

CYNGOR CAERDYDD

CARDIFF COUNCIL

COVID-19 SCRUTINY PANEL

14 July 2020

Re-Procurement of Former National Procurement Service (NPS) Collaborative Construction and Civils Consultancy Frameworks

Purpose of the Report

1. To advise the Panel of a proposal for the Council to re-procure three existing construction and civils consultancy frameworks, and for its Commissioning and Procurement team to take on the hosting arrangements for the subsequent frameworks put in place.

Structure of the Papers

2. The Cabinet report attached at **Appendix A** will be considered on 16th July 2020.

Scope of the Scrutiny

3. This is an operational matter. The Cabinet is requested to approve the Council's Commissioning and Procurement team to re-procure arrangements to secure a compliant procurement route for construction and civils consultancy commissions for use by all public sector bodies in Wales. As such the Panel may wish to test how the Council will benefit from taking the lead in this re-procurement and how effectively it will support the Council's own requirements.

Background

4. The Covid-19 Scrutiny Panel Terms of Reference require that it undertakes measured and proportionate scrutiny of all Cabinet decision-making reports during the current emergency period. The Panel's comments and recommendations are then formally relayed to the Cabinet to inform its decision taking on the matter scrutinised.
5. In 2018 the WLGA established a Heads of Procurement network to provide support for all Welsh Local Authorities following notification from Welsh Government that the National Procurement Service (NPS) would cease to operate in its present form. Its aim is to promote and retain Local Government procurement expertise.
6. Cardiff Council currently uses three construction consultancy frameworks compliant with EU Procurement directives and the Wales Procurement Policy Statement that were originally procured by NPS for its third party construction consultancy spend of around £2.2m annually.

Issues identified in the Cabinet Report

7. The report attached addresses matters of governance, community benefits, lessons learned, and an evaluation structure. The Commissioning and Procurement team intend to create a client user forum to engage with users of the proposed framework in order to drive continuous improvement.
8. Clarity on the cost to the Council of hosting the proposed collaborative framework is explained. The framework will apply a levy recovery model, whereby each project will generate a levy as a percentage of its value. The WLGA Heads of Procurement network has agreed that the existing levy of 0.45% will continue. This will ensure that hosting the service is cost neutral to the Council acting as the contracting authority, whilst providing the relevant resources to administer develop and promote the use of the framework going forward.
9. The report explains that to date the NPS construction consultancy framework has not focused on community benefits or social value delivery and this will become a key focus for the re-procurement exercise.

10. The proposed collaborative construction consultancy framework is for use by all public bodies within the Cardiff City Region boundary and therefore has the added benefit of providing a compliant procurement route for future City Region funded construction infrastructure projects.

Proposed Recommendations to Cabinet

11. The report highlights that all council directorates will be able to utilise the proposed framework for construction consultancy, driving efficiencies whilst contributing the wider collaborative public sector agenda. Cabinet is therefore recommended to:-

- Agree in principle to the commencement of the re-procurement of the current National Procurement Service (NPS) Construction and Civils Consultancy Framework and take on the hosting arrangements for the subsequent arrangement (as detailed in this report) and
- Delegate authority to the Corporate Director Resources, in consultation with the Cabinet Member for Finance, Modernisation & Performance, to carry out all aspects of the procurement, (including setting the evaluation methodology, commencing procurement and award of successful consultants to the framework) and thereafter to host and deal with the operation of the framework arrangements, including any ancillary matters relating thereto.

Way Forward

12. To assist Members in scrutinising the proposal, in attendance will be Councillor Chris Weaver, Cabinet Member Finance Modernisation and Resources, Chris Lee, Corporate Director Resources, and Chris McClelland, Senior Category Manager.

Legal Implications

13. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

14. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATION

The Panel is recommended to

- I. Note the proposal for the Council's commissioning and procurement team to commence re-procurement of the construction consultancy framework, taking on all-Wales hosting arrangements; and the delegation of authority to the Corporate Director Resources in consultation with the Cabinet Member for Finance, Modernisation & Performance, to carry out all aspects of the procurement.
- I. Consider whether it wishes to pass on any comments, concerns, observations or recommendations to inform Cabinet's decision on the matter.

DAVINA FIORE

Director, Governance & Legal Services

10 July 2020