

# North Lanarkshire Council Report

## Council

Does this report require to be approved? ☐ Yes ☒ No

Ref JMcK/GP

Date 02/05/24

## The Enterprise Strategic Vehicle – Housing and Corporate Maintenance and Improvement Services Contract – Project Timeline

**From** James McKinstry Chief Officer (Assets and Procurement)

**E-mail** [mckinstryj@northlan.gov.uk](mailto:mckinstryj@northlan.gov.uk) **Telephone** 07939281102

### Executive Summary

The purpose of this report is to provide the Council with a high level summary of key project activity, including a synopsis of the previous reports provided to elected members and audit reports as they relate to the Housing and Corporate Maintenance and Improvement Contract element of the Enterprise Project.

### Recommendations

It is recommended that the Council note the content of the report.

### The Plan for North Lanarkshire

Priority All priorities

Ambition statement (24) Review and design services around people, communities, and shared resources

## 1. Background

Members will recall a series of reports to the Policy and Strategy Committee and the Council regarding the Enterprise Strategic Vehicle, updating on the progress and development of the Enterprise Project and in its previous form, the Enterprise Strategic Commercial Partnership.

At the meeting of the Council on 28 March 2024, it was decided that a report be provide to the next meeting of the Council providing a synopsis of these reports, the project timeline and a summary of key activity as they relate to the Housing and Corporate Maintenance and Improvement Contract element of the Enterprise Project.

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## 2. Report

- 2.1 Initial planning and development of the Enterprise Strategic Vehicle concept commenced in late 2018. Since 2018, elected members have received a number of reports in relation to the Enterprise Project and in its previous form, the Enterprise Strategic Commercial Partnership. These reports included related project planning and development activity, sought approval for key project decisions, notified the outcomes of the various stages of the procurement exercise and provided general progress updates.
- 2.2 Internal audit has reported on the Enterprise Project, or its previous incarnation, on four separate occasions, the latest report being February 2024.
- 2.3 A synopsis of the previous reports provided to elected members, along with a summary of key activity and audit reports as they relate to the Housing and Corporate Maintenance and Improvement Contract element of the Enterprise Project is provided in Table 1.

Table 1

Ref	Date	Activity
1.	Dec 2018 – Feb 2019	Initial planning/development of Enterprise Strategic Vehicle concept.
2.	28 Feb 2019	<u>Report to the Policy and Strategy Committee</u> <ul style="list-style-type: none"><li>• initial planning undertaken to support the development of an Enterprise Contract;</li><li>• initial stages of the procurement of an Enterprise Contract for North Lanarkshire, including the consideration of potential delivery vehicle options;</li><li>• procurement of appropriate specialist advice to support the procurement exercise; and</li><li>• a Prior Information Notice to be published to notify the market of the Council's intention to procure a new delivery vehicle for a range of interconnected property, community asset and infrastructure investments.</li></ul>
3.	26 Sept 2019	<u>Report to the Policy and Strategy Committee</u> <ul style="list-style-type: none"><li>• scope agreed for the Enterprise Strategic Commercial Partnership for the purposes of developing the final Outline Business Case;</li><li>• final Outline Business Case, including the final recommended approach for the main procurement, will be provided a future meeting of the Committee for consideration; and</li><li>• existing contracts be kept under review, with the option of implementing extensions until the Enterprise Partnership fully in place.</li></ul>
4.	Nov 2019	Pre Procurement - Prior Information Notice published - Enterprise Strategic Commercial Partnership.
5.	Dec 2019 – Jan 2020	Pre Procurement - Market Engagement, test proposed Enterprise Strategic Commercial Partnership model and approach with the market.

6.	Mar 2020	<u>Internal Audit Report</u> <ul style="list-style-type: none"> <li>Internal Audit report – “adequacy and effectiveness of the council’s governance arrangements in respect of the Enterprise Strategic Commercial Partnership” <ul style="list-style-type: none"> <li>the audit provided a “reasonable assurance” opinion;</li> <li>Audit recommendations arising – clarity on future governance arrangements; and</li> <li>The audit recommendations accepted by management.</li> </ul> </li> </ul>
7.	19 Mar 2020	<u>Report to the Policy and Strategy Committee,</u> <ul style="list-style-type: none"> <li>outcomes of the Outline Business Case for the Enterprise Strategic Commercial Partnership project;</li> <li>project scope;</li> <li>preferred model - full Strategic Single Joint Venture Partnership for no less than a 20 year concession period;</li> <li>definitive Preferred Model and partnership concession duration would be developed and finalised through the procurement process;</li> <li>the procurement procedure, likely to involve competitive dialogue;</li> <li>commercial and procurement aspects of the project could only be dealt with as high level principles at the Outline Business Case stage and would be developed as part of the procurement stage, with finalisation of some areas at preferred bidder stage; and</li> <li>high level indicative timeline for procurement and transition arrangements of the new partnership.</li> </ul>
8.	Mar 2021	<u>Internal Audit Report</u> <ul style="list-style-type: none"> <li>Internal Audit report – “adequacy and effectiveness of the council’s governance arrangements in respect of the Enterprise Strategic Commercial Partnership” <ul style="list-style-type: none"> <li>the audit provided a “reasonable assurance” opinion;</li> <li>audit recommendations arising – a more formal approach to the management of project risk registers; and</li> <li>the audit recommendations accepted by management.</li> </ul> </li> </ul>
9.	Apr 2021	Procurement - Contract Notice Published – Enterprise Strategic Commercial Partnership – formal launch of the procurement.
10.	Jun 2021	Procurement - Selection Stage submission deadline – despite positive market engagement - insufficient market response to the Enterprise Strategic Commercial Partnership opportunity.
11.	Jun 2021	Market Engagement – feedback sought from the market as to why non-participation in the Enterprise Strategic Commercial Partnership opportunity.
12.	Jul 2021 – Sep 2021	Development of the revised delivery model.
13.	Sep 2021	Project Board approve the principles of the revised delivery model.
14.	Oct 2021 – Mar 2022	Pre Procurement - Market Engagement, test revised delivery model and proposed approach with the market.

15.	2 Dec 2021	<u>Report to the Policy and Strategy Committee,</u> <ul style="list-style-type: none"> <li>despite positive market engagement - insufficient market response to the Enterprise Strategic Commercial Partnership opportunity;</li> <li>discontinuation of the Enterprise Strategic Commercial Partnership procurement, project renamed as the Enterprise Project;</li> <li>revised delivery model incorporating a hybrid approach, small number of strategic 'best in class' service providers;</li> <li>not a Joint Venture;</li> <li>shorter contract period than the 20 years previously envisaged;</li> <li>separate contracts for Housing and Corporate, Roads and Infrastructure and Place shaping (the phase 1 procurements);</li> <li>the commencement of the Phase 1 procurements;</li> <li>development of intelligent client function;</li> <li>market indicates appetite for council's proposals; and</li> <li>limited market.</li> </ul>
16.	May 2022	<u>Internal Audit Report</u> <ul style="list-style-type: none"> <li>Internal Audit report – "adequacy and effectiveness of the council's governance arrangements in respect of the Enterprise Project"; <ul style="list-style-type: none"> <li>the audit provided a "reasonable assurance" opinion;</li> <li>audit recommendations arising – formal contingency plans be developed; and</li> <li>the audit recommendations accepted by management.</li> </ul> </li> </ul>
17.	Jun 2022	Project Board approve updated Outline Business Case – Enterprise Project.
18.	Jun 2022	Procurement - Contract Notice Published – Housing and Corporate Contract - formal launch of the procurement
19.	Aug 2022	Procurement - Selection Stage submission deadline – despite positive market engagement, single selection stage response received.
20.	Sep 2022	Procurement - Selection Stage submission assessment complete – bidder satisfies the selection criteria
21.	Sep 2022	Project Board: <ul style="list-style-type: none"> <li>the procurement should progress with one bidder, with appropriate risk mitigation, to the stage in the procurement process where the initial tender submission has been received and reviewed; and</li> <li>in parallel, given the significant change in financial and economic circumstances since service delivery options were originally appraised, the council should re-validate the other available service delivery options.</li> </ul>
22.	1 Dec 2022	<u>Report to the Policy and Strategy Committee - Press and Public Excluded</u> <ul style="list-style-type: none"> <li>update on status of the procurement;</li> <li>despite positive market engagement – only one request received to participate in the procurement;</li> </ul>

		<ul style="list-style-type: none"> <li>the procurement should progress with one bidder, with appropriate risk mitigation, to the stage in the procurement process where the initial tender submission has been received and reviewed;</li> <li>in parallel, given the significant change in financial and economic circumstances since service delivery options were originally appraised, the council should re-validate the other available service delivery options; and</li> <li>that a further report be provided to the Committee in May 2023 reporting on the progress of the procurement and the outcome of the options revalidation exercise for the Housing and Corporate Contract and the progress of the Roads Contract.</li> </ul>
23.	Dec 2022 – Feb 2023	Options Revalidation Exercise – procurement of an external independent organisation to undertake the exercise.
24.	Feb 2023	Grant Thornton appointed to undertake Options Revalidation Exercise.
25.	Mar 2023	Procurement - Invitation to submit an Initial Tender issued to the sole Bidder.
26.	May 2023	Procurement - Initial Tender submission received from the sole Bidder.
27.	Aug 2023	Procurement - Evaluation of Initial Tender submission complete.
28.	17 Aug 2023	<u>Report to Council - Press and Public Excluded</u> <ul style="list-style-type: none"> <li>the outcome of the Options Revalidation Exercise, along with consideration of risks, confirms that continuing with the current procurement exercise would best meet the council's objectives;</li> <li>outcome of the assessment of the Initial Tender submission and related implications;</li> <li>that the current procurement will proceed to a conclusion;</li> <li>that improvements to the initial tender submission could be reasonably expected as the procurement progressed to award stage;</li> <li>that subject to the bidder meeting the councils' requirements in full, a contract award recommendation be provided to a future meeting of the Council;</li> <li>that, before the end of the initial term of the proposed contract, consideration will be given to the development of an outline business case which will investigate the feasibility of alternate service delivery models, including the feasibility of an ALEO, which would inform decision-making about any extension to the proposed contract; and</li> <li>agreement to extend the contract beyond its January 2024 expiry date.</li> </ul>
29.	Sep – Oct 2023	Procurement - Negotiation stage.
30.	Oct 2023	Procurement - Invitation to submit a Final Tender issued to the sole Bidder.
31.	Nov 2023	Procurement - Final Tender submission received from the sole Bidder.
32.	7 Dec 2023	<u>Report to the Policy and Strategy Committee</u>

		<ul style="list-style-type: none"> <li>Positive progress with the procurement and timeline to completion.</li> </ul>
33.	Jan 2024	Contract expiry date – contract subsequently extended to 30 June 2024.
34.	Feb 2024	<u>Internal Audit Report</u> <ul style="list-style-type: none"> <li>Internal Audit report – “project managed in accordance with corporate expectations and good practice/ risk mitigation and evidencing best value in the single bidder scenario”; <ul style="list-style-type: none"> <li>audit outcome - satisfied that the project has been managed in line with corporate expectations and that the management assessment of best value was undertaken in line with the intended approach;</li> <li>audit recommendations arising – strengthen contract management activity in relation to the proposed contract;</li> <li>audit recommendations accepted by management.</li> </ul> </li> </ul>
35.	Mar 2024	Procurement - Evaluation of Final Tender submission complete
36.	28 Mar 2024	<u>Report to the Council</u> <ul style="list-style-type: none"> <li>Internal Audit report – “project managed in accordance with corporate expectations and good practice/ risk mitigation and evidencing best value in the single bidder scenario”; <ul style="list-style-type: none"> <li>audit outcome - satisfied that the project has been managed in line with corporate expectations and that the management assessment of best value was undertaken in line with the intended approach;</li> <li>audit recommendations arising – strengthen contract management activity in relation to the proposed contract;</li> <li>audit recommendations accepted by management.</li> </ul> </li> <li>Contract Award Recommendation Report (report subsequently withdrawn)</li> </ul>
37.	2 May 2024	<u>Report to the Council</u>  At time of writing, agenda not yet published.
38.	30 Jun 2024	Contract extension expires.
39.	1 Jul 2024	Commencement of proposed contract.

- 2.4 For convenience the minutes of the meetings of the Policy and Strategy Committee and the Council referenced in Table 1 are provided as Appendices 1 – 8.
- 2.5 Members are also aware that a Project Board comprising a number of Chief Officers and external advisors is in place providing an essential project governance role.
- 2.6 The Project Board meets regularly to oversee all aspects of the Enterprise Project, the Project Board has met on 66 occasions since the projects inception in 2018.

2.7 The report is intended to provide members with a helpful aide memoire of key project activity, governance and audit reports over the life of the project.

### **3. Measures of success**

3.1 The measures of success remain as previously reported to the Committee on 19 March 2020, the Enterprise Project will help the council to:

- shape North Lanarkshire;
- enhance our economy;
- regenerate our communities;
- provide cohesive maintenance and repairs;
- focus on whole-life investment;
- achieve more efficient and effective delivery;
- move towards more sustainable and carbon neutral communities; and
- provide access to additional resources.

3.2 The delivery model will continue to support twenty of the twenty five ambition statements, being a key driver for nine of these ambition statements (2, 3, 5, 6, 17, 21, 22, 24, 25) and contributing to eleven other ambition statements (1, 4, 10, 11, 12, 14, 15, 16, 18, 19, 23) and will be a catalyst for the successful delivery of the Plan for North Lanarkshire and its key priorities.

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### **4. Supporting documentation**

Appendix 1 - Report to the Policy and Strategy Committee, 28 Feb 2019

Appendix 2 - Report to the Policy and Strategy Committee, 26 Sept 2019

Appendix 3 - Report to the Policy and Strategy Committee, 19 March 2020

Appendix 4 - Report to the Policy and Strategy Committee, 2 December 2021

Appendix 5 - Report to the Policy and Strategy Committee, 1 December 2022

Appendix 6 - Report to the Council, 17 August 2023

Appendix 7 - Report to the Policy and Strategy Committee, 7 December 2023

Appendix 8 - Report to the Council, 28 March 2024



**James McKinstry**  
**Chief Officer – Assets and Procurement**

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## 5. Impacts

### 5.1 Public Sector Equality Duty and Fairer Scotland Duty

Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

The Enterprise Project aims to create, through the council's strategic contractual relationships with service providers, social value at scale for local communities. This will help the council to meet the requirements of the Fairer Scotland Duty to reduce socio disadvantage.

Socio economic impact is at the heart of the Enterprise Project and related contracts. The Enterprise Project will deliver a range of socio-economic benefits for the local community at a scale that cannot be achieved from current procurement and contract management practices. Targeted social value benefits will include;

- Employment Education & Skills - generate employment and training opportunities for school leavers, apprentices and unemployed people;
- Supply Chain Development & Opportunities - use small and medium sized enterprises (preferably local). Social enterprise or a supported business in supply chain;
- Community Engagement & Capacity Building – to benefit local communities;
- Environment - implement carbon reduction and sustainability initiatives; and
- Innovation - introduce innovation in delivery of services (e.g., digital tools, automation, working practices).

A single co-ordinated framework for delivering, measuring, and reporting socio economic impact across all Enterprise Project related contracts will be developed and implemented, this framework will be scalable for use across the wider organisation.

The council incorporates the statutory guidance on addressing 'Fair Work Practices' including payment of the Living Wage in all significant procurements.

If Yes, has an assessment been carried out and published on the council's website? <https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments>

Yes ☒ No ☐

### 5.2 Financial impact

Does the report contain any financial impacts?

Yes ☒ No ☐

If Yes, have all relevant financial impacts been discussed and agreed with Finance?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

Finance has been engaged with the Enterprise Project since its inception and is represented on the Project Board and the supporting professional advisors group.



The financial implications are set out in the Enterprise Strategic vehicle – Housing and Corporate Maintenance and Improvement Services Contract – Contract Award report elsewhere on this agenda.

Contract expenditure will be managed from current General Fund and Housing Revenue Account budgets for repairs, maintenance and, where relevant, capital expenditure. Future costs will be incorporated into medium term financial planning processes considering contract inflation and thereafter considered as part of the Council's normal budget setting processes.

Given the potential scale, complexity and importance of this project in helping to realise the ambitions for North Lanarkshire, the Policy and Strategy Committee meeting in February 2019 agreed that to supplement inhouse capacity and capability, the procurement of appropriate specialist advice to support the procurement exercise be authorised.

External advisors' fees, for all aspects of Enterprise Project (including the linked predecessor project, the Enterprise Strategic Commercial Partnership) total £4.284m (as of April 2024). The external advisors' fees equate to 0.20% of the combined total upper estimated contract value of the two phase one Enterprise Project procurements. Professional advisors' fees typically equate to around 10% of the total cost of a project.

Advisors' fees paid remain within estimates, fees have been incurred in accordance with internal procedures including committee approval/noting of contract awards.

External advisors are managed by the Project Team, with regular reports provided to the Project Board.

### **5.3 HR policy impact**

Does the report contain any HR policy or procedure impacts?

Yes ☒ No ☐

If Yes, have all relevant HR impacts been discussed and agreed with People Resources?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

People Resources has been engaged with the Enterprise Project since its inception to ensure any and all HR considerations are addressed.

HR is represented on the Project Board and the supporting professional advisors' group.

### **5.4 Legal impact**

Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?

Yes ☒ No ☐

If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

The Legal and Democratic service has been fully involved with the Enterprise Project since its inception and has sought advice from external legal advisors to ensure the council manages legal risks effectively.

Legal and Democratic is represented on the Project Board and the supporting professional advisors' group.

Legal advice has been and will continue to be sought to ensure compliance with applicable legislation and to ensure the council manages legal risks effectively.

**5.5 Data protection impact**

Does the report / project / practice contain or involve the processing of personal data?

Yes ☒ No ☐

If Yes, is the processing of this personal data likely to result in a high risk to the data subject?

Yes ☐ No ☒

If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to [dataprotection@northlan.gov.uk](mailto:dataprotection@northlan.gov.uk)

Yes ☐ No ☒

**5.6 Technology / Digital impact**

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

The project includes securing efficiencies through further digitising aspects of information exchange and ways of working.

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes ☒ No ☐

**5.7 Environmental / Carbon impact**

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

The Enterprise Project aims to develop an innovative new approach to delivery for a full range of interconnected property, community asset and infrastructure investments. As such, will help the council to create more attractive town centres, address areas of poor quality in the built environment, and encourage town centre living through greening and improved community assets. Added to this, the reshaping of North Lanarkshire's town centres will aim to incorporate more energy efficient housing and infrastructure and promote active travel and the use of public transport via the development of transport hubs / interchanges, to support future council targets for net zero emissions.

**5.8 Communications impact**

Does the report contain any information that has an impact on the council's communications activities?

Yes ☒ No ☐

If Yes, please provide a brief summary of the impact?

Regular updates relating to the Enterprise Project have been provided in line with the agreed project communication plan, this will continue as the project progresses, through contract award, contract mobilisation and ongoing contract management phases.

**5.9 Risk impact**

Is there a risk impact?

Yes ☒ No ☐

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Associated risks for the Enterprise Project are identified and managed in accordance with the agreed corporate project risk management methodology and monitored and reported via the Project Team and/or Project Board with risk escalation as required.

**5.10 Armed Forces Covenant Duty**

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes ☐ No ☒

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

The Bidders have made a commitment to diversifying its workforce through initiatives such as "Tradeswomen into Maintenance", and the "Armed Forces Covenant";

**5.11 Children's rights and wellbeing impact**

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☒

## **Appendix 1 - Report to the Policy and Strategy Committee, 28 Feb 2019**

### **PRESENT**

Councillor Logue, Convener; Councillor Kelly, Vice-Convener; Councillor Roarty, Vice-Convener; Councillors Beveridge, Burrows, Carragher, Duffy, Fotheringham, Gallacher, Graham, Hume, T. Johnston, Larson, Linden, McNally, McPake, H. McVey, Morgan, Alan Valentine and Watson.

### **ALSO PRESENT**

In accordance with Standing Order 64(A), Councillors Barclay, Kerr, Magowan and McCulloch attended as substitutes for Councillors Stocks, Goldie, Stubbs and Castles respectively.

### **CHAIR**

Councillor Logue (Convener) presided.

### **IN ATTENDANCE**

The Chief Executive; Executive Director (Enterprise and Communities); Interim Chief Accountable Officer: Head of Legal and Democratic Solutions; Head of Financial Solutions; Head of Asset and Procurement Solutions; Head of Business Solutions; Head of Communication and Strategy; Head of Communities; Head of Education (Central); Head of Business (Housing Property and Projects); Head of Regulatory Services and Waste Solutions; Business Solutions Manager; Audit and Risk Manager; Business Finance Manager; Legal Manager: Property Manager (Assets and Estates), and Democratic Services Manager.

### **APOLOGIES**

Councillors Burgess, Castles, Goldie, Stocks and Stubbs.

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There was submitted a joint report by the Head of Asset and Procurement Solutions and the Head of Business (Housing Property and Projects)

- (1) intimating that through WE Aspire, the Council had articulated an ambitious vision for change which would revitalise communities and accelerate the growth in economic output for the whole of North Lanarkshire;
- (2) advising that to support this ambitious vision the Council would invest in excess of £2 billion in improved infrastructure, facilities and services over the next ten years;
- (3) stating that it was important that the necessary delivery mechanisms be put in place to ensure that the Council could move at pace and meet the demands of its communities;
- (4) proposing that a strategic partnership be established which could provide the capacity to assist with the delivery of the Council's ambitions over the next ten years, from initial feasibility, through design to delivery and construction, and then to lifecycle maintenance and management;
- (5) seeking authorisation to scope and explore options for an innovative new approach to delivery for a full range of interconnected property, community asset and infrastructure investments to ensure that the Council delivers on its shared ambition

for inclusive growth and prosperity for the people and communities of North Lanarkshire;

- (6) indicating that this would potentially include the repair of and investment in current and new build housing, and Council assets, as well as delivery of new community assets, infrastructure and town centre regeneration programmes;
- (7) informing that, given the potential scale and importance of this project in realising the ambitions for North Lanarkshire, there was a need to procure specialist advice and support;
- (8) recommending that a Prior Information Notice be published in the Official Journal of the European Union to notify the market of the Council's intention to procure a new delivery vehicle for a full range of interconnected property, community asset and infrastructure investments, and
- (9) advising the Committee that reports would be submitted to future meetings of the Committee as the procurement progressed.

**Decided:**

- (1) that it be noted that initial planning had been undertaken to support the development of an Enterprise Contract;
- (2) that the initial stages of the procurement of an Enterprise Contract for North Lanarkshire, including the consideration of potential delivery vehicle options, be approved;
- (3) that the procurement of appropriate specialist advice to support the procurement exercise be authorised;
- (4) that a Prior Information Notice be published in the Official Journal of the European Union to notify the market of the Council's intention to procure a new delivery vehicle for a range of interconnected property, community asset and infrastructure investments, and
- (5) that it be noted that reports would be submitted to future meetings of the Committee as the procurement progresses

Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)

## **Appendix 2 - Report to the Policy and Strategy Committee, 26 Sept 2019**

### **PRESENT**

Councillor Logue, Convener; Councillor Kelly, Vice-Convener; Councillor Roarty, Vice-Convener; Councillors Barclay, Burgess, Burrows, Castles, Di Mascio, Duffy, Fotheringham, Gallacher, Graham, Hume, T. Johnston, Linden, McNally, McPake, H. McVey, Morgan and Watson.

### **ALSO PRESENT**

In accordance with Standing Order 64(A), Councillor Kerr attended as a substitute for Councillor Alan Valentine.

### **CHAIR**

Councillor Logue (Convener) presided.

### **IN ATTENDANCE**

The Chief Executive; Executive Director (Education and Families); Chief Accountable Officer; Head of Legal and Democratic Solutions; Head of Financial Solutions; Head of Business Solutions; Head of Asset and Procurement Solutions; Head of Communities; Head of Children, Families and Justice Social Work Services; Head of People and Organisational Development; Head of Strategic Communication; Audit and Risk Manager; Commercial Contract Manager; Democratic Services Manager, and Senior Manager, NHS Lanarkshire.

### **APOLOGIES**

Councillors D. Ashraf, Goldie, Magowan and Alan Valentine

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With reference to paragraph 4 of the Minute of the Special meeting of this Committee held on 28 February 2019, there was submitted a report by the Head of Asset and Procurement Solutions

- (1) providing an update on the development stage activities to explore the scope for a new delivery approach through a strategic commercial partnership for the Enterprise Project, and
- (2) seeking approval on the principles of the scope identified to permit continuation to the final Outline Business Case stage.

### **Decided:**

- (1) that the principles of the service's activities, as detailed in Appendix 1 to the report, be taken forward as the scope for the Enterprise Strategic Commercial Partnership for the purposes of developing the final Outline Business Case;
- (2) that it be noted that all activity necessary to progress the project to final Outline Business Case would be based on the scope, as detailed in Appendix 1 to the report;
- (3) that it be noted that the final Outline Business Case, which would include the final recommended approach for the main procurement, would be submitted to a future meeting of the Committee for consideration, and (4) that it be noted that all existing

contracts would be kept under review, with the option of implementing extensions until the Enterprise Partnership was fully in place.

Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)

### **Appendix 3 - Report to the Policy and Strategy Committee, 19 March 2020**

#### **PRESENT**

Councillor Logue, Convener; Councillor Kelly, Vice-Convener; Councillor Roarty, Vice-Convener; Councillors Barclay, Beveridge, Burrows, Castles, Di Mascio, Duffy, Gallacher, Goldie, T. Johnston, Lennon, Magowan, McNally, McPake, Morgan, Alan Valentine and Watson

#### **ALSO PRESENT**

In accordance with Standing Order 64(A), Councillors Jones, Kerr, Larson, and McCulloch attended as substitutes for Councillors Brannan-McVey, D Ashraf, Linden, and Graham respectively.

#### **CHAIR**

Councillor Logue (Convener) presided.

#### **IN ATTENDANCE**

The Chief Executive; Executive Director (Education and Families); Executive Director (Enterprise and Communities); Chief Accountable Officer, Health and Social Care; Head of Legal and Democratic Solutions; Head of Financial Solutions; Head of Asset and Procurement Solutions; Head of Business Solutions; Head of Communication and Strategy; Head of Communities; Head of Education (North); Head of Environmental Assets; Head of People and Organisational Development; Head of Planning and Regeneration; Assurance and Development Manager; Audit and Risk Manager; Business Solutions Manager; Enterprise Manager; Group Manager (Assets Management), and Democratic Services Manager

#### **APOLOGIES**

Councillors D Ashraf, Brannan-McVey, Graham, Hume, Linden and Wilson.

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With reference to paragraph 15 of the Minute of the Special meeting of this Committee held on 28 February 2019, when it had

- (1) approved the initial stages of the procurement of an Enterprise Contract for North Lanarkshire, including the consideration of potential delivery vehicle options;
- (2) authorised
  - (a) the procurement of appropriate specialist advice to support the procurement exercise, and
  - (b) the publication of a Prior Information Notice in the Official Journal of the European Union to notify the market of the Council's intention to procure a new delivery vehicle for a range of interconnected property, community asset and infrastructure investments, and
- (3) noted the financial and human resources implications, there was submitted a report by the Head of Asset and Procurement Solutions
  - (a) providing details therein of the high level outcomes from the Outline Business Case (OBC) for the Enterprise Strategic Commercial Partnership, and



(b) seeking approval to proceed to the next phase of the project, that being the Procurement of the Preferred Model.

**Decided:**

- (1) that the completion and the outcomes of the OBC for the Enterprise Strategic Commercial Partnership project be noted;
- (2) that the development of the scope outcome recommendations, as outlined in Appendix 1 to the report, be noted;
- (3) that it be noted that the OBC Preferred Model, based upon the scope outcome, was for a Full Strategic Single Joint Venture Partnership for no less than a 20 year concession period, but that the definitive Preferred Model and partnership concession duration would be developed and finalised through the procurement process;
- (4) that it be noted
  - (a) that, to meet the ambitions of the Enterprise project to best benefit North Lanarkshire, the innovative parts of the solution would be shaped from industry dialogue as part of the procurement, and
  - (b) that, consequently, the procurement procedure, subject to undertaking the Sourcing Methodology, would be likely to involve competitive dialogue;
- (5) that it be noted that the commercial and procurement aspects of the project could only be dealt with as high level principles at the OBC stage and would be developed as part of the procurement stage, with finalisation of some areas at preferred bidder stage;
- (6) that it be noted that although a high level indicative timeline for procurement and transition arrangements of the new partnership had been provided, the project programme would be developed after OBC approval to align to the approved project and the selected procurement procedure, which would be likely to be a lengthy and complex process;
- (7) that it be noted
  - (a) that there was a plan in place for the level of funding available to correspond to the service delivery areas in scope for the Enterprise Strategic Commercial Partnership, and
  - (b) that estimates would be subject to annual review, and that a key objective of the partnership was to manage expenditure within available resources to ensure that the partnership was both flexible and scalable to the availability of finance, and
- (8) that progression of the Enterprise project to the procurement stage, based upon the principles outlined in the text at (3), (4), (5) and (7) above, be approved

Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)

## **Appendix 4 - Report to the Policy and Strategy Committee, 2 December 2021**

### **PRESENT**

Councillor Logue, Convener; Councillor Paul Kelly, Vice-Convener; Councillors Barclay, Beveridge, BrannanMcVey, Burrows, Douglas, Duffy, Fannan, Fisher, Fotheringham, Gallacher, Graham, Hume, Kerr, Linden, McNally, McPake, Alan Valentine and Watson.

### **ALSO PRESENT**

In accordance with Standing Order 64(A) Councillors McCulloch and T. Johnston substituted for Councillors Roarty and C. Johnston respectively.

### **CHAIR**

Councillor Logue (Convener) presided.

### **IN ATTENDANCE**

The Chief Executive, Executive Director (Enterprise and Communities), Executive Director (Education and Families), Chief Officer, Health and Social Care, Head of Financial Solutions, Head of People and Organisational Development, Head of Legal and Democratic Solutions, Head of Business Solutions, Head of Asset and Procurement Solutions, Head of Education (Central), Head of Strategic Communications, Head of Children, Families and Justice Services/Chief Social Work Officer, Head of Environmental Assets, Head of Communities, Head of Regulatory Services and Waste Solutions, Audit and Risk Manager, Employee Service Centre Manager, and Democratic Services Manager.

### **APOLOGIES**

Councillor Roarty, Vice-Convener; Councillors D. Ashraf, Goldie, C. Johnston and Morgan.

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#### **Item 5**

There was submitted a report by the Head of Asset and Procurement Solutions providing an update on the Enterprise Strategic Commercial Partnership (ESCP) highlighting both progress to date and future planned development

- (1) reminding the Committee that implementation of activities within the scope of the previous ESCP model was seen as essential to the delivery of a full range of interconnected property, community asset and infrastructure investments to ensure that the Council delivers on its shared ambition for inclusive growth and prosperity for the people and communities in North Lanarkshire;
- (2) recalling that, at its meeting in February 2019, the Committee had agreed to commence a project to procure a partnership with a private sector provider that would deliver the full spectrum of place shaping and asset related maintenance and investment services and works;
- (3) reporting that, despite positive pre-procurement market engagement, the advertised contract opportunity failed to attract sufficient market interest to allow the project as envisaged to proceed and, subsequently, procurement was discontinued;
- (4) intimating that the Council remains committed to securing the benefits anticipated from the delivery of the project and that a revised delivery model has been developed which will deliver similar outcomes over broadly comparable timescales to the original

concept that will now be delivered in progressive phases and consist of several prioritised component parts;

- (5) advising that the revised delivery model does not, in the first phase of the project, contemplate a formal partnering relationship with a single provider, as had been previously envisaged, but will now create focused strategic relationships with a small number of “best in class” service providers from the private sector;
- (6) indicating that to, better reflect the nature of the future relationship between the Council and the appointed service providers, the project has been renamed as the Enterprise Project, and
- (7) highlighting that, whilst the revised delivery model is anticipated to be more commercially acceptable to the market, should the Phase 1 contract opportunities fail to attract a sufficient level of interest, the Council may have to revisit the delivery model.

**Decided:**

- (1) that the discontinuation of the ESCP Project procurement procedure and the renaming of the project as the Enterprise Project be noted;
- (2) that the status of the Enterprise Project be noted;
- (3) that it be agreed that the Enterprise Project continues to be progressed as detailed in paragraph 2.2 of the report;
- (4) that the commencement of the Phase 1 procurement, as detailed in paragraph 2.2.9 of the report, be approved, and
- (5) that it be noted that any material changes to the revised delivery model, or the procurement process, will be reported to the Committee.

Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)

## **Appendix 5 - Report to the Policy and Strategy Committee, 1 December 2022**

### **PRESENT**

Councillor Logue, Convener; Councillor Kelly, Vice-Convener; Councillor Roarty, Vice-Convener; Councillors Beveridge, Boyd, Brennan, Campbell, Carragher, Di Mascio, Fotheringham, Hume, Jarvie, Jones, Larson, Leckie, Loughran, Masterton, McBride, Nolan, Robinson, Stevenson, A. Stubbs, Sullivan and Watson.

### **ALSO PRESENT**

In accordance with Standing Order 64(A) Councillor M. McCulloch attended as a substitute for Councillor Duffy.

### **CHAIR**

Councillor Logue (Convener) presided.

### **IN ATTENDANCE**

The Chief Executive; Deputy Chief Executive; Head of Financial Solutions; Head of Legal and Democratic Solutions; Head of Business and Digital; Head of Asset and Procurement Solutions; Head of Strategic Communication; Head of People and Organisation Development; Head of Performance Planning and Quality Assurance; Head of Audit and Risk; Business Finance Manager (Resource Solutions); Technology Strategy Manager; Commercial Contracts Manager; Business Strategy Manager, and Democratic Services Manager.

### **APOLOGIES**

Councillor Duffy.

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#### Item 7

There was submitted a report by the Head of Asset and Procurement Solutions

- (1) providing a further update on the Enterprise Project highlighting both progress to date and planned future development;
- (2) explaining that the project aims to achieve an integrated client function for asset management across the Council with Phase 1 contract awards expected to be made for the Housing and Corporate Contract in October 2023 and the Roads Contract in December 2023 and that Phase 2 of the project, from 2026, will thereafter aim to optimise asset related arrangements that underpin the delivery of the Plan for North Lanarkshire and allow further integration and development of strategic supply relationships;
- (3) providing details of procurement activity, and decisions made to date, by the Project Board;
- (4) explaining that project resource is necessarily focused on the delivery of the Housing and Corporate and the Roads Contracts and that suitable short-term arrangements to provide play shaping advisory services, as and when required, are available, and the longer-term solution will be developed as soon as project resource capacity allows;
- (5) outlining the Project Governance arrangements, and

- (6) indicating that a further report will be provided to Committee in May 2023 reporting the progress of the procurement and the outcome of the options revalidation exercise for the Housing and Corporate Contract and the progress of the Roads Contract.

**Decided:**

- (1) that the status of the Housing and Corporate Contract as set out in the report be acknowledged;
- (2) that the status of the Roads Contract as set out in the report be acknowledged;
- (3) that the status of the play shaping contract as set out in the report be acknowledged;
- (4) that, in relation to the Housing and Corporate Contract, the decisions taken by the Project Board, as detailed in the report, be acknowledged, and
- (5) that a further report be provided to the Committee in May 2023 reporting on the progress of the procurement and the outcome of the options revalidation exercise for the Housing and Corporate Contract and the progress of the Roads Contract

Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)

## **Appendix 6 - Report to the Council, 17 August 2023**

### **PRESENT**

Councillor Duffy, Provost; Councillor Burgess, Depute Provost; Councillors Ashraf, Ballinger, Barclay, Baudo, Beveridge, Boyd, Brannan-McVey, Brennan, Cairns, Campbell, Carragher, Costello, M. Coyle, S. Coyle, Crichton, Currie, Di Mascio, Docherty, Duffy-Lawson, Dunbar, Fisher, Fotheringham, Goldie, Hughes, Hume, Jarvie, D. Johnston, T. Johnston, Jones, Kelly, Keltie, Khan, Larson, Leckie, Lennon, Logue, Loughran, MacGregor, Masterton, McBride, McCluskey, McCrory, B. McCulloch, M. McCulloch, McDade, McKay, McKendrick, McLaren, McManus, McNally, McPake, McPhilemy, Mitchell, Nolan, Patton, Roarty, Robb, Robinson, Shevlin, Shields, Smith, Stevenson, A. Stubbs, L. Stubbs, Sullivan, Thomas, Toner, Watson, Williams, Wilson and Woods.

### **ALSO PRESENT**

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### **CHAIR**

Councillor Duffy (Provost) presided.

### **IN ATTENDANCE**

The Chief Executive; Depute Chief Executive; Chief Officer (Legal and Democratic); Chief Officer (Asset and Procurement Solutions); Chief Officer (Audit and Risk); Chief Officer (Housing Property Services); Chief Officer (Strategic Communication and Engagement); Commercial Contracts Manager; Legal Manager (Enterprise); Business Manager (Resource Solutions), Democratic Services Manager, and Principal Democratic Officer.

### **APOLOGIES**

Councillors Bustard, Magowan, McVey and Reddin.

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#### Item 2

**It was agreed in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the public be excluded from the meeting for the following item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 9 of Part 1 of Schedule 7A of the Act.**

**Prior to consideration of the following item of business, Councillor M. Coyle, having declared a connection by virtue of being a Board Member of Mears, further declared that he considered the interest so sufficiently remote that it did not preclude his participation in consideration of the matter.**

**Prior to consideration of the following item of business, Councillor McPake, having declared a connection by virtue of being a Board Member of Amey Public Services Limited, further declared that he considered the interest so sufficiently remote that it did not preclude his participation in consideration of the matter.**

With reference to paragraph 7 of the Minute of the meeting of the Policy and Strategy Committee held on 1 December 2022 when, inter alia, the status of the Housing and Corporate contract as set out in the report was acknowledged, there was submitted a report by the Depute Chief Executive

- (1) providing a further update on the Enterprise Project, highlighting both progress to date and planned future development;
- (2) intimating that the Enterprise Project was a key element of the Council's work programme and aimed to establish an integrated approach for the future delivery of repairs, maintenance and investment in the Council's housing, corporate, and roads and infrastructure asset portfolio;
- (3) advising that phase 1 of the Enterprise Project focussed on three substantial procurement projects to support the agreed delivery model and secure continuity of essential service provision: Housing and Corporate Maintenance and Improvement Services, Roads and Infrastructure Maintenance and Improvement Services, and Place Shaping Advice and Services;
- (4) informing that the ambition was to create strategic relationships with a small number of best in-class private sector service providers while cultivating an integrated internal "intelligent client" function and bolstering internal commercial capacity and expertise;
- (5) advising that the procurement of the Housing and Corporate Maintenance and Improvement Services contract was progressing with a single bidder and that the initial tender received on 5 May 2023 had been assessed for affordability and the extent, at this stage of the procurement, to which the initial tender submission otherwise met the Council's requirements;
- (6) providing details of the initial tender submission assessments costs, qualitative criteria and the outcome of the assessment of the bid;
- (7) advising that, given the significant change in financial and economic circumstances since the service delivery options were originally appraised, it had been agreed that it would be prudent to re-evaluate and re-affirm the options assessment originally conducted as part of the approved outline business case for the Housing and Corporate Maintenance and Improvement Services contract;
- (8) setting out details of the six shortlisted options together with an assessment of each option;
- (9) advising that the two potential delivery options which scored significantly better than others were option 3 – "an outsourced option that reflects the current live procurement for a single Housing and Corporate Maintenance and Improvement Services contract – not a joint venture" and option 4 – "a Council owned ALEO with elements of insource and outsource delivery";
- (10) advising, that whilst both options have associated risks, option 4 has a number of significant additional unknowns and comparatively greater risk in terms of transition and delivery costs and in potential risk to service delivery continuity and, as a result, option 3 had been assessed as the delivery option that best met the project objectives;
- (11) proposing that the current contracts be extended for a short period of time, of between three and six months, in order to maintain provision of service and allow sufficient time for the procurement exercise to be concluded;
- (12) advising that the procurement of the Roads and Infrastructure Maintenance Improvement Services Contract commenced on 1 November 2022 and the three highest scoring bids have been taken forward, and it was anticipated that the review of the bids

would be completed by the end of August 2023, after which the Council would move to the negotiation stage, and subsequent stages of the procurement;

(13) advising that it was anticipated that the recommendation to award the Roads and Infrastructure Maintenance Improvement Service contract would be submitted to a special meeting of the Council in February 2024, which would allow the new contract to be mobilised and service delivery to commence as planned on 2 June 2024, coinciding with the expiry of the current contract and ensuring no gap in service;

(14) intimating that the provision of the Place Shaping Advice and Services contract would be developed as soon as project resource capacity allowed, with work expected to commence in Autumn 2024, and

(15) indicating that the project board continues to meet regularly to oversee all aspects of the Enterprise Project, and, in addition, periodic reports are provided to the Corporate Management Team and the appropriate Committee and the project has been the subject of two internal audit reports which both recorded a reasonable level of assurance.

Councillor Logue, seconded by Councillor Roarty, moved the recommendations contained within the report.

Councillor Carragher, seconded by Councillor Larson, moved as an Amendment:-

“That in respect of the Housing Corporate Maintenance and Improvement Services contract, the Council:-

- a) acknowledges that the outcome of the options revalidation exercise along with the practical considerations and associated risks with the two highest scoring options, advises Option 3 – continue with the current procurement - is marginally preferable to Option 4 – a council owned ALEO - as the delivery option that will best meet the project objectives; set out at para 2.5 of this report;
- b) agrees that for the longer term, Option 4 – a council owned ALEO – is the preferred option, and provides the best outcomes for North Lanarkshire Council and further agrees to the immediate development of an Outline Business Case to investigate the implementation of a council owned ALEO to be presented to Council by February 2024;
- c) agrees that the current procurement should not proceed to conclusion;
- d) acknowledges that in order to allow sufficient time for the implementation of Option 4, the current contracts with MEARS and Saltire will need to be extended for a period of time beyond their January 2024 expiry dates, and
- e) agrees that the authority to finalise the detail and the period of the contract extensions with MEARS and Saltire is delegated to the Chief Executive.”

Councillor Lennon, seconded by Councillor Crichton, moved as a further Amendment:-

“This Council acknowledges the document titled "The Enterprise Strategic Vehicle" and the £1.2 to £1.8 Billion, MEARS contract over 12 years being presented for its consideration.

Concerns on Time Allocation: The Council expresses its deep concern regarding the insufficient time provided to the Councillors for a thorough understanding, assessment, and evaluation of the intricacies, implications, and long-term consequences of this substantial contract. Our mandate from our constituents requires us to address such significant financial decisions with utmost diligence.



Formation of a Working Group: It is hereby recommended that a dedicated Officer and Councillor Working Group be established with the following objectives:-

- a. Facilitate a comprehensive examination of the contract.
- b. Offer Councillors an avenue for added scrutiny and oversight.
- c. Guarantee a thorough understanding of all associated risks, benefits, and potential areas of enhancement.

Upholding Good Governance: By giving this contract the rigorous scrutiny it warrants, the Council is championing the ideals of transparency, accountability, and prudent governance. Such principles are what our constituents anticipate from their elected representatives.

Conclusion: In accordance with the above, this Council moves to adopt the amendment recommendations, thereby reaffirming our dedication to serving the best interests of our authority.”

Councillor Lennon confirmed that the Working Group would make its recommendations before the end of February 2024.

Councillor Lennon added a further recommendation, as set out below:-

“That in order to allow sufficient time for the procurement to conclude and the new contract to be mobilised, the current contracts be extended for a short period of time, between three and six months, beyond their January 2024 expiry date and that authority be delegated to the Chief Executive to finalise the detail and period of the contract extensions.”

Councillor Lennon, seconded by Councillor Smith, moved that the meeting be adjourned for 15 minutes, which was agreed.

The meeting re-convened at 5.25 pm.

Councillor Carragher withdrew her Amendment, which had been intimated in accordance with Standing Order 24.

Councillor Lennon withdrew his Amendment, which had been intimated in accordance with Standing Order 24.

There was submitted the following Composite Amendment in the names of Councillor Carragher and Councillor Lennon, which had been intimated in accordance with Standing Order 24.

- a) acknowledge that the outcome of the options revalidation exercise along with the practical considerations and associated risks with the two highest scoring options, advises Option 3 – continue with the current procurement - is marginally preferable to Option 4 – a council owned ALEO - as the delivery option that will best meet the project objectives; set out at para 2.5 of this report;
- b) agrees that for the longer term, Option 4 – a council owned ALEO – is the preferred option, and provides the best outcomes for North Lanarkshire Council and further agrees to the immediate development of an Outline Business Case to investigate the implementation of a council owned ALEO to be presented to Council by February 2024;
- c) agree that the current procurement should not proceed to conclusion;

- d) acknowledge that in order to allow sufficient time for the implementation of Option 4, the current contracts with MEARS and Saltire will need to be extended for a period of time beyond their January 2024 expiry dates;
- e) agree that the authority to finalise the detail and the period of the contract extensions with MEARS and Saltire is delegated to the Chief Executive, and
- f) that a dedicated Member/Officer Working Group be established with the following objective, offer Elected Members an avenue for added scrutiny and oversight of setting up an ALEO.”

Thereon, in terms of Standing Order 39, the vote was taken by calling the roll.

On the roll being called 34 Members voted for the Composite Amendment, as follows:-

Councillors Ashraf, Ballinger, Barclay, Baudo, Brennan, Cairns, Carragher, Crichton, Di Mascio, Fotheringham, Goldie, Hughes, Hume, Jarvie, D. Johnston, T. Johnston, Keltie, Larson, Lennon, MacGregor, Masterton, McCluskey, McKendrick, McManus, Mitchell, Robb, Robinson, Smith, A. Stubbs, L. Stubbs, Sullivan, Thomas, Toner and Williams.

38 Members voted for the Motion, as follows:-

Councillors Beveridge, Boyd, Brannan-McVey, Burgess, Campbell, Costello, M. Coyle, S. Coyle, Currie, Docherty, Duffy, Duffy-Lawson, Dunbar, Fisher, Jones, Kelly, Khan, Leckie, Logue, Loughran, McBride, McCrory, B. McCulloch, M. McCulloch, McDade, McKay, McLaren, McNally, McPake, McPhilemy, Nolan, Patton, Roarty, Shevlin, Stevenson, Watson, Wilson and Woods.

34 Members having voted for the Composite Amendment and 38 Members having voted for the Motion, the Motion was accordingly declared carried.

#### **Decided:**

- (1) that in respect of the Housing and Corporate Maintenance and Improvement Services contract, the Council agreed:-
  - (a) that following the outcome of the options revalidation exercise, along with the practical considerations and associated risks, option 3 “continue with the current procurement exercise”, was the delivery option that would best meet the project objectives;
  - (b) that consideration be given, before the end of the initial term of the proposed contract, to the development of an outline business case which will investigate the feasibility of alternate service delivery models, including the feasibility of an ALEO, which would inform the Council's decision to extend the proposed contract, beyond its initial term or to progress an alternative model;
  - (c) that the current procurement exercise proceed to a conclusion;
  - (d) that the results of the assessment of the initial tender submission, the associated financial implications, and expected benefits of the proposed contract, as set out in the report, be acknowledged;

- (e) that the measures and mitigations to allow the Council to evidence that progressing the procurement with a single bidder represents best value be acknowledged;
  - (f) that the next steps in the procurement process, designed to facilitate improvement, both commercial and qualitative, in the bidders initial tender submission, be acknowledged;
  - (g) that, on completion of the procurement process and subject to the bidder satisfying the Council's requirements in full, the Council be asked to approve the award of the contract in February 2024, with the services targeted to commence on 1 April 2024;
  - (h) that, in order to allow sufficient time for the procurement to conclude and the new contract to be mobilised, the current contracts be extended for a short period of time, of between three and six months, beyond their January 2024 expiry date;
  - (i) that authority be delegated to the Chief Executive to finalise the detail and period of the contract extensions, and
  - (j) that the status of the procurement and the timeline leading to the commencement of services under the new contract, as set out in the report, be acknowledged;
- (2) that in relation to the Roads and Infrastructure Maintenance and Improvement Service contract, the Council agreed:-
- (a) that the outcome of the evaluation of the Roads Single Procurement Document submissions, as set out in the report, be acknowledged, and
  - (b) that the status of the procurement and the timeline leading to the commencement of services under the new contract, as set out in the report, be acknowledged, and
- (3) that in relation to the Place Shaping Advice and Services Contract, the status of the procurement and planned future development, as set out in the report, be acknowledged.

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## **Appendix 7 - Report to the Policy and Strategy Committee, 7 December 2023**

### **PRESENT**

Councillor Logue, Convener; Councillor Roarty, Vice-Convener; Councillors Beveridge, Brannan-McVey, Campbell, Carragher, Costello, Di Mascio, Duffy, Fisher, D. Johnston, Larson, Leckie, Lennon, Masterton, McBride, Nolan, Robinson, Smith, Stevenson, A. Stubbs, Watson and Woods.

In accordance with Standing Order 64(A) Councillor Bustard attended as a substitute for Councillor Loughran.

### **ALSO PRESENT**

Councillor Brennan.

### **CHAIR**

Councillor Logue (Convener) presided.

### **IN ATTENDANCE**

The Chief Executive; Depute Chief Executive; Chief Officer (Health and Social Care); Chief Officer (Legal and Democratic); Acting Chief Officer (Finance); Chief Officer (Assets and Procurement); Chief Officer (Strategic Communication and Engagement); Chief Officer (People Resources); Chief Officer (Audit and Risk); Chief Officer (Business and Digital); Chief Officer (Place); Commercial Contracts Manager; City Deal Manager, and Democratic Services Manager.

### **APOLOGIES**

Councillors Barclay and Loughran.

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#### **Item 14**

There was submitted a report by the Chief Officer (Assets and Procurement)

- (1) reminding the Committee that it had previously received a number of reports providing an update on the progress of the Enterprise Project and, more recently, a report had been provided to a special meeting of the Council on 17 August 2023;
- (2) providing a further update on the Enterprise Project, highlighting both progress to date and planned future development;
- (3) reminding the Committee that, in 2019, the Council had outlined a shared vision for long-term growth and prosperity for the area's community focussed on inclusivity – The Plan for North Lanarkshire;
- (4) indicating that the Enterprise Project is a key element of the Council's work programme to fulfil The Plan for North Lanarkshire and aims to establish an integrated approach for the future delivery of repairs, maintenance and investment in the Council's Housing, Corporate and Roads and Infrastructure asset portfolio;
- (5) providing detail, and update on progress to date, of the three substantial public procurements to support the agreed delivery model and secure continuity of essential service provision, namely

- (a) housing and corporate maintenance and improvement services;
- (b) roads and infrastructure maintenance and improvement services, and
- (c) place shaping advice and services;
- (6) detailing the project governance for Enterprise Project procurement activity including that reports would be submitted to the Audit and Scrutiny Panel when complete, in line with the Internal Audit Charter and the associated reporting protocol, and that key findings from the audit process would also be included in future reports to the Committee and the Council to inform and assist Elected Members' decision-making, and
- (7) attaching, as Appendices to the report,
  - (a) roads and infrastructure initial tender assessment outcome, and
  - (b) procurement timetable and key dates.

**Decided:**

- (1) that in relation to the Housing and Corporate Contract:
  - (a) that the positive progress with the procurement and timeline to completion, as set out in the report, be acknowledged, and
  - (b) that it be noted that Internal Audit is undertaking further work as part of its 2023/24 Internal Audit Plan, and the scope of the audit and reporting arrangements as detailed in the report;
- (2) that in relation to the Roads Contract:
  - (a) that the positive progress with the procurement and timeline to completion, as set out in the report, be acknowledged, and
  - (b) that, in order to allow sufficient time for the procurement to conclude, and the new contract to be mobilised, the current contract with Amey be extended for a short period of time (between three and six months) beyond its June 2024 expiry date, and
- (3) that in relation to the Place Shaping Contract, the status of the procurement and planned future development, as set out in the report, be acknowledged.

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## **Appendix 8 - Report to the Council, 28 March 2024**

At time of writing minute of the meeting not available.

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Link to meeting agenda, minute and supporting reports: [CMIS > Meetings](#)