

CABINET

15 February 2021

Title: Short-Term Contract for SIA Security and Ancillary Services - Direct Award	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Jonathan Woodhams, Community Safety Operations Manager	Contact Details: Tel: 020 8227 5597 E-mail: jonathan.woodhams@lbbd.gov.uk
Accountable Director: Andy Opie, Operational Director, Enforcement Enforcement and Community Safety	
Accountable Strategic Leadership Director: Fiona Taylor, Director of Law and Governance	
Summary: This report presents proposals to directly award the Council's SIA Security and Ancillary Services to the current contractor, MPD FM Limited, for the seven-month period 1 February 2021 to 31 August 2021 while work continues on the full retendering of the service via a long-term contract. The main security requirements include the following: <ul style="list-style-type: none">• Concierge officer guarding at corporate sites,• Door supervisor security at hostels and any other adhoc assignments such as Events including democratic services.• 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,• Locking and unlocking of public sites including parks and cemeteries• 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.• Allowing access to electrical intake and lift access at Council owned housing blocks and other vacant sites.• 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.• Provision of CCTV public space and surveillance and monitoring service operators to add resilience to the Councils 24-hour CCTV control room.• Provision of security at COVID-19 testing sites.	

The current contract extension expired on the 31 January 2021 and there are no options to extend further. Therefore, it is proposed to Directly Award this contract to MPD FM Limited for the sum of £1,436,564.89.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree to the waiver of tendering requirements under the provisions of paragraphs 6.3 and 6.6 of the Council's Contract Rules and approve the direct award of the Council's SIA Security and Ancillary Services contract to MPD FM Limited (04632279) for the seven-month period 1 February 2021 to 31 August 2021 in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Operational Director for Enforcement and Community Safety to negotiate and enter into the contract on behalf of the Council.

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 In June 2020 a varied extension was agreed to extend MPD FM Limited security services until 31 January 2021, this was to allow us to carry out the full procurement tender. Due to unforeseen circumstances and the added pressures of COVID-19 the procurement has been delayed. The window for submission has closed and we are currently evaluating the tenders, to comply with all due processes we anticipate a maximum timeline of a further 7 months this would incorporate a period of 3 months to allow for TUPE of staff if a new contractor is successful.
- 1.2 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 officers' paperwork, complaint tracking and monthly operational meetings to which service users are invited to discuss issues directly with the contractor. 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 Direct Award.
- 1.3 All provisions to extend this contract have been exhausted.
- 1.4 There is a requirement to deliver a range of security services across Barking and Dagenham.

1.5 These requirements include but are not exhaustive:

- 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 damage to 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 expired on 31 January 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
- COVID-19 testing sites.
- 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.

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

2.2.1 The Direct Award contract value is estimated at **£1,436,564.89** for the period of seven months.

2.3 Duration of the contract, including any options for extension

2.3.1 The proposed duration of the Direct Award contract is 7 months 1 February 2021 to 31 August 2021. We are currently in the in the process of a full procurement tender for the new security contract which will commence on or prior to the 1 September 2021.

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 Direct Award MPD FM Limited Security contractor for the Council's SIA Security and Ancillary Services from 1 February 2021 to 31 August 2021. 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. Health & Safety risk for staff and the public.

2.5.2 In June 2020 a varied extension was agreed to extend MPD FM Limited security services until 31 January 2021, this was to allow us to carry out the full procurement tender. Due to unforeseen circumstances, and the added pressures of COVID-19 the procurement has been delayed. The window for submission has closed and we are currently evaluating the tenders, to comply with all due processes we anticipate a maximum timeline of a further 7 months this would incorporate a period of 3 months to allow for TUPE of staff if a new contractor is successful.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 The terms and conditions of the current contract will remain unchanged, the contract will be contract managed by Enforcement Services.

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 Direct Award contract to enable effective budgeting.

- This will allow LBBB to keep all services going during this COVID-19 epidemic crisis.
- 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.
- Work that is over and above the commissioned value is charged for at a pre agreed rate.
- The mobile response officers are also charged out in the same fashion at an agreed rate to cover the locking and unlocking of gates at parks and cemeteries and patrolling the sites that we manage alarms. This includes a call out for intruder, fire, and panic alarm notifications.
- To ensure suitably qualified staff are deployed at all times in varying locations and capacities.
- To operate on a draw down process which allows flexibility in numbers of staff required without committing the Council to any block fees.

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

2.8.1 Not Applicable

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.

2.10 **Contract Management methodology to be adopted**

2.10.1 The terms and conditions of the current contract will remain unchanged; the contract will be contract managed by Enforcement Services.

3. **Options Appraisal**

3.1 The following options have been considered and rejected:

3.2 Do Nothing: this option has been rejected as to do nothing would put staff and public safety at risk, and this option has been rejected.

- 3.3 To use an alternative security company, this option was rejected as MPD FM Limited were in contract with LBBB and have excellent knowledge of the Borough's schedules assignments and requirements. In addition, this is only for a short period it would not be operational viable to bring in any other company as TUPE would apply to the service and administratively it would be very difficult to deal with particularly as there will be a new contract starting later this year so the cost would be prohibitive.
- 3.4 To invite different security providers in, this was felt it would be too timely, effective security is required immediately, this was not an option due to values, the contract in place and the sensitive services such as vulnerable adults and Children. In addition, the time restraints we felt would put the Council at risk especially during these unprecedented times and the current COVID-19 epidemic.

4. Waiver

- 4.1 This report is seeking a waiver of the Contract Rules on the grounds of paragraph 6.6 (c), in that there is only one supplier in the market capable of providing the service, goods or works. This is because the staff are directly employed by the company and TUPE applies, therefore if any other supplier carried out the service TUPE would apply to those affected staff.

5. Consultation

- 5.1 The proposals in this report were considered and endorsed by the Procurement Board on 5 February 2021.

6. Corporate Procurement

Implications completed by Euan Beales – Strategic Procurement Manager

- 6.1 Should any of the Council's requirements for Security reduce during the contract period they will be removed from the contract, and any possible increase in requirements has been incorporated in the stated contract value by including a contingency. Therefore, the value of this contract may reduce over the 7 months but should not increase.
- 6.2 MPD FM Limited have been contacted and are in principal agreement to enter into a contract with LBBB utilising the same cost matrix with no uplift for the proposed 7month term, this may be subject to change in the event that LLW or Minimum Wage increase as directed by government.
- 6.3 The time frame detailed in the report would allow completion of the current procurement exercise and would allow for a TUPE process if required. The 7month period could not be procured through any other route due to the potential TUPE consultation and would not represent value for money. There is an element of risk associated with this route to market but is deemed to be low in likelihood.

7. Financial Implications

Implications completed by: Sandra Pillinger Group Accountant

- 7.1 This report recommends a direct award to MPD FM Limited for the 7- month period 1st February 2021 to 31 August 2021 for an estimated contract value of £1,436,564. Prices under the contract are unchanged to that charged under the previous contract which expired on 31st January 2021.
- 7.2 The contract will be managed by Enforcement and Community Safety and will be funded from the budgets of those services who are commissioning the service. If required internal recharges will be made and invoices will be raised to schools for services provided. A management admin fee of £1.50 per hour is applied on top of costs charged by MPD FM Limited. The budget for this service is devolved across the Council and the cost of the contract is funded from those services who commission security services.

8. Legal Implications

Implications completed by: Ian Chisnell – Major Projects solicitor

- 8.1 The Council has power to enter into this contract under s1 of the Localism Act 2011.
- 8.2 It is intended that this contract is put in place with the previous contractor to cover the period between now and the eventual award of the new security contract later this year. The previous contract was extended but all possible extensions have been exhausted and it is necessary to enter a new contract.
- 8.3 This contract is for services and will be over the threshold required for tendering under the Public Contracts Regulations 2015 (PCR) There is a provision in the PCR under Regulation 32 (2) (c) that permits the award of a contract using the negotiated procedure with out competition in cases of extreme urgency. Government guidance on the use of this provision has been given in PPN 01/20. Procurement and Legal Services are of the view that this may provide a defence to any challenge to a breach of the PCR which are still in force post Brexit and in addition any challenge would be pointless in that a new contract will in any event be awarded in a few months. Nonetheless there remains a small risk of challenge.
- 8.4 The Council must also comply with its own Contract Rules in the Constitution (as detailed in the report) and a waiver needs to be granted by Cabinet of those rules in order to proceed.
- 8.5 It is intended to use the previous terms and conditions of contract as they have been previously agreed between the Parties.

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 February 2021. 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.

The risk of being challenged by any other security contractor for loss of earnings has been considered and deemed to be at low risk; the period in question is only 7 months, all interested parties are currently involved in the process for the new contract and the contract award period will remain unchanged once awarded to the successful contractor.

9.2 **TUPE, other staffing and trade union implications** - There are no LBBT TUPE staffing or trade union implications.

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 LBBT, 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 LBBT 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.

- 9.4 **Safeguarding Adults and Children** – This Direct Award 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 Direct Award 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