

Finance and Resources Committee

10.00am, Thursday 9 June 2016

Supply of Temporary Security Alarm Systems from 1 July 2016 – 31 March 2017

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| Item number | 7.8 |
| Report number | |
| Executive/routine | |
| Wards | All |

Executive summary

This report recommends that the Finance and Resource Committee approves an extension to the existing arrangement for the Supply and Maintenance of Temporary Security Alarm Systems to PID Systems Limited for a period of 9 months to the 31 March 2017.

Links

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| Coalition pledges | P28 , |
| Council outcomes | CO25 |
| Single Outcome Agreement | SO4 |

Supply of Temporary Security Alarm Systems

Recommendations

- 1.1 That the Committee:-
 - 1.1.1 Approves the Waiver of Contract Standing Orders to allow the incumbent contractor, PID Systems Ltd. to continue to supply and maintain Temporary Security Alarm Systems, for the period 1 July 2016 until 31 March 2017 to allow a tender exercise to be carried out and a contract awarded in March 2017.
 - 1.1.2 Approves a Direct Award to PID Systems Ltd if no suitable providers note interest in the contract opportunity to be advertised on Public Contract Scotland subject to Commercial and Procurement Services advising that this is compliant with procurement legislation.

Background

- 2.1 The existing arrangement is for the provision of temporary security systems at vacant and other properties, which is an ongoing requirement throughout the council estate. These are rented from the current incumbent, including maintenance with software and hardware upgrades, as and when required.
- 2.2 It is essential to maintain the security of the Council's properties in order that business-critical buildings and depots available to staff and the services provided by the Council can operate in a safe and secure environment. Vacant properties are required to maintain their value too, as an asset to the Council.
- 2.3 This service is currently being provided by PID Systems Ltd as there were no other suitable solutions on the market at the time and PID Systems was willing, at its own risk, to quickly develop a solution that met the Council's requirements, to counter lead thefts that were costing the Council significant sums of money. The provision of this service is currently out of contract and a waiver is in force until 30 June 2016. It was hoped that the new Scotland Excel Security Services and Equipment Framework would provide a quick and convenient route to contract, but unfortunately the lack of suitable suppliers on the framework of this specialist and bespoke type of equipment means that it is not an option to use this Equipment Framework. The Council now needs to advertise and check whether the market has in fact changed and whether there are any suitable

providers in the wider market in order to comply with the procurement regulations and establish whether we are getting best value for money.

- 2.4 The potential value of this contract over 4 years would be approximately £400,000 which is above the European advertising threshold and it is therefore proposed to advertise the opportunity using the Official Journal of the European Union (OJEU) using the Open Procedure. This will take at least 9 months and in order to allow sufficient time for the procurement process, the Waiver needs to be extended until the end of March 2017.
- 2.5 The corporate requirement for this service has been reviewed and this interim measure will meet all departments' requirements.
- 2.6 Failure to have these systems in place will put buildings at significant risk of metal theft from roofs or metal stripping from within vacant properties, creating considerable damage and incurring additional cost to the Council. On 22 February 2013, the Council published an article entitled "Edinburgh leads the fight against metal theft" which highlighted the lead taken by the City of Edinburgh Council in tackling a national problem. The thefts were creating additional repair costs to roofs on Communities & Families properties of circa £50K annually. This figure does not include repairs to the internal structure of the buildings or the disruption to services in schools and offices. The Royal High Primary School alone spent circa £20,000 for repairs after metal was stolen from the roof. Most recently, the vacant Silverlea Care Home required roof repairs due to metal theft until security measures were put in place.

Main report

- 3.1 PID Systems Ltd has made a substantial capital investment in the development of temporary intruder alarm systems which meet the needs of the Council providing a solution to the threat from metal theft and vandalism to vulnerable properties within the Council estate, but the requirement has never been formally put out to tender and has grown incrementally. The procurement of this service via the Open Procedure of the European Public Contracts regulations will regularise this arrangement.
- 3.2 The company has provided bespoke solutions for some of our iconic buildings and schools.
- 3.3 The key points to note regarding these systems is that the provision includes for the supply, installation and monitoring (providing live monitoring & control direct to the Security Services Control Room):
 - Permanently connected to networks to allow immediate arm/disarm and programme functions;
 - Battery powered with a minimum of 12 months battery life;

- Dual zone PIR detection – very important to reduce environmental false alarms;
 - Video verification of alarm activations;
 - Full night vision capability out to a minimum of 12 metres;
 - Armoured vandal resistant housings, including antennas;
 - Anti-tamper built in;
 - Remote unit health monitoring including battery states, signal strengths etc;
 - Built in timers for auto arm/disarm;
 - Remote control by both Security Services & PID for arm/disarm/programming;
 - Loud voice warning units integral with system for maximum on-site effectiveness in deterring intruders;
 - Modular system allows rapid integration of additional units for changing site requirements;
 - All servicing, maintenance, battery changing, repositioning of equipment as required, free of charge;
 - Linked permanently live to Security Services control room for immediate arm/disarm;
 - Individual secure passwords for operator access;
 - Web based audit function showing all system events;
 - Secure on-line storage of all system video clips and triggers;
 - Secure By Design accredited;
 - Equipment exceeds SSAIB specifications for wireless alarm systems;
 - SIA approved contractor;
 - UVDB Achilles approved;
 - Rapid reaction – same day/next day service; and
 - No minimum rental
- 3.4 The systems have demonstrated that they meet our security requirements as the reduction in thefts of metal from roofs and recyclable architecture has dropped significantly. A number of arrests and interrupted attempted thefts have also been recorded.
- 3.5 The new contract will deliver all of the above.

Measures of success

- 4.1 The Council achieves best value in the delivery of all temporary intruder systems providing protection to our buildings.

Financial Impact

- 5.1 The estimated Contract cost of this extension is £80,000.

Risk, policy, compliance and governance impact

6.1 The following risks have been identified as potential issues to the Council as to the successful delivery of the Contract:

| Risk | Mitigating Action |
|---|---|
| PID Systems Ltd business fails | <ul style="list-style-type: none">○ Alarm systems will continue to operate. |
| Power failure at Security Services Control Room | <ul style="list-style-type: none">○ Failover procedure is in place.○ Alternate location has been identified○ PID Systems Ltd will continue to monitor the alarms. |
| Challenge from a competitor | As the requirement will be advertised using the Open Procedure of the European Public Contracts Regulations within a short time frame the risk is considered to be low |

Equalities impact

7.1 There is no relationship to the public sector general equality duty to the matters described in this report and no direct equalities impact arising from this report.

Sustainability impact

8.1 PID Systems Ltd is able to demonstrate that they recognise the impact of their activities on the environment.

8.2 PID Systems Ltd is committed to:

- Continual improvement in its environmental performance.
- Preventing pollution.
- Compliance with all environmental legislation, regulations and codes of practice relevant to the industry sector in which it operates.
- Records environmental accidents and incidents and takes follow up action where necessary.

- 8.3 Working in partnership with the Council standard ISO14001 is maintained as far as is practical.

Consultation and engagement

- 9.1 The Security Services Manager and members of his staff have engaged with Commercial and Procurement Services throughout this procurement exercise.

Background reading/external references

None.

Hugh Dunn

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Links

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| Coalition pledges | P28 - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well-being of the city. |
| Council outcomes | CO25 - The Council has efficient and effective services that deliver on objectives. |
| Single Outcome Agreement | SO4 – Edinburgh’s communities are safer and have improved physical and social fabric. |
| Coalition pledges | |
| Appendices | |