

DELEGATED POWERS REPORT NO.

1649

**SUBJECT: Award of Call Off Contract to Morgan Hunt Public Sector (Interim Head of Procurement)**

**Control sheet**

**All of the following actions MUST be completed at each stage of the process and the signed and dated report MUST be passed to the Governance Service for publishing**

<b>All reports</b>		
1. Governance Service receive draft report	Name of GSO Date	Paul Frost 16 April 2012
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Paul Frost 16 April 2012
3. Finance clearance obtained ( <i>report author to complete</i> )	Name of Finance officer Date	Jayne Fitzgerald 16 April 2012
4. Staff and other resources issues clearance obtained ( <i>report author to complete</i> )	Name of Resource officer Date	Sarah Murphy Brookman 13 April 2012
5. Strategic Procurement clearance obtained ( <i>report author to complete</i> )	Name of Strategic Procurement officer Date	Lesley Meeks 13 April 2012
6. Legal clearance obtained from ( <i>report author to complete</i> )	Name of Legal officer Date	Phillipa Dieobi 13 April 2012
7. Policy & Partnerships clearance obtained ( <i>report author to complete</i> )	Name of P&P officer Date	Andrew Nathan 13 April 2012
8. Equalities & Diversity clearance obtained ( <i>report author to complete</i> )	Name of officer Date	Andrew Nathan 13 April 2012
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Craig Cooper 23 April 2012
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Service for publishing	Name of GSO Date	Andrew Charlwood 24 April 2012
11. Report published by Governance Service to website	Name of GSO Date	Andrew Charlwood 25 April 2012
12. Head of Service informed report is published	Name of GSO Date	Andrew Charlwood 25 April 2012
<b>Key decisions only:</b>		
13. Expiry of call-in period	Date	N/A
14. Report circulated for call-in purposes to Business Management OSC members & copied to Cabinet Members & Head of Service	Name of GSO Date	

**ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER  
(EXECUTIVE FUNCTION)**

**Subject** Award of Call Off Contract to Morgan Hunt  
Public Sector

**Officer taking decision** Commercial Director

**Date of decision** 23 April 2012

Summary	This report seeks approval to award a call off contract, under the terms of the Government Procurement Service (GPS) 'Non Permanent Resources Services Framework Agreement' RM692/L8a) to Morgan Hunt Public Sector Limited for the provision of specialist procurement resources.
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**Officer Contributors** Lesley Meeks, Assistant Director, Commercial Assurance  
Praful Ladwa , Procurement Manager, Corporate Procurement

**Status (public or exempt)** Public

**Wards affected** All

**Enclosures** None

**Reason for exemption from call-in (if appropriate)** Not applicable

**Key decision** No

**Contact for further information:** Lesley Meeks 020 8359 7535

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## **1. RELEVANT PREVIOUS DECISIONS**

1.1 None.

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

2.1 The Corporate Plan 2012-2013 includes the priority of 'Better services with less money' with one of its key strategic objectives to ensure that our support services effectively service the organisation through high quality, high value services.

## **3. RISK MANAGEMENT ISSUES**

3.1 Failure to recruit appropriate support will have an effect on the Commercial Service's ability to operate as effectively as possible and deliver a comprehensive and efficient service.

3.2 I have considered whether the issues involved are likely to raise significant levels of public concern or give rise to policy considerations. The issues involved are not likely to raise significant levels of public concern or give rise to policy considerations.

## **4. EQUALITIES AND DIVERSITY ISSUES**

4.1 The Equality Act 2010 requires all Public bodies and all other organisations exercising public functions on its behalf to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination

4.2 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the Borough.

4.3 All preferred suppliers under the Government Procurement Service (GPS) 'Non Permanent Resources Services framework agreement RM692/L8a including Morgan Hunt Public Sector Limited have confirmed through the formal tender process, that they comply with all their statutory obligations, including under the Equality Act 2010.

4.4 It is not considered that the proposal will give rise to any issues under the Council's Equalities policies and does not compromise the Council in meeting its statutory equalities duties.

## **5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

### **5.1 Finance**

The cost of the contract will be met from the existing budget allocation for permanent staffing resources. There is no budget allocation for temporary or non permanent staffing resource.

### **5.2 Procurement, Value for Money**

5.2.1 The rules of the GPS framework provide the Council with two options to be able to appoint a Service Provider. The appointment can be made by either 'direct award' or following a further competition. Both options are compliant with current EU legislation.

5.2.2 The option to appoint a Service Provider by 'direct award' was not suitable for the Council as it would not have provided a means of ensuring value for money. With the 'direct award' option the Council would have had to award a contract based on the outcome of the tender process conducted by GPS and then appointed the supplier who achieved the highest combined technical and commercial score.

5.2.3 The Council's preferred option was, therefore, to run a competitive tendering process under the rules of the GPS framework agreement. The tenders were evaluated in a fair and transparent manner and the Council has decided to use the evaluation criteria recommended by GPS giving a greater weighting to quality aspects i.e. service delivery than price.

5.2.4 Each submitted proposal was evaluated against the following criteria as set out in the framework rules for mini competitions:

Technical – 60%  
Commercial – 40%

### **5.3 Staffing**

There are no staffing implications.

### **5.4 Performance, IT, Property & Sustainability**

There are no implications in respect of Performance, IT, Property and Sustainability resources.

## **6. LEGAL ISSUES**

6.1 Public Contracts Regulations 2006 defines framework as an agreement between one or more contracting authorities and one or more economic operators, i.e. a client and contractor or contractors or consultant or consultants (depending upon the nature of the framework), which establishes the terms governing particular call-off contracts that may be awarded during the term of the framework, in particular

with regard to price and quantity. Where a framework agreement has been published in the OJEU, individual call-offs pursuant to its terms do not have to be.

- 6.3 Framework agreements are referred to in paragraph 6.9 of the Contract Procedure Rules (as set out at paragraph 8.3 below).
- 6.3 Procurement processes are expected to comply with the fundamental principles of the Treaty on the Functioning of the European Union (TFEU) which are transparency, equality of treatment and non discrimination.
- 6.4 In accordance with the Council's Contract Procedure Rules, there will be a need for the Council and the contractor to enter into formal contract.

## **7. CONSTITUTIONAL POWERS**

- 7.1 Constitution Part 3 Responsibilities of Functions section 6, paragraphs 6.2 and 6.3 sets out the Powers Delegated to Chief Officers (i.e. Chief Executive, Heads of Service and Directors as listed in Article 12 of the Council's Constitution can take decisions, in consultation with the Cabinet Member concerned (or without consultation where it is a decision authorised to be taken by the Chief Officer under the Contract Procedure Rules).
- 7.2 Constitution, Part 4 –Contract Procedure Rules Table 5-1 - Authorisation & Acceptance Thresholds for Works, Supplies and Services - provides that authorisation by Head of Service is required for contract value up to £156,422.
- 7.3 Constitution, Part 4 –Contract Procedure Rules, section 6.9 provides that before promoting the procurement of a new or joining a pre-existing framework agreement, the Commercial Director must be satisfied that such an approach represents the most economically advantageous solution for a service work, supply or utility provision and complies with the Relevant EU Rules on the use of such agreements.

The Commercial Director shall before procuring or entering into a framework agreement be satisfied that, (a) the term of the arrangement shall be or is for a period of no longer than four years duration; (b) the terms and conditions of the arrangement do not compromise the Council's contractual requirements; (c) the parties to the arrangement are recognised public bodies or providers from the private sector; (d) full, open and proper competition in respect of the creation of the framework agreement has taken or will take place in accordance with the Relevant EU Rules and/or Relevant Contract Procedure Rules (e) preference should be given to use of any Government Procurement schemes e.g. OGC".

- 7.4 In this case, the proposed contract is for an initial term of six (6) months. The Commercial Director has confirmed that the framework agreement represents a prudent, efficient and economical way of ensuring compliance with procurement rules; and the Commercial Director has given approval to join the framework agreement.

## **8. BACKGROUND INFORMATION**

- 8.1 Proposals were submitted by the specialist Agencies that were invited to bid for the contract.

8.2 The maximum commercial score was awarded to the lowest total cost proposal for the initial six month period.

8.3 The table below details the scores that were awarded:

Evaluation Criteria	Agency 1	Agency 2	Morgan Hunt	Agency 4
Technical (60%)				
Relevant Experience- 20%	16.00%	12.00%	12.00%	12.00%
Record of Achievement 15%	12.00%	9.00%	12.00%	9.00%
Skills Match – 25%	20.00%	20.00%	20.00%	20.00%
<b>Technical Score</b>	48.00%	41.00%	44.00%	41.00%
Commercial – Price (40)%	32.79%	39.87%	39.87%	40.00%
<b>Total Score</b>	80.79%	80.87%	83.87%	81.00%

8.4 The value of the contract for the initial six (6) month period between the Council and Morgan Hunt Public Sector Limited will be £59,752.

## 9. LIST OF BACKGROUND PAPERS

9.1 None

## 10. OFFICER'S DECISION

**I authorise the following action:**

**10.1 The award of contract to Morgan Hunt Public Sector Limited for an initial period of six months for the provision of specialist procurement resources.**

Signed  
Position  
Date

Craig Cooper  
Commercial Director  
23 April 2012