

Birmingham City Council

Report to Cabinet Member for Finance and Resources

17th July 2020



Subject: **CONTRACT AWARD - TRANSPORTATION AND DEVELOPMENT PROFESSIONAL SERVICES FRAMEWORK AGREEMENT**

Report of: **Acting Director, Inclusive Growth**

Relevant Cabinet Member: **Councillor Tristan Chatfield, Finance and Resources**

Relevant O &S Chair(s): **Councillor Sir Albert Bore, Resources**

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Appendix B – Exempt information contains recommendations for the award of the contract.		
Exempt information paragraph 3: Information relating to the financial or business affairs of any particular person (including the council)		

1 Executive Summary

- 1.1 This report provides details of the procurement process for the provision of a Transportation and Development Professional Services Framework Agreement

(TDPSFA) to deliver highway and infrastructure works, including planning and development related services.

- 1.2 The framework agreement will commence on 1st August 2020 and will run for four years, subject to satisfactory performance and budget availability with a break clause after 2 years. The proposed TDPSFA will support the in-house staffing resources for projects to enable peaks in workload to be managed and also to plug gaps where there is not the skills, experience or resource available in the Council.

2 Recommendations

- 2.1 Approves the award of the framework agreement for the provision of a Transportation and Development Professional Services Framework Agreement to the organisations listed in Appendix A for a period of 4 years commencing 1st August 2020.

3 Background

- 3.1 On 30th July 2019, Cabinet approved the procurement strategy in the report: Tender Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement to commence the tender process for this framework using the open tendering procedure and detailed the evaluation criteria of quality 50%, social value 10% and 40% price.
- 3.2 The TDPSFA is split into three lots as follows:
- Lot 1 comprises 28 individual transportation and planning-related disciplines.
 - Lot 2a and 2b is a multi-disciplinary lot where tenderers are required to provide coverage for all the disciplines primarily focused on highways and infrastructure and planning and development respectively.
 - Lot 3a and 3b is for Project Resourcing enabling organisations with key specialisms to be appointed to provide the Council additional resource under secondment / consultancy when required on highways and infrastructure and planning and development respectively.
- 3.3 Using the open procedure, the contract was publicly advertised on 29th November 2019 in the Official Journal of the European Union, Contracts Finder and on www.finditinbirmingham.com seeking expressions of interest from organisations who wished to tender. In response to the advertisement, one hundred and eighteen organisations expressed an interest and were requested to complete and return the tender. Forty-three organisations responded by submitting a tender by the return date of 24th January 2020 and seventy-five effectively withdrew themselves at this stage by not returning a tender.
- 3.4 Questions were raised by tenderers during the tender period and these were addressed by issuing responses to all tenderers and requesting these were incorporated into their submission.

3.5 The details of the evaluation process and the recommendations for the award of contract are provided in Appendix A and are detailed in Exempt Appendix B. Lot 1v Contract Change Management Systems will not be awarded and the Procurement Strategy for this Lot will be reconsidered and reported in due course in accordance with Procurement Governance Regulations.

3.6 The framework agreement will be managed by a Transport Delivery Specialist, Transport and Connectivity, with support from Corporate Procurement Services as required. Performance Management has been incorporated into the Agreement to ensure that the services provided meet the required standards set out by the Council.

3.7 Allocation of Work

The process to call-off from the framework agreement by the Council will be as follows:

Lots 1, 2a, and 2b

- Direct Award

Where the estimated value of the work is up to £60,000 the client may choose to carry out a direct award. Using the rates quoted by the first ranked supplier a calculation will be made based on the estimated hours required to fulfil the work package. The relevant supplier with the highest score will be approached to confirm the hours required are correct and they have the capacity to deliver the services to timescale. Once a cost and programme have been agreed, a purchase order will be raised to the supplier. If this supplier does not have the capacity, the second highest scoring supplier will be offered the opportunity and so forth.

- Further Competition Exercise

Where the estimated value of the work is greater than £60,000 or the client decides it will deliver best value for the work required for work below this value, a further competition exercise will be undertaken. The evaluation criteria to be used for further competition exercises will be based on a quality / social value / price split of between quality 30 - 70%, social value 0 - 10% and price 30 - 70%. If a project triggers the social value threshold of £200,000 then it will be incorporated as part of the further competition process at 10% of the evaluation criteria. The ratio for each further competition will be identified in the Invitation to Quote for each Package Order. The evaluation criteria will be decided by the officer that commissioned the further competition exercise who will also carry out the evaluation.

Lot 3a and 3b

- Where it is identified that an additional resource is required a further competition exercise will be carried out. The client will prepare a

specification and seek CVs from suitable candidates from all the suppliers on the Lot. The evaluation criteria to be used for further competition exercises will be based on a quality / social value / price split of between quality 30 - 70%, social value 0 - 10% and price 30 - 70%. If a project triggers the social value threshold of £200,000 then it will be incorporated as part of the further competition process at 10% of the evaluation criteria. The ratio for each further competition will be identified in the Invitation to Quote for each Work Package. The client will invite potential candidates for interview, and they will be evaluated accordingly to select the appropriate resource for the role. The evaluation criteria will be decided by the officer that commissioned the further competition exercise who will also carry out the evaluation.

4 Options Considered and Recommended Proposal

- 4.1 To award the contract – this is the recommended option as a framework agreement is required for external resource to support the delivery of the Council's highways and regeneration projects.
- 4.2 Not to award the contract – this is not an option as it would leave the Council without contracts for the professional services to support these projects.

5 Consultation

- 5.1 The details were included in the Tender Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement (TDPSFA), approved 30th July 2019 and the same continues to apply.

6 Risk Management

- 6.1 The details were included in the Tender Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement (TDPSFA), approved 30th July 2019 and the same continues to apply.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 The details were included in the Tender Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement (TDPSFA), approved 30th July 2019 and the same continues to apply.

7.1.2 Birmingham Business Charter for Social Responsibility (BBC4SR)

The recommended organisations are certified signatories to the BBC4SR and have provided an action plan of activities to be carried out during the contract period. The action plan will form part of the conditions of contract and will be managed and monitored as part of the contract management

plan taking into consideration the spend in aggregate to realise Social Value where appropriate. It should be noted that the action plan will be reviewed annually during the life of the contract to ensure targets remain current and viable.

7.2 Legal Implications

7.2.1 The details were included in the Tender Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement (TDPSFA), approved 30th July 2019 and the same continues to apply.

7.3 Financial Implications

7.3.1 The TDPSFA will be used to provide professional services for a range of highways and infrastructure services and planning and development within Service Directorates approved capital programmes and other revenue budgets. Other Directorates within the Council can also access and utilise this framework if required.

7.3.2 The actual services to be delivered through the contract will be determined by each year's approved budget and although no guarantee of work will be given to service providers it is estimated that the Council's fee expenditure will vary between £6m and £17m per annum. This estimation is based on the average of prior years for highways and infrastructure plus additions for the future capital programme forecasts and including planning and development spend. Actual spend in 2019/20 was £6.5m. An increase in expenditure is anticipated with the increased volumes of work as a consequence of future projects and the addition of the planning and development services being included in the framework.

7.3.3 There were no specific revenue implications arising from the procurement of the TDPSFA. The revenue implications in relation to individual projects or programmes will be identified in future Project Definition Document and Full Business Case reports, brought forward in line with the Council Governance and Financial Approval Framework.

7.3.4 It is proposed to charge other public bodies who wish to access the framework agreements in future. The levy charge will be set at 0.5% of the value of the commission (set out in the access agreement they will need to agree to before using the framework contract) and will be levied on an annual basis against the public body. The actual amount of the charge will be determined from the Council's and consultant's records and will be based on the total value of commissions issued under the framework contract by the participating public body. The revenue fee income will be used to support the management of the framework agreement within Inclusive Growth Directorate.

7.4 Procurement Implications (if required)

7.4.1 This report concerns the award of a framework agreement and any implications are detailed throughout the report

7.5 Human Resources Implications (if required)

7.5.1 None.

7.6 Public Sector Equality Duty

7.6.1 The requirements of the Equality Act 2010 are specifically included in the Contract Documentation to draw attention to the detail of, and the need to comply with, the Act.

8 Background Documents

8.1 List of Appendices accompanying this Report (if any):

8.2 Appendix A List of Recommended Organisations

8.3 Exempt Appendix B

9 Background Documents

9.1 Cabinet Report Procurement Strategy for the Provision of a Transportation and Development Professional Services Framework Agreement (TDPSFA), 30th July 2019

Organisations Recommended for Award (in Order of Ranking)**Lot 1 – Specialist**

a Archaeological Investigations		Waterman Infrastructure & Environment Ltd
		Wardell Armstrong LLP
		Stantec UK Ltd
b Property Market Advice		Eddisons Commercial Limited
c Conservation and Heritage		Waterman Infrastructure & Environment Ltd
		Mott MacDonald Limited
		Wardell Armstrong LLP
d Development Viability		Mott MacDonald Limited
e Financial Modelling		Mott MacDonald Limited
		AMION Consulting Limited
		Sweco UK Limited
f Project Management		Pell Frischmann Consultants Ltd
		Arcadis Consulting (UK) Ltd
		Mott MacDonald Limited
g 3D Visualisation and CGI		Pell Frischmann Consultants Ltd
		Land Use Consultants
h Transport Planning		Jacobs UK Limited
		WSP UK Limited
		Pell Frischmann Consultants Ltd
i Site Investigations		Pell Frischmann Consultants Ltd
		Waterman Infrastructure & Environment Ltd
		Wardell Armstrong LLP
j Road Safety Audit		Pell Frischmann Consultants Ltd
		Waterman Infrastructure & Environment Ltd
k Public Consultation and Marketing		Pell Frischmann Consultants Ltd
		SYSTRA Ltd
l Traffic Signals and Urban Traffic Control		Pell Frischmann Consultants Ltd
		Canwell Limited
		Sweco UK Limited
m Landscape Architecture		Waterman Infrastructure & Environment Ltd
		Metis Consultants Limited
		Mott MacDonald Limited

n Urban Design		Metis Consultants Limited
		Mott MacDonald Limited
		Broadway Malyan Limited
o Cost Management and Quantity Surveying		Turner & Townsend Project Management Limited
		Faithful+Gould Limited
		Mott MacDonald Limited
p Programme and Risk Management		Pell Frischmann Consultants Ltd
		Turner & Townsend Project Management Limited
		Mott MacDonald Limited
q New Roads and Street Works Act / Utilities Co-ordination		Pell Frischmann Consultants Ltd
		Atkins Limited
		Wardell Armstrong LLP
r Drainage Professional Services		Pell Frischmann Consultants Ltd
		Metis Consultants Limited
		Waterman Infrastructure & Environment Ltd
s Structural Engineering		Pell Frischmann Consultants Ltd
		Waterman Infrastructure & Environment Ltd
		Mott MacDonald Limited
t Site Management and Supervision		Pell Frischmann Consultants Ltd
		Mott MacDonald Limited
		FJD Construction Ltd
u Major Planning Applications		Pell Frischmann Consultants Ltd
		Mott MacDonald Limited
		Wardell Armstrong LLP
v Contract Change Management Systems	N/A	Specialism not awarded due to tender responses not meeting quality threshold
w Management of S278 and S38		Pell Frischmann Consultants Ltd
		Metis Consultants Limited
		Waterman Infrastructure & Environment Ltd
x Town Planning		Mott MacDonald Limited
		Wardell Armstrong LLP
		Land Use Consultants
y Sustainability, Ecology, and Environmental Advice		Pell Frischmann Consultants Ltd
		Waterman Infrastructure & Environment Ltd
		Mott MacDonald Limited
z Traffic Regulation Orders		Pell Frischmann Consultants Ltd

		ADL Traffic & Highways Engineering Ltd
		Stantec UK Limited
aa Street Lighting		Pell Frischmann Consultants Ltd
		Stantec UK Limited
bb Air Quality		Pell Frischmann Consultants Ltd
		Mott MacDonald Limited
		AECOM Limited

Lot 2 – Multi-Disciplinary

a Highways and Infrastructure		Jacobs UK Limited
		Atkins Limited
		Arcadis Consulting (UK) Ltd
b Planning and Development		Jacobs UK Limited
		Arcadis Consulting (UK) Ltd
		WSP UK Limited

Lot 3 – Project Resourcing

a Highways and Infrastructure		Pell Frischmann Consultants Ltd
		Jacobs UK Limited
		Arcadis Consulting (UK) Ltd
		Sweco UK Limited
		Canwell Limited
		AECOM Limited
		Waterman Aspen Ltd
		Turner & Townsend Project Management Limited
		Mott MacDonald Limited
		Atkins Limited
b Planning and Development		Jacobs UK Limited
		AECOM Limited
		Arcadis Consulting (UK) Ltd
		Waterman Aspen Ltd
		Mott MacDonald Limited
		Ove Arup & Partners Ltd