

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Director – Transformation & Public Service Reform

Tendering Committee: 19 February 2020

Subject: Contract Authorisation Report - Supply & Delivery of Laminated Wall Panels and Kitchen Worktops

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 contract for Supply & Delivery of Laminated Wall Panels and Kitchen Worktops.

2. Recommendations

2.1 It is recommended that the Tendering Committee:

- a) Authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the contract for Supply & Delivery of Laminated Wall Panels and Kitchen Worktops to City Building (Glasgow) LLP - Royal Strathclyde Blindcraft Industries (RSBI); and
- b) Note that the contract shall be for a period of two years with the option to extend for two x 12 month periods. The overall value of the contract over two years is £355,266 ex vat; and over four years is £710,533 ex VAT. The contract start date will be 24 February 2020.

3. Background

3.1 Building Services have a requirement to purchase a range of laminated panels and kitchen worktops to be fitted on a number of properties in the West Dunbartonshire area as part of the Council's investment in improving its housing stock and our local estates. The requirement is for supply and delivery only and Building Services will be responsible for the installation of all equipment.

3.2 Financial costs in respect of this contract will be met from the Building Services HMTO budgets. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts Scotland) Regulations 2015* for Goods. A Contract Strategy document was also approved by the Business Partner – Strategic Procurement (Place) on 14 January 2020.

4. Main Issues

4.1 The Contract Strategy identified that engaging with one supplier to gain best value thus allowing the continuity of purchases for both the supplier and the Council is the best route to market for these supplies. We currently purchase our laminated panels via Scotland Excel and the worktops via an expired tendered contract. A benchmarking exercise was conducted taking in to account our current spend through Scotland Excel (SXL) framework agreement (FA) and an internal expired contract against the Scottish Government (SG FA) for supported businesses:

<u>Commodity Code</u>	<u>Description</u>	<u>Usage Per Year</u>	<u>Unit Price - SXL FA & Expired Contract</u>	<u>Total Current Spend - SXL FA & Expired Contract</u>	<u>Unit Price - SG FA</u>	<u>Total Spend via SG FA</u>
326922	Laminated Panel 2420mmx1200mmx11mm	2430	£57.75	£140,332.50	£50.23	£122,058.90
326923	Laminated Panel 2400mmx1200mmx11mm	300	£52.42	£15,726.00	£50.23	£15,069.00
326924	Laminated Panel 2440mmx1200mmx11mm	50	£52.42	£2,621.00	£50.23	£2,511.50
326925	Laminated Panel 2400mmx1200mmx11mm	150	£52.42	£7,863.00	£50.23	£7,534.50
326926	Laminated Panel 2400mmx1200mmx11mm	20	£52.70	£1,054.00	£50.23	£1,004.60
900 x 700	Laminated Panel	52	£97.51	£5,070.52	£57.59	£2,994.68
341206	Worktop 3000mm x 600mm x 40mm	40	£39.93	£1,597.20	£42.00	£1,680.00
341207	Worktop 3000mm x 600mm x 40mm	240	£57.00	£13,680.00	£42.00	£10,080.00
341209	Worktop 3000mm x 600mm x 40mm	350	£57.00	£19,950.00	£42.00	£14,700.00
Total:				£207,894.22		£177,633.18
Term:						£710,532.72

4.2 An overall costs reduction of £30,261.04 (based on estimated usage) will be secured as well as securing supply for quality materials.

4.3 It is recommended that the contract is awarded to City Building (Glasgow) LLP - Royal Strathclyde Blindcraft Industries (RSBI) , of 12 Edgefauld Avenue,

Glasgow, G214BB, who was identified as the most economically advantageous tenderer to the Council. The contract shall be for two years plus the option to extend for a further two x twelve month periods at a potential value of £710,532.72, ex VAT. The value of the contract will be closely managed by Building Services.

- 4.4** RSBI are committed to paying the Scottish Living Wage and have committed to provide social benefits within West Dunbartonshire. Social benefits will be discussed and agreed at the implementation meeting and actions put in place to take them forward.

5. Options Appraisal

- 5.1** The Corporate Procurement Unit (CPU) carried out an options appraisal in relation to the procurement of laminated wall panels and kitchen worktops:

- The CPU in consultation with Building Services considered both financial and non financial aspects of this requirement. The Council currently purchase kitchen requirements from three separate suppliers.
- Consideration was given to separating the requirement and carrying out an e-Auction to try to drive savings and a commitment to supply. The main issues the Council has had with this approach, is that the goods do not match when purchased independently; so therefore one supplier would allow for Building Services to create packages.
- The CPU carried out a benchmarking exercise based on our current products list, the price we currently pay versus new prices provided by RSBI. Based on the information provided, this exercise identified that a direct award would generate a saving and by consolidating the requirement it will achieve efficiencies through reduced administration time and improved working relationships.
- The outcome of the options appraisal is a recommendation to the Tendering Committee to Direct Award to RSBI via the SG FA for supported businesses.

6. People Implications

- 6.1** There are no people implications

7. Financial and Procurement Implications

- 7.1** The financial costs in respect of this Contract will be met from the approved Building Services HMTO budgets of Regeneration, Environmental & Growth – Building Services.

7.2 This procurement exercise was conducted in accordance with the agreed contract strategy produced by the CPU in close consultation with Building Services officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

8. Risk Analysis

8.1 Should the Tendering Committee decide not to proceed as recommended then this will delay the project and may have financial implications.

9. Equalities Impact Assessment (EIA)

9.1 An equalities screening was undertaken for this reports to determine if there is an equalities impact. The results are that there is no equalities impact.

10. Consultation

10.1 Planned consultations will take place with local community groups if the proposals are approved. The Council intends to create three kitchen packages that will be provided to tenants associations for feedback.

11. Strategic Assessment

11.1 The Supply & Delivery of Laminated Wall Panels and Kitchen Worktops will contribute to the delivery of the Council's strategic priorities by providing:

- A Strong local economy and improved employment opportunities;
- Meaningful community engagement with active empowered and informed citizens who feel safe and engaged; and
- Efficient and effective frontline services that improve the everyday lives of residents

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Designation: Strategic Director - Transformation & Public Service Reform

Date: 19 February 2020

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Appendices: Not Applicable

Background Papers: The Contract Strategy

EIA Screening

Wards Affected:

All Council Wards.

