

MAIDSTONE BOROUGH COUNCIL
RECORD OF DECISION OF THE CABINET

Decision Made: 09 November 2011

THE FUTURE PROVISION OF THE CCTV MONITORING SERVICE

Issue for Decision

To consider the outcome of the procurement process and approve the contract for the provision of the CCTV monitoring service.

Decision Made

That the contract for the CCTV monitoring service be awarded to Medway Council Control Centre.

Reasons for Decision

In December 2010 the Cabinet Member considered a proposal to enter into a local authority partnership to deliver the CCTV monitoring service. The decision at that time was to investigate the proposal further and to report back following consideration of stakeholder views.

Consultation with stakeholders was conducted, which included an opportunity for representatives to discuss the requirements of the CCTV service. In March 2011 the Cabinet Member for Community Services determined the previous offer did not meet the test for a local authority partnership, and in the interest of providing an environment of fair competition and to encourage innovation decided to tender for the service.

The tender approach would also provide a transparent, open and fair process in order to achieve best value for money. The report in March 2010 set out the procurement process together with the criteria and reasons for the chosen approach.

Exempt Appendix A to the report of the Director of Regeneration and Communities sets out the process the Council followed in order to reach its recommendation. The process adopted was fully compliant with the Council's standard procurement procedure and legal advice was obtained to ensure conformity with the regulatory and statutory procurement framework.

The Tender Report and Client Acceptance Memo, attached at Exempt Appendix A to the report of the Director of Regeneration and Communities, explains in more detail how the recommendation was

reached. The report describes the tender process from the initial Pre-Qualification Questionnaire through to the final assessment. Initially fourteen organisations from both the public and private sectors expressed an interest in the contract. The evaluation of the expressions of interest reduced the number to seven organisations, of which three submitted tenders for the final stage of the process.

The report of the Director of Regeneration and Communities goes on to demonstrate how the Invitation to Tender (ITT) documents together with the on-site visits and interviews were assessed. To assist the officers undertaking the evaluation, a CCTV consultant was appointed to provide technical expertise.

Each of the final three tender submissions provided a solution that could provide the service required. The bids were evaluated against quality and cost in equal measure. There was a clear margin between the successful tender and the other two tender submissions. A range of questions were set for all bidders and these varied from the technical feasibility of the bid to stakeholder liaison. Medway Council Control Centre (Medway CCC) was able to demonstrate on both cost and quality that their proposal offers a CCTV monitoring service that meets the council's requirements and within the budget allowed for the contract.

Siemens Security Solutions' (Siemens SS) bid was scored most highly by all three assessors in terms of quality. The determining factor in not recommending the submission is the cost of the proposal. The bid was the most expensive of the three and would not achieve the savings identified in the medium term financial strategy. In addition the capital costs exceeded the amount of budget available, which would require the re-prioritisation of existing capital resources or borrowing in order to fund the proposal.

Maidstone Town Centre Management's (MTCM) proposal was more expensive than Medway CCC over the contract period of 5 years. Like Siemens SS, the bid would exceed the overall budget allowed for the service. In addition MTCM's submission scored lowest when assessed against the various quality factors. For these reasons and following the procurement process MTCM's bid could not be recommended as an alternative.

Alternatives considered and why rejected

The tender process could be terminated without awarding the contract; however, the reasons for this would need to be genuine and substantial, and any subsequent actions that were non compliant or that contradicted the non-award decision could lead to a legal challenge. Although no reason has to be given for terminating a process, bidders are entitled to ask for a debrief and a non-award notification would be required to be placed in the Official Journal of the European Union. The reasons for the decisions would therefore become known. If there are no good reasons to do this, then to do so would undermine the original reasons for the decision to go out to tender. These included providing a modern, fit for purpose working environment, achieving the savings required by the

medium-term financial strategy, and enabling a future proof service that provides 24/7 coverage. In addition a failure to do so would require the re-prioritisation of existing capital resources or borrowing in order to balance the capital budget.

The contract could be awarded to a tenderer who did not submit the most economically advantageous tender. However, this would be a breach of the procurement regulations and would leave the council open to legal challenge. The likelihood of a successful legal challenge is considered to be high.

Background Papers

EU Procedure rules

Report of the Director of Regeneration & Communities December 2010

Report of the Director of Regeneration & Communities March 2011

CCTV Code of Practice – Information Commissioner

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| <p>Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 18 November 2011</p> |
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