

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer – Regulatory & Regeneration****Tendering Committee: 5 June 2024**

Subject: Contract Authorisation Report – Construction of New Housing at Willox Park**1:1 Purpose**

The purpose of this report is to seek the approval of the Tendering Committee to conclude the award of the contract for Construction of New Housing at Willox Park.

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 Construction of New Housing at Willox Park to McTaggart Construction Limited.
- b) Note that the contract shall be for a period of four years however, the contract shall end on completion of the defects period, which may be before or after the four year term and at a value of £4,925,850.77 exclusive of VAT over four years. The estimated commencement date of the contract is August 2024.

3. Background**3.1** West Dunbartonshire Council require to appoint a suitable contractor for the construction of 17 properties at Willox Park Dumbarton.**3.2** The overall budget for Construction of New Housing at Willox Park was approved at the Housing and Communities Committee on 24 August 2022. The period of budget was for four years. The budget for this specific contract is Housing Revenue.**3.3** 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 22 November 2023.

4. Main Issues

- 4.1** The Contract Strategy identified that the best route to market would be a mini competition from the Scottish Procurement Alliance Framework Agreement New Build Housing Construction (H2) Workstream 1 (10-30 units) as it should increase competition due to there being 10 potential bidders who can tender for the requirement. The Scotland Excel Framework Agreement New Build Residential Construction was disregarded due to project timescales and a delay with the new generation of the framework going live.
- 4.2** The technical evaluations from the original Scottish Procurement Alliance Framework Agreement New Build Housing Construction (H2) Workstream 1 (10-30 units) were taken forward. The scores relative to the award criteria are as follows:

	Weighting	CCG (Scotland) Ltd	McTaggart Construction Limited	The JR Group
Quality (80%)				
Quality Sub-Total %:	(80%)	61.58%	66.30%	57.51%
Price (20%)				
Price Sub Total £	-	£4,669,016.27	£4,925,850.77	£4,267,955.08
Price Sub Total %	(20%)	18.282%	17.328%	20%
Total Score	100%	79.862%	83.628%	77.51%

- 4.3** It is recommended that the contract is awarded to McTaggart Construction Limited, of North Ayrshire, who has provided the most economically advantageous tender. The contract shall be for a period of four years however, the contract shall end on completion of the defects period, which may be before or after the four-year term and at a value of £4,925,850.77 exclusive of VAT over four years. The value of the contract is below the value approved by the Housing and Communities Committee.
- 4.4** McTaggart Construction Limited has committed to paying all staff as a minimum the real Living Wage (£11.44 per hour) and promotes Fair Working Practices across their organisation. Further, McTaggart Construction Limited has committed to delivery of the following social benefits as a direct result of delivery of this contract:

- Recruitment of two members of staff from within the West Dunbartonshire geographical area.
- Deliver two quarterly workshops, covering career skills, mock interviews etc., within a school or community learning environment.
- Facilitate five quarterly work experience opportunities covering a range of work based skills.
- Donation of labour to support a local community project.
- Support Climate Hero's initiative in partnership with Developing the Young Workforce- West Region and Education.
- Any other measurable and committed support for local small and medium sized enterprises as part of this contract.
- Attend employment fair to encourage local employment with West Dunbartonshire.
- Deliver certified training to a Working4U client cohort.

The social benefits will be discussed at the implementation meeting with McTaggart Construction Limited and actions to take this 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 Housing Capital budget of Housing and Employability.
- 6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Housing and Employability officers and the provisions of Contract Standing Orders, the Financial Regulations and Public Procurement Regulations.

7. Risk Analysis

- 7.1** McTaggart Construction 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 project to determine if there is an equalities impact and a full EIA was carried out.

9. Consultation

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

10. Strategic Assessment

The Construction of New Housing at Willox Park will contribute to the delivery of the Council's strategic priorities:

- Our communities are resilient and thriving.
- Our environment promotes a greener future.
- Our economy is strong and flourishing.

Name: Alan Douglas

Designation: Chief Officer – Regulatory & Regeneration

Date:

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Background Papers: Contract Strategy

Appendices: EIA Assessment

Wards Affected: Ward 3