

REPORT TO: CITY GOVERNANCE COMMITTEE – 12 MAY 2025

REPORT ON: SOURCING STRATEGY FOR SUPPLY AND DELIVERY OF SWIMMING POOL CHEMICALS

REPORT BY: EXECUTIVE DIRECTOR OF CHILDREN AND FAMILIES SERVICE

REPORT NO: 148-2025

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a summary of the sourcing strategy as outlined in Section 5 of this report and seek approval to secure supply and delivery of swimming pool chemicals.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee
- a. approves the Sourcing Strategy as outlined in Section 5 of this report.
 - b. agree to the direct award via a national Framework for the supply and delivery of swimming pool chemicals to Brenntag UK Limited.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The total projected renewal cost is £400,000 over a 5-year contract. Approximately £65,000 per year will be funded by the Leisure and Culture Dundee and £15,000 per year will be covered by the Children and Families Service Revenue Budget.

4.0 BACKGROUND

- 4.1 The current contract arrangements for the supply and delivery of swimming pool chemicals expires on 30 June 2025.
- 4.2 Through the current contract arrangements, the supply and delivery of swimming pool chemicals support the treatment of swimming pool water to achieve the industry standards required within all swimming pools operated across the city within our schools and leisure centre facilities.

5.0 SOURCING STRATEGY

- 5.1 The existing compliant framework sourcing routes for the supply of Swimming Pool Chemicals - YPO (Yorkshire Purchasing Organisation) and ESPO (Eastern Shires Purchasing Organisation) allow for a direct award to Brenntag UK Limited. (refer to Commercial Risk – Section 6 of this report).
- 5.2 The procurement will involve further pricing analysis against the National Frameworks to ensure that best value is maximised from the direct award to Brenntag UK Limited, in respect of the required services.
- 5.3 The Framework call-off will be made in compliance with the Public Contracts (Scotland) Regulation 2015 and the Framework Call-off rules.
- 5.4 The factors associated with the direct award decision are as outlined in Section 6 (Risk Analysis) of this report.

6.0 RISK ANALYSIS

- 6.1 There are four standard risks in any procurement. 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	Probability (L/M/H)	Impact on DCC (L/M/H)	Actions required to manage Risk
Commercial Risk – Either the price objectives are not achieved upfront, or there are other costs that arise during the contract and diminish the overall benefits.	M	H	<p>There are 2 main UK-based suppliers of swimming pool chemicals and Brenntag has resilient supply chain arrangements to ensure the continuous supply of chemicals for swimming pool operations.</p> <p>LACD and DCC arrange ordering for supply in accordance with demand and supplier stocks and logistics. Brenntag have a base in Glasgow and are intending to establish a further based in Tayside.</p> <p>Both YPO and ESPO Frameworks are securing competitive pricing due to their buying power and the economies of scale that this brings.</p> <p>Further Pricing analysis will be carried out to realise best value for the Council.</p>
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.	L	L	Suppliers are required to deliver to the specification with reasonable substitutes should supply scarcity be an issue.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	M	M	Close contract management is required with a reputable supplier to ensure continuity of supply to prevent service failure.
Contractual Risk – Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	L	L	Suppliers have been approved by the Framework Owners.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules	L	L	Regulated procurement from a compliant Framework
Overall Contract Risk			

7.0 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.

8.0 CONSULTATIONS

- 8.1 The Council Leadership Team were consulted in the preparation of this report and are in agreement with its content.

9.0 BACKGROUND PAPERS

- 9.1 None

AUDREY MAY
Executive Director of Children and Families Services

April 2025

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