

PROCUREMENT OF CORPORATE SECURITY CONTRACTS

**To:**

Councillor Mike Davey, Executive Councillor for Finance and Resources

Strategy & Resources Scrutiny Committee 07/02/2022

Report by:

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Procurement of Corporate Security Contract

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Wards affected:

All

Key Decision

1. Executive Summary

The current Security contracts for static and mobile guarding of City Centre locations, assets and events expires on 31 March 2023.

In order to continue benefitting from the services supplied to a number of different Council departments there is a requirement for a procurement exercise to be undertaken and to allow award for security services to continue to be delivered.

A new tender is proposed, designed as a framework, which allows the flexibility for other Cambridge City Council departments and external partners to join during the term of the contract.

2. Recommendations

2.1 The Executive Councillor is recommended to:

- (i) To approve the procurement for the corporate security contracts

and

- (ii) To delegate authority to the Strategic Director to award compliant corporate security contracts

- 2.2 The new Corporate security contracts will have a term of 4 years with option to extend in annual increments for a further 3 years making the total contract term 7 years
Contract value, up to £4,000,000
- 2.3 Subject to: If the tender sum exceeds the estimated contract value by more than 10% then permission to proceed will be sought from the Strategy & Resources Scrutiny Committee.

Details of current and proposed security contracts are given in the Background section below.

3. Background

3.1 Current contract arrangements

There are several Cambridge City Council services using different security contracts.

- a) The existing corporate security contract includes:
 - Car parks out of hours (evenings and overnight) security operations
 - Operational hub (Cowley Rd depot) 24/7 operational security cover
 - Out of hours (evenings and overnight) security patrols of Council owned assets such as the Crematorium, Orwell House and Community Centres
 - Street & Open spaces (opening/closing Kings Parade barrier)
 - The Guildhall (building security)
 - Response to alarm call outs and key holding
 - General security services including management of anti-social behaviour and customer service

The current corporate security contract started in 2018 with a term of 3 years with option to extend by a further 3 by annual

increments. The first 1-year extension has been taken meaning the contract finish date will be 31 March 2023.

b) Cultural Services, formerly Cambridge Live, have 3 separate stand alone contracts for events:

- Corn Exchange & Guildhall – Security for events
- Cambridge City events – for example, Big Weekend and firework night - General security at event and during site set up and dismantling
- Folk Festival - General security at event and during site set up and dismantling

The contract for the Corn Exchange/Guildhall events expires end March 2023 and which aligns with the current corporate contract end date.

Cultural Services contracts for City events and the Folk Festival are short term ones and still active.

3.2 New Procurement

Aggregating all the Council's security requirements within a single procurement and tendering this in the open market should ensure that the competition will maximise value for money.

In discussions with the Procurement team, it has been agreed that the Parking Services Commercial and Project team will lead on the new security procurement.

There will be a single tender which may result in separate contracts as Cultural Services have very different security requirements for their various events than traditional building security.

The procurement will be advertised with the option for multiple Lots. These being:

- Parking Services and all other services covered under the existing security contract and to include car parks, operational hub, general building security, key holder, and alarm response

- Cultural Services to cover all their event security requirements.

Security requirements for civil events, public disorder and to cover for staff shortages will be included within all Lots.

The new contract term will be 4 years with option to extend in annual increments for a further 3 years. Total contract term 7 years.

The contract value has been agreed at £4,000,000

3.3 Framework

Cambridge City Council will be designing and advertising this security procurement as a corporate security framework contract, this will be let in lots that meets the wide security needs required by the Council.

This framework or Dynamic Purchasing System (DPS) will be accessible to other Cambridgeshire authorities (SCDC and HDC) who have agreed to be named on the Find a Tender Service (FTS) Advert.

It will offer buyers flexibility to order services and products from private sector suppliers multiple times without requiring a full tender process as this will have been completed at the initial point of let. It is believed that this approach will offer several significant benefits such as:

- Reduced time for identifying the requirements to engagement of a supplier
- Agreed and limited transaction costs
- Continuous improvement with long-term relationships
- Better value and best able to support the growth of community wealth
- Demand led responsive service from supplier who understand the requirements
- Greater satisfaction and continuity of supply for the stakeholders

This procurement, whether it is a framework, offering a maximum four-year solution or a DPS, offering a possible longer term, will be conducted meeting both the internal and legal (FTS) requirements and managed by procurement at Cambridge City Council. Any other authority named on the procurement would be able to access the rates and deals in place but would contract directly with any provider for any of the lots used.

It should be noted, the value on the FTS notice covers all three Councils at what is currently believed to be the maximum spend. This figure is not required to be met but can only be exceeded by 10% during the contract lifetime in order to stay within the terms of the notice.

4. Implications

a) Financial Implications

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Values for the contract have been agreed at £4,000,000. This is the maximum amount the Council can spend over the contract term

The rationale for this value being:

- Expected spend over the full 7-year contract term (at current costs) is £3,000,000
- Contract value £4,000,000. This contract value allows for both inflation and inclusion of additional security cover, if and when required without breaching the contract value

(Note: all figures quoted exclude VAT)

There are no Capital costs arising from this scheme

The revenue costs associated with this contract will be paid from existing revenue budgets

Only once tender returns have been evaluated will the exact costs be finalised

b) Staffing Implications

TUPE implications apply. These will be taken into account within the tender process

Living Wage Foundation rules will apply to this contract as a condition of our accreditation with the Foundation, meaning that any Contractor or Sub-Contractor staff working on this contract for 2 or more hours a week for 8 or more consecutive weeks will be paid the Real Living Wage. (The Real Living Wage must be paid where these hours are worked by staff on Cambridge City

Council premises or on land upon which the Council requires contracted and subcontracted staff to work as part of a contract)

c) Equality and Poverty Implications

See separate Equality Impact Assessment for the procurement of corporate security contract.

It has been highlighted that customer service and dealing with anti-social behaviour benefits all customers / visitors and members of the public but particularly any vulnerable people who may have safeguarding needs (children and adults at risk) and/or be vulnerable to hate incidents/hate crimes.

The security contracts will reflect that the real living wage is paid as a minimum to the successful contractor's security guards

The tender will include the Council's preference for local recruitment

d) Net Zero Carbon, Climate Change and Environmental Implications

Low positive: The specification is yet to be written but we envisage that we will indicate electric vehicles are required to be used for mobile security patrols rather than conventional petrol/diesel

e) Procurement Implications

This security requirement is classified as a (light touch) service and under the Procurement Contract Regulations (PCR2015 amended 2020) means that any contract over the threshold levels (Reg 5(1)(d) and (3)) must be let via a formal advertised and assessed public tender process.

Currently (set January 1st 2022) this threshold is £663,000 (excluding VAT). This contract is considerably more than the threshold and must, therefore, be subject to a full tendering process via the UK system Find a Tender Service (FTS) that has replaced the previous OJEU process that became unavailable to the Council post Brexit

For procurement framework information see section 3.3.

f) Community Safety Implications

Security services will protect both the Council's assets and members of the public against anti-social behavior.

The security provision can also be used to cover the Council's civil events and for any major public disorder

Security staff also provide customer service at the car parks, Operational Hub and Cultural Services shows and events.

Cultural Services have been working with Cambridge BID on Purple Flag accreditation helping to make the city safe and accessible at night by delivering training to door staff to identify people who may be vulnerable and needing support, and in promoting the Ask Angela campaign.

3. Consultation and communication considerations

Whilst we do not consider this report confidential under the terms of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972), we feel that details of the security contract should not be further publicised due to the risk of diminishing the security measures already in place within Parking Services, the Operational Hub at Cowley Road and other Council assets.

4. Background papers

No background papers were used in the preparation of this report.

5. Appendices

N/A

6. Inspection of papers

If you have a query on the report, please contact:

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