

Report of Head of Community Safety Partnerships

Report to the Chief Officer Safer Leeds

Date: 6th January 2020

Subject: Extension of the framework for the Supply and Delivery of Electronic Security Equipment

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- Leeds City Council install and maintain electronic security equipment throughout the authority. In order to provide this service, the purchase of electronic security equipment including CCTV, intruder alarms and door access control hardware is essential.
- This contract is managed by Leeds Watch but it was set up to allow other Directorates and Departments to utilise it and therefore it's been used by Leeds Building Services (LBS).
- Following a procurement procedure in 2016/17, 3 suppliers were appointed to the above named framework on the 1st February 2017 for a period of 2 years with the option to extend for a further 2 x 12 months. The Council extended the contract in 2019 when the initial contract period ended for a period of 12 months, and this is due to expire on the 31st January 2020. There is 1 x 12 months extension remaining.
- Our intention was to have a replacement contract in place to start on the 1st February 2020 however due to delays with the production of the specifications, we have been unable to meet this deadline.
- This report seeks approval to utilise the remaining contract extension period for a further 12 months with an approximate value of £800k, to allow the service areas further time to continue with the procurement process to renew this contract.

2. Best Council Plan Implications

- Keeping people safe from harm and protecting the most vulnerable
- Tackling crime and anti-social behaviour

3. Resource Implications

- The service will operate on the agreed existing contract prices with clear costs and ways of working laid out during the initial tender process.

Recommendations

- a) This report requests the Chief Officer Safer Leeds to approve a 12 months extension of the existing supply contract commencing the 1st February 2020 until 31st January 2021 at an approximate value of £800k, with 3 suppliers; ADI Global Distribution, DVS Limited and Norbain Holdings Limited.

1. Purpose of this report

- 1.1 It is essential that Leeds Watch and LBS have the ability to purchase electronic security equipment to allow them to meet the needs of our clients. Our clients include Housing, Highways, Parking Enforcement, Facilities Management, and Leisure Services. This report is to inform the Director of Communities and Environment of the requirement to extend the existing contract for the Supply and Delivery of Electronic Security Equipment.

2. Background information

- 2.1 Leeds Watch and LBS install and maintain security systems across the City. Installations range from the public space, small commercial premises to large public access buildings. Systems are typical CCTV, intruder alarms, door access control and intercoms.
- 2.2 In order to install and maintain our security systems, Leeds Watch and LBS require the use of a contract for the supply and delivery of security equipment.
- 2.3 Following a competitive procurement procedure during 2016, the suppliers ADI Global Distribution, DVS Limited and Norbain Holdings Limited (trading as 'Norbain') were appointed to the above named contract on the 1st February 2017. The contract period was for 2 years with a provision for 2 extension periods of up to 12 months each.
- 2.4 On the 31st January 2019, the initial contract expired and an extension of 3 months was made in order to evaluate the framework. When the project team reviewed annual spend, it revealed that the Council were spending nearly 5 times the initial annual contract value. After consultation with the Legal team in Procurement & Commercial Services, a decision was then made to extend the contract for a further 9 months up until the 31st January 2020 to allow us time to procure a replacement contract.
- 2.5 Due to LBS being the majority spender on the current contract, the replacement contract will be managed and procured by LBS with input from Leeds Watch.

3. Main issues

- 3.1 Security services within Leeds City Council have grown and their workloads have increased. Departments throughout the authority now have a greater awareness for electronic security systems and are motivated to utilise internal security services to install and maintain their systems.
- 3.2 Due to the increased demand for security services, there has been a greater utilisation of this contract than was initially predicted in 2016. This has resulted in the substantial increase in annual spend.
- 3.3 Leeds Watch and LBS commenced with a re-procurement exercise in April 2019 with the intention of starting a new contract on the 1st February 2020. Unfortunately this target date has not been met and we are not in a position to start with a new contract in February.
- 3.4 The main reason behind the delay is with the production of the specification(s). The project team initially thought they could use the current specification and update it with the latest product technology, however it came to light that the old specification required a lot of improvements; it discouraged competition with the use of specifying particular brands and models throughout the document. We therefore needed to produce performance specifications for product lines which require a minimum level of functionality and performance to meet current requirements without specifying brand names.
- 3.5 The production of these performance specifications has taken more time than anticipated due to the wide range of product lines we purchase and the project team are still producing them. Leeds Watch purchase a smaller product range when compared with LBS and the specifications for those products are complete. The specifications for the much larger product range which LBS purchase are still needing to be completed. The cause of the delay is mostly due to internal staffing resource pressures within the electrical service department resulting in operational activities taking priority on a day to day basis.
- 3.6 The project team are due to meet mid-January to discuss progress to date with regards to production of the LBS technical specifications and to agree a reasonable time frame in which this element of the tender documents can be completed with current available resources.
- 3.7 If we were not to extend this current contract and utilise the available 12 months extension, we would have no contract in place from February 2020 and would therefore be non-compliant as the purchase of this equipment is essential to the running of the security services. In order to be contractually compliant until a long term contract is established, we would need to obtain at least 3 quotations for every product requirement which would be a major administration burden on the departments due to the number of orders processed on a daily basis and especially for urgent orders when dealing with responsive repairs.
- 3.8 We want to extend the current supply contract and utilise the available 12 months extension to allow us time to complete robust product specifications. The current contract allows us to terminate it by providing 28 days' notice to our suppliers so our aim is to have the replacement contract in place well before January 2020 and to use this termination clause. The indicative timeline we are working towards is as follows:

Issue Standard Selection	1 st April to 6 th May 2020
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Questionnaire (SSQ)	
SSQ Evaluation	7 th May to 26 th May 2020
Issue Tender Documentation	27 th May to 20 th June 2020
Tender evaluation (Inc. governance reporting, and contract award prep)	21 st June to 21 st September 2020
Contract Award	22 nd September 2020
Contract Start	1 st November 2020

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 The Council's Procurement service, Procurement & Commercial Legal team, Leeds Watch and LBS have been consulted and are all supportive of the proposals contained in this report.

4.2 Equality and diversity / cohesion and integration

4.2.1 The decision to proceed with the contract extension does not have any EDCI impacts.

4.3 Council policies and the Best Council Plan

4.3.1 It is paramount that procurement within Leeds City Council is undertaken with a view to ensure openness, transparency and fairness and is procured in line with Leeds City Council's Contract Procedure Rules.

4.3.2 The contract enables the services that undertake security installations and maintenance in the City to perform their roles. These services promote and support safe, strong communities by reducing crime and anti-social behaviour.

4.3.3 The infrastructure and technology utilised by the Leeds City Council's security services enhances the 21st century infrastructure aspirations by providing enablers for 'Smart City' and strategies such as flood defences.

Climate Emergency

4.3.4 The Council declared a Climate Emergency for the City on the 27th March 2019 and one element is to reduce carbon emissions. How we are trying to achieve this is by scheduling the planned works requirements so that the installations and maintenance of security systems nearby each other are done at the same time, reducing multiple journeys around the City.

4.3.5 Another way we're attempting to reduce carbon emissions and ultimately reduce waste is by consolidating daily orders so that multiple orders aren't placed during the day or for non-urgent goods, waiting and combining a couple of days' worth of

orders before the consolidated order is placed. This potentially means that only one box is delivered containing all of the ordered goods resulting in less deliveries to our depots and less waste packaging.

4.4 Resources, procurement and value for money

- 4.4.1 The 3 suppliers appointed to the contract are those that have demonstrated best value for money through the competitive tendering process.
- 4.4.2 The proposed extension to this contract will maintain an efficient method of procuring this essential service and is expected to offer value for money over what would be achieved through disaggregating the total spend and utilising the quotation process in accordance with CPRs for every new requirement. This would not be an efficient use of our resources and would not be operationally practical.

4.5 Legal implications, access to information, and call-in

- 4.5.1 Given the increase in costs related to this contract extension, this decision will be a Key Decision and there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 4.5.2 We will conduct due diligence checks again on all 3 suppliers to ensure they remain financially sound.
- 4.5.3 Whilst there are no legal implications in taking up the extension (assuming it is to be taken up in line with the terms of the framework agreement), in making their final decision, the Director of Communities and Environment should note the above comments and be satisfied that the course of action chosen represents best value for the Council.

4.6 Risk management

- 4.6.1 The existing suppliers are performing well and are all meeting the required standards of service that the Council expects, and therefore the risk in extending the contract is low.
- 4.6.2 If the extension isn't approved, the service departments will no longer have a compliant contract in place resulting in either non-compliant spend or enduring significant administrative burden through the quotation process in accordance with CPRs whenever goods are required.

5. Conclusions

- 5.1 The extension of this contract will provide us time to complete the competitive procurement exercise to establish a longer term contract which accurately reflects the current service requirements; it will ensure we remain contractually compliant and will finally ensure that the service remains uninterrupted.

6. Recommendations

6.1.1 This report requests the Chief Officer Safer Leeds to approve a 12 months extension of the existing supply contract commencing the 1st February 2020 until 31st January 2021 at an approximate value of £800k, with 3 suppliers; ADI Global Distribution, DVS Limited and Norbain Holdings Limited.

7. Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.