

**ANGUS COUNCIL – 18 JUNE 2015**

**PROCUREMENT AUTHORITY - CHARRETTES**

**REPORT BY VIVIEN SMITH, HEAD OF PLANNING & PLACE**

**ABSTRACT**

This report seeks authorisation to set in place procurement arrangements for the delivery of the Charrettes Programme in Angus.

**1. RECOMMENDATION**

It is recommended that the Council:

- (i) Authorises the Head of Planning & Place to procure a Supply Framework Agreement for the appointment of Consultant(s) to deliver public engagement events (Charrettes) for the period 2015 – 2017.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN**

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- We have a sustainable economy with good employment opportunities
- Angus is a good place to live in, work in and visit.
- Our communities are safe, secure and vibrant
- We have improved the health and wellbeing of our people and inequalities are reduced
- Our communities are developed in a sustainable manner
- Our natural and built environment is protected and enjoyed

**3. BACKGROUND**

Reference is made to Report 70/14 (Policy & Resources 4 February 2014) where approval to carry forward funds to support the Charrettes approach. This was enhanced by Report 303/14 (schedule 16) - Implementation of Charrettes, when approval was given to run two Charrettes consultations in 2014-2015.

Charrettes are large, intensive and iterative stakeholder engagement events that focus on defined communities and the development of long term vision and strategy for change and improvement.

Charrettes ran successfully in Brechin and Carnoustie during February and March 2015 – reported to this meeting of the Council (Report Number xxx/15).

Report 129/15 on 'Planning for Place Arrangements' to Policy & Resources Committee on 7<sup>th</sup> March 2015 signalled the intention to run three further Charrettes in Forfar, Montrose and Arbroath during 2015/2016 and resources have been secured to support delivery. There are plans to roll out the programme and deliver a further three Charrettes in 2016-2017, subject to available resources.

## 4. PROCUREMENT AUTHORITY

### 4.1 Market Research / Evaluation of Previous Procurement / Sourcing Strategy

The two Charrettes delivered in 2014-15 were procured separately by seeking quotations from suppliers. This was deemed appropriate as it facilitated delivery of the Charrettes within agreed timescales and known resources. This exercise attracted a good range and quality of bids. It also reflected the fact that there was no resource commitment to the continued delivery of Charrettes in future years. However it did not allow any potential benefits in value to be accrued through volume and the opportunity for suppliers to deliver better quality from secure a greater volume of business over a longer period of time.

Evaluation of the procurement and contract management process for the initial Charrettes confirmed that the broad approach taken, involving a combination of written submissions and interviews was appropriate, but identified scope to review the selection criteria and make the criteria more specific, particularly in relation to the range and quality of technical expertise.

Research has been undertaken to establish the number and range of suppliers with capacity to deliver Charrettes to the required standard. There has also been consultation with colleagues in other agencies that have commissioned charrettes. This research has confirmed that the delivery of Charrettes is a relatively specialised area with a limited number of contractors who have delivery experience. A one-stage procurement procedure is appropriate for the likely level of response.

Suitably expert suppliers are generally located in the central belt of Scotland but there is at least one local company who delivered the Charrette in Carnoustie in February 2015. Any capable local supply will be identified and steps taken to alert them to the bidding opportunity prior to issue of the Invitation to Tender.

Given the need to develop the focus of each Charrette based on local circumstances, a supply Framework Agreement provides a suitable arrangement for awarding business on a Charrette by Charrette basis.

There are no collaborative contracts or council contracts which are available for providers to deliver Charrettes and it is therefore necessary to carry out a procurement exercise. Due to the timing of this requirement and the required co-ordination and planning of each Charrette, procuring jointly with other collaborative partners is not feasible. Consultation has been undertaken with our Tayside Procurement Consortium (TPC) partners, Dundee City Council, Perth and Kinross Council and Tayside Contracts and no immediate needs have been identified. However, further dialogue is ongoing with Dundee City Council and Perth & Kinross Councils offering them the ability to “tap in” to the Angus framework if they wish to at a future date and on the basis of their own requirement / contract administration and management. This would offer our partners an efficient and cost-effective compliant sourcing route.

The procurement is not considered to be a “major procurement” in terms of Financial Regulation 16.8.4. Approval of this report would mean that the contract can be accepted without the need for further approval by the relevant Committee.

### 4.2 Key Terms Proposed

The purpose of this procurement is to secure delivery of professional consultancy services for the management of and delivery of the required community planning outputs from up to six Charrettes between October 2015 and May 2017 with the possibility of further Charrettes in 2017/18.

The proposed duration for the Framework is 2 years with the option to extend on a year by year basis with a maximum duration of 4 years.

The value of the supply is estimated at £220,000 (subject to adjustment should Dundee City and / or Perth & Kinross Councils express an interest in “tapping into” to the Angus framework as referred to above) over the maximum duration and scope of the contract, including the option to extends, based on previous relevant expenditure.

The contractual mechanism will be a framework agreement with a maximum of 3 successful bidders. A framework agreement offers the required flexibility of supply (the council is entitled, but under no obligation, to purchase future requirements under the framework) with a good degree of “future-proofing” and potential supplier resilience for business continuity / disaster recovery. Limiting the number of providers to 3 balances these factors with assuring adequate competition for future contracts awarded (by mini competition) under the framework.

#### 4.3 Procurement Procedure

Given the restricted supply market, a single-stage “open procedure” tender exercise will be undertaken. All bids meeting the Council’s minimum qualification standards will therefore be evaluated.

The contract would be advertised using Public Contracts Scotland in line with Council policy by the end of June 2015 and the successful suppliers would be appointed to the framework agreement in October 2015.

To allow swift progress on the first Charrette, a specific brief for it will be issued with the ITT and at the same time as the 3 providers are awarded onto the Framework, a contract will be awarded to one of the for the first Charrette.

#### 4.4 Evaluation Process / Contract Award Criteria

The tender evaluation process for award onto the Framework will be carried out as follows:-

**First Stage:**

Business probity assessment for the organisation

**Second Stage:**

Evaluation of the organisation’s financial and economic standing using a risk-assessed financial model of evaluation in line with Council policy.

**Third stage:**

Bidding organisations will require to meet minimum qualification 'must have' requirements as set out below (all pass/fail):

- Overall organisational capacity to deliver the project
- Adequate organisational experience of successful Charrettes delivery
- Demonstrated organisational skills to deliver Charrettes successfully
- Equalities Policy and track record (because the consultant is engaging with the public as a service provider in the place of the Council)

**Fourth stage:**

Evaluation of tender submission and method statement (Bidders will also be asked to include with their tender submission a method statement for the first Charrette).

Quality - Weighting: 30%

- Demonstrated understanding of and capability to deliver the Charrette, quality of proposed delivery methodology
- Specific experience of the Charrette delivery team
- Specific qualifications of the Charrette delivery team
- Skills and capability of the Charrette delivery team

As well as comparatively scoring these criteria, to ensure an adequate quality of provision a minimum quality score pass mark of 20% will also be applied.

Financial - Weighting: 70%

Total cost (firm for the first Charrette, committed hourly rates offering indicative pricing for the remainder)

Combined overall weighted scores for each tender will be used to identify the best price /quality balance offering the most economically advantageous tenders / best value to the Council.

Following award of the Framework (from the second Charrette onwards), mini-competitions amongst the 3 awarded providers will be carried out for each Charrette opportunity, re-applying the above price / quality criteria to select the best bidder and solution for that specific Charrettes.

#### 4.5 Procurement Risks

<b>Procurement Risk</b>	<b>Mitigating Action</b>
Timing of the Charrette and securing reliable supply from a skilled contractor (expert team according to the focus of the Charrette)	Effective competition through PCS to secure a place on multi-supplier Framework followed by effective mini-competitions specific to each Charrette.

### 5 **FINANCIAL IMPLICATIONS**

A sum of £110,000 is available within the Communities Directorate revenue budget to meet the costs of delivering 3 charrettes in the 2015-16 financial year. There is a planned roll out for a further three charrettes in 2016-17, but budget has not yet been secured and this will need to be considered alongside other priorities and funding pressures in setting the 2016/17 budget.. The planned framework approach to procurement will enable the charrettes planned for this year to go ahead, without entering into commitments for 2016-17 or later years.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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