

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">7 SEPTEMBER 2015</p>
<p align="center">OFF-SITE RECORDS STORAGE SERVICE CONTRACT EXTENSION</p>	
<p align="center">Report of the Cabinet Member for Finance : Councillor Max Schmid</p>	
<p>Open Report</p> <p>A separate report on the exempt Cabinet agenda provides exempt information in connection with the main report.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Wards Affected: "All"</p>	
<p>Accountable Executive Director: Nigel Pallace, Chief Executive</p>	
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1. EXECUTIVE SUMMARY

- 1.1. The Council proposes to extend the existing Off-site Records Storage Service (ORSS) contract for a further two years from the date it expires on 31 March 2016. The value of the contract varies according to the amount customers use it. The pricing schedule for the ORSS storage and movement of boxes remains unchanged since April 2011.

2. RECOMMENDATIONS

- 2.1. To approve extending the Off-site Records Storage Service (ORSS) contract for a one-year extension from 01 April 2016 to 31 March 2017.
- 2.2. To award the Director of Finance delegated powers to award a second one-year extension to 31 March 2018. The ORSS contract would then terminate on 31 March 2018.

- 2.3. The Council to start the re-procurement process on 1 June 2016 in order to finalise contract award and move the service to a new provider by the deadline of 31 March 2018.

3. REASONS FOR DECISION

- 3.1. The ORSS contract with Box-it has been in place since 1 April 2011. From that date, the Council oversaw a physical uplift to move the then 35,000 boxes from the previous supplier, Restore, based in Somerset, to the new supplier, Box-it, in Hampshire.
- 3.2. At the time of the uplift, 180 departmental sections used the ORSS.
- 3.3. In addition to the uplift, it was necessary to upload the indexes of these boxes into a central catalogue provided by Box-it. This task is unfinished and needs to be completed, or at least progressed more than it has to date.

4. INTRODUCTION AND BACKGROUND

- 4.1. The Council has an Offsite Records Storage Service (ORSS) for the storage of both hard-copy documents and artefacts. This service has been in existence since 1998.
- 4.2. The existing contract is for the storage of short and long term documents, and, to a lesser extent, items of a personal nature for children taken into care by the Council (e.g. heirlooms, letters and birthday cards/gifts from biological parents).
- 4.3. The current provider stores boxes in a secure environment in the Hampshire countryside. There is a tendency for companies offering this type of service to be based out of city environments, and in most instances in rural locations in unmarked buildings for reasons of security.
- 4.4. The Council has no internal facilities for the storage of paper documents and artefacts. Some of the archived material can be destroyed after a relatively short period of time, whilst other documents (e.g. adoption papers) must be stored in their original state for a minimum of 70 years. The retention periods for all the items are governed by the primary legislation for that service area (eg social care and planning legislation) and the Data Protection Act 1998, where relevant.
- 4.5. The initial contract was with Wansdyke who were subsequently taken over by Restore. When the contract came up for renewal in 2011, the current Framework agreement was established and tendered to Box-it. Box-it provides a central catalogue enabling the departmental sections to retain and access their information according to their statutory retention periods plus a "scan on demand" service.

- 4.6. The current service provider, Box-it, has provided a good service to date. Their performance is monitored quarterly and reviewed at the regular account meetings. The feedback from the users in the departmental sections is consistently positive.

5. PROPOSAL AND ISSUES

- 5.1. The Council has asked all departments to accelerate indexing to improve the quality of records management to ensure residents are well served and to meet Information Management objectives and decrease the risk of a fine from the ICO.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The alternative options are to either complete a full procurement exercise or join the new Westminster City Council Print framework agreement which includes an off-site storage service. To choose either of these alternative options would incur a further delay to completing the critical task to remedy the poor quality indexes and upload them onto the central catalogue. Also, to divert resources away from fixing the core issue into managing a procurement exercise or move to another provider next year would worsen the problems faced by the departmental sections.

7. CONSULTATION

- 7.1. All Council departments have been consulted via the H&F Business Board.

8. EQUALITY IMPLICATIONS

- 8.1. There are no equality implications.

9. LEGAL IMPLICATIONS

- 9.1. The contract for the provisions of an offsite records storage services with Box IT Ltd was tendered for an initial term of 5 years, with the option to extend for two further periods of 1 year each. It is therefore permissible for the term of the Contract to be extended as proposed in this report.
- 9.2. Implications verified/completed by: Cath Tempest Senior Solicitor (Contracts)

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. The extension of this contract will not lead to an increase in costs for the Council. It will enable the Council to complete outstanding indexing work that should help reduce costs in relation to future procurement for this contract.
- 10.2. It is expected that the costs of the procurement process starting in June 2016 will be met from existing budgets.
- 10.3. Implications completed by: (Gary Ironmonger, Corporate Finance Manager Tel x2109.

11. IMPLICATIONS FOR BUSINESS

- 11.1 There are no implications on businesses in the Borough.

12. RISK MANAGEMENT

- 12.1 Information management, digital continuity and market testing, achieving best value at lowest possible cost to the local taxpayer, are corporate risks, numbers 7 and 4 on the Shared Services risk register. Compliance with statutory duties, Freedom of Information, ability to recall data and Data Protection, ensuring a secure and resilient off-site storage facility are also key corporate risks, numbers 8 and 6 on the Shared Services risk register. Shared Corporate Services are responsible for the management of procurement risk and risks in this area are managed within the service. A risk register and framework for the management of risk exists in the service and are reviewed periodically. The recommendation ensures compliance with the local policy for Information Management, the Shared Services Information Management Strategy.
- 21.1 Implications completed by: Michael Sloniowski, Shared Services Risk Manager, telephone 020 8753 2587.

13. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 13.1 The current contract provides for contract extensions totalling 2 years, and as such there are no procurement related issues. The report recommends extending the contract on the basis that service delivery has improved since 2011 and that no additional charges or fees have been sought under the contract's provisions (e.g. annual uplift for inflation).

Implications verified/completed by: Alan Parry Procurement Consultant (TTS), telephone 020 8753 2581

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF APPENDICES (contained on the exempt part of the agenda):

Appendix 1 - Strategy to improve and digitise departmental indexes