

Project Initiation Procurement Sign On

Planning Framework

25 May 2021

Procurement Number: PRO064



Approvals Process

PROPOSERS

Business Owner: Alan Kelly/ James Donlon

Procurement: Noleen Mooney

Support Area: *Investment, Finance, Strategy etc.*
(OPTIONAL)

APPROVERS

Head of Strategic Planning: Dearbhla Lawson

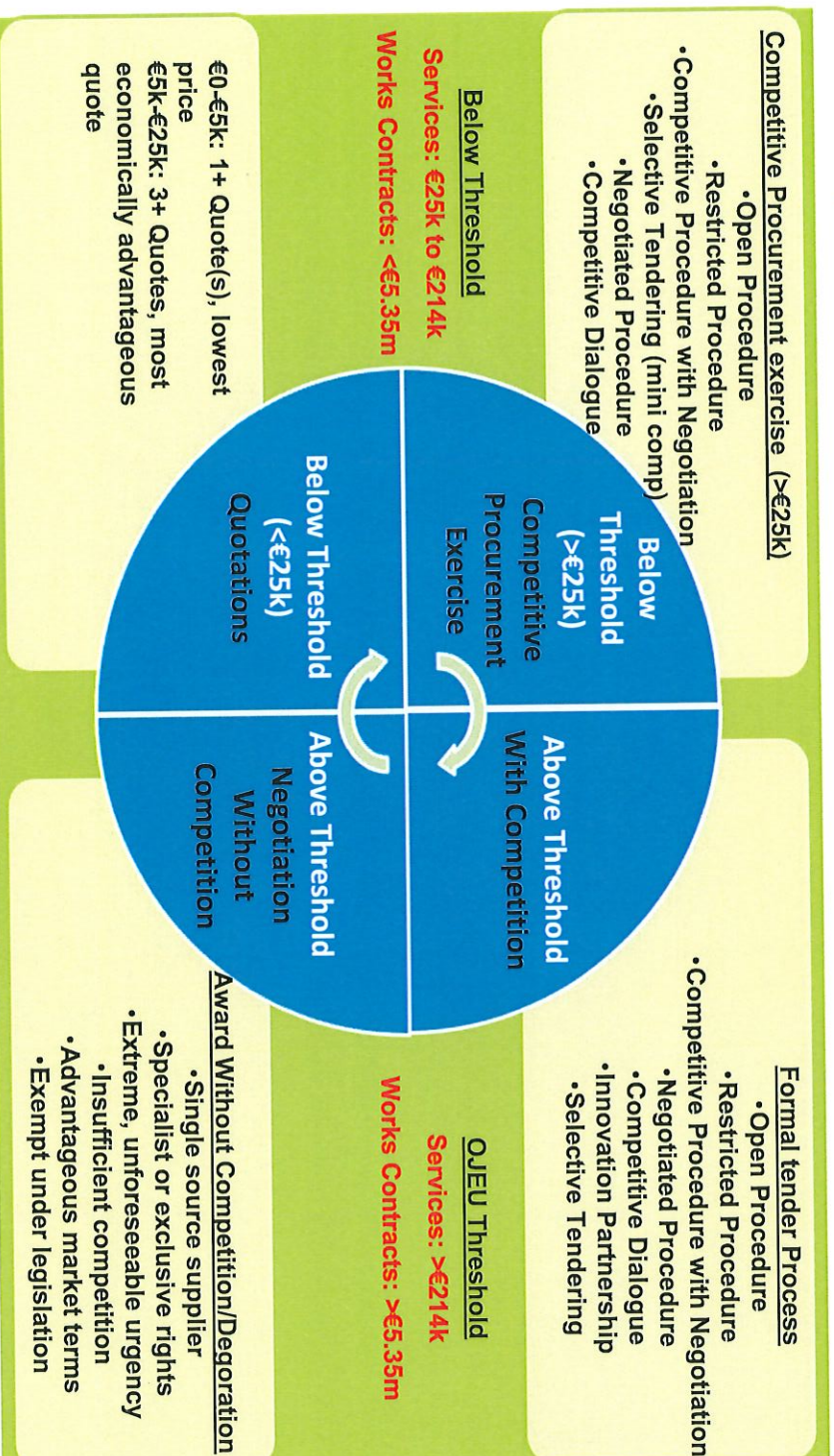
Head of Finance: Omar Bhamjee

CEO Approval: value < €0.15m

Chairperson Approval: value >€0.15m; <€0.3m

LDA Board Approval: value >€0.3m
(all ex VAT)

Competitive Procurement Framework



Sign On Objective

1. The outline of the requirements to be procured (what is it, what is the purpose, when is it needed)
2. The Budget or baseline spend for the requirement (e.g. approved cashflow requirement, Budget, Market average, run rate cost)
3. The sourcing approach to be taken (e.g. go to market, mini-competition, rotational, lots, extend existing contract)
4. Any known risks or dependencies (e.g. Cost, Programme, Quality, Reputational)
5. The contract & commercial terms we expect to use (e.g. PO T&Cs, LDA service terms, framework appointments, drawdown contracts)
6. The current market landscape (if known) e.g. Main suppliers in market, incumbent, market trends (if applicable)
7. Sourcing Recommendation & proposed timelines

Requirements to be Procured

1. Procurement for Planning Framework. This includes Spatial Planning (Lot 1), Development Management Planning (Lot 2) and Planning Consultancy (Lot 3).
2. The scope of services document covers all stages of the planning process: the planning scope of services from the LDA's Architect Led Design Team (ALDT) framework, land use and urban planning analysis, planning feasibility reporting, master-planning, spatial planning, general reporting, planning applications, specific surveys or assessments related to the planning matters, planning appeals, submission of observations on development plans and or third party applications, planning monitoring, condition management, and all other tasks associated with the protection and promotion of state lands through the planning process.
4. Appointments under the Planning Framework will cover some of the following:
 - To early-stage urban design, feasibility exercises, planning policy analysis, and engagement that will set the planning strategy for LDA lands in advance of more detailed masterplanning and design work.

Requirements to be Procured contd.

- Spatial exercises, like City Strategies, that will inform and guide the LDA's planning strategy on a national and regional basis.
 - All planning strategy and management consultancy, and reporting, as required under each of the 5 design team stages for the preparation and submission of major planning applications.
 - The Planning Framework will also be used to appoint planning teams for the establishment of statutory and non-statutory development plans, spatial frameworks i.e. Strategic Development Zones, Area Action Plans etc.
5. The proposed strategy for the procurement of the Planning Team under the Planning Framework is a two-stage restricted tender. For the value required, the market capabilities and the varying scale in potential planning matters, the framework is divided into lots;
- Lot 1 – Spatial Planning. Within this lot there will be mini-competition for studies up to a value of €15,000,000.
 - Lot 2 – Development Management Planning. Within this lot there will be mini-competition for contracts up to value of €20,000,000
 - Lot 3 - Planning Consultancy. Within this lot there will be cascading for studies up to a value of €5,000,000.

Budget / Baseline Spend

Spend Category	Frequency	Capex	Term	Total	From	To	Comments
Lot 1 Spatial Planning	As required	€15m	4 years	€15m	Jan 2022	Dec 2025	- It is expected that Planning Framework appointments equate to c.€5m per annum.
Lot 2 Design Team Planning	As required	€20m	4 years	€20m	Jan 2022	Dec 2025	- A 3-year period is proposed to ensure the LDA benefit from the advantages of the framework previously noted, plus an additional 4 th year (CPI linked).
Lot 3 Planning Consultancy	As required	€5m	4 years	€5m	Jan 2022	Dec 2025	- Circa 38% of the value is allocated to Lot 1, 52% to Lot 2, and c. 10% of the value is allocated to Lot 3. This is due to the expectation that planning activities in Lots 1 and 2 are expected to incur significantly greater fees than work under cover of Lot 3. This is due to the scale and early-stage requirements in developing a planning framework, masterplan, or major planning application.
TOTAL		€40m		€40m			

Budget / Baseline Spend

- An overall budget value is provided, fee estimates for each specific project over the 4-year period of the framework are not defined as the project list for this period is still in development.
- Each specific project will be tendered as a mini-competition to teams on the framework and individual appointments will be executed to ensure competitive rates are secured for individual projects.
- Within Lots 1 and 2 there will be an allowance for mini-competitions. Lot 3 will be cascading framework.
- The minimum turnover level for companies tendering for each Lot is based on 180% of the annual framework contract value.
 - The minimum turnover level for Lot 1 is suggested as €3.5m, this assumes the annual value tendered is €2m and each consultant could win a contract at an average contract value of c. €400k.
 - The minimum turnover level for Lot 2 is suggested as €1.5m, this assumes the annual value tendered is €2.67m and each consultant could win a contract at an average contract value of c. €533k.
 - The minimum turnover level for Lot 3 is suggested at €900k, this assumes the annual value tendered is €500k and each consultant wins a contract at an average contract value of c. €166k.

Sourcing Strategy

- The proposed strategy for the procurement of the Planning Team is a two-stage restricted tender as detailed in the 'Requirements to be Procured', as noted the package will be delivered in three lots:
 - Lot 1 – Spatial Planning for projects valued <€950k – Lot 1 generally requires a more multidisciplinary skillset with a strong planning and urban design focus, and experience in major urban regeneration projects.
 - Lot 2 – Development Management Planning for projects valued <€1m – Lot 2 requires a strong planning reputation with experience in all stages of Planning Management and Consultancy for major projects.
 - Lot 3 – Planning Consultancy for services or projects valued <€60k - relates to general town planning services.
- Dividing the framework into three lots ensures that the Spatial Planning tasks are held separately (Lot 1) and directed toward the multi-disciplinary companies that provide said services. The Development Management Planning (Lot 2) tasks are project specific with a focus of achieving planning permission, and their scope is the same as the ALDT Planning Scope of Services. The Planning Consultancy (Lot 3) is focused on the smaller Planning Consultancies, and their tasks will capture all planning tasks related to the protection and promotion of LDA lands that fall outside of Lots 1 and 2.

Sourcing Strategy

- The desire is for 5 suppliers for Lots 1 and 2, and 3 suppliers for Lot 3. All competitions would be mini-competitions except for Lot 3, which is cascading. It would be noted that all tenderers will have to submit their preferred lot to be included on – and no supplier will be allowed on the 2 lots.
- For a framework of this size and value – Procurement market engagement is conducted following issue of the pre-qualification documents on e-tenders. The following is proposed:
- Prior to issue of pre-qualification documents – publish a Prior Information Notice on eTenders. Allowing the companies to prepare and co-ordinate prior to the publication of documents. From market feedback this is favourable by the tenderers.
 - A market engagement session will be carried out when the pre-qualification documents have been issued to the market.

This will be an online event to provide a high-level overview of the LDA and potential projects which will be tendered under the framework in order to encourage market engagement with the tender.

Risk / Dependencies

Section 36
Commercially
Sensitive

ID	Description	Potential Impact	Likelihood	Impact	Mitigation Actions	Risk Rating
R001	Risk of procurement challenge following issue of shortlist or preferred supplier letters	[REDACTED]	LOW	HIGH	Suggest discussing strategy with legal and once documentation has been finalised request Greenville to review to ensure a robust strategy.	MEDIUM
R002	Companies are forced to close due to economic recession as a result of Covid-19	Framework list is reduced. Sub consultants engaged by the lead architect change when services are being delivered.	MEDIUM	HIGH	Contract to facilitate changes to sub consultant appointments, where required, subject to LDA agreement.	MEDIUM
R003	The scope of service changes over the duration of the framework / the scope of service changes for project specific reasons.	Cost increase	LOW	HIGH	The framework approach with mini competitions as the second stage of the tender process allows for project specific requirements to be defined and tendered competitively.	MEDIUM
R004	Lack of market interest in the tender.	Lack of competition and therefore value for the LDA	LOW	MEDIUM	Prior Information Notice to be issued. Market engagement process to be considered pretender.	MEDIUM
R005	Negative response from the media / political parties / other stakeholders to the tender due to value.	Tender is withdrawn or delayed impacting the LDA's ability to deliver projects as a framework is not in place.	MEDIUM	HIGH	Appropriate approval and communication required prior to issue to market. Values proposed approved as achievable to ensure LDA can deliver on proposal over the 3 years.	MEDIUM

The key risks for the procurement of the framework are identified, a specific risk register will be developed for each project.

Commercial and Contractual Terms

1. A new set of appointment documents to be issued within the RFT documentation for individual mini-tenders.
2. Companies on the framework will be requested to provide Fixed Price fee proposals for specific call off projects (in combination with a portion of nominated hours) as relevant to the specific project.
3. The Contracting Authority may, from time to time in all three Lots, obtain specific specialist services, up to a value of €25k, that are covered by this Framework directly from one of the firms admitted to the framework agreement in accordance with Recital 61 of Directive 2014/24/EU.

Commercial and Contractual Terms

5. In circumstances where any Services required by the Contracting Authority under this Agreement comprise (a) the repetition of similar Services previously performed for the Contracting Authority by a member of the Framework, or (b) an amendment or termination of arrangements in respect of which a member of the Framework previously advised or provided Services, the Contracting Authority reserves the right to directly award the required Services to such member where this is the most expedient way to proceed, taking into account any relevant considerations such as the need to ensure continuity of the services and affordability.
6. Insurance requirements are defined in the various appointment agreements.
7. Right to extend, terminate or amend contract term, termination rights; as defined in the various appointment agreements.
8. Two lots are proposed as detailed in the sourcing strategy. The LDA are to retain the right to amalgamate tasks to create a single project, where efficiencies can be gained and would be considered advantageous to the LDA.
9. Supplier Exit or Handover obligations as detailed in the appointment agreements.

Current Market Landscape

1. There are multiple suppliers currently operating in this market, Spatial and Planning Consultancy services are frequently engaged by public and private bodies as part of the planning process.
2. Planning Teams currently engaged on specific projects will not be affected by this revised framework. Each project will be tendered competitively to the framework and firms engaged for a specific body of work.
3. The economic impact of covid-19 on the construction industry may impact tender rates in the short term.
4. Resourcing is an issue in the private sector and a broad and diverse response base for Lot 1 in particular would be welcome.

Sourcing Recommendation & Proposed Timelines

1. Recommend to Go to Market with a restricted tender for a 3-year term
2. Put a framework agreement in place with 5 suppliers & run a mini-competition for individual requirements
3. Proposed Timeline:

Procurement Stage	Date
Stage 1: Pre-Qualification Process	
Issue Pre-Qualification Documents	End May 2021
Pre-Qualification Responses Received	June 2021
Evaluation of Responses Complete	End July 2021
Letters Issued to the Market	End Aug 21
Stage 2: Tender	
Tender Issued	End Sept
Tender Returns	End October
Evaluation of Responses Complete	Mid Dec
Letters Issued to Market, stand still period	
Stand still period complete	
Contracts Executed & services commences	

LDA
Land Development Agency

