



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE LEADER (AS PORTFOLIO HOLDER FOR FINANCE AND CORPORATE POLICY)

TOPIC - LEISURE CENTRE REPLACEMENT PROJECT MANAGEMENT CONSULTANCY SUPPORT

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal and Democratic Services, the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Democratic Services Officer by 5.00pm on Wednesday, 31 August 2016

Contact Officers:

Case Officer: Andy Hickman ahickman@winchester.gov.uk 01962 848 105

Democratic Services Officer: Nancy Graham ngraham@winchester.gov.uk 01962 848 235

SUMMARY

The process for developing a full Business Case for a replacement Leisure Centre was agreed by Cabinet on 6 July 2016 (CAB2820 refers).

Cabinet authorised the procurement of the design, project management and other professional services required to progress up to RIBA Design Stage 3 (with an option to extend such services to the construction stage) provided that the approval of Cabinet shall be obtained prior to submission of a planning application, supported by a report setting out the business case for the new facility.

Cabinet also agreed that the mechanism for the procurement of these professional services be either through the use of an EU-compliant framework agreement or, if

that proved unsuitable, through an EU-compliant tender process and that authority be delegated to the Assistant Director (Estates and Regeneration) in consultation with the Leader to:-

- (i) Determine the choice of procurement route (within the scope set out in Resolution 2 above);
- (ii) Select and approve a suitable EU compliant Framework (if required);
- (iii) Appoint the selected consultants for the professional services.

Project Management

It is considered that the use of a framework agreement would be suitable for procuring the project management and cost management consultancy that will be required for the project, and a suitable framework agreement has been identified for this purpose (see below). Selecting suitable consultants for this work through an EU-compliant Framework agreement which can secure good, competitive rates and would save time.

The Council is an Associate Member of the NHS Shared Business Services framework which is fully EU-compliant and has a range of suitably qualified Project/ Construction Management Consultants with suitable experience in Leisure Centre projects. Under the Council's Contract Procedure Rules, use of a framework must be approved by Members before it can be used. Given the services available under this Framework, it is recommended that the use of this Framework is approved for both this project and other suitable future projects.

All of these companies have been evaluated on quality, project management experience and financial aspects in order to be included within the framework.

It is therefore intended to utilise the NHS Shared Business Services Framework to appoint the lead Project Management consultants who would also provide cost management services as part of the commission. The framework has a Construction Consultancy Services section and is divided into Regional Lots and Winchester falls under the South Central Lot within which there are 23 Project Management Consultants. The Framework was evaluated on the basis of 20% Cost and 80% Quality.

It is intended that a mini-competition would be undertaken amongst those of the 23 consultancies on the framework who are capable of carrying out the work, in order to identify the most suitable and cost-effective firm with the ability to deliver this type of project, to support the Council in taking forward its Leisure Centre Project. The successful consultancy will then appoint supporting specialists such as structural engineers and mechanical and electrical engineers in accordance with the Council's procurement rules. It is suggested that the mini-competition evaluation be based upon 30% cost and 70% quality considerations, to reflect the budget considerations for this Project whilst ensuring that the contract is awarded to a supplier who can deliver the services in a way which is appropriate to this type of project. It is proposed that as part of the mini-competition, bidders will be asked to demonstrate, through preparation and submission of a method statement, how they would help

deliver a new Leisure Centre for the Council, given the specialist nature of this type of project, and drawing on any experience they may have of successful delivery of other Leisure Centre Projects.

Architectural Design

The Architectural Design service for designing a leisure centre are, however, specialist, and there is a limited number of practices that would be able to carry out this work successfully. This will be the most significant commission amongst the supporting consultants for the Project. For this aspect, no suitable framework has been identified, and a formal EU tender process would therefore be required.

Given the resources and expertise required for such a procurement exercise, it is therefore considered more practical to select a technical Project Management team through a suitable EU -Compliant framework, and to then ask them to run an EU-Compliant procurement process to appoint a suitably experience architectural firm to undertake the design work alongside the Project Management consultants. It is also suggested that the Portfolio Holder for Environment, Health and Wellbeing be involved in the evaluation and selection process for the architectural firms.

It should be noted that the Council's Major Projects team will continue to coordinate and manage the overall project from a Client's perspective in relation to commissioning and overseeing work of consultants, public and stakeholder engagement, partnership working and Communications.

PROPOSED DECISION

1. That the use of the NHS Shared Business Services Framework be approved under the Council's Contracts Procedure Rules.
2. That the proposals for the procurement of the Project Management services, as set out in the Decision Notice, be approved and that the Assistant Director (Estates and Regeneration), be authorised to finalise the terms of the mini-competition, evaluate the bids and award the contract.
3. That the appointed consultant for Project Management services be used to run a procurement exercise for the selection of a suitable firm to provide Architectural Design services for the Project, and the award of the contract for such services, as set out in the Decision Notice, and that the Assistant Director (Estates and Regeneration), be authorised to finalise the selection and evaluation criteria and other tender documents, select a shortlist if appropriate, and (in consultation with the Portfolio Holder for Environment, Health and Well-being) evaluate the bids received and award the contract.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Use of an EU-compliant framework for the Project Management services is proposed, as it has already been through the full EU procurement process and provides a list of qualified and competent consultants who have passed qualitative and financial assessment together with competitive professional and supporting staff rates.

The alternative to using a Framework would be to hold an open EU procurement process for the Project Management Consultants involving prequalification and tendering with a short list of consultants. This would take around 3 to 4 months to complete the process.

As set out above, it is intended that the Project Management consultants who are appointed would then go on to organise the procurement of the architects. Use of an open/restricted process to procure the Project Management consultants would therefore delay appointment of the architects, further delaying the project.

Although it would be possible to procure the Architectural services at the same time as the Project Management consultancy, specialist assistance would be required to procure the architectural services in any event, so it would not be possible to save resources by procuring both services at the same time. Doing this would also mean that the Project Management consultants would not have been involved in the Architectural procurement, and both parties would therefore have to spend time getting up to speed with the project and each other's approach.

RESOURCE IMPLICATIONS:

Full approval has been granted for expenditure in relation to developing the full Business Case for the Replacement Leisure Centre Project including the necessary fees to undertake technical work required in relation to site investigations and associated design work. The appointment of the lead Project Management consultant and associated supporting team will enable this work to be undertaken.

A total budget of £770,000 has been approved for progressing the project.

CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION

The Portfolio Holder for Environment, Health, and Wellbeing, has been consulted.

FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

N/A

DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

N/A

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/A

Approved by: (signature)

Date of Decision

Cllr Stephen Godfrey – Leader and Portfolio Holder for Finance and Corporate Policy

APPENDICES:

None