

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member – Environment and Transport
Date:	27 July 2011
Title:	Technical Resources Framework 2012-16 – Authority to Tender
Reference:	3062
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this report is to seek approval for the Economy, Transport and Environment Department to retender a framework for temporary technical professional resources, it also sets out the proposed arrangements for this contract.

1.2. This paper

- outlines a background for the need for a new technical resources framework to replace the current one when it expires in April 2012;
- explains the estimated annual value of resources placed through the framework of up to £1 million, although no minimum value is guaranteed to any single supplier;
- highlights the effective and efficient engagement processes with the current framework which will be adopted for the future contract;
- proposes widening the scope of services supplied within the framework to encompass specialist skills, such as ecological and environmental resources; and
- considers allowing District and Unitary Authorities within the geographical boundaries of Hampshire to participate and obtain resources for their needs, thereby encouraging economies of scale to be obtained.

2. Contextual information

2.1 The County Council has a duty to maintain and improve highway infrastructure within Hampshire in a safe and effective manner. In provision of this role the Department employs a number of technical and engineering resources to design, manage and supervise capital and revenue projects.

These resources comprise in-house staff who are supplemented by external resources. This has operated for a considerable number of years, fluctuating in value according to peaks and troughs in demand. Engagement of these resources enables the Council to provide a full service when resources are in short supply and allows for an efficient reaction to short term demands of the service. This flexibility has been achieved by using temporary technical staff through a variety of arrangements, in addition to that of a Professional Services Contract.

- 2.2 The Professional Services Contract expired in 2010 and has not been renewed due to a reduction in future workload. In its place, a regional framework called South East Pan Government Collaborative Highways Professional Services Framework for Local Transport Delivery is available for use by the Council to commission individual assignments for transport studies, engineering design and the like. The Professional Services Framework is suitable for discrete packaged commissions or projects, but is not suitable or efficient for engaging staff to supplement in-house resources because commissions are undertaken within the suppliers organisation at a location and using resources wholly directed by them.
- 2.3 Current arrangements for the supply of such staff have used two sources. Corporately, a temporary staff contract established by County Supplies has been in operation to provide a variety of disciplines over several departments of the Council. Whilst this arrangement with Manpower has been able to offer very limited numbers of suitable resources over past years, it was not originally established to supply technical and engineering qualified staff but directed toward engagement of clerical, administration and social care staff. Although an attempt has been made to meet Economy, Transport and Environment Department's requirements using the Manpower contract, it has been difficult to obtain resources at short notice through this process. The second arrangement to obtain resources has been a specialist Technical Resources Framework in place since 2008. This has been very effective in supplying suitable engineering and transport related resources at short notice to meet the Council's immediate needs. Projects such as the South East Hampshire Bus Rapid Transit scheme at Gosport and Operation Resilience have benefitted by efficient and effective engagement of engineering resources at very short notice. Programmes of work would not have been delivered on time without this effective means of engaging technical resources.
- 2.4 In order to continue to offer an effective and flexible method to supply suitable technical resources to the Department, it is proposed that a new framework contract is procured to engage a number of specialist suppliers of technical professional resources. This framework will supplement permanent in-house staff and assist in the delivery of short term workload requirements. The scope of the framework will focus upon engineering resources, but provision will be made to allow other disciplines and departments to be included and suppliers engaged. Minor architectural design, ecological assessment, mechanical and electrical services advice, engineering support for development of waste facility infrastructure and the like will be included within

the scope of services to ensure a wide range of specialist resources are available for the Council's use. As the estimated value of the contract is anticipated to exceed EU thresholds, the framework will need to be advertised in accordance with EU regulations. To ensure greatest flexibility in use and encourage collaboration with our colleagues, the contract will allow use by all district authorities in Hampshire. It is also proposed that the appropriate OJEU notice will allow a wider geographical coverage than Hampshire in order to allow other local authorities in the south to use this contract if desired. The inclusion of small and medium enterprises will ensure that local resources are engaged where possible. Experience with similar frameworks procured by Hampshire has shown that using this method also results in very competitive prices being submitted by suppliers.

3. Background

- 3.1 The Department has been employing technical professional resources using a variety of contractual arrangements for many years to assist with supplementing in-house resources when workload levels increase.
- 3.2 The current corporate temporary staff contract has been operating since 2008 and, although provision for technical resources are available, the contract is predominantly aimed at care and administrative provision. An effort has been made to use this contract for technical professionals, but provision of such resources are usually through second or third tier vendors rather than directly through Manpower. Inevitably, the process involved in locating suitable resources together with appropriate administration costs limits the effectiveness of this approach.
- 3.3 The current Technical Resources Framework is due to end in April 2012 and has performed extremely well in providing effective and efficient resources at short notice to the Department. Examples of resources at short notice are the provision of design and supervisory staff for the South East Hampshire Bus Rapid Transit scheme and design, management and supervisory staff for Project Restore. A short period of notice for engagement was required by both projects and these timescales were met by following the effective selection procedure outlined in the documents. As the framework uses a pre-priced schedule of rates, the Council is assured of price certainty prior to engagement of resources.
- 3.4 Provision of a framework does not commit the Authority to guaranteeing any minimum values through the contract to a supplier. The contract is flexible with selection procedures being in place to ensure efficient and effective resources are engaged through a straightforward selection mechanism. The framework also recognises the contribution made by small and medium sized suppliers and these are encouraged to apply to be included within the contract.
- 3.5 An opportunity will be taken during the procurement process to widen the scope of technical resources within the contract. A review is currently being undertaken to ensure that technical needs are identified to ensure these align with objectives of the Department. The scope of the framework will focus

upon engineering resources, but provision will be made to allow other disciplines to be included and suppliers engaged. Minor architectural design, ecological assessment, mechanical and electrical services advice, development of waste facility infrastructure and the like will be included within the scope of services to ensure a wide range of resources are available for the Council's use.

4. Proposed Arrangements

- 4.1 It is proposed to establish a framework of suppliers capable of delivering engineering design, supervision and other technical resources directly to work alongside in-house staff and other corporate contracts. Based upon the historic use of temporary technical resources, the new Framework contract is expected to have a value of up to £1 million per annum.
- 4.2 Each supplier will offer some, or all, of a range of skills pre-defined within the framework contract, but specifically related to technical competence and abilities. The principal payment system will use hourly rates for a range of standard roles requested from each supplier, with the ability to supplement these for specific additional skills that may be required (e.g. computer aided design, drainage, carriageway alignment modelling). A competitively tendered 'on-cost' provision will be supplied where specialist third party suppliers are needed at short notice, selected using the same principles as the Council's Contract Standing Orders.
- 4.3 Expressions of interest will be sought through the European Journal, with tenders expected to be issued in October 2011, for return in December 2011. The suppliers will be assessed against pre-defined criteria of price and quality, with the successful ones appointed in January 2012 for commencement of service from 1 April 2012.
- 4.4 The Buildings Land and Procurement Panel has been advised of the proposed arrangements through a paragraph included within the Corporate Procurement Update report presented on 5 July 2011.

5. Impact Assessments

- 5.1 The new Technical Resources Framework contract has been developed taking into account the impact on the environment and equalities at all stages. The inclusion of small and medium enterprises will ensure that local resources are engaged where possible.
- 5.2 A particular emphasis will be placed on developing safe approaches to permanent highway works and temporary traffic management arrangements, and awareness of environmental and ecological issues regarding construction works. Inclusion of these specialist skills will assist the Council in delivering its statutory obligations.
- 5.3 By making the framework accessible to other local authorities it is probable that efficiencies will be delivered in economic engagement of the resources themselves and in engagement of resources.

6. Conclusions

- 6.1 It is proposed that a new Technical Resources Framework is established to replace the existing contract that expires in April 2012. The new framework will be expanded in scope and be made available for the Economy, Transport and Environment Department, other County Council Departments, Unitary Authorities and District Councils that require such resources.
- 6.2 The framework shall start on 1 April 2012 and operate for a maximum of four years as permitted by European Directives.

7 Recommendation

- 7.1 That approval be given to tender a new Technical Resources Framework contract to supply temporary technical professional staff.

CORPORATE OR LEGAL INFORMATION:

This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:

The design, supervision and management of the County's infrastructure is a vital component towards the Council's Corporate Strategies. In addition, the Council has a number of statutory duties to perform to ensure the highways of Hampshire are maintained to a suitable standard. The ability to obtain resources to assist with this duty in an effective and efficient manner is the prime objective of the Technical Resources Framework.

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. All suppliers managed through the Technical Resources Framework will be contracted to comply with equalities policies and procedures determined by the County Council.

2. Impact on Crime and Disorder:

- 2.1. Resources engaged through the Technical Resources Frameworks will use the Council's departmental and national standards for design and supervision elements.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

By effective and efficient engagement of suppliers in order to improve the highways network.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Use of approved standards for use by resources employed through the Technical Resources Frameworks ensure that management of projects will be durable and resilient.