



West Lothian  
Council

**COUNCIL EXECUTIVE**

**PROCUREMENT ARRANGEMENTS – EMPLOYERS AGENT TO DELIVER THE NEW  
BUILD COUNCIL HOUSING PROGRAMME**

**REPORT BY HEAD OF FINANCE AND ESTATES**

**A. PURPOSE OF REPORT**

To seek Council Executive's approval to commence tendering procedures for the procurement of a five year contract, for the procurement of an Employers Agent to deliver the new build council housing programme.

**B. RECOMMENDATION**

It is recommended that the Council Executive approves:

- 1) The use of the Open Procedure whereby all suppliers expressing an interest in the contract will be invited to tender for a five year contract for an Employers Agent for the new build council house programme.
- 2) The award criteria as set out in Section D of the report.

**C. SUMMARY OF IMPLICATIONS**

<b>I Council Values</b>	Focusing on our customers' needs Being honest, open and accountable Providing equality of opportunities Making best use of our resources Working in partnership
<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	Tenders will be issued, received and analysed in accordance with Standing Orders of West Lothian Council and the Public Contracts (Scotland) Regulations 2012.
<b>III Implications for Scheme of Delegations to Officers</b>	None
<b>IV Impact on performance and performance Indicators</b>	If approved and implemented this would perform well-above the baseline detailed in the Local Housing Strategy for Affordable Houses in West Lothian.

<b>V</b>	<b>Relevance to Single Outcome Agreement</b>	<p>Outcome 10 – We live in well-designed sustainable places where we are able to access the services we need.</p> <p>Outcome 12 – We value and enjoy our build and natural environment, protect and enhance it for future generations.</p>
<b>VI</b>	<b>Resources - (Financial, Staffing and Property)</b>	The estimate the value of the Employer's Agent Services to be in the region of £400,000, total anticipated value of the new build council house programme is £90 million.
<b>VII</b>	<b>Consideration at PDSP</b>	The sites for the first 600 units were agreed by the Council Executive on 26 February 2013.
<b>VIII</b>	<b>Other consultations</b>	The specification has been provided by colleagues from Housing, Construction & Building Services, who will also participate in the evaluation. The Corporate Finance Manager was consulted on budget implications.

## **D. TERMS OF REPORT**

### **Background**

There is an identified need for quality affordable housing throughout West Lothian and the council is committed to continuing with its investment in the delivery of new homes throughout the area. To date, the council has agreed to construct 1,000 new build council houses. This programme represents the council's biggest undertaking in council houses additional social rented stock.

The council wishes to employ the provision of Employer's Agent to carry out the following activities throughout the anticipated five year period of tendering, planning and delivery of all anticipated units.

- Contractual management
- Pre and post specification and financial tender information
- Construction Design and Management Co-ordinator
- Design Appraisal services,

This is in line with existing practice delivering the current phase of new build council houses.

### **In House Capability**

This work cannot be carried out in-house at present as Construction Services do not have the capacity or specialist resources to undertake the works associated with this contract. However, consideration may be given to developing the skills and resources for future contract opportunities.

### **Procurement Issues**

The requirement will be advertised in accordance with the European Union Directives. It is proposed that the Open Procedure is used, whereby all suppliers expressing an interest in the contract will be invited to tender.

The following award criteria will be applied at the tender stage:

Price	- 60%
Quality	- 40%

The evaluation criteria are proposed following consultation with the service areas concerned.

The anticipated start date for the contract is 1 July 2013.

### **Sustainability Considerations**

Community benefits will be included in this contract with a view to requesting a minimum of one surveying apprentice to be delivered as part of the five year contract.

### **Budget Implications**

A budget of £90 million to fund the cost of the New Build Council Housing Programme was agreed at the Council meeting on 29 January 2013.

## **E. CONCLUSION**

It is recommended that the Council Executive approves the evaluation methodology detailed in Section D for the tendering of the contract for the employers agent to deliver the new council house project.

## **F. BACKGROUND REFERENCES**

A copy of the specification for this contract is available on request from Procurement Services.

Appendices/Attachments: None

Contact Person: Christine Leese-Young, Corporate Procurement Manager

Email: christine.leeseyoung@westlothian.gov.uk

Tel: 01506 283259

**Donald Forrest**

**Head of Finance and Estates**

Date: 12 March 2013