

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
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Olga Clayton
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31 July 2024

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