

WEST OF ENGLAND COMBINED AUTHORITY COMMITTEE

4 October 2019

REPORT SUMMARY SHEET

PROFESSIONAL SERVICES FRAMEWORK PROCUREMENT

Purpose

- 1 To update the committee on the progress of the Professional Services Framework procurement process and detail the next steps.
- 2 To agree that approval to award places on the Framework is delegated to the WECA Chief Executive in consultation with the West of England CEOs.

Summary

1. This report includes the following key information:

- A description of progress to date, including quantity of tender submissions.
- Details of next steps, including framework management plans.

2. The Professional Services Framework contract is a positive example of collaboration across the four West of England authorities. Given the very significant capital spend pipeline in the region, the framework will enable swift and efficient access to professional services contractors by reducing the complexity of individual project procurement processes. Value for Money will be established both during the initial procurement process and throughout the lifetime of the framework. Strong framework management arrangements will be put in place to ensure the optimisation of the benefits from this collaborative approach. In summary, the framework will enable quicker delivery of major capital works whilst ensuring optimum Value For Money.

Recommendation

Members of the Combined Authority Committee are asked to approve that the award of places on the Professional Services Framework is delegated to the WECA Chief Executive in consultation with the West of England Chief Executive Officers.

Contact officer: John Calwell

Position: Senior Procurement Officer

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REPORT TO: WECA COMMITTEE

DATE: 4 October 2019

**REPORT TITLE: PROFESSIONAL SERVICES FRAMEWORK
PROCUREMENT**

DIRECTOR: DAVID CARTER – DIRECTOR OF INFRASTRUCTURE

**AUTHOR: JOHN CALWELL – SENIOR PROCUREMENT
OFFICER**

Purpose of Report

- 1 To update committee on the progress of the Professional Services Framework procurement process and detail the next steps.
- 2 To agree that approval to award places on the Framework is delegated to the WECA Chief Executive in consultation with the West of England CEOs.

Recommendation:

To agree that approval to award places on the Framework is delegated to the WECA Chief Executive in consultation with the West of England CEOs.

Background / Issues for Consideration

- 3 This report concerns the successor agreement to the Bristol City Council single provider Professional Services Framework. We have a regional pipeline of projects being developed that have a theoretical value of approaching £2bn. We need to efficiently secure technical support to deliver this capital programme.
- 4 On the 1 February 2019, WECA Committee agreed to the principle of establishing a Professional Services Framework which will have a value between £24m and £35m over a four-year term.

- 5 On the 14 June 2019, WECA committee approved both the procurement strategy and the commencement of the procurement process to establish a new Professional Services Framework. Scope attached as Appendix A.

Professional Services Framework – Progress Report –

- 6 On the 4 July 2019, WECA released the tender documents to the market via the Supplying the Southwest Portal, Contracts Finder and the Official Journal of the European Union (OJEU).
- 7 Interest was high, with over 230 organisations viewing the advert, and whilst this was not an indication of the final quantity of bidders, it was confirmation that the advert reached a wide audience.
- 8 After a period for clarifications, the tender closed on the 4 September 2019 with 13 bids received.
- 9 An initial evaluation resulted in the exclusion of two bidders due to non-compliant bids and therefore nine bids have been taken forward for detailed evaluation.
- 10 The bids are currently being evaluated by subject matter experts from all the Participating Authorities.
- 11 Once evaluations are complete, and the preferred bidders have been identified, the following process will take place.
 - Financial Due Diligence conducted on the preferred bidders
 - If required, references will be requested
 - Circulation of a Post Procurement Report to key stakeholders within all Participating Authorities– This report will summarise the process that has taken place and the outcome of the evaluations
 - The WECA CEO will approve or decline the award in consultation with West of England Chief CEOs
 - Intention to award or decline letters will be issued to all bidders. These letters will detail the successful and unsuccessful bidders and their respective price and quality scores
 - A ten-day OJEU standstill period will be observed
 - Final award and decline letters will be issued

12 The timetable to final award is detailed below:

Activities	Start Date	Finish Date
Evaluation Moderation Sessions	07/10/2019	11/10/2019
Preferred Bidders identified	14/10/2019	15/10/2019
Financial Evaluation of Preferred Bidders	16/10/2019	18/10/2019
Reference check of Preferred Bidders	16/10/2019	25/10/2019

Compilation of Post Procurement Report	21/10/2019	30/10/2019
Approval to Award obtained	31/10/2019	01/11/2019
Issue Intention Award/Decline Letters	11/10/2019	11/10/2019
OJEU Period	11/10/2019	21/10/2019
Issue final Award/Decline Letters	22/10/2019	22/10/2019

Next Steps

13 Work is continuing the work between WECA and the Participating Authorities to establish an Inter-Authority agreement. This document will detail:

- The relationship between WECA and the Participating Authorities in terms of the use of the Framework
- The financial contribution of each Participating Authority
- The legal framework and internal dispute management process
- The Framework governance structure

14 Creation of a Contract Management Plan and recruitment of a Contract Manager. Whilst management of individual work packages will be at authority level, there is a requirement for an over-arching Contract Management function. This Contract Management function will:

- Monitor spend through the Framework, ensuring that the maximum Framework value is not exceeded
- Compile KPI data and use to create and manage a performance dashboard
- Manage performance issues
- Work with the Participating Authorities to develop and maintain a pipeline of projects and ensure this is available to suppliers to help them invest and develop the skills we will require throughout the operation of the framework
- Manage the dispute management process
- Have an overview of all work packages, and highlight to the Participating Authorities opportunities to collaborate or share information

15 The Contract Management function will be funded in three ways:

1. This Framework is open to members of the wider South West Highway Alliance (SWHA). Should they choose to utilise the Framework they will pay WECA a 2.5% access fee that will be used to fund that post.
2. All Participating Authorities contribute to the remaining cost. The final figure is yet to be agreed but will be based on actual and evidenced costs. This will be discussed with s151s on 6 September
3. If the Contract Manager has significant involvement in the management of a specific project, then we will also look to capture their costs against that project to maximise transparency in relation to project delivery costs.

16 Continued development of a pipeline of projects. This pipeline will be provided to the successful suppliers once the Framework is live and will allow them to plan resources and have confidence that their initial bidding costs and ongoing management costs will be recuperated.

This confidence will result in reduced costs to the Participating Authorities and drive VfM during the further competition process.

17 The PSF Contract Manager will work closely with the Capital Delivery PMO to ensure we are aware of resource requirements that can be delivered via the PSF over the course of the framework. In this way we can ensure our Capital Programme and PSF Pipeline is aligned, and our supply chain informed and prepared to deliver.

Social Value

18 In order to gain a place on the Framework, all prospective Suppliers will be required to answer Social Value questions, requesting details of approach and previous experience. This element will account for 20% of the overall evaluation.

19 Once the Framework is established Social Value will be linked to the National Themes Outcomes and Measures Framework (TOMs). This approach is recognised as best practice.

20 Example TOMS include:

- Theme: Jobs. Promote Local Skills and Employment
- Outcome: More opportunities for disadvantaged people
- Measure: Number of jobs the Supplier has created for local people with disabilities

- Theme: Social: Healthier, Safer and more resilient communities
- Outcome: More working with the community
- Measure: Number of hours Supplier provided to support local projects

- Theme: Environment: Protecting and Improving Our Environment
- Outcome: Climate Impacts are reduced
- Measure: CO2 emission savings created as part of the Framework

21 The TOMs approach will enable each Participating Authority to incorporate their specific and local Social Value priorities in each contract let via the Framework.

- 22 Social Value criteria will therefore be applied by each Participating Authority at the further competition stage and will be appropriate to the work package that is being procured in a way that will maximise Social Value outcomes.
- 23 The identified Social Value measure is given to a nominal Social value, and each Supplier bidding for contracts within the Framework will submit a Social Value proposal, with the Social Value quantified, that the Participating Authority can evaluate.
- 24 This Social Value approach provides the Participating Authority with clear, tangible and quantifiable Social Value outcomes that the supplier is held accountable for delivering. It gives each Participating Authority the ability to quantify the outcomes in monetary social value benefit.
- 25 The Framework Manager will be responsible for monitoring the suppliers Social Value delivery across the Framework and will manage failures in performance appropriately.

SME Spend

- 26 To demonstrate a real commitment to the SME market, successful suppliers will be required to ensure that at least 25% of the services, in terms of value of work package, are carried out by SMEs having relevant resources and experience. This will only apply to work packages with a value over £100k.
- 27 The Framework manager will work with the successful suppliers to ensure that as much of this SME spend is focused within the region as is practical.

Public Sector Equality Duties

- 28 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

An Equality Relevance Check concluded that a full Equality Impact Assessment was not required for 3 reasons:

1. This project does not entail direct delivery and is focussed on the creation of a Framework to deliver professional services. This has no impact, positive or negative, on citizens or staff.
2. Compliance with Equality and Diversity legislation is a core part of the evaluation process, with the ability to exclude a bidder if they have been found in breach of Equality and Diversity legislation within the last three years.
3. All bidders Equality and Diversity policies will be evaluated, and a bidder can be excluded if their policy is not to a sufficient standard.

Finance Implications, including economic impact assessment where appropriate:

It is agreed, in principle, that costs associated with administering and managing the framework will be established and reviewed, and an inter-authority agreement put in place to ensure that WECA costs are covered.

Advice given by: Malcolm Coe, Director of Investment & Corporate Services

Legal Implications:

This procurement will be conducted in-line with the Public-Sector Procurement Regulations 2015, best practice and other relevant legislation.

1. The procurement will result in a framework agreement that will not commit WECA, or the UAs, to a minimum spend value. Call offs, and therefore contracts, will be made directly between the UAs and the suppliers.
2. The NEC4 standard form of contract will be used, these are industry standard and minimise risk of contractual issues.

Advice given by: Shahzia Daya, Director of Legal Services

Land/property implications:

N/A

Human Resources Implications:

The process for awarding work packages within the framework will remain the responsibility of the individual authority, and the resource for this will continue to be provided within the individual authority. The requirement for a dedicated contract management function within WECA is recognised, however scope and costs are yet to be established. Due consideration will need to be given to IR35 implications of the supplier associates/supply chain by the appointing authority.

Advice given by Alex Holly, Head of People & Assets

Appendices:

Appendix A – Professional Services Scope List.

Background Papers:

WECA Committee Paper dated 1 February 2018.

WECA Committee Paper dated 14 June 2018.

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Quay, Bristol BS1 6EW; email: democratic.services@westofengland-ca.gov.uk

APPENDIX A

Table 1: Specialisms

Specialism	Name	Areas covered
1	Health & Safety	CDM advice to clients to ensure all requirements are met. Qualified Principal Designers Other HSW for compliance Links to HSE etc
2	Masterplanning	Site appraisals, capacity viability, feasibility studies, Masterplans and development strategies, Regeneration strategies, Development briefs, Delivery programmes, Work Package management, Design guidance, detailed design, architecture and public realm design. Planning applications Visualisation Public consultation
3	Waste Management & Strategy	Work Package management; infrastructure optimisation & waste modelling; stakeholder engagement Transport logistics; environmental services; design and planning services Contract and tender documentation; contract administration and construction supervision
4	Surveys / Ground Investigation	Topographical surveys, LiDAR, Geotechnical surveys, Ground penetrating radar surveys, other surveys as required.
5	Flood Services	FDGiA or Local Levy funding work – outline business case and design to construction phase. Property Level Resilience surveys and property management.

		<p>Flood and Surface Water modelling, to include reviews and build data gathering after a major flood events and reports. - Hydrological analysis and assessment</p> <ul style="list-style-type: none"> - Hydraulic modelling, - Flood mitigation and SuDS scheme feasibility and design - Environmental assessment - Multidisciplinary services (Work Packages that require all of the above)
6	Environmental Impact Assessment	<p>Environmental assessment to support planning applications, supporting policy documents and environmental consents for transport Work Packages including; specialist habitat surveys, ecologist supervision, environmental licences, Environmental Statements and Habitats Regulation Assessment, noise pollution and air pollution calculations and measurement & Ecological and Arboriculture expertise.</p>
7	Public Inquiries	<p>Expert witness at public inquiries or examinations in public</p>
8a	a) Transport Studies	<p>Scheme Economic Appraisal Schemes Options Appraisal - Other bids for funding e.g. Large Local Majors, Major Road Network Other studies e.g. Parking Major Scheme Business Cases, including specialist services such as environmental</p>

		appraisal, including Habitats Regulation Assessments and Equalities and Health
8b	b) Transport Modelling	Transport Modelling
9	Transport Data Collection	Highway link and junction counts Roadside interview surveys Public transport data collection Household interview surveys Parking Surveys Data analysis and reporting
10	Travel Planning & Smarter Choices	Personalised travel plans Promotional literature and marketing Company travel plans School travel plans Walking and cycling
11	Programme/Project/Work Package Management & Scheme Implementation	Major Scheme Business Cases Financial support – cost managers Other expertise as required – BIM, carbon etc. Expert contractual advice – NEC/PSC/ECC (inc ECC PM) Communications expertise Other schemes
12	Transport Development	Comment on planning applications on behalf of the transport Authority Provide specialist advice on aspects of applications or supporting policy Framework Agreements. Preparation of planning applications for transport schemes.
13	Public Consultation, Engagement & Communication	Public consultation Providing representation at public meetings Preparation of consultation materials

		<p>Organisation of stakeholder events</p> <p>Analysis of consultation responses</p> <p>Answering WECA and Mayor correspondence</p>
14	Transport Policy	<p>Joint Local Transport Plan development and monitoring</p> <p>Policy advice and development</p>
15	Passenger Transport	<p>Passenger transport Work Packages, including rail, bus, rapid transit, taxis community transport and other demand-responsive modes</p> <p>Development of bus priority and other infrastructure improvements</p> <p>Partnership working with operators</p> <p>Park and Ride</p> <p>Passenger transport information systems including Real Time Information Concessionary Travel Supported bus services Integrated ticketing</p>
16	Traffic Management Services	<p>Traffic management, road safety, cycling, motorcycling, and walking Work Packages</p> <p>Answering correspondence</p> <p>Petitions – investigation and response</p> <p>Disabled Parking Bays – processing applications</p> <p>Work Package Design; feasibility, preliminary, detailed</p> <p>Scheme procurement</p> <p>Construction supervision</p> <p>Statutory Orders, including TROs</p>

		Key Route Network management
17	Transport Scheme Audits	Road safety audits Non-motorised user audits Cycling and walking audits
18	Traffic Signal Engineering Services	Work Package Design; feasibility, preliminary, detailed Modelling Scheme procurement Construction Supervision Maintenance ITS
19	Highway Improvement Work	Work Package Design; feasibility, preliminary, detailed, soil investigations & reports Scheme procurement Construction supervision Supervision Key Route Network schemes And other design services as required
20	Development Services	Advanced payments code Approval of Section 38 and Section 106 works Supervision of Section 38 and Section 106 works
21	Street Lighting Design	Design Procurement Construction supervision
22	Structural Engineering Support Services	Design and management of structures Analysis of structural engineering problems Structural Engineering (Bridges, Retaining Walls, Culverts, Buildings) Geotechnical Engineering (Investigation and Design)

		Temporary Works (Coordinator, Supervisor, designer) Topographical surveys and structural surveys
23	Asset Management	Data collection and records Asset management plans
24	Highway Maintenance	Feasibility studies Soil investigations & reports Detailed scheme design Key Route Network schemes
25	Drainage Design	General advice on drainage matters to the LLFA. Advice on land drainage matters and flood investigations. General drainage design, including SUDS, and review of designs.
26	Legislative and Technical Advice	New Roads & Street Works Act Traffic Management Act Other legislation
27	Green Infrastructure	General advice of ecological matters. General advice on landscape matters. General advice of arboriculture matters. Development Control Applications, (ecology, trees, landscape, public rights of way) Parks and Open Spaces design Feasibility studies Soil investigations and reports Detailed scheme design Construction supervision
28	Air Quality	Clean Air Zones

		<p>Air Quality Management Areas</p> <p>Clean Air Plans</p> <p>Cleaner vehicle schemes</p> <p>Funding bids</p>
29	Transport Consultation Responses	<p>Department for Transport, Highways England, Network Rail, GWR, Office of Rail and Road consultations</p>
30	Demand Management	<p>Congestion charging</p> <p>Work Place Parking Levies</p>
31	New Technology	<p>Autonomous vehicles</p> <p>Mobility as a service</p> <p>Cleaner vehicles</p> <p>New data opportunities</p> <p>Electric vehicle charging</p> <p>Hostile vehicle mitigation</p>
32	Freight	<p>Consolidation centres</p> <p>Freight Route Network</p> <p>Rail freight</p>
33	Road Safety	<p>Education</p> <p>Campaigns</p> <p>Schemes</p>
34	Feasibility & Business Case Production.	<p>Business Case production – SOC, OBC and FBC stages</p> <p>Business Case considerations for Housing, Highways, Rail and other infrastructure schemes.</p> <p>Expertise to cover all 5 cases for the different types of development type. (Strategic, Economic, Commercial, Financial and Management</p>

