

Report of Deputy Markets Manager

Report to Chief Officer, Operations

Date: February 2021

Subject: Provision of Security services at Leeds Kirkgate Market – Permission to conduct a further competition under Sub-Lot A of the Eastern Shires Purchasing Organisation’s (‘ESPO’) Framework 347 ‘Security Services’

Are specific wards affected ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name(s) of ward(s): Little London, Woodhouse, Burmantofts and Richmond Hill	
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? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- This report requests approval to conduct a further competition under Sub-Lot A of the ESPO Framework 347 – ‘Security Services’ to award a contract for the provision of Security services at Leeds Kirkgate Market.
- The contract will commence on 4th May 2021 for three years with an option to extend by a further 12 months with the agreement of both parties. The current contract is undertaken by Kings Security and is due to end on 3rd May 2021.
- The estimated value of the contract for the first year is c£95k therefore a total estimated cost for the duration of the contract (four years) is c£380k.

2. Best Council Plan Implications (see the [latest version of the Best Council Plan](#))

- The Market operation contributes to the following Council priority areas including:

Inclusive growth	Low cost start up business opportunities
Health and wellbeing	Availability of various community services in the market, availability of low cost fresh produce etc
Being a child-friendly city	Hosting child friendly and free events and activities
Being an age-friendly Leeds	The market is a community space for use by all and as part of this commitment it participates in schemes such as 'Come in and Rest'
Culture	Hosting cultural events and activities

- The Kirkgate Market Strategy Vision (2021-2026) sets out that the future vision for the market which is intrinsically linked to the Best Council Plan. The vision is for the market to be:
 - an inclusive, successful and sustainable part of our city-centre offer, where independent retailers can innovate and thrive;
 - an attractive, safe and welcoming destination where our investment secures the unique offer for future generations;
 - a place for everyone, where people can experience Leeds, its people, heritage and culture.
- The security contract is an integral element in supporting the Market team's commitment to achieve this vision.

3. Resource Implications

- The estimated value for the contract over the four years is c£380k excluding any annual increases as a result of pay awards to the security officer and increases to the Minimum or National Living wage. The cost of the contract is recharged to the Market traders via their service charge rental agreements and the Market service's operating budgets.

Recommendations

- The Chief Officer, Operations is recommended to provide permission to conduct a further competition under Sub-Lot A of the ESPO Framework 347 – 'Security Services' to award a contract for the provision of Security services at Leeds Kirkgate Market

1. Purpose of this report

- 1.1 This report is seeking approval from the Chief Officer, Operations to conduct a further competition under the ESPO Framework 347 – ‘Security Services’ to award a contract for the provision of Security services at Leeds Kirkgate Market.

2. Background information

- 2.1 The overriding objective of the security contract is to provide a high profile retail security presence for the indoor and outdoor markets. The successful bidder will work with the Market team, traders and the market Police Community Support Officer to ensure the market continues to be a safe and welcoming place to visit.

3. Main issues

- 3.1 Whilst there is an option to make a direct contract award through the framework based on prices and information already submitted the preference is to run a further competition to satisfy the Market service that they will appoint the best supplier based on price and quality submission.

(a) Price

The price element of the evaluation will be scored based on the overall contract value. Bidders will be asked to submit an hourly rate price for the following:

- (i) Hourly rate per officer for the standard hours
- (ii) Enhanced rate for any additional hours
- (iii) Senior guard rate for the standard hours

The bidder with the lowest total cost will score the highest in the price evaluation.

(b) Quality

The framework suppliers were assessed on a 50/50 split between price and non-price criteria when they were appointed to the framework. The further competition will evaluate responses to questions under the ESPO non price headings of: skill level of staff, level of resources available, contract implementation plan, covering absenteeism and added value. The evaluation ratio for the further competition will be 60% price and 40% quality, 40% quality will be an evaluation of the responses to these questions.

- 3.2 Transfer of Undertakings (Protection of Employment) (TUPE) will apply to this contract.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Full consultation will be undertaken with the incumbent supplier and the incoming supplier to ensure a smooth transition between the end of the existing contract and the commencement of the new contract including all TUPE arrangements.

4.2 Equality and diversity / cohesion and integration

4.2.1 An equalities impact screening has been completed and is attached to this report.

4.3 Council policies and the Best Council Plan

4.3.1 An equalities impact screening has been completed and is attached to this report.

Climate Emergency

4.3.2 The service specification for the contract will require the supplier to meet all Legislation, Guidance and Good Industry Practice in environmental management and the objectives of the Authority's sustainability policies. Thereby supporting the Council in achieving its ambition to be carbon neutral by 2030.

4.4 Resources, procurement and value for money

4.4.1 The estimated value of the contract for the first year is c£95k therefore a total estimated cost for the duration of the contract (four years) of c£380k. This does not take into account any remuneration increases awarded to the security officers which will be negotiated between the client and the appointed supplier on an annual basis.

4.4.2 As stated the cost of the contract is recharged to the market traders via their rental agreements with the rest being funded from the Market service's operating budgets.

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

As the total estimated cost for the duration of the contract is c£380k it is therefore a Significant Operational decision and is not subject to call-in.

In line with Contract Procedure Rule 9.1 and 9.2 this is a High Value Procurement.

4.6 Risk management

4.6.1 The following risks have been identified:

Risk 1 - Tenders received are significantly higher than the budget available - the framework rates already received from the suppliers are in line with the budget available. The purpose of a further competition is to determine if the suppliers can improve upon the framework rates. It should be noted that the rates cannot increase.

Risk 2 – Complications and delays with staff transferring under TUPE

Risk 3 – a risk of challenge from the current supplier in that they are not on the ESPO framework and are therefore excluded from the opportunity to bid and re-win the contract.

- 4.6.2 The Chief Officer, Operations, should note that these risks are considered improbable and a successful outcome from the further competition is expected.
- 4.6.3 However should any/all of these risks materialise and an appointment is not made then the contingency will be to consider alternative options such as varying the existing contract with the current supplier or seeking a waiver.

5. Conclusion

- 5.1 Following a detailed appraisal of the options available to fulfil this contract need a call-off from the existing framework, with a further competition as detailed in this report, is considered the best option to ensure value for money and quality of service.

6. Recommendations

- 6.1 The Chief Officer, Operations is recommended to provide permission to conduct a further competition under Sub-Lot A of the ESPO Framework 347 – ‘Security Services’ to award a contract for the provision of Security services at Leeds Kirkgate Market

7. Background documents¹

- 7.1 None.

8. Appendices

- 8.1 Equality Diversity Cohesion and Integration Screening Form

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.