

REPORT TO: CITY GROWTH AND INFRASTRUCTURE COMMITTEE – 8 JUNE 2026

REPORT ON: TENDERS RECEIVED BY HEAD OF DESIGN AND PROPERTY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 128-2026

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide details of the outcome of a procurement process and seek approval of contract award for the undernoted project.

2 RECOMMENDATION

- 2.1 It is recommended that Committee:
- a notes the information in this report and detailed in Appendix 1; and
 - b approves the contract award to the successful supplier(s) as summarised in Section 3 of this report with details contained in Appendix 1, in compliance with the Public Contracts (Scotland) Regulations 2015.

3 SUMMARY OF PROJECTS TENDERED

- 3.1 Tenders have been received in relation to the contract detailed below.

Health and Safety Contract - Reference and Description	Contractor
Water Hygiene Monitoring Programme - 7 Year Contract	Dalkia Operations Ltd

4 FINANCIAL IMPLICATIONS

- 4.1 The Executive Director of Corporate Services has confirmed that funding for the above H&S contract is available as detailed on the attached sheet.
- 4.2 Where the Council utilise a national or local framework to procure contracts, all tenderers on 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 POLICY IMPLICATIONS

- 5.1 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.

6 CONSULTATIONS

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

7 BACKGROUND PAPERS

7.1 None.

Neil Martin
Head of Design and Property

Robin Presswood
Executive Director of City Development

NM/MM/KM

2 June 2026

Dundee City Council
Dundee House
Dundee

APPENDIX 1

PROJECT	Water Hygiene Monitoring Programme – 7 Year contract – Lot 1	
PROJECT NUMBER	19-51050	
PROJECT INFORMATION	The works comprises the testing and monitoring of water hygiene and preparation of risk assessments to ensure compliance with ACOP L8 (The Control of Legionella Bacteria in Water Systems) and HSG 274 (Legionnaires Disease – Technical Guidance). Lot 1 - Housing/City Dev/Education/Environment Properties.	
ESTIMATED START AND COMPLETION DATES	Contract Start – June 2026 Contract finish – June 2033	
TOTAL COST	Contract Non-contract allowances Fees Total	£940,307.01 £0 £94,030.70 <u>£1,034,337.71</u>
FUNDING SOURCE	City Development Revenue Property Health and Safety Budget	
BUDGET PROVISION & PHASING	2026-2027 2027-2028 2028-2029 2029-2030 2030-2031 2031-2032 2032-2033 2033-2034	£123,135.44 £147,762.53 £147,762.53 £147,762.53 £147,762.53 £147,762.53 £147,762.53 £24,627.09
ADDITIONAL FUNDING	None.	
REVENUE IMPLICATIONS	Revenue implications are £147,762.53 per annum (and pro-rata for any part-year). Sufficient resource has been provided within the Revenue H&S Budget to cover the cost of the contract and associated fees.	
POLICY IMPLICATIONS	There are no major issues.	
PROCUREMENT ROUTE	Single Stage Tender utilising price quality metrics, published on Public Contracts Scotland Portal. Sourcing Strategy reference Fair Work, Economic Growth and Infrastructure Committee – 8 January 2024 – Report No 17-2024.	
TENDER	Supplier Dalkia Operations Ltd	Tender Award £940,307.01
RECOMMENDATION	Approve award of contract to winning bidder.	
SUB-CONTRACTORS	None.	
BACKGROUND PAPERS	None.	

PROJECT	Water Hygiene Monitoring Programme – 7 Year contract – Lot 2	
PROJECT NUMBER	19-51050	
PROJECT INFORMATION	The works comprises the testing and monitoring of water hygiene and preparation of risk assessments to ensure compliance with ACOP L8 (The Control of Legionella Bacteria in Water Systems) and HSG 274 (Legionnaires Disease – Technical Guidance). Lot 2 - Social Work/L&C/Transport Properties.	
ESTIMATED START AND COMPLETION DATES	Contract Start – June 2026 Contract finish – June 2033	
TOTAL COST	Contract Non-contract allowances Fees Total	£623,159.93 £0 <u>£62,315.99</u> <u>£685,475.92</u>
FUNDING SOURCE	City Development Revenue Property Health and Safety Budget	
BUDGET PROVISION & PHASING	2026-2027 2027-2028 2028-2029 2029-2030 2030-2031 2031-2032 2032-2033 2033-2034	£81,604.28 £97,925.13 £97,925.13 £97,925.13 £97,925.13 £97,925.13 £97,925.13 £16,320.86
ADDITIONAL FUNDING	None.	
REVENUE IMPLICATIONS	Revenue implications are £97,925.13 per annum (and pro-rata for any part year). Sufficient resource has been provided within the Revenue H&S Budget to cover the cost of the contract and associated fees.	
POLICY IMPLICATIONS	There are no major issues.	
PROCUREMENT ROUTE	Single Stage Tender utilising price quality metrics, published on Public Contracts Scotland Portal. Sourcing Strategy reference Fair Work, Economic Growth and Infrastructure Committee – 8 January 2024 – Report No 17-2024.	
TENDER	Supplier Dalkia Operations Ltd	Tender Award £623,159.93
RECOMMENDATION	Approve award of contract to winning bidder.	
SUB-CONTRACTORS	None.	
BACKGROUND PAPERS	None.	