

Report to	<b>Resources and Performance Committee</b>
Date	<b>8 February 2012</b>
By	<b>Director of Corporate Services</b>
Title of Report	<b>Report on Major Procurement Tenders</b>
Purpose of Report	<b>To highlight the progress on Major Procurement Tenders</b>

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**Recommendation: The Committee is recommended to**

- 1. note the updated progress on major procurements in the following areas: ICT, Legal Services, Financial Services and Refurbishment of Capron House.**
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**1. Introduction**

- 1.1 The South Downs National Park Authority (SDNPA) is currently undertaking a number of procurements for support services and this report details the progress that has been made in achieving the deadlines for these procurements.
- 1.2 The Corporate Risk register has identified that the scheduling of these procurements, occurring within a short time of each other, is a key risk to the organisation. Contingency planning and mitigation is in place to manage this risk and ensure impact on the organisation is kept to a minimum during the procurement process and changes of suppliers.

**2. Background**

- 2.1 The procurement process was initiated following approval from the Resources and Performance Committee, to secure a range of support services from outsourced providers, as set out in a report to the Resources and Performance Committee in June 2011.
- 2.2 The Procurement Manager liaised with key internal stakeholders within Corporate Services, including the ICT Manager, the Estates Manager and the Performance and Business Planning Manager to develop a timetable which is in compliance with Public Procurement Regulations, ensures value for money and enables the SDNPA to award contracts before existing contractual arrangements end.
- 2.3 The approval to purchase Capron House was given by SDNPA on the 15 February 2011, and this will necessitate the need to refurbish the property.
- 2.4 The refurbishment of Capron House is a capital project and no existing contractual arrangements are in place.

**3. Procurement Update**

- 3.1 **ICT:** The deadline for expressions of interest and submissions of Prequalification Questionnaires (PQQ) expired on the 5 December 2011. The SDNPA received 14 completed Questionnaires by the due date.
- 3.2 These were scored in accordance with the criteria agreed by the Resources and Performance Committee at the meeting held 9 June 2011.
- 3.3 PQQ scoring and credit checks were completed by early January 2012.
- 3.4 The Procurement and ICT Managers have compiled the Invitation to Tender (ITT) following consultation across the SDNPA and the ITT was issued to 7 short listed organisations on 6 January 2012. All data regarding this procurement will be held on a separate hard drive, and

- only authorised staff will have access the information on it.
- 3.5 The ITT allows tenderers to offer their solutions to the stated needs of the SDNPA with regard desktop services, storage, GIS systems etc. Following receipt of the completed tender documents scoring will take place against agreed criteria and a supplier chosen to deliver against an agreed specification of services for the SDNPA.
- 3.5 **Legal Services:** Negotiations have been concluded with West Sussex County Council to extend the existing contractual agreement beyond the expiry date on 30 March 2012 to 30 June 2012.
- 3.6 The end date for the contract coincided with the potential end dates for the Financial Services and ICT contracts and it was seen as a risk to be handing over another contract for support services at that time, when legal advice may well be required. Keeping the existing provider, who is familiar with the SDNPA helps mitigate this risk.
- 3.7 The extension to the existing contract will also allow the Performance and Business Planning Manager capacity and time to develop a more appropriate specification which properly reflects the operational requirements of the SDNPA for the next 3 to 5 years. This will be done by undertaking internal and external consultation and carrying out some benchmarking with other National Park Authorities and other similar organisations.
- 3.8 Legal Services are classed as a Part B Service, under the Public Procurement Regulations and are exempt from the Official Journal of the European Union (OJEU) process, although the principles of fairness and transparency apply.
- 3.9 **Corporate Financial Services:** PQQ's were received from 3 organisations and following a robust evaluation process, all 3 were selected to receive the tender which was issued on 21 November 2011 and returned on the 3 January 2012.
- 3.10 Following the issue of the invitation to tender one on the organisations declined to participate further, citing resource issues.
- 3.11 Tender clarification questions were received by 28 November 2011 and responses issued on the 3 December 2011.
- 3.12 Returned tenders were evaluated between 9 and 20 January 2012.
- 3.13 Final decisions on the future of financial services for the SDNPA are now underway.
- 3.14 **Refurbishment of Capron House:** Expressions of Interest have been sought using the recently let East Sussex County Council Consultancy Framework Agreement (2011-2015) under three of the lots. These lots comprised of the following disciplines:
- multidiscipline consultants including architecture, mechanical and electrical services and structural services to undertake feasibility study and produce initial design options/costs;
  - project management/employer's agent consultants to lead technical project management; and
  - cost consultants
- 3.15 Out of the eight suppliers on the framework for the multidiscipline lot, 7 confirmed that they were interested in receiving a tender under the terms of the mini competition. The selection criteria were agreed and submissions were returned on 10 January 2012. 3 suppliers were shortlisted for final scoring. The contract is due to be awarded by the end of January 2012.
- 3.16 The bids for the cost and project management consultancy are due to be returned at the end of January 2012 and the contracts are to be awarded mid February 2012.
- 3.17 Full governance arrangements are now in place for the project, including a Member Advisory Group, a Programme Board and a Project Team, all of which have met during January.

#### **4. Resources**

- 4.1 A significant amount of time is required from key managers throughout the procurement process and especially during tender development and evaluation.
- 4.2 The costs for the current provision of ICT, legal services and financial services are included in the 2011/12 budget. The 2012/13 Budget report, also on this agenda, includes a contingency of an additional £0.100 million to cover any potential increases in cost from the new service provision.
- 4.3 The 2012/13 capital programme includes a budget of £2.072 million for the purchase and refurbishment of Capron House

#### **5. Risk management**

- 5.1 Given the tight timescales for all 4 procurement projects, good management of the process is required to mitigate missing deadline and scope creep.
- 5.2 In making certain that the procurement procedures are followed and that competitions are undertaken in accordance with the contract standing orders ensures that Value for Money considerations are adhered to.
- 5.3 Risks of staff changes within ICT, and the impact of those on the smooth running of the procurement process, have now been addressed with the recruitment of the permanent ICT Manager.
- 5.4 Specific risks for each project are being managed by each project manager and fed into the corporate risk register as part of SDNPA risk management procedures.

#### **6. Human Rights, Equalities, Health and Safety**

- 6.1 There are no implications arising from this report

#### **7. External Consultees**

- 7.1 None

### **HÉLÈNE ROSSITER**

#### **Director of Corporate Services**

Contact Officer:	Richard Price Procurement Manager
Tel:	01730811742
email:	<a href="mailto:Richard.Price@southdowns.gov.uk">Richard.Price@southdowns.gov.uk</a>
Appendices	None
SDNPA Consultees	Chief Executive Officer, Director of Corporate Services, Director of Planning, Director of Strategy and Partnerships, Head of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Senior Solicitor.
Background Documents	Report RPC 08/11 Report RPC15/11 Report RPC 16/11 Report AC 04/12