

To: City Executive Board

Date: 7th January 2009 **Item No:**

Report of: Strategic Procurement and Shared Services Manager

Title of Report: Award of Contract for the provision of Project Management Services for the Play Area Refurbishment Programme.

Summary and Recommendations

Purpose of report: To grant project approval and delegated powers to award to the Director of City Services, for the provision of Project Management Services for the Play Area Refurbishment Programme to Oxford City Council

Key decision? No

Executive lead member: Councillor Antonia Bance

Report approved by: Councillor Antonia Bance
Tim Sadler, Director City Services
Colin Bailey, Head of City Works

Finance: Sarah Fogden
Legal: Lindsay Cane

Policy Framework: Oxford City Council Corporate Plan
Be an effective and responsive organisation, providing value for money services.

Recommendation(s):
That the City Executive Board gives approval to:

- 1) Grant project approval for the provision of Project Management Services for the Play Area Refurbishment Programme to Oxford City Council
- 2) That the City Executive Board award the contract for the provision of Project Management Services for the Play Area Refurbishment Programme to the Federation of Groundwork trusts (South East), for a three year period commencing on 18th January 2009 with an option to extend the contract by up to 2 further years.

1 Background

- 1.1 Oxford City Council is undertaking a challenging programme of playground refurbishment works.
- 1.2 In order to deliver this programme of works, it is necessary to employ the services of a specialist project management organisation. This organisation will manage each individual project, from community consultation right through to actual installation. It will be essential that the organisation have access to landscape architects.
- 1.3 A tender process using the EU procurement regime has been undertaken to select an appropriate organisation.

2 Tender Process

- 2.1 As specified in 1.3, the value of the contract meant that an advertisement was placed in the Official Journal of the European Union, local press and on Oxford City Councils and Association of Play Industries websites.
- 2.2 The evaluation panel was made up of Officers from both the Procurement Team and the Parks Team. A representative from Oxfordshire County Council's Procurement Team has been involved in the evaluation of the Suppliers at presentation stage. Officers also worked with a play specialist in the role of critical friend, at the tender evaluation stage. These Officers have also marked the tenders and have unanimously agreed on the award recommendation.
- 2.3 The evaluation panel determined the relevant financial and technical evaluation criteria that provided the most economically advantageous contract, with 40% of marks being awarded for the pricing offer and 60% of marks awarded for evidence of quality. Four suppliers were short-listed and have demonstrated that they are technically and operationally competent and able to meet the specification.
- 2.5 This contract has been advertised so that other Councils located within Oxfordshire and Buckinghamshire can use it.
- 2.6 It is a requirement that the successful organisation uses Oxford City Council contracts that are already in place and relevant to this programme of works, for example, the playground surfacing contract and play equipment tender. This will ensure that Oxford City Council continues to achieve value for money in these areas.

3 Other Options

- 3.1 The Constitution and Procurement Strategy advises that City Executive Board considers what other options are available before giving major project approval and awarding a contract over 100K. These are detailed below.

3.2 Continue as we are

This is not an option, as Oxford City Council does not currently have the resources to manage this programme.

3.3 Use a contract set up by another organisation

There are no contracts available that meet the specialist nature of this procurement.

4 Benefits of this contract

- 4.1 The Federation of Groundwork Trust is a registered charity and company limited by guarantee. They operate on a not for profit basis, so the Council can be confident of achieving true value for money.
- 4.2 It is important that the Council engages a supplier with relevant experience. Groundwork has a vast experience of working with local communities to regenerate existing provision. They were commissioned by Ealing Homes to review the quality of existing play provision, project manage the implementation of refurbishment and to increase capital investment via fundraising activities. One of the projects – The Windmill Estate Play Project was winner of “Most Outstanding Commitment to the Community” Horticulture Weekly Landscape and Amenity Awards 2008. It was also short-listed for “Best Play Area”, Children and Young People (decision due November 2008)
Groundwork has just been procured to deliver the first six play areas for Slough as part of the Play Builder project. Additionally Groundwork will be given the opportunity to tender to be Slough’s consultants for the next 14 and also to project manage the BIG Lottery fund for play.
- 4.3 Groundwork Trust have a proven track record of working at a strategic level with local authorities, primary care trusts, housing associations and are also a key partner in the SEEDA funded Thames Valley Area Programme.
- 4.4 The tender documentation asked suppliers what “added value” they could add to the playground refurbishment project. Groundwork has project managers with fundraising expertise and they are confident that a minimum of £250,000 of additional funding can be secured over the life span of this project.
- 4.5 Groundwork Trust has given commitment to employ local people on this project. They also have experience of working with partners such as the Probation Service to help get local people back into work.
- 4.6 The pricing schedule offered by The Federation of Groundwork Trusts is significantly lower than the other 3 tenders. The offer of an hourly rate of £36.50 and a day rate of £270 compares to an average of £80 per hour and day rate of £600 offered by the other suppliers. In plainer terms, Groundwork is offering the Council a full time project manager for the first 2 years of the contract at a cost of £62,000 per year. The other tenderers did not offer a project manager solely dedicated to this project.

Groundwork has access to a pool of qualified landscape architects, for which they will charge a day rate of £200. This compares with an average of £550 a day offered by the other short-listed tenderers.

- 4.7 Groundwork Trust understands the need to uphold and incorporate the principles of the relevant policies, for example Oxford City Council's Green Spaces strategy and the Oxfordshire Play Strategy. The organisation has a genuine commitment to the principles of natural play and will reflect these wherever possible and in line with all consultation undertaken.
- 4.8 Groundwork Trust has the capacity to deliver this challenging programme of works; they were the only tenderer that did not challenge the budget and timescales.

5 Role of the Project Manager

- 5.1 The role of the project manager will include the following:
- The facilitation of consultation
 - Procurement of landscape architects
 - Drawing up the plans for each site
 - Seeking additional funding for the programme
 - On-site management during refurbishment
 - Close liaison with appointed Oxford City Council contract manager

6 Financial Implications

- 6.1 A report outlining the financial implications of this project was approved by Executive Board on 3rd September 2009.

7 Legal Implications

- 7.1 This contract has been tendered in accordance with the EU procurement regime. It therefore complies with both the Council's own procurement requirements and external regulation.

8 Staffing Implications

- 8.1 There are no staffing implications. The in-house team, who currently install 4 playgrounds per year as part of their work programme, will continue to do so.

9 Risk

- 9.1 There is a risk that expectations will rise as the programme gets underway, causing costs to escalate. This will be mitigated by tight budgetary control,

possible trade offs between sites and by tight contract management supported by the Procurement Team.

- 9.2 With this contract, the Council is committing itself to funding a project manager for two years, it is therefore important that resources are focused on delivering improvements to those play areas scored as poor quality within that 2-year timescale.

10 Other means of achieving this objective

- 10.1 Other means of achieving this objective are explained in paragraph 3.

11 Recommendations

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List of background papers: None

Version number: 2

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