

SUPPLEMENTARY 1

THE EXECUTIVE

Tuesday, 3 November 2009

**Agenda Item 9. Parking Services IT Solution Replacement (Pages 1
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**Agenda Item 10. Award of Contract for Construction of Skills Centre
(Pages 29 - 35)**

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THE EXECUTIVE

3 NOVEMBER 2009

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

This report is submitted under Agenda Item 9. The Chair will be asked to decide if it can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency in order not to delay entering in a contract.

Title: Parking Services IT Solution Replacement Report	For Decision
<p>Summary: Parking Services currently operate a 14 year old software solution as its primary back office technology for the management and administration of the Penalty Charge Notices (PCN). This system is wholly inadequate for the future service needs and represents a significant obstacle to the Council when delivering first rate customer services. On 14 July 2009 the Executive agreed proposals for the development of and consultation for a Parking Strategy and, at the same time, asked that the business case for the capital funding for a new IT package be presented to the 'One Barking and Dagenham' Business Applications Board. The Business Application Board approved the business case for the new IT solution at a meeting on 11 September 2009. This report sets out the key benefits of the IT solution and seeks approval of the inclusion of £288,000 in the current Capital Programme to enable the new Parking Service IT solution to be up and running for April 2010.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to agree:</p> <ul style="list-style-type: none"> (i) The inclusion of £288,000 in the 2009/10 Capital Programme for the replacement of the parking services software and associated support components; (ii) That the tendering and subsequent procurement of the IT solution software, implementation and support is through the East Shires Procurement Organisation (ESPO) tendering process facility and that the support contract should be for three years with an optional two year extension. (iii) That the additional hardware and IT services are procured through Corporate ICT utilising the Office of Government Commerce (OGC) Buying Solutions ICT Framework Agreements. (iv) That the handheld devices are procured in accordance with Council procedures. (v) To authorise the Corporate Director of Customer Services, in consultation with the Divisional Director of Corporate Finance, to award the contracts. 	

Reason(s)

To assist the Council in achieving its Community Priorities

Implications

Financial

It's estimated that the total capital costs for the project are

Software	£100,000
Implementation costs from supplier	£ 61,000
Hardware and link costs for internal	£ 76,000
Web hosting	£ 36,000
New handheld devices	£ 15,000

Total **£288,000**

Borrowing of £288k for the cost of this project will be paid back over a three year period from income generated in the Parking account and any interest payments due will also need to be serviced within existing operating budgets. These are expected to be in the region of £15k per annum over the three year period.

Licensing costs for the current service is budgeted at £63,138 per annum we are seeking to have a site/ enterprise licence in the new service rather than concurrent user licences as is the case now. These are revenue costs and will be absorbed as part of the normal operational budget.

Legal

This report is seeking the authority of the Executive to seek tenders for a new Parking Services IT software solution to replace the existing 14 year old software solution. It is proposed that the contract for the IT solution software, implementation and support (which will be for an initial three year term with an option to extend for a further period of up to two years) be procured via the East Shires Procurement Organisation (ESPO).

ESPO is a joint Committee of Local Authorities which acts as a purchasing agent for its member authorities, operating within the Local Government (Goods and Services) Act 1970. As the estimated value of the proposed IT solution software, implementation and support contract is in excess of the EU threshold (currently £139,893), this contract will be subject to the full application of the Public Contracts Regulations 2006 (the "EU Regulations"), therefore the Council will need to ensure that ESPO complies with the provisions of the EU Regulations in procuring the contract on its behalf.

It is further proposed that the additional hardware and IT services be procured through Corporate ICT utilising the OGC Buying Solutions ICT Framework Agreements. The OGC Buying Solutions Framework Agreements have been tendered in the EU by the OGC on behalf of public sector organisations.

The report proposes that the procurement of the handheld devices will be in accordance with Council procedures. Under the Councils Contract Rules, the contract for hand-held devices will be classified as a Class B contract (as its value is stated in the report to be £15k) therefore a minimum of three quotes will need to be obtained prior to selecting a supplier.

Finally, the report is requesting that the Executive delegate its authority to award the proposed contracts to the Corporate Director of Customer Services, in consultation with the Divisional Director of Corporate Finance.

The Executive has the power under Section 15 (6) of the Local Government Act 2000 and under Part C of the Council’s Constitution to delegate its powers to officers.

The Legal Partner (Procurement, Property and Planning) confirms that there is no legal reason preventing the Executive from approving the recommendations of this report. The Legal Partner (Procurement, Property and Planning) should however be consulted in relation to the contractual aspects of the proposed arrangements.

Contractual

The Council would seek as a direct result of this report to enter into tendering processes and subsequent contracts, subject to the agreement of the terms and conditions by officers and the successful tenderer, for the supply of:

1. Parking Service Management Software and its implementation
2. New hardware and associated services via Corporate IT
3. New handheld devices
4. Web hosting services

The Council’s procurement Team has identified a preferred procurement option which will allow the Council to engage with the East Shires Procurement Organisation to facilitate the tendering process for the parking software solution. The two main software providers, who represent over 85% of the “off the shelf” market sales, are registered with ESPO.

The Council have recently used ESPO for the procurement of the wheeled bins.

The hardware requirements and the system links required will be procured by the Corporate ICT team using their existing framework agreements to ensure hardware consistency.

Due to the value, approximately £15,000, the handheld devices will be procured through a internally managed tendering exercise, the purchase will be made following practical demonstrations and confirmation of functionality with the service users.

The web hosting will be either by Corporate ICT or the software provider dependant on the Council’s preferred option and capability.

Risk Management

Risk	Probability	Impact	Priority	Action
Failure to meet legal requirements	Low medium	High	High	Ensure PCN process is followed rigorously once PCN is issued
Failure to meet legal requirements	Medium	High	High	To ensure all Traffic Management Orders (TMO) are enforceable.

Failure to invest in Technology	High	High	High	Ensure cost effective, service based IT and Technology are provided for in the Strategy
Failure to integrate fully with other Council policies and strategies	Low	High	High	Full accounting of all impacting/complimentary policies and strategies

Staffing

The new IT solution will provide for efficiencies in service delivery with an estimated reduction of two full time employees currently employed in the administration team. It is intended to transfer all the existing staff to the Contact Centre as part of the overall One Barking and Dagenham service improvement programme, any potential redundancies will be managed with full consultation Trade Union and staff participation.

Customer Impact

As part of the overall Parking Strategy the Councillors wish to ensure that officers apply consistency and openness in the way in which we apply the Parking legislation

The new IT solution will enable the customers to engage with the council across all popular and established mediums with the ability to review photographic and video evidence of the alleged contraventions for which they have been notified.

The new solution will also enable a speedier response to enquiries and allow us to manage the permit schemes more effectively.

Safeguarding Children

No specific implications

Crime and Disorder

The proper application of the legal powers that best meet the needs of the borough for parking and traffic will assist the borough in ensuring safe roads, free flow of traffic, minimising on street conflict with the council staff.

The new solution will enable us to target individuals that are persistent evaders who present the greatest risk to community safety as these vehicles are most likely to be uninsured and unroadworthy.

We will also be able to manage the processes for abandoned vehicles more effectively reducing the time the vehicles are on the highway before removal.

Property/Assets

The new staff permit scheme will be administered through the new IT solution; this directly affects the management of the car parks associated with Council buildings.

Options appraisal

The options are as follows

<p>1) Do Nothing - This option will severely restrict the service in delivering its service requirements; the net impact will be poor customer service levels, increasing administrative costs, reduced capacity to recover debt and a significant service area that will not be in accordance with the One Barking and Dagenham Target Operating Model.</p> <p>2) Bespoke systems - The purpose of a bespoke system is only applicable in the absence of previously developed systems, “off the shelf”.</p> <p>3) “Off the Shelf” - These “off the shelf” solutions exist and are well developed and widely used in the industry. Therefore our proposed option is to procure and off the shelf systems</p>		
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<p>Report Author: Michael Butler</p>	<p>Title: Interim Group Manager Streetscene</p>	<p>Contact Details: Tel: 020 8227 2671 Fax: 020 8227 5699 E-mail: michael.butler@lbbd.gov.uk</p>

1. Background

- 1.1 The Parking Service software was originally designed by Civica some 14 years ago.
- 1.2 The software is unsuitable for a number of technical and operational reasons both in the current business operating model and the Council’s proposed Target Operating Model. These reasons are set out in detail within the Business Case (attached as **Appendix B**).
- 1.3 The Parking Service is currently undergoing a major business change in the way it is to operate from April 2010 and as part of that change programme we are seeking to replace the current software.
- 1.4 On 14 July 2009 a report was considered by the Council’s Executive Committee and as part of those recommendations it agreed to replace the software subject to the approval of the Business Applications Board.

2. Report Detail

- 2.1 Parking services is underperforming as a direct result of the current IT solution.
- 2.2 Parking Services can be broadly seen as three component parts Administration, Enforcement and “on and off street” parking.

2.3 Administration

- 2.3.1 Parking Services recently underwent an internal audit the outcomes of which identified two Priority 1 issues directly relating to the current IT infrastructure both of these issues would be resolved if the new solution is procured.
- 2.3.2 The audit requirements are detailed in the business case.

2.4 Enforcement

2.4.1 Penalty Charge Notices (PCN)

The table below gives the annualised performance of PCNs issued by the Council. It is obvious that we are underperforming and that this is as a direct result of inadequate management systems. Of particular interest is the comparison between the CCTV and the “on street” PCNs the reason for the differences is that all CCTV PCNs are issued with photographic evidence of the contravention. The new IT solution will provide for full web access to the information, reduce the number of enquiries and improve recovery rates

Operation Type	LBBB	London Average
Overall recovery rate	61%	67%
Recovery rate (on-street)	49%	64%
Recovery rate CCTV (bus lanes)	76%	70%
Recovery rate CCTV (Moving Traffic)	71%	75%
Recovery rate CCTV (Static Cameras)	68%	72%

2.5 CCTV Operations

- 2.5.1 The current CCTV operation is supported by the ZenGrab system, the ZenGrab Digital Enforcement Suite, is a civil traffic and parking enforcement product specifically designed to improve effectiveness and efficiency in parking and traffic contravention enforcement and is a legally compliant system. This system enables us to capture images and place them directly on the PCN. The same system is used for the mobile enforcement camera.
- 2.5.2 The ZenGrab system is not capable of the full administration and processing of PCNs but it will fully integrate with the new IT solution we would purchase.

2.6 On and Off Street Parking

- 2.6.1 Permit Management
The Council provides for the following permit types
Employee
Contract
Visitors
Councillors

2.6.2 The new IT solution will be able to administer/issue all these permit types and with the new data management processes we will be able to keep the street based Civil Enforcement Officers fully aware of the current status of any permit. Currently the process is disjointed and provides little detailed management information. It will enable us to streamline the permit application process and minimise the time and effort required to apply or renew a permit.

3. Investment Benefits

3.1 The table below collates the tangible financial benefits of the investment. A summary of all the benefits are detailed in **Appendix A**.

Benefit	Deliverable	Measure
Improved administration management and efficiency	Reduction in 2 fte administration staff requirement	£65,000 saving
Improved business management with a direct impact on the ability for the council to be paid for a PCN when it's issued.	<p>Increase in revenue for the same number of tickets issued.</p> <p>This will achieved by the reduction in invalid tickets.</p> <p>A 10% increase in the recovery rate for those PCN's issued via manual on street enforcement and a 5% increase in PCN's issued via CCTV operations.</p>	We estimate the increase net revenue at £100,000 per annum

4. Links to Corporate and other Plans and Strategies

4.1 One Barking and Dagenham

The proposed replacement IT solution will enable us to achieve a much improved level of customer satisfaction through openness and access to information and it will be fully compatible with the One Barking and Dagenham programme and the Target Operating Model.

4.2 Crime and Disorder

It will provide a much improved level of management information that will allow us to have intelligence lead enforcement enabling us to target those vehicles that present the greatest risk to safety.

5. Consultees

5.1 The following were consulted in the preparation of this report:

Councillor Valerie Rush, Cabinet Member for Environment and Sustainability
 Business Application Board Members - Chaired by Katherine Maddock-Lyon
 Tony McNamara, Group Manager Finance
 Sharon Roots, Group Manager Risk Management
 Paul Ansell, Procurement
 Siobhan Davies, HR

Antonia Asielue, Senior Lawyer Procurement and Contracts
James Oaten, Equalities and Diversities
Kamaljit Kumar, ICT Business Development Manager
Valerie Jones, Group Manager Community Safety
Andy Bere, Corporate Asset Management
Sue Lees, Divisional Director of Strategic Asset Management and Capital Delivery

6. Background Papers Used in the Preparation of the Report

6.1 Executive Report 14 July 2009

7. List of appendices

Appendix A: Summary of benefits

Appendix B: Business Case - Approved by the Business Applications Board on the 11 September 2009

Summary of Benefits

- 1) The ability to meet the requirements of the Target Operating Model that will ensure full compatibility with the proposed CRM solution, the proposed replacement parking solution will be in the Microsoft. Net Framework.
- 2) The capacity to administer the Parking Permit process for
 - a. Controlled Parking Zones
 - b. Contract Parking
 - c. Staff Permit Scheme
 - d. Housing Parking- currently no coordinated management or enforcement exists for parking and roads under housing.
- 3) The required solution is not just a database administration tool but a fully legal compliant solution for the management of Penalty Charge Notices (PCNs) that are not paid by the keeper of the vehicle but are either appealed, using the Parking and Traffic Appeals Service (PATAS) or the debt recovery process that requires a warrant issued centrally by Northampton County Court.
- 4) An off the self Microsoft based system would make integration much easier and using the latest .Net platform would 'future proof' the system for next 3 to 5 years if not longer and make supporting the infrastructure easier. Therefore permitting:
 - a. License cost savings (through using the license agreement with MS, and through client deployment via Citrix or a browser)
 - b. By using virtual servers we will conform to the server consolidation programme, the green agenda, better system resilience and space saving.
 - c. Because we have experience with Microsoft products and virtual environments, maintaining the system infrastructure would not present any problems.
 - d. Make integrating with current and future systems easier i.e. CRM, Zenco digital capture & storage system and cash office.
 - e. Reporting through industry standard tools i.e. Crystal would again future proof us when looking at any corporate BI tools
 - f. A system that comes with web components would make it easy to develop a web portal (if not already developed within the application) for customer interaction and help reduce enquires and potentially increases revenue collection.
 - g. Mobile working with live links or bi-directional updates would make the system more efficient/flexible and aid the introduction of cashless parking.

- 5) Consistent and transparent access across all departments.
- a. Ability to drive self service by the provision of online images, accurate payments, permit renewal and application, appeals process
 - b. Provision of custom workflows to drive consistent process adherence (e.g. Civica to drive validation checking across all channels)
 - c. Improved recovery correspondence to minimise delays around auto progression and to facilitate the movement of service to printing services
 - d. Integration to Anite to allow post room scanning and for this to trigger correspondence action
 - e. Improved information to Civil Enforcement Officer (CEO) and CCTV operators to be able to highlight persistent offenders.
 - f. Rapid download and automatic linking of images to PCN for CEO issued tickets
 - g. Integration to other applications to reduce material being required by the customer, speed up the processing times, high light persistent offenders and improve accuracy – e.g. DVLA, Council Tax, Finance, Experian, CRM etc.
 - h. Improved reporting will provide clear visibility and KPI tracking to aid process and service improvement

Business Case for the Replacement of the Parking Services IT Solutions

MANAGEMENT SUMMARY

The Parking Service software was originally designed by Civica some 14 years ago.

The software is unsuitable for a number of technical and operational reasons both in the current business operating model and the council's proposed Target Operating Model. These reasons are set out in detail within this document.

The Parking Service is currently undergoing a major business change in the way it is to operate from April 2010 and as part of that change programme we are seeking to replace the current software.

On 14 July 2009 a report was considered by the Council's Executive Committee and as part of those recommendations it agreed to replace the software subject to the approval of the Business Applications Board.

A copy of the report is available for your reference

Therefore we are presenting this business case to seek your approval to replace the software.

ADDITIONAL PROJECT BENEFITS

Notwithstanding the basic business need to replace the legacy system we believe the following benefits will be realised as a direct consequence of the proposed investment.

- 1) Reduction in the administration resources to undertake the current business requirements from 13.5 FTE to 10 FTE a saving of approximately £65,000 per annum
- 2) Improved business management with a direct impact on the ability for the council to ensure that when a PCN is issued there is a 10% increase in the recovery rate for those PCN's issued via manual on street enforcement and a 5% increase in PCN's issued via CCTV operations. This will be achieved by the reduction in invalid PCN's issued and the improved capacity to recover valid PCN's. We estimate the increase net revenue at £100,000 per annum.
- 3) The ability to meet the requirements of the Target Operating Model that will ensure full compatibility with the proposed CRM solution, the proposed replacement parking solution will be in the Microsoft. Net Framework".
- 4) The capacity to administer the Parking Permit process for
 - a. Controlled Parking Zones
 - b. Contract Parking
 - c. Staff Permit Scheme
 - d. Housing Parking- currently no coordinated management or enforcement exists for parking and roads under housing.

INTRODUCTION

The Council reorganisation of 2008/09 saw the consolidation of on and off street parking management under one new service, Streetscene part of the Customer Services Environment and Enforcement Division.

Previously the services were provided by three different teams based in Asset Management, Regeneration and Customer Services.

As part of the integration of the service the GM for Streetscene has undertaken to develop for the Council a Parking Strategy for 2010 to 2015.

In order to maximise the benefit of the Parking Strategy a number of key issues need to be addressed.

- 1) The assessment of current and future parking provision.
- 2) The council's current and future approach to enforcement.
- 3) The financial management of the service, specifically the ability to recover payments due as a result of enforcement activity.
- 4) The ability to fully interact with the Target Operating Model.

This report sets out the IT requirements for the service to ensure we can fully address the issues above.

The required solution is not just a database administration tool but a fully legal compliant solution for the management of Penalty Charge Notices (PCNs) that are not paid by the keeper of the vehicle but are either appealed, using the Parking and Traffic Appeals Service (PATAS) or the debt recovery process that requires a warrant issued centrally by Northampton County Court.

BACKGROUND

As previously stated the current software solution is wholly inadequate for the parking service in its current business operating profile and it would be almost impossible to improve the service efficiency in administration and financial terms of the software wasn't replaced.

In financial terms the council has estimated that it will recover some £726,000 in bad debt from an estimated original debt of £6.8m accrued over the last 3.5 years for non payment of PCN's, a major reason for the debt not being managed at a much earlier stage was the council's inability to access quality information from the system

The service has undertaken a Business Process Redesign of the administration processes, this will assist in developing or validating the workflow requirements in the software solution.

Streetscene have been working closely with ICT business development to ensure we minimise any duplication in service provision.

We have consulted and will continue to do so through the process, with council's Barking and Dagenham Direct namely the Contact Centre and the Collections team to ensure that the services fully interact on both an operational and financial management level.

OPTIONS

Three options were considered for the replacement process:

1. Do Nothing
2. Bespoke system
3. Off the shelf

Option 1: Do Nothing

This is simply not an option given the business benefits for change.

Option 2: Bespoke system

Whilst a system could be developed it does seem impractical as there are already fully complaint systems available using the council's preferred Microsoft .NET Framework.

The impracticalities of developing an 'in-house' system are that there would be long a 'learning curve' for the developers to understand the legal implications of such a system. The time frame to develop such system would be unreasonable as it is desirable for us to have a working system by the end of this financial year. Also the trend recently within ICT is moving towards not developing any Major bespoke systems because of the on-going support overheads but to look to purchase 'off the shelf' systems that meet the Councils requirements

Option 3: Off the shelf

This is the preferred and most practical option in financial, operational and timing requirements.

We have a detailed system requirements detailed in this document and could potential procure the system very quickly through the OGC service catalogue procedure.

FUTURE REQUIREMENTS AND OPPORTUNITIES

As stated the current car parking system (PES) is running on 'old' technology and hosted on an old Dell physical server. We need to move to technologies that are industry standard and that will 'future proof' the Authority for the next 3-5 years and fit in with the ICT strategy.

With the Borough moving to predominately Microsoft technologies i.e. CRM-Dynamics and signing a licensing agreement with Microsoft we need to move to similar platforms to make integrating easier and save on license costs. So when looking to replace the current system we should look for:

- Systems that are built on the .NET (Microsoft) framework
- That can be hosted within a virtual environment
- Have workflow
- Reporting on a standard format so we could generate our own reports
- BS7666 compliant
- Integration to other internal Borough systems
- Ability to have a web presence for self-service
- The client application should be delivered through Citrix or a browser

- Can be used on mobile devices and link ‘in real time’ to the back-end system

The benefits of the above requirements would be

- License cost savings (through using the license agreement with MS, and through client deployment via Citrix or a browser)
- By using virtual servers we will conform to the server consolidation programme, the green agenda, better system resilience and space saving.
- Because we have experience with Microsoft products and virtual environments, maintaining the system infrastructure would not present any problems.
- Make integrating with current and future systems easier i.e. CRM, Zenco digital capture and storage system, cash office...
- Reporting through industry standard tools i.e. Crystal would again future proof us when looking at any corporate BI tools
- A system that comes with web components would make it easy to develop a web portal (if not already developed within the application) for customer interaction and help reduce enquires and potentially increases revenue collection.
- Mobile working with live links or bi-directional updates would make the system more efficient/flexible and aid the introduction of cashless parking.

Any off the self system would still need to have work done to integrate with current systems. But an off the self Microsoft based system would make integration much easier and using the latest .Net platform would ‘future proof’ the system for next 3-5year if not longer and make supporting the infrastructure easier.

COSTS

It’s estimated that the total capital costs for the project are

Software	£100,000
Implementation costs from supplier	£61,000
Hardware and link costs for internal	£76 000
Web hosting	£36 000
New handheld devices	£15,000
Total	£288 000

Original suggested costs for the projects from Civica to be used for budget purposes only.

The charges are based upon

- A new 10 year contract
- A parallel run of PES and CE
- 40 x CE licences*
- Agreement of the final specification
- DVLA charges continues at current rates

	Year 1	Year 2 onwards
SOFTWARE, 40 user licence*		
<ul style="list-style-type: none"> • Batch cash receipting interface • PCN Processing • CCTV PCN Processing • Permits • Reporting , crystal reports (1 copy) • Scanning • Taskflow • Digital Camera indexing • Suspensions and Dispensations • Appeals Pack • Debt registration module • Crystal Reports • Post Code matching interface to CAPSCAN 	£98,100	

*** LBBB would prefer an Enterprise licence and this would be factored into the procurement process.**

SERVICES		
Project management, 20 days	£17,000	
Application consultancy, 12 days	£10,200	
Training, 5 days	£4,500	
Consultancy/system configuration, 5 days	£4,250	
Data migration, 15 days	£12,750	
Report generation, 5 days	£4,250	
User Acceptance Testing support, 5 days	£4,250	
Go-live support, 5 days	£4,250	
On line photos and challenges		
Civica hosted web portal for On line evidence and On line challenges Web pages to fit in with LBBB's, Image retrieval routines, Generation of pin number Liaison regarding the design of web pages and security.	£36,000	
WEB SITE HOSTING		
Web server access – live		
Web server access – test		
Firewall		
Power		
10 MB internet connectivity		
TOTAL	£195,550	£60,000

ICT additional costs

Servers costs, the assumption will be that the servers are hosted 'in-house' on our VM ware virtual environment.

On the assumption that we will need 3 servers, application server, database server and a server in the DMZ for the web-portal element of the project the following costs should be budgeted.

Application server		3000	
Associated costs	windows server license	447.09	
	Tivoli license	2856	(per processor)
	Nimbus	285	
	Network connection	250	
	Total	£6 838.09	
Database server		3500	
Associated costs	windows licence	447.09	
	Tivoli licence	2856	(per processor)
	Nimbus	285	
	SQL server per processor	7071.90	(x 2 processors)
	Total	£14 159.99	
DMZ portal server		2500	
Associated costs	windows server licence	447.09	
	Tivoli licence	2856	(per processor)
	Nimbus	285	
	Security SSL certificates	1300	
	Total	£7 388.09	

There will be a cost for a 'pipe' to host the web portal

There will also be some development work needed to make sure that all payment information is our Civica ICON system and link needed to the Oracle system. These estimated work need for this 20 days @ 48 per hour

Total £6 720

We also need to have link into our Scancoin payment kiosks we would need a piece of software to link into the Kiosk (PayLink XML) with license and implementation the cost would be **Total £14 373**
and 2 days ScanCoin consultancy **Total £1 700**

Because of the nature of the project dedicated resources would be needed. I.e. project management and application support for planning, implementation, testing, documentation, go-live and post go-live.

Approximate cost £25 000

Grand total approximately £76 000

ASSUMPTIONS AND DEPENDENCIES

Assumptions:

None required, as the decision are that we either do nothing or procure a new system.

Dependencies:

The project is subject to the following dependencies that will be carefully monitored and managed throughout the lifespan of the scheme.

- That in order to achieve the timing requirements we utilise the OGC framework and if necessary go with a single source supplier approach.
- The project is dependent on the Availability and Reliability of the ICT work stream of the One Barking and Dagenham Programme.

PROCUREMENT

A meeting took place on the 4 September will Paul Ansell, Procurement, to discuss the options available and from that meeting we concluded that a project board with members from Procurement, Legal, Environment and Enforcement and ICT will control the procurement process.

The funding and procurement processes will be presented to CPMO to ensure capital expenditure programme compliance.

CONCLUSION

That the Council replace the current software solution.

SUPPORTING INFORMATION

Additional complimentary Business Process Changes

Debt Management

We will be transferring the end to end recovery arrears process for Penalty Charge Notices (PCN's) from Environmental and Enforcement Services to General Income. A service level agreement will be developed to ensure a value for money service is provided and improved customer experience. This will also include the transfer of existing staff in the Parking Services team to General Income.

To realise this change, plans are in place to ensure this happens by April 2010. Activities include:

- Data cleansing of existing MI for recovery;
- Reviewing unrecoverable debt and write off process(s);
- Developing a Service Level Agreement with General Income and Environmental and Enforcement Services;
- Change management for the transfer of 1.5 staff to General Income team;
- Development of systems and training material for the revised process.

This change is not as a consequence of replacing the software but as part of the consolidation and removal of duplicated services within the council.

Permit Management

We could use the new software to administer the new Staff Permit scheme as well as all other permits.

Additional complimentary Business Process Changes

On street enforcement

The new software would allow us to integrate the abandoned vehicles administration into Parking Services, this would enable the benefits realisation identified in the Streetscene BPR for abandoned vehicles and improve service capacity through the Civil Enforcement Officer (CEO) activities.

The Street Warden Service currently utilise Flare as a mechanism for reporting issues, the new software would make this need for Flare redundant and reduce our licence costs from 2009/10 onwards as the Civica CE can issue Fixed Penalty Notices and record enforcement activity in the same way as we would PCNs.

Current legal guidance

Main points:

Where should we be?

The Department for Transport (statutory guidance for enforcement authorities) states the following:

- Enforcement authorities should make sure that their processes for recovering outstanding penalties and handling challenges, representations and appeals are efficient, effective and impartial.
- Authorities should use IT systems that facilitate speedy and accurate processes.
- Enforcement authorities should deal with motorists promptly and professionally.
- Authorities are encouraged to set time and quality targets for dealing with queries, in addition to any statutory time limits and those set out in the Statutory Guidance.
- Enforcement authorities should offer motorists flexible and efficient ways to contact them, including e-mail and telephone. They should ensure there is an adequate audit trail to rebut any accusations of unfairness.

- Authorities are encouraged to seek independent quality assurance of their CPE processes.
- Authorities are advised to respond promptly to contacts from the adjudicator concerning appeals.
- They should report on performance against these targets in their annual report.
- Enforcement authorities should offer motorists a range of facilities for paying penalty charges.
- The payment system should allow motorists to pay by whatever method is most convenient to them, including:
 1. Cash
 2. Cheque sent by post without guarantee card;
 3. Cheques with guarantee card;
 4. Debit or credit cards, in person, by phone or via the internet
- Where a PCN is issued to a Persistent Evader (defined as a vehicle against which there are three or more unpaid PCNs) the authority should take the strongest possible enforcement action.. which is likely to involve immobilisation or removal.

Current and proposed operational positions (based on an actual software comparison)

LBBD's administrative computer system, Civica PES, dates back to 1994 and pre-dates the legislation under which the council is operating by 14 years. It is cumbersome, time consuming and ineffective. Examples include:

the need to scan in all external correspondence (which is considerable given that the council issues 80000 PCNs per annum);

an inability to make available to recipients of PCNs photographs of on-street contraventions thereby denying them an opportunity to scrutinise the evidence against them (this is our current standard for CCTV-related offences). This also leads to unnecessary enquiries. Civica CE, the latest version of the software, empowers recipients to scrutinise the evidence against them and to contact us in the most convenient manner;

PES is not web based whereas Civica CE is, as is most correspondence and enquiries. This leads to unnecessary lost time in scrutinising information;

Civica CE would enable the council to set SMARTER targets for dealing with queries and provide us with the tools to deliver and measure these;

The council would be able to seek independent quality assurance of its enforcement procedures and processes;

Civica CE allows all information and data relevant to appeals to be held either within the system itself or on compatible accessible systems;

The current system limits the range of data that can be included within the statutory annual report. Civica CE would allow a greater range to be reported, with higher levels of accuracy and require less staff time;

The current process for paying penalty charges does not allow all departments involved to have reliable and timely access to sums outstanding. Manual reconciliation of over and underpayments is therefore required on a daily basis. Civica CE would allow the widest access to the information thereby negating the need for reconciliation;

Currently, there is no practicable way in which the council can manage persistent evaders using Civica PES. Civica CE will allow persistent offenders to be identified speedily and would provide the council with the opportunity to integrate this aspect of CPE with its abandoned vehicles resources.

In addition, Civica CE provides a range of non -enforcement functions and reports which are either not available with the existing system or are necessary enhancements and which are essential for the effective management of the council's parking policies. Specific functions/reports include:

- Payments report;*
- Controlled Parking Zone (CPZ) Permits issued/sold by zone;*
- Visitor vouchers by zone;*
- Waiver notices;*
- Permits issued by address;*
- Permits issued by street;*
- Civil Enforcement Officer (CEO) Observations;*
- Writes-off;*
- Vehicle Registration Mark;*
- Vehicle disposal;*
- Bay suspensions;*
- Dispensations;*
- Concessionary travel;*

Civica CE is also able to deal with a wide range of Fixed Penalty Notices (FPNs) thereby providing the framework for a total Streetscene service. Examples of these FPNs include:

- Section 34 Environmental Protection Act (EPA) (Waste Duty of Care)*
- Section 46 (Waste segregation and placing of receptacles by householders to facilitate increased recycling etc)*
- Section 47 (Waste segregation and placing of receptacles for commercial premises)*
- Section 59 (Illegal depositing of waste)*

Section 93 (Street Litter Control Notices)

Also:

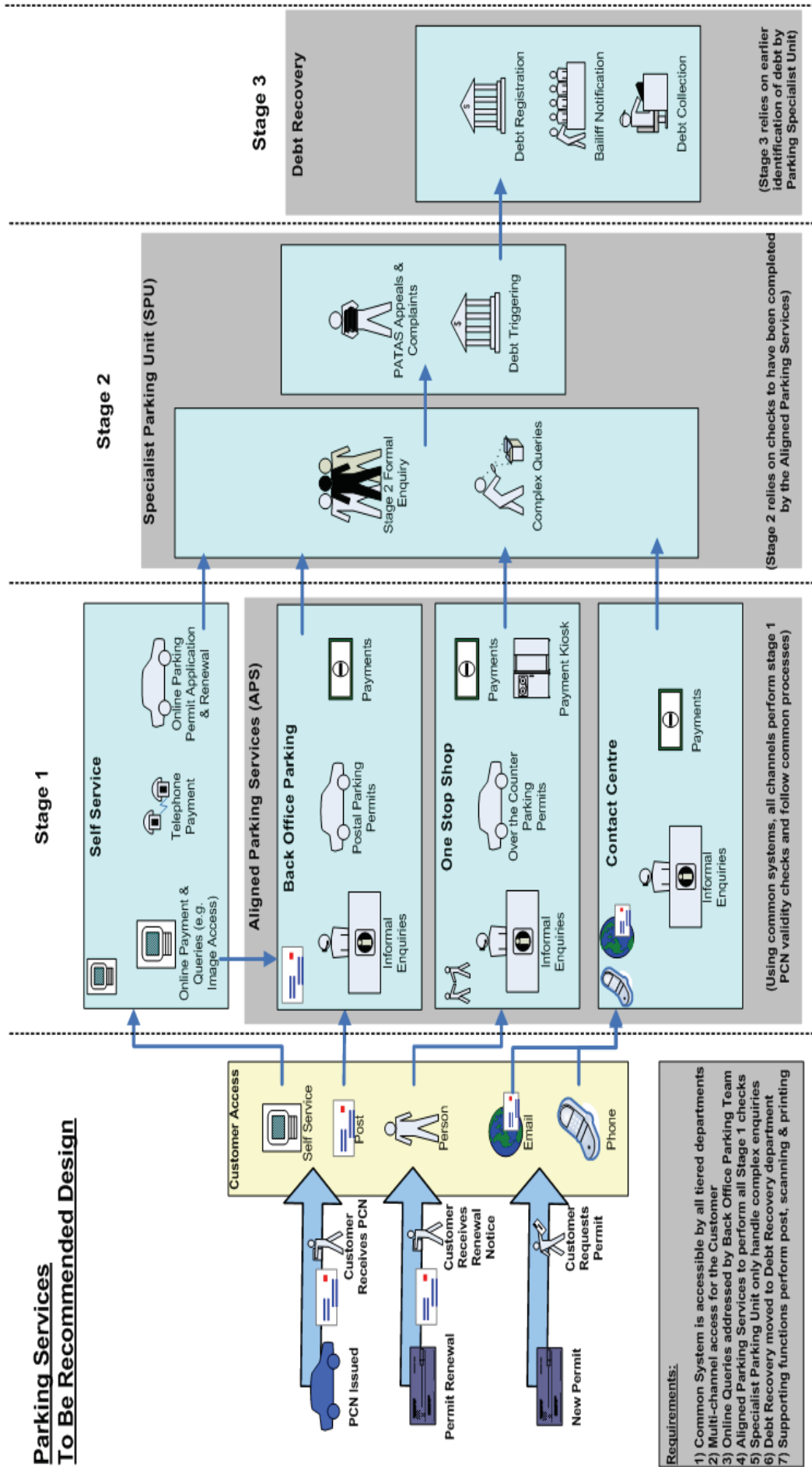
Dog fouling

Graffiti

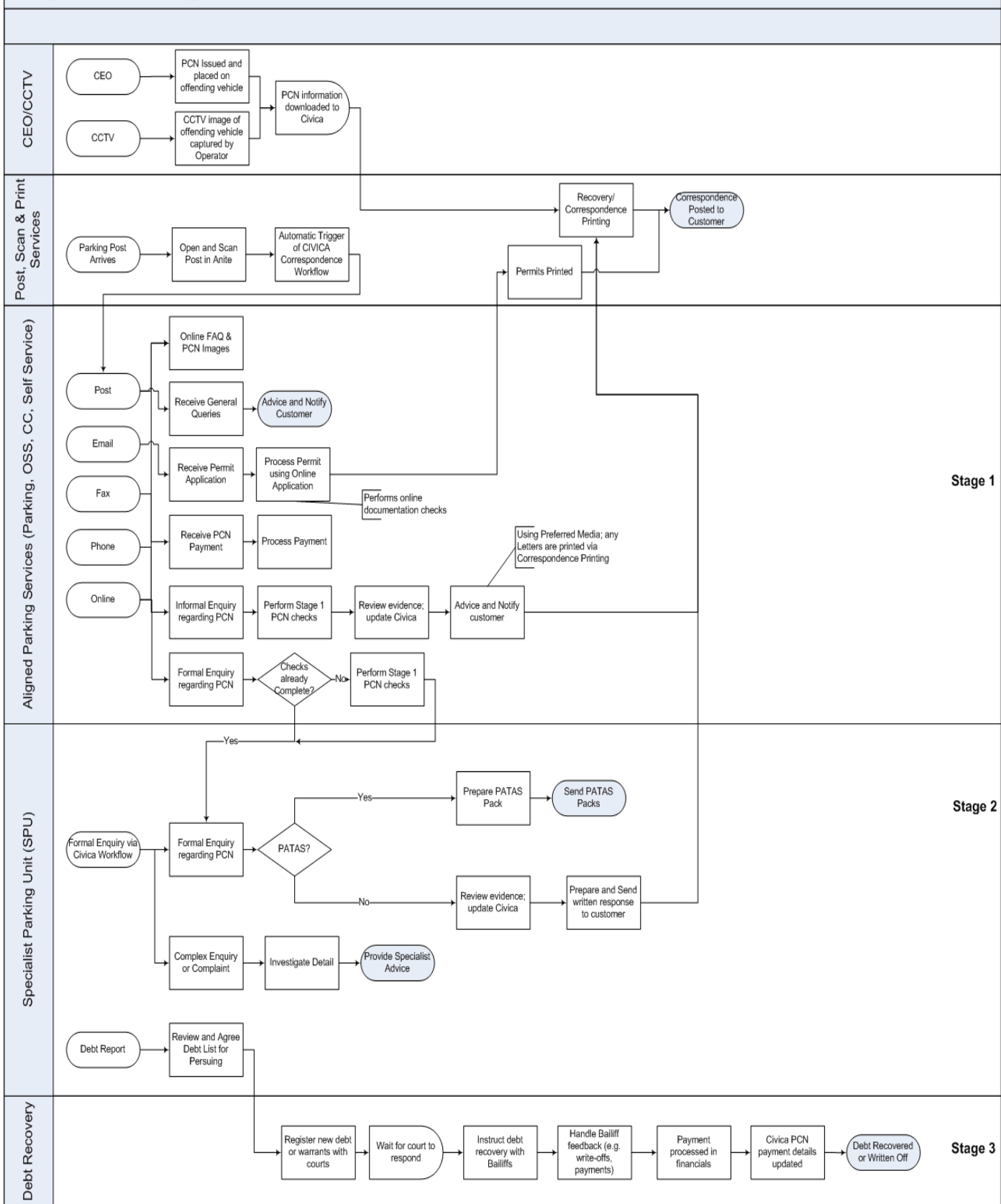
Fly posting

Nuisance vehicles

Parking Services To Be Recommended Design



Parking Services – To-Be High Level v1.0



The proposed solution is dependent on a new system which will fill the gaps and limitations experienced today – we would expect:

- Consistent and transparent access across all departments

- Ability to drive self service by the provision of online images, accurate payments, permit renewal and application, appeals process.
- Provision of custom workflows to drive consistent process adherence (e.g. Civica to drive validation checking across all channels)
- Improved recovery correspondence to minimise delays around auto progression and to facilitate the movement of service to printing services
- Integration to Anite to allow post room scanning and for this to trigger correspondence action
- Improved information to CEO and CCTV operators to be able to highlight persistent offenders
- Rapid download and automatic linking of images to PCN for CEO issued tickets
- Improved PATAS gathering and printing process
- Improved debt recovery and debt tracking
- Integration to other applications to reduce material being required by the customer, speed up the processing times, high light persistent offenders and improve accuracy – e.g. DVLA, Council Tax, Finance, Experian, CRM etc.
- Improved reporting will provide clear visibility and KPI tracking to aid process and service improvement

Internal Audit report - 2009

AUDIT RECOMMENDATION	PR	THEME	RATIONALE AND LINK TO THIS APPLICATION
<p>The quality of management reports on main PCN statistics needs to be enhanced from pure reporting of figures to more sophisticated analysis of activity statistics, such as identification of major trends, driving forces, making comparisons etc.</p> <p>Given that the capacity of CIVICA software currently in use to produce analytical information is limited to very basic reports, it is recommended that its replacement with a more advanced software tool is considered.</p>	1	Advanced Software System	Civica CE is a web-based system whose reporting capability meets and exceeds this requirement.
<p>Documents provided by the customers to support parking permit applications should be scanned, or copies taken and kept together with the copies of permit applications.</p>	2	Advanced Software System	Civica CE's web-based functionality will allow customers to access information and apply for permits on-line
<p>Online parking permit processing should be considered by the Parking Services Manager</p>	2	Advanced Software System	Civica CE's web-based functionality will allow customers to access information and apply for permits on-line
<p>A monthly CIVICA and Oracle GL reconciliation exercise should be carried out. The Parking Enforcement Supervisor should be responsible for generating monthly payment reports from CIVICA and Radius systems, while Oracle GL download data would be provided to the Parking Enforcement Supervisor by the Finance Officer.</p>	1	Advanced Software System/Management	Civica CE's web-based functionality and superior reporting capability will facilitate this management action.
<p>An IT tool should be developed to monitor and analyse appeals statistics</p>	2	Advanced Software System	Civica CE has a specific function for dealing with appeals under the Traffic Management Act 2004

AUDIT RECOMMENDATION	PR	THEME	RATIONALE AND LINK TO THIS APPLICATION
<p>Traffic Management Orders should be made available on the shared drive, organised by the road order. As the TMOs are issued by the Highways section, the TMOs should be scanned and uploaded on the shared drive when issued. Independent Adjudicator's decisions should also be scanned and made available on the shared drive.</p>	3	Advanced Software System	<p>Civica CE's web-based functionality will allow customers to access photographic evidence of their alleged contravention online and they will also be able to access this contextual information when considering whether they have grounds for appeal against a PCN</p> <p>See above</p>
<p>Park Maps and sign photographs should be made available on the shared drive/online.</p>	3	Advanced Software System	
<p>An information retention policy should be compiled to act as guidance for the retention and disposal of various paper and electronic records the Parking Services Department deals with. The policy should be reviewed on an annual basis and the date of the last review should be indicated on the front cover of the policy.</p>	1	Management/Advanced Software System	<p>Primarily a management issue, however, Civica CE's enhanced functionality will ensure that greater amounts of data are held and are accessible electronically.</p>

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EXECUTIVE**3 November 2009****REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES**

This report is submitted under Agenda Item 10. The Chair will be asked to decide if it can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency in order not to delay entering in a contract for the provision of this important facility for the community.

Title: Award of Stage 1 tender - The Skills Centre (A Diploma Exemplar Facility)	For Decision
<p>Summary:</p> <p>The Executive of 14 July 2009 (Minute 32), and following the decision agreed by Minute 148 2008/09 to establish a Skills Centre on the London Road / North Street site, received a report from the Corporate Director of Children's Services regarding funding options to implement the proposals, agreed in order to assist the Council to achieve all of its Community Priorities to:</p> <ol style="list-style-type: none"> 1. Confirm their support for the Skills Centre as a priority project , and the subsequent rationalisation of the Capital Programme to accommodate this scheme, the impact of which will be advised to Members at a later date 2. Approve the inclusion of this scheme within the current capital programme with a scheme budget of £12.9m; 3. Prudential borrowing for this scheme for the sum of £7.9m based on current estimates subject to any sum identified from (4) below; and 4. Officers seeking a financial contribution from Barking College towards meeting the capital costs of building the Skills Centre as a condition of the partnership arrangement <p>This report asks the Executive to confirm the appointment of one of three framework contractors tendering for the design and build of the Skills Centre. These are:</p> <ol style="list-style-type: none"> a. Kier London b. Neil Cott Construction c. May Gurney <p>This will enable the recommended contractor to become involved in the design and build process in early November and to start on site during the period January to March 2010. This will ensure the Skills Centre will open in September 2011 meeting the terms and conditions related to the external funding.</p> <p>Confirmation of the external funding (£5 million from the Department for Children Schools and Families) was achieved in late April 2009. Since then planning issues have hindered</p>	

progress and delayed the appointment of a contractor. The Executive is asked to make this decision at this relatively late stage because of the extremely demanding timetable required for the Skills Centre to open on schedule.

The financial requirement for the scheme is based on estimates received by the appointed quantity surveyor. The full cost, revenue and capital, will need to be reported to a future meeting of the Executive.

The contractor questions and scoring framework are attached in **Appendix 1**.

Contractor interviews took place on Thursday, 22nd October and LA officers' assessment and final recommendation is attached at **Appendix 2** under the Private and Confidential section of the agenda.

Wards Affected: None

Recommendation(s)

The Executive is recommended to:

- 1 Acknowledge that due to the speed of this project, the Executive were not notified of the intention to go to tender before this report, but to ratify the decision to tender for a contract for design and build of the Skills Centre and through the use of the existing construction framework agreement
- 2 Agree the appointment of the contractor set out in the private and confidential section of this report (to be available on at the meeting) to undertake the Stage 1 section of a 2 stage design and build tender for the sum of also set out in that section of this report.
3. Authorise the Director of Children's Services to implement the executive's decision in consultation with the Director of Resources and the relevant Legal Partner
4. Confirm whether they wish to alter the recommended procurement option and wish to be involved in the tender process;
5. Approve the provisional capital budget and prudential borrowing requirement as set out in the financial implications of this report subject to receiving a further report to a future Executive once the full capital and revenue costs have been established;

Reason(s)

The recommended contractor was deemed to be the best value for money and offer the best quality of design.

(Further details of the evaluation of the three framework contractors tendering for the contractor will be supplied prior to the Executive meeting on 3rd November).

Implications

Financial

The cost of these works will be primarily funded by prudential borrowing by the Council.

This budget gap has been identified as part of the provision to be made for the 2010 / 2011 budget, but currently this project is unfunded. External funding of £5 million has been secured from the Department of Children, Schools and Families (DCSF). Further financial negotiations are being undertaken with Barking College.

After consultations with the appointed Quantity Surveyor for the scheme, the initial estimate for the scheme is £12.9 million incorporating construction costs of approximately £10.9 m with £2m to meet professional fees and costs. This is only an initial estimate and, until the tender of all services is completed and a full costs schedule is developed and scrutinised, the full capital cost of the scheme will not be known. Any costs over and above the £5m funding from DCSF will have to be met from prudential borrowing unless other sources are identified.

The day to day running costs of the centre have yet to be fully developed and, whilst there will be some specific funding from grants and the dedicated schools grant, there could to be further pressure on Council resources to meet these.

A further report will come to a future meeting of the Executive confirming the full capital and revenue costs of this project once these have been established and validated.

Legal

The Legal Partner comments as follows:

The Council has power to enter into a works contract for the design and build of a new Skills Centre under section 1 of the Local Government (Contracts) Act 1997 on the basis that such works are properly required for the discharge of the Council's duties.

It is anticipated that the estimated value of the works contract will be up to £10,900,000, in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations) of £3,497,313 and therefore subject to the full application of the Regulations.

The report recommends that the Council enters into contractual arrangements under an existing construction framework agreement established by the Council, negating the need for a full procurement exercise (i.e. OJEU tender notice and pre-qualification process).

Regulation 19.7(b) allows the selection of a contractor from a framework agreement by way of mini-competition. The report confirms that a mini-competition exercise has been instigated by the procuring Department, inviting the panel of contractors from the construction framework agreement to tender under a two stage tender process using the Design and Build JCT 2005 standard contract conditions.

In accordance with Rule 3.6 of the Council's Contract Rules, "proposed contracts with a value in excess of £400,000 must be reported to the Executive before any procurement process begins." In this instance, the procuring Department has commenced procurement proceedings prior to obtaining the Executive's approval to proceed.

As a consequence, this report is seeking retrospective Executive agreement to proceed with the proposed tender exercise. Should the Executive fail to agree the procurement route as recommended within this Report, then the existing procurement exercise should be aborted and tenderers immediately informed of the decision by Members not to proceed.

If the Executive is minded to give retrospective approval to proceed the Council must comply with the principles of administrative law in deciding whether to award a contract, including taking into account all relevant considerations, the outcome of the valuation of each of the tenders and their financial implications. In particular, in order to comply with the Council's fiduciary duty and duty to ensure Best Value, the Council must be satisfied that the tenders represent value for money for the Council.

Contractual

Approval to the recommendation of this report will put the Council into a contract with a construction framework contractor.

Officers in Children's Services have issued a design brief to colleagues in Capital Delivery and have worked in collaboration with them to provide an outline design of a suitable Skills Centre.

In order to consider the procurement options, discussions have taken place with Asset Management and Capital Delivery colleagues exploring options for procurement. It was recommended that for the scheme we should use the Council's existing framework of contractors which has been established in an appropriate competitive way and negates the need for OJEU tender notice and the pre-qualification process, thus saving time. Further consideration has been made concerning the type of contract and how best this project might be delivered. This includes traditional design by our own design team and the option of design and build. In the light of the speed which is necessary to complete this building, it is felt that the contractor must accept some design liability and that a design and build style contract would best suit this project.

There are options for this style of contract, but on balance the recommendation made to Children's Services is one listed as a Two Stage Design and Build JCT contract and this is something which the framework contractors will be familiar with.

Capital Delivery has engaged with the framework contractors on the use of this form of contract and are currently out to tender to them with the outline design. All the framework contractors understand that they must achieve the timescales that we require.

The Director of Children's Services is requested to authorise the placing of an order with the successful framework construction company after an evaluation process based on 40% price and 60% quality (as recommended by Capital Delivery) and in accordance with the Council's Rules and its Constitution, following consultation with the Corporate Director of Resources.

Risk Management

Main risks are:

- Continuing land negotiations. A final agreement is due in November.
- Failure to commence works in Jan-Mar 2010 could lead to the Skills Centre not being ready for September 2011. This would break the terms and conditions set out in the DCSF external funding.

Staffing

No specific implications

Customer Impact

No specific implications

Safeguarding Children

No specific implications relating to this report. However these issues will be addressed through the design specification and through contractor obligations

Crime and Disorder

No specific implications relating to this report. However these considerations will be addressed through the design specification and through contractor obligations

Property/Assets

No specific implications

Options appraisal

- a. Do nothing: It is a high priority to significantly reduce the numbers of young people NEET, and to increase the employment rate of working age residents. The Skills Centre is a key element of provision to achieve that objective.
- b. Failure to appoint a contractor at this stage would almost certainly result in the building not being completed by September 2011. This would break the terms and conditions of the external funding (£5 million from the Department of Children, Schools and Families)

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Background Papers Used in the Preparation of the Report:

The Skills Centre (A Diploma Exemplar Facility) - Report of the Corporate Director of Children's Services 14 July 2009 (Minute 32).

List of appendices:

Appendix 1 - Barking Skills Centre Contractor Interview Questions

Appendix 2 - Assessment and recommendation under the Private and Confidential part of this Agenda.

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BARKING SKILLS CENTRE



CONTRACTOR PRESENTATION INTERVIEW QUESTIONS		Weighting %	Score 1-10	Waited score.
Question 1 - Construction Management		10		
Provide details of how you propose to provide the second stage procurement services as stated within the tender documents. What would you do to ensure that you are able to accept the design as your own?				
Question 2 - Programme Management		15		
What are the key risks to the achievement of the project's proposed programme? How would you deal with those risks to ensure that the project is brought in on budget and on time. Present an achievable programme illustrating areas of concern and your solutions to these.				
Question 3 - Quality		15		
Describe how you will manage the quality of the building both during the design and construction phases, ensuring that the design integrity is maintained through the final design and construction phase to be within the advised budget and in accordance with the town planning application documents.				
Question 4 - Pre-Construction and Added Value		10		
Explain and demonstrate what your company can bring to this scheme during the design stage, this should focus on your input at RIBA Stage E and how you will manage RIBA Stage F to achieve a GMP within budget, this should include what your role will be in this process?				
Question 5 - CDM Competence		5		
<p>The Client has a duty under Regulation 4 of the CDM Regulations 2007 to take reasonable steps to insure that those they appoint are competent. Given that this is a design and build contract each tendering contractor is requested to supply the following information which will be assessed against the criteria outlined within L144, Managing Health and Safety in Construction, the Approved Code of Practice (ACoP) for the CDM Regulations 2007.CDM – Design</p> <ul style="list-style-type: none"> • Please could you provide a brief explanation of your design risk assessment process, providing a copy of a worked example (hard copy for CDM-C assessment). • Regulation 7 of the CDM Regs. 2007 outlines the duties with regard to the General Principles of prevention, and Appendix 7 of the ACoP (L144) lists those principals. How does your company implement those principles. <p>CDM - Construction</p> <ul style="list-style-type: none"> • Under Reg 23 the Principal Contractor is required to prepare a Construction Phase Plan adequate to ensure that the construction phase is planned managed and monitored. Please could you provide a worked example that reflects the type of work you will be undertaking on this project, and fulfils the requirements within the ACoP (hard copy for CDM-C assessment). 				
Question 6 - Financial		15		
How will you work with the project team to ensure the Contractor's Proposals are developed during the second stage so that the scheme stays within budget? How would you manage the package procurement process to ensure that the Council is sure that it is getting value for money? Are there any added benefits that you would bring to the project?				
Question 7 - Environmental		5		
Describe what measures you would put in place to reduce the environmental impact of the construction of the building and when it is in use and what contribution you can make to ensure the building achieves the BREEAM standard of excellent?				
Question 8 - Buildability		10		
From the information that you already have regarding this project and your previous experience of this type of work, what are the main buildability issues? - describe and demonstrate with reference to the development of the design during the second stage process how you will ensure the construction process is seamless and optimised..				
Question 9 - Communication		5		
There are many stakeholders in this project from the project team through adjoining land owners and a number of end users, describe how you will communicate with them and ensure that the communication is timely and effective?				
Question 10 - Handover Strategy		10		
Explain how you ensure all end users requirements are accommodated in the shell and core phase, the fitout and handover phase for the building to open on the 1 September 2011.				
Overall Weighted Quality Score (Out of 100)				
Totals		100		

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