

Report of Head of Operations, Leeds Building Services

Report to the Director of Resources and Housing

Date: 09/01/2020

Subject: Updates to the Authority to Procure report for the provision of electronic security equipment to Leeds Building Services and Leeds Watch

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 type="checkbox"/> Yes <input checked="" 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

- On the 18/09/2019, Leeds Building Services submitted an authority to procure report to obtain approval to procure a contract for the supply and delivery of electronic security equipment. The key decision was taken by the Director of Resources and Housing on the 26/09/2019 which became effective from the 04/10/2019. Since taking this decision, the service area have decided to change the way they would like to award the framework.
- In the original authority to procure report the service area wanted to award all lots to 3 suppliers, however this isn't viable due to the vast product range required not being able to be fulfilled by at least 1 supplier and we now need to award each lot separately to ensure the product requirements are met.
- LBS currently spend approximately £800,000 per annum and Leeds Watch spends approximately £200,000 per annum on security supplies through the existing contract
- The term of the new contract will be for 3 years with the option to extend for a further 1 x 12 months periods, with an estimated total contract value of £4m.
- Full details of the contract structure can be found in the original authority to procure decision – see item 7.1.

2. Best Council Plan Implications

- Housing – ensuring our housing is kept safe and secure
- Safe Strong Communities – Keeping people safe from harm and protecting the most vulnerable by keeping our residents safe.

3. Resource Implications

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

Recommendations

The Director of Resources & Housing is requested to:

- a) Approve the update to the approved Authority to Procure report dated 18/09/2019 for the Supply and Delivery of Electronic Security Equipment.
- b) This update is requested to reflect that the contract award may be up to a total of 30 individual suppliers, with 3 suppliers awarded to each of the 10 separate lots in order to provide the extensive range of materials and goods required to deliver the electronic security needs of the City.

1. Purpose of this report

- 1.1 The purpose of this report is to update the award process for the Key Decision Authority to Procure report that was published on the 18/09/2019.

2. Background information

- 2.1 On the 18/09/2019, Leeds Building Services submitted an authority to procure report to obtain approval to procure a contract for the supply and delivery of electronic security equipment. The key decision was taken by the Director of Resources and Housing on the 26/09/2019 which became effective from the 04/10/2019. Since taking this decision, the service area have decided to change the way they would like to award the framework.

3. Main issues

- 3.1 The framework will contain a maximum of 10 Lots. The original award process was to award all 10 Lots to the 3 highest scoring suppliers, however we would like to award each Lot separately to 3 suppliers. For every new requirement, LBS and Leeds Watch will obtain quotations from the 3 suppliers appointed onto the Lot that the requirement comes under and the quotations will be evaluated accordingly with the framework evaluation criteria.
- 3.2 When the evaluation process of the tenders is complete, there is a risk that the same 3 suppliers will not be awarded to all Lots. The maximum approximate award outcome is up to 30 different suppliers across the 10 Lots. We believe this is extremely unlikely to happen, however it is a possibility.

- 3.3 The reason behind the change in award process is due to the potential suppliers not being able to fulfil the vast range of security products that we now require. Some Lots contain branded products that the Council must purchase in order for our security systems to work seamlessly. There isn't 1 supplier who can supply all these brands, therefore awarding all Lots to only 3 suppliers will not be viable.
- 3.4 By having Lots and awarding via the process above, it will potentially attract more specialist suppliers and SMEs who may specialise in one or more of the product categories. This will give them an opportunity to tender and potentially work with the Council. This could offer better value for money for the Council.
- 3.5 The proposed timetable has changed too:

An indicative timetable for the proposed procurement process is set out below:	
Issue Standard Selection Questionnaire (SSQ)	1 st April to 6 th May 2020
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*

* *The current contract allows us to terminate by providing 28 days' notice to the suppliers.*

- 3.6 The current supply contract has 1 remaining 12 months extension that can be utilised. The Communities and Environment directorate is currently seeking approval from their Director to extend the existing contract for a period of 12 months until the 31/01/2021. This is to ensure future purchases remain contractually compliant and allow the security service departments to continue meeting their client's needs.
- 3.7 All other details in the authority to procure report published on the 18/09/2019 remain the same. See item 7.1 for a link to this decision.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 We have consulted with the governance team within Resources and Housing and they've advised to amend the original approved Key Decision via this Significant Operational Decision highlighting the changes made to the original report.
- 4.1.2 The Council's procurement service, LBS and Leeds Watch have been consulted and all are supportive of the proposals contained in the report.

4.2 Equality and diversity / cohesion and integration

4.2.1 An equality, diversity, cohesion and integration screening has been undertaken which has indicated that there are no negative impacts arising from undertaking this procurement.

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 procured in line with Leeds City Council's Contract Procedure Rules.

Climate Emergency

4.3.2 The Council declared a Climate Emergency for the City on the 27th March 2019 and one element is to reduce carbon emissions and waste. How we are trying to achieve this is by scheduling any 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. We are also trying to reduce the number of orders placed to attempt to reduce the waste from delivery packaging and multiple deliveries from the suppliers to the depot.

4.3.3 This contract will contribute to the delivery of the following Best Council Plan Key Priorities;

- Housing – ensuring our housing is kept safe and secure.
- Safe Strong Communities – keeping people safe from harm, and protecting the most vulnerable by keeping our residents safe.

4.4 Resources, procurement and value for money

4.4.1 The procurement will be carried out in line with Public Contract Regulations in an open and transparent manner to ensure competition is encouraged to identify and achieve best value.

4.4.2 The monetary benefits of this procurement exercise will ensure that with increased competition and the ability to test price and quality across a large number of lots and suppliers, this will maximise efficiency and gain the best possible value for money to deliver this requirement

4.4.3 The original Authority to Procure report outlined the preferred option of conducting our own OJEU procurement to enable us to test the extensive supplier market for this service rather than be restricted by the constraints of available frameworks.

4.4.4 Conducting our own OJEU procurement will also give us full control over creating bespoke specifications where applicable, creation of pricing documents, and developing of robust shortlist and evaluation processes through submission of quality tender submissions which demonstrate both contractors expertise and ability to provide goods which offer value for money

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

4.5.1 This report is a Significant Operational Decision which is not subject to call-in and there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

4.6 Risk management

4.6.1 When the evaluation process of the tenders is complete, there is a risk that the same 3 suppliers will not be awarded to all Lots. The maximum approximate award outcome is up to 30 different suppliers across the 10 Lots. We believe this is extremely unlikely to happen, however it is a possibility.

5. Conclusions

5.1 In conclusion, this report highlights the changes made to the original approved authority to procure report and sets out a new indicative timeline for the procurement of the replacement contract.

6. Recommendations

6.1 The Director of Resources & Housing is requested to:

6.2 Approve the update to the approved Authority to Procure report dated 18/09/2019 for the Supply and Delivery of Electronic Security Equipment.

6.3 This update is requested to reflect that the contract award may be up to a total of 30 individual suppliers, with 3 suppliers awarded to each of the 10 separate lots in order to provide the extensive range of materials and goods required to deliver the electronic security needs of the City.

7. Background documents¹

7.1 Authority to procure report (published 18/09/2019):
<https://democracy.leeds.gov.uk/documents/s195099/Report%20to%20the%20decision%20maker.pdf>

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.