



## Key Decision Report of the Corporate Director of Environment and Regeneration

<b>Corporate Director of Environment and Regeneration</b>	<b>Date: 8<sup>th</sup> February 2019</b>	<b>Ward(s): All</b>
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## SUBJECT: Procurement Strategy for Public Realm Transport and Parking Consultancy Projects

### 1. Synopsis

- 1.1 This report seeks approval for the Procurement Strategy in respect of the appointment of Traffic Engineering Consultants in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 This report seeks approval to access the Eastern Shires Procurement Organisation (ESPO) Framework 664 for Consultancy Services, and engage relevant suppliers to deliver transport and pedestrian schemes through call-off via the framework.

### 2. Recommendations

- 2.1 To approve the procurement strategy as outlined in this report for the use of the Eastern Shires Procurement Organisation (ESPO) framework to access call-off arrangements with suppliers of consultancy services, for the duration of 4 years from 1 April 2019.
- 2.2 **Date the decision is to be taken – 18 February 2019**

### 3. Background

#### 3.1 Nature of the service

The Traffic and Engineering Service deliver many public realm improvement schemes across the borough.

This procurement will support continuity in consultancy support for ongoing and long standing, major schemes, such as Cross Rail, London Cycle Routes and for Bus Reliability schemes, all of which require the Council to work with partner authorities or have embedded consultancy suppliers supporting the delivery.

Other important initiatives in public realm improvement, such as Local Safety schemes, School Streets street closures, Bike Hanger and Lorry ban schemes, also require the input and resources of bespoke technical professionals.

The schemes and projects outlined above, whether current or planned, provide enhanced opportunity for residents and visitors to enjoy our public realm safely.

### 3.2 Estimated Value

Funding for schemes would be made available from Capital budgets with an estimated £1.5 million spent over a 4-year contract, this estimate being based on a sum of £750k having been spent in the last 2 years.

It is possible that Grant funding may become available to support future schemes, but this cannot be known and quantified at this stage.

### 3.3 Timetable

Existing contract agreements expired in September 2018, pre-ordered works are scheduled and funded through to 31 March 2019. New contractual arrangement via the recommended framework are therefore required from 1 April 2019.

Legal and Procurement have been consulted about this proposal.

### 3.4 Options appraisal

A new procurement exercise has been considered, along with the suitability of several comparable existing frameworks, (London Construction Programme, Eastern Shires Procurement Organisation (ESPO), Transport for London and Ealing Framework).

ESPO is considered the most advantageous model, with access to the widest range of suppliers, including those embedded in existing live schemes working on long-term projects.

In utilising the ESPO framework, there are substantial benefits in scheme continuity and in procurement time-frames and cost.

### 3.5 Key Considerations

The Council is committed to use its procurement activities to support Social Value, including where possible, the employment of apprentices, suppliers working in partnership with the Council`s Employment Service to offer paid roles to Islington residents and participate where practical in school employment activities, and in suppliers supporting and promoting purchasing from the local supply chain.

The London Living Wage, compliance with standards, schedules and scales where applicable, will be made a condition of contracts.

It is not anticipated that there will be TUPE, Pensions and Staffing Implications will apply to these contract arrangements via the framework. However, due diligence will be undertaken before any call-offs are made to ensure that this is the case.

### 3.6 Evaluation

The ESPO Framework 664 is available for use nationally by any public sector body in the UK. The framework has been advertised and awarded via an OJEU procurement process.

The framework is compliant with UK/EU procurement legislation, service providers listed on the framework were assessed during the procurement process for their financial stability, track record, experience and technical & professional ability.

Pre-agreed terms & conditions will underpin all direct call-offs, meaning legal services will need to be consulted on the terms and conditions to be entered into.

The award criteria to be applied for any direct call-off via the framework will be 60% price and 40% quality, and Council procurement rules will be followed. It is not currently anticipated that any individual call-offs will reach Key Decision thresholds.

### 3.7 Business Risks

A failure to adequately resource and deliver schemes in a timely manner, such as Cross Rail or Cycle Infrastructure, would impact upon the Council's reputation, businesses capabilities and the quality of life for its residents and visitors. Appointing appropriate professional consultants safeguards our public realm improvement projects.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

## 4. Implications

### 4.1 Financial implications:

Traffic and Engineering spend a minimum of £2.5m per annum on capital projects, this is funded from a combination of Council Capital, Transport for London and LIP funding.

Full Council agreed 2019-21 programme and further funding will be secured through S106/CIL contributions from developers.

It is estimated that no more than £375k per annum will be spent through this particular framework.

## **4.2 Legal Implications:**

The Council has various powers and duties under the Traffic Management Act 2004. The Council may appoint consultants to assist in discharging these functions under s111 of the Local Government Act 1972 as well as under the General Power of Competence set out in section 1 of the Localism Act 2011. The Council may enter into such contracts under section 1 of the Local Government (Contracts) Act 1997.

The proposed contract relates to services. The estimated value of the contract is up to £1.5 million over 4 years. The threshold for application of the Public Contracts Regulations 2015 (the Regulations) is currently £181,302.00 for services. Contracts above this value need to be advertised in the Official Journal of the European Union. The council's Procurement Rules also require contracts over the value of £181,302.00 to be subject to competitive tender.

The proposed procurement strategy is to use the Eastern Shires Procurement Organisation, (ESPO) Framework 664 for Consultancy Services to establish this contract. This framework was advertised in the official journal of the European Union (OJEU) and procured in compliance with the requirements of the Regulations and is available for use by the council. On completion of the procurement process contracts may be awarded in accordance with the conditions set out in the framework subject to tenders providing value for money for the Council

## **4.3 Environmental Implications**

There are no specific environmental implications arising from the use of consultancy services.

## **4.4 Resident Impact Assessment:**

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment has been completed and included as appendix one. No adverse impacts have been identified, with all the schemes being supported aimed at improving safety and accessibility of the public realm for residents and visitors.

## **5. Reasons for the decision:**

This decision ensures continuity for ongoing major works such as Cross rail and London Cycle Infrastructure, enables enhancement of Public Realm through Local Safety, Bike Hanger and Bus Reliability schemes, School Play Streets projects and Lorry Ban schemes and facilitates environmental improvement schemes such as Electric Vehicle Charging points.

## **6. Record of the decision:**

- 6.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

**Signed by:**



18.2.19

Corporate Director of Environment and  
Regeneration

Date

**Appendices**

- Appendix One - Resident Impact Assessment

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