

PARKS AND COUNTRYSIDE SERVICE PROCUREMENT EXERCISE (PACSPE)

1.0 EXECUTIVE SUMMARY

1.1 This report informs members of the results of the Gateway O Review of the Parks and Countryside Service Procurement Exercise (PACSPE) undertaken by the 4ps Organisation and the Interim Business Case findings by Capita Symonds. The report requests approval for funding for the next stage of the procurement exercise from the Efficiency Investment Budget.

2.0 BACKGROUND

2.1 At its meeting of 5th February 2009 members agreed to an allocation of £85,000 from the Efficiency Investment Budget for the engagement of consultants to support the Gateway review process and to produce a Business Case and service delivery options.

2.2 The PACSPE review includes all of the Parks and Countryside service and the existing Streetscene grounds maintenance contracts, a total contract value of £7.9m per annum. A PACSPE Members Group has been established to project manage the exercise, the aims of which are to deliver a service which meets the present and further needs of the Council and the wider community including;

- better maintenance standards
- a closer working relationship with park users, friends and community groups
- improved facilities
- better marketing of facilities
- improved security in parks
- value for money

3.0 PACSPE GATEWAY O REVIEW AND ACTION PLAN

3.1 The Gateway O Review of PACSPE was undertaken on 6th and 7th May 2009 and was reported to the PACSPE Members Group on 15 July 2009. This was the first Gateway Review to be undertaken of PACSPE. The purpose of a Gateway O Review is to undertake a strategic assessment of the project. PACSPE was assessed by the 4ps as Amber on a scale of Red/Amber/Green.

3.2 This means that *“successful delivery (of the project) appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun”*.

3.3 In support of this assessment the 4ps made the following comments:

“The Review Team finds that the Council successfully engaged an advisor to deliver the options appraisal report. An experienced project manager/change agent from outside the

authority is in place. The advisor is engaging with all stakeholders as part of the options appraisal process.

There are a number of important projects which need to be commenced now to achieve the desired programme timescale. This work will support the Council in achieving an informed decision on the best model for future service delivery.

The programme will probably expand very rapidly in its draw on resources and time. The Council needs to apply the appropriate resources”.

3.4 The 4ps also made eight recommendations. These were discussed by the PACSPE Members Group at their meeting of 15th July 2009 and actions were agreed in response to the recommendations. A table showing the 4ps recommendations and the actions agreed are attached as Appendix 1.

4.0 INTERIM BUSINESS CASE REPORT

4.1 At its meeting on 4 March 2009 the PACSPE Members Group endorsed the appointment of Capita Symonds to develop a Business Case and service delivery options for the Parks and Countryside Service, in accordance with the terms of reference contained in the Business Case Proposal document submitted to the PACSPE Members Group at its meeting on 19 February 2009.

4.2 The PACSPE Members Group was consulted by Capita Symonds at its meeting on 7th May 2009 when members were asked to express their views of the existing service arrangements of the Parks and Countryside Service, their expectations and aspirations for the future and the key issues affecting the service. Based on their research and consultations to date, Capita Symonds has now produced an Interim Business Case Report which appraises the service delivery options available to Wirral for the Parks and Countryside Service and the Streetscene grounds maintenance contracts.

4.3 The Interim Business Case Report looked at the main service delivery options and identified three for more detailed consultation; traditional procurement, partnership contracts and concessions or franchise.

4.4 Traditional Procurement is currently used by Technical Services for the highway verges contracts and whilst it will increase the requirement for procurement resources in the short term and administrative resources in the longer term it would suit a service divided into different functional areas such as Parks and Countryside.

4.5 Partnering contracts are flexible and work well with services that are combined together with a strategic partner. The collaborative approach can enable more flexibility if changes to service requirements are needed but requires clear agreements on the outcomes and benefits which are to be achieved.

4.6 The Parks and Countryside Service has a number of areas where there is significant income, in particular the crematorium and golf. Capita Symonds have recommended that the option of concession or franchise is retained to allow these areas of income to be considered as part of a traditional procurement or partnering service delivery model.

4.7 Capita Symonds identified four procurement procedures which could be used; open, restricted, competitive dialogue and negotiated. They advised that the appropriate procurement process will emerge once the service delivery option has been agreed.

4.8 The PACSPE Members Group agreed to instruct Capita Symonds to provide more detailed analysis of the procurement models for traditional procurement, partnering

contracts and concessions or franchise as set out in their report. Cabinet are asked to endorse the variation to the engagement of Capita Symonds.

5.0 NEXT STAGES

5.1 The final Business Case report is due from Capita Symonds on 28th August 2009. It will be considered by the Members Group in September/October 2009 along with the recommendations from the Gateway 1 Review and reported to Cabinet in November. The Gateway 1 Review has now been arranged for 29th and 30th September. A charge for Gateway reviews of £15,000 per review has recently been introduced by the Government.

5.2 At its meeting on 5th February 2009 (minute 356 refers) Cabinet agreed to allocate £85,000 from the Efficiency Investment Budget to be spent in 2008/09 and 2009/10. This funding has now been fully spent or committed for consultancy costs and the cost of the Gateway O Review. In order to continue the procurement exercise and fund the Gateway 1 and subsequent four Gateway Reviews a further £75,000 will need to be allocated.

5.3 The Gateway O Review recommends that the size of the project resource is increased. This is being done in part through existing staff but further consultancy support will be required and members are asked to allocate an additional £40,000 from the Efficiency Fund.

6.0 FINANCIAL IMPLICATIONS

6.1 £115,000 is requested from the Efficiency Investment Budget to pay for the Gateway reviews and additional project support to be paid in 2009/10 and 2010/11.

6.2 Consultancy support will be competitively sourced in accordance with the Council's Contracts Procedure Rules and EC Procurement Directives where appropriate.

7.0 STAFFING IMPLICATIONS

7.1 With existing staff supporting the PACSPE project (and limited additional project support) it may mean that other areas of work are subject to delays.

8.0 EQUAL OPPORTUNITIES IMPLICATIONS

8.1 There are none arising from this report.

9.0 COMMUNITY SAFETY IMPLICATIONS

9.1 There are none arising from this report.

10.0 LOCAL AGENDA 21 IMPLICATIONS

10.1 There are none arising from this report.

11.0 PLANNING IMPLICATIONS

11.1 There are none arising from this report.

12.0 ANTI-POVERTY IMPLICATIONS

12.1 There are none arising from this report.

12.0 SOCIAL INCLUSION IMPLICATIONS

13.1 There are none arising from this report.

13.0 LOCAL MEMBERS SUPPORT IMPLICATIONS

14.1 There are none arising from this report.

15.0 BACKGROUND PAPERS

15.1 The 4ps Gateway Review O – Strategic Assessment Final Report dated 7th May 2009
Capita Symonds – Interim Business Case

16.0 RECOMMENDATION

16.1 The Cabinet is asked to support the actions listed in Appendix 1.

16.2 Cabinet endorse the Member Group decision, in response to the 4ps recommendations, to instruct Capita Symonds to provide a more detailed analysis of three procurement options.

16.3 That a further £115,000 is allocated from the Efficiency Investment Budget to pay for the cost of further Gateway reviews and additional consultancy support to be spent in 2009/10 and 2010/11.

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WIRRAL COUNCIL

CABINET – 3 SEPTEMBER 2009

PARKS AND COUNTRYSIDE SERVICE PROCUREMENT EXERCISE (PACSPE)

Appendix 1

Ref. No.	4ps Recommendation	Critical/ Essential/ Recommended	Action Agreed
1	That the Council should clarify what it requires in terms of value for money, quality of service and community engagement in the context of a robust approach to benefits realisation.	Essential-do before September Cabinet date	The principles of value for money, quality of service and community engagement were stated in the Business Proposal Document. However, in order to provide an agreed Benefits Realisation Plan the Project Team have compiled a list of issues relevant to the terms and this information will be added to the varied potential outcomes Capita Symonds have compiled from the separate meetings with officers and Members. The Business Case will clarify these terms and detail benefits to be realised in relation to the recommended service option(s).
2	That work should commence on the asset register and other key supporting projects now as an essential precursor to the revised management of the service or commencement of procurement activity.	Critical	The Project Team is undertaking a review of relevant asset information. It will assess what action is required to ensure that the relevant information is “fit for purpose”, the likely cost of this action and the project timeframe to complete.
3	That the size of the project management resource is increased to allow the timely delivery of all the projects in the programme. The practice of combining key project roles with a demanding day job should cease.	Essential-do before September Cabinet date	It is considered that this recommendation is critical to the success of the project. It is, however, for the Project Board and Chief officers to determine the outcome. It is intended that this work will be completed within the timeframe required by the Gateway 1 Review.
4	That contingency planning should be extended to include further measures to mitigate programme delays	Essential-have in place by September Cabinet date	The Risk Register sub-group has assessed a number of the risks associated with possible delays to the procurement programme and an amended Risk Register has been compiled. Any new risks associated with programme delays will be assessed when they are identified.

5	That the Council should seriously consider, and resource, a competitive dialogue approach as a key technique to (a) explore options with suppliers and (b) further crystallise stakeholder consensus	Recommended	<p>The Project Team have compiled a report on Competitive Dialogue. The Project Team believe that this procurement process is complicated and expensive. It will be necessary to agree a strategy/vision/benefits realisation plan.</p> <p>The service delivery option approved by Cabinet will need to identify the appropriate procurement process. The Business Case will reflect Capita Symonds recommended service delivery option and the relevant procurement process. The Gateway Review team's recommendation will be considered within the framework of the Business Case.</p>
6	That the communications plan is refreshed to include regular briefing of internal and external stakeholders to (a) reduce stakeholder resistance and (b) increase market interest in the forthcoming procurement	Critical	The Project Team have approved an amended Communications Plan which takes account of the recommendation.
7	That stakeholder visits to parks and open spaces and procurement examples of best practice are arranged in the run up to the September decision on the desired option	Recommended	The Project Manager and Capita Symonds will compile a list of a number of service deliverers whose services are considered "best practice". A full report of any visits will be given to the Project Board and PACSPE Members Group so that Members can decide if Member visits will be beneficial to the procurement process, dependent on Member availability.
8	That the Council considers the use of a member seminar in September to discuss the Capita Symonds options appraisal report	Recommended	The PACSPE member group has been formed to provide member input into the procurement exercise. The Cabinet will be asked to consider the recommendations from the Capita Symonds Business Case. The Board and Members Group will decide on any further communication channels thought necessary.