

## THE EXECUTIVE

28 OCTOBER 2003

### REPORT FROM THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES

PROFESSIONAL SERVICES TERM CONSULTANCY CONTRACT	FOR DECISION
<p><i>This report deals with proposals for a contract(s) with a value in excess of £200,000. The Executive is being asked to advise if Members wish to be involved in the contract packaging and specification of this / these contract(s) and the nature of their involvement in the subsequent evaluation and award of contract as required by Constitution Part D (Contract Rules 3.6)</i></p> <p><b><u>Summary</u></b></p> <p>This report sets out a procurement strategy for Professional Services within the Leisure and Environmental Services Department, to support in-house capability to meet peak workloads and a proposal for a bespoke contract to achieve this.</p> <p>The contract will cover multi skill and expertise services and offer a panel of consultants, already vetted and approved, to be called upon by all departments of this Council to assist Officers as and when the need arises. The intention being to ensure delivery of projects on a needs basis where in-house capability is already saturated with work.</p> <p>The consultants to be used under this contract should not be confused with management consultants that stay for long periods of time. Commissions will be on an individual project or part of project basis and each commission will be specifically targeted and limited to the life of each individual project. They will not be used to cover staff vacancies, except whilst recruitment takes place, and will also reduce the need to employ agency staff for long periods.</p> <p>This will achieve a combination of internal and technical resource that will provide a fast response pool of expertise and this will be an ideal way of ensuring delivery of programmes particularly where work loads are unpredictable.</p> <p>This is a 'Call-Off Contract, which means that no guarantee of work is given to the successful tenderers.</p> <p>It is proposed to we enter into a Strategic Alliance with the London Borough of Camden Consultancy Services, who already operate this type of contract, to produce advertise and assist in analysis of the contract and tender returns. A fee will be payable to Camden to purchase the rights to the contract and their expertise in such contracts. The alternative would be to undertake the full tender process and obtain specialist legal advice at considerable cost.</p> <p>The need for a panel of Consultants and the setting up of an alliance with London Borough of Camden was identified as part of the Street Safe 'Best Value' Review Action Plan, which was reported to the Executive on 5 August 2003.</p>	

## **Recommendation**

The Executive is recommended to support the setting up of a Strategic Alliance with the London Borough of Camden in order to produce a Professional Services Team Consultancy Contract, at a total estimated cost of £28,000.

Members are also asked to advise if they wish to be involved in the contract packaging and specification of this contract and the nature of their involvement in the subsequent evaluation and award of contract as permitted by Constitution Part D (Contract Rules 3.6)

## **Reason**

To assist the Council in achieving its Community Priority of *"Making Barking and Dagenham Cleaner, Greener and Safer"*.

**Wards Affected** No specific wards affected, these are Borough-wide services

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## **1. Background**

- 1.1 The key aim of utilising such a service is to ensure that the main drivers, culture and ethos behind the delivery of Professional Services Term Consultancy is based on principals of strategic alliances. It is important to recognise that this panel of consultants will provide a vital support through an integrated working relationship.
- 1.2 Officers hope to share our skills and resources between other Councils and Consultants rather than replace or increase them. It is envisaged that this five year Contract will be used to jointly develop and implement these strategic alliance principles.
- 1.3 The Panel of Consultants would be asked to tender for the following professional services on a 'Call-Off Contract'. A Call-Off Contract enables services to be used as and when required but does not guarantee of work to the successful tenderers.
- 1.4 The proposed Professional Services Call-Off Contract will cover a full spectrum of professional services; including, surveys, site inspection and testing, feasibility studies, consultation, design, monitoring (including post implementation) and contract management, administration and supervision of various schemes relating to:

Transport Planning  
Development Control  
Traffic Management, Safety and Parking  
Urban Design  
Street Lighting  
Highway Improvements  
Highway Drainage  
Structural Engineering  
Bridge Engineering  
Topographical Surveys  
Traffic Monitoring Surveys  
Architecture  
Mechanical and Electrical Design  
Quantity Surveying  
Planning Supervision  
Clerk of Works  
Landscape Architecture  
Project Management  
Project Planning  
Financial Monitoring  
Thames Gateway London Partnership

## **2. Tender Selection**

- 2.1 As required by the European Union Law, an advert inviting expressions of interest to tender will need to be placed in the Official Journal of European Union (OJEU).

## **3. Contract Details**

- 3.1 It is proposed that the London Borough of Camden will undertake on London Borough of Barking and Dagenham's behalf the production of the Professional Services Call-Off Contract; from drafting through to long listing. The two Councils would need to work closely together on the evaluation of the returned tenders leading to the recommendation of appointment by the Executive next year.
- 3.2 The fee this Council will pay Camden to do this work on our behalf is £25,000. The contract process would run jointly with Camden's own consultancy contract advertisement and evaluation and selection process in order to share and mitigate costs. The alternative would be to employ specialist legal advice to draw up a bespoke contract and also bear all the advertisement and assessment cost alone. It is understood that in developing this contract Camden have spent in excess of £100,000.
- 3.3 The Contract document will be inclusive of all services being tendered. The Tenderers can select what services they wish to tender for. The type of Contract is 'Call Off' in nature and therefore no guarantee of work is given.
- 3.4 The Contract period is for five years, the tenders have to submit fee rate schedules for each service tendered.

3.5 Under this type of Call-Off tender companies can decide which services they wish to tender for; they do not have to tender for all aspects of work. There is no guarantee of work given to successful tenderers for all or any of the areas they have tendered for.

#### **4. Tender Evaluation**

4.1 The Panel of Consultants will follow the tender process, as required by The European Union Legislation and Council Constitution. An advert inviting expressions of interest to tender will be placed in the Official Journal of European Union (OJEU) and Civil Engineering Journal. Companies that respond will be vetted and tender documents will then sent out to companies passing the vetting procedure.

4.2 Interested companies will be required to submit fee based Schedule of Rates for each service they wish to be considered for, together with written responses to seven evaluation criteria as follows:

- i) Resource statement
- ii) Qualification and Experience to carry out the tender
- iii) Health and Safety Policy arrangements
- iv) Quality Control and Quality Assurance Arrangements
- v) Equal Opportunities in Employment and Delivery of Service
- vi) Approach to the provision of services under this contract. List of objectives and aims
- vii) Insurance Details

4.3 The intention of the above criteria is to provide some specific and supplementary information on their intentions and philosophy for delivery of this contract.

4.4 Following the initial tender evaluation process, selected companies will be interviewed by an Evaluation Panel to clarify any queries on the responses and where appropriate to question the submissions in more detail. The Evaluation Panel will then make recommendation to the Executive to appoint companies to the panel of consultants.

4.5 It is anticipated that the tender evaluations will be undertaken based on 70% quality and 30%price.

4.6 In view of the above the Executive is asked if Members wish to be involved in the Evaluation Panel (i.e. the specification, subsequent evaluation and award of contract as required by Constitution Part D (Contract Rules 3.6).

#### **5. Financial Implications**

5.1 Camden used one of the top legal firms (Masons) to write this contract. The hourly rates for Barristers are expensive and can easily range from £160 to over £300 per hour.

- 5.2 Camden have offered us the rights to use this contract at a cost of £10,000. However there will still be a need to adapt the Camden contract to meet the requirements of a LBBB contract and add in a number of additional professional services that we want to include that are not included in the Camden 'base' contract. Camden have offered to undertake this work on our behalf from re-drafting the contract to meet our requirements, and assisting us in short listing and selection on an hourly rate basis capped at £15,000. They will be sharing their expertise in setting up and running a similar contract for the last 2 years. A sum of £3,000 has also been allowed for in the £28,000 to cover extra legal advice costs in altering the contract to LBBB requirements.
- 5.3 The £28,000 will be met by taking an equal share across all budgets from the fees allocated to individual projects and schemes.
- 5.4 The Contracts are designed to support the Professional Services within the Leisure and Environmental Services Department and can be used corporately. Regardless of whether the work is undertaken in-house or by Consultants, the funds required to pay the fees in both cases will come from scheme and project allocations, as is the current practice. It is expected that the cost of undertaking this work through these Contracts will not be significantly different from the existing practice of tendering individual work packages.

## **6. Consultation**

The following people have seen this report and are happy with it as it stands.

Leisure and Environmental Services:

Bob Cooper

Jim Mack

Mike Mitchell

Peter Wright,

Jeremy Grint,

Kevin Wilkins

Heather Cutler, Procurement and Stores Manager, LESD

Social Services:

Peggy Green

DEAL:

Andy Carr

H&H:

Ken Jones, Housing

## **Background Paper**

Executive Minute 73, 12 August 2003. Re: Street Scene Best Value Review.