

REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION

PROJECT MANAGEMENT CONTRACT AWARD FOR CULM GARDEN VILLAGE, CULLOMPTON.

Cabinet Member: Cllr Richard Chesterton
Responsible Officer: Jenny Clifford, Head of Planning, Economy & Regeneration.

Reason for Report: To seek approval to extend the Culm Garden Village project management contract for a further year and to establish delegated authority for further extensions to the contract (subject to sufficient funding being in place).

RECOMMENDATIONS:

- 1. That a 1 year extension to the Culm Garden Village project management contract be awarded to the existing supplier with an agreed annual cost of £66,000.**
- 2. That delegated authority be given to the Head of Planning, Economy and Regeneration in consultation with the Cabinet Member for Planning and Regeneration to award subsequent annual one year extensions to the contract subject to:**
 - i) Funding being in place to cover the cost of the provision of this service.**
 - ii) Continuing to be satisfied with the quality of the service provided.**

Relationship to Corporate Plan: The Culm Garden Village project contributes to the corporate priorities of facilitating housing and economic growth. The promotion of significant growth east of Cullompton forms part of Aim 2 of the priority referring to homes.

Financial Implications: The award of this contract was made for an initial period of 1 year and funded from capacity money awarded to the project by the Government. At the time of initial 1 year contract award, due to the long term nature of the project, it was expected that the Council will wish to retain a project management resource beyond the initial contract period and due to the potential for renewal, an open tender process through OJEU was undertaken. However, it has been recognised that the future extension of a project management resource is dependent upon the success of attracting further capacity funding to support Garden Villages from the Government. Sufficient capacity funding is in place from the 17/18 award to extend the contract for a further year. A bid has also recently been made for further capacity fund support for 18/19, the results of which are expected early autumn 2018.

Legal Implications: The contract will be let subject to the council standard terms and conditions for supply of services. The original suppliers that tendered for the contract are not referred to as with the exception of the successful supplier they are not considered relevant to this report. The original award of the contract including the

procurement process and evaluation of tender submissions was addressed within the Cabinet report of 31st August 2017. The suppliers referred to in that report were not identified – such information being confidential, not necessary to reach a decision and treated as exempt information.

Risk Assessment: The tender process undertaken in 2017 assessed against a series of quality criteria as well as price in order to ensure that the successful supplier not only represents value for money, but is also sufficiently experienced and suited to undertake the role. The tender process also anticipated contract extension beyond the initial 1 year period.

Were the project management resource not to be extended, this would represent a significant risk to the overall future of the project as a whole. This resource is critical to the overall management and delivery of the project, driving progress, ensuring the Council's aspirations over place making, quality and community liaison are met.

Equalities Assessment: None identified as a result of this report.

1.0 THE 2017 PROCUREMENT PROCESS

1.1 At the meeting of 31st August 2017, Cabinet considered and agreed the award of a contract for project management services in connection with the Culm Garden Village. This followed an open tender process through OJEU. It was resolved to award the contract to Supplier 3 with an agreed annual cost of £60,000. The contract was awarded to the contractor with the highest combined quality/price score with 70% of the total score based on quality and 30% on price.

1.4 The successful supplier commenced the delivery of project management services on 2nd October 2017 under a 1 year contract. The initial term of this contract was to align with the external funding already secured. To give secured consistency for the onward project, up to 9 optional one year extensions were been allowed for within the procurement process, but were not committed to at that stage. Due to the potential length and therefore high value of this procurement, the appropriate procedure was an open tender process through OJEU. This means that anyone who expressed an interest in the contract would be invited to tender.

2.0 PROPOSAL

2.1 The companion report on the Culm Garden Village being considered at the same meeting of Cabinet sets out progress that has been achieved on the project over the past year and looks forward to the main areas of work over the next 12-18 months. The existing project management resource is considered critical to driving forward progress and project delivery. The non-extension of this resource would place the future of the project at significant risk.

2.2 The successful supplier has provided project management services since October 2017. During this time the supplier has demonstrated their suitability, knowledge and experience to continue to deliver this service and has made significant progress in establishing strong working relationships with a wide

range of stakeholders and interested parties. It is therefore appropriate in terms of quality of the service provided that the existing supplier be retained.

2.3 The £66,000 annual cost of the service was established during the 2017 procurement process. Funding is in place from the 17/18 capacity fund award to extend this contract for a further year.

2.4 The procurement process allowed for up to 9 optional one year extensions. This report also proposes that delegated authority arrangements are put in place to enact further, future one year extensions. This would be subject to funding being in place to cover the cost and the quality of service. The progress of the project and standard of the project management service provided are performance managed. Progress updates are provided to the garden village Delivery Board which has *'overall responsibility for the delivery of the project'* and *'will be accountable for the success of the project and have responsibility and authority for the project delivery'* (Cabinet report 6th July 2017 on governance arrangements).

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Background papers:	Cabinet reports 9 th June 2016, 6 th July 2017, 31 ST August 2017 DCLG prospectus locally led garden villages, towns and cities https://www.gov.uk/government/publications/locally-led-garden-villages-towns-and-cities Culm Garden Village expression of interest https://www.middevon.gov.uk/media/342814/culm-garden-village-mid-devon-eoi-submission_low-res2.pdf
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