

## PT4 - Committee Procurement Report

This document is to be used to identify the Procurement Strategy and Purchasing Routes associated with a project and only considers the option recommended on the associated Gateway report.



### Introduction

<b>Author:</b>	Mamun Khan		
<b>Project Title:</b>	West Ham Park Playground Project		
<b>Summary of Goods or Services to be sourced</b> The Conservation Management Plan (CMP) for West Ham Park highlights the issues and opportunities with the existing playground and recommends changes to the equipment, introduction of natural play, realignment of fences and the addition of more planting.			
<b>Contract Duration:</b>	TBC	<b>Contract Value:</b>	£700k - £1mil
<b>Stakeholder information</b>			
<b>Project Lead &amp; Contract Manager:</b> Lucy Murphy	<b>Category Manager:</b> Mamun Khan	<b>Lead Department:</b> Open Spaces	
<b>Other Contact</b>	<b>Department</b>		
Madhur Gurjar	Open Spaces		

### Specification Overview

<b>Summary of the Specification:</b> The overall aim of the project is to redesign the playground at West Ham Park creating a new master plan, with alternative options for water play provision.  A refresh of the West Ham Park playground, its equipment and ancillary buildings is required to ensure that they are fit for purpose and meet current safety and safeguarding standards. A number of pieces of equipment are over 15 years old and are regularly closed due to defects. Two pieces have been removed due to safety concerns. An aged children's lido is also present but does not represent a good use of space and is costly to maintain and operate.  Additional works to be included are listed below, consideration into City Procurement current MTC framework and intermediate framework for procurement routes to market. <ul style="list-style-type: none"><li>• Demolition</li><li>• External works</li><li>• Toilet refurb</li><li>• Office refurb</li></ul> <b>Technical and Pricing evaluation ratio</b> <b>30% (Technical) / 70% (Price) – Playground Equipment</b>  <b>60% (Technical) / 40% (Price) – Works</b>
<b>Is the contract likely to require financial uplifts? (Please describe what method will be used to calculate the uplift and whether this will be capped) N/A</b>
<b>Project Objectives:</b> Set out in GW 3/4 report
<b>Does the scope of those project include the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></b>
<b>If yes, have you defined roles and responsibilities within your project specification? For more information visit <a href="#">Designing Specifications under GDPR</a>. You may include your Privacy Impact Assessment or other relevant report as an appendix to this PT form when submitting to Committee (for information).</b>

### Customer Requirements

<b>Target completion date</b>	September 2018	<b>Target Contract award date</b>	TBC
<b>Are there any time constraints which need to be taken into consideration?</b>			

- Safety/Health: Aged and old play equipment and lido leading to increased likelihood of equipment failure and closure of parts of the playground/lido.
- Financial: Inability to raise enough funds resulting in a delay to the completion of the project and/or reduced scope of what can be delivered.
- Legal/Statutory: Planning approval not granted from London Borough of Newham resulting in delays, increased costs and change to the scope

#### Efficiencies Target with supporting information

- This is a new contract opportunity which cannot be baselined with a previous contract
- The recommended strategy benefits from use of opening the opportunity to the open market. Encourage value for money.
- An appropriate open procedure reduces procurement lead time and opportunity cost on officer time.
- The project considers the balance of priority between quality and cost should be towards cost. Therefore a 70% weighting on cost is recommended.

### City of London Initiatives

#### How will the Project meet the City of London's Obligation to

##### Adhere to the Corporation Social Responsibility:

Application of standard terms

##### Take into account the London Living Wage (LLW):

Application of standard terms

##### Consideration for Small to Medium Enterprises (SME): Yes

##### Are there TUPE/Pension liabilities that need to be considered? N/A

Other: N/A

### Procurement Route Recommendation

#### City Procurement team recommended option

Recommended route to market

Playground Equipment -OJEU open procedure. There is consensus between project team and City Procurement that an Open Procedure is the preferred procedure in this instance. It offers an appropriate balance between time and a need to provide maximise opportunity to the number of bidders to tender. This also align with the project team vision to ensure they have various options for product selection.

The commercial and technical requirements are sufficiently defined so as to be capable of being appointed on a open Procedure basis.

Within this OJEU open procedure there will be 4 lots included, which are listed below. This will allow project team to purchase from various supplier to have the best in class for playground equipment. This also align with project team vision to ensure the park looks aesthetically pleasing and avoid making the park looking generic.

Lot 1: Metal Play Equipment

Lot 2: Timber Play Equipment

Lot 3: Timber Themed Play Equipment (Bespoke)

Lot 4: Water Play

Works - Preferred route to market – Sub-OJEU. A framework route is not preferable in this case on the basis that framework contractors tend to be general contractors who would most likely sub-contract this predominantly specialist work in any case.

### Procurement Strategy Options – Playground Equipment

**Option 1: Purchase & Install via the MTC Framework**

**Advantages to this Option:**

- Open to more competition

**Disadvantages to this Option:**

- Install suppliers not specialist
- Time consuming
- Additional fees for the possible subcontractor costs to install and purchase the products

**Option 2: Purchase & Install with 4 lots- Recommended**

**Advantages to this Option:**

- Lots will allow project team to select various suppliers to select best playground equipment
- supplier will be used to install and supply the equipment, this reduces administration for the Department
- Easier and quicker turnaround
- Established Supply Chain

**Disadvantages to this Option:**

- Possible savings can be lost
- Will need to ensure technical questions allow fair scoring for all bidders and are able to justify ranking of bidders
- Multiple contracts

**Procurement Route Options – Playground Equipment**

*Make v buy to be considered; also indicate any discarded or radical options*

**Option 1: OJEU Open Procedure – Recommended**

**Advantages to this Option:**

- Fully compliant route to market.
- Exposed to the whole market as an opportunity.
- Can build the evaluation to match our product and delivery expectations.

**Disadvantages to this Option:**

- Possible, high amounts of tenders received.
- Long timeframes for award.

**Option 2: OJEU Restricted Process**

**Advantages to this Option:**

- Compliant route to market
- Open up the whole market – leaves City less open to criticism considering the high-profile nature of Smithfield site.

**Disadvantages to this Option:**

- Would take minimum of 6 months to complete – which would be prohibitive for the current market consolidation time table.

A 2 stage tender process (SQ & ITT), this will Require resources from the project team and City Procurement.

**Option 3: OJEU Compliant Framework**

**Advantages to this Option:**

- Faster route to market (6 to 10 weeks depending on project complexity and procurement strategy)
- Compliant alternative to full OJEU Restricted or Open Procedure

**Disadvantages to this Option:**

- The contactors available are defined by the framework
- Level of competition experience can be limited and may not realise a minimum of 3 tenders required by City Procurement rules
- Frameworks suited to the City’s requirements are not available.

**Procurement Route Options – Works**

*Make v buy to be considered; also indicate any discarded or radical options*

**Option 1: Sub OJEU– Recommended**

**Advantages to this Option:**

- Compliant and defined process

<ul style="list-style-type: none"> <li>Established regulatory process aimed at securing a best and final offer at tender stage</li> <li>Can allow shortlist at first stage to avoid review of high volume returns under some circumstances</li> <li>Opens up competition to the wider market</li> </ul>
<b>Disadvantages to this Option:</b> <ul style="list-style-type: none"> <li>There is no compliant provision for development to technical offers after receipt of tenders as is the case with other procedures competition with negotiation</li> <li>Procurement lead time of up to 10 weeks not as fast as an established framework</li> </ul>
<b>Option 2: City Own Framework</b> (Intermediate)
<b>Advantages to this Option:</b> <ul style="list-style-type: none"> <li>Faster route to market (6 to 10 weeks depending on project complexity and procurement strategy)</li> <li>Compliant alternative to full OJEU Restricted or Open Procedure</li> </ul>
<b>Disadvantages to this Option:</b> <ul style="list-style-type: none"> <li>The contactors available are defined by the framework</li> <li>Level of competition experience can be limited and may not realise a minimum of 3 tenders required by City</li> </ul>

### **Form of Contract- Playground Equipment**

<b>Option 1: CoL Standard Good &amp; Service Terms - Recommended</b>
<b>Option 2: CoL Standard amendments</b> (requires Controllers and City Solicitors approval)
<b>Option 3: Suppliers Standard Terms</b> (requires Controllers and City Solicitors approval)

### **Form of Contract – Works**

<b>Option 1: CoL Standard Works Terms - Recommended</b>
<b>Option 1: CoL Standard amendments to JCT</b>
<b>Option 2: CoL Standard amendments to NEC3</b>

### **Sign Off**

<b>Date of Report:</b>	08/01/19
<b>Reviewed By:</b>	Lucy Murphy, Manager West Ham Park
<b>Department:</b>	Open Spaces – Parks and Garden’s division
<b>Reviewed By:</b>	Mamun Khan, Category Officer
<b>Department:</b>	<b>Chamberlain’s Department</b>