

<b>Cabinet Meeting</b>	
<b>Meeting Date</b>	29 April 2015
<b>Report Title</b>	Regeneration Project Management Support Service – Tender Award
<b>Cabinet Member</b>	Cllr Mike Cosgrove, Cabinet Member for Regeneration
<b>SMT Lead</b>	Pete Raine, Director of Regeneration
<b>Head of Service</b>	Emma Wiggins, Head of Economy and Community Services
<b>Lead Officer</b>	Emma Wiggins, Head of Economy and Community Services
<b>Key Decision</b>	Yes
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendations</b>	1. To approve the appointment of Company I (Peter Binnie Consultancy Ltd) to deliver the Regeneration Project Management Support Service from 1 July 2015 until 30 June 2018 (with an option to extend for a further two years if appropriate) on a call-off contract basis.

## **1 Purpose of Report and Executive Summary**

- 1.1 This report provides Cabinet with details of the procurement of the Regeneration Project Management Support Service, and recommends award of the service contract to the preferred supplier.

## **2 Background**

- 2.1 Swale Borough Council has a commitment to deliver major regeneration schemes in the Borough in order to drive inward investment, create local jobs, improve infrastructure, and ultimately make Swale a better place to live. It requires the services of a regeneration project management specialist to bring the experience and expertise required by the Council to deliver various regeneration projects over the coming years, including the regeneration of Sittingbourne Town Centre.
- 2.2 Since December 2011, the Council has had a call-off contract with a consultant in respect to provision of Sittingbourne Town Centre regeneration project management services.
- 2.3 The original contract was awarded via waiver of Contract Standing Orders. The waiver was granted originally due to the good value, the expertise and experience

offered by the consultant. The waiver also reflected that the project was urgent and specialist in nature.

- 2.4 Since that time the Council has continued to contract with the consultant on a call-off contract basis, to deliver services against a clear schedule of works. A further waiver has been agreed each year. The service has continued under a waiver arrangement due to the in depth knowledge of the issues which the consultant has built up over that time.
- 2.5 In 2014/15 a significant phase of the Sittingbourne Town Centre regeneration project has been completed (achieving planning permission), but beyond 2014/15 there continues to be a demand for regeneration project management support. The whole life value of the contract will exceed the EU threshold of £172,514.
- 2.6 As such an open OJEU procurement has been undertaken in order to secure such services moving forwards on a call-off contract basis. Undertaking this procurement at this stage in the project reduces the risk to delivery of the overall project by any change in service provider.
- 2.7 The current contract with the existing consultant ends 30 June 2015. The new contract would start from 1 July 2015 and end on 30 June 2018 (with an option to extend for a further two years if appropriate). Through the new contract, the Council will ensure that there is a business continuity plan and appropriate liability insurances in place at the contract start.

### **Tender process**

- 2.8 The tender was conducted as an open tender, and 68 organisations expressed an interest in the project. The tender was issued to all those organisations who had expressed an interest. The specification for the service was to deliver Regeneration Project Management Support Services with an indicative list of projects where support may be required on a call-off basis. This includes the Sittingbourne Town Centre regeneration project, the Sittingbourne multi-storey car park project, and the Mill project.
- 2.9 A total of 12 tenders were received, of which 11 were compliant. The companies that tendered are set out at Appendix I. The tenders were evaluated on 8 April 2015 by an Assessment Panel consisting of the Director of Regeneration, Head of Economy and Community Services, and the Economy and Community Services Manager. The evaluation was based upon 40% price and 60% quality.
- 2.10 The tender price and quality scores following the meeting of the Assessment Panel are shown in Table 1 below.

**Table 1: Scores at assessment panel stage**

<b>Organisation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>
Company A	20	43	63
Company B	21	37	58
Company C	22	50	72
Company D	31	26	57
Company E	40	27	67
Company F	25	41	66
Company G	20	36	56
Company H	26	31	59
Company I	27	46	73
Company J	N/A	N/A	N/A
Company K	31	23	54
Company L	17	47	64

- 2.11 A clarifying interview was then carried out with the two highest scoring organisations (Company C and I) on 14 April 2015. Following interview, the quality scores for Company C and I were recalculated as shown in Table 2 below.

**Table 2: Scores following interview**

<b>Organisation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>
Company C	22	52	74
Company I	27	50	77

- 2.12 Company I provided a response in their tender submission and interview that best met the requirements of the specification, and provided value for money based on the unit costs submitted (day rate). They demonstrated strong experience in this field and positive social value contributions.
- 2.13 It is therefore recommended that Company I is appointed to carry out Regeneration Project Management Support Services.
- 2.14 References will be taken up before appointment.

### **3 Proposals**

- 3.1 To approve the appointment of Company I (Peter Binnie Consultancy Ltd) to deliver the Regeneration Project Management Support Service from the 1 July 2015 until 30 June 2018 (with an option to extend for a further two years if appropriate) on a call-off contract basis.

## 4 Alternative Options

- 4.1 Not to procure a Regeneration Project Management Support Service and deliver this service in-house. This is not the preferred option as the Council does not have such expertise currently in-house, or the capacity to deliver on such crucial projects. As the quantity of work is likely to vary week to week or month to month, a call-off contract is a better way of accessing the necessary capacity than recruiting a new employee.

## 5 Consultation Undertaken or Proposed

- 5.1 Consultation has taken place with Legal, Procurement and Finance.

## 6 Implications

Issue	Implications
Corporate Plan	Regeneration of the Borough is part of the corporate priority of 'A Borough to be proud of'.
Financial, Resource and Property	<p>This will be a call-on/off contract depending on the need of the Council on a project-by-project basis, so no guarantee of definite work. Costs have been determined on a day rate and based on up to ten working days per month, with any additional days to be authorised in advance.</p> <p>A reasonable estimate of value based on costs of the winning tender submission, would be around £63,000k per year.</p> <p>The Council will continue to use roll-overs and reserves to fund expenditure on a project-by-project basis.</p>
Legal and Statutory	The procurement process followed OJEU rules and the Council's Contract Standing Orders. A contract of services will be entered into with the successful tenderer.
Crime and Disorder	Regeneration of the Borough helps make Swale a better place to live, which can impact positively on reduced crime and disorder.
Sustainability	Regeneration projects can help enhance the environment through environmentally-friendly design and build techniques.
Health and Wellbeing	Regeneration projects help improve the sense of place and as such improve well being and pride in an area.
Risk Management and Health and Safety	Any regeneration project management support service will ensure risks are identified, managed and mitigated, and that H&S protocols are complied with.
Equality and	This contract will comply with the Equalities Act as part of contract

Diversity	conditions.
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## **7 Appendices**

7.1 Appendix I: List of companies that tendered.

## **8 Background Papers**

8.1 Invitation to Tender for Regeneration Project Management Support Service A199.

## **Appendix I: List of companies that tendered**

- BBP Regeneration
- CAPITA
- Claves + Partners
- LVS Construction Consultants
- Martin Stevens Project Services
- Montagu Evans
- Optimum
- Peter Binnie Consultants
- Pulse Associates
- The Means
- Turner & Townsend
- Urban Delivery