLICATIONS	None	
TENDERS	To be presented at future committee.	
ADDRESSES	Glenclova Terrace, Glenmarkie Terrace, Glenmoy Avenue, Glenogil Avenue, Glenprosen Terrace, Glenprosen Drive	
RECOMMENDATION	To agree the commencement of a tender process utilising the Scotland Excel Energy Efficiency Contractors Framework Ref: 1320.	
SUB-CONTRACTORS	To be reported with preferred tender.	
BACKGROUND PAPERS	227-2020	

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ITEM No ...5.....

**REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE
MANAGEMENT COMMITTEE – 2 SEPTEMBER 2024**

**REPORT ON: SOURCING STRATEGY FOR THE PROCUREMENT OF WINDOW
REFURBISHMENT SERVICES**

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 227-2024

1. PURPOSE OF REPORT

1.1 The purpose of this report is to provide an update on the development of a sourcing strategy for the tender process to procure a Principal Contractor to refurbish existing windows, and to seek approval to commence a tender process, leading to award of a contract.

2. RECOMMENDATIONS

2.1 It is recommended that the Committee:

- a) approves the commencing of a procurement exercise in respect of the project described (based on the sourcing strategy summarized in this report); and
- b) delegates authority to the Executive Director of Neighbourhood Services to appoint the successful bidder, following a mini competition between Contractors appointed to the Scotland Excel Property Maintenance and Refurbishment framework Ref: 1821 carried out in compliance with the Public Contracts (Scotland) Regulations 2015.

3. FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications associated with this report, other than the estimated cost of the contract to be awarded, the sum of which has already been approved in the relevant budget. The total cost of the contract awarded is anticipated to be £150,000. This sum is from the Capital Plan 2024-2029 – Free from Serious Disrepair - Housing HRA Element.

3.2 Any material deviation from this sum, resulting from the tender process that is above the amount allowed for contingencies, will require further approval from this Committee, prior to the contract being awarded.

4. BACKGROUND

4.1 Dundee City Council Housing Department had a successful window replacement programme “Windows for All” that ran for 5 years, beginning around 1995. The consequence of such a large-scale programme is that there is a large number of properties within the city that are approaching the end of their 30 year lifespan. Proposals are being developed to scale up the window replacement programme, however, it is considered that it would be prudent to engage a specialist contractor to replace seals, handles, gaskets, hinges and double glazed units on a reactive basis, until such time as replacement of all windows beyond their lifespan can be completed.

5. SOURCING STRATEGY SUMMARY

- 5.1 The route to market is proposed as: a Capability & Capacity Enquiry to the Contractors on the framework, followed by a mini competition between the positive responders to achieve best value.
- 5.2 The expected benefits from this contract include: rectification of defects in window components, extending the life of the windows, contributing to overall dwelling energy efficiency.

6. RISK ANALYSIS

- 6.1 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 contract regulations and leaving the Council open to a legal challenge.

Sourcing Strategy Section 4 Key Risk Table

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 - The contract will be the subject of a mini competition to ensure best value.
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 – The requirements of a successful outcome are well understood by housing staff.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low – Suppliers are appointed to be framework based on competency in performance and financial performance.
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 – The awarded contract will use a standard form of SBCC building contract which includes remedy for non-performance and the ability to terminate the contract should it become necessary.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Low – Appointment of a supplier via a framework is a compliant route.

7. CONCLUSION

- 7.1 It is recommended that approval is given to conduct a compliant tender process via the Scotland Excel Property Maintenance and Refurbishment framework Ref: 1821

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 have been consulted in the preparation of this report and are in agreement with its contents.

10. BACKGROUND PAPERS

- 10.1 None.

Tony Boyle
Executive Director of Neighbourhood Services

Olga Clayton
Head of Housing and Construction

31 July 2024

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ITEM No ...6.....

REPORT TO: NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE MANAGEMENT – 2 SEPTEMBER 2024

REPORT ON: TENDERS RECEIVED BY HEAD OF DESIGN AND PROPERTY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 230-2024

1 PURPOSE OF REPORT

1.1 This report details tenders received and seeks approval on acceptance thereof.

2 RECOMMENDATION

2.1 It is recommended that Committee approve the acceptance of the tenders submitted by the undernoted contractors as set out in the report, with the total amount, including allowances detailed in Appendix 1.

3 SUMMARY OF PROJECTS TENDERED

3.1 Tenders have been received by the Design and Property Division in relation to the projects detailed below.

Architects Projects - Reference and Description	Contractor
23-525 - Coniston Terrace Conversion of Former HMO	Construction Services
23-534 - Law Crescent Boiler Upgrades	Construction Services

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.

4.2 Where the Council utilise a national or local framework to procure construction and engineering works, all tenderers that have been assigned to the relevant framework have previously been assessed on a qualitative and cost basis, ensuring a highly competitive benchmark is set for the framework supply chain.

5 BACKGROUND PAPERS

5.1 None.

6 POLICY IMPLICATIONS

6.1 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.

7 CONSULTATIONS

7.1 The Council Leadership Team were consulted in the preparation of this report.

Neil Martin
Head of Design and Property

Robin Presswood
Executive Director of City Development

NM/RV/KM

9 August 2024

Dundee City Council
Dundee House
Dundee

APPENDIX 1

PROJECT	Coniston Terrace Conversion of Former HMO	
PROJECT NUMBER	23-525	
PROJECT INFORMATION	Conversion of former HMO to single adapted dwelling house. Works including alterations to internal layout with new flooring, decoration, electrical, mechanical and ventilation work.	
ESTIMATED START AND COMPLETION DATES	November 2024 February 2025	
TOTAL COST	Contract	£117,478.74
	Non-contract allowances	£10,000.00
	Fees	<u>£17,621.81</u>
	Total	<u>£145,100.55</u>
FUNDING SOURCE	Capital Plan 2024-2029 - Build Resilient and Empowered Communities - Housing HRA Element - Increase Supply of Council Housing	
BUDGET PROVISION & PHASING	2023-2024	£7,160.40
	2024-2025	£137,940.15
ADDITIONAL FUNDING	None.	
REVENUE IMPLICATIONS	None.	
POLICY IMPLICATIONS	There are no major issues.	
TENDERS	Contractor	Tender Amount
	Construction Services	£117,478.74
RECOMMENDATION	To accept the offer from Construction Services.	
SUB-CONTRACTORS	Chlorination – Phoenix Commissioning Services Ltd (Glasgow) Steel Work – P and G Blacksmiths (Dundee) Flooring – Noble and Bradford (Dundee)	
BACKGROUND PAPERS	None.	

PROJECT	Law Crescent Boiler Upgrades	
PROJECT NUMBER	23-534	
PROJECT INFORMATION	The works include heating upgrades to approximately 71 number houses. Boilers to be upgraded with new grade A efficiency gas boilers, which are "Hydrogen Blend" ready boilers, for futureproofing.	
ESTIMATED START AND COMPLETION DATES	November 2024 March 2025	
TOTAL COST	Contract	£410,757.96
	Non-contract allowances	£40,000.00
	Fees	£49,583.38
	Total	<u>£500,341.34</u>
FUNDING SOURCE	Capital Plan 2024-2029 – Tackle Climate Change and Reach Net Zero Emissions – Housing HRA Element – Energy Efficiency	
BUDGET PROVISION & PHASING	2023-2024	£568.60
	2024-2025	£499,772.74
ADDITIONAL FUNDING	None.	
REVENUE IMPLICATIONS	None.	
POLICY IMPLICATIONS	There are no major issues.	
TENDERS	Contractor	Tender Amount
	Construction Services	£410,757.96
RECOMMENDATION	To accept the offer from Construction Services.	
SUB-CONTRACTORS	N/A	
BACKGROUND PAPERS	None.	