

Item No.	Classification: Open	Date: 9 th September 2003	MEETING NAME Executive
Report title:		Ratification of the Selection Process for the Elephant Links Community Information Exchange (CIX) Strategic Partner	
Ward(s) or groups affected:		Newington, Chaucer, Cathedral, West Walworth	
From:		Strategic Director of Regeneration	

RECOMMENDATION

1. That the Executive approves the selection process for the CIX strategic partner and the award of a contract as described below.

BACKGROUND INFORMATION

2. The Elephant Links Community Information Exchange (Elephant CIX) is a project that has been in development since the beginning of the Elephant Links SRB. Following a long procurement process a strategic partner (consortium) has been selected. The consortium comprises; LWTS, Brixton On Line, Renaisi, Cisco Systems, Damovo, and SAVO. The project has been designed to have a major impact on the community within the Elephant and Castle providing the means and skills to access new technologies and changes in the future of service delivery such as e-government and NHS direct. Following a Feasibility Study by Arthur Andersen Business Consulting in July 2001, the Elephant Links Community Partnership Board approved the development and implementation of prototype sites, a website for the exchange, and a procurement process for the appointment of a strategic partner for the delivery of wider services in October 2001. The procurement process for the strategic partner commenced in April 2002.

2.1 Prototype Centres and Website

- A prototype web site has been developed (made live in March 2002)
- Small local access centres at the Rockingham Community Centre, The Rainbow Centre, Geoffrey Chaucer School and St John's Primary School Walworth have been set up. The centre based at St. John's Walworth is in the process of being relocated to the Heygate Shop Units.

KEY ISSUES FOR CONSIDERATION

3.0 The Process for Procurement

- 3.1 The Council is the accountable body for the Elephant Links SRB programme and as such acts as the main contracting body for all SRB funded projects. In the case of this particular project, three organisations submitted tenders and because all three were returned with identical prices no lowest price existed. In such circumstances the Council's Contract Standing Orders (25.2c) require that

the Executive approves the award of this contract. The Process used for the procurement of the strategic partner has conformed to EU procurement regulations. In this case 'Negotiated Procedure' was chosen.

3.2 In order to get a range of local views as well as the technical and strategic in-put of members of other Council departments, the selection process for the partner has involved a panel made up of local representatives: -

- Leke Dada (Business Extra Board)
- Doreen Gee (Partnership Board/Heygate TRA)
- Kieran O'Connor (Green Lanes Network)

And representatives from Southwark Council: -

- Sue Trinder (Southwark Council Strategic Services)
- Gary Nolan (Southwark Council Strategic Services)
- Lyonel Bell (Southwark Council Corporate IT)
- Tony Moseley (Elephant Links Project Team, RO)

3.3 During the process the team has been supported by SOCITM consulting, a company that specialises in advising the public sector on procurement, contract negotiation, and legal advice for ITC based services, and the Council's Legal Services (Contracts Section).

3.4 Procurement Time Table

PIN Notice Posted in OJEC	April 25 th 2002
Tender Notice Posted in OJEC	January 17 th 2003
Expressions of Interest Stage	February 21 st 2003
(BT, IBM, I-document Solutions, Instant Library, Consortium LWTS et al, Prevista, Urban Initiatives, Silver Lining Solutions submitted full expressions of interest forms.)	
Invitations to Tender	13 th March 2003
(BT, IBM, I-document Solutions, Instant Library, Consortium LWTS et al, Prevista, Urban Initiatives were invited to tender. Silver Lining solutions were not invited to tender as their annual turnover was too low.)	
Short List	May 30 th 2003
(Instant Library, Consortium LWTS et al, Prevista)	
Partner Organisation Selected	June 23 rd .03
(The consortium were selected as the highest scoring bidder using a pre-formulated matrix based upon the statement of requirements produced for this tender. The decision to select the consortium was therefore unanimous)	
Project Appraisal Panel	July 7 th 2003

The project was agreed subject to conditions and a successful contract negotiation process.

Approval By Partnership Board

July 21st 2003

The Partnership Board received a presentation from the successful consortium and made the recommendation that the LDA approve the project.

Approval By LDA

Project Appraisal and Tender documents along with the consortium's responses to appraisal panel questions submitted to the LDA 13.08.03.

Approval by Southwark Council Executive Committee

Appointment of Contractor
(subject to LDA and Council approval)

September 12th 2003

Policy implications

3.5 CONCURRENT REPORT OF THE REGENERATION IS MANAGER – IMPACT ON SOUTHWARK COUNCIL'S e-GOVERNMENT STRATEGY

e-Government Definition

e-Government is defined in this paper as:

'exploiting the power of information and communications technology to help transform the accessibility, quality and cost-effectiveness of public services, and to help revitalise the relationship between customers and citizens and the public bodies whom work on their behalf'

3.6 The ODPM published the "National Strategy for Local e-Government" on 2nd December 2002. This document focussed very strongly on outcomes and identified three key objectives that the e-Government programme was designed to deliver viz:

Transforming services

The 2005 target is for electronic access to all services through a variety of access channels with priorities at two levels:

- raising standards across schools
- improving the quality of life for children, young people, families at risk and older people.
- promoting healthier communities
- creating safer and stronger communities
- transforming the local environment
- meeting local transport needs
- promoting local economic vitality

In addition, nine key service areas were also identified:

- services to business
- benefits and personal taxation
- transport and travel

- education
- health
- citizens' interaction with the Criminal Justice System
- land and property services
- agricultural services
- e-Democracy

3.7 Renewing local democracy

There are three main objectives under this category:

- democratic engagement and participation (ensuring the promotion of social inclusion)
- support for Councillors
- choice for voters

3.8 Promoting economic vitality

This seeks to:

- promote economic activities and advantages of local areas
- provide the communications infrastructure to attract and retain businesses
- promote the take-up of e-Commerce among local businesses to assist their ability to compete in a wider market
- enhance the skills and employability of the local population.

3.9 Southwark's objectives of the e-government programme

The primary objectives of the e-government programme in Southwark can be summarised as follows:

- to enable local e-government within Southwark through the development of themes and projects which are appropriate to the Corporate objectives and Community Strategy.
- to ensure that e-government work focuses on areas which promotes Best Value both through service to the customer and business to the Council.
- to provide a knowledge base for e-government, ensuring Central Government guidance is being followed and drawing on the work being done on e-government by Beacon Councils and Pathfinder projects, to be part of London Borough e-government partnerships.
- to develop a technical understanding of the enabling technologies appropriate to the themes being developed and the technology issues that Southwark will be required to address.
- to provide the ICT infrastructure required for the enabling technologies.
- to maximise funding options and to provide budgetary information to the Council.
- To ensure that e-government is achieved by 2005 through meeting the target currently set by the Council of 100% e-enablement of services to the public.
- To ensure that realistic targets are set and achieved for such performance measures as are introduced over time.

3.10 How will the CIX project affect the e-Government Strategy

The CIX project is very much concerned with engaging the local community in not only learning about technology and how to use it to get the best out of it, but also in promoting its value and effectiveness in accessing services. The current level of electronic access to services is very low, (current figures suggest this to be 8%) both Nationally and more importantly in Southwark. The drive from the e-government programme nationally, quite rightly is to ensure that services are delivered electronically by 2005. However, if the community is not able, either through lack of access or through training, to be able to use these electronic services, then in many respects, the e-government programme will have failed. Each Local Authority in England will have to address this problem in their own way, depending on the needs and abilities of the communities within them.

3.11 The CIX project will give Southwark invaluable information as to:

- How to engage the community at large to use the technology to maximum advantage.
- How to promote and market the use of technology to encourage greater use by the public of electronic means of access.
- The type of training and encouragement and support that the public require to get the best out of the technology
- The problems that will need to be overcome in developing this approach on a more widespread basis across Southwark.
- The ability to assess the use and performance of kiosks and other electronic means of delivering services.
- How much this engagement improves e-delivery and e-democracy and the overall rating of Southwark in the community.
- How much this approach will transform the delivery of services in other areas of the Council.
- How much local businesses will benefit from increasing the use of technology and thereby stimulate local economic vitality.

The information from the CIX project can then be used to inform and enhance the e-Government strategy in Southwark, so as to further improve the approach to electronic service delivery.

Effect of proposed changes on those affected

3.12 The Elephant CIX will provide coordinated and comprehensive suite access to IT and the Net and community for the community of the Elephant Links SRB area. Residents in the Elephant Links SRB Area will be able to access a greatly enhanced communications and IT infrastructure, a pool of skills within the community and a system of support for community organisations and SMEs.

3.13 The information that this service will provide will be available in all the major community languages that are used in the SRB area. Furthermore it will utilise innovative methods of information giving to ensure that the services are as widely available to the community as possible.

Resource implications

- 3.14 The project is designed to be self -sustaining and as such will make no direct call on the Council's resources. The £1.75M for this project is budgeted for in the current Elephant Links SRB Delivery Plan for the remaining life of the programme (ie. now until March 2006). There are also provisions within the delivery plan for the establishment of a community owned company to manage the service thereafter.

Consultation

- 3.15 As part of the feasibility study, Arthur Andersen engaged in a period of local consultation about the type of services that local people would like to see as a part of the CIX, This process will be continued and further developed by the strategic partner at the beginning of the project.
- 3.16 The Elephant CIX Steering Group, taken from across the Elephant Links partnership has had a great deal of input into the tender process for the Strategic Partner.

CONCURRENT REPORT OF THE BOROUGH SOLICITOR & SECRETARY – LEGAL IMPLICATIONS

- 3.17 Section 2 of the Local Government Act 2000 enables local authorities to take steps for the economic, social or environmental well-being of their area or any part of it. Paragraphs 2, 3.6 and 3.7 of this Report explain the aims and objectives of this project and the impact which it is intended to have on the local community.
- 3.18 The Borough Solicitor & Secretary notes the content of this Report and confirms that legal advice has been sought by and provided to the Report Author in connection with this matter, both before and during the procurement process described in paragraph 3.4.
- 3.19 The tendering process leading to the selection of a strategic partner was subject to the application of the EU Procurement Regulations and the Council's Contract Standing Orders, and all of the relevant procedural requirements have been satisfied within the chronology of events listed in paragraph 3.4.
- 3.20 The Borough Solicitor & Secretary confirms that the use of the "negotiated procedure" under the EU Procurement Regulations was appropriate in this instance because of the fact that the contract specification/s could not be established with sufficient precision to award the contract by an open or restricted procedure.
- 3.21 The Report contains details of the measures which have been (and will continue to be) taken to ensure that proper consultation has been conducted in connection with the range of services which are to be made available under the project, in accordance with Best Value principles. The composition of the selection panel has enabled a broad range of expertise and interests to be represented and this has, in turn generated considerable strategic and technical input for the benefit of the procurement strategy.

- 3.22 Paragraph 3.4 confirms that the three tenders which were received following shortlisting were evaluated against certain specified criteria and on the basis of a scoring system which reflected the Council's requirements for the project. The Partnership Board and the LDA have subsequently approved the recommendation for award after having heard a presentation by the proposed consortium partner.
- 3.23 The Council's Contract Standing Orders state that no contract may be awarded unless the expenditure to be incurred has been included in approved estimates, or on capital or revenue accounts, or has otherwise been approved by, or on behalf of the Council. Paragraph 3.8 sets out the relevant resource implications of the proposed contract award.
- 3.24 The Council's Constitution which was agreed on 29th May 2002 provides under Article 13 that a decision taker may only make a Key Decision in accordance with the requirements of the Executive Procedure Rules and Access to Information Rules set out in Part 4, and the Protocol for Key Decisions set out in Part 5 of the Constitution. As the proposal contained in this Report is likely to have a significant impact on a local community in one or more wards, the award of the contract is a Key Decision under that Protocol. Rule 13 (Procedure before taking Key Decisions) provides that a Key Decision may not be taken unless the matter is on the Forward Plan. At least five days before the Decision, a copy of the Report must be sent to the Chair of the Overview and Scrutiny Committee and to the Constitutional Support Unit. The Decision must not be implemented until the publication and call-in requirements set out in the Constitution have been satisfied.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Tender Documentation	Elephant Links Project Team	Tony Moseley 0207 525 4903
Tender Submissions	Elephant Links Project Team	Tony Moseley 0207 525 4903
Evaluation Matrices	Elephant Links Project Team	Tony Moseley 0207 525 4903
SRB Project Proposal	Elephant Links Project Team	Tony Moseley 0207 525 4903
Previous Reports to the Elephant Links Partnership Board	Elephant Links Project Team	Tony Moseley 0207 525 4903

APPENDIX A

Audit Trail

Lead Officer	Paul Evans, Strategic Director of Regeneration	
Report Author	Tony Moseley	
Version	Final	
Dated	12.08.03	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	Yes	Yes
Chief Finance Officer	No	No
Regeneration IS Manager	Yes	Yes
Executive Member	No	No
Date final report sent to Constitutional Support Services	1 st September 2003	