

**TITLE OF REPORT:**           **Contract for Consultancy Services to Prepare Evidence Base for MetroGreen Area Action Plan**

**REPORT OF:**               **Mike Barker, Strategic Director, Corporate Services and Governance**

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### **Purpose of the Report**

1.     The purpose of this report is to ask Cabinet to consider the tenders received for the Contract for Consultancy Services to Prepare Evidence Base for MetroGreen Area Action Plan
2.     The background to these contracts is contained in the attached appendices.

### **Proposal**

3.     Cabinet is asked to agree the recommendations below.

### **Recommendations**

4.     It is recommended Cabinet agree the tender from Mott MacDonald, Newcastle upon Tyne, be accepted for the Contract for Consultancy Services to prepare the evidence base for the MetroGreen Area Action Plan under the HCA Multidisciplinary Panel Framework for a period of 12 months commencing 9 October 2017 for the completion of Stages 1 & 2 with the option to extend up to the maximum of 24 months for the completion of Stages 3 to 7.

For the following reason:

A comprehensive evaluation of the tenders received has been undertaken. The recommended tender best meets the technically challenging requirements of the commission and is the most economically advantageous tender submitted.

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## APPENDIX 5

### Policy Context

1. The contract has been organised in accordance with the Council's Consolidated Procurement Policy.

### Background

2. The contract is a call off under the Homes and Communities Agency (HCA) Multidisciplinary Panel Framework and is being arranged on behalf of Development, Transport and Public Protection - Communities and Environment.
3. The contract is for a period of 12 months commencing 9 October 2017 for the completion of Stages 1 & 2 with the option to extend up to the maximum of 24 months for the completion of Stages 3 to 7.
4. The contract is for consortia of consultants led by Mott MacDonald to produce robust evidence to inform the MetroGreen Area Action Plan (AAP) together with associated Sustainability Appraisal incorporating a Health Impact Assessment and Equality Impact Assessment and the statutory requirements of the Strategic Environmental Assessment.
5. The AAP will provide planning policy, a spatial framework and delivery framework to ensure that future development takes place in a consistent and co-ordinated way. Infrastructure delivery, phasing and viability of development are critical to the successful adoption of the AAP following external examination.
6. The estimated total value of the contract (including options to extend) is £548,112. Tenders were received from the following companies:

Building Design Partnership Limited, Manchester  
Mott MacDonald, Newcastle upon Tyne  
Ove Arup and Partners Limited, Newcastle Upon Tyne

7. A comprehensive evaluation of the tenders has been undertaken against the following criteria:
  - Bidding model: Details of the Proposed Bidding Model for the Delivery of the Contract
  - Price: Full Breakdown of Cost for the provision of the Service
  - Understanding of Project Requirements: Ability to Meet the Requirements of the Contract
  - Staff and Other Resources: Experience of Staff Allocated for the Delivery of the Services Required
  - Management and Communication: Approach to Contract Management and Communication
  - Programme: Proposed Timeline for Delivering the Requirements of the Contract
  - Technical Merit: Presentation

## **Consultation**

8. The Cabinet Members for Housing and Economy have been consulted on the proposed MetroGreen AAP procurement process.
9. The MetroGreen Scoping Report, the first stage in preparing the AAP, notified key stakeholders and all interested parties, including residents and statutory agencies such as Highways England and the Environment Agency. Consultation on the scoping report took place in October / November 2014. Cabinet approved the final scoping report on 3 November 2015.
10. The MetroGreen Options Report, the second stage in preparing the AAP, identifies a preferred policy approach, setting out where housing and commercial development would be located as well as key infrastructure. Consultation on the options report took place in November / December 2015.

## **Alternative Options**

11. Due to the anticipated value of this contract exceeding the EU threshold the only alternative option to the Framework call off would be to invite competitive tenders in accordance with the EU Public Procurement Directives.

## **Implications of Recommended Option**

12. **Resources:**

- a) **Financial Implications –** The Strategic Director, Corporate Resources, confirms that the Council's Capital Programme includes an allocation of £600,000 for this project, which will accommodate the estimated cost of the consultancy contract of £548,112. In Mott McDonald's tender documentation the following exclusions from the specification are noted (most items were also excluded from other tenders received);
  - a. A survey of the drainage network will be separately commissioned and is estimated to cost in the region of £20,000.
  - b. New LIDAR survey £19,000 estimated cost
  - c. Subject to an identified need there may be a requirement for contamination testing of site soils at a cost to be determinedThese and other elements of contingency spending to complete the AAP process will be reported in line with budget approval mechanisms.

A contribution of £80,000 from Intu has been committed in principle, to reduce the Council's financial involvement. However, this is subject to the implementation of a contribution agreement and conditions being met. The principal benefit of the arrangement is access to information on intu's assets and the associated potential improvement to the quality of the baseline data.

- b) **Human Resources Implications –** A key implication for the Council is ensuring the relevant teams are resourced to respond to the agreed project plan

**c) Property Implications** - There are no property implications arising from this report.

11. **Risk Management Implication** – The appointed project manager will establish an ongoing risk register to contain project risks. The fixed price/fixed term contract requires the relevant resources to be made available in the proceeding 12 months to avoid costly over payments.
12. **Equality and Diversity Implications** – The recommended tenderer meets the legal obligations of the Equality Act 2010.
13. **Crime and Disorder Implications** – There are no crime and disorder implications arising from this report.
14. **Health Implications** – The sustainability appraisal to be undertaken as part of the evidence base for the AAP will incorporate a Health Impact Assessment.
15. **Sustainability Implications** – The sustainability appraisal to be undertaken as part of the evidence base for the AAP will assess the sustainability implications.
16. **Human Rights Implications** – There are no human rights implications arising from this report. The Council has engaged in public consultation in accordance with Council's Statement of Community Involvement.
17. **Area and Ward Implications** –The MetroGreen development area is located in the Dunston and Teams ward in the Inner West Area.

### **Background Information**

18. The documents that have been relied on in the preparation of the report include:  
The received tenders.