

Report to	<b>Resources &amp; Performance Committee</b>
Date	<b>9 April 2013</b>
By	<b>Director of Planning</b>
Title of Report	<b>Scanning Managed Service Contract</b>
Purpose of Report	<b>To seek approval to tender for a managed service contract for the scanning, indexing and redacting of planning documentation</b>

---

**Recommendation: The Committee is recommended to;**

- 1) approve the tendering of a contract for scanning of planning documents, to run from October 2013 to September 2016.**
- 

**1. Introduction**

- 1.1 Planning applications and related documentation are received by the South Downs National Park Authority (SDNPA) and the eleven host local authorities which carry out development management on behalf of the SDNPA. This is mainly in paper format, although some electronic submissions are also received through the Planning Portal.
- 1.2 The hard copy documents received need to be scanned, indexed and redacted for personal information. Electronic submissions are captured, indexed and redacted before being uploaded to the SDNPA Idox Document Management System (DMS) for further processing and display on the web site, as the Statutory Planning Register.
- 1.3 Since 1 April 2012, this scanning work has been carried out by UK Planning, through a contract held by the Idox Group, which is also the vendor for the Uniform planning administration system. This contract expires in September 2013 and a new contract will need to be put in place.

**2. Background**

- 2.1 The current contract is based on a fixed fee per planning application file, for scanning, indexing, redacting and uploading to the DMS. In general terms, this provides a basis for cost control. However, as further planning modules (such as enforcement, pre-application enquiries, appeals and the discharge of conditions) are introduced, these additional files also need to be treated the same way, thereby adding to overall cost.
- 2.2 In addition, any documents for scanning that are not correctly identified and 'tagged' to the application can have an allocation of their own, also adding to cost as, in effect, they are a separate stand alone file. This also has adverse impacts for members of the public trying to find information.
- 2.3 As an on-going service of the value anticipated over a three year period, the procurement will be governed by the Public Procurement Rules and the tendering opportunity will require to be advertised in the Official Journal of the European Union (OJEU).
- 2.4 A Prior Information Notice (PIN) has already been despatched to OJEU and was published on the 21 February 2013. As well as giving some indication of the level of interest in the market place, the issue of the PIN also allows the tendering timescales to be reduced. In this case, there has been a significant response from interested companies.

### **3. The Service Specification**

- 3.1 The current contract operates on the basis of a fixed payment for each planning file processed. While this is relatively easy to monitor, there is a need to ensure documents are correctly 'tagged' so that the public can easily identify the documents.
- 3.2 The proposed contract is for a managed service, where within broad parameters, in terms of planning application and other work material volumes, the service will be delivered for a fixed annual cost. The tender will contain provision for joint working between the National Park Authority, partner host authorities and the contractor, so as to obtain transactional efficiencies over the term of the contract, with the benefits being shared.

### **4. The Tender Process**

- 4.1 The restricted process is often used in procurements carried out through OJEU. This is a two stage process in which the issue of the tender documents is preceded by a Pre-Qualification Questionnaire (PQQ). The PQQ will often state a maximum number of companies that will be taken forward to the tender stage and the returned questionnaires will be judged on the basis of their capability to go forward to the tender stage, using what are known as the "selection criteria." While the restricted process is effective in reducing the number of tenders for evaluation, this route to procurement does add about six weeks to the length of the process.
- 4.2 The intention for the Scanning Managed Service tender is to use a single stage procurement, using the "open process" where all interested bidders can submit a tender. The evaluation, however, will be carried out in two stages, with only those who pass the selection stage, having their tenders progress to evaluation on price and quality. The selection criteria will be clearly defined and include the requirement for the bidder to be able to demonstrate having provided similar services for other planning authorities within the last three years. This should prevent those companies that are not capable of carrying out the contract from submitting speculative tenders and should result in a manageable number of tenders being evaluated at the second or "award" stage.

### **5 Connection to Idox Uniform System**

- 5.1 One particular requirement of the tender will be that the successful bidder will need to be able to upload the scanned documents from their document management system to the SDNPA Idox Uniform system. This link will be enabled by Idox and a cost will be charged for this. This cost will be set individually by Idox for each connection.
- 5.2 In order to present a level playing field and to mitigate against the potential risk that this presents (as Idox may well be bidders for this contract), the tender will require such costs to be obtained and included for budget purposes. However, it will be made clear that this will not form any part of the cost evaluation as otherwise, there could be an opportunity for Idox to distort the price in their own favour, by quoting high connection prices to any other companies which are bidding.

### **6. Resources**

- 6.1 The 2013/14 revenue budget includes £64,000 for the scanning of all 4,000 or so planning applications that are submitted in the National Park. However, it does not include any provision for the additional cost of scanning other material that has been or will be introduced in the future. This includes enforcement cases, pre-application enquiries, appeals and applications to discharge conditions. Recent analysis has shown that this increased volume of work will be higher and the additional cost could result in a budget pressure, both during 2013/14 and for future years. As this is essential expenditure, underspends or savings will need to be identified as a priority during 2013/14 to cover any overspending from this increased workload. This will be achieved through the monthly budget monitoring that is regularly undertaken and once known, any future costs of the contract will be included in the 2014/15 Budget Strategy.
- 6.2 Once the new contract is implemented, it is envisaged that the new managed service will have no other direct resource requirements for the SDNPA than apply to the existing service. At present, all paper documents received by SDNPA and all the Host Authorities

are bundled up and labelled and are then sent via DX post to the existing service provider for scanning, indexing, redacting and uploading to the DMS. This process would continue.

- 6.3 During the pilot period (scheduled for July and August 2013), there will be a need to test the new service by sending test applications to the new provider and testing the resulting service, so as to ensure that it is operating effectively. This testing will be carried out by our own SDNPA planning administration team, with assistance from the four largest host authorities. This help with testing by our four largest host authorities has been discussed and agreed at recent officer group meetings. Therefore, there will be no additional resource implications.
- 6.4 The storage and management of the scanned data will continue to be handled by the hosted IDox DMS system. The cost of licences and implementing a connection to the IDOX DMS will be included by the contractor in the pricing schedule.
- 6.5 Some project management of the testing and go live of the new service may also be required to ensure that the new service provision switches smoothly from the old to the new service by 2 September 2013, when the existing contract runs out. Some resources may be needed to help provide this project management, but until the tendering exercise has been completed, these cannot be clarified and the use of existing internal resources will be considered first.

## **7 Risk management**

- 7.1 A number of potential risks with this project have been identified and these, along with the relevant mitigation for each one, are set out in the table below:-

<b>Risk</b>	<b>Mitigation</b>
The ITT documents are not ready for issue by 10 April 2013.	The ITT document has already been prepared by the project team.
The new service provider has not been selected in good time to allow 'Pilot' testing before go live on 2 September 2013.	The Project team has already agreed and reserved dates for the evaluation of responses. There is a clear and agreed timetable to work to.
The new service selected is not 'fit for purpose'	Following OJEU rules, interviews and demonstrations of the proposed new services will be carried out by the project team
Testing of the new service is not carried out in time before go live on 2 September 2013	The requirement for testing by the four Host Authorities during July and August has been agreed at Officer Group meetings. Project Management of the ITT and testing will be carried out as part of the IDox implementation.
Technical requirements are not met.	Service providers selected from the evaluation of ITT responses will be required to demonstrate their proposed solution, from receipt of paper documents to upload of the scanned, indexed and redacted images in the test DMS system.
Insufficient resources are available to meet the cost of the expanded scanning service.	There is current budget provision of £64,000 a year for scanning planning documentation. Any additional cost identified and agreed as part of the tender process will need to be identified from underspends and savings achieved in 2013/14 (through monthly budget monitoring) and then built into future budget strategies from 2014/15 onwards.
Tenders are evaluated on a fair level playing field basis.	The additional costs of linking scanned documentation to the UNIFORM DMS will be identified, but will not form part of the financial evaluation of tenders.

## 8. Human Rights, Equalities, Health and Safety

There are no direct implications arising from this report but the early scanning and publication of documentation will help to provide a more open and transparent planning service.

## 9. External Consultees

None

### **TIM SLANEY**

#### **Director of Planning Services**

Contact Officer: Alan Brough or Vicky Lyndon

Tel: 01730 811742

email: [alan.brough@southdowns.gov.uk](mailto:alan.brough@southdowns.gov.uk) or [vicky.lyndon@southdowns.gov.uk](mailto:vicky.lyndon@southdowns.gov.uk)

Appendices None

SDNPA Consultees Chief Executive Officer, Director of Planning, Director of Corporate Services, Director of Strategy and Partnerships, Director of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer, and Legal Services

Background Documents None