

PROCUREMENT BUSINESS CASE

(For proposed procurements where the total estimated expenditure exceeds
£50,000 (supplies/services) or £250,000 (works))

Appendix B



ABERDEEN
CITY COUNCIL

Procurement / Contract Title	Demolition of Torry Academy and Kincorth Academy		
Contract Ref. No.	n/a		
Function	Resources	Cluster	Corporate Landlord
Lead Officer	Alastair Reid	Date prepared:	10-05-18

1. Brief Description and Rationale

Please briefly outline your business requirement(s). Include information on:

Type of requirement – description of need. Goods/Services/Works – or combination of these.	Demolition
Whether there is a current structure/contract delivering some or all of the requirements.	None
Information on those contracts - start date, end date, value, scope.	<p>Earliest dates:- Start on site – Feb 2019 Work completed – Jun 2019</p> <p>Torry Academy estimated cost - £X incl corporate fees Scope - All buildings at Torry Academy and the adjacent lodge are included in the proposed demolition.</p> <p>Kincorth Academy estimated cost - £X incl corporate fees Scope - All buildings at Kincorth Academy including the swimming pool, school buildings and artificial pitch are included in the proposed demolition.</p>
Key stakeholders – Services, consumers, communities, suppliers etc.	Local community, local members, HRA, Capital Programme Committee, Strategic Commissioning Committee and Resources Function.
Options considered for procurement and option proposed – tender, framework, reserved contract, collaborative opportunity, etc.	Options considered were tender and framework. The option proposed is a tender exercise issued via the Public Contracts Scotland website complete with project specific quality assessment.
Legal/statutory obligations (please define legislation).	CDM Regulations 2015, Building Warrant and Planning Permission will need to be fully considered. Both in procurement and implementation.

2. Business Impact

Please indicate below how you anticipate that the requirements, if met, would contribute to a positive business impact and which outcomes are intended to be delivered (please outline any known financial savings, customer service benefits, benefits to the service, impact on Council plan or priority etc.)

Customer

Availability of sites for development
Removal of potentially unsightly buildings

Staff

No ongoing management of two vacant buildings

Resources

No cost for boarding up - £X (subject to discussions with insurance provider)
Business rates savings - £101,000 (year one)

3. Assessment of Business Impact

Please define clearly how you propose to measure and benchmark the benefits set out in item 2 to justify the investment. These will be used later by you to track, monitor and measure the delivery of the benefits and assess the overall success of the project in achieving its objectives.

Customer

Benefits achieved when demolitions are completed.

Staff

Benefits achieved when demolitions are completed.

Resources

Measured by monitoring actual revenue spend.

4. Financial Implications Summary – Estimated overall value of this requirement

Insert details below of one off purchase price or total costs for period of supply

Estimated Costs	£X including corporate fees
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5. Procurement & Implementation

Please state the estimated start date for the procurement exercise including a procurement timeline and details of the proposed contract/contract extension implementation.

Procurement Start Date	Oct 2018
Contract Start Date	Feb 2018

Proposed Procurement Timeline including dates:

Tender development and issue – Oct 2018

Tender return – Nov 2018

Tender assessment and appointment of contractor – Dec 2018

Start on site – Feb 2018

Implementation of the new contract:

The Corporate Landlord will project manage the demolitions, working alongside Capital to deliver the project.

6. Sustainable Procurement & Community Benefits

Consider the table below. If applicable, indicate between 1 and 2 themes that you consider are relevant to the proposed Contract. Please note that where selected these themes **must** be referenced within procurement documents.

Improve (Wellbeing)	Promote	Facilitate (Involve)
Social <input type="checkbox"/>	Innovation <input type="checkbox"/>	SMEs <input type="checkbox"/>
Economic <input type="checkbox"/>	Equalities/reduce Inequality <input type="checkbox"/>	3 rd Sector organisations <input type="checkbox"/>
Environmental <input type="checkbox"/>	Ethical trading and social justice <input type="checkbox"/>	Supported Businesses <input type="checkbox"/>
Health <input type="checkbox"/>	Fair Work Practices/The Living Wage <input type="checkbox"/>	Prompt Payment throughout the supply chain <input type="checkbox"/>
Food poverty/fuel poverty/energy efficiency <input type="checkbox"/>	Resource efficiency and the circular economy <input type="checkbox"/>	Community engagement and community empowerment; community projects <input type="checkbox"/>
Air quality/reduction of harmful emissions/reduction of waste and packaging <input checked="" type="checkbox"/>	Education; employability and skills training <input type="checkbox"/>	Collaboration and collaborative working <input type="checkbox"/>

Justification for above:

Demolition contracts create opportunities for recycling/reuse of materials.

7. Contract Management

What contract management procedures shall be put in place to manage the proposed contract? Use the Contract and Supplier Management Assessment Tool (available within the Procurement Manual) to determine whether the level of management required for a specific contract and supplier should be High/Medium/Low.

Contract/Supplier Management Requirement

- High
 Medium
 Low

8. Governance

Please confirm the name of the Director/Chief Officer who is Project Sponsor for this project.

Corporate Landlord – Stephen Booth

What budget has been allocated for this project? Please give budget code(s).

Torry Academy – Capital budget for new Torry Primary and Community hub.
Kincorth Academy – Condition & Suitability Programme