



NORWICH City Council

Committee name: Cabinet

Committee date: 08/02/2023

Report title: **The award of a contract for door entry and access controls systems for new site installations**

Portfolio: Councillor Harris, Deputy leader and cabinet member for social housing

Report from: Executive director of community services

Wards: All Wards

OPEN PUBLIC ITEM

KEY DECISION

Purpose

To consider awarding a contract for the Door Entry and Access Control Systems to include communal entrance door replacement.

Recommendation:

It is recommended that the award of a contract for the Door Entry and Access Control Systems installation programme is made to Alphatrack Systems Limited, subject to annual budget setting and satisfactory performance and quality being met.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets both the 'People live independently and well in a diverse and safe city' and 'Norwich has the infrastructure and housing it needs to be a successful city' corporate priority in the Corporate Plan.

This report helps to meet the Housing Strategy adopted policy of the Council

This report helps to meet 'Housing regeneration and development objective of the COVID-19 Recovery Plan

Report details

Background and requirements

1. A single supplier is required by the council to deliver the installation of new door entry and access control systems at approximately 207 site schemes across the city which have been identified in need of additional security measures based on anti-social behaviour.
2. The scope of the contract includes the provision of new door entry/access control systems and the replacement of the communal entrance doors with installation of new doors and screens. The contract is due to commence on 01 April 2023 and the installations will take place over a six-year work programme.
3. This is a recurring requirement, and the previous five-year programme was completed in August 2022. Due to the council already having door entry/access control systems, it is beneficial to provide parity with the same systems and materials with the new six-year programme.
4. The value of the contract is expected to be £0.650m for the first year of the contract (2023/24), £0.506m for 2024/25 and then £0.500m per annum up to 2029 pending annual budget approval and satisfactory supplier performance. The contract allows parties to agree appropriate variations.

Procurement

5. A suitable framework was identified under Lot 1 (Electrical systems) of the Compliance Framework with Eastern Procurement Limited (EPL).
6. Due to the specialist requirements of the contract, a direct award option was not appropriate, so a further competition via a benchmarking exercise was carried out by EPL with the seven suppliers on the Lot.
7. Suppliers were asked to quote for the many different types of door layouts, screens, door entry and access control systems for the various site schemes as would be required over the course of the six-year programme.
8. Tenders were evaluated with a maximum of 40% of the available marks awarded for price and 60% of the marks awarded for quality criteria for delivery or works, delivery of orders and work programme, provision of certification and documents, and supplier behaviour and customer care.
9. Out of the seven suppliers, two submitted bids for the contract. The five suppliers who did not, cited lack of expertise for some of the required elements of the contract and a lack of response from sub-contractors before the tender return deadline.

10. The cost and quality scores achieved by the two bidders are set out in the table below:

Company	Price	Price score	Quality Score	Total Score
Alphatrack Systems Limited	£3,573,680.45	40.00	45	85.00
OpenView Security Solutions Ltd	£4,163,625.08	34.33	34	68.33

11. The supplier offering the best value for money from the benchmarking exercise is **Alphatrack Systems Limited at £3,573,680.45 excluding VAT**.
12. Due diligence has been carried out on the winning supplier. A financial check was carried out by EPL upon the framework award in December 2021. An additional check was carried out in January 2023 via the council's financial assessment tool which rates them as in a stable condition with the overall business risk is showing as Low.
13. The procurement exercise has been undertaken in accordance with the council's contract procedures. It has been conducted fairly, transparently, in an open and regularised way that conforms to relevant legal requirements.
14. On the basis of the bids received, we anticipate, subject to cabinet approval, for EPL to issue the official award to the successful supplier. The award is also pending the successful completion of a Leasehold consultation as detailed below.
15. It should also be noted that the winning supplier undertook the contract for the previous work programme from 2017 which concluded in August 2022 and the Contract manager has advised that the works have been completed to a satisfactory standard.

Consultation

16. The installation programme includes Leaseholder owned properties which require consultation of which Stages one and two have been completed.
17. Following award of the contract Stage three leasehold consultation is required for the term of the contract 2023-29. For each year of the contract the appointed contractor shall submit costs in line with their tendered Schedule of Rates and supplied lists of sites.
18. Receipt of these will be at least 3 months prior to the next financial year. Cost shall be issued to the leasehold team for consultation. Works can commence following leasehold approval.

Implications

Financial and resources

Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its

Corporate Plan 2022-26 and budget.

19. The proposed programme of works forms part of the compliance work for the and will be funded from the HRA Capital Programme.
20. The value of the contract to be awarded is a maximum of £3.156m over the full six-year installation programme. This differs from the price of the bid considered to offer the best value for money, as the price of the tender related to a benchmarking exercise and not the exact works included within the contract.
21. It is proposed that a higher level of installations are carried out in the first year of the contract, with a budget of £0.650m. The value of works in subsequent years are valued at £0.506m for 2024/25 and £0.500m per annum thereafter. Any underspend from previous years will be requested to be carried forward to future years, dependant on the number of blocks to be delivered for each year of the work programme.
22. The budgets for 2023-28 (years 1-5) are due to be considered by Cabinet at this meeting and by Council on 21st February 2023. The budget for the final year of the contract (year 6) will be proposed for approval as part of the 2024-29 capital programme, which will be considered by Cabinet and Council in February 2024.
23. The contract will be subject to ongoing review to ensure satisfactory performance and delivery of the contract by the supplier.
24. Provision for inflationary increases to the tendered price is included for years subsequent to the first at the rate of CPI minus 1% based on the rate at a point prior to 2 months before the indexation date.

Legal

25. The contract is subject to the JCT Measured Term Contract 2016 as issued by EPL for the Compliance Framework which commenced 20 December 2021 and will be signed under deed.
26. The contract issued to each supplier on the framework allows for a 13-week "no fault" break clause. Clause 16 of the JCT states that the "period of notice for the Employer is 13 weeks" and the "period of notice for the Contractor is 26 weeks".
27. The council's Information Sharing Protocol will apply to this contract.
28. As a call off from the EPL framework, the award will be published in Contracts Finder and Find a Tender.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	There are no known direct equality and diversity implications arising from the project, albeit this will continue to be monitored throughout.
Health, social and economic impact	The installation programme will help to enhance the overall security of the blocks and improve conditions within communal areas for residents by reducing vandalism.
Crime and disorder	Door entry and access control systems will help prevent anti-social behaviour within communal areas by restricting access to authorised residents.
Children and adults safeguarding	The enhanced security will reduce resident exposure to the defecation, drug use and other extreme anti-social behaviour that currently occurs in some blocks. The door entry systems will also limit opportunistic crime and cold calling.
Environmental impact	The contract shall ensure the built environment is maintained and improved to a high standard and will mitigate the need to paint communal doors over a 20-year period. The systems have a long design life and are of a modular design allowing parts to be repaired when required rather than whole-system replacement.

Risk management

Risk	Consequence	Controls required
<p>The Council does not successfully enter the contract to deliver the service</p> <p>Current macroeconomic conditions continue including high inflation</p> <p>Supplier fails to deliver the contract effectively</p>	<p>Without the award, the council will continue to receive reports of anti-social behavior within the communal areas which impacts the health and well-being of our residents and tenants.</p> <p>Annual uplift on the supplier's Schedule of Rates in line with the local government annual indices.</p> <p>The works are not undertaken to a satisfactory standard</p>	<p>If cabinet approve the award the contract, appropriate properties are targeted to ensure most effective use of the budget and by contract performance monitoring to reduce the risk of anti-social behavior.</p> <p>Once works commence this can be reported as a positive that the council take the health and wellbeing and safety of its residents seriously. It will provide a significant reduction in Anti-social behavior on key troubled estates.</p> <p>Increase in budget for each year, percentage increases fluctuate from year to year and not defined.</p> <p>This is mitigated by the placement of robust contract management with an electrical biased specialism who will oversee the contractor's performance. The appointed supplier delivered the previous contract and has the knowledge to know what's expected.</p>

Other options considered

29. **Do nothing:** If the work is not carried out, anti-social behaviour will continue on its current trend and residents will feel unsafe in their own environment which goes against the council's Corporate Priority of "People live independently and well in a diverse and safe city". It would also have a detrimental effect on the reputation of the council as would result in more press attention following recent reports of the anti-social behaviour problems in the local newspaper at one of the schemes.

30. **In house provision:** The council does not currently have any existing in-house resources to undertake the installation programme.
31. **Joint venture/ Norwich City Services (NCSL) delivery:** At present there are no opportunities for NCSL to deliver this work programme for the council.
32. **Identify a single supplier to award to without competition:** It is not considered that this is likely to provide the best value for money for Council, especially with the option of procuring through a framework which has been tested for value for money
33. **Run and establish a competitively tendered contract with one supplier:** Although timescales allowed for this option, a suitable Framework with Eastern Procurement Limited (EPL) was found with existing established suppliers which covered the requirements of the contract via a further competition process.

Reasons for the decision/recommendation

34. To ensure the timely award of a contract enabling the delivery, by a single supplier, of the Door Entry and Access Controls Systems installation programme over the six-year period to 31 March 2029.

Background papers: None

Appendices: None

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