

Appendix 3b
PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 – Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be attached with the request to tender report to Cabinet. This form will be “Open” for Publication.

Section A: ABOUT THIS PROCUREMENT	
Title	Transforming Homes Cost Consultancy 2018-21
Directorate	Adults, Health and Housing
Procurement Reference Number	PS/2017/523
Contract Cost (Maximum Spend)	£1M
Budget code(s)	HR 452
Introduction and Background	The current Transforming Homes Programme successfully utilises cost consultancy services to manage spend against the planned programme, providing the necessary interface between the Contractor and the Council. This procurement will run alongside the procurement for the new contractors and continue the arrangement
Proposed Contract Term	2 years plus 1
Political Sensitivity	N/A

Section B: COMMISSIONING REPORT

Business Case	This procurement ensures that works against the planned programme are carried out and cost is managed according with the agreed scope and pricing structure. The Council does not have the specialist resources in house to do this and therefore it is necessary to procure externally. We will procure one consultancy firm (currently we have two) for which it is hoped there may be further value for money.
Key Deliverables (Draft Specification)	Cost control and high quality outputs from the Transforming Homes Programme
Contractor Employment Status (use self-assessment tool: https://www.gov.uk/guidance/check-employment-status-for-tax or contact Procurement for further guidance)	N/A
Quality v Price evaluation	70:30
Social Value	The majority of Social Value outputs are delivered by the Construction contractor for the Transforming Homes Programme. However we will look to secure additional opportunities through this procurement.
Current / Previous Contract details	PS/2013/638d

FINANCIAL IMPLICATIONS

Current / Previous Contract Cost	Current spend c. £350K per annum across 2 contractors. Reducing to 1 should generate a small reduction.					
Cost Breakdown	Breakdown of Estimated Cost	16/17 £000's	17/18 £000's	18/19 £000's	Later £000's	Total £000's
	Total Spend	£	£	£	£	£
Confirm Funding Breakdown Identified	Revenue Budget	£	£	£	£	£
	Capital Budget	£	£	£	£	£
	Other (HRA)	£	£	£330K	£600K	£1M
	Other (Please State)	£	£	£	£	£
	Total Funding	£	£	£330K	£600K	£1M
Budget Code(s)	HR452					
Unsupported borrowing?	N/A					
Other Financial Implications	N/A					

PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)	
A. COMPETITIVE PROCUREMENT (complete B if a Framework)	
Procurement Route	N/A
Procurement Justification	N/A
B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c))	
Framework?	Is this a procurement from a Framework? Yes
Title & Reference of Framework	South East Consortium Consultancy Services OJEU Ref 2016/S 174-312427
Framework Rationale	The Council is a Member of the South East Consortium. Using this framework is therefore a cost effective method of shortening the procurement timescale. Both current incumbents are included on the framework
C. REQUEST FOR QUOTE FROM RESTRICTED MARKET (Waiver in accordance with Rule 13.1 (d))	
Restricted Market?	Is this a request for quotes from a restricted market? No
Rationale (only permitted below the EU threshold)	N/A
D. SINGLE SOURCE REASON (Waiver in accordance with Rule 13.1 (a, b or d))	
Single Source	Is this Procurement a Single Source – One Quote/Tender <i>(Exceptional circumstances only and select reason below)</i> No
Single Source justification below EU Threshold	<i>Select reason and explain your rationale</i> N/A
Single Source justification above EU Threshold	If you are seeking a single tender above the EU threshold – using the “Negotiated Procedure without Prior Publication” route, this is only available in very exceptional circumstances. You must select the reason below and explain your rationale. N/A
Single Source Rationale	N/A

PROCUREMENT TIMETABLE, RISK, CONSULTATION AND MANAGEMENT					
Milestones and target dates <i>(Draft)</i>	Key Event	Date			
	Publication of Contract Notice or Advert	22 September 2017			
	Return of PQQs (omit if not applicable)	N/A Mini Competition			
	Issue of Invitation to Tender	22 September 2017			
	Return of Tenders	31 October 2017			
	Notification of Results	30 November 2017			
	Standstill Period (omit if not applicable)	1-11 December 2017			
	Leaseholder Consultation (omit if not applicable)	14 August			
	Expected date of Award	02 January 2018			
	Contract Commencement	01 May 2018			
Risk Management – Set out Main Risks and Mitigating Actions					
Risk	Likelihood (A – E)¹	Impact (I – IV)²	Level of Risk (High to Lower)³	Potential Negative Impact	Management / Mitigation of Risk
Tender Process Risks					
Lack of interest	E	I	Lower	Unable to procure	The framework includes both incumbents who have expressed interest in bidding
Timescale overrun	D	II	Lower	Programme not cost managed at start	Mini competition significantly reduces timescale and has been planned with considerable lead in period.
Enter Risk	L	I	Level	Impact	Mitigation
Contract Performance Management Risks					
Poor performance	D	II	Lower	Cost management slippage	There are a number of frameworks from which we can direct award a replacement in case of failure
Enter Risk	L	I	Level	Impact	Mitigation
Enter Risk	L	I	Level	Impact	Mitigation
Contingency Arrangements	As above.				
Consultation	This proposal was included in the report to Housing Scrutiny on 2nd February 2017.				
Project and Contract Management Proposals	The procurement and contract will be managed by the Housing Asset and Delivery Manager				
Procurement Comments	Use of the South East Consortium Framework has been identified as the most cost effective compliant solution to secure the required outcome. Moving to one, from two consultants should help deliver some economies of scale and there are a number of alternatives that can be used in case of performance failure. The Corporate Procurement Manager will continue to support this project.				

¹ **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low

² **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible

³ **Risk Level:** High = AI, BI, All, BII, CI, CII, all others lower

Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL

Procurement Services	Name	Stefanie Seff
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Legal Services <i>(Insofar as it relates to Legal implications)</i>	Name	Kevin Molloy
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Finance <i>(Insofar as it relates to Finance implications)</i>	Name	Julie Curtis, HRA Accountant
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.

Section D: APPROVAL TO PROCEED VALUE

The Responsible Officer must sign the form, together with the Head of Service as a minimum. Delegated Authority Limits below.

Approval Level	Over £750,000 - Cabinet
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Section E: SIGN OFF APPROVAL TO PROCEED

Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules	The Responsible Officer Sue Cardozo confirms that the procurement of Transforming Homes Cost Consultancy 2018-20 and PS/2017/523 has been carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met by the Responsible Officer: <ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
	Signed	
	Date	Click here to enter a date.
Approval to Proceed	In accordance with the Contract Procedure Rules, I/we confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13	
Head of Service	Name	John Knight, Head of Housing
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Corporate Director <i>I confirm that the Portfolio Holder has been consulted as required</i>	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Director of Finance and IT <i>If waiver required</i>	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Cabinet	Approval Minute Number	Enter minute reference
	Date	Click here to enter a date.
<i>Now send complete form to Procurement Services signed and scanned (with emails if used)</i>		