

CABINET

8 April 2014

Title: Extension of Contract for the Supply of Security Industry Authority (SIA) Licensed Security Personnel	
Report of: Cabinet Member for Crime, Justice and Communities	
Open	For Decision
Wards Affected: All Wards	Key Decision: No
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Accountable Divisional Director: Glynis Rogers, Divisional Director for Commissioning and Partnerships	
Accountable Director: Anne Bristow, Corporate Director Adult and Community Services	
Summary: The Council has a contract to secure all its sites, property and land. The current contract ends on 15 June 2014, with an option to extend for one year. In light of budgetary pressures across the public sector, work is currently underway across all sites included in the contract to ascertain the level of security required and how the Council ensures its property is kept secure. The report seeks permission to extend the current contract for a year from June 2014 whilst an indepth review of the requirements for security and how the service can be further developed are undertaken.	
Recommendation(s) The Cabinet is recommended to agree the extension of the current contract with Manpower Direct (UK) Ltd for the supply of Security Industry Authority (SIA) Licensed Security Personnel for a period of one year from 15 June 2014.	
Reason(s) To reduce the opportunities for theft and damage to Council buildings and assets, to provide reassurance to residents and to assist the Council in achieving its Corporate Objective of reducing crime and fear of crime. To reduce the risk of financial outlay due to prevention of damage to Council owned property either inhabited or void. To allow a strategic review of the Council's security needs to be completed before scoping services beyond June 2015.	

1. Introduction and Background

- 1.1 The Council's current contract for Security Industry Authority (SIA) Licensed Personnel expires on 15 June 2014.
- 1.2 The current service costs £1,300,000 per year. The service is provided by Manpower Direct UK, who were awarded the contract following a competitive tender process which concluded in June 2011.
- 1.3 The service currently supplies SIA Licensed Personnel to thirteen regular sites, which include:
 - concierge offices;
 - hostels;
 - Barking Learning Centre;
 - Dagenham Library;
 - Housing Advice Centre;
 - schools; and
 - various short term security requirements, such as event security.
- 1.4 The contractor also provides a 24 hour a day, 365 day a year mobile security response service which provides a varied service as dictated by the needs of the Council. This service includes:
 - response to intruder, panic and fire alarms at over two hundred Council sites around the Borough, including schools, libraries, Children's Centres and pavilions;
 - park and cemetery locking and unlocking;
 - health and safety checks on vacant buildings and land;
 - out of hours emergency lift and plant room access for engineers; and
 - incident response support for security personnel at regular sites.
- 1.5 The current contract is monitored through a rigorous process of regular checks and tracking. Monthly requests for feedback from users of the service are made. The current contractor achieved a 95% satisfaction rating in 2012/13 and is on course to achieve the same rating in 2013/14.

2. Proposal and Issues

- 2.1 As the Council revisits its budgets, work is ongoing with all departments to scope how we keep our property secure. This work will inform a future re-tender, and mean that a new contract would meet the needs of those Council services which require security while being manageable within current budget pressures.
- 2.2 While this work is ongoing, it would not be desirable to re-tender, as this would mean commissioning a new service before the security needs of the Council have been fully examined. It is proposed that the option to extend the contract for a year, until 15 June 2015, is taken up to allow this strategic review to be completed ahead of any scoping of a future service. This would allow a report on the future security service to be brought to Cabinet.

3. Options Appraisal

3.1 To let the current contract expire and not re-tender

The current contract expires on 15 June 2014. It is known that the Council requires a level of security personnel provision. Allowing this contract to expire would leave the Council without security provision. This would leave Council buildings without a mobile security response to their alarms or to patrol their sites. A lack of provision of these services would increase the opportunities for significant damage or theft from Council buildings.

3.2 To take up the option of extending the current contract for a period of one year, to expire on 15 June 2015

Extending the contract would allow security services to continue to be provided while the Council completes an evaluation of its security needs. This would mean that future services could fully respond to the Council's security needs and current budget pressures. Once evaluation of the needs for this service is complete, a report will be brought to Cabinet to outline proposals for any new security service beyond June 2015. This is the recommended option.

3.3 To re-tender now

This option would commit the Council to a new contract prior to the 2015 budget position and resultant security needs being established. This option is not recommended.

4. Financial Implications

Implications completed by: Roger Hampson, Group Manager Finance (Adults and Community Services)

4.1 This report seeks authority to take up the option to extend the current contract for security services to June 2015.

4.2 Budget provision for security costs is held by a number of directorates within the Council, and by the Housing Revenue Account. The expenditure on security is variable. The need varies depending on identified risks, removal of assets and regeneration of the Borough.

4.3 The current contract works on a 'Call Off' basis from a priced schedule of rates, therefore, the Council's spend is directly associated to the services provided. The Council is not committed to a stand-by or retention fee.

4.4 Since the contract was awarded, the Council expenditure on the contract has remained relatively stable. The 2011/12 year shows a lower spend as it is not a full financial year as the contract was awarded part way through the year and there was a phased introduction of the contract. The spend in 2013/14 is projected to be similar to the spend in 2012/13 and there are no known significant changes in 2014/15 so the projection is based on the current level of provision.

15/06/11 – 31/03/12	01/04/12 – 31/03/13	Projected 2013/14	Projected 2014/15
£838,158	£1,306,080	£1,300,000	£1,300,000

4.5 All costs are met directly by the department requiring the service.

4.6 There is currently a levy of £1.50 per hour for every security officer hour provided, which is estimated to generate circa £225k per annum, which is levied by the Council's CCTV and Contract Security Monitoring team. This levy covers the management and administration costs of the security contract and subsidises the cost of providing the Council's mobile security response service which is not site specific and provides security to all sites across the Borough.

5. Legal Implications

Implications completed by: Kayleigh Eaton, Lawyer

5.1 Cabinet is asked to authorise the extension of the existing contract for a period of one year. The current contract is a three year contract with an option to extend for one year. The current contract received Cabinet's approval on 2 November 2010 and the procurement was conducted in line with the European Union (EU) public procurement rules as outlined in the Public Contracts Regulations 2006. It is anticipated that the spend incurred for the one year extension will be within the region of £1.3million and in accordance with the Council's Contract Rule 54.5, Cabinet can indicate whether it is content for the option of the one year extension to be utilised.

5.2 The Legal Practice is on hand and available to assist and answer any queries that may arise and draft documentation for the extension of the contract.

6. Other Implications

6.1 **Risk Management** - If the extension of the current contract is not approved it will be necessary to undertake the full Tender process in a much more condensed manner. However, it is likely there will be a short period which may result in the Council being unable to provide security personnel under contract. However, there is a requirement for a continuous service, particularly in relation to a mobile security response service. Accordingly, the Council will have to seek alternative methods such as inviting Tenders to providing these services short term while the full procurement process is concluded which may result in increased charges.

6.2 **Contractual Issues** - The current contract with Manpower Direct UK began in June 2011 following a competitive tender process. This was a 3 year contract which expires on 15 June 2014, with the option to extend for a further year. This report recommends that this option is taken up, to ensure the Council retains a mobile security response service. During the year's extension of the contract, Officers will complete a review of the Council's security needs, and from this a review of the requirements for a new security contract will be drawn up and brought to Cabinet.

6.3 **Staffing Issues** - The current provider supplies regular security personnel to thirteen sites. These sites may be considered their primary place of work. Therefore, contractor to contractor TUPE may apply.

6.4 **Customer Impact** - The Council Security Contract Management team request monthly satisfaction feedback from regular service users. Site Managers for the sites which receive regular services from the current contractor have been consulted on whether they are satisfied with the service they receive from the current contract and they have confirmed they are. No issues have been raised by site managers in relation to the proposed extension of the current contract.

Regular security service users will be consulted on the development of the specification for the new contract and some will be involved on the Procurement Board.

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, though as public spending is cut any reduction in provision should be considered in terms of equality to ensure that those no longer receiving a service are not adversely affected in terms of their ability to feel safe. The service currently delivers security to a range of Council-run and public buildings and open spaces.

Older people often 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. However, as part of the EIA we will consider mechanisms for collection of data with the contractor to ensure that no group suffers a negative impact. For example we will be requesting that the contractor collects information on the profile of those people that are challenged by the security staff, which will be monitored through the contract monitoring process.

6.5 **Safeguarding Children** - In 2013 -14, 43 schools subscribed to receive the mobile security response service provided by the security contractor to respond to their alarms and undertake patrols. The effective provision of this service reduces the opportunities for significant damage or theft from schools, ensuring the uninterrupted learning of children in the borough. In addition all staff are Security Industry Authority (SIA) trained and certified and have criminal record checks undertaken priority a licence being issued.

Security personnel deliver a range of services which impact favourably on vulnerable adults. Training will be undertaken with staff within the new contract to ensure that they are aware of the issue of vulnerable adults and know how to refer.

6.6 **Health Issues** - Feeling safe brings a sense of wellbeing and ensures that residents, particularly older residents, use public space and enjoy their homes. Provision of security ensures that vandalism and the lack of physical guardianship does not adversely impact on that sense of wellbeing.

6.7 **Crime and Disorder Issues** - Section 17 of the Crime and Disorder Act requires the Council to have regard to crime reduction and prevention in its service delivery

and design. The primary purpose of this contract is to assist the Council to reduce the opportunities for crime and disorder. The Security Contract assists the Council to:

- reduce the risks of damage, theft and unauthorised use of Council properties, particularly vacant properties;
- improve the safety of Council staff working in customer facing services such as the Housing Advice Centres and Hostels;
- contribute to crime reduction in parks;
- improve the management and response to crime and disorder incidents within Council Housing sites.

6.8 **Property / Asset Issues** - The Council is keen to improve the efficiencies of building use and the turn around of vacant properties. However, as above, a primary function of this contract is to reduce the risk of damage, theft and unauthorised use of Council buildings, particularly vacant properties.

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

List of appendices: None