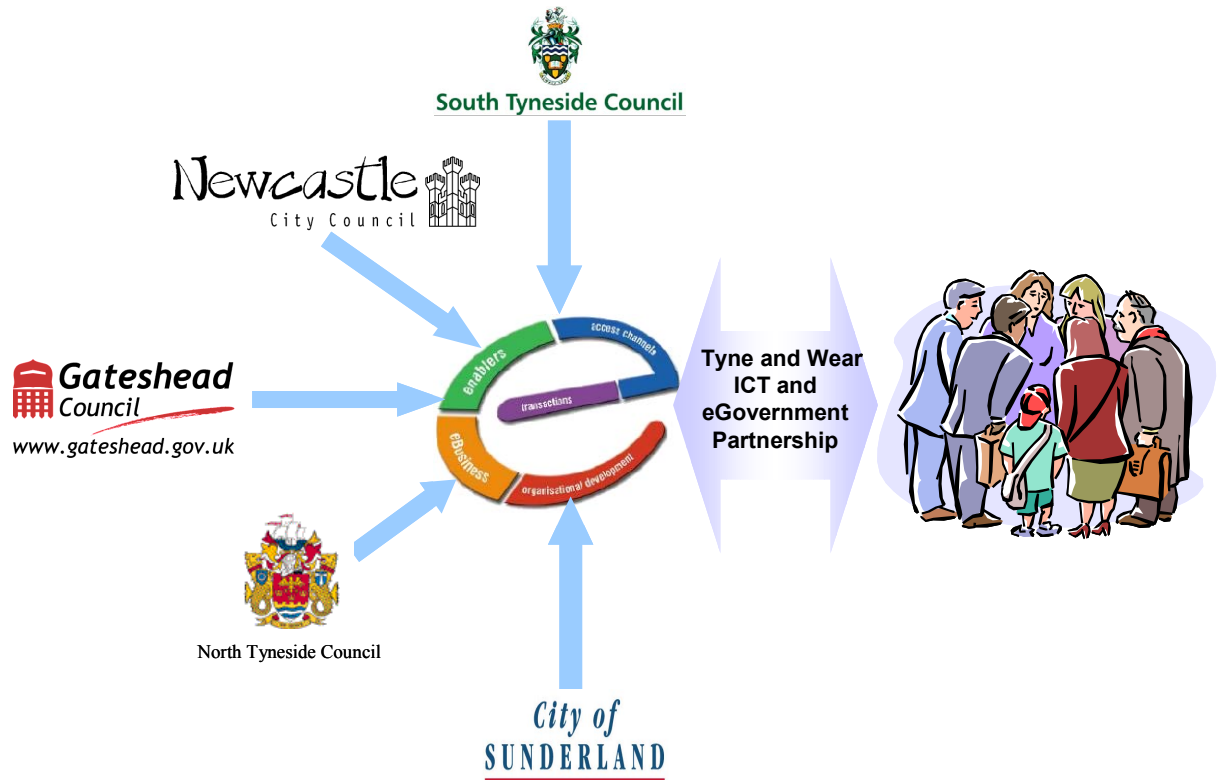


PROJECT DOCUMENTATION

Procurement Methodology [Deliverable 2.1]



Tyne and Wear ICT & eGovernment Partnership Community Service Portal Project

Release: Final
(version for web)
Date: 8 July 2003
Document Number: D2.1
Version No: 05

Author: Paul Moore
Owner: Alan Holt
Client: ODPM
Last printed: 27/08/2003 16:07

Copyright © 2003 Tyne & Wear ICT and eGovernment Partnership

Document Location

This document is only valid on the day it was printed.

The source of the document will be found on the Project's Manager's PC in location *M:\Business Analysts\LGOL Kiosks\Management Products\Deliverable 2.1 Procurement Method_V01.doc*.

Revision History

Date of this revision: 8 July 2003

Date of Next revision: as required by change control procedure

Version	Revision Date	Summary of Changes	Changes Marked
1	2 July 2003	Initial Draft	No
2	3 July 2003	Second Draft following comments from AWH, GJ. EB	No
4	4 July 2003	Final Draft submitted to Project Board	No
5	8 July 2003	Version of Final Document suitable for Web Publication	No

Approvals

This document requires the following approvals.

Signed approval forms are filed in the Management section of the project files.

Name	Signature	Title	Organisation	Date of Issue	Version
Alan Holt		Head of ICT & eGovernment Services Chair	South Tyneside Council Tyne and Wear ICT & eGovernment Partnership		
Julie Knox		Head of ICT Services	Gateshead Council		
John Littleton		Head of Regional IT Partnerships	Newcastle City Council		
Steve Williams		Corporate Head of ICT	City of Sunderland		
Mike Watson		Application Services Manager	North Tyneside Council		
Graham Jordan		Project Manager Business Analyst	Tyne and Wear ICT & eGovernment Partnership Gateshead Council		

Distribution

This document has been distributed to:

Name	Title	Organisation	Date of Issue	Version
Alan Holt	Chair	Tyne and Wear ICT Partnership [South Tyneside Council]	2 July 2003	01
Graham Jordan	Project Manager	Tyne and Wear ICT Partnership [Gateshead Council]	2 July 2003	01
Elizabeth Brown	Senior Solicitor	South Tyneside Council	2 July 2003	01

Alan Holt	Chair	Tyne and Wear ICT Partnership [South Tyneside Council]	3 July 2003	02
Graham Jordan	Project Manager	Tyne and Wear ICT Partnership [Gateshead Council]	3 July 2003	02
Elizabeth Brown	Senior Solicitor	South Tyneside Council	3 July 2003	02
Caroline Winter	Trainee Solicitor	Newcastle City Council	3 July 2003	02
Mike Barker	Senior Solicitor	Gateshead Council	3 July 2003	02
Cheryl Logan	Senior Consultant	City of Sunderland [CGI Information Systems Inc]	3 July 2003	02
Keith Bulmer	Procurement Officer	North Tyneside Council	3 July 2003	02

Alan Holt	Chair	Tyne and Wear ICT Partnership [South Tyneside Council]	4 July 2003	03
Graham Jordan	Project Manager	Tyne and Wear ICT Partnership [Gateshead Council]	4 July 2003	03
Elizabeth Brown	Senior Solicitor	South Tyneside Council	4 July 2003	03
Caroline Winter	Trainee Solicitor	Newcastle City Council	4 July 2003	03
Mike Barker	Senior Solicitor	Gateshead Council	4 July 2003	03
Cheryl Logan	Senior Consultant	City of Sunderland [CGI Information Systems Inc]	4 July 2003	03
Keith Bulmer	Procurement Officer	North Tyneside Council	4 July 2003	03
David Veitch	Purchasing Projects Manager	North East Purchasing Organisation	4 July 2003	03

WWW		www.newcastle.gov.uk/twscportal	8 July 2003	05
-----	--	--	-------------	----

TABLE OF CONTENTS

Document Location	2
Revision History	2
Approvals	2
Purpose of this document	5
The Partnership.....	5
The Procurement Team	5
Procurement Objectives.....	6
Background	6
Procurement Options	7
Proposed Method	8
Procurement Plan.....	9

Purpose of this document

1. The objective of the project is to procure the necessary services to establish a Tyne and Wear Community Service Portal of public services available to users over the World Wide Web and an extended number of on street kiosks.
2. This document defines the process that the Partnership will adopt to ensure a successful procurement.
3. The Tyne & Wear ICT and eGovernment Partnership intends to commence implementation as soon as the contract has been awarded. The Tyne & Wear ICT and eGovernment Partnership, however, reserves the right not to award a contract under this procurement.

The Partnership

4. The Tyne & Wear ICT and eGovernment Partnership brings together the five Tyne and Wear local authorities' Heads of ICT and eGovernment, with the aim of sharing experience and progressing eGovernment initiatives for the benefit of the region.
5. Councils involved are:
 - City of Sunderland
 - Gateshead Council
 - Newcastle City Council
 - North Tyneside Council
 - South Tyneside Council
6. The population of the areas served by these Councils totals around 1.25 million people.
7. Regular contact with colleagues in the wider region to further similar aims at a regional scale is supported by the participation of Tyne & Wear ICT and eGovernment Partnership members in the North East Committee of IT Managers.
8. Meetings of the Tyne & Wear ICT and eGovernment Partnership are chaired by South Tyneside Council, which is the lead partner in this project.

The Procurement Team

9. A team comprising representatives of the Tyne & Wear ICT and eGovernment Partnership has been established for this procurement. This comprises:

Paul Moore	South Tyneside Council
Elizabeth Brown	South Tyneside Council
Mike Barker	Gateshead Council
Caroline Winter	Newcastle City Council
Keith Bulmer	North Tyneside Council
Cheryl Logan	City of Sunderland [CGI Information Systems Inc]
David Veitch	North Eastern Purchasing Organisation

Procurement Objectives

10. The procurement team has been commissioned to manage the Procurement of Community Service Portal systems and services [D2]. The first deliverable is to propose an appropriate procurement methodology which must:
- Meet the appropriate target dates
 - Satisfy competition and best value requirements
 - Satisfy the requirements of the partnership and all 5 districts
 - Ensure that appropriate and effective products are procured with the finance available

Background

11. A number of meetings were held to research the options available for procurement including:

Date	Event
4 June 2003	Meeting at Newcastle Civic Centre to discuss the methods adopted to procure the kiosks already implemented in Newcastle City Council.
26 June 2003	Meeting at South Shields Town Hall with the Office of Government Commerce to discuss the potential for using one of the Government catalogues designed for procuring ICT goods and services.

12. In addition Elizabeth Brown and Paul Moore have spent a significant amount of time researching the procurement options available to the project. These included the potential use of GCAT / S-CAT and the involvement of the North Eastern Purchasing Organisation in the process.

Procurement Options

13. Since the value of the contract will be approximately £400,000 and, therefore, over the £154,477 threshold, it will of course be subject to EC Procurement Regulations. The following table identifies the procedures that have been considered:

Option	Comment
To negotiate a separate contract for each Council to bring the value below the threshold limit	The funding is coming to South Tyneside for a single project, albeit for the benefit of all the five Authorities. Whilst each authority will separately receive a certain number of kiosks, the portal will operate centrally for the benefit of all. There is, therefore, arguably no scope for suggesting that individual Contracts can be entered into by each Authority.
To use the Open Procedure	The open procedure is inappropriate because we do not have the resources to evaluate an infinite number of bids.
To use the Normal Restricted Procedure	This would normally require 37 days for Expressions of Interest, 1-2 weeks to evaluate them and 40 days for an Invitation to Tender before tenders can be evaluated. There is not sufficient time to accommodate this procedure.
To use the Accelerated Restricted Procedure	Justification for use of this procedure is interpreted restrictively. There is potentially an argument that had we acted from the announcement of the grant, there would have been sufficient time to use the normal time limits for the restricted procedure. There is a risk, therefore, that the use of this procedure would leave us open to challenge.
To use the Negotiated Procedure with a call for competition	It may be possible to justify use of this procedure on the ground that the specification is not capable of being drawn up with sufficient certainty to permit use of the open or restricted procedure. However without the use of the accelerated procedure the time scale for procurement could not be met.
To use the Negotiated Procedure Without a Call for Competition	Because of the nature of the existing supply agreements held by Newcastle, and potentially by Gateshead and Sunderland, there are potentially grounds to justify use of this procedure. However this procedure would not really satisfy the Best Value requirements of ensuring that the market has been fully explored and that our actions have been transparent and open.
To use the Negotiated Procedure with Extreme Urgency ground	We believe it is generally accepted that this procedure is only appropriate in situations of major disaster and national catastrophe and could not therefore be justified in this instance.
To use one of the Government's ICT Procurement Catalogues	This is certainly an option that should be considered for the reasons outlined in the following paragraph.

Proposed Method

14. Because of the need to demonstrate that our actions have been transparent and open, that we have delivered Best Value, that we have considered the risk of challenge and that the procurement exercise can be conducted within the time available, it is proposed that we use the GCat, S-Cat or GTC routes provided by the Government Office of Commerce.
15. The OGC believe that any of these catalogues could be used for this procurement exercise but that, because we require services, software and hardware, and that the hardware will be leased, S-Cat would be the most appropriate option.
16. A procurement using S-Cat would comply with EC Regulations, could be conducted within the time we have available and would have the advantage of ensuring pre-agreed standard terms and conditions with which the ICT industry and many authorities are familiar.
17. Provided the procurement is conducted in accordance with the appropriate procedures OGC Buying Solutions will undertake to defend any challenges we may face.
18. It is also proposed to commission the North Eastern Purchasing Organisation to undertake the procurement on behalf of the Partnership. This would allow a call-off contract to be established for a number of years that could potentially be used by any NEPO member to buy into the provision of kiosks in a very simple way in future.
19. It was suggested that Category 6 of S-CAT would offer the best fit for our purposes and searching the catalogue against the key theme of the project produced a list of six Prime Contractors.
20. It is proposed that the procurement be conducted over two phases with the first being to invite to these contractors to express an interest as soon as possible. This will alert the market to the project quickly and will allow the appropriate companies to consider and develop the necessary partnerships.
21. The second phase will be the Invitation to Tender which will be delivered to a short list of 3 prime contractors. This shortlist will be chosen by the Evaluation Team and be approved by Alan Holt, the Project Executive.
22. The Evaluation Team will consider the tenders and each of the bidders will be invited to give a presentation of their proposal at South Shields Town Hall.
23. The Evaluation Team will propose a preferred supplier based on a pre-agreed set of evaluation criteria and the Project Board will approve their decision
24. Members of the Partnership will then seek approval according their own Council's regulations.

Procurement Plan

25. The detailed plan proposed for the procurement of the Community Service Portal Project is as follows:

Task	Start	End
Submit Procurement Method to Board	Mon 7 July	Mon 7 July
Design Expression of Interest invitation	Mon 7 July	Thur 10 July
Invite Expressions of Interest	Fri 11 July	Mon 21 July
Consider Expressions of Interest	Mon 21 July	Thur 24 July
Meeting to confirm short list	Thur 24 July	Thur 24 July
Project Sponsor [AWH] approval	Thur 24 July	Thur 24 July
Develop Invitation to Tender	Mon 7 July	Fri 25 July
Establish Evaluation Criteria	Mon 7 July	Fri 25 July
Invitation to Tender	Mon 28 July	Mon 25 Aug
Evaluation of Tenders	Mon 25 Aug	Mon 8 Sep
Presentation from Bidders	Mon 1 Sep	Thu 4 Sep
Meeting to select preferred supplier	Mon 8 Sep	Mon 8 Sep
Project Board to approve decision	Thur 11 Sep	Thur 11 Sep
Negotiate Special Terms	Fri 12 Sep	Wed 1 Oct
Let Contract	Thur 2 Oct	Thur 2 Oct