

[No.]

Agenda item

PROCUREMENT COMMITTEE

On 3rd March 2009

Report Title. Update on Programme Management Consultant to BSF Programme

Report authorised by



Director of The Children and Young People's Service

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Wards(s) affected: N/A

Report for: Information

1. Purpose of the report

- 1.1 To report that the Lead Member for Children & Young People's Service (CYPS), the Chief Executive and the Director of Corporate Resources, acting under authority given to them by the Procurement Committee on 30th September 2008 have authorised the continued use of Tribal Group/Qedis as Programme Managers for the BSF Programme until 31st March 2009.
- 1.2 To notify the requirement for a further procurement for Programme Management services to serve the integrated Primary Capital Programme and BSF Programme development and delivery from 1st April 2009.
- 1.3 To report on progress in transitioning activities to Haringey direct employees from a consultancy led staff base.

2. Introduction by Cabinet Member

- 2.1 Although this report is for noting I would draw member's attention to the progress made in moving from consultancy based staff to permanent posts. 27 out of 36 posts are now held by permanent Haringey staff. Obviously there are still plans to reduce the number of consultants further but I am pleased that significant progress has been made in meeting the concerns of the Procurement Committee.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1 Council Priorities

This section is not applicable to this information report. The BSF Programme clearly outlines alignment of its work with Council Priorities and strategies when letting construction contracts for projects at Haringey Secondary Schools.

3.2 Resources

3.2.1 Value for Money

3.2.1.1. Overall Value for Money is demonstrated through the procurement process at the time when selection takes place – this information reports seeks to update the Committee on decisions taken by the Chief Executive and Director of Corporate Resources to engage Qedis / Tribal Group as Programme Support to the BSF Programme until 31st March 2009.

3.2.1.2. A new procurement process is currently in development to secure Programme Management and related support services. A report will be presented to a future Procurement Committee.

3.2.2 Engagement of the Community

3.2.2.1. Not applicable.

3.2.3 Risk Management

3.2.3.1. Not applicable to this information report.

4. Recommendations

4.1 To note that the Lead Member for CYPS, the Chief Executive and the Director of Corporate Resources, acting under authority given to them by the Procurement Committee on the 30th September 2008, have authorised the continued use of Tribal Group/Qedis as Programme Managers until the 31st March 2009.

4.2 To note the process for procuring ongoing Programme Management services to serve the integrated Primary Capital and BSF Programme development and delivery from April 2009.

4.3 To note progress in transitioning activities to Haringey direct employees from a consultancy led staff base.

5. Reason for recommendation(s)

5.1 The Tribal Group were appointed for the provision of Programme Management

Services for the BSF Programme in a report approved by Procurement Committee on 17th May 2007. The Tribal Group is a supplier on the Office of Government Commerce Buying Solutions framework agreement for consultancy services ("OGCBS framework"). The contract with the Tribal Group was subsequently extended in a report approved on 30th September 2008. The total approval for BSF is:

Approval Date	Value	Purpose
17/05/2007	£1,319,625	Programme Management
30/09/2008	£328,200	Programme Management to 31/12/2008
30/09/2008	£171,000	Programme Management to 31/03/2009
Total	£1,818,825	

NB. The total Procurement Committee approval on 30th September was £499,200

5.2 The approval to spend for the period January 2009 to March 2009 (£171,000) was agreed subject to approval by the Chief Executive and Director of Corporate Resources if the sum should be required. This approval has now been executed allowing the extended sum to be drawn down.

5.3 The 30th September 2008 Procurement Committee report was based on delivery of Programme Management support solely for the BSF Programme. The table below shows that BSF Programme management activity will be maintained within the £499,200.

5.4 Previous reports seeking approval to consultancy spending have prompted requests that the level of directly employed Haringey staff should be increased, reducing the dependency on consultancy resources. Integration of the PCP and BSF teams and subsequent recruitment activity has resulted in 27 out of 36 posts been held by permanent Haringey staff, with plans to reduce consultants further in future years. This represents a significant step in meeting the request of the Procurement Committee.

5.5 Notwithstanding the progress outlined in section 5.4 of this report in creating a directly employed staff structure, there is an ongoing requirement for consultancy based Programme Management services to be procured. The proposed route for this procurement is under consideration and will be the subject of a further report to Procurement Committee to secure Programme Management services from April 2009.

5.6 Health and Safety Implications

Not Applicable

6. Other options considered

6.1 Not Applicable

7. Summary

7.1 This report confirms:

- Delegated approval by the Chief Executive and Director of Corporate Resources for the BSF Programme Management activity for January to March 2009 as agreed in September 2008.

7.2 This report identifies that a further procurement process and approval will be required to secure Programme Management services from April 2009 – this will be the subject of a further report to this Committee.

7.3 This report confirms the ratio of direct of Haringey employees to consultants has now improved.

8. Chief Financial Officer Comments

8.1 The CFO has been consulted and has no further comments to make.

9. Head of Legal Services Comments

9.1 The Procurement Committee agreed at the meeting held on 30 September 2008 that the Council's Chief Executive and/or the Director of Corporate Resources in consultation with the Cabinet Member for Children and Young People be authorised to approve the further sum of £171,000 to Tribal Group for period 1 January to 31 March 2009.

9.2 CSO 6.05 of the Council's Contract Standing Orders provides that contracts with a value of more than £25,000 must be let by following a competitive tendering process.

9.3 The value of the contract to which this report relates is above the threshold set out in CSO 6.05. However under CSO 7.02 and subject to the requirement to comply with EU legislation the Cabinet can waive the requirement to undertake a competitive tendering process where it is in the Council's overall interest.

9.4 The Tribal Group are on the OGCBS framework which has been established in compliance with EU legislation. Local Authorities can procure services under the OGCBS framework.

9.5 The Head of Legal Services notes the contents of this report which is supplied to the Procurement Committee for information.

10. Head of Procurement Comments

10.1 The OGCbs Framework Agreement contains a number of consultancy firms that can be "called off" on pre-agreed terms and conditions. The Tribal Group were originally selected from this list because they most closely matched the Council's requirements at the time.

10.2 The anticipated total value of work to be "called off" was £1.8m - the remainder of

which is being reported in this paper to committee.

10.3 There is a need to secure additional services to continue to take forward the BSF programme and other workstreams. The agreed procurement strategy is to discuss these requirements, as allowed under the OGCbs Framework, with Tribal to ensure adequate resources are available to support the ongoing programme streams and that costs are acceptable to the Council.

10.4 In the unlikely event that Tribal are unable to resource the ongoing programme, the 1st April 2009 contract start date would be at risk.

11. Equalities and Community Cohesion Comments

11.1 OGCbs places a strong emphasis on ensuring equalities as part of the assessment of suppliers onto its frameworks. This includes compliance with the OGCbs Equalities Scheme and Social Issues in Purchasing policy. Additionally, the BSF programme has used the Council's agreed procurement processes to in appointing contractors to each part of the programme – including how equalities issues are managed in their respective businesses.

12. Consultation

12.1.1 Not Applicable

13. Service Financial Comments

13.1 Approval by the Chief Executive and Director of Corporate Resources to extending the use Qedis / Tribal Group to the end of March 2009 at a cost of £171,000 was undertaken within the budget sum outlined in the September 30th report.

13.2 Further procurement for Programme Management services from April 2009 will be subject to available budget provision for the integrated BSF and PCP delivery organisation.

14. Use of appendices /Tables and photographs

14.1 Not Applicable

15. Local Government (Access to Information) Act 1985

15.1 The following documents were used in the compilation of this report:

- The Council's Standing Orders