
 REPORT OF STRATEGIC DIRECTOR FOR PLACE

TO THE PROCUREMENT BOARD

On the 19th February 2020

TITLE: EXTENSION OF APPOINTMENT OF 2 PROJECT AND PROGRAMME MANAGERS THROUGH THE STAR PROCUREMENT FRAMEWORK TO TAKE A CLIENT LEAD ON GRANT FUNDED INFRASTRUCTURE PROJECTS

RECOMMENDATIONS:

That the Procurement Board authorise the following:

1. A 12 month extension of the appointment of 2 appropriately skilled consultant project and programme managers through STAR Procurement Framework to provide support in connection with the City Council's workload of grant funded infrastructure projects.

Detail required			
Contract Reference	01846493		
Title/Description of Contracted Service/Supply/Project	Appointment of 2 project & Programme managers		
Name of Contractor	AECOM		
Type of organisation <i>(to be supplied by Corporate Procurement)</i>	Public Limited Company		
Status of Organisation <i>(to be supplied by Corporate Procurement)</i>	SME		
Value of Contract Extension	£200,000	Per Annum (estimated average)	
Existing Contract Term	04/03/2019	to	04/03/2020
Extension Period Requested	04/03/2020	to	04/03/2021
Contact Officer (Name & number)	Perry Twigg		
Lead Service Group	Place		
Funding Source	Grant		

EXECUTIVE SUMMARY:

Salford City Council's Regeneration Team has successfully made submissions for external funding for a range of infrastructure projects through both Growth Deal and the Greater Manchester Mayor's Cycling and Walking Challenge Fund.

The City Council's Regeneration Team has insufficient resource to adequately take the projects forward. Support is therefore required to manage the delivery of this growing workload and associated processes.

At Procurement Board on 23rd January 2019 approval was given to appoint 2 appropriately skilled consultant project and programme managers through the CAPPS Construction and Professional Services Framework or STAR Procurement Framework.

This approval was for an initial 12 month period, with an option to extend based on assessment of future work load and available funding for the posts.

Procurement Board requested that any extension would be subject to consultation with the City Council's HR team.

The Council will initially fund the cost through uncommitted highway grants paid to the council that have been identified and consolidated and reclaim the cost of funding the posts on a staged basis from the grant funding body at the Greater Manchester Combined Authority (GMCA).

This report now seeks to request permission to extend the initial 12 month contract for final further 12 months up to March 2021.

BACKGROUND DOCUMENTS: N/A

KEY DECISION: No

1. Detail

1.1 The City Council had successfully made funding applications to both Growth Deal and the Greater Manchester Mayor's Cycling and Walking Challenge Fund for projects to the value of circa £70 million.

1.2 There is currently insufficient resource available within the existing team to deal with the work required to manage the programme/project workload, which includes the following: -

- Performing a strategic client project management function including overseeing project/programme management development, studies and delivery of physical schemes by Salford City Council's delivery partner/external consultants.

- Leading the development and preparation of bids for grant funding linked to strategies and write and make business case submissions in order to secure funding for a range of infrastructure projects.
- Developing, commissioning, co-ordinating and managing a range of infrastructure and regeneration related projects, strategies and plans across all transport modes.
- Managing projects in accordance with the City Council's adopted project management procedures and other specific procedures and processes required by grant funding bodies.
- Managing and monitoring budgets and financial risks associated with programmes and projects to ensure effective management and financial propriety.

1.3 Subject to authorisation by Procurement Board, the proposal is to extend the current appointment of 2 appropriately skilled consultant project and programme managers to supplement existing resources in the City Council's Regeneration Team.

1.4 It is intended that this be for a further period of 12 months with a review at the end of this period to determine whether a further extension or alternative arrangement is required.

1.5 This would be through the STAR Procurement Framework.

2. Estimated Cost

2.1 It is anticipated that the cost will be in the region of £200,000 for the two project managers.

3. Funding

3.1 The 2 posts will initially be funded through uncommitted highway grants paid to the council that have been identified and consolidated and reclaim the cost of funding the posts on a staged basis from the grant funding body at the Greater Manchester Combined Authority (GMCA)

3.2 The 2 consultant project/programme managers will be working on a range of projects funded through both Growth Deal and the Greater Manchester Mayor's Cycling and Walking Challenge Fund. As a result, their cost can be reclaimed from the grant funding body (GMCA) as a legitimate project cost.

3.3 Project costs are normally claimed from the GMCA quarterly in arrears through an established process.

4. Social Value

4.1 One of the project managers lives in Salford and the other in Greater Manchester.

5. Conclusion

- 5.1 The City Council has achieved a great deal of success in securing project funding through both Growth Deal and the Greater Manchester Mayors Cycling and Walking Challenge Fund.
- 5.3 Without extending the resource currently in place, the significant risk is that the Council does not have the ability to deliver the infrastructure projects against which it has already secured funding.
- 5.4 The most expedient way to resolve the resourcing issue is to extend the appointment of the 2 consultant infrastructure project and programme managers through the STAR Procurement framework.
- 5.5 Also the 2 project managers have been successfully working in the team for almost 12 months and have developed an in depth knowledge of the projects to be delivered.
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KEY COUNCIL POLICIES:

Great 8

- 4. Economic Development
 - 6. Transport
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EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

All of the projects to be taken forward will be designed to ensure that the schemes comply with the Disability Discrimination Act and highway safety standards.

ASSESSMENT OF RISK: Medium

- The significant risk is that without the extension of the resource, the Council does not have the ability to deliver the infrastructure projects against which it has already secured funding.
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LEGAL IMPLICATIONS:

Supplied by: Tony Hatton, Principal Solicitor, tel. 219 6323

When commissioning contracts for the procurement of goods, services or the execution of works, the Council must comply with the public procurement regulations and its own Contractual Standing Orders (CSO's), failing which a contract may be subject to legal challenge from an aggrieved provider. CSO's apply to every contract, including temporary ones, for the procurement of supplies, services and the execution of works undertaken by or on behalf of the Council, subject to certain exceptions listed in the Orders. CSO's stipulate that where a suitable framework agreement exists, this must be used unless there is an auditable reason not to.

The STaR Framework is fully OJEU compliant and has been procured for named authorities, including Salford City Council and other public sector organisations to use. Each Framework is an overarching agreement through which those named organisations can select a service from a range of providers by undertaking an exercise to call off the services (eg. mini competition) and enter into an individual contract/agreement with that provider, according to the terms of the Framework Agreement. A contract will then be formed between the Council and the chosen provider/s. The Council will need to have followed the procedure set out in the Framework Agreements to ensure the procurement process is compliant.

FINANCIAL IMPLICATIONS:

Supplied by: Natalie Birchall ext 2316

The proposal to extend the contracts of 2 skilled consultants, costing approximately £200k will be funded from the Mayors challenge fund.

The 2 consultant project/programme managers will be working to develop and facilitate business case development of a range of projects.

As a result, their cost can be reclaimed from the grant funding body (GMCA) as a legitimate project cost.

The council will underwrite costs from residual and uncommitted grants, following business case approval all costs will be refunded by GMCA (via TFGM).

Costs will be reclaimed on a staged basis from the grant funding body at the Greater Manchester Combined Authority (GMCA).

PROCUREMENT IMPLICATIONS:

Supplied by: Emma Heyes, Category Manager ext 6243

Procuring this requirement through the STAR Procurement Frameworks complies with both EU legislation and Salford City Council's Contractual Standing Orders.

HR IMPLICATIONS:

Supplied by: Neelum Mahmood, HR & OD business Partner ext 8683

Extending this appointment for a further 12 months through the STAR Procurement Framework, does not have any HR implications.

CLIMATE CHANGE IMPLICATIONS:

Supplied by: Mike Hemingway, Principal Officer Climate Change ext 3209

The MCF programme will improve the cycling and walking facilities across the city. Improved infrastructure will encourage more sustainable trips, reducing emissions.

WARDS TO WHICH REPORT RELATES:

All

CONTACT OFFICER:

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Place