

Report title

## Record Storage – Acceptance of Tender

Report to

London Fire Commissioner

Date

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Report by

Head of Information Management

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LFC-0071

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### Summary

This report seeks approval to accept a tender for the management and storage of Brigade records. The Brigade outsourced its records management and storage arrangements when it moved to the Union Street HQ; records storage was previously a service provided and managed in-house with a records centre in the Rear Block at the former Brigade HQ. The Brigade's contract for records management and storage is coming to an end and the London Fire Commissioner agreed (LFC-0008) in May 2018 to delegate the initiation of procurement action to the Director of Corporate Services. The Director subsequently initiated the re-tendering process.

### Recommendations

That the London Fire Commissioner (LFC) delegate authority to the Director of Corporate Services to accept the successful tender for the provision of record storage services from the supplier [The Document Warehouse<sup>1</sup>] and for the value set out in the confidential Appendix A to this report.

### Background

1. The London Fire Commissioner agreed in April 2018 to delegate initiation of procurement action for a replacement records storage contract (LFC-0008) to the Director of Corporate Services. The Director subsequently initiated the re-tendering process which has been carried out by staff from Technical and Commercial and ICT (Information Management) departments as an OJEU tendering process.
2. The Brigade outsourced its records storage arrangements when it moved to the Union Street HQ in September 2007.
3. The current records storage contract commenced in June 2011 and was for five years, expiring on 1 June 2016. The contract provided for two 12 month extensions; the former Contracts

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<sup>1</sup> TO BE REDACTED BEFORE PUBLICATION

Oversight Board agreed the use of the final extension year on 16 June 2017. The Document Warehouse are the incumbent supplier.

4. As advised in the April report, the OJEU tendering process would take the Brigade past the expiry date of the current contract and this was extended. A further extension was possible by joint agreement and this will simply cover the period during which tender action and any transfer of records takes place (from any older supplier to a new supplier).

#### Scope of the contract

5. The scope of the Brigade's records management and storage contract covers:
  - a. Secure storage of up to 18,000 boxes of paper records (although reducing over time).
  - b. Specialist storage facilities for, and to preserve, the LFB photographic archive.
  - c. Confidential material destruction service.
  - d. Retrieval of records and returns service with delivery twice a week.
  - e. Express retrieval/returns delivery service on request.
  - f. Supply archive boxes, tubes, and box labels.
  - g. Management reports to monitor the service.

#### Procurement action

6. As set out in report/decision LFC-0008, it was agreed that the best option was to undertake an OJEU tendering exercise. This was initiated on 10 May 2018 with a call for expressions of interest by 11 June 2018. A tendering exercise commenced on 22 June 2018 with tender receipt by 23 July 2018. Details of the companies responding to the pre-tender questionnaire, those invited to tender and the outcome of the tendering exercise is set out in the confidential appendices A and B.
7. As reported in April, there is an existing framework contract with a Greater London Authority (GLA) Group body covering the service the Brigade requires which would allow direct award. However, as outlined in April, an analysis showed that the costs to the Brigade were higher than the current supplier. A further analysis has been carried out now that new costs are apparent from the OJEU tender process and it is confirmed that the GLA Group body contract would still cost more than the proposed supplier following the OJEU tendering exercise.
8. As can be seen from the analysis in the confidential Appendix C, the GLA Group contract costs more per year, which would equate to a significant increase on the average annual spend.

#### Budget provision

9. There is provision in the agreed revenue budget to meet the expenditure for the new contract.

#### Finance comments

10. This report recommends the acceptance of the successful tender for the provision of storage services. The cost of this contract will be contained within the existing budget.

#### Workforce comments

11. No staff-side consultation is proposed on this report.

#### Legal comments

12. Section 5A of the Fire and Rescue Services Act 2004 gives the Commissioner the power to do anything which they consider appropriate incidental to their functional purposes. It also gives

the Commissioner a statutory power to do anything which they consider appropriate for purposes indirectly incidental to their functional purposes through any number of removes. The Commissioner therefore has the necessary statutory powers to undertake the activities proposed in this report. The procurement has been competitively tendered in accordance with the public contracts regulations.

#### Sustainability implications

13. There are no specific sustainability implications arising from this proposal.

#### Equalities implications

14. There are no specific equalities implications arising from the proposals in this report.

## **NOT FOR PUBLICATION**

### **Freedom of Information Act 2000: 43 Commercial interests**

(2) Information is exempt information if its disclosure under this Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

## **Appendix A**

### **Procurement, tender evaluation and outcomes**

1. An OJEU tendering exercise has been initiated on 10 May 2018 with a selection questionnaire and 14 companies responded. After evaluation and analysis (as set out in Appendix B), eight companies were invited to tender.
2. Tenders were to be received by 23 July 2018 and seven companies responded. One company failed to meet the mandatory requirements of the specification so were excluded from the tender evaluation exercise. Another withdrew from the tender process before the evaluations took place.
3. The Document Warehouse (TDW) came out on top in the tender evaluation exercise as summarised in appendix B.

### **Budget provision**

4. Over a five year contract term this would be a total estimated value of £192,500. If two one year extensions (as provided in contract) were utilised (i.e. seven years in total) the estimated value would be £269,500).
5. There is provision in the agreed revenue budget to meet this expenditure.

## Tenderer selection

1. The scores for each company responding to the OJEU questionnaire is set out in the table below with companies in bold invited to tender).

Company	Evaluation score
<b>The Document Warehouse (TDW)</b>	300.00
<b>MISL</b>	300.00
<b>Data Space</b>	300.00
<b>Iron Mountain</b>	300.00
<b>Restore</b>	292.50
<b>MJF Business Services</b>	288.75
<b>Stor A File</b>	281.25
<b>Crown</b>	273.75
Stockroom Archive Management	266.25
TerraQuest	262.50
Blutex	260.00
Saracen	256.25
Box-it	172.50
Archive Warehouse	88.75

## Tender returns

2. Eight companies were invited to tender, and six companies responded to the tender. One company failed to meet the mandatory requirements of the specification (Data Space) and was, therefore, excluded from the evaluation. One company withdrew from the tender before the evaluation (Iron Mountain), and one did not submit a response (MISL).

## Tender scoring outcomes

3. The scoring outcomes for the five tenders evaluated are as set out in the table below and The Document Warehouse scored highest in the evaluation and are recommended to be appointed.

	<b>The Document Warehouse</b>	<b>Store-a-file</b>	<b>Crown</b>	<b>MJF Business Services</b>	<b>Restore</b>
<b>Price</b>	1.37	1.22	1.20	1.26	1.41
<b>Quality</b>	2.00	1.60	2.00	2.00	1.70
<b>Total</b>	<b>3.37</b>	<b>2.82</b>	<b>3.20</b>	<b>3.26</b>	<b>3.11</b>

## Freedom of Information Act 2000: 43 Commercial interests

## Appendix C

From the analysis below, the GLA group contract is approximately £3.1k more per year, which although not a large sum in monetary terms, it would equate to just over nine per cent increase on the average annual spend, which is significant. The LFC/Board were also advised in April that GLA group contract was also awarded to a supplier previously used by the Brigade and there were some performance issues with the contractor at the point of handover of records when the contract ended.

LFB SCHEDULE OF PRICES 2017		Unit Cost		Volumes per Annum	Annual Costs		Notes
Box Storage costs per item per Month.	Document Warehouse	GLA Deepstore Price	Actuals @ Aug 18	Document Warehouse Price	GLA Deepstore Price		
Standard Box/Small (L 410mm x W 330mm x D 270mm in size)	£ 0.10	£ 0.11	17652	£ 21,182.40	£ 23,300.64	TfL A3 Box [425mm x 333mm x 255mm] no comparison available, so used DW pricing no comparison available no comparison available, so used DW pricing no comparison available	
Large Box (L 490mm x W 360mm x D 250mm in size)	£ 0.16	£ 0.12	1046	£ 2,008.32	£ 1,506.24		
Tube	£ 0.13		3	£ 4.68	£ 4.68		
Pallet 1320mm x 1320mm	£ 2.50		0	£ -	£ -		
Secure vault (410mm x 330mm x 270mm in size)	£ 0.19		273	£ 622.44	£ 622.44		
Secure vault (490mm x 360mm x 250mm in size)	£ 0.21		0	£ -	£ -		
Table 2: Collection / Delivery including all Handling Charges (per box or file, if retrieval at file level is available).							
Next Day delivery/collection	£ 15.00	£ 12.50	7	£ 105.00	£ 87.50	Standard van journey (within Greater London)	
Scheduled delivery twice weekly	£ 15.00	£ 12.50	94	£ 1,410.00	£ 1,175.00	Standard van journey (deliveries to locations outside Greater London, e.g. Kent or Woking)	
Express delivery (within 3 hours of request) before mid-day, (twice monthly)	£ 65.00	£ 135.00	25	£ 1,625.00	£ 3,375.00	Urgent van journey (4 hrs)	
Box re-packing fee	£ 1.00	£ 1.00	0	£ -	£ -	TfL A3 -425mm x 333mm x 255mm ('a3 boxes'), (please identify how many if in pack)	
Receipt of new box	£ 0.88	£ 0.40	491	£ 432.08	£ 196.40		
Standard retrieval from Store per box	£ 0.80	£ 0.60	830	£ 664.00	£ 498.00		
Express retrieval from Store per box	£ 1.95	£ 0.60	25	£ 48.75	£ 15.00		
Return of box to Store	£ 0.80	£ 0.60	855	£ 684.00	£ 513.00		
Table 3: Destruction charges (per item).							
Standard box (410mm x 330mm x 270mm in size)	£ 1.55	£ 1.85	2400	£ 3,600.00	£ 4,440.00	Secure, certified destruction per box (no differentiation between standard / large)	
Large box: (L 490mm x W 360mm x D 250mm in size)	£ 1.83	£ 1.85	0	£ -	£ -	Secure, certified destruction per box (no differentiation between standard / large)	
Certificate of destruction	£ 0.11	£ 2.90	20	£ 2.20	£ 58.00	Secure, certified destruction (by sack) per sack	
Table 5: Permanent withdrawal (per item).							
Standard box: (410mm x 330mm x 270mm in size)	£ 2.10	£ 0.60	0	£ -	£ -	Permanent withdrawal per carton (box) - no differentiation on size of box	
Large box: (490mm x 360mm x 250mm in size)	£ 2.10	£ 0.60	0	£ -	£ -	Permanent withdrawal per carton (box) - no differentiation on size of box	
Tube	£ 1.10		0	£ -	£ -	no comparison available	
Please note that additional fees will be charged for Pallets and Packaging Material as used for Permanent Withdrawal							

Table 6: Supply of new boxes (per box).								
Small box 100-500	£	2.00	£	1.05	0	Tfl A4 - 378mm x 276mm x 227mm ('c2 boxes'), (please identify how many if in pack) - <b>no like for like comparison in terms of size</b> Tfl A3 - 425mm x 333mm x 255mm ('a3 boxes'), (please identify how many if in pack)- <b>no like for like comparison in terms of size</b>		
Standard box 100-500	£	2.25	£	1.60	400			
Can a bulk order be placed for, say 1000 items, and stored with the contractor and called off in smaller quantities as required, without charge?	YES							
Inward Charges per box			£	2.00		DeepStore will not make a charge for transportation or handling costs for the box transfer, but will re-imburse the Authority for £2.00 per box for the Exit costs that they will incur when exiting their current suppliers		
Exit Charges	£	2.90						
Est. Annual Charge based on 2016/17 volumes				£	33,288.87	£	36,431.90	The commercial comparison between the incumbent provider and the GLA shows an annual (approx) saving of just over <b>£3.1k</b> . These savings are based on volumes for period 2017/18. Apart from the commercial benefit there is also an advantage in the service offering, such as the size of boxes and additional services, please refer to the COB report.
Difference (saving) per Annum (DW vs GLA)				£	3,143.03			