

AGENDA ITEM 8

Report to Accountability Board -	Forward Plan reference number: FP/AB/028
Date of Accountability Board Meeting: 8th April 2016	
Title of report: Award of South East LEP ITE Contract	
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NOT FOR PUBLICATION This report contains a confidential appendix which is exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.	

1. Purpose of report

- 1.1 The purpose of this paper is to seek a decision from the Accountability Board to award the contract for the provision of Independent Technical Evaluation services to South East LEP from 2016/17 onwards; an integral element of the Assurance Framework agreed with Government.

2. Recommendations

- 2.1 **TO AGREE** the recommendation of the evaluation process and award the contract for Independent Technical Evaluation Services to the winning bidder for a period of 3 years, plus an optional extension of two further years, at a maximum total value of £450,000.

3 Background

- 3.1 On 4th March 2016 Essex County Council (ECC) acting as Accountable Body for the South East LEP issued a tender on the Official Journal of the European Union for the provision of Independent Technical Evaluation services to support the South East LEP's management of the Local Growth Fund capital programme; a requirement of the Assurance Framework agreed with Government.
- 3.2 The procurement process was conducted via a single stage Open procurement route, through ECC's eSourcing portal with bidders responding to the Invitation to Tender.
- 3.3 The ITT consisted of bidders having to submit a Technical and Commercial response as a result of the specification and documentation within the ITT.
- 3.4 ECC received 26 expressions of interest and, on closing, five bids were submitted from the following organisations
- Mouchel,

- Ove Arup,
- PWC,
- Regeneris and
- Steer Davies Gleave.

3.5 On 5th April 2016, a formal meeting comprising the SELEP Director, an Accountable Body representative, an officer representative from each upper tier authority and facilitation from the ECC commercial team convened to undertake the evaluation of tenders received.

3.6 The high level Evaluation Criteria were as follows:

3.6.1 Commercial response (Price) – 60% weighting

3.6.2 Technical response (Quality) – 40% weighting

3.7 For the Commercial response, Bidders were asked to complete a pricing matrix comprising of the following sections and their respective weightings, which were scored and adjusted to give a mark out of 60;

Price for business cases requiring an ITE assessment	Weighting
Low complexity / transport schemes under £8m in value	20
Medium - Higher complexity Schemes / non-transport under £8m in value	20
High value and complexity schemes over £8m in value	20
Price for business cases requiring an advisory assessment	
Review Low - Schemes requiring an advisory view for schemes under £8m	5
Review High - Schemes requiring an advisory view for schemes over £8m	5
Review BCD - Schemes requiring an advisory view on funding for business case development	5
Other Prices	
Cost to prepare reports for, and attendance at Accountability Board and Other meetings	5
Advice and Support	20

For the Technical response, bidders were asked to provide responses to the following questions which were weighted as shown; the scores were then adjusted to give a mark out of 40:

	Weighting
Demonstrate how you propose to undertake a robust business case assessment in the context of the current process (see ref. 4.3 of the Specification) and identifying areas where you can add value and create opportunities for increasing effectiveness whilst meeting the requirements of the Assurance Framework	40%

<p>and the Accountability Board.</p> <p>In particular, reference should be made to ensuring consistency of assessment of value for money, outcomes and benefits across all business cases to ensure that they are assessed and delivering on the same basis.</p> <p>A minimum score of 3 out of 5 (prior to weighting) must be achieved for this section</p>	
<p>Provide a work programme with timescales and critical path for meeting the requirements as set out in the specification, identifying any key risks and opportunities that may need to be considered.</p> <p>The response to this question should include a timetable for delivery</p>	20%
<p>Provide evidence of delivery of services to time and budget constraints. In particular evidence how the competing priorities of multiple partners have been effectively managed to ensure effective service delivery within agreed timescales.</p> <p>A minimum score of 3 out of 5 (prior to weighting) must be achieved for this section</p>	20%
<p>Demonstrate your approach to ensuring that the assessment process remains appropriate and up to date in light of Government policy changes or updates to assessment methodologies recommended by Government departments.</p>	5%
<p>Outline your proposed approach to meeting the additional advisory requirements of the service as outlined in section 4.2 of the specification.</p> <p>Your response should include examples of past experience of how such a service has been effectively provided including contact details of previous examples for reference checks, should they be needed.</p> <p>A minimum score of 3 out of 5 (prior to weighting) must be achieved for this section</p>	15%

The results of the evaluation are set out in Appendix A.

- 3.8 Upon the approval of the successful bidder, those unsuccessful will be given detailed constructive feedback

4 Financial Implications

- 4.1 While the costs of the ITE are entirely dependent upon the amount of business cases submitted for review in any given period, ITE services are provisioned in the central SELEP revenue budget and, for 2016/17, an upper limit of £100,000 has already been written into the budget; this is reflected in the Finance Update paper also presented at this Accountability Board meeting to finalise the budget for 2016/17. £100,000 is likely to be more than is required as the Local Growth Fund profile for 2016/17 anticipates significantly fewer project starts (and therefore the requirement for fewer business cases) than in 2015/16 where approximately £100,000 was also spent.
- 4.2 The maximum total contract value is £450,000 for 3 years, plus an optional for 2 further years.

5 Legal Implications

- 5.1 A full and compliant procurement process has been conducted using the open procurement process in line with the Public Contracts Regulations 2015 and evaluated in accordance with the published criteria.
- 5.2 Upon the award being made ECC will enter into a 10 day standstill period as required by the regulations.
- 5.3. On completion of the Alcatel period a final award letter will be sent, and contracts will be signed before commencement of the services.

6 Staffing and other resource implications

- 6.1 The staff engaged in delivering the current contract are employed by the incumbent external supplier which has been successful in winning the new contract and therefore there are no TUPE implications.

7 Equality and Diversity implications

- 7.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when making decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

- 7.3 There is no absolute duty to achieve these outcomes. The decision maker must balance equalities with all other relevant factors.
- 7.4 An initial equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8 List of Appendices

- 8.1 Appendix A – Confidential Appendix

9 List of Background Papers

- 9.1 SELEP ITE Tender Specification as issued

Role	Date
Accountable Body sign off	
Lorna Norris	7 th April 2016
On behalf of Margaret Lee	