

Report of Principal Events Officer**Report to Chief Officer Culture & Sport****Date: 19 May 2020****Subject: Contract variation under exceptional circumstances for amendment and extension of DN197323 (CONTRACT-A658-2X65UW) for the provision of event stewarding & security services**

Are specific electoral wards affected?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, name(s) of ward(s):	
Has consultation been carried out?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary**1. Main issues**

- The existing contract for the provision of event stewarding & security services is due to expire 31st May 2020.
- There is no relevant Internal Service Provider for this service and following a procurement options review, a Key Decision was made in February to approve an open procurement exercise in compliance with Contract Procedure Rule 3.1.6 for a new contract to commence from 1st June 2020.
- In light of the ongoing COVID-19 crisis and following the latest government advice, all public events are currently postponed / cancelled until further notice. As a nonpriority service the procurement exercise has subsequently been delayed.
- To safeguard the council for any short term stewarding & security requirements, in consultation with Procurement and Commercial Services (PACS) an extension of the existing contract is proposed. Under the terms of the contract there is no volume of work guarantee by the Council with the right to cancel or reduce the scope of any pre-planned / provisional service requirements.
- The Chief Officer for Culture & Sport is requested to authorise a contract variation to extend the current contract DN197323 (CONTRACT-A658-2X65UW) with Showsec International Ltd for a further 10 months until 31 March 2021. The value of

the provision is estimated to be up to a maximum of £325k which means that this is a Significant Operational Decision.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- This contract extension supports the council's Best Council Plan to help improve the lives of people living in Leeds through the delivery its key strategic objectives and breakthrough projects which includes; hosting world class events on a global stage as a smart organisation, and ties in with a variety of published policies and plans to support increased participation in Leeds' Cultural and sporting opportunities.

3. Resource Implications

- The monetary benefits of this contract extension ensure that the current schedule of rates together with specialist skill, experience, technical proficiency and service quality levels will be maintained ensuring maximum efficiency and value for money.

Recommendations

- a) The Chief Officer for Culture & Sport is requested to authorise a contract variation to extend the current contract DN197323 (CONTRACT-A658-2X65UW) with Showsec International Ltd for a further 10 months commencing on 1 June 2020 until 31 March 2021. The value of the provision is estimated to be up to a maximum of £325k which means that this is a Significant Operational Decision.

1. Purpose of this report

- 1.1 The purpose of this report is to confirm a contract variation under unforeseen circumstances for the temporary extension of DN197323 (CONTRACT-A658-2X65UW) for the provision of event stewarding & security services.

2. Background information

- 2.1 The existing contract for the provision of event stewarding & security services is due to expire 31st May 2020
- 2.2 There is no relevant Internal Service Provider for this service and following a procurement options review, a Key Decision was made in February to approve an open procurement exercise in compliance with Contract Procedure Rule 3.1.6 for a new contract to commence from 1st June 2020. This procurement exercise has been postponed due to uncertainty and cancellation of current requirements under this contract.

3. Main issues

- 3.1 In light of the ongoing COVID-19 crisis and following the latest government advice, all public events are currently postponed / cancelled until further notice. As a nonpriority service the procurement exercise has subsequently been delayed.
- 3.2 To safeguard the council for any short term stewarding & security requirements, including any ad hoc additional service requests such as the recent re-opening of recycling centres, in consultation with Procurement and Commercial Services

(PACS) a temporary extension of the existing contract with Showsec International Ltd has been agreed.

3.3 Under the terms of the contract there is no volume of work guarantee by the Council. The Council also reserves the right to cancel or reduce the scope of any pre-planned / provisional service requirements, by providing a minimum of 24 hours notice to the contractor. This will lead to a refinement of the cost in the event of scope reduction (proportionate to the revised service delivered) or no cost chargeable in the event of cancellation from the time of the cancellation has been communicated.

3.4 Regulation 72 of the Public Contracts Regulations 2015 allows for amendments to a contract during the term of the contract in certain circumstances. Under Regulation 72 (1) (c), contracts may be modified without a new procurement procedure in where all of the following conditions are fulfilled:—

(i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;

The need for this modification has been brought on due to the unforeseen onset of the 'coronavirus pandemic'. Due to the pandemic, current requirements planned for under the contract have not been required. A majority of requirements under this contract relate to events. It is anticipated that Council events will start again later in the year, however, there is no certainty at this time that these will be run. If events are run then stewarding and security requirements will recommence. Due to the uncertainty still present a new tender process and contract to start post 1 June 2020 could potentially waste both officer and supplier time in preparation and completion. It is therefore considered that an extension of the current contract arrangements should be undertaken in order to ensure that the services under the contract are available in uncertain times.

(ii) the modification does not alter the overall nature of the contract;

The nature of this contract remains the same

(iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement.

It is estimated that, if all events go ahead from September 2020 then the maximum value of services normally required under this contract will be approximately £325,000. The advertised value of the current contract is £720,000 over 4 years. 50% of the value of the contract is £370,000. The proposed variation value of £325,000 is below 50% of the value of the contract and therefore falls within the requirements of this provision.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Procurement and Commercial Services (PACS) and others service user departments have been consulted.

4.2 Equality and diversity / cohesion and integration

4.2.1 An Equality and Diversity Impact Assessment was undertaken for the procurement exercise and no actions are required.

4.3 Council policies and the Best Council Plan

- 4.3.1 This contract supports the council's Best Council Plan to help improve the lives of people living in Leeds through the delivery its key strategic objectives and breakthrough projects which includes; hosting world class events on a global stage as a smart organisation, and ties in with a variety of published policies and plans to support increased participation in Leeds' Cultural and sporting opportunities.

Climate Emergency

- 4.3.2 Leeds City Council's Best Council Plan includes ambitions for '*promoting a more competitive, less wasteful, more efficient, low carbon economy*'. The procurement will encourage tenderers to provide details of how they can contribute to this.

4.4 Resources, procurement and value for money

- 4.4.1 The short term contract extension ensures that the current schedule of rates together with specialist skill, experience, technical proficiency and service quality levels will be maintained for maximum efficiency and value for money.
- 4.4.2 The contract will be open for use by other service user departments for any ad hoc additional requests such as the recent re-opening of recycling centres. Ongoing staff resources will be required to manage the provision of services for each respective department / directorate utilising the contract.
- 4.4.3 Under the terms of the contract there is no volume of work guarantee by the Council. The Council also reserves the right to cancel or reduce the scope of any pre-planned / provisional service requirements, by providing a minimum of 24 hours notice to the contractor.

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

- 4.5.1 The requirements of Regulation 72 (1) (c) are met and outlined in section 3.3. Any amendment of the contract under this regulation will require a modification notice is issued in the Official Journal of the European Union and this will be open to challenge for 30 days after the notice is issued.
- 4.5.2 The Chief Officer Culture & Sport is authorised to make the decision to enact the variation to extend an existing contract under unforeseen circumstances as outlined in section 3.3 up to a value of 50% (up to £370,000) of the original contract. As a significant operational decision it is not open to call-in.
- 4.5.3 Events are working collaboratively with colleagues from Procurement and Commercial Services (PACS) to ensure council governance is met.
- 4.5.4 There is no requirement for any personal data to be passed to a contractor within this procurement exercises.
- 4.5.5 This paper is not confidential and distribution is not restricted under access to information rules.

4.6 Risk management

- 4.6.1 The council believes that the variation and extension can be justified under Regulation 72 of the Public Contract Regulations 2015.

- 4.6.2 The risk to the council of not having an extension agreement in place may severely jeopardise public safety and the council's ability to provide some services to the level of quality and technical proficiency required.

5. Conclusions

- 5.1 The current contract expires on 31st May 2020 and in light of the ongoing uncertainty around the COVID-19 crisis, a short term extension to 31st March 2021 is recommended in the best interests of the council.

6. Recommendations

- 6.1 The Chief Officer for Culture & Sport is requested to authorise a contract variation to extend the current contract DN197323 (CONTRACT-A658-2X65UW) with Showsec International Ltd for a further 10 months commencing on 1 June 2020 until 31 March 2021. The value of the provision is estimated to be up to a maximum of £325k which means that this is a Significant Operational Decision.

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.