

## CABINET

17 February 2020

<b>Title:</b> Contract for Provision of SIA Security and Ancillary Services	
<b>Report of the Cabinet Member for Enforcement and Community Safety</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> No
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<b>Accountable Director:</b> Andy Opie, Operational Director, Enforcement	
<b>Accountable Strategic Leadership Director:</b> Fiona Taylor, Director of Law and Governance	
<b>Summary:</b>  This report presents proposals to retender the Council's SIA Security and Ancillary Services contract.  The main security requirements include the following: <ul style="list-style-type: none"><li>• Concierge officer guarding at corporate sites,</li><li>• Door supervisor security at hostels and any other adhoc assignments such as Events including democratic services.</li><li>• Customer service attendant security at public sites such as libraries, security at Council offices including Roycraft and Town Hall for YOS and children's services,</li><li>• Locking and unlocking of public sites including parks and cemeteries</li><li>• Dog handling where required including areas of regeneration where building are decommissioned and awaiting demolition, key holding for Council assets, schools and the Events team.</li><li>• Allowing access to electrical intake and lift access at Council owned housing blocks and other vacant sites.</li><li>• Mobile response officers to assist in the security of the borough 24 hours including lone worker back up to careline staff when they are responding to service user requests, and responding to intruder, fire and panic alarms at all Council buildings and schools. Where requested response officers will be tasked to attend Council sites and undertake CCTV downloads as directed by the CCTV Control room.</li><li>• Provision of CCTV public space and surveillance and monitoring service operators to add resilience to the Councils 24-hour CCTV control room.</li></ul> The current contract expires in June 2020 and there are no options to extend. Therefore, it is proposed to use the Open procedure for this procurement in accordance with the Public Contracts Regulations 2015. The reason for this approach is to drive competition with a view to securing a value for money service provision and to also encourage bidders from within the Borough, which assists with the Council's Social Value outline.	

## **Recommendation(s)**

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a contract for SIA Security and Ancillary Services in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Operational Director of Enforcement, in consultation with the Cabinet Member for Enforcement and Community Safety, the Director of Law and Governance and the Chief Operating Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder including any period of extension.

## **Reason(s)**

The Council requires a contractor to deliver SIA security services across Barking and Dagenham to assist in the Council priority of a Well-Run Organisation and its Corporate Objective of reducing crime and fear and to reduce the risk of financial outlay due to prevention of damage to Council owned property either inhabited or void.

## **1. Introduction and Background**

- 1.1 The current security contract which is delivered by Manpower expires 16 June 2020. The current security contract is managed and monitored by Enforcement Services. The processes in place to monitor and manage the current contract include monthly requests for service user feedback, random site checks, daily checks of officer's paperwork, complaint tracking and monthly operational meetings to which service users are invited to discuss issues directly with the contractor contract monitoring issues. Furthermore, the service monitors the contractors' compliance with Security Industry Authority licensing requirements, staff training and development, equalities and diversity, insurances and health and safety. It is proposed that although the contract may vary the way in which security is delivered that these monitoring processing will remain in place for the new contract.
- 1.2 All provisions to extend this contract have been exhausted.
- 1.3 There is a requirement to deliver a range of security services across Barking and Dagenham.
- 1.4 These requirements include but are not exhaustive of:
  - Reduce the opportunity for theft and damage to Council Assets
  - To provide reassurance to residents, staff and visitors to Barking and Dagenham
  - Reduce the risk of financial outlay to the Council due to theft and damage
  - Reduce the risk of reputational damage to the Council due to theft, damage and violent behaviour at Council Offices and assets.
  - To provide security including locking and unlocking at Council sites such as parks and cemeteries.
  - To provide key holding and allowing access to key areas at Council properties for the benefit of Council tenants

- To provide security for vulnerable Council residents at hostels and sheltered sites.
- To provide security of Council staff while dealing with complex cases at corporate sites such as YOS and Children's services.
- Events Security
- The current contract expires on 16 June 2020

## **2. Proposed Procurement Strategy**

### **2.1 Outline specification of the works, goods or services being procured**

2.1.1 The new contract will require SIA licensed personnel to be supplied at multiple sites which include:

- Concierge Offices
- Hostels
- Barking Learning Centre
- Dagenham Library
- Housing Advice Centre
- Schools
- Roycraft House joint YOS and children's services reception
- Roycraft House main staff reception
- London Road multi story Car park
- Various short-term security requirements such as event security, at building sites and vacant properties.

2.1.2 The contractor will also supply a 24 hour a day, 365 days a year mobile security response service which will provide varied security duties as required by the Council. These duties will include:

- Response to intruder and fire alarms at over 150 sites across the borough including schools, libraries, children's centers and pavilions
- Park and Cemetery locking and unlocking
- Health and safety checks on vacant Council buildings and land
- Out of hours emergency lift and plant access for engineers
- Incident response support for security personnel at regular sites
- Assist in dealing with Anti-Social Behaviour across the borough including acting as professional witnesses to assist the Council in gathering evidence where required

### **2.2 Estimated Contract Value, including the value of any uplift or extension period**

2.2.1 The contract value is estimated at £1.5m per annum. The total contract sum including any periods of extension is estimated to be £7.5m over 5 years.

2.2.2 The current security contract total for the last 4 years and 7 months is £6,807,569.72. By the end of the contract in June 2020 it is estimated that costs would exceed £7m, which would equate to approx. £1.4m per annum. When payments to a secondary security company to bolster security at certain sites since February 2019 of £75,000 is taken into account, this highlights the increase in the use and demand for this service. It further demonstrates the estimate value of the security contract being £1.5m per annum.

The current security Administration Charge total for the last 4 years and 7 months is £1,012,774.35. This is the management administration fee which is charged at £1.50 per hour per officer including the mobile response officer and is in addition to the below figures.

<b>Dates</b>	<b>Hours</b>	<b>Totals</b>
2019-20	91765	£1,065,329.55
2018-19	121,090.25	£1,361,626.04
2017-18	109,920.00	£1,199,632.14
2016-17	100,212.50,	£1,021,180.48
2015-16	112,254.65	£1,147,027.16
	<b>897,632</b>	<b>£6,807,569.72</b>

### **2.3 Duration of the contract, including any options for extension**

2.3.1 The proposed duration is 3 years plus the option of 2 1-year extensions depending on performance and key performance indicators.

### **2.4 Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 Yes, the contract is subject to (EU) Public Contracts Regulations 2015

### **2.5 Recommended procurement procedure and reasons for the recommendation**

2.5.1 It is proposed to use the Open procedure for this procurement in accordance with the Public Contracts Regulations 2015. The reason for this approach is to drive competition with a view to achieving a value for money service provision, but to also allow bidders from within the Borough, which assists with the Council's Social Value outline. The opportunity will be advertised on the Council website, OJEU, Contracts Finder and an advertisement placed in local papers

### **2.6 The contract delivery methodology and documentation to be adopted**

2.6.1 The Councils standard terms and conditions for services will be used with this procurement

### **2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract**

2.7.1 The main outcomes are as follows:

- Fixed costs/ fixed hourly rates for the duration of the contract to enable effective budgeting.

- We commission this service via the contract which is supported by our partners such as My Place and Community Solutions.
- Existing agreements in place are to supply security to hostels, libraries, corporate sites and YOS with agreed SLAs.
- Security service is recharged to recoup all costs and we charge a further £1.50 per hour to cover administration costs. Therefore, there is no extra finance needed from Council budgets and this also pays for the Security Contract Administrator role.
- Work that is over and above the commissioned value is charged for at a pre agreed rate.
- To ensure suitably qualified staff are deployed at all times in varying locations and capacities.

## **2.8 Criteria against which the tenderers are to be selected and contract is to be awarded**

- 2.8.1 The proposed evaluation criteria would be 60% Quality and 40% Price; Given the nature of the contract providing security to protect Staff, service users and residents we feel that quality should be more favourable than price.
- 2.8.2 During the lifetime of the current contract we have had numerous incidents including youth violence and assaults on staff which has highlighted the need for increased skills and experience to deal with these serious incidents. This has meant we have had to use another security company at a higher cost to be able to effectively ensure the security of staff and residents at key locations such as Barking Learning Centre and Dagenham Heathway library following serious incidents of youth violence and violent behaviour towards our staff.
- 2.8.3 The feedback we have received from our commissioning partners is that the skill set, and experience of any supplied security staff needs to be more comprehensive to be able to prevent issues particularly where violence is involved.
- 2.8.4 This is not to say that there has not been a good service overall but that the demand at the sites dealing with more complex service users is for officers with a more varied and increased skill set, training and experience to deal with escalating incidents that could lead to violence against vulnerable service users and staff.
- 2.8.5 We have a duty of care to ensure that staff, residents and service users feel safe, have confidence in the security we provide and feel comfortable working at Council sites and accessing our services; this is why we feel it is imperative to be able to challenge and review other elements of the provider that may not be evident on cost basis alone.

## **2.9 How the procurement will address and implement the Council's Social Value policies**

- 2.9.1 This will contribute to the Council's Public Services (Social Value) Act 2012 by improving and maintaining the safety of residents, visitors and staff through the

protection of and detection of crime; working closely with our surveillance team and control room to be a rapid response to intruder, fire and criminal damage reports and alarms. Following reports of anti-social behaviour the contracted service would assist the Council in assessing any public spaces/ Council asset where anti-social behaviour is occurring and act as professional witnesses where anti-social behaviour/ crime is reported. This partnership working will enable the Council to take the correct stringent legal action against any perpetrators of anti-social behaviour.

2.9.2 Further to this it will also be part of the contract that the successful company agrees to attend job fairs and local job shops providing assistance for job seekers by supplying interviewing practice, CV advice, job application assistance and will be encouraged to source any new staff from the local area. The successful company will also be expected to visit local schools promoting careers in the security industry with relevant advice and look to take on apprentices from the local area. There is also scope for the successful supplier to sponsor local events.

## 2.10 **Contract Management methodology to be adopted**

2.10.1 It is proposed to meet with the supplier bi-weekly through implementation, with a view to moving to monthly for the duration of the contract. There will be Key Performance Indicators to monitor performance such as attendance times, frequency of patrols, times gates are locked/ unlocked, and times taken to respond. We will also be sending out customer feedback to our commissioning partners on a monthly basis to further monitor performance and customer satisfaction. There will be agreed penalties for failure to deliver a satisfactory service.

## 3. **Options Appraisal**

3.1 The following options have been considered and rejected:

- Do Nothing: this option has been rejected as to do nothing would contravene EU and UK Legislation, and would also be non-compliant with the Councils Contract Rules
- Open Framework, this option has been rejected, at the time of this report it was not clear if a framework could provide the wide-ranging service requirements of the Council, they could in part through the ESPO framework number 347 – Security Services

## 4. **Waiver**

4.1 Not Applicable

## 5. **Consultation**

5.1 All service users to be consulted on their future security requirements, working group is in the process of being arranged.

5.2 The proposals in this report were considered and endorsed by the Procurement Board on 16 December 2019.

## **6. Corporate Procurement**

Implications completed by: Euan Beales, Head of Procurement

- 6.1 The proposed route to market is the open process, which satisfies the requirements as set out in the Councils Contract Rules and under PSR 2015.
- 6.2 It is noted that the scope of the services has been widened to include Events Security. This should drive additional volumes and enable a value for money service to be procured.
- 6.3 Based on the detail contained within this report, the process and criteria are acceptable.

## **7. Financial Implications**

Implications completed by: Sandra Pillinger Group Accountant

- 7.1 Cabinet is requested to re-procure the Security and Ancillary Services contract with an intended start date of June 2020. The estimated contract value is £1.5m pa for 5 years. The evaluation criteria will be weighted 60% Quality, and 40% Price.
- 7.2 The contract will be managed by the Enforcement and Community Safety service and will be funded through internal recharges to those council services who commission security services. This recharging process is currently in operation for the current provider – Manpower. An administration fee will be applicable. The budget for this contract is devolved across the Council and will be provided by those services who commission security services.

## **8. Legal Implications**

Implications completed by: Kayleigh Eaton, Senior Contracts and Procurement Solicitor, Law & Governance

- 8.1 This report is seeking approval to procure a contract for Security Industry Authority (SIA) and Ancillary Services from 17<sup>th</sup> June 2020 at the multiple sites listed in 2.1 of this report by way of the open process under the Public Contracts Regulations 2015.
- 8.2 This report states that the maximum total value of the procurement over the contract period will be £7.5m, including the periods of extension, which is in excess of the EU threshold for services. As the contract value exceeds the relevant EU threshold there is a legal requirement to competitively tender the contract in the Official Journal of the European Union (OJEU). The proposed procurement route set out in this report satisfies this requirement.
- 8.3 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements of contracts above £500,000 must be submitted to Cabinet for approval and in line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contract following the procurement process with the approval of Corporate Finance.

- 8.4 As the value of the Contract exceeds £100,000, in line with rule 52.2 of the Contract Rules, the Contract will require sealing. Legal Services will be on hand to assist with any queries which may arise throughout the procurement process.

## 9. Other Implications

- 9.1 **Risk and Risk Management** - If the contract tender is not approved, it will be necessary to make alternative arrangements for sites with identified security needs by the completion of the current contract in June 2020. If the alternative arrangements involve the direct employment of staff the cost of the provision is likely to be substantially higher due to the Council's employment terms and conditions and the need to provide specific equipment such as vehicles to undertake duties and Personal Protective Equipment for staff, which is all currently provided by the contractor.

The service that is most likely to require continuous provision due to the varied duties undertaken, including locking and unlocking parks and Council offices and depot and responding to intruder and panic alarms, is the Mobile Security Response Service. To provide this service by directly employed staff and ensure resilience to incorporate annual leave and possible sickness, including onboard costs and all associated equipment would be approximately double the cost of a contracted service.

Without security services we would not be able to mitigate the risk of theft and criminal damage and ensure vulnerable adults and children safe access to our services.

### 9.2 TUPE, other staffing and trade union implications

The current provider supplies regular security personnel to sites. These sites may be considered their primary place of work. Therefore, contractor to contractor TUPE may apply. To ensure compliance with all employment law checks will be undertaken as part of the tender process and the same contractor monitoring processes will be applied to the successful tendered to ensure compliance with all relevant legislation continues.

We have discussed this with our current provider, and they have identified 35 members of staff who could be TUPE'd, we have forwarded the relevant paperwork for them to complete and return.

### 9.3 Corporate Policy and Equality Impact –

The provision of services via this contract would support many visions and priorities detailed in our corporate plan:

- **A new kind of council:** Will assist to build a well-run organization ensuring relentless reliability in the provision of security across all services.
- **Empowering People:** Security staff are provided to assist our most vulnerable residents in building such as hostels and the Youth Offending Service to help them feel safe, in addition they are there to provide protection to all staff, residents and other service users.



- **Inclusive Growth:** Providing a robust security provision for new and existing developments within LBBB, helping to address and eradicating where possible antisocial behaviour and crime to encourage inclusive growth. In addition, we are inviting as many local companies as possible to tender and are keen to put an emphasis for local companies within the tender process. By using local companies, we will further increase inclusive growth within LBBB helping to improve revenue to the local area and increase on the amount of local jobs available for local people.
- **Equality Impact:** The service specification, once detailed, will be subject to a full Equalities Impact Assessment (EIA). It is believed that no specific equalities group will be adversely affected by the delivery of the security contract. The service currently delivers security to a range of Council-run and public buildings and open spaces. Residents and service users feel more vulnerable and value the services of a security officer. Low level crime and disorder, which are often issues a contractor would deal with, are often perceived to be perpetrated by young people and it may be that, in delivering such a service, targeted enforcement action is directed at that group. Security is in place so that all our residents can access our services, diversity matters.

9.4 **Safeguarding Adults and Children** – This contract would assist the Council in ensuring the safety and wellbeing of children and vulnerable adults engaging with our services such as YOS and Children’s Services by acting as security at Council offices and meetings engaging children and vulnerable adults. Further to this it will enable the Council to ensure security of children and vulnerable adults residing in Council provided accommodation such as hostels and sheltered sites.

9.5 **Health Issues** – Feeling safe brings a sense of wellbeing and ensures that residents, staff and service users use public space, enjoy their homes and feel supported in their place of work. Provision of security ensures that vandalism and the lack of physical guardianship does not adversely impact on that sense of wellbeing.

9.6 **Crime and Disorder Issues** – The providers of this contract will work with Enforcement, Community Safety and police to assist in delivering community cohesion, community safety and the detection and prevention of crime. This will be done by providing security at events, corporate sites and assisting in assessing public spaces following reports of anti-social behaviour. Further to this acting as professional witnesses to help the Council gather relevant evidence to be used at court to obtain legal orders such as injunctions and Community Protection Notices. This also helps us to deliver our community safety strategy.

9.7 **Property / Asset Issues** - The contractor will work with the Council to patrol and provide security and access at corporate sites and Council properties to deter and prevent criminal damage, fire, intruder and theft.

**Public Background Papers Used in the Preparation of the Report:** None

**List of appendices:** None