

# Agenda

## Tendering Committee

**Date:** Wednesday, 23 February 2022

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**Time:** 16:00

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**Format:** Hybrid Meeting

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**Contact:** Scott Kelly, Committee Officer  
Email: [scott.kelly@west-dunbarton.gov.uk](mailto:scott.kelly@west-dunbarton.gov.uk)

Dear Member

Please attend a meeting of the **Tendering Committee** as detailed above.

The Convener has directed that the powers contained in Section 43 of the Local Government in Scotland Act 2003 will be used and Members will have the option to attend the meeting remotely or in person at the Civic Space, Church Street, Dumbarton.

The business is shown on the attached agenda.

Yours faithfully

**JOYCE WHITE**

Chief Executive

**Distribution:**

Councillor I. Dickson (Chair)  
Councillor G. Casey  
Councillor D. Docherty  
Councillor J. Finn (Vice Chair)  
Provost W. Hendrie  
Councillor J. McColl  
Councillor L. O'Neill  
Councillor B. Walker

All other Councillors for information

Chief Officer – Supply, Distribution and Property  
Chief Officer – Regulatory and Regeneration

Date of Issue: 10 February 2022

**TENDERING COMMITTEE**  
**WEDNESDAY, 23 FEBRUARY 2022**

**AGENDA**

**1 APOLOGIES**

**2 DECLARATIONS OF INTEREST**

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

**3 RECORDING OF VOTES**

The Committee is asked to agree that all votes taken during the meeting will be carried out by roll call vote to ensure an accurate record.

**4 MINUTES OF PREVIOUS MEETING 5 – 7**

Submit, for approval as a correct record, the Minutes of Meeting of the Tendering Committee held on 12 January 2022.

**5 OPEN FORUM**

The Committee is asked to note that no open forum questions have been submitted by members of the public.

**6 CONTRACT AUTHORISATION REPORT – INSURANCE 9 – 13  
SERVICES FOR RIGHT TO BUY BLOCK BUILDINGS  
ADMINISTERED BY WEST DUNBARTONSHIRE COUNCIL**

Submit report by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for Insurance Services for Right to Buy Block Buildings Administered by West Dunbartonshire Council.

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**7      CONTRACT AUTHORISATION REPORT – OFFICE AND      15 – 18**  
**STORAGE FIT OUT – 11 LEVENSIDE BUSINESS COURT,**  
**ALEXANDRIA**

Submit report by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for Office and Storage Fit Out – 11 Levenside Business Court, Alexandria.

**8      CONTRACT AUTHORISATION REPORT – SESSION      19 – 22**  
**INITIATION PROTOCOL (SIP) TRUNKING**

Submit report by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for SIP Trunking.

**9      CONTRACT AUTHORISATION REPORT – MANAGED WORK      23 – 26**  
**FOR HOUSING BENEFIT AND COUNCIL TAX REDUCTION**  
**CLAIMS**

Submit report by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for Managed Work for Housing Benefit and Council Tax Reduction Claims.

**10      CONTRACT AUTHORISATION REPORT – GLENCAIRN      To Follow**  
**HOUSE REFURBISHMENT ARCHITECTURAL SERVICES**

Submit report by the Chief Officer – Supply, Distribution and Property seeking the approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for Glencairn House Refurbishment Architectural Services.

**TENDERING COMMITTEE**

At a Meeting of the Tendering Committee held by video conference on Wednesday, 12 January 2022 at 9.15 a.m.

**Present:** Councillors Ian Dickson, Diane Docherty, Jim Finn, Jonathan McColl and Laurence O'Neill.

**Attending:** Angela Wilson, Chief Officer – Supply, Distribution and Property; Annabel Travers, Procurement Manager; Angus Cameron and Derek McLean, Business Partners – Strategic Procurement; Gillian McNamara, Regeneration Co-ordinator; and Scott Kelly, Committee Officer.

**Apologies:** Apologies for absence were intimated on behalf of Provost William Hendrie and Councillor Brian Walker.

**Councillor Ian Dickson in the Chair**

**STATEMENT BY CHAIR – AUDIO STREAMING**

Councillor Dickson, Chair, advised that the meeting was being audio streamed and broadcast live to the internet.

**DECLARATIONS OF INTEREST**

It was noted that there were no declarations of interest in any of the items of business on the agenda.

**RECORDING OF VOTES**

The Committee agreed that all votes taken during the meeting would be carried out by roll call vote to ensure an accurate record.

**MINUTES OF PREVIOUS MEETINGS**

The Minutes of Meetings of the Tendering Committee held on 25 November 2021 and 1 December 2021 were submitted and approved as a correct records.

## **OPEN FORUM**

The Committee noted that no open forum questions had been submitted by members of the public.

### **CONTRACT AUTHORISATION REPORT – CONSTRUCTION OF CLYDEBANK CANAL NEW ACTIVITY CENTRE**

A report was submitted by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the Construction of Clydebank Canal New Activity Centre.

Having heard Mr McLean, Business Partner – Strategic Procurement, in further explanation of the report, the Committee agreed:-

- (1) to authorise the Chief Officer – Regulatory and Regeneration to conclude, on behalf of the Council, the award of the contract for the Construction of Clydebank Canal New Activity Centre to Kier Construction Ltd; and
- (2) to note that the contract shall be for a period of 10 months at an estimated value of £982,000 ex VAT and that the estimated commencement date was 31 January 2022.

### **CONTRACT AUTHORISATION REPORT – DEMOLITION OF THE FORMER WILLOX PARK CARE HOME KNOWN AS WILLOX PARK, 6 WILLOW PARK, DUMBARTON**

A report was submitted by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the Demolition of the Former Care Home Known as Willox Park, 6 Willox Park, Dumbarton.

Having heard Mr Cameron, Business Partner – Strategic Procurement, in further explanation of the report, the Committee agreed:-

- (1) to authorise the Chief Officer – Regulatory and Regeneration to conclude, on behalf of the Council, the award of the contract for the Demolition of the Former Care Home Known as Willox Park to George Beattie & Sons Ltd; and
- (2) to note that the contract shall be for a period of six weeks at a value of £95,990 ex VAT and that the estimated commencement date was 7 February 2022.

## **CONTRACT AUTHORISATION REPORT – CONSULTANT FOR ARTIZAN CENTRE REDEVELOPMENT MASTERPLAN**

A report was submitted by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the appointment of a consultant for the Artizan Centre Redevelopment Masterplan.

After discussion and having heard Mr McLean, Business Partner – Strategic Procurement, and the Regeneration Co-ordinator in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to authorise the Chief Officer – Regulatory and Regeneration to conclude, on behalf of the Council, the award of the contract for the Consultant for the Artizan Centre Redevelopment Masterplan to Fourth Street Place Consultants Ltd; and
- (2) to note that the contract shall be for a period of three months and at a value of £68,196 ex VAT and that the estimated commencement date was 7 February 2022.

## **CONTRACT AUTHORISATION REPORT – SMOLLETT FOUNTAIN, ALEXANDRIA, PUBLIC REALM IMPROVEMENT WORKS**

A report was submitted by the Chief Officer – Supply, Distribution and Property seeking approval to authorise the Chief Officer – Regulatory and Regeneration to conclude the award of the contract for the Smollett Fountain, Alexandria, Public Realm Improvement Works.

After discussion and having heard Mr McLean, Business Partner – Strategic Procurement, in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to authorise the Chief Officer – Regulatory and Regeneration to conclude, on behalf of the Council, the award of the contract for the Smollett Fountain, Alexandria, Public Realm Improvement Works to Luddon Construction Ltd; and
- (2) to note that the contract shall be for a period of four months and at a value of £603,145 ex VAT and that the estimated commencement date was 7 February 2022.

The meeting closed at 9.35 a.m.





**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 23 February 2022**

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**Subject: Contract Authorisation Report – Insurance Services for Right to Buy Block Buildings Administered by West Dunbartonshire Council**

**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for Insurance Services for Right to Buy Block Buildings Administered by West Dunbartonshire Council.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Insurance Services for Right to Buy Block Buildings Administered by the Council to Protector Insurance.
  - b) Note that the contract shall be for a period of three years with the option of two x one year extensions and at a value of £2,805,378 ex VAT over three years at the current annual premium offered and £4,675,630 ex VAT should the contract be extended calculated at the current annual premium offered. The estimated commencement date of the contract is 1 April 2022.

**3. Background**

- 3.1** Historically the Council has arranged and administered the procurement of a block buildings insurance policy for privately owned ex-Council properties purchased in terms of former 'Right to Buy' legislation. The main purpose of this is to ensure that appropriate insurance cover is in place for privately owned ex-Council properties in blocks where the Council retains ownership of one or more properties. In addition to providing competitively priced insurance for homeowners, this approach minimises the risk of uninsured losses to the Council or other owners in the event of loss or damage to premises.
- 3.2** If the Council retain an interest within the block it will require to be insured under the block policy. If the Council no longer has such an interest, then either individual owners or all owners within the block can choose to insure separately.
- 3.3** Having the Insurance Services for Right to Buy Block Buildings cover in place for scheme members protects the Council's interests and gives assurance that appropriate cover is in place.

**3.4** The approval to procure and the overall budget for Insurance Services for Right to Buy Block Buildings Administered by the Council was approved at the Corporate Services Committee on 24 November 2021. No financial implications for the Council are expected given the recommended approach where the cost of the insurance is passed to the property owners (scheme members) on an annual basis. As the Council is responsible for the management and administration of the scheme, the Council receives a proportion of the policy premium from the Insurer to cover this cost.

**3.5** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations for Services. A Contract Strategy document was also approved on 25 November 2021.

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

**4.1** Two procurement routes were considered, an open tender and a mini competition under a framework agreement (FA), due to the time constraints the only viable option was to procure through a mini competition.

**4.2** The Contract Strategy identified the Crown Commercial Services dynamic purchasing system RM6138 for insurance service providers as the best route to market.

**4.3** A mini competition invite was issued to the 19 insurance providers utilising the DPS RM6138 with three providers expressing an interest and with one provider submitting a response by 23 December 2021. The submission was evaluated by representatives from Resources Insurance Team, Housing Asset, Arthur J Gallagher Insurance Brokers and the Corporate Procurement Unit against a set of award criteria which was based on Commercial / Quality ratio of 60% / 40%. The scores relative to the award criteria are as follows:

Insurance Services for Right to Buy Block Buildings Administered by the Council		Protector Insurance
(Quality)	Sub Section Weighting	Weighted Score (40%)
Service Delivery Methodology	12%	9.9%
Claims Handling Provision	12%	11.4%
Contract Management and Performance	6%	3.6%
Contract Transfer and Implementation Plan	6%	4.2%
Social Benefits in Procurement	2%	0%
Commitment to Fair Working Practices	1%	0.75%
Sustainability	1%	0.5%
Quality Sub Total	40%	30.35%
Commercial Sub Total	60%	60%
Total Score	100%	90.35%

- 4.4** It is recommended that the contract is awarded to Protector Insurance, of Manchester, who has provided the only tender but still economically advantageous. The contract shall be for a period of three years with the options of two one year extensions and at a value of £2,805,378 ex VAT over three years at the current annual premium offered and £4,675,630 ex VAT should the contract be extended at the current annual premium offered. The value of the contract is comparable with the previous premiums paid, with a very minimal reduction on the annual premiums secured.
- 4.5** Protector Insurances offer has included an annual premium adjustment clause applying a scale to calculate the new annual premium against the net earned loss ratio rate change. The net earned loss ratio is directly related to the claims made by scheme members in any one year The table below by example presents the calculation for year 2 renewal against the offered net earned premium which excludes the Insurance Premium Tax (12%), Crown Commercial Services Management Levy (0.45%), Insurance Services Brokerage fee (3.5%) and the Councils discount rebate for administering the scheme of 25% to give net earned year value of £593,220

Net Earned Loss Ratio Rate Change:	Net earned premium (excluding IPT and commission/ISB and Council Admin) year 1 £593,220	Reduction/Increase	New net earned premium
0%-24.99% Up to -10%	Claims in previous year £0 to £148,304 would attract a 10% reduction in premium.	£59,322 reduction	£533,898
25%-49.99% Up to -5%	Claims in previous year £148,305 to £296,550 would attract a 5% reduction in premium.	£29,661 reduction	£563,559
50%-74.99% 0%	Claims in previous year £296,610 to £444,914 would attract no change % in premium.	No change	£593,220
75%-99.99% Up to +20%	Claims in previous year £444,915 to £593,219 would attract a 20% increase in premium.	£118,644 increase	£711,864
100%-124.99% Up to +30%	Claims in previous year £593,220 to £741,524 would attract a 30% increase in premium.	£177,966 increase	£771,186

125% and above	Claims in previous year £741,525 would be negotiable but the Insured is not obliged to accept an increase in excess of 40%.	£237,288 (40%)	£830,508
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- 4.6** Protector Insurance has committed to paying all staff as a minimum the real Living Wage (£9.50 per hour) and promotes Fair Working Practices across their organisation. Protector Insurance has not committed to deliver any social benefits as a direct result of delivery of this contract, however social benefits will be discussed with Protector Insurance and any actions to take any social benefits forward will be agreed and will be monitored.

## **5. People Implications**

- 5.1** There are no people implications as a result of this report.

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

- 6.1** Financial costs in respect of this contract will be met from the approved General Revenue budget of Resources, Financial Administration and Control Insurance Section.

- 6.2** No financial implications for the Council are expected given the recommended approach where the cost of the insurance is passed to the property owners (scheme members) on an annual basis. As the Council is responsible for the management and administration of the scheme, the Council receives a proportion of the policy premium from the Insurer to cover this cost.

- 6.3** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Resources Insurance Team, Housing Asset Sold Properties, and the Council's insurance broker and the provisions of Contract Standing Orders, the Financial Regulations and relevant Public Procurement Regulations.

## **7. Risk Analysis**

- 7.1** The properties covered by the current insurance policy were required to accept such a condition as part of the sale of Council houses in terms of former 'Right to Buy' legislation in order to minimise the risk to remaining Council housing. The recommended approach maintains this risk mitigation
- 7.2** Protector Insurance has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.
- 7.3** Should the Tendering Committee decide not to proceed as recommended then this will delay the project, may have financial implications and reputational ramifications.

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

- 8.1** An equalities screening was undertaken and the results confirmed there are no equalities impact

## **9. Consultation**

- 9.1** The Resources Insurance Team, Housing Asset Sold Properties, Finance Services and Legal Services along with the Councils insurance broker have been consulted on the contents of this report.

## **10. Strategic Assessment**

- 10.1** The Insurance Services for Right to Buy Block Buildings administered by the Council will contribute to the delivery of the Council's strategic priorities:

**Name:** Angela Wilson

**Designation:** Chief Officer – Supply, Distribution and Property

**Date:** 9 February 2022

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**Person to Contact:** Alex Grace, Senior Procurement Officer, Corporate Procurement Unit  
Telephone 01389 737828  
Email: [alex.grace@west-dunbarton.gov.uk](mailto:alex.grace@west-dunbarton.gov.uk)

**Appendices:** None.

**Background Papers:** Contract Strategy  
EIA Screening

**Wards Affected:** All Council Wards.



**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 23 February 2022**

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**Subject: Contract Authorisation Report – Office and Storage Fit Out – 11 Levenside Business Court, Alexandria****1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for Office and Storage Fit Out – 11 Levenside Business Court, Alexandria.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the Contract for Office and Storage Fit Out – 11 Levenside Court, Alexandria to W H Kirkwood Ltd.
  - b) Note that the contract shall be for a period of three weeks at a value of £67,984 ex VAT. The estimated commencement date of the contract is 17 March 2022.

**3. Background**

- 3.1** The requirement is to appoint a qualified and experienced contractor to provide the fit out to 11 Levenside Business Court, Alexandria in order to form office accommodation and storage area above by means of a mezzanine area accessed via stairs.
- 3.2** The implementation of this requirement will enable the West Dunbartonshire Health and Social Care Partnership (WD HSCP) Justice Social Work Service to expand its provision of unpaid work services to further benefit both the service users and communities of West Dunbartonshire.
- 3.3** The overall budget for Office and Storage Fit Out – 11 Levenside Court, Alexandria was approved at the WD HSCP Board on 20 September 2021. The period of budget was for one year. The budget for this specific contract is Capital funded from the current Revenue budget, and was approved by the Integrated Joint Board on 20 September 2021.
- 3.4** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations. A Contract Strategy document was also approved on 17 November 2021.

#### 4. Main Issues

- 4.1** The Council identified this is a one off project which the Council does not currently have the capacity to carry out in-house. Due to the specific location of works, value, risks and time constraints to have the contract in place collaboration with other Councils was not a viable option. There are no framework agreements or dynamic purchasing systems that are suitable for this project. Therefore, the Contract Strategy recommended an Open procurement route which provides increased opportunity for small / medium-sized enterprises to tender for the project.
- 4.2** A contract notice was published on the Public Contracts Scotland advertising portal on 15 December 2021. Ten potential bidders expressed an interest, with two bidders submitting a response by the deadline on 18 January 2022.
- 4.3** The two tender submissions were evaluated by representatives from WD HSCP, Consultancy Services, Corporate Procurement Unit, Health & Safety Services and Finance Services against pre-determined selection criteria forming part of the published tender documents which assessed competence, experience, and capacity. Two tender submissions passed the selection criteria.
- 4.4** Two tender submissions were evaluated against a set of award criteria which was based on Price / Quality ratio of 60% / 40%. The scores relative to the award criteria of each tenderer are as follows:

	Weighting	Go-Wright Ltd	W H Kirkwood Ltd
<b>Quality (40%)</b>			
Cost	4%	2%	4%
Quality – Fit for Purpose Works	8%	6%	6%
Quality – Change Management	8%	4%	8%
Specification – CV, Experience / Education / Training	16%	16%	16%
Social Benefits	2%	0%	1%
Fair Working	2%	2%	2%
<b>Quality Sub-Total %:</b>	<b>40%</b>	<b>30%</b>	<b>37%</b>
<b>Price (60%)</b>			
Price	-	£75,647.44	£67,983.79
<b>Price Sub Total %</b>	<b>60%</b>	<b>57%</b>	<b>60%</b>
<b>Total Score</b>	<b>100%</b>	<b>87%</b>	<b>97%</b>



**4.5** It is recommended that the contract is awarded to W H Kirkwood Ltd, of Greenock, who has provided the most economically advantageous tender. The contract shall be for a period of three weeks at a value of £67,984 ex VAT. The value of the contract is above the value approved by the WD HSCP Board and the extra funding of £5,000 will be provided by the Integrated Joint Board reserves.

**4.6** W H Kirkwood Ltd has committed to paying all staff as a minimum the real Living Wage (£9.50 per hour) and promotes Fair Working Practices across their organisation. Further, W H Kirkwood Ltd has committed to delivery of the following social benefits as a direct result of delivery of this contract:

- Donation of money to supply goods to local food-share scheme.

The social benefits will be discussed at the implementation meeting with W H Kirkwood Ltd 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 General Revenue budget of WD HSCP.

**6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with HSCP officers and the provisions of Contract Standing Orders, the Financial Regulations and Public Procurement Regulations.

## **7. Risk Analysis**

**7.1** W H Kirkwood Ltd has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

**7.2** Should the Tendering Committee decide not to proceed as recommended then this will delay the project, may have financial implications and reputational ramifications.

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

**8.1** An equalities screening was undertaken for this reports to determine if there is an equalities impact. The results where. There is no equalities impact.

## **9. Consultation**

**9.1** Consultation has taken place with WD HSCP, Finance Services and Legal Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

**10.1** The Office and Storage Fit Out – 11 Levenside Business Court, Alexandria will contribute to the delivery of the WD HSCP strategic priorities:

- Continual transformation in the delivery of services for adults and older people as reflected within our approach to integrated care; and
- Support people to exercise choice and control in the achievement of their personal outcomes.

**Name:** Angela Wilson

**Designation:** Chief Officer – Supply, Distribution and Property

**Date:** 27 January 2022

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<b>Person to Contact:</b>	Victoria Wilson Procurement Officer <a href="mailto:Victoria.Wilson@west-dunbarton.gov.uk">Victoria.Wilson@west-dunbarton.gov.uk</a>
<b>Background Papers:</b>	Contract Strategy EIA Screening
<b>Wards Affected:</b>	Leven

**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 23 February 2022**

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**Subject: Contract Authorisation Report – Session Initiation Protocol (SIP)  
Trunking**

**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for SIP Trunking.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for SIP Trunking to Capita Business Services Ltd; and
  - b) Note that the contract shall be for a period of 36 months with an option to extend for an additional two x twelve months (maximum period of 60 months). The value of the contract over 36 months is £195,051 and over sixty months is £278,573 ex VAT. The estimated commencement date of the contract is 15 March 2022.

**3. Background**

- 3.1** Most telephony services have traditionally been delivered over the Public Switched Telephone Network (PSTN) which has been in place for decades and uses copper cabling to deliver telephony services. With the increase in use of broadband technologies, the PSTN is now reaching the end of its natural life. Telephony companies such as BT and Virgin Media are withdrawing PSTN by 2025.
- 3.2** This transition from PSTN to digital services impacts both residential and business users including local authorities affecting areas such as existing analogue phone users, lift and alarm lines, facsimile, and security and fire alarms. This contract is to address the telephony services with separate projects being undertaken by other service areas to address the other analogue services to be upgraded.

**3.3** The Council has a requirement to migrate to SIP Trunking from the legacy Integrated Services Digital Network (ISDN), which is affected by the transition. The legacy ISDN lines are used to carry the existing analogue telephony traffic from the Council's network to the PSNT and require to be replaced with SIP which uses the new digital network from providers. ISDN technology is no longer able to be ordered from 2021 and will be unable to be used from 2025 in accordance with the PSTN switch off.

**3.4** The budget for SIP Trunking was approved at the Corporate Services Committee on 19 May 2021. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations. A Contract Strategy document was approved on 8 December 2021.

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

**4.1** The Corporate Procurement Unit carried out a benchmarking exercise and a comparison was undertaken between three procurement routes: the Scottish Government's Scottish Wide Area Network Value Added Service (SWAN VAS) framework agreement (FA), Crown Commercial Services Framework Network Services 2 and the Scottish Government's Telephony Services Dynamic Purchasing System (DPS). A Market Research questionnaire was also undertaken at the earlier stages of the project and indicated no concerns with the procurement routes being explored.

**4.2** It was recommended to undertake a mini competition using the Scottish Government Telephony Services DPS to ensure best value for the Council. The DPS has more flexibility on the Award Criteria allowing the Council to adjust the weightings within the technical envelope to better suit the Council's requirements. However it was identified only after the mini competition was published that the current network provider Capita Business Services Ltd, doesn't contractually allow for third party organisations to provide SIP services on their network. Therefore the mini competition was cancelled as the Council have no choice but to use Scottish Wide Area Network (SWAN) VAS FA.

**4.3** It is recommended that the contract is awarded to Capita Business Services Ltd, of Ellismuir Way, Tannochside Park, Uddingston G71 5PW. The contract shall be for a maximum period of 60 months at a value of £278,573 ex VAT. The value of the contract is below the value approved by the Corporate Services Committee which represents a saving of up to £561,195 over 60 months. These savings are based on pre-COVID-19 spend figures and will be affected should additional services be required as the project develops, potential impacts are identified at section 4.4 below with revised potential savings figures being reflected in the financial and procurement implications at section 6.2.

- 4.4** It should be noted that the potential revenue savings are based on telephony usage which can fluctuate depending on demand during the year. The figures are based on pre COVID-19 usage and prior to any new ways of working methods. It should be further noted that the projected capital outlay is based on current systems usage and may increase if user numbers and associated licences increase. For example:
- the number of remote workers requiring telephony services increase;
  - additional Centrex users require to be migrated following any return to on premise working; or
  - the performance of the existing network circuits used to carry the SIP traffic is adversely affected and impacts on other service delivery functions.
- 4.5** Capita Business Services Ltd has committed to paying all staff as a minimum, the real Living Wage (£9.50 per hour). Capita Business Services Ltd have confirmed that they have a range of programmes that they tailor to suit the Council as a collaborative approach and welcome the opportunity to discuss delivering Social Benefits as part of this contract. They have advised some examples of the benefits, apprenticeships, work experience placements, enhancing / improving local community projects and the specific deliverables to the Council. These will be discussed at the implementation meeting.

## **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 existing Council revenue budgets and the Capital element from the Spend to Save Fund.
- 6.2** The capital budget element approved at the Corporate Services Committee on 19 May 2021 for SIP trunking was approximately £120,000. The tender response has indicated that based on current requirements the capital outlay would be £69,768, however, as per the items in section 4.4, this may increase to approximately £90,000. This may also impact on the potential revenue savings with a resulting revised saving of approximately £480,000 over 60 month period. This is still significantly above the projected savings of £76,000 per year as agreed at the corporate services committee in May. This saving is resulting from less expensive running costs than what we incur over PSTN and ISDN technology.
- 6.3** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with ICT officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant Public Procurement Regulations.

## **7. Risk Analysis**

- 7.1** Capita Business Services Ltd has no known links to serious and organised crime which would have significant political and reputational ramifications for the Council.

- 7.2** Should Capita Business Services Ltd fail to retain the SWAN contract in 2023 the Council have the ability to continue with the SIP contract should the new provider allow third party access, or cancel and move to a new provider with no cancellation charges. Any Capital Business Services Ltd investment in equipment should be able to transfer to any other provider of the new SWAN network.
- 7.3** Were a new provider of the new SWAN network require migration to their SIP solution, there may be a future cost risk to this migration.
- 8. Equalities Impact Assessment (EIA)**
- 8.1** An equalities screening was undertaken for this report. There is no equalities impact.
- 9. Strategic Assessment**
- 9.1** The SIP Trunking project will contribute to the delivery of the Council's strategic priorities by providing efficient and effective frontline services and that improve the everyday lives of residents.

**Name:** Angela Wilson

**Designation:** Chief Officer – Supply, Distribution and Property

**Date:**

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**Person to Contact:** Michelle McKenzie, Procurement Officer, Corporate  
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**Appendices:** None

**Background Papers:** The Contract Strategy  
EIA Screening

**Wards Affected:** All Wards

**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 23 February 2022**

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**Subject: Contract Authorisation Report – Managed Work for Housing Benefit and Council Tax Reduction Claims****1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for Managed Work for Housing Benefit (HB) and Council Tax Reduction (CTR) Claims.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Managed Work for Housing Benefit (HB) and Council Tax Reduction (CTR) Claims to NEC Software Solutions UK Limited.
  - b) Note that the contract shall be for a period of two years with the option to extend for an additional two years (maximum 48 months) and at a value of £115,383.24 ex VAT over two years and £230,766.48 ex VAT should the contract be extended. The estimated commencement date of the contract is 15 March 2022.

**3. Background**

- 3.1** The Council processes HB and CTR claims and change of circumstances for claimants in our area that require assistance towards their rent and/or council tax. The impact of Covid 19, welfare reform and other UK Government initiatives has resulted in an increase in demand and workload for the teams involved in processing these claims and changes of circumstances. In addition, as has previously been reported as a result of the ongoing uncertainty for staff due to the continued and long-delayed roll-out of Universal Credit (UC) by the DWP there has been an increased and ongoing turnover of staff. The performance of the Council in relation to processing time for new claims and change of circumstances is monitored extremely closely by the DWP and is subject to both internal and external audits. It is also essential to point out that timely processing of HB and CTR is critical to the Council meeting its rent and council tax collection targets.

**3.2** The purpose of the tender was to identify a suitably experienced and qualified provider to provide Off-Site Housing and Council Tax Reduction Data Processing Services. The provider will process new claims and change of circumstances claims to completion. The performance of the Council in relation to processing time for new claims and change of circumstances is monitored extremely closely by the DWP and is subject to both internal and external audits.

**3.3** The budget for Managed Work for Housing Benefit and Council Tax Reduction Claims was approved at the Corporate Services Committee on 8 September 2021. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations. A Contract Strategy document was approved on 9 December 2021.

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

**4.1** The Corporate Procurement Unit (CPU) discounted the use of Framework Agreements and Dynamic Purchasing Systems in favour of an Open Tender. It was decided that the Open Tender process would ensure Best Value for the Council and ensure fair competition giving any Small / Medium-sized Enterprises (SME) the opportunity to tender for the requirement. Unfortunately there were no bids received to the Open Tender due to the volume of other Local Authorities seeking similar services as a result of Covid-19 and providers not having the capacity to take on any new contracts at this time.

**4.2** The CPU undertook a search on G-Cloud Framework Agreement to identify any providers of off-site processing and reviewed their Service Definition Documents to identify which providers met the Council's requirements. Revenues and Benefits carried out an assessment of their specific requirements against what the providers were offering as part of the G-Cloud Framework. It was determined that NEC Software Solutions UK Limited were the sole provider that met the requirements in full.

**4.3** It is recommended that the contract is awarded to NEC Software Solutions UK Limited, of BizSpace, 1<sup>st</sup> Floor, IMex Centre, 575-599 Maxted Road, Hemel Hempstead, Hertfordshire, HP2 7DX. The contract shall be for a period of two years with the option to extend for a further two x twelve months extension and at a value of £115,383.24 ex VAT over two years and £230,766.48 ex VAT should the contract be extended. The value of the contract is below the value approved by the Corporate Services Committee.



**4.4** NEC Software Solutions UK Limited has committed to paying all staff as a minimum the real Living Wage (£9.50 per hour) and promotes Fair Working Practices across their organisation. Further, NEC Software Solutions UK Limited has committed to delivery of the following social benefit as a direct result of delivery of this contract:

- Donation of money to support a local community project

The social benefits will be discussed at the implementation meeting with NEC Software Solutions UK Limited 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 General Revenue budget of Revenues and Benefits Service.

**6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Revenues and Benefits Service officers and the provisions of Contract Standing Orders, the Financial Regulations and Public Procurement Regulations.

## **7. Risk Analysis**

**7.1** NEC Software Solutions UK Limited has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

**7.2** Should the Tendering Committee decide not to proceed as recommended then this will delay the project, may have financial implications and reputational ramifications.

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

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

## **9. Consultation**

**9.1** Revenues and Benefits Service, Finance Services and Legal Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

**12.1** The Managed Work for Housing Benefit and Council Tax Reduction (Claims will contribute to the delivery of the Council's strategic priorities:

- Efficient and effective frontline services that improve the everyday lives of residents.

**Name:** Angela Wilson

**Designation:** Chief Officer – Supply, Distribution and Property

**Date:**

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**Person to Contact:** Michelle McKenzie, Procurement Officer, Corporate  
Procurement Unit  
Telephone 01389 737484  
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**Appendices:** None

**Background Papers:** Contract Strategy  
EIA Screening

**Wards Affected:** All.