

Committee: Cabinet

Date: 17th May 2023

Wards: All

Subject: Award of Security and support services contract

Lead officer: Louise Round, Managing Director South London Legal Partnership

Lead member: Councillor Billy Christie – Cabinet Member for Finance & Corporate Services

Contact officer: Nigel Emberton – Senior Facilities Manager

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within the appendices and they are therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the Exempt appendices.

Recommendations:

1. To award a new contract to Bidder C for the provision of security and support services covering Merton's Civic centre, Libraries, Vestry Hall and Canon's Old House together with mobile and ad hoc security services to other corporate buildings and Leisure services events for a period of three years (3) with a potential extension of up to 12 months. The contract value is set out in Exempt Appendix.
 2. To delegate the decision to award an extension of the awarded contract to the Executive Director of Innovation & Change in consultation with the Cabinet Member, for any period up to 12 months (1 year) in accordance with CSO 27.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to detail the process that was used to procure a new contract for the provision of Security and support services at Merton Civic Centre, Libraries and a range of other corporate building and operational functions and to recommend that Cabinet approves the award of the contracts to the successful bidder contained within the Exempt Appendix B.
- 1.2. The tender process involved contractors bidding to provide the Security and Support services following an evaluation exercise in line with CSOs and the Public Contract Regulations 2015.
- 1.3. One (1) service provider is recommended to be appointed. Due to the commercial sensitivity the details of assessment results have been circulated as a confidential Appendix to this report.
- 1.4. The recommended service provider offered the best overall value for money and quality in the procurement process.

2 DETAILS

- 2.1. This report outlines the key features and benefits of this recommendation and the impact that this will have on overall impacts on service quality, cost control and value for money.
- 2.2. The contract is for provision of security and support services to the London Borough of Merton including Merton Civic Centre, Libraries, Vestry Hall and Canons Old House, together with the provision of static guarding and associated services in other locations. Other security services required to be delivered include keyholding, mobile response security, event security for a number of departments on an ad hoc basis.
- 2.3. A key benefit of the new contract is that it provides an extended scope and now includes a number of other buildings where small individual contracts have been in place. In addition, the contract now also provides the facility to provide Event security for ad hoc events such as Fire Work displays and 24 Hours security provision at the Merton Civic Centre.
- 2.4. The successful bidder will provide a team of Security Industry Authority (SIA) qualified security officers including one Supervisor (Merton Civic Centre) to deliver a range of security and additional services to the London Borough of Merton.
- 2.5. TUPE regulations apply to this contract; therefore, a number of existing security staff may transfer to the successful bidder.
- 2.6. All bidders submitted their tenders based on paying the London Living Wage as required by London Borough of Merton as a Living Wage accredited employer.
- 2.7. The total annual value of the contract, and estimated total value of the contract is shown in Exempt Appendix A.

3 PROCUREMENT

- 3.1. The procurement was undertaken via the ESPO 347 framework, following a review of two other frameworks to determine which most suited Merton's needs.
- 3.2. The Invitation to Tender (ITT) was published on 17 November 22, with a submission deadline of 12 Noon 16 December 2022.
- 3.3. A total of Six (6) submissions were received and the evaluation of the bids was carried out in line with the methodology set out in the ITT.
- 3.4. Tenderers were required to answer a set of method statement questions to assess the quality of their bid, along with a completed price list.
- 3.5. The tender evaluation comprised of three stages: the first of which was a tender compliance check, on a pass/fail basis; the second was a quality and technical evaluation in line with the methodology prescribed in the tender and the third was the assessment of price in line with the methodology prescribed in the tender.
- 3.6. The bids were evaluated by a panel of four stakeholders. Each stakeholder assessing each bid individually using a quality, price, social value split of the following:
 - Price 50%

- Quality 40%
- Social Value 10%

- 3.7. A moderation meeting was held on 10th January 2023 to discuss the individual scores and comments for each question to arrive at an agreed moderated score.
- 3.8. Names of the bidders and their respective scores is included in Exempt Appendix B.
- 3.9. The bids were evaluated against the following eight (8) method statement questions to assess the quality of each bidder:

Sub criteria	Method statement	Weighting
Relevant experience and contract examples	Demonstrate with suitable detailed evidence, the experience that you have successfully provided a long-term partnership for the services specified in this tender. Demonstrate evidence of Sub lot A and B services and the Additional associated services required within this tender specification.	10%
Understanding of brief	Explain your understanding of the type of service you would be required to supply for the smooth running of all aspects of the Merton security and support services contract.	6%
Similar contracts delivered	Please provide a detailed answer of previous similar contracts covered, demonstrating your commitment to Health and Safety with Duty of Care responsibilities, and investing in your site staff's competence to deliver for Merton.	6%
Delivery plan	Please provide a detailed method statement clearly outlining how each stage of the Security Services Contract will be delivered in accordance with the Council's specification.	5%
Methodology	Demonstrate with suitably detailed evidence how you will accurately monitor and report the delivery of all aspects of the service.	5%
Timetable	Please provide a detailed Mobilisation Plan detailing each activity and timescale for mobilisation for taking on the contract.	4%
Engagement	Demonstrate with suitably detailed evidence the quality standards that will be achieved and how they will be maintained through the life of the contract.	4%
Social Value	In this section, bidders should set out any proposals of social value that can be generated/offered through the delivery of Environmental Enforcement. Bidders should complete the LBM Social Value Charter (LBM Social Value Charter v2.1) to indicate the social value to be committed through the Contract delivery. Describe how the bidder intends to deliver this aspect.	10%

- 3.10. Bidders completed a pricing sheet as part of their tender return. The pricing sheet indicated the expected volumes in numbers of hours per annum for a range of corporate sites including Libraries and Merton Civic Centre for bidders to populate with their hourly rate. Rates based on paying all their relevant

employees the London Living Wage in accordance with Merton’s requirements as a Living Wage accredited employer.

- 3.11. The pricing sheet also required bidders to insert their rates for provision of other services such as Keyholding and Mobile response charges.
- 3.12. Following the process, one provider was successful for recommendation for contract award (as shown in Exempt Appendix B).
- 3.13. The Contract documents for the Security and Support services contract specify the specific performance standards the successful supplier will be expected to adhere to.
- 3.14. The contract serves several different stakeholder departments, and each has their own requirements and Key Performance Indicators (KPI’s).

4 ALTERNATIVE OPTIONS

- 4.1. An alternative option to extend the existing contract at the end of March 2023 for one period of 12 months was considered and found not to be suitable for the following reasons:
- 4.2. The existing contract does not pay the London Living Wage.
- 4.3. Merton Civic Centre does not currently have 24 hour onsite security provision.
- 4.4. The current contract does not include Canons Old House or Vestry Hall.
- 4.5. The current contract does not cater for Leisure Event security provision.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. The approach for this procurement was discussed and approved by Operational Procurement Group (OPG) on 7 July 2022.
- 5.2. The approach was approved by Procurement Board on 16 August 2022.
- 5.3. Stakeholder departments were involved in the drafting of the specification of requirements and in the evaluation of the tender bids.

6 TIMETABLE

Event	Date
Evaluation of tenders	16 December 2022 – 10 January 2023
Departmental Procurement Group	6 April 2023
Procurement Board	18 April 2023
Leaders Strategy Group	3 May 2023
Cabinet	17 May 2023

Call-in period	18 May 2023 - 24 May 2023
Notification of contract award decision	25 May 2023
"Standstill" period	26 May 2023 – 5 June 2023
Confirm award of contract	8 June 2023
Contract commencement date	8 September 2023

- 6.1. Bidders provided a mobilisation plan at tender stage, and this will be finalised and implemented during the mobilisation period, immediately after the contract is awarded so that systems and procedures are in place for 8 September 2023.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The enhanced contract and service provision will require an additional level of revenue growth for the Security Services budget from 2023/24 onwards.
- 7.2. Most of the costs will be recharged to other departments. However, the Merton Civic Centre element of costs will require approximately £68,000 per annum additional funding in 23/24 and £99,000 in 24/25 to be covered by the London Living Wage contingency.
- 7.3. A credit check was carried out and the recommended contract value is £6,000,000. The recommended total value of contracts for this supplier is £6,000,000.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. The details of the further competition under the ESPO framework agreement 347_22 (Lot 9A) (**the Framework**) set out in this report and related Exempt Appendix evidence full compliance with the procedure established in the Framework for calling off services, and therefore meets the requirements of Regulation 33 of the Public Contracts Regulations 2015 and the Council's Contract Standing Orders (CSOs) 12.4.1. Accordingly, it would be lawful to approve the recommended contract award to the Preferred Bidder.
- 8.2. It is noted that TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006 is applicable therefore officers should consult with the Council's HR Department and/or SLLP's Employment Team as appropriate to ensure that the Council discharges any obligations it may have with respect to transferring staff.
- 8.3. Once awarded, a Contract Award Notice is required to be published, and information about the award of the Contract must also be published on Contracts Finder. The completed contract must be entered in the Council's contracts register.
- 8.4. Section 9E of the Local Government Act 2000 permits the recommended delegation. In approving the extension, responsible officers must be able to demonstrate that it will offer Value for Money to the Council and that the contract will continue to meet the Council's requirement.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. Within the tender, bidders were required to propose social value offers via the Councils Social Value charter, under 4 specific theme areas: Economy; Social; Environmental, and Innovation. The social value offers submitted via the successful bidder will potentially generate social value to the London Borough of Merton. The value of which can be found within Exempt Appendix C, along with the social criteria breakdown.

10 CRIME AND DISORDER IMPLICATIONS

The benefit of the new service is that Merton Civic Centre will have security cover 24 hours a day, 7 days a week to support the colleagues and building users working outside of normal working hours. The new contract provides a single supplier for Security provision to a wider range of stakeholders in a more locations e.g., canons Old House and Vestry Hall.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. The provision of suitably qualified Security Staff is key to ensuring a first line of response to any security or fire related incident in our public facing corporate buildings and organised event spaces.
- 11.2. Competent security staff are vital to service provision within Libraries and other public building particularly outside of normal working hours.
- 11.3. Merton has a duty of care to its visitors and security provision is part of meeting that duty of care.

12 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 12.1. N/A

13 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A: Contractors Pricing Submissions
- Appendix B: Results of Tender
- Appendix C: Social Value

14 BACKGROUND PAPERS

- 14.1. N/A