

**ITEM No ...7.....**

**REPORT TO:** FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 21 APRIL 2025

**REPORT ON:** SOURCING STRATEGIES BY CITY DEVELOPMENT

**REPORT BY:** EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

**REPORT NO:** 109-2025

**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 contracts where tenders are less than £500,000, tenders above this level and 10% above the sourcing strategy estimate will be brought back to committee for consideration.

**3 SUMMARY OF SOURCING STRATEGIES**

3.1 Proposed sourcing strategies for progressing by the Design and Property service in relation to the projects detailed below:

<b>Proposed Sourcing Strategies</b>
Deliver Inclusive Economic Growth – Demolition of Properties and Remediation Works budget Programme for 2025/26 financial and future financial years
Craigiebarns Primary School – Replacement Flat Roof Coverings Phase 4

3.2 Proposed sourcing strategies for progressing by the Sustainable Transport & Roads Service in relation to the projects detailed below:

<b>Proposed Sourcing Strategies</b>
Route Optimisation Software
Transport Asset Inventory Data Collection

**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 seeks approval to progress with an appropriate compliant tender process via Public Contracts Scotland. 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
<b>Commercial Risk</b> – 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.
<b>Technical Risk</b> – 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.
<b>Performance Risk</b> – 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.
<b>Contractual Risk</b> – 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.
<b>Procurement Risk</b> – where a procurement is found unsound in law, through the public procurement rules.	Low Risk – this is a regulated contract.

## 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.

Neil Martin  
Head of Design and Property

Robin Presswood  
Executive Director of City Development

NM/EM/KM

28 February 2025

Dundee City Council  
Dundee House  
Dundee

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## APPENDIX 1

<b>SOURCING STRATEGY</b>	Capital Plan 2025-2030 - Deliver Inclusive Economic Growth – Demolition of Properties and Remediation Works budget Programme for 2025/26 financial and future financial years
<b>PROJECT NUMBER</b>	Multiple
<b>PROJECT INFORMATION</b>	<p>Demolition of Properties and Remediation Works budget Programme for 2025/2026 financial and future financial years, appointing Contractors to deliver the following:</p> <p><u>Financial Years 2025/2026</u></p> <p>Braeview Academy Full demolition  Craigie High School Full demolition  Kirkton Community Centre Full demolition  Drumgeith Inn Full demolition  82 Drumgeith Road Demolition (DCC owned property only)  Emergency and/or unplanned works</p> <p><u>Future Financial years</u></p> <p>Future demolition identified buildings through agreed Council Department strategies, emergency works, unplanned works and other Council department's committee approvals.</p>
<b>PROPOSED CONTRACT DURATION</b>	Next 5 years
<b>RECOMMENDATION</b>	<p>It is recommended that the Committee:</p> <p>a approves the commencement of a procurement exercise in respect of the projects described, via invite competitive bids from suitably qualified Contractors on the Scotland Excel framework (Demolition &amp; Deconstruction Works) in Public Contracts Scotland, based on the sourcing strategy summarised in this report; and</p> <p>b delegates authority to the Executive Director of City Development to award contracts to the successful bidders, up to the value of £500,000, to successful bidders, following a tender process carried out in compliance with Public Contracts (Scotland) Regulations 2015.</p>
<b>FINANCIAL IMPLICATIONS</b>	<p>The Executive Director of Corporate Services confirms that funding is available.</p> <p>Once formal tenders have been received, any contracts over the value of £500,000 will be reported to a future Fair Work, Economic Growth and Infrastructure Committee for approval.</p> <p>The contract will be funded from the 2025-2030 Demolition of Properties and Remediation Works budget Programme for 2025/26 financial and future financial years</p>
<b>POLICY IMPLICATIONS</b>	There are no issues

BACKGROUND PAPERS	N/A
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<b>SOURCING STRATEGY</b>	Craigiebarns Primary School – Flat Roof Replacement Phase 4
<b>PROJECT NUMBER</b>	24-6001
<b>PROJECT INFORMATION</b>	The works comprise replacement of approximately 630sqm of bitumen flat roof coverings over the seniors classroom area at Craigiebarns Primary School. The roof condition is such that it is now beyond economical repair. Recurring leaks have resulted in classroom decants and disruption to teaching. Roof to be replacement with new built-up waterproof membrane roofing system, including upgraded insulation, replacement rooflights, improved roof drainage and detailing.
<b>PROPOSED CONTRACT DURATION</b>	June 2025-August 2025
<b>RECOMMENDATION</b>	It is recommended that the Committee: <ul style="list-style-type: none"> <li>a approves the commencement of a procurement exercise in respect of the projects described, via the single supplier framework MPF2 Places for People Framework, based on the sourcing strategy summarised in this report; and</li> <li>b delegates 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.</li> </ul>
<b>FINANCIAL IMPLICATIONS</b>	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 £400k, inclusive of non-contract allowances and fees. The contract will be funded from the 2025-2030 Capital Plan – Design a Modern Council – Property Lifecycle Improvement Programme – Roof Replacement
<b>POLICY IMPLICATIONS</b>	There are no issues
<b>BACKGROUND PAPERS</b>	N/A

<b>SOURCING STRATEGY</b>	Route Optimisation Software
<b>PROJECT NUMBER</b>	N/A
<b>PROJECT INFORMATION</b>	<p>The Council's route optimisation software was procured in 2011 in a joint procurement with Angus Council and has been re-procured via framework contracts since. Route optimisation software is used by the Road Maintenance Partnership and Waste Management Service to manage, plan, and deliver optimised routes to in-vehicle devices for the provision of winter maintenance and waste management services.</p> <p>The software is currently used to deliver over 400 routes within City Development and Neighbourhood Services and was deemed to be the most appropriate tool following market evaluation when it was initially procured.</p> <p>In recognition of the costs and resources associated with establishing new software, data migration, training and familiarisation, the continuation of service from the incumbent supplier (Integrated Skills Limited) is the preferred and recommended procurement solution.</p>
<b>PROPOSED CONTRACT DURATION</b>	Five years
<b>RECOMMENDATION</b>	It is recommended that the Committee approves the direct award to Integrated Skills Ltd of a five-year contract using the Crown Commercial Services RM6259 Vertical Application. This will allow for on-going maintenance and the upgrading of both software and in vehicle devices.
<b>FINANCIAL IMPLICATIONS</b>	The contract is expected to be in the region of £62,000 per annum in software subscription costs and £40,000 in one off hardware upgrade costs which will be shared between the City Development (Road Maintenance) and Neighbourhood Services (Waste Management) revenue budgets.
<b>POLICY IMPLICATIONS</b>	There are no issues.
<b>BACKGROUND PAPERS</b>	N/A



<b>SOURCING STRATEGY</b>	Transport Asset Inventory Data Collection
<b>PROJECT NUMBER</b>	DCC/CD/310/24
<b>PROJECT INFORMATION</b>	Digital survey of road and transport assets, with production of a digital map-based inventory record. Survey assets include public transport infrastructure, parking infrastructure, road markings, and street furniture. Inventory data will populate the Council's asset management systems, enabling inspection and repair data to be digitally recorded directly from site to the Council's cloud-hosted asset management system.
<b>PROPOSED CONTRACT DURATION</b>	May 2025 – October 2025.
<b>RECOMMENDATION</b>	<p>It is recommended that the Committee;</p> <ul style="list-style-type: none"> <li>a) approves the commencement of a procurement exercise in respect of the project described, based on the sourcing strategy summarised in this report; and</li> <li>b) delegates authority to the Executive Director of City Development to finalise the procurement strategy and award a contract via the single supplier Road Asset Management Strategy (RAMS) Framework in compliance with the Public Contracts (Scotland) Regulations 2015. The Framework has been used by over 50 Local Authorities in the UK to procure road condition survey data and associated services, including the following in Scotland: Aberdeen City, Stirling, East Dumbartonshire, The City of Edinburgh Council, and West Dumbartonshire.</li> </ul>
<b>FINANCIAL IMPLICATIONS</b>	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 £60,000, inclusive of non-contract allowances and fees. The contract will be funded from the Dundee City Council On-Street Parking Account revenue budget.
<b>POLICY IMPLICATIONS</b>	There are no issues.
<b>BACKGROUND PAPERS</b>	N/A

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