

TENDER FOR AN INDEPENDENT TECHNICAL ADVISOR

Manchester Salford Housing Market Renewal Partnership



3rd August 2005

Tribal Group plc

Introduction

We are delighted to present Tribal's submission to work with the Manchester Salford Pathfinder (MSP) to act as your Independent Technical Advisor (ITA).

We have already provided substantial information about our team and credentials in our original Pre-Qualification Questionnaire. You are then already aware of our significant credentials, experience and standing as the leading advisor to the public sector in the UK. To avoid duplicating any of this information we have deliberately focused this document on the key questions raised by your Invitation to Tender and also during your briefing session.

In these terms, this document will clearly demonstrate to you that:

- We understand the challenge and the local context – we have substantial, longstanding and very recent and relevant experience of working with all of the major stakeholders involved in the MSP.
- We bring a senior team with huge relevant experience – and you will see those senior advisors on a regular basis – we recognise that resources are in high demand at present in this sector and we will make this appointment our highest priority.
- We have organised our team into a coherent structure that directly reflects each of the key areas of the commission and gives you a clear point of contact.
- We can work together. Our working style is ideally geared to long term partnership arrangements of this nature. We are passionate about our work, we want to make a valuable contribution to your success and we are committed to making long-term regeneration work.

We want also to demonstrate in this document that having Tribal as your ITA will give you access to the UK's fastest growing, most innovative and exciting businesses operating across the public services agenda. It will also give you access to more than 2,000 people – who, from a team of 2 in 1999, now form part of a business with higher consultancy revenues than PWC, PA Consulting, McKinsey and KPMG. Bringing Invigour – our partner for this project – into this structure also give you access to some most senior and experienced professionals in this sector – including Jim Beeston OBE – and thus together we provide you with an unparalleled level of access to technical expertise and longstanding experience.

This is core work for Tribal. It also represents a real priority at the highest level in our organisation. Housing and regeneration is one of the four key markets in which Tribal operates and we are already working with HMR partnerships in Liverpool, Sefton, Blackburn, Doncaster, Sandwell, North Staffordshire and, of course, Manchester and Salford. It also goes without saying that we are the largest, longest established and most successful advisor to the housing sector – we boast a client base that includes 95% of Housing Associations, 75% of local authority housing departments as well as ODPM, the Housing Corporation and, many private developers, the Mortgage Industry Council and numerous housing financiers.

But, we recognise that your challenge is about more than housing. It is just as much about getting the people, the communities, the economies and the physical environments of the Pathfinder area to work coherently with the many other private, public and voluntary agencies to create transformational and sustainable regeneration through integrated strategic planning and strongly leveraged additional public and private investment. For these reasons, our position as one of the UK's leading regeneration advisors – with clients and projects that span the entire public sector and includes many of the UK's leading private sector developers – we feel strongly that Tribal – more so than our competitors, stand out as prime candidates for your ITA.

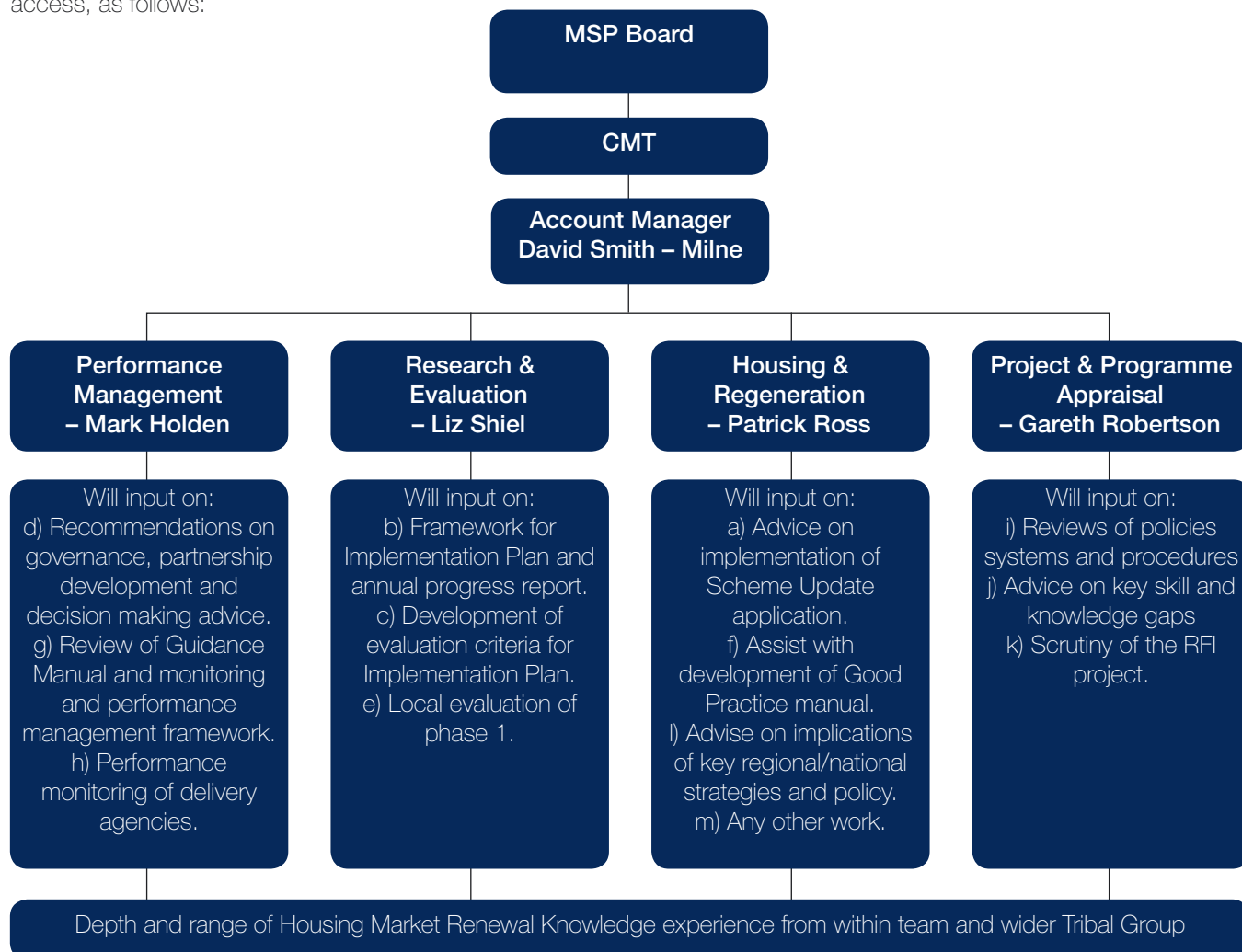
We are so confident in our team and our interpretation of your brief that will commit to delivering your ITA on a fixed fee basis of £13,800 per month for the core team, with a break in January to begin the integration of your new Secretariat.



David Smith - Milne

“I lead Tribal’s Regeneration Team in England. I have spent my entire career implementing and advising on the successful delivery of complex regeneration programmes and projects. I will be your lead, day to day contact for the ITA spending, on average, 8 days a month with you. I am ideally placed to do this. I am locally based in Manchester, helped to establish the newly formed URC in Salford, am already helping the MSP with its Scheme Update, am an advisor to Manchester City Council, am a regular advisor to EP and NWDA and am involved with some of the region’s highest profile projects including the Oxford Road Corridor. I spend all of my time directing complex assignments and engaging with Clients at the most senior level.

I have already taken the step to organise our team for this assignment into a coherent structure which mirrors each of the key areas of the commission and provides you with a dedicated, senior individual, to whom you would have priority access, as follows:



I also have also made provision for you to have access to a broader team of specialists and senior practitioners – drawn from across the Tribal and Invigour Team. These individuals are drawn from teams who work with 90% of Strategic Health Authorities – including LIFT programmes, 75% of LEAs – including Building Schools for the Future, 95% of RSLs as well as Mortgage Lenders, Developers, Financiers, the ODPM and Housing Corporation, other HMR partnerships, New Deal for Communities partnerships, URCs, RDA's and English Partnerships.

This depth and breadth of understanding and relationships is not only a huge competitive strength in its own right – it will prove to be key to unlocking the opportunity to create a truly integrated and transformational programme of change in which HMRF is a lever to unlock a strongly leveraged programme of investment.”

Our Proposal – what we will do



Mark Holden

“I am the Managing Director of Invigour Ltd and a former Board member for innovation at EC Harris. I have over 20 years of commercial programme and project management experience in the construction industry and have project managed prospectus submissions for Renew North Staffs and Urban Living. I am a retained advisor to a number of HMR partnerships and a regular advisor to many local authorities and developers involved with housing based regeneration. I am thus ideally placed to lead on the performance management aspects of this programme.

To support you with the performance management of your programme I will:

- 1) Baseline what you are trying to achieve and what you've got at the moment;**
- 2) Use existing analysis, critiques and views of key stakeholders to see what others think of your strengths and weaknesses; and**
- 3) Facilitate a process and culture of continuous development and improvement to ensure that you and your Board and the PMF that guide both are exemplars in their own right as well as capable of dynamically embracing change**

We will agree a 3 month workload in advance with the CMT, and would envisage an input in the region of 2 days a month on this aspect of the commission.”



Liz Sheil

“I am a Director of Tribal. I previously headed up DTZ Pidea Consulting's regeneration work in Scotland. I have directed a number of major national and international public policy evaluation and research assignments, including studies published by the Scottish Executive and ODPM on a range of planning and housing topics. I have also undertaken monitoring and evaluation projects for a number of high profile regeneration programmes. For these reasons I am ideally placed to lead on the research and evaluation aspects of this assignment.

To ensure effective research and evaluation I will:

- 1) Work with key stakeholders to identify, develop and agree the criteria for evaluating your programme and plans;**
- 2) Work in partnership with you and others to develop and complete the evaluation of Implementation Plans and phase one of the programme; and**
- 3) Assist with ongoing monitoring and scrutiny of the RFI project**

We will agree a 3-6 month workload in advance with the CMT, and would envisage an input in the region of 1.5 days a month on this aspect of the commission.”



Patrick Ross

“I have significant experience in the development, management and delivery of large-scale regeneration projects. Much of this experience was gained working for a number of regeneration agencies in the Greater Manchester area including New East Manchester Ltd and Hulme Regeneration Ltd where I led on multi-million pound regeneration schemes in conjunction with Manchester City Council. This, combined with current work for a list of clients that includes several HMR Pathfinders, several RDAs, several URCs and EP, gives me a strong understanding of broader housing and regeneration issues. I am locally based in Manchester and I will lead on all aspects of the commission relating to housing and regeneration.

My understanding of housing and regeneration will enable me to work with you to:

- 1) Leverage my relationships with key parties to enable me to work closely with the Partnership, both Councils, area partnerships and other organisations involved in delivery of the programme;
- 2) Draw on my knowledge and experience, together with that of key stakeholders, and also draw on best practice elsewhere, to assist in the development of deliverable and if necessary innovative tools and processes;
- 3) Provide a local, regional and national context through an awareness of existing and developing issues, strategies, initiatives and policies; and
- 4) Guide implementation of scheme update

We will agree a 3 month workload in advance with the CMT, and would envisage an input of in the region 5 days a month on this aspect of the commission.”



Gareth Robertson

“As a chartered accountant who joined Tribal to help lead its national Regeneration team, I am currently leading work on the affordable housing agenda for English Partnerships and have advised numerous HMR teams on project feasibility and appraisal. Based in Tribal’s Manchester office, I have worked extensively in the North West and have particularly been involved in project and programme appraisal on behalf of a range of clients such as NWDA, EP, Manchester City Council and numerous private developers. I will lead on all aspects of the commission relating to project and programme appraisal.

With the benefits of my experience and expertise I will:

- 1) Identify in liaison with the CMT the level of support required to enable the production of appraisal frameworks for both the Implementation Plan and the annual progress report, and then work with them to produce the final frameworks;
- 2) Identify in liaison with the CMT and Partnership policies, systems and procedures that require review, and then undertake appraisals of their effectiveness and impact through interview and analysis, before bringing forward any appropriate recommendations
- 3) Through consultation and interview, review the existing knowledge and skills amongst those running and delivering the programme, and work with the Partnership and others to develop proposals for filling any gaps identified.

We will agree a 3-6 month workload in advance with the CMT, and would envisage an input in the region of 2 days a month on this aspect of the commission.”

We always aim to go beyond our Client's expectations. Not only then will we work with you to deliver the specified outcomes in your brief, our proposal to you is one from which you will derive significant added value. Based upon experience and foresight we would, as your Technical Advisor, naturally provide you with additional expertise and support with such issues as:

1) Advice on other major issues of programme management

- Making the HMRF stretch as far as it can – via innovative ways of recycling your capital receipts and via leveraging other public investment opportunities planned for the Pathfinder area;
- Leveraging private finance – we have already helped to raise more than £9 billion of private finance to support the affordable housing agenda and we are the only team short-listed to have a dedicated, FSA regulated Treasury Team who can raise money to achieve regeneration;
- Delivering efficiencies – we are a leading advisor to central and local government on the efficiency agenda and we can bring this experience to bear on this important area of your programme.

2) Seamless handover and transfer of knowledge to the emerging Secretariat

- Ensuring that our inputs diminish over time to a baseline position at which we are providing specific technical expertise on a call-off basis to your newly formed Secretariat; whilst
- Ensuring that the requisite knowledge and skills relating to specified technical areas are in place within the newly formed Secretariat, via knowledge transfer, training and capacity building were required.

3) Access to the broader team and Tribal Group expertise

Our team individually and collectively has an excellent track record in urban regeneration and housing, and an appreciation of the role of HMR funding. One of the key planks of our proposal is that you will get the people you buy – this senior team will provide ongoing 'hands on' guidance and leadership.

Allied to that, however, is the depth of our resources and capacity. Our senior team will be supported by a pool of experienced and motivated consultants with a depth of resources and capacity including:

Peter Wood – An economist with over 25 years of professional experience whose main areas of expertise include economic regeneration, housing economics and the economics of public expenditure.

Dermot McRoberts – With over twenty years' experience, Dermot is a specialist in business planning, funding, risk management, financial strategy, and the financial management of major capital investment programmes and has extensive experience of the financial regimes applicable to both local authority housing and Registered Social Landlords.

Mike Ballantyne – A Director of Invigour, with substantial experience in the management of major regeneration programmes formerly as Finance and Investment Director of the Black Country Development Corporation and now Chief Executive of the Heart of the National Forest Foundation.

Jim Beeston OBE – Chairman of Invigour, with the experience of running regeneration programmes as Chief Executive of Birmingham Heartlands Development Corporation and the Millennium Point Trust.

Julie Longden – Senior consultant with several years experience in economic development and regeneration, and in particular economic impact assessments, funding programmes, economic strategies and socio-economic assessments.

Andrew Wilson – Assistant consultant with responsibility for research and evaluation.

Brief biographical details were provided in our PQQ, and further details are available if required.

As outlined, our proposed organisational structure includes David Smith-Milne in the role of account manager. David would be your key point of contact, responsible for co-ordinating all of Tribal's work and ensuring that appropriate skills are aligned to each assignment. He would be fully empowered to make decisions on behalf of the company and would provide you with clear delegation arrangements that would apply in his absence.

We are determined to provide a highly responsive service, acting on a proactive rather than reactive basis, and working to agreed performance indicators, which we have suggested as follows:

- Acknowledge and if possible respond to emails / phone calls within 2 hours.
- Respond to letters within 2 working days of receipt.
- Respond to enquiries requiring primary research within 1 week.
- Produce technical reports within 2 weeks – obviously subject to scope.
- First time approval of key deliverables by ODPM.

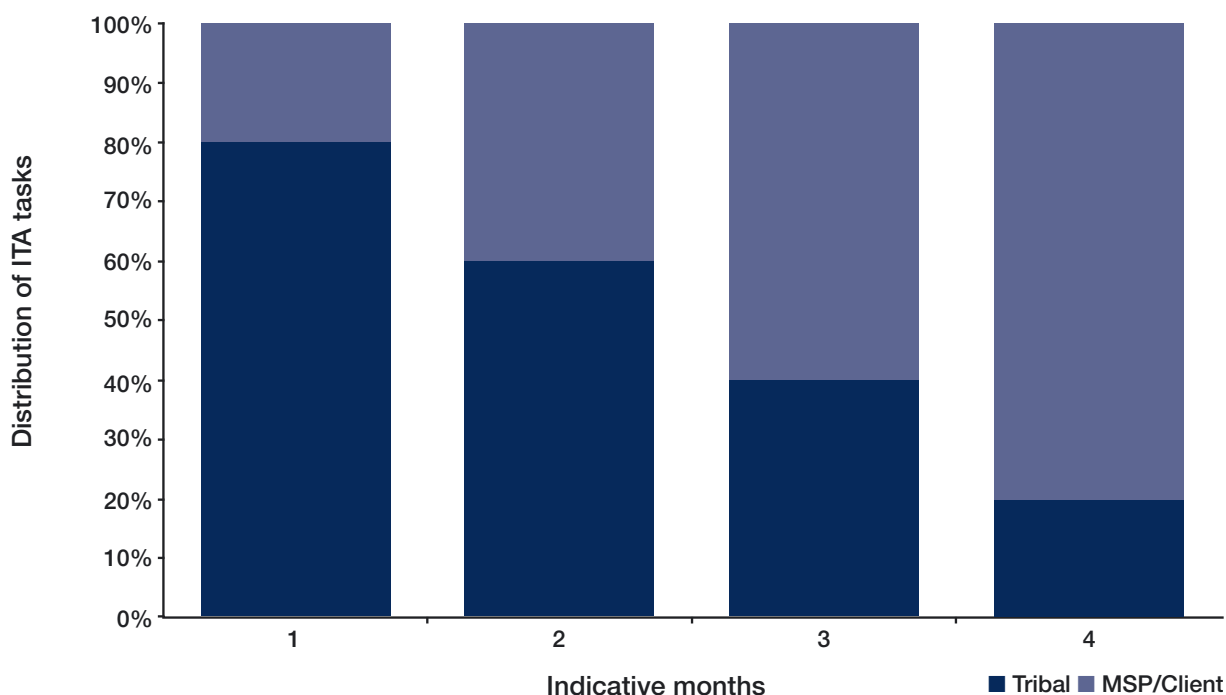
We conduct our work according to rigorous project management and quality assurance procedures, which we would ensure were fully documented and made available to you.

Our style of working is one that is based upon:

- Encouraging and valuing all constructive inputs.
- Individual responsibility for actions but collective responsibility for results.
- Robust challenge – expressed in a non confrontational style.
- Pragmatism and recognising that there is a time for debate and a time for focussed action.

We recognise that there will inevitably be difficulties and issues that arise throughout this assignment, but will work through them with the MSP team rather than assigning blame – in a truly supportive relationship. All of our key team members are highly experienced in negotiation and partnership working.

Above all we will work with the flexibility that a programme of this nature requires - with a key focus on handover to your newly formed Secretariat in the near future.



Daily fee rates

The highly discounted daily rates of the individuals who will do this work are presented in Table 1 below and our apportionment of days across the ITA team, per month are presented in Table 2.

We are, on the basis of the specification of work presented in your brief, prepared to offer a fixed fee proposal of £13,800 per month for the first six months of the engagement, which will reduce to £10,000 per month thereafter for access to 162 consulting man days annually (note this latter figure we would expect to be adjusted following contract negotiation and the installation of your new Secretariat). Access to the team outside of the Core ITA Team would be negotiated on an as and when basis.

Table 1 Rates

Name	Discounted Rate
Core ITA Team	
David Smith-Milne	800
Mark Holden	800
Liz Shiel	800
Patrick Ross	600
Gareth Robertson	800
Wider Team	
Mike Ballantyne	800
Jim Beeston OBE	800
Dermot McRoberts	800
Julie Longden	500
Andy Wilson	400

Table 2 Estimated days to deliver the role of the Technical Advisor

Name	Days worked per month (first six months of the commission)	Total days (for the first six months of commission)	Days worked per month (annually thereafter)*	Days worked per annum (annually thereafter)*
Core ITA Team				
David Smith-Milne	8	48	6	72
Mark Holden	2	12	1	12
Liz Shiel	1.5	9	1.5	18
Patrick Ross	5	30	4	48
Gareth Robertson	2	12	1	12
Wider Team				
Mike Balantyne	<div> </div> <div>Available on a time and materials basis when specific areas of technical expertise are required.</div>			
Dermot McRoberts				
Jim Beeston				
Julie Longden				
Andy Wilson				
Total	18.5	111	13.5	162

*Note these figures will be subject to renegotiation following the installation of your Secretariat Team.