

Supplementary Agenda



Tendering Committee

Date: Wednesday, 1 December 2021

Time: 09:15

Format: Hybrid Meeting

Contact: Scott Kelly, Committee Officer
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Dear Member

I refer to the agenda for the above Meeting of the Tendering Committee which was issued on 18 November 2021 and now enclose copies of the undernoted reports relating to Items 5 and 6 which were not available for issue at that time.

Yours faithfully

JOYCE WHITE

Chief Executive

Note referred to:-

- | | | |
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| 5 | CONTRACT AUTHORISATION REPORT – PROVISION OF
24 HOUR SUPPORTED LIVING AT ST ANDREW’S WAY,
CLYDEBANK | 3 - 8 |
|----------|--|--------------|

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 Provision of 24 Hour Supported Living at St Andrew’s Way, Clydebank.

**6 CONTRACT AUTHORISATION REPORT – PASSIVHAUS/
NET ZERO PILOT NEW BUILD DEVELOPMENT**

9 - 16

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 Passivhaus/Net Zero Pilot New Build Development.

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: 26 November 2021

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Supply, Distribution and Property

Tendering Committee: 1 December 2021

Subject: Contract Authorisation Report – Provision of 24 Hour Supported Living at St Andrew's Way

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 Provision of 24 hour Supported Living at St Andrew's Way.

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 Health and Social Care Partnership (WD HSCP), the award of the contract for the Provision of 24 Hour Supported Living at St Andrew's Way to Enable Scotland;
 - b) Note the contract will be placed by West Dunbartonshire Council (the Council); and
 - c) Note that the contract shall be for a period of three years at an estimated value of £1,383,000 ex VAT with the option of a one year extension and at an estimate of £1,844,000 ex VAT over four years. Subject to any adjustments made in accordance with the real Living Wage. The estimated commencement date of the contract is 31 December 2021.

3. Background

- 3.1** WD HSCP has a legislative requirement to provide and deliver Supported Living Services for service users with varying support needs. Supported living to support people to live in their own home for as long as possible with the care and support they need being provided. The services play a vital role in supporting people to live independently to participate in their communities.
- 3.2** Four of the service users are currently receiving care in the community and one service user is currently in hospital as a delayed discharge.
- 3.3** An initial analysis has determined that current delivery of the service would be more expensive. If the WD HSCP continue to deliver the care packages in the current format, the anticipated value may increase to £1,595,490 ex VAT estimated over three years.

- 3.4** WD HSCP have a requirement to procure and contract the services of a competent, experienced and skilled care and support provider to deliver the Provision of 24 Hour Supported Living at St Andrew's Way. This housing unit will support up to a total of five service users in a modern, purpose built and designed house along with the 24 hour support living service.
- 3.5** These services can be provided using various models of support including:
- 1:1 or 2:1 care at home and /or housing support (up to and including 24/7 care packages);
 - Waking night, sleepover or on-call responder service;
 - Responsive service for potential crisis out-with a service user's established care plan agreement; and
 - Support packages for individuals with complex needs e.g. autism and behaviours that challenge
- 3.6** The benefits from putting the requirement in place will be, to provide continuity of service and care package delivery by centralising through the current service provider, Enable Scotland. Within the residential unit there will be other residents that could offer friendships, exposure to social activities to encourage and promote independence.
- 3.7** The overall revenue budget for Provision of 24 Hour Supported Living at St Andrew's Way was agreed at the West Dunbartonshire Health and Social Care Partnership Board meeting on 25 March 2021. While WD HSCP will be presenting a medium term financial plan which will cover the period of this contract, this is at a much higher level and relies on a number of assumptions and is indicative of what the future funding pressures will look like. The WD HSCP Board accept that the WD HSCP will commission services to serve the needs of its population and manage this within the totality of its budget.
- 3.8** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts (Scotland) Regulations 2015* (above the Light Touch Regime threshold) for Services. A Contract Strategy document was also approved on 8 November 2021.

4. Main Issues

- 4.1** The approach in adopting the Light Touch Regime is to ensure that WD HSCP takes into account the service users needs whilst ensuring that due diligence is followed including Care Inspectorate grade assessment; and that there is a robust contract in place with an experienced service provider.
- 4.2** The Scotland Excel (SXL) Flexible Framework Agreement (FFA) Care and Support has been identified as the best value procurement route for the

Provision of 24 Hour Supported Living at St Andrew's Way. The FFA provide a route for a direct award contract which will support a more collaborative and joint-up approach with the service provider and commitment on either side to learning and improving whilst delivering the service. A single provider should be less resourceful to manage, than multiple providers to allow the focus to be on the continuity and quality of care of the service users.

4.3 It is recommended that the contract is awarded to Enable Scotland, of Inspire House, 3 Renshaw Place, Eurocentral, ML1 4UF. The contract shall be for a period of three years at an estimated value of £1,383,000 ex VAT with the option of a one year extension and at an estimate of £1,844,000 ex VAT over four years. Subject to any adjustments made in accordance with the real Living Wage. The estimated commencement date of the contract is 31 December 2021. This award of contract will ensure spend with the service provider is compliant and the control of costs through stabilised fees and charges and the development of a local implementation plan.

4.4 Enable Scotland 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, Enable Scotland has committed to delivery of social benefits and examples will be:

- Recruitment of members of staff from within the West Dunbartonshire geographical area;
- New registered apprenticeships to residents of the West Dunbartonshire geographical area;
- Deliver quarterly workshops, covering career skills;
- Providing hours of volunteers to support a local community project;
- Donation to support a local community project;
- Deliver mentoring sessions to West Dunbartonshire residents to remove barriers to work of those most likely to reoffend;
- Supporting environmental educational projects in schools such as tree or woodland planting or educational packs; and
- Community operated transport which helps reduce CO2 emissions or carbon footprint.

The social benefits will be discussed and agreed at the project implementation meeting with Enable Scotland and actions to take these forward.

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 revenue budget of WD HSCP Mental Health, Additions and Learning Disability

- 6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with WD HSCP officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant Procurement Regulation.
- 7. Risk Analysis**
- 7.1** Enable Scotland has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the WD HSCP and 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 process was carried out by Housing as part of the housing plans for the St Andrews Way development in the Housing Asset Management Strategy 2017/2022.
- 9. Consultation**
- 9.1** WD HSCP Mental Health, Additions and Learning Disability Service Area, WD HSCP Finance Services and Legal Services have been consulted on the contents of this report.
- 10. Strategic Assessment**
- 10.1** The Provision of 24 Hour Supported Living at St Andrew's Way 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;
 - The safety and protection of the most vulnerable people within our care and within our wider communities;
 - Support people to exercise choice and control in the achievement of their personal outcomes; and
 - Manage resources effectively, making best use of our integrated capacity.

Name: Angela Wilson

Designation: Chief Officer – Supply, Distribution and Property

Date: 26 November 2021

Person to Contact:

Laura Adams – Senior Procurement Officer, Corporate Procurement Unit, Council Offices, 16 Church Street, Dumbarton. Telephone: N/A
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Appendices:	Appendix 1: Projected Annual Costs
Background Papers:	Contract Strategy EIA Screening Housing Asset Management Strategy
Wards Affected:	All

Item 5

Appendix 1

	Hours Per Day							
Service User	Current Cost	Expected Cost of Non shared Accommodation	1-1	2-1	Shared Hours	Waking Night	Shared Sleep Over	Projected Cost (Annual)
1	£203,469	Estimated in excess of current package	15	10	-	1.5	1.5	£185,618
2	£82,000	-	10	5	-	1.5	1.5	£82,000
3	£ 22,609 £13,594 Respite	£106,486	-	-	7.5	1.5	1.5	£64,500
4	£31,964 £12,420 Respite	£111,050	-	-	7.5	1.5	1.5	£64,500
5	Delayed Discharge (£48,859 per year prior to admission)	£111,050	-	-	7.5	1.5	1.5	£64,5000
Totals:			25	15	22.5	7.5	7.5	£461,118

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Supply, Distribution and Property Services

Tendering Committee: 1 December 2021

Subject: Contract Authorisation Report – Passivhaus / Net Zero Pilot New Build Development

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 Passivhaus / Net Zero Pilot New Build Development.

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 Pappert, Bonhill – Passivhaus / Net Zero Pilot New Build Development to CCG (Scotland) Ltd.
- b) Note that the contract shall be for a period of three years and at a value of £6m ex VAT. The estimated commencement date of the contract is 31 January 2022.

3. Background

- 3.1** The Council's Local Housing Strategy (LHS) set out how the Council planned to address the housing and housing related issues over a five year period FY2017/18 – FY2021/2022. A new LHS is being prepared with increased focus on energy efficiency, climate change and health and wellbeing and how new housing has an important role across all three of these areas.
- 3.2** The Pappert Bonhill development will act as a pilot delivering two different types (Passivhaus and Net Zero) of highly energy efficient homes for West Dunbartonshire tenants. The Silver Standard which has gas boilers fitted, was originally an option however it wasn't as energy efficient and the gas boilers would have to be removed at a later date to meet the Council objectives. Therefore, the Silver Standard was discounted. Delivering and focusing on two types of housing in the same location will allow the Council to compare and contrast both performance and user experience.
- 3.3** The overall budget for Pappert, Bonhill – Passivhaus / Net Zero Pilot New Build Development is for £6m factored into the investment programme inclusive of a projected minimum £2.2m of Scottish Government grant funding through the Affordable Housing Supply Programme. Therefore, it is a net capital cost to the Housing Revenue Account of £3.8m. The budget was approved at the Housing

and Communities Committee on 1st September. The period of budget was for three years and the budget is for Housing Capital.

- 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 was also approved on 25th November 2021.

4. Main Issue

- 4.1** The procurement route compared four framework agreements (FA). One FA was discounted due to potential issues with the supplier management process and another was discounted because this FA couldn't achieve Net Zero housing.
- 4.2** When comparing the Scottish Procurement Alliance (SPA) FA, it was noted that there is an additional levy associated. Based on the estimated spend, the levy of 0.2% equates to £12k. The Council would pay this sum back to the selected contractor. When compared against Scotland Excel (SXL) FA, the SXL FA didn't have any additional levy charges. During this review, SPA confirmed that they are allowing contractors to review and submit pricing above the maximum FA pricing, to due recent supply and demand issues due to the EU withdrawal. This makes it hard to carry out a detailed cost review and increases the Council's risk position if we were to utilise the SPA FA. SXL FA have agreed rates and have adopted an open book solution which will allow cost collaboration. Further, the SXL FA has a 0.5% rebate on all invoices paid which is collated quarterly by SXL. At the end of each financial year SXL deduct the management fee from the collated rebate and each funding Council (the Council is a funding Council) receives 8% of the remaining rebate.
- 4.3** Based on this, the recommendation is to utilise the SXL FA for New Build Residential Construction. Due to Scottish Government grant funding, the contract must be delivered within a specified timeframes with a site start date within the first quarter of 2022. The benefits with running a mini competition utilising the SXL FA is that it can create increased competition from contractors. However the disadvantages are that it can slow the procurement timelines. Given that, CCG Scotland Ltd scored 97.5% on the SXL FA, 9.3% higher than the second contractor at 88.5%, it is recommended a direct award to CCG (Scotland) Ltd is undertaken.
- 4.4** It is recommended that the contract is awarded to CCG (Scotland) Ltd, of Cambuslang Investment Park, Cambuslang Road, Clydesmill Industrial Estate, G32 8NB. The contract shall be for a period of three years at a value of £6m ex VAT.
- 4.5** The number of community points against the contract is 400, based on SXL Community Benefits Policy. Examples of benefits on offer are:

Community Benefit Outcomes	Description of Requirements	Community Benefit Points
Supply Chain initiatives	Provide a new small and medium size enterprise (SMEs) or voluntary sector organisations an opportunity to provide goods and/or services as part of a contract.	10 points per SME or per voluntary organisation
Use of local SMEs	Award a sub-contract for supplies, services or works to a SME local to the framework user	20 points per contract awarded
Community consultation	Give the local community an opportunity to express an opinion and possibly influence the design and delivery of the project.	10 points per consultation
Poverty initiatives	Provide active support to any initiative that are designed to support those in poverty. This should be directly related to the frameworks user's local area.	20 points per offering
Educational support	Provide educational presentations to school children local to the area of the Work Order.	10 points per presentation or visit offered
Community endowment fund/development trust	Provide a financial donation towards a local project or initiatives that the community considers to be a priority.	10 points per sum offered
Local events	Provide consultancy support to a local community project. This should be local to the area of the Work Order.	10 points per project
Local sponsorship	Provide sponsorship or donations of value £500 or above to an organisation local to the framework agreement user.	10 points per sponsorship offered

The benefits will be discussed and agreed at the project implementation meeting with CCG (Scotland) Ltd and actions to take these forward.

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 a projected minimum of £2.2m of Scottish Government grant funding through Affordable Housing Supply Programme and net capital costs to the Housing Revenue Account of £3.8 m which was approved at the Housing and Communities Committee on 1 September 2021.

6.2 This direct award is in accordance with the Contract Strategy produced by the Corporate Procurement Unit in close consultation with Housing & Employability

Service Area officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant Public Procurement Regulations.

7. Risk Analysis

- 7.1** The CCG (Scotland) 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 impact screening was undertaken as part of the strategic Housing Implementation Plan.

9. Consultation

- 9.1** Housing & Employability Service Area, Finance Services and Legal Services have been consulted on the contents of this report.

10. Strategic Assessment

- 10.1** The Pappert, Bonhill – Passivhaus / Net Zero Pilot New Build Development contract will contribute to the delivery of the Council's Strategic Priorities:
- A Strong local economy and improved employment opportunities;
 - Meaningful community engagement with active empowered and informed citizens who feel safe and engaged; and
 - Open, accountable and accessible local government.

Name: Angela Wilson

Designation: Chief Officer – Supply, Distribution and Property Services

Date: 26 November 2021

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Background Papers: Contract Strategy

EIA Screening captured in the Strategic Housing Investment Programme (SHIP) as development site part of development programme set out in SHIP.

Wards Affected: Leven