

## **Cabinet – 16 March 2010**

### **Award of Contracts for the provision of Security Services**

**Portfolio:** Councillor Adrian Andrew, Deputy Leader and Regeneration

**Service:** Property Services

**Wards:** All

**Key decision:** Yes

**Forward plan:** Yes

#### **1. Summary of report**

- 1.1 The Council currently has numerous suppliers providing security services which have not been through a formal procurement process. The services currently provided include manned guarding, static and mobile patrols, and key holding. In addition to these functions a separate contract is in place for manned guarding for both the First Stop Shop and the New Art Gallery. To ensure these services are in compliance with the procurement regulations and ensure the Council is receiving value for money a tender exercise has been undertaken to take into account all of the council's planned needs.
- 1.2 To ensure the tender reflected the diverse requirements of the Council, the tender panel included representatives from the First Stop Shop, The New Art Gallery and Property Services.

#### **2. Recommendations**

Cabinet are asked to:-

1. Approve the award of contracts, following a robust tender process, to two suppliers: - Profile Security Ltd. and Senator Security Services Ltd.
2. Delegate authority to the Executive Director Regeneration to undertake the necessary arrangements to award contracts to ensure continuity of supply.

### **3. Background information**

- 3.1 The Council has two formalised contracts for the provision of Security Services at both First Stop Shop and the New Art Gallery but neither has been subject to competition for a number of years.
- 3.2 Ad Hoc manned guarding, Static and Mobile Patrols and Key Holding have been handled by a number of suppliers over the past few years and the financial systems has identified over 50 separate suppliers. Initial soft market testing had identified that a formalised tender could reduce the number of suppliers and the inherent cost of maintaining these to enable the Council to generate some efficiencies.
- 3.3 A project group of officers from across the council was set up to explore the range of current service provision and develop a specification which would meet the council's needs going forward. The tender evaluation report is included in **Appendix A**. The tender provided costs for specific services in the New Art Gallery and First Stop Shop as well as rates for a range of ad hoc services that may be required as the council's needs change. Standardised specifications have been developed to ensure that there is a consistent level of service provided.

### **4.0 Resource considerations**

#### **4.1 Financial:**

- 4.1.1 A review and soft market testing of security previously carried out formed the basis of the initial evaluation which highlighted that there were significant opportunities to find efficiencies through the introduction of new arrangements.
- 4.1.2 The First Stop Shop annual cost will be £83,985.95p compared to the current cost of £100,053.50p. The New Art Gallery's annual cost is £86,432.24 compared to the current contract which is £90,720.52p. These reduced costs can with difficulty be contained within the reduced overall budgets and have been previously taken into consideration with efficiency savings in FY 11/12 budgets
- 4.1.3 The new contract will seek to provide further efficiencies by consolidating council-wide security requirements and maintaining fixed pricing for each type of security provided.

#### **4.2 Legal:**

- 4.2.1 EU legislation has been complied with throughout the tender process.

#### **4.3 Staffing:**

- 4.3.1 There is no internal staffing impact. Both of the contracts for First Stop Shop and the New Art Gallery take account the requirements of the TUPE regulations and staff captured by these regulations will be given the opportunity to transfer and will be able to continue on broadly similar terms and conditions. The Government

has recently removed the previous “Code of Practice on Workforce Matters” which used to provide guidance on staffing issues following transfers.

- 4.3.2 The service specification has recognised the need for staff engaged on the new service to undergo additional training to make certain they meet the current regulations.

## **5. Citizen impact**

The employment of appropriately trained security staff will safeguard citizens whilst accessing the council's premises.

## **6. Community safety**

Quality assurance is built into the contract to ensure that the all services are fully compliant with all current, health and safety regulations to protect the end consumers and their safety.

The tender evaluation considered the suppliers quality assurance as part of their bid and each submission is compliant with the contract.

## **7. Environmental impact**

No direct environmental impact as a consequence of this report although environmental considerations were taken into account in the evaluation process.

## **8. Performance and risk management issues**

### **8.1 Risk:**

- 8.1.1 The public face of the Council is represented by the security personnel and it is critical that they are fully trained and aware of their duties when interacting with the public.

Tender evaluation took into consideration the supplier suitability i.e. experience and references (20%), Price (30%), and adherence to specification which took factors such as service, delivery guarantee, performance, workforce, and environmental issues into consideration.

- 8.1.2 The specification has incorporated this need and part of the process is the regular staff training and to provide feed back on a regular basis on any issues to the nominated officers who manage this contract.

- 8.1.3 The proposed suppliers are both accredited to the Security Industry Authority (SIA) which regulates the security industry and companies who are not accredited to this organisation were not included in the tender exercise.

## 8.2 Performance management:

8.2.1 Performance management is built into the contract management element of the tender documentation, to enable procurement to monitor the contract to ensure that it continues to meet the required objectives. The appropriate levels of risk and indemnity will be required and evaluated within the tender submissions. Each proposed supplier has a strong contract management team and the contract contains set procedures should problems be encountered; an option to cancel and reappoint would be considered if the situation could not be resolved.

## 9. Equality implications

Although there are no direct equality implications with this report, the issue of dealing with a range of different communities will be built in to the training of staff employed in this service

Each of the companies who tendered were evaluated at the PQQ stage where they were asked to provide details on equality and they were assessed before they were asked to submit a tender.

## 10. Consultation

Full consultation was undertaken with all major user departments and their input into the specification, evaluation and award was integral part of the procurement process.

Although it was not possible to collaborate with neighbouring authorities on this occasion procurement has been in regular contact with both Wolverhampton Council and Sandwell Council to exchange good practice.

## Background papers

None

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16 March 2011



Councillor Adrian Andrew  
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16 March 2011

## Award of Contracts for the provision of Security Services

### Tender Evaluation Report

The tender evaluation was undertaken by a panel consisting of representatives from the First Stop Shop, The New Art Gallery, Property Services and Procurement.

To ensure impartiality and maintain transparency each of the panellists reviewed the tender returns and marked them independently.

The marking was based upon the Evaluation methodology contained in the tender and shown below.

#### **Suitability (20%)**

- References
- Experience of dealing with Local Authorities
- Services previously used that have proved acceptable

#### **Price (30%):**

- Price schedule tendered for the contract (conforming to specification)
- Adherence or improvements to the tendered price duration period
- Further and additional price stability offered
- Whole life cost / price elements
- New Services that clearly demonstrate acceptable price to quality.

#### **Adherence to Specification (50%)**

- Services that exceed the specification but still demonstrate value for money
- Delivery guarantees that support or exceed specification
- Performance measurement procedures
- Visiting supplier premises to assess capabilities to deliver the contract
- Supplier contract performance monitoring or supplier supervision
- Supplier innovation, environmentally processes
- Workforce matters and initiatives
- Overall presentation of best value

#### **Suitability**

The successful companies were able to supply suitable references which confirmed their suitability and their track record of working with Local Authorities on contract with a similar specification.

#### **Price**

The prime areas for this contract will be at the First Stop Shop and the New Art gallery where interaction with the public is the primary function and the company will be the 'face' of Walsall Council.

The evaluation scoring was balanced to ensure a competitive price that reflects the experience required along with regular training and managerial support.

#### **Adherence to specification**

The evaluation panel were looking for a suitable supplier(s) that could demonstrate a structured approach to the current contracts and offer a level of experience and expertise that will enable the service to maintain its current high standards.

The emphasis was placed on the ability to respond to emergency situations and ensure all relief staff are suitably trained and qualified in the duties Walsall will require.

#### Successful Suppliers

Area of security cover	Successful Supplier
First Stop Shop	Senator Security Services Ltd
New Art Gallery	Profile Security Services Ltd
Key Holding	Joint Award
Guarding – including 24hr guarding	Joint Award
Mobile Guarding	Joint Award
Any additional requirements not noted in the tender	Joint Award