

	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>6 JULY 2015</p>
<p>THE PROCUREMENT OF QUANTITY SURVEYING SERVICES OFF THE CONSTRUCTION RELATED CONSULTANCY SERVICES FRAMEWORK AGREEMENT 2012 VIA A MINI- COMPETITION</p>	
<p>Report of the Cabinet Member for Housing – Councillor Lisa Homan</p>	
<p>Open Report</p>	
<p>For Decision: Yes Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Directors: Kathleen Corbett & Mike England, Lead Directors for Housing</p>	
<p>Report Author: Henrietta Jacobs Procurement Manager</p>	<p>Contact Details: Tel: 020 8753 3729:Email: henrietta.jacobs@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 On 2nd April 2015 a Cabinet Member Decision by the Cabinet Member for Housing approved the use of a national framework, the Construction Related Consultants Services Framework Agreement 2012 (the CRCS 2012 Framework) , for the procurement of Quantity Surveyor (QS) services to support the delivery of programmes of work for the Term Partnering Repairs & Maintenance contract (TPC R&M) and the Planned and Preventative Maintenance (PPM) contract. A mini competition is currently in progress under this framework for an 18 month contract for services to support the delivery of programmes of work for the Term Partnering Repairs & Maintenance contract (TPC R&M). The tender value is expected to be in excess of £100k.
- 1.2 This report seeks approval to delegate the appointment of the successful supplier to the Cabinet Member for Housing in conjunction with the Lead Directors for Housing. The tenderers are
- Keegans Ltd
 - Mott Macdonald Limited
 - Playle & Partners LLP
 - Stace LLP
 - Sweet (UK) Limited

- 1.3 The Council has already called off from these frameworks for small individual lots where each commission has been below £20,000.

2 RECOMMENDATIONS

- 2.1 That delegated authority be given to the Cabinet Member for Housing in conjunction with the Lead Directors for Housing to appoint the successful tenderer from one of the above listed consultants via a mini-competition to carry out Quantity Surveying (QS) services for the delivery of programme of works within the TPC Repairs and Maintenance contract with Mitie for a contract period of 18 months.
- 2.2 To note that funding for these services is contained within the individual scheme budgets approved as part of the 2014/15 and 2015/16 Housing Capital Programme.

3 REASONS FOR DECISION

- 3.1 The Council's Contract Standing orders state that a framework can be used to procure for goods, services, and or works of any value. A mini competition or direct call-off can be used to procure off a framework in accordance with the provisions of the relevant framework. In this instance, a mini competition is being carried out to drive out further savings.

4 INTRODUCTION AND BACKGROUND

- 4.1 The Council has a major 10+5 years Term Partnering Contract (TPC) with MITIE.
- 4.2 The Council operates as a lean client for this contract and does not currently have the resources in house to carry out specialised cost control/evaluation services. The TPC contracts require the services of cost consultants to verify contractor applications for payment, agree valuations, and produce monthly cost reports to assist the monitoring of capital projects being delivered via the contract. To date this has been carried out by contractors on the SCAPE framework and a number of other small contracts.

This report delegates the engagement of independent Quantity Surveying services via a framework to deliver the cost evaluation element of the programme to ensure works are delivered within the time line of the contract and that they provide value for money.

5 PROPOSAL AND ISSUES

- 5.1 The proposed framework under which the mini competition is in progress, the CRCS 2012 Framework, is a national framework which can be used by all Local Authorities. The Council has signed up to this framework and it is intending to procure Quantity Survey (QS) services to support the delivery of the programmes of work. The options considered are set out below.

6 OPTIONS AND ANALYSIS OF OPTIONS

- 6.1 Officers considered the following options:

Option 1 – Go out to Full Tender/OJEU

6.1.1 This option was considered but it was concluded that it will not be the best option for the council as time is of the essence in the delivery of the current programme of work. There has been a back log of works to be delivered and any further time spent on going out to full tender, will put the delivery of work packages at high risk of not been delivered within the expected time frame.

6.1.2 It is imperative that cost Consultant services and invoice monitoring is carried out to ensure the Council is protected financially and to ensure our projects deliver value for money.

6.2 Option 2 – Recommended Option – Use An Existing/ National Framework To Deliver The Contract.

6.2.1 This is the proposed option, as any relevant framework will have gone through a process of competitive tendering with agreed established rates and will be able to be used quickly. The proposed framework has agreed rates and will give the Council the option of going directly to one supplier, removing the requirement of running a mini competition within the framework. Approval has already been given to use the CRCS Framework 2012 and this report seeks to delegate approval to appoint the successful supplier from the list in section 1.2 above.

6.3 Option3: An in house team

6.3.1 The market for individuals with these skills is currently buoyant and recruitment has historically proved difficult and expensive. Retention of suitably qualified staff has been difficult and they have often moved on quickly for higher salaries. In addition the scale of work required would mean that the Council would only have a small in house team which would lack resilience. Therefore Option 2 has been selected as this provides the best balance in terms of resilience, cost and timeliness.

7 CONSULTATION

7.1 All relevant consultation in relation to any of the work packages will be carried out by MITIE, in line with their project delivery timeline.

8 EQUALITY IMPLICATIONS

8.1 There are no significant equalities issues highlighted,

8.2 Implications verified/completed: by (Henrietta Jacobs, Procurement Manager 02087533729)

9 LEGAL IMPLICATIONS

- 9.1 The Council should be satisfied that it is able to access the Framework Agreement before calling-off. Legal Services will be available to carry out a review of the terms and conditions prior to execution and will work with officers to arrange for the execution of the call-off contract.
- 9.2 Implications verified/ by: Kar-Yee Chan, Solicitor (Contracts) Shared Legal Services, 0208 753 2772

10 FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 The proposal to use a national framework to procure for consultants is reliant on cabinet member giving approval to the recommendation in this report. It must be noted that all suppliers under the relevant framework have been financially vetted by the lead authority (London Borough of Haringey) in securing the contract for the Framework in accordance with the EU Regulations.
- 10.2 Implications verified/completed by: (Isaac Egberedu, Principal Accountant, 0208 753 2503)
- 10.3 Funding for these services is contained within the individual scheme budgets approved as part of the 2014/15 and 2015/16 Housing Capital Programme.
- 10.4 Implications verified/completed by: (Alan Hollamby, Senior Accountant, 0208 753 1773)

11 RISK MANAGEMENT

- 11.1 Market testing, achieving the best value to the local taxpayer, is a key strategic risk, risk number 4 of the Shared Services risk register. There are no other strategically significant risks associated with the proposal to continue with an already agreed commissioning model.
- 11.2 Implications verified/completed by – Michael Sloniowski, Risk Manager, Tri Borough-02087532587

12 PROCUREMENT & IT STRATEGY

- 12.1 The Corporate Procurement Team supports the initiative proposed in the recommendation to call off from established framework agreements to provide design services and Quantity Surveyor services for housing related services.
- 12.2 Implications verified/completed by Alan Parry, Procurement Consultant (TTS). Telephone 020 8753 2581.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No	Description of Background Papers	Name/Ext of Holder of File/Copy	Department/Location
1.	None		