

North Lanarkshire Council Report

Housing Committee

Does this report require to be approved? Yes No

Ref: HO WN 24 027 / NLC-SLP-24-040

Date: 06 November 2024

Contract Award for MTC for Replacement Windows & Doors 2025 - 2027

From Stephen Llewellyn, Chief Officer (Housing)

E-mail starbucks@northlan.gov.uk

Telephone: Siobhan Starbuck – Contract
Support Manager – via MS
Teams

Executive Summary

The Committee is asked to approve the award of a contract for “MTC for Replacement Windows & Doors 2025 - 2027” (the ‘Agreement’) to:

- Lot 1 – Sidey Solutions Ltd
- Lot 2 – Walkers Profiles Ltd

The Agreement is for an initial period of 24 months anticipated to commence on 22 January 2025. The Council reserves the right to extend the Agreement for additional periods up to a maximum of a further 24 months.

The maximum value of the Agreement shall not exceed Forty-Five Million Pounds Sterling (£45,000,000.00) exclusive of VAT. The value of the Agreement is split across two lots;

- Lot 1 – £28,000,000,
- Lot 2 – £17,000,000

As a Measured Term Contract form of agreement, the value of the Agreement is pertinent to demand therefore there is no guarantee that the council will spend any, or all, of the awarded Agreement value.

Recommendations

It is recommended that the Committee approves the award of the Agreement at the maximum value of Forty-Five Million Pounds Sterling (£45,000,000.00) exclusive of VAT to:

- Sidey Solutions Ltd. for Lot 1 at the maximum value of Twenty-Eight Million Pounds Sterling (£28,000,000) exclusive of VAT;
- Walkers Profiles Ltd. for Lot 2 at the maximum value of Seventeen Million Pounds Sterling (£17,000,000) exclusive of VAT; and

This recommendation follows the completion of a procurement procedure, where the tenders recommended for award have been evaluated as providing the most economically advantageous tenders in terms of cost and quality for the council.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition Statement	(1) Ensure a housing mix that supports social inclusion and economic growth
Programme of Work	Invest in North Lanarkshire

1. Background

- 1.1 The requirements within the Agreement are currently under contract split across two lots;
- Lot 1 – Walkers Profiles Ltd
 - Lot 2 – Belac Group Limited (Entered liquidation 24 January 2024)

These contracts are due to expire no later than 22 January 2025, with the Agreement detailed within this report due to supersede it.

- 1.2 The council is committed to replacing windows and doors in Council-owned domestic properties within the geographical area of North Lanarkshire Council. This contract is required due to properties having windows and doors that are beyond repair and requiring upgrading with modern triple glazing and is applicable to the whole domestic property portfolio. The scope of services comprises of the removal and replacement of window , doors and associated works this agreement will support the ongoing maintenance of Council-owned domestic properties and will require appropriately experiences and qualified contractors to replace windows and doors.
- 1.3 To enable adequate service provision, the requirements of the Agreement have been split across two lots, with each lot having a set maximum value of work that can be allocated to each appointed contractor. This approach allows the council to spread the workload across multiple contractors therefore ensuring delivery requirements can be met dependant on each appointed contractor's availability and capacity at time a work order is placed.
- 1.4 Tenderers were free to bid for both lots, however, if a tenderer was recommended for lot 1, their tender for lot 2 (if they submitted a tender for each lot) was excluded on the basis of the council requirement to appoint a separate contractor for each lot.

2. Report

- 2.1 A user intelligence group ('UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy for the Agreement to enable the council to achieve maximum benefit for the requirements.
- 2.2 The initial estimated value of the Agreement dictated that the procurement procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015. An advert for the procurement opportunity was published on the Public Contracts Scotland and the UK Find a Tender (FTS) website.
- 2.3 The procurement procedure was undertaken as an "Open Procedure". Invitation to Tender documentation published by the council received a total interest from 28 companies with the council receiving 7 tender submissions for Lot 1 and 6 for lot 2.
- 2.4 Based on the evaluation criteria and scoring methodology set out in the invitation to tender package within the procurement procedure, an evaluation of tender responses received was completed by members identified by the UIG. Selection stage responses were assessed first and compliant tenderers that satisfied / declared that they met the published minimum selection stage criteria progressed to the award stage evaluation. Following identification of

the recommended tenderer(s), their selection stage responses were assessed in more detail to ensure they satisfied the minimum selection stage criteria applied. The Agreement award recommendation is made on the basis of the two tenderers who have been evaluated as representing the most economically advantageous tenders:

- Lot 1 – Sidey Solutions Ltd
- Lot 2 – Walkers Profiles Ltd

2.5 Appendix 1 confirms the scoring achieved by each tenderer for each Lot, further details of the procurement procedure are provided in Appendix 2 and the SME status and location of all tenderers is located within Appendix 3.

Financial / Budget Consideration

2.6 The pre-tender whole life estimate budget for the Agreement was £45,000,000.00. This is the maximum value of the Agreement as identified and set by the council. As a measured term contract there is no obligation on the council to spend any, or all, of this value.

2.7 When comparing rates to the existing contract tendered in 2022, tendered rates for this are in line with these when adjusted for inflation as outlined in the Royal Institute of Chartered Surveyors Building Cost Information Services General Building Cost Index for this period. The pre-tender estimate budget has been set to incorporate these increases; however, future inflation and other external events may increase costs over the maximum 4 years Agreement duration. The budget will be monitored and managed closely by the project team to maximise the volume of work that can be completed under the Agreement.

2.8 The costs associated with delivery of the Agreement will be contained within the Capital budget for Housing Services.

Price Stability

2.9 The Agreement pricing is fixed until August 2025. Thereafter, prices will be adjusted annually by the application of the Royal Institute of Chartered Surveyors Building Cost Information Services General Building Cost Index which is an industry standard approach.

Community Benefits

2.10 The council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible.

2.11 Within their tender, the two recommended contractors committed to deliver the following community benefits within the initial 24 months of the Agreement. These will also be delivered on a pro-rata basis during any optional extension period awarded under the Agreement:

Lot 1 – Sidey Solution Ltd	
Community Benefit Type	Quantity Committed
Work Experience Placement for an individual 16+ years of age	4

Careers Event	4
Site Visits	2
Financial Support for a community project/ organisation	4
Non-Financial Support for a community project/ organisation	2

Lot 2 – Walkers Profiles Ltd	
Community Benefit Type	Quantity Committed
New Job from a Priority Group (Full Time)	1
New Job for an Apprentice from a Priority Group (Full Time)	1
Work Experience Placement for an individual 16+ years of age	1
Careers Event	1
Site Visits	1
Financial Support for a community project/ organisation	1
Non-Financial Support for a community project/ organisation	1

2.12 The community benefits delivered as part of the Agreement includes the creation of jobs or apprenticeships.

Fair Work First

2.11 Within their tender submission, both contractors recommended for award advised that they will commit to the following areas of the Scottish Governments “Fair Work First” initiative:

- For Lot 1 Sidey Solutions Ltd have provided confirmation that their company approach aligns with ‘Fair Work First’. For example, they are a living wage accredited employer, do not utilise zero hours contracts, offer flexible working to staff, have comprehensive diversity and inclusivity policies in place and encourage employee engagement throughout the business. They have comprehensive workforce development practices in place including mentorship programmes, trade and graduate apprenticeships. They also have robust processes in place to ensure fair and prompt payment throughout their supply chain.
- For Lot 2 Walkers Profiles Ltd have provided confirmation that their company approach aligns with ‘Fair Work First’. For example, they are a living wage accredited employer, do not utilise zero hours contracts, offer flexible working to staff from day one. They have comprehensive workforce development practices in place including mentorship programmes, trade and graduate apprenticeships. They also have robust processes in place to ensure fair and prompt payment throughout their supply chain.

Contract Management

2.13 Officers from Housing Services will be responsible for managing the Agreement which will be undertaken in accordance with the contract and supplier management conditions applied within the Agreement.

3. Measures of success

The Agreement will deliver the following outcomes;

- 3.1 Conclusion of a procurement procedure that is compliant with procurement legislation and internal procedures.
- 3.2 Best Value has been considered to be demonstrated by:
- this procurement opportunity being divided into two lots based on maximum value, and the requirement that no more than one lot is awarded to any one contractor, which attracted the full spectrum of the market ensuring competitive bids were received by the council.
 - the appointment of contractors who have, via their responses to the ITT, evidenced they have the experience and capability to deliver an innovative, high quality and responsive service to the council, tenants and private owners.
 - commitment by the two contractors recommended for award to deliver of a range of community benefits as set out in this report.

4. Supporting documents

- 4.1 **Appendix 1** Summary of Tender Evaluation Process
- 4.2 **Appendix 2** Summary of Procurement Process
- 4.3 **Appendix 3** SME Status and Location of All Tenderers
-



Stephen Llewellyn
Chief Officer (Housing)

5. Impacts (<http://connect/report-template-guidance>)

<p>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 <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? 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 <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? The maximum value of the Agreement is Forty Million Pounds Sterling (£40,000,000) exclusive of VAT including any option to extend the Agreement. The costs associated with contract delivery will be contained within the HRA Capital budget for Housing Services.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>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 <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>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 <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>

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 Agreement included the requirement for tenderers to hold BS EN ISO 14001 / EMAS (or equivalent) accreditation, both contractors have provided appropriate evidence of accreditation.

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?

Due to the high value of this Agreement, committee approval is required and will be published on the council's website for public viewing

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?

Risk will be minimised and managed by a designated contract manager in accordance with the Council's agreed approach to contract and supplier management.

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.

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?

Appendix 1 Summary of Tender Evaluation Process

Lot 1: – Invitation to Tender			
Final Rank	Tenderer Name	Total Score (%)	Recommended for Award
1	Sidey Solution Ltd	100%	Yes
2	Walkers Profiles Ltd	93.11%	No
3	CR Smith Manufacturing Ltd	82.33%	No

Lot 2: – Invitation to Tender			
Final Rank	Tenderer Name	Total Score (%)	Recommended for Award
1	Walkers Profiles Ltd	96.20%	Yes
2	CR Smith Manufacturing Ltd	85.56%	No

Note: in accordance with the ITT Sidey Solution Ltd were successful in the first Lot they had bid for, were excluded from the Lot 2.

Appendix 2 – Agreement - Summary of Procurement Process

	Lot 1	Lot 2
CPT Contract Reference Allocated:	NLC-SLP-24-040	
Procurement Procedure Utilised:	Open Procedure	
Governing Legislation / Regulations:	Public Contracts (Scotland) Regulations 2015	
Date Contract Strategy Approved:	26 July 2024	
Date Contract Notice Published:	30 July 2024	
Tender Platform Utilised:	PCS-Tender (PCST)	
Total Expressions of Interest Received:	28	
NLC Based Expressions of Interest:	7	
Number of Tenders Received:	7	6
Tenders from SME's:	6	5
Tenders from NLC Based Tenderers	2	2
Tenders from Supported Businesses:	0	0
Number of Non-compliant Tenders	4	3
Number of Compliant Tenders	3	3
Number of Recommended Tenderers:	1	1
Basis of Award:	Quality: 40%	Price: 60%
Evaluation Team:	Officers from the Housing Property	
Anticipated Start Date of the Agreement:	22 January 2025	
Total Agreement Period (Months):	24 + 12 + 12	
Maximum Value of the Agreement: +-	£45,000,000 .00 (Excluding VAT)	

Appendix 3 – SME Status and location of all Tenderers *

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority / Council Area)
CR Smith Manufacturing Ltd	Medium	Fife
Sidey Solution Ltd	Medium	Perthshire
Walkers Profiles Ltd	Medium	North Lanarkshire

*Complaint Bidders