

	<h2>Policy & Resources Committee Meeting</h2> <h3>17th February 2015</h3>
<p style="text-align: right;">Title</p>	<p>Authorisation to procure off site document management services</p>
<p style="text-align: right;">Report of</p>	<p>Elizabeth Stavreski, Head of Procurement</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Risk and benefit Document Management Services</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Debbie Sarson, Procurement Team 07960386997 Jenny Obee, Head of Information Management (Jenny.Obee@barnet.gov.uk)</p>

Summary
<p>This report requests authority to source off-site document management services to support the move of files required to support the relocation from North London Business Park (NLBP) building 4 and additional use of Barnet House, and for the archival storage of files stored at Mill Hill Depot prior to its closure.</p>

Recommendations
<p>This report recommends Policy and Resources Committee:</p>
<p>1. Authorise the commencement of a procurement process to:</p> <ul style="list-style-type: none"> a) Prioritise the investigation and potential use of the ESPO framework over the CCS framework in order to allow further competition and secure additional Value for Money (VFM)
<ul style="list-style-type: none"> b) Investigate sourcing of the services via the CSG contract to Capita Document and Information Services (CDIS) and benchmarking costs against ESPO and deliver greater costs savings.

1. WHY THIS REPORT IS NEEDED

- 1.1 Current activities to consolidate and reduce documents retained at NLBP & Mill Hill (current archiving facility) will result in the need for transfer of c33,000 boxes of archive boxes along with c10,000 live / easy access files, to a secure off-site storage facility. Post this transfer of the initial material there will be an on-going need for the addition of new archive boxes, retrieval and destruction services in line with LBB's Records Retention Policy. In addition to the basic document management services LBB have identified the requirement for hard copy delivery of a small proportion of documents within 3 hours of request. This service need will have a major influence on the location of and hence the selection of the supplier.
- 1.2 The initial approach to source these services through a Capita subsidiary, CDIS, via the CSG contract resulted in the activity not initially forming part of the procurement forward plan. However, concerns to ensure that the council procures a service that offers the best value for money have resulted in further consideration of procurement through a public service framework.
- 1.3 Early indications are that over 5 years the value of the contract would be c.£500k. However, the exact costs will be totally dependent on the volume of materials stored and / or retrieved. The requirement for the services were omitted from the forward plan and so this paper look to seek permission to continue with the sourcing of the services.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Suppliers with the ESPO framework have been fully validated under OJEU and as such the procurement timelines can be shortened by utilising the framework.
- 2.2 The ESPO framework contains 6 suppliers deemed as suitable to provide the service. There is an ability to undertake a further "mini competition" in order to drive additional "value for money (VFM)"

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Under the terms of the CCS contract only 1 supplier could be approached and the prices are fixed. As a result there is no potential to drive additional value for money from this sourcing activity.
- 3.2 Under the CSG contract CDIS could be contract directly. However, concerns to ensure that the council procures a service that offers the best value for money have resulted in further consideration of procurement through a public service framework. In addition, the location of the CDIS storage facility, in Darlington, would not enable the 3 hour delivery requirement identified by LBB for a proportion of its files and the scanning solution proposed it not a preferred one at this stage.

- 3.3 The option to request that Capita access the services via a private procurement through the open market has been assessed; however, as Capita has an in-house solution through CDIS this route is not available for this procurement.

4. POST DECISION IMPLEMENTATION

- 4.1 Investigation of the suitability of the ESPO suppliers in terms of ability to meet the 3 hour delivery and also suitable customer services will be continued.
- 4.2 Once suitable ESPO framework suppliers have been identified a mini competition tender will be issued.
- 4.3 In the event that only 1 ESPO supplier is suitable the ability to negotiate further on framework prices is still present and as such is still preferable to utilising the CCS framework.
- 4.4 Once the tender is completed, award will be made and the service will commence as soon as the supplier is able to mobilise.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 These services enable the delivery of the Smarter Working project and the associated move from NLBP building 4 to a consolidated staff footprint at NLBP2 & Barnet House.
- 5.1.2 Implementation of these services supports the closure of the Mill Hill storage facility in preparation for the future closure of the Mill Hill Depot.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 Initial estimate for the contract value over five years is in excess of £500,000. This figure is however highly dependent on the volume of services eg additional storage & document retrieval utilised post the initial transfer of documents.
- 5.2.2 The risk of increased costs is driven by potential failure of delivery unit delaying the destruction of records in line with the Records Retention Policy, thereby leading to unnecessary storage and retrieval costs.
- 5.2.3 The contract will be managed through a centralised budget monitored by the Information Management Team. Centralising the budget will help to ensure that retrieval costs are valid and that destruction of files which have reached their retention period are actioned on time and to schedule. The annual budget (c.£100,000) will be met from existing Commissioning Group resources.

5.3 Legal and Constitutional References

Procurement activity will be undertaken in line with contract procedure rules and EU regulations.

Council Constitution, Responsibility for Functions, Annex A sets out the terms

of reference of the Policy and Resources Committee, including Corporate Procurement.

5.4 Risk Management

5.4.1 A review of the risks and benefits associated with each sourcing option is provided with the enclosed slide and has been considered when making the recommendation.

5.5 Equalities and Diversity

5.5.1 NA

5.6 Consultation and Engagement

5.6.1 None required

6. BACKGROUND PAPERS

6.1.1 Risk and benefit slide of the sourcing options are included in the attached point slide.