



Haringey Council

Agenda item:

[No.]

Cabinet Procurement Committee

On 24th March 2011

Report Title. **Consultants for Construction Works (Additional services) framework agreement extension**

Report of **Director of Corporate Resources**

Signed :

Contact Officer : David Mulford, 020 8489 1037

Wards(s) affected: **All**

Report for: **Key Decision**

1 Purpose of the report

- 1.1 To seek Cabinet Procurement Committee approval to extend the Consultant for Construction Works (Additional services) framework agreements for a further period of 1 year.

2 Introduction by Cabinet Member

- 2.1 I concur with the recommendations set out in this report.

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

- 3.1 The procurement of long term agreements for construction consultancy fits in with the Council's Category Management strategy.

4 Recommendations

- 4.1 In accordance with CSO 13.02 that the Consultants for Construction Works (Additional services) framework agreements be extended for the following companies:
- Gardiner & Theobald
 - Frankham Consultancy Group
 - Keegans
 - Potter Raper Partnership
 - John Burke Associates
- 4.2 That the framework agreements be extended for a further period of 1 year (as allowed within the framework agreement) with an estimated total value of £300,000.

5 Reason for recommendation(s)

- 5.1 The extension of the existing framework agreement will enable the Construction Procurement Group to conduct a procurement exercise for the subsequent arrangements to be put in place for the provision of construction consulting.
- 5.2 The Construction Procurement Group is leading on a collaborative procurement involving the London Borough of Barnet and Enfield Council. The procurement process is currently underway and is due to be finished by November 2011.

6 Other options considered

- 6.1 The Construction Procurement Group examined the option of using other public sector arrangements for the provision of construction consulting. There are public sector framework agreements in place that may be used for the provision of construction consulting, whereby the user can select consultants through a tender competition. The service providers under the existing framework agreements have been trained in the Council's internal processes and procedures, so the use of the in-house frameworks also provides efficiency savings in terms of the time officers would otherwise spend training new consultants. The use of the existing framework agreements also provides a consistency of service that would not be provided by an external arrangement.
- 6.2 It should be noted that the Council is not obliged to use the framework agreement for construction consultancy and that where appropriate the Council may decide to use externally procured framework agreements.

7 Summary

- 7.1 The Consultant for Construction Works (Additional services) (CfCWA) framework agreement was awarded in March 2008 for a period of 2 years, with the option to extend for up to a further 2 years subject to satisfactory performance. Agreement was granted by Cabinet Procurement Committee to extend the framework agreement by 1 year in April 2010. The current framework agreement expires on 27th April 2011 following the previous extension of 1 year.
- 7.2 The framework agreements provide the following services:

- CDM (Construction Design & Management) co-ordinator services – Gardiner & Theobald
- Quantity surveying – Frankham Consultancy Group, Keegans and Potter Raper Partnership
- Clerk of works services – John Burke Associates

7.3 The framework agreements were awarded to run concurrently with the Consultants for Construction Works framework agreement to provide cost, quality and health & safety assurance to the work carried out by the one-stop-shop service provider.

7.4 The performance of the service providers has been satisfactory throughout the initial term of the framework agreement and client satisfaction has been satisfactory.

8 Chief Financial Officer Comments

8.1 The Chief Financial Officer notes that the further extension now requested is in order for a collaborative procurement involving the London Borough of Barnet and Enfield Council to be progressed. This procurement process is currently underway and is due to be finalised by November 2011 and should deliver better value for the Council in the longer term.

8.2 As set out in 7.4, the performance of the providers to date has been satisfactory and the rates tendered by the appointed companies are competitive and compare favourably against other framework agreements. Furthermore, the existing providers are used to the Council's internal processes and procedures.

9 Head of Legal Services Comments

9.1 The framework agreements for construction related consultancy services were tendered in the EU in accordance with the Public Contracts Regulations 2006.

9.2 The framework agreements have already been extended for one year in accordance with the contract terms. The Council's Construction Procurement Team now wishes to extend the framework agreements for a further year.

9.3 Because of the value of the framework agreements, the approval for the extension needs to be obtained by Procurement Committee in accordance with CSO 13.02.

9.4 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

10 Head of Procurement Comments

10.1 The current framework agreements for Consultants for Construction works (Additional Services) (CfCWA) was procured following an advert in the Official Journal of the European Union and subsequent award by Cabinet Procurement Committee in March 2008.

- 10.2 The framework allows for extending for up to one further year subject to satisfactory performance.
- 10.3 The framework is monitored through a number of meetings including a core group of key directorates.
- 10.4 The Head of Procurement therefore supports the extension of these frameworks for a further year.

11 Equalities & Community Cohesion Comments

- 11.1 The selected suppliers were evaluated in terms of equality and diversity in the original procurement process used to select them to the respective framework agreements.
- 11.2 The framework agreements will benefit all wards within the borough.

12 Consultation

- 12.1 The Construction Procurement Group will consult with key client groups from all directorates in order to shape the contract mechanism for the arrangements that will be procured to replace these framework agreements and the Consultants for Construction Works framework agreement.

13 Service Financial Comments

- 13.1 The costs involved in the use of the framework agreements may come from external funding, revenue or capital budgets for the directorates for which work is being carried out.
- 13.2 The framework agreement was awarded against a schedule of rates based on percentage rates against construction cost. Hourly rates can be adjusted in line with the average Retail Price Index (RPIX) figure from 1st April 2010 to 31st March 2011 by request.
- 13.3 The total value spent across all companies is approximately £1.5million. Based on the anticipated workload for the companies under this framework agreement the estimated fees for the subsequent year are £300k. The actual figure may be less than this.
- 13.4 The rates tendered by the appointed companies are competitive and compare favourably against those companies procured under the Buying Solutions Project Management and Full Design Team Services framework agreement.

14 Use of appendices /Tables and photographs

14.1 Appendix 1 of this report contains information exempt from public viewing.

15 Local Government (Access to Information) Act 1985

15.1 Appendix 1 of this report contains exempt information and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

- *Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).*

