

Agenda item:

[No.]

Cabinet Procurement Committee

On 28th April

<p>Report Title. Call-off arrangement for the provision of Project and Programme Management Consultancy Services.</p>	
<p>Report of Director of Corporate Resources</p> <p>Signed : <i>J. Power</i> 17/4/09.</p>	
<p>Contact Officer : Michael Wood, Head of Procurement, Tel: 020 8489 2120, Email: michael.wood@haringey.gov.uk</p>	
<p>Wards(s) affected: N/A</p>	<p>Report for: Non key</p>
<p>1. Purpose of the report (That is, the decision required)</p> <p>1.1. To seek approval to continue a call-off arrangement with Qedis part of the Tribal Consortium for a period up until 29 November 2011 for the provision of project and programme management consultancy services under the Office of Government Commerce (OGC) Framework Agreement.</p>	
<p>2. Introduction by Cabinet Member</p> <p>2.1. I note the content of the report having discussed the arrangement with the Head of Procurement. The new arrangement represents value for money for the Council and I draw attention to paragraph 6 of the report.</p>	
<p>3. State link(s) with Council Plan Priorities and actions and /or other Strategies:</p> <p>3.1. Building Schools for the Future Programme (BSF) 3.2. Primary and Pre-School Programme (PPS)</p>	

4. Recommendations

- 4.1. To agree to continue a call-off arrangement under the OGC Functional Consultancy Framework Agreement for Project and Programme Management Consultancy Services.
- 4.2. To agree to a period up to 29th November 2011.
- 4.3. To agree that the arrangement be continued with Qedis who are part of the Tribal Consortium and the Suppliers contracted under the Framework.

5. Reason for recommendation(s)

- 5.1. Haringey Council is involved in key programmes to improve the schools environment (new build and refurbishments through the BSF and PPS programmes), to specifically improve Children's Services and to increase in-house capacity and capability through knowledge transfer and skills development in regards to project and programme management.
- 5.2. These are key programmes and the required skills development are a medium to long term investment by the Council and are best delivered through an established and maintained arrangement with a preferred partner.
- 5.3. The arrangement to-date has worked well and regular reviews have confirmed the achievement of milestones and continued value for money.
- 5.4. It would not be in the best interests of the Council to run a competitive procurement to seek an alternative partner when the existing arrangements continue to meet the Council's requirements and key programmes (BSF) are at critical stages.

6. Other options considered

- 6.1. An open market procurement exercise was considered but then discounted since the OGC have established competitively priced pre-negotiated framework call-off arrangements that are accessible by any public sector body. It is therefore not necessary in this case for the Council to manage a procurement exercise.
- 6.2. The OGC framework contains a list of consultancy firms, which were evaluated and from which Qedis who are part of the Tribal Consortium were selected, for major project and programme management.
- 6.3. The programmes mentioned are key to the borough of Haringey and it would not be in the Council's interest, especially at this critical stage of BSF to consider using an alternative firm of consultants.

7. Summary

- 7.1. Haringey Council has an ongoing need for major project and programme management consultancy services and especially involving the Building Schools for the Future (BSF) programme.
- 7.2. The existing arrangement with Qedis part of the Tribal Consortium has been reviewed to ensure continued value for money and effective programme

delivery.

- 7.3. The Government's OGC Framework Agreement contains a list of firms from which the public sector can select a preferred partner (on pre-negotiated terms and conditions). Qedis from the Tribal Consortium were selected to support various Council programmes (including the £228m BSF programme) because they were considered the most capable of providing the services with the level of appropriate skill and expertise.
- 7.4. The BSF Programme has progressed well and the Council is satisfied to continue to use Qedis from the Tribal Consortium as the preferred consultancy firm to deliver this highly complex and high value programme as it reaches its critical stages. There are 20+ external suppliers in this programme including designers, building contractors, architects, IT providers, legal advisors and cost consultants; all of which are programme managed by Qedis from the Tribal Consortium.
- 7.5. Other programmes that are developing and need integrating include:
 - Primary and Pre Schools (PPS) building refurbishments
- 7.6. Spend to-date with Qedis from the Tribal Consortium has been slightly under £2m. The amount of spend over the coming years will depend on the level of need for external consultants, and in-house resources will be utilised as much as possible.
- 7.7. The proposed arrangement will continue to be a call-off arrangement and does not commit the Council to any level of spend at this stage. As projects are commissioned (or "called off") these will be subject to the usual Council approvals for compliance with the Forward Plan and Contract Standing Orders.
- 7.8. Each 'call-off' would result in a specific contract against approved budget.
- 7.9. For Governance purposes, relationship management will be reviewed quarterly by the Director of Corporate Resources and account management reviewed 6 weekly by the Head of Corporate Procurement.
- 7.10. The relationship with Qedis part of the Tribal Consortium has proved to work very well and with the ongoing need to support the BSF programme plus PPS programme, the continued use of Qedis from the Tribal Consortium under this arrangement offers good value to the Council and brings much needed skills and expertise to augment those that exist within the Council.
- 7.11. The success of the blended external / internal high calibre programme office team in the Council has received praise from Partnerships for Schools as providing very strong governance and quality assurance.

8. Chief Financial Officer Comments

- 8.1. The Chief Financial Officer notes that the recommendation does not itself have any direct financial implications. As when each contract is "called off", the appropriate approvals will be sought which will include an assessment of any financial implications.

9. Head of Legal Services Comments

- 9.1. This report is seeking Procurement Committee approval for continued use of Consultancy Services from an existing Framework Agreement procured by OGC on a project by project basis.
- 9.2. The EU Directive on public procurement (the Consolidated Directive), as implemented in the UK by the Public Contracts Regulations 2006, allows contracting authorities to, using EU tendering procedures, enter into framework agreements with service providers, and to select service providers in respect of specific services/projects from amongst those providers with which it has concluded framework agreements.
- 9.3. The OGC, an Executive Agency of the Office of Government Commerce (OGC) in the Treasury, has concluded a number of framework agreements tendered in the EU and established in compliance with the Public Contracts Regulations 2006. These were concluded and are available for use by contracting authorities, which includes local authorities.
- 9.4. Where a framework agreement is concluded with more than one economic operator and more than one economic operator under that framework is capable of performing those services, a specific contract may be awarded following written consultation with all those economic operators capable of performing those services (a mini-competition) which has submitted the best tender on the basis of the award criteria specified based on the framework agreement.
- 9.5. Qedis part of the Tribal consortium have been selected based on the most economically advantageous tenders submitted, in accordance with Regulation 30 of the Public Contracts Regulations.
- 9.6. The OGC Framework was concluded with the Tribal Consortium with an effective date of 12 June 2006 expiring on the 30 November 2009.
- 9.7. The call off arrangement for a period commencing on 28th April 2009 to 29th November 2011 with Qedis part of the Tribal Consortium may continue beyond the expiry of the OGC Framework Agreement for consultancy services provided that this does not circumvent public procurement regulations or that prevents, restricts or distorts competition.
- 9.8. As the total estimated value of the contracts to be awarded under the framework agreement is likely to exceed £250,000, the proposed award must be approved by Members pursuant to CSO 11.3 which provides that Procurement Committee must award all contracts valued over £250,000.
- 9.9. This report is recommending continued call-off arrangements under the OGC Functional Consultancy Framework Agreement for Project and Programme Management Consultancy Services to the selected consortium partner Qedis from the Tribal Consortium for the period from 28th April 2009 to 29 November 2011.
- 9.10. The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in Paragraph 4 of

this report.

10. Head of Procurement Comments

- 10.1. The OGC Framework Agreement was established under OJEU regulations and is available to public sector bodies to access
- 10.2. Council Standing Orders make provision to access other public sector arrangements providing that approval is given beforehand by Cabinet Procurement Committee (for projects expected to exceed £250k).
- 10.3. There is no committed spend as a consequence of confirming this arrangement. Further reports will be submitted for appropriate approvals as each stage of the various programmes are “called-off”.

11. Equalities & Community Cohesion Comments

- 11.1. The OGC Framework and the original tender documents were put out to full EU tendering process which opened up the supply chain to open competition.
- 11.2. The process which led originally to the selection of Qedis/Tribal included the use of a Pre-Qualification Questionnaire (PQQ) which has detailed equalities questions.
- 11.3. In addition, the OGC Framework itself uses a PQQ which is in line with the Council's, with detailed equalities considerations covered.
- 11.4. Within the OGC Framework, there is an opportunity to the Council to agree additional terms, which could include equalities terms if needed.
- 11.5. Together, these safeguards reduce the risk of equalities being jeopardised by this recommendation.

12. Consultation

- 12.1. Council Programme Directors & Managers have been consulted to ensure the existing arrangements continue to meet their needs and represent value for money.

13. Service Financial Comments

- 13.1. The recommendations in this report are for a Framework Agreement but with no commitment to spend budget. As each contract is “called-off,” budget requirements will be explained and the necessary approvals sought prior to contract award.

14. Use of appendices /Tables and photographs

- 14.1. Appendix A – exempt information.
- 14.2. Appendix B – exempt information.

15. Local Government (Access to Information) Act 1985

15.1. Appendix A contains commercially sensitive information that could disadvantage the chosen partner if made available to competitors.