

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Director – Transformation & Public Service Reform

Tendering Committee: 11 November 2020

Subject: Contract Authorisation Report – Subcontractors for Building Services

1. Purpose

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Strategic Lead - Regulatory to conclude the award of the contracts for the Installation of Kitchens, Bathrooms and Showers and Supply and Installation of UPVC Windows and Doors.

2. Recommendations

- 2.1** It is recommended that the Tendering Committee authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council):
- a) The award of the contract for the Installation of Kitchens, Bathrooms and Showers to Everwarm Ltd. The contract shall be for a period of up to eight months to 31 July 2021, with the option to extend further for a period of up to eight months to 31 March 2022. The total estimated value of this contract over 16 months is £1,380,000 ex VAT. The estimated commencement date of the contract is 1 December 2020.
 - b) The award of the contract for the Supply and Installation of UPVC Windows and Doors to Sidey Solutions Ltd. The contract shall be for a period of up to eight months to 31 July 2021, with the option to extend further for a period of up to eight months to 31 March 2022. The total estimated value of this contract over 16 months is £1,500,000 ex VAT. The estimated commencement date of the contract is 1 December 2020.

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. Building Services carry out as much of the assigned work as possible using Council employees, however there is a requirement for the service to be supported by back-up and specialist contractors.

- 3.3** Due to the COVID-19 pandemic which resulted in around five 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 other programmes.
- 3.4** In order to catch-up with the delayed works to upgrade tenants houses as planned, it is recommended the Council award contracts for subcontractors to assist with delivering the programme and improve the projected underspend position.
- 3.5** Approval to conduct a procurement exercise for subcontractors was approved at the Housing & Communities Committee on 4 November 2020.
- 3.6** These procurement exercises have been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts Regulations 2015*. A Contract Strategy was approved on 4 November 2020. The Contract Strategy identified the Scottish Procurement Alliance (SPA) Framework Agreements (FAs) for Whole House Refurbishment & Associated Services (WH2) and Windows, Doorsets and Associated Products (WD1) as the recommended procurement routes.

4. Main Issues

- 4.1** The SPA FAs for Whole House Refurbishment & Associated Services (WH2) and Windows, Doorsets and Associated Products (WD1) are multi-lotted based on region and type of requirements, with multiple contractors appointed to each Lot.
- 4.2** For Whole House Refurbishment & Associated Services (WH2) Lot 126 - West Central Scotland Kitchens and Bathrooms, six contractors were appointed to the Lot. A breakdown of the outcome and scores in relation to the award and appointment onto the FA are:

Contractor	FA Technical Score	FA Commercial Score	FA Total Score
Everwarm Ltd	52.8%	28.7%	81.5%
CCG (Scotland) Ltd	50%	26.7%	76.7%
Novus Property Solutions Ltd	52.6%	24.1%	76.7%
First Call Trade Services	52%	22.5%	74.5%
Lochlie Construction	48.6%	24.9%	73.5%

- 4.3** For Windows, Doorsets and Associated Products (WD1) Lot 8 - Western Scotland UPVC Windows/ Doorsets, five contractors were appointed to the Lot. A breakdown of the outcome and scores in relation to the award and

appointment onto the FA are:

Contractor	FA Technical Score	FA Commercial Score	FA Total Score
Sidey Solutions Ltd	60%	29.7%	89.7%
Anglian Building Products	55.3%	33.4%	88.7%
Walker Profiles Ltd	55.9%	28.6%	84.5%
CMS Enviro Systems Ltd	53.6%	29.4%	83%
CR Smith Manufacturing Ltd	55.2%	25.6%	80.8%

- 4.4** The SPA FAs allows for the Council to call off without re-opening competition by conducting a Direct Award procedure, or re-opening competition with the appointed Contractors. There is no procedure to undertake electronic auctions (eAuctions) on the FAs. The Contract Strategy identified the Direct Award procedure to call off from the SPA FAs, as it represents best value in terms of delivering the programme and the FA scoring of the recommendations.
- 4.5** It is recommended that the contract for the Installation of Kitchens, Bathrooms and Showers is awarded to Everwarm Ltd. The contract shall be for a period of up to eight months to 31 July 2021, with the option to extend further for a period of up to eight months to 31 March 2022. The total estimated value of this contract over 16 months is £1,380,000 ex VAT. The estimated commencement date of the contract is 1 December 2020.
- 4.6** It is recommended that the contract for the Supply and Installation of UPVC Windows and Doors is awarded to Sidey Solutions Ltd. The contract shall be for a period of up to eight months to 31 July 2021, with the option to extend further for a period of up to eight months to 31 March 2022. The total estimated value of this contract over 16 months is £1,500,000 ex VAT. The estimated commencement date of the contract is 1 December 2020.
- 4.7** Everwarm Ltd and Sidey Solutions Ltd have committed to follow the Fair Working Practices identified within SPA FA and both pay all staff above the real Living Wage (minimum of £9.30 per hour) across all staff contracts.
- 4.8** Everwarm Ltd and Sidey Solutions Ltd have offered a range of Social Benefits at FA level, including:
- Employment/Work Placement/Training Opportunities;
 - Employment seminars for high schools and colleges; and
 - Donations and sponsorships

Social Benefits will be discussed with Everwarm Ltd and Sidey Solutions Ltd at the pre-start meetings and actions to take these forward will be agreed.

5. People Implications

- 5.1** There are no people implications.

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 estimated value of the recommended contracts, broken down by workstream requirement are:

Contract	Workstream Requirement	FY2020/21	FY 2021/22	Total
Kitchen, Bathroom and Shower Works	Kitchens	£200,000	£200,000	£400,000
	Bathrooms	£190,000	£190,000	£380,000
	Showers	£300,000	£300,000	£600,000
Sub Total		£690,000	£690,000	£1,380,000
UPVC Windows and Doors (Supply and Installation)		£500,000	£1,000,000	£1,500,000
Sub Total		£500,000	£1,000,000	£1,500,000
Total		£1,190,000	£1,690,000	£2,880,000

6.3 The recommended contracts are estimated to improve the projected underspend position for this requirement by up to £1.19m in FY2020/21. 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. This requirement is not expected to generate savings due to the nature of the contracts.

6.4 This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with the Capital Investment Team and Building Services and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

7. Risk Analysis

7.1 The successful contractors have no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

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 Capital Investment Team, Building Services, 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:

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

Angela Wilson

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5 November 2020

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Appendices:	Not Applicable
Background Papers:	Contract Strategy EIA Screening
Wards Affected:	All