

Report to the Chief Officer Highways and Transportation

Date: 06th March 2019

Subject: Approval to waive Contract Procedure Rules 9.1 and 9.2 and award a contract for the upgrade of the Leeds Flood Alleviation Scheme (LFAS) ClearSCADA system owned and operated by Leeds City Council

Are specific electoral wards affected? All wards adjacent to the River Aire within the Leeds City Council boundary.	<input type="checkbox"/> Yes
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> No

Summary of main issues

1. The Leeds Flood Alleviation Scheme (LFAS) has implemented two movable weir gates on the river Aire which are monitored via a computerised control system (ClearSCADA) supplied by Schneider Electric UK.
2. This computerised control system needs to be upgraded as the version of software in operation is no longer supported by Schneider.
3. The implementation of a mobile solution is required. This will enable a limited number of Duty Flood Risk Managers and Site Operatives to access information relating to the status and operation of the weirs from mobile devices.
4. A Support and Maintenance contract is required to ensure that the software is maintained at a supported level and that problems in the software can be rectified.
5. The ability to call on a limited amount of consultancy services from Schneider to ensure that the operation of the software is in line with changing operational practice is also required.

6. Schneider Electric UK are the sole suppliers of the ClearSCADA software, mobile application software and associated Support and Maintenance contracts.

Recommendations

1. Chief Officer Highways and Transportation is recommended to approve a waiver of Contract Procedure Rules (CPR's) 9.1 and 9.2 and award a contract for the upgrade of ClearSCADA (including mobile solution), the contract for Support and Maintenance and the contract for ongoing consultancy services in relation to the ClearSCADA software to Schneider Electric UK who are the sole suppliers of the software and associated Support and Maintenance contracts.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval from Chief Officer Highways and Transportation to waive CPR's 9.1 and 9.2 and award a contract to Schneider Electric UK for the upgrade of the computerised control system that manages the Leeds Flood Alleviation Scheme (LFAS) at Crown Point and Knostrop on the River Aire. The contract will also include the provision of access to the system via mobile device, ongoing Support and Maintenance and consultancy services and will be for a period of five (5) years from 1st March 2019 to 29th February 2024. The cost will be £94,263.

2. Background Information

- 2.1 LFAS has implemented two movable weir gates on the river Aire in order to protect Leeds City Centre from flooding, one at Knostrop and the other at Crown Point. This scheme is unique in the fact that this is the first time moveable weirs have been used for flood risk reduction purposes in the UK. The scheme entered live operation in December 2017.
- 2.2 The operation of the moveable weirs is currently achieved through the use of a number of different technical components that have been provided by individual suppliers in order to achieve an overall solution. One of the key technical components within LFAS is the Supervisory Control and Data Acquisition (SCADA) system, which is used to inform flood risk managers on the current status of the weirs and surrounding river environment as well as provide alarms when preset parameters are exceeded. This utilises a software package called ClearSCADA, which is developed and supported by Schneider Electric UK.
- 2.3 The ClearSCADA system has been operating effectively since LFAS went live in December 2017 but the software is now unsupported and is in need of an upgrade and an ongoing support and maintenance contract.
- 2.4 Schneider Electric UK have provided a proposal for the upgrade work which has been reviewed and approved by the Council's Digital and Information Service (DIS). The cost for the upgrade work will be £31,626.
- 2.5 Schneider Electric UK have provided a proposal for the inclusion of mobile device connectivity, currently a key aim of the LFAS improvement programme and an outcome of the strategic SCADA improvement work. This will enable a limited number of Duty Flood

Risk Managers and Site Operatives to access information relating to the status and operation of the weirs from mobile devices. The cost for this functionality is £7,137.

2.6 Schneider Electric UK have also provided a proposal for the ongoing Support and Maintenance and Consultancy Services which has been reviewed by both DIS and the Flood Risk Manager, both of which are happy with the solution suggested.. This contract will be renewable on an annual basis at a cost of £7,350 per year and will deliver

- Office Hours Customer Helpdesk and Telephone Support – with 15 minute call back response.
- Remote system access for correcting faults without onsite engineer visit.
- Onsite engineer visit, if required, although this will be chargeable to the Council at an hourly rate of £78.75. Please note that since the start of LFAS operations in December 2017, no engineer visit has been required in relation to the ClearSCADA software.
- Software license management and upgrades.
- Annual Council/Schneider service review meeting.

2.7 In addition the ability to call on a limited amount of consultancy services from Schneider to ensure that the operation of the software is in line with changing operational practice is also required. It is estimated that 5 days consultancy per year would be adequate, equating to a cost of £3,750 per year.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Upgrade of ClearSCADA	£31,626	-	-	-	-	£31,626
Mobile Solution	£7,137	-	-	-	-	£7,137
Annual Support and Maintenance	£7,350	£7,350	£7,350	£7,350	£7,350	£36,750
Consultancy Services	£3,750	£3,750	£3,750	£3,750	£3,750	£18,750
						£94,263

2.8 The total cost of the contract detailed in this report over a five year period is £94,263.

3. Main Issues

3.1 Reason for Contract Procedure Rules Waiver

3.1.1 Schneider Electric UK are the sole suppliers of the ClearSCADA system. As such no other company can provide the software upgrade required or a Support and Maintenance contract for the product.

3.2 Consequences if the proposed action is not approved

- 3.2.1 ClearSCADA would remain on an unsupported version. Whilst it is correct to say that the software has been stable for the last 12 months there is an increasing risk to the stability of the software as time progresses.
- 3.2.2 The software may become vulnerable as updates that fix bugs and ensure that system security is maintained will no longer be available.
- 3.2.3 If a problem did occur with the software that could not be fixed by DIS then no route would be available to the Council to seek further assistance. In the worst case, the system could stop functioning which would have a direct effect upon the operation, maintenance and management of LFAS.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 This decision is primarily related to the support of service provision within Flood Risk Management, so no formal consultation has been undertaken.
- 4.1.2 DIS Strategic Sourcing have also been consulted and support the proposed action to award a contract to Schneider Electric UK.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The enhancement of the LFAS is currently not applicable for an Equality, Diversity, Cohesion and Integration Screening / Impact assessment to be undertaken at this time. The enhancement will have no effect on the end users; therefore there will be no impact on any of the equality characteristics.

4.3 Council policies and City Priorities

- 4.3.1 The SCADA upgrade, maintenance and support is consistent with the aims contained within the ``Best Council Plan 2018/19-2020/21`` document. Maintaining the Clear SCADA package the proposed contract aligns with the ``Improving the city`s infrastructure and natural environment, including flood protection ``by helping to deliver a consistency of function to both the Knostrop and Crown Point weirs
- 4.3.2 The proposed use of Schneider Electric UK (and therefore the continued use of the SCADA system) aligns with the ``spending money wisely`` council value by support an existing rather than the design of a new system.

4.4 Resources and value for money

- 4.4.1 The award of a contract direct to Schneider Electric UK is considered to represent best use of Council funds. Carrying out a full procurement exercise to replace the existing SCADA solution with an alternative suppliers SCADA would be costly, time consuming and be highly disruptive to the operation of LFAS.
- 4.4.2 The Value for Money provided by Schneider Electric UK is judged to be good and cost is in line with that typically paid by the Council for upgrade work and Support and Maintenance contracts.

2018/19 ?
19/20 8

4.4.3 Provision has been made in the Leeds Flood Alleviation Operation and Maintenance revenue budget

It may be considered that funding is more appropriate to be aligned with the early stages of the LFAS 2 capital budget.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The report is a significant operational decision and is not subject to Call In. There are no grounds for treating the contents of this report as confidential with the Council's Access to Information Rules.

4.5.2 Awarding the contract directly to Schneider Electric UK in this way could leave the Council open to a potential claim from other providers to whom this contract could be of interest. In terms of transparency, it should be noted that it is a requirement of European case law that contracts of this value are subjected to a degree of advertising. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, the estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc.) and the geographical location of the place of performance.

4.5.3 This has been considered, and given the nature of the services provided, and the software's current deployment, only Schneider Electric UK can undertake the upgrade work and supply the Support and Maintenance contract.

4.5.4 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

4.5.5 Whilst making the decision, the Chief Officer (Highways and Transportation) should acknowledge the risks identified above.

4.6 Risk Management

4.6.1 Although there is no overriding legal obstacle preventing the waiver of CPR 9.1 and 9.2. In making their final decision, the Chief Officer (Highways and Transportation) should be satisfied that the course of action chosen represents Best Value for the council

5. Conclusions

5.1 Schneider Electric UK provide a core piece of the LFAS infrastructure.

5.2 This infrastructure needs upgrading to ensure ongoing operation of LFAS.

5.3 Schneider Electric UK are uniquely positioned to carry out the upgrade work in the fastest possible time with the minimum amount of risk to LFAS operation.

5.4 The most appropriate course of action for this particular software upgrade and ongoing Support and Maintenance contract would be to award the work to Schneider Electric UK.

6. Recommendations

6.1 Chief Officer (Highways and Transportation) is recommended to waive CPR's 9.1 and 9.2 and approve the award of a contract to Schneider Electric UK for the upgrade of the computerised control system that operates the Leeds Flood Alleviation Scheme (LFAS) at Crown Point and Knotrop on the River Aire and enter into a Support and Maintenance contract for the software with Consultancy Services for a period of 5 years. The contract will run from 1st March 2019 to 29th February 2024, the cost will be £94,263.

7. Background documents

7.1 None