

(1) Reason why decision is being called in:

Decision KD4778 is being called in because: -

1. **It is not clear that the report considered by the decision maker fully demonstrates that value for money has been achieved.** Only one bid was received for the provision of multi-disciplinary planning and design services over the next four years at Meridian Water at the cost of approximately £1million per annum. The important principle of securing value for money from contracts that the council awards is placed at risk if there is if there is only one bid. How is value for money demonstrated?
2. **It is not clear from the report that the decision maker was fully appraised of the financial penalties levied against the parent company in the US of c.\$110m since 2000 against the one bidder for the contract.** The successful bidder is reputed to be the largest engineering firm in the world and its subsidiaries have reportedly been in various contractual disputes with the US Government and others. It is reasonable to question whether this tendering process has achieved a desirable outcome on value for money or other grounds.
3. **The timescale for bidders to respond was only four weeks for a multi-disciplinary planning and design service. Given that only one bid was received is the decision maker confident that value for money is likely to be achieved?** The scrutiny process is designed, inter alia, to review decisions made by the Administration. The industry's custom and practice suggests the ideal procurement process results in 3 or 4 suitable firms submitting tenders that provide prices and quality within a realistic range. In this instance, tenderers were only given 4 weeks to respond and the field invited to tender was too large for the firms to have a realistic chance of success. It is unclear from the report whether the use of more refined award criteria, a different Lot selection or the use of a different framework would have attracted more suitable tenderers.