

# **WEST DUNBARTONSHIRE COUNCIL**

## **Report by Strategic Lead – Regeneration**

**Housing & Communities Committee: 4 November 2020**

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**Subject: Approval for Subcontractor Procurement for Building Services**

### **1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Housing & Communities Committee to authorise Subcontractor Procurement for Building Services for Kitchen, Bathroom and Shower Works and Supply and Installation of UPVC Windows and Doors.

### **2. Recommendations**

- 2.1** It is recommended that the Housing & Communities Committee authorises Subcontractor Procurement for Building Services for Kitchen, Bathroom and Shower Works and Supply and Installation of UPVC Windows and Doors, and note that, on conclusion of the procurement exercise a further report will be submitted to the Tendering Committee with recommendations on the award of the contracts.

### **3. Background**

- 3.1** The Council is committed to delivering a high quality repairs and maintenance service, which ensures that all of its housing and non-housing properties are well maintained at a reasonable cost, providing value for money and are kept in a good and safe state of repair, maximising the long-term life of the property.
- 3.2** Building Services is a customer and client focussed service delivering the objectives of reactive repairs, planned maintenance and capital funded improvement works ensuring the Council meets all of its statutory duties.
- 3.3** On the 4 February 2015 the West Dunbartonshire Council Committee Members approved the recommendations in the report 'Housing Capital Programme 2015/20 agreeing to a five year programme of work and the resources to fund this. It was agreed that the programme would be carried out by a mixture of contracts procured on the open market and by a Service Level Agreement (SLA) with the Council's in-house Building Services.

- 3.4** Using the Council's in-house Building Services will allow the delivery of a full range of works and services in line with the core business of Housing and Community Safety Services.

#### **4. Main Issues**

- 4.1** Building Services carry out as much of the assigned work as possible using West Dunbartonshire Council employees, however there is a requirement for the service to be supported by suppliers, back-up and specialist contractors.
- 4.2** Due to the COVID-19 pandemic which resulted in around 5 months of significant delays, Building Services was not able, due to government restrictions, to deliver the Council's programmes for the renewal of Kitchens, Bathrooms, Showers and Windows. Following the restart of internal works, Special Needs adaptations were prioritised and continued staff holidays and sickness/isolation in the internal works team limited the ability to deliver on the Kitchens, Bathrooms, Showers and Windows programmes.
- 4.3** As a result of the delays caused by the COVID-19 lockdown period, Building Services are currently significantly behind schedule to deliver the upgrades that are planned for 2020/21. This is likely to result in underspend of around £2.327m of the budget of £3.127m this financial year. A breakdown of this by workstream requirement is:

<b>Workstream Requirement</b>	<b>FY 2020/21 Underspend</b>
Kitchens	£200,000
Bathrooms	£190,000
Showers	£300,000
UPVC Windows and Doors	£1,637,000
<b>Total</b>	<b>£2,327,000</b>

- 4.4** In order to catch-up with the delayed works to upgrade tenants houses as planned it is recommended the Council commence Subcontractor Procurement for Building Services to help deliver more of the programme and improve the projected underspend position.
- 4.5** The workstreams required for the renewal of Kitchen, Bathrooms, Showers and Windows will be of sufficient size, scope and duration to cover the estimated volume of work for the remainder of Financial Year 2020/21, as well as options to extend into the next financial year (FY 2021/22) to allow the most effective prioritisation of internal resources, whilst seeking to catch-up on the delay to delivery of upgrades.

- 4.6** All procurement activity carried out by the Council in excess of £50,000 is subject to a contract strategy. The strategy for the workstreams required will include but may not be limited to; contract scope, service forward plan, the market, procurement model and routes – including existing delivery vehicles, roles and responsibilities, risks, issues and opportunities and ongoing contract management.

## **5. People Implications**

- 5.1** There are no people implications, however commencing a procurement exercise will require significant Officer time resource from Building Services, Corporate Procurement Unit and Contract Scoping Officer.

## **6. Financial and Procurement Implications**

- 6.1** Financial costs in respect of this contract will be met from the approved capital budgets of Housing Revenue Account (HRA) Housing Capital Programme for 2020/2025.
- 6.2** The Subcontractor Procurement for Building Services is estimated to improve underspend by up to £1.19m in FY20/21 to £1.137m. Additional estimated spend of up to 1.69m in FY2021/22, will help to deliver more of the programme and improve the projected underspend position.
- 6.3** The recommended procurement exercise will be conducted in accordance with an agreed contract strategy produced by the Corporate Procurement Unit in close consultation with Building Services and Contract Scoping Officer and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

## **7. Risk Analysis**

- 7.1** Should the Housing & Communities Committee decide not to proceed as recommended then this will delay the delivery of the workstreams and the Council may not meet its landlord, health and safety and quality standards and obligations. This may lead to financial implications.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** Following an initial screening there are no potential negative impacts identified in terms of equality.

## **9. Consultation**

**9.1** Consultation has taken place with the Corporate Procurement Unit, Contract Scoping Officer, Legal Services and Finance Services.

## **10. Strategic Assessment**

**10.1** The Sub Contractors for Building Services will contribute to the delivery of the Council's main strategic priorities for 2017-2022, by supporting the provisions of:

- Supported individuals, families and carers living independently and with dignity.
- Efficient and effective frontline services that improve the everyday lives of residents

**Jim McAloon**  
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**20 October 2020**

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<b>Appendix:</b>	None
<b>Background Papers:</b>	EIA Screening
<b>Wards Affected:</b>	All