

From: Neil Baker, Cabinet Member for Highways and Transportation  
Simon Jones, Corporate Director Growth, Environment and Transport  
To: Environment and Transport Cabinet Committee - 7 March 2024  
Subject: **Professional Services Framework Contract 2024 Award**  
Decision No: 24/00017

Classification: Unclassified

**Future Pathway of Paper:** for Cabinet Member Decision

**Electoral Division:** Countywide

**Summary:** This report provides the Environment and Transport Cabinet Committee with a summary of the work undertaken to date to commission the new Professional Services contract (PSC).

**Recommendation:**

The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Highways and Transport on the proposed decision to:

- (i) APPROVE the procurement and contract award of a zero value Professional Services framework contract
- (ii) DELEGATE authority to the Director of Highways and Transportation, to take relevant actions to facilitate the required procurement activity.
- (iii) DELEGATE authority to the Director of Highways and Transportation, in consultation with the Cabinet Member for Highways and Transport, to take relevant actions, including but not limited to, awarding, finalising the terms of and entering into the relevant contracts or other legal agreements, as necessary, to implement the decision.
- (iv) Delegate authority to the Director of Highways and Transportation, in consultation with the Cabinet Member for Highways and Transport, to award extensions of contracts for commissioned services in accordance with the extension clauses within the contract (4 years + 2 year extension).

as shown at Appendix A.

## 1 Introduction

- 1.1 Kent County Council is the statutory authority responsible for the delivery of a Highways service for the residents of Kent (excluding Medway). A key requirement as a highway authority is to “plan and improve our highway network to help the Kent economy grow and to ensure that it is as safe and efficient as possible.”

- 1.2 This includes casualty reduction, assisting developers in minimising the impact of their proposals on the travelling public, planning transport to help the Kent economy grow, highway and transport modelling, transport strategies, minor improvements, and local growth funded schemes, ensuring projects funded by others meet Kent's highway standards and ensuring that any changes and improvements to our network take account of their future maintainability and reduce lifecycle costs overall.
- 1.3 To achieve these aims, Highways and Transportation (H&T) require access to specialist technical engineering expert advice and services. In 2019 a Professional Services Framework was established to create a flexible, resilient mechanism to seamlessly procure multi-disciplinary technical expertise to guarantee the achievement of Kent County Council strategic objectives.
- 1.4 Currently these services are fulfilled via The Professional Services Framework Contract (PSFC) which is due to expire on 31<sup>st</sup> July 2024.
- 1.5 The range of professional services required can be categorised under the following main headings:
- Highways and Engineering e.g.
    - Highways design and supervision
    - Road Safety Auditing
    - Construction Design and Management CDM
  - Planning and Environment
    - Transport feasibility studies
    - Transport Option Evaluation and Appraisal
    - Accident analysis and specialist road safety engineering
  - Surveys and Investigations
    - Traffic and Transport Data Collection
    - Ground Penetrating Radar Surveys
  - Commercial Services
    - Commercial QS
    - Contract Preparation and Measurement / Software development
- 1.6 The current Professional Services Framework has four professional consultancy companies who are:
- AECOM Limited
  - Project Centre Ltd
  - WSP UK Limited
  - Waterman Infrastructure & Environment Limited
- 1.7 At present, the framework generates competitive tension through a secondary competitive bidding process which seeks to deliver best value and has historically met the required quality performance indicators.
- 1.8 The framework is guided and driven by the Framework Manager who is in place to ensure suppliers are adhering to the contract specification, that there is compliance with spend and ongoing valuation processes and that all parties have an accurate overview of project progress and delivery performance.

- 1.9 A Prior Information Notice was published in September 2023 inviting expressions of interest from relevant suppliers to participate in the market engagement exercise. KCC received a total of 49 questionnaire responses providing information about market capacity, the framework model, the contractual mechanisms proposed, and the local market cost and resource pressures.
- 1.10 Market Engagement discussions were held with 19 organisations. These took place between October and November 2023.
- 1.11 As a result, it is proposed that a new Multi Supplier Framework with up to three multidisciplinary suppliers would represent best value and recognises the prevailing market capability, capacity and competence.

## **2 Delivery models**

2.1 Other delivery models explored for the provision of these services but discarded were:

- Option 1 Single Supplier Professional Services Contract
- Option 2 Multi Supplier Framework (Split into specialist lots)
- Option 3 Use of established external Framework Agreements from other Local Authorities, CCS, and Central Purchasing organisations such as ESPO to procure individual requirements.

### **2.2 Option 1**

- Procure a Single Supplier Professional services Contract with a single supplier. This arrangement would allow both parties to invest in a closer relationship and give consistency in delivery however it was discarded as reliance, and the resilience on one supplier may produce an unnecessary risk and it removes any competitive tension and may likely to lead to supplier complacency.

### **2.3 Option 2**

- Procure a Multi Supplier Framework (Split into specialist lots). The option would give opportunities for SMEs to participate but multiple lots would increase the contract management and administrative and give rise to more operational risk through the need to integrate multiple suppliers. Furthermore, if the volume of available work was spread more thinly across more suppliers the opportunities for economies of scale would be lost.

### **2.4 Option 3**

- Use of established external Framework Agreements from other Local Authorities, CCS, and Central Purchasing organisations such as ESPO. This option was discarded as the processes are historic, deemed to be overly bureaucratic, time consuming, inconsistent, and the ability for KCC to have a formal means to address wider and ongoing supplier poor performance is limited.

### **3 Financial Implications**

- 3.1 There are no immediate financial commitments to the Council from using a zero-value framework. KCC does not incur any financial risk by having the framework in place.
- 3.2 Historic data from the existing Professional Services Framework highlights that, as of January 2024, £25.5m professional services had been commissioned.
- 3.3 Based the forward programme, it is envisaged that expenditure over the initial four-year period would be in the region of £27m. The provision of potential two-year extension would increase this to £40.5m .
- 3.4 The forward programme is largely supporting planned major capital projects which are in the main funded via National Productivity Investment Fund, Housing Infrastructure Fund, South East Local Partnership Local Growth Fund, Growth and Housing Fund and these are then supplemented through developer Section 106 contributions.
- 3.5 It is anticipated that approximately 70% of the work commissioned through the framework will be fully funded externally (based on current spend as at 28.01.24). The remaining 30% relates to core operational activities that requires specialist and scarce expert resource in order to meet statutory and policy obligations contained within The Highways Act 1980, Well managed Highways, and the Road Tunnel Safety Regulations 2007.

### **4. Next Steps**

- 4.1 Following agreement, the formal procurement of the framework will commence and this will comply with the requirements of PCR-2015.
- 4.2 Following a successful conclusion of the tendering process, a 'Recommendation to Award' report will be presented to the Director to ratify the contractual arrangements of this Professional Services with the suppliers.
- 4.3 The target remains to commence the framework from August 2024.

### **5. Recommendations**

- 5.1 The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Highways and Transport on the proposed decision to:
  - (i) APPROVE the procurement and contract award f a zero value Professional Services framework contract
  - (ii) DELEGATE authority to the Director of Highways and Transportation, to take relevant actions to facilitate the required procurement activity.
  - (iii) DELEGATE authority to the Director of Highways and Transportation, in consultation with the Cabinet Member for Highways and Transport, to take

relevant actions, including but not limited to, awarding, finalising the terms of and entering into the relevant contracts or other legal agreements, as necessary, to implement the decision.

- (iv) Delegate authority to the Director of Highways and Transportation, in consultation with the Cabinet Member for Highways and Transport, to award extensions of contracts for commissioned services in accordance with the extension clauses within the contract (4 years + 2 year extension).

as shown at Appendix A.

## **6. Appendices and Background documents**

Appendix A Proposed Record of Decision  
Equality Impact Assessment

## **7. Report Authors**

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