



Belfast City Council

Report to:	Health and Environmental Services Committee
Subject:	Alleygating – Technical Specification and Procurement Approach
Date:	1 st August 2012
Reporting Officer:	Siobhan Toland, Head of Environmental Health, ext. 3281
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1.0	Relevant Background Information
1.1	Members are aware that the Council agreed earlier in the year to make £700,000 available under the current capital programme to undertake a third phase of alleygating. As previously reported, demand for gates throughout the City far outweighs the funds available and, therefore, the Health and Environmental Services Committee, at its meeting in June 2011, agreed to apply the existing prioritisation criteria to this fund and, subsequently, identified 60 streets for gating; on an equal basis across the North, South, East and West of the City.
1.2	Subsequent to that decision, the Committee agreed, in December 2011, that a review of the current alleygates scheme should be undertaken in anticipation that additional resources might become available in the future. This review was intended to inform the development of clear and measurable outcomes that would in turn help identify locations for gates. The review was also intended to ensure future schemes are aligned with the principles of the Investment Programme (e.g. deliverable, feasible, sustainable etc) and also create better opportunities for local companies to compete for future tenders.
1.3	Consultation with Members to inform the review commenced in May, 2012 and it has become clear that Members are keen to ensure the review also considers whether the current gate specification remains appropriate as some have expressed concern about the cost of gates. Members should be aware that the current contract for the supply and fit of gates will expire in December 2012. Given the value of the contract, future tenders will be required to go to European Journal and thus a timescale of 3-4 months would be required to advertise, assess and award the contract.
1.4	A further report on the outcomes of the wider review will be brought to Committee in the Autumn. However, given the need to ensure contracts are in place by January, 2013 it was felt that a report on the following issues should be brought forward for consideration: <ol style="list-style-type: none"> 1. Contract structure options 2. Gate specification options

2.0	Key Issues
	<p data-bbox="244 293 469 327"><u>PROCUREMENT</u></p> <p data-bbox="161 327 1463 454">2.1 The current scheme utilises a combined supply and fit contract (i.e. a single contractor is responsible for sourcing and installing the gates) that expires in December 2012. A new contract is therefore required to support the installation of gates under Phase III and Phase IV, if and when agreed.</p> <p data-bbox="161 488 1463 745">2.2 Given the commitment within the Investment Programme to create opportunities for local SMEs to compete for contracts, the Committee's view is sought on the best approach for the future procurement exercise. Please note that given the value of the contract we would be required to go to European Journal; however this would not preclude local companies from applying. PMU have also recommended that the contract should be awarded for a term of 3yrs with the option of extending by one more year. PMU have also recommended that the total value of the contract(s) should be for £1.5-£2.5million which provides sufficient flexibility to order and install more gates should additional resources be agreed.</p> <p data-bbox="161 779 1463 943">2.3 The following represent three options for how the contract could be structured. Members are asked to consider these options and make a recommendation to the SP&R Committee: A. Tender for a supply and fit contract B. Tender for separate supply and fit contracts C. Tender for a supply contract and four area-based installation contracts</p> <p data-bbox="244 1003 895 1037">OPTION A – Tender for a supply and fit contract</p> <p data-bbox="161 1037 1463 1133">2.3a This would be based on the existing contractual arrangement whereby a single company would be awarded the contract to source and install gates (as per agreed specification) as and when required.</p> <p data-bbox="244 1167 395 1200">Advantages</p> <ul data-bbox="288 1234 1390 1294" style="list-style-type: none"> ▪ More straightforward project management due to single contractor and thus greater assurance of meeting timescales and product performance. <p data-bbox="244 1328 432 1361">Disadvantages</p> <ul data-bbox="288 1395 1390 1552" style="list-style-type: none"> ▪ We are unaware of local companies who currently manufacture to the current specification (which is to a 'secure by Design' standard), but this would not preclude local companies from applying and subcontracting out manufacturing. However, Members may want to take this into consideration when considering the gate specification. <p data-bbox="244 1581 991 1615">Option B – Tender for separate supply and fit contracts</p> <p data-bbox="161 1615 1463 1671">2.3b This would mean two separate contracts; one for the manufacturing and supply of gates, the other for installation.</p> <p data-bbox="244 1704 395 1738">Advantages</p> <ul data-bbox="288 1760 1430 1821" style="list-style-type: none"> ▪ This would create greater opportunities for local companies to compete for the contract – in particular the installation contract. <p data-bbox="244 1850 432 1883">Disadvantages</p> <ul data-bbox="288 1906 1390 2029" style="list-style-type: none"> ▪ Project management would be more challenging with the need to coordinate two contractors ▪ The break in the supply chain could potentially have an impact on service delivery should problems arise e.g. delays in installation

2.3c	<p>Option C – Tender for a supply contract & four area-based installation contracts</p> <p>This would mean one contract for manufacturing and supply and up to four contracts for installation.</p> <p>Advantages</p> <ul style="list-style-type: none"> ▪ Would encourage local companies to apply; particularly for the installation contracts ▪ Could encourage local economic development and create local job opportunities <p>Disadvantages</p> <ul style="list-style-type: none"> ▪ Would be extremely complex to manage and could lead to difficulties due to break in supply chain and the need to liaise with multiple contractors. This may lead to inconsistent service delivery and would require additional manpower within the project team given the complexity of this arrangement.
2.4	<p>Recommendation</p> <p>Based on the above considerations it is recommended that Option B be explored further in conjunction with the Project Management Unit and brought to the SP&R committee for final approval. This approach would both provide greater opportunities for local companies to compete for contracts but allow for more effective and efficient project management. Members should also be aware that, through the e-sourcing portal and their ready established supplier network base, the Economic Initiatives Service has agreed to host a workshop for local suppliers prior to tendering. In line with the commitments of the Investment Programme it would be hoped that this should stimulate the local market.</p>
2.5	<p><u>GATE SPECIFICATION</u></p> <p>In order to inform discussion concerning the future specification of alleygates the Project Management Unit and Community Safety team have reviewed a number of gating schemes across the UK (<i>please see Appendix 1 for more detail</i>).</p> <p>The following represents the preliminary findings of this work. There are 3 options presented for consideration:</p> <ol style="list-style-type: none"> 1. Maintain current specification (i.e. to a 'secure by Design' standard) 2. Maintain some of the current standards, in particular the lock system, as a minimum standard allowing other manufacturers to submit proposals that can be tested against 'Secure by Design' standards 3. Procure a revised and lessened gate specification
2.5a	<p>OPTION 1 – Maintain current specification</p> <p>The current gates (<i>see Appendix 2</i>) are manufactured by Expamet in England and purchased by Ridgeway (in NI) and subsequently installed by Totalis. Expamet Alleygates have recently gained 'Police Preferred Specification' status through the Secured By Design police initiative. The product went through rigorous testing by the Loss Prevention Certification Board and features include:</p> <ul style="list-style-type: none"> ▪ Roll bars at top and mesh panelling in gates to limit ability to climb over gates ▪ Gate are made of galvanised steel with powder coating making them weather resistant and robust ▪ Vandal proof locking mechanism ▪ Free-standing support posts ensuring stability and no liability issues ▪ Available in a range of vehicle or pedestrian sizes and wheelchair accessible ▪ Master locking system i.e. keys are peculiar to specific gates, master and sub-master keys held by Council and Emergency services ensuring access at all times. Replacing locks therefore does not require re-distribution of keys.

	<p>Costs ¹ (<i>single leaf pedestrian gate</i>) Gate = £1,615 Installation = £ 404² Maintenance = £400³ Keys = £7.70 ea</p> <p>Advantages of maintaining current specification</p> <ol style="list-style-type: none"> 1. The current gates have been shown to be robust and effective. 2. Maintenance costs are low due to gate construction 3. The locking system allows for coordinated management of keys and hence greater security for residents and assured access for emergency services. Keys are registered and coded preventing duplicates from being made. 4. Current design provides for visibility and is pleasing aesthetically without compromising on security. <p>Disadvantages of maintaining current specification</p> <ol style="list-style-type: none"> 1. Perception that current gates are 'expensive' 2. Any change to the locking mechanism would require retrospective fitting of new locks to existing gates (estimated at £25,000) and re-distribution of keys to all householders (estimated costs of £70,000). These costs are not currently included in revenue estimates. 3. Local companies do not yet manufacture a product to this standard <p>OPTION 2 – Allow for submission of alternate product proposals (<i>which maintain current standards as a minimum</i>) that can be tested against 'Secure by Design' standards; and require use of existing locking mechanism</p> <p>2.5b This would entail outlining minimum standards of design but offering manufacturers the opportunity to submit alternative products. Products could then be tested against 'Secure by Design' standards and the standard of the product would be factored into assessment of the submissions. Suggested ratio of scoring of submissions would be in the region of 60/70% quality: 40/30% cost.</p> <p>Advantages</p> <ol style="list-style-type: none"> 1. The current gate standard has been shown to be robust and effective in its aim of preventing ASB and crime. This approach would place the burden on other manufacturers to prove that an alternative product would be similarly effective. 2. Locking mechanisms (a proprietary article owned by Expamet) would be sustained and thus mitigate against the implications outlined in Option 1 of changing the current system. 3. This approach might create opportunities for local and other companies to compete for both supply and installation contracts <p>Disadvantages</p> <ol style="list-style-type: none"> 1. Runs the risk that a new specification will not be as robust 2. There may be a time-delay whilst the specification is examined and tested by Council. Initial discussions indicate this process costs in the region of £12,000 (per product) and can take up to 12 months to be awarded with 'Secure by Design' Accreditation. 3. There may not in fact be any cost saving to Council 4. Local engineering companies have been notified of the future advertisement of this contract but as yet we are unaware if any have the capacity to tender for this contract. 5. Any change to the specification would require DRD approval – this could cause significant delay and runs the risk that approval may not be awarded. 6. Communities in receipt of the new gate specification may feel they have not been given equal standards of service
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¹ Please note that to aid comparison costs have been sought for pedestrian gates between 1.2-1.5mts

² Figures supplied by PMU based on average costs

³ Figures supplied by PMU based on 4 inspections per year; currently undertaken by BCC Facilities

OPTION 3 – Procure a revised and lessened gate specification	
2.5c	<p>This option would allow contractors to submit proposals for a lessened specification (<i>please see Appendix 1 for examples of schemes using a lesser specification and more detail on the pros and cons of this approach</i>)</p> <p>Advantages</p> <ol style="list-style-type: none"> 1. Potential reduction in costs of approx. £700-£900 per gate. Please note however it was difficult to draw direct cost comparison as some schemes were unable to accurately identify maintenance and installation costs. It is likely that a significantly reduced specification could have much greater ongoing maintenance/repair costs thus impacting upon any realised savings. 2. A reduced specification would create greater opportunities for SMEs to tender. <p>Disadvantages</p> <ol style="list-style-type: none"> 1. This approach carries a significant the risk that a new specification will not be shown to be as robust as current gates 2. There may be a time-delay whilst the specification is examined and tested 3. There may not in fact be any cost saving to Council in the longer term 4. Local engineering companies have been notified of the future advertisement of this contract but as yet we are unaware if any have the capacity to tender for this contract. 5. Any change to the specification would require DRD approval – this could cause significant delay and runs the risk that approval may not be awarded. <p><u>Recommendation</u></p> <p>2.6 Based on the above considerations, Option 1 is recommended i.e. maintain the current specification. In so doing, the Council would ensure that gates are robust and help achieve the objectives of reducing crime and antisocial behaviour. Maintenance costs are likely to remain low and this would also allow for a single, coordinated locking system across all gates and mitigate against criticism from communities were they to receive gates of a different specification from Phases I and II.</p> <p>Social and Community Benefit Clause</p> <p>2.7 On 4th July 2012 the Assembly passed the Local Government Best Value (exclusion of non-commercial considerations) Order (Northern Ireland) 2012. This gives councils an opportunity to incorporate social and community benefit clauses into contracts where appropriate. It remains unclear whether they can be used as part of the evaluation criteria. In discussions with Legal services this contract will be considered for the inclusion of such clauses.</p>

3.0	Resource Implications
3.1	If the above recommendations are accepted it is envisaged that there would be no additional costs above those already considered and included in revenue estimates

4.0	Equality Implications
4.1	An EQIA will be conducted subject to the Committee's decisions.

5.0	Recommendations
5.1	The Committee is requested to approve the recommendations set out above and recommend to the Strategic Policy and Resources Committee that the supply and fit of alleygates should be separately procured to facilitate the next phases of Alleygating (to the current specification). In addition, it is recommended that authority be granted to the Director of Property and Projects to exercise the authority delegated to him to award the contract to the most economically advantageous tender.

6.0	Decision Tracking
The Director will undertake to bring progress and performance reports to Committee as required. A further report on the recommendations of the wider review will also be brought before Committee by October, 2012.	

7.0	Key to Abbreviations
DRD – Department of Regional Development PMU – Project Management Unit SMEs – Small-Medium Enterprises	

8.0	Documents Attached
Appendix 1 – Summary findings from a review of alleygating schemes Appendix 2 – Current alleygates	