



Report of Events Manager

Report to Chief Officer for Culture & Economy

Date: 10th May 2021

Subject: Waiver of Contract Procedure Rules 9.1 and 9.2 to award an interim contract for Events Stewarding and Security Services

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 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

- The previous contract for the provision of event stewarding & security services expired on 31 March 2021.
- There is no relevant Internal Service Provider for this service. It had been intended to undertake a full procurement process in early 2020, however in light of the ongoing COVID-19 crisis and following the latest government advice, all public events were postponed / cancelled until further notice. The previous contract was therefore extended via a variation in May 2020, to cover any short term stewarding and security requirements.
- The Events team subsequently looked to re-procure the contract in late 2020, however due to service being seen as non-essential and staff having been re-deployed to support the wider council to respond to Covid-19 the procurement exercise did not progress.
- The Council requires a contract to be in place for event stewarding and security, as Covid-19 restrictions are lifted during the spring and summer of 2021. As such, a waiver is sought to award an interim contract directly to the previous provider, Showsec International Ltd in order to ensure that there is a contractual provision in place for the next 12 months.
- A full procurement exercise in line with Contract Procedure Rules will commence no later than 1st November 2021.

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

- This award supports the council's Best Council Plan to help improve the lives of people living in Leeds through the delivery of 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 ensure that the previous schedule of rates (in line with CPI increases) 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 & Economy is recommended to approve a waiver of Contract Procedure Rules (CPRs) 9.1 and 9.2 in order to award a contract directly to Showsec International Ltd for a period of 12 months from 10 May 2021 to 9 May 2022. The value of the contract is estimated to be up to a maximum of £400,000, but with no guarantees to the contractor on the provision of services required or to be undertaken.

1. Purpose of this report

- 1.1 Contract Procedure Rules 9.1 and 9.2 require competition for high value contracts that are valued at £100k and above.
- 1.2 This report seeks to waive these CPRs, in accordance with CPR 27, in order to award an interim contract directly to Showsec International Ltd without further competition.

2. Background information

- 2.1 The existing contract for the provision of event stewarding and security services expired on 31 March 2021. Although it had been intended that a full procurement exercise would be undertaken during 2020, due to the COVID-19 crisis, a lack of resource and a lack of clarity over when events would be allowed to resume, the procurement exercise was delayed.
- 2.2 A full procurement exercise was undertaken in 2016 and Showsec International Ltd were appointed following evaluation and due diligence checks. There have been no performance issues raised since Showsec were appointed.

3. Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 In light of the ongoing COVID-19 emergency and following the latest government advice, public events are currently postponed / cancelled until later in the year.
- 3.2 Although the government road map sets out that there will be no restrictions on events taking place from June 2021, there is still some uncertainty ahead as to

whether there will be future restrictions on events due to a third wave of the pandemic. As such, it is difficult to plan the requirements for the next 12 months as events may be subject to further postponement or cancellation with little notice.

- 3.3 Due to the high value of a new contract it is anticipated that a full procurement exercise in line with CPRs and the Public Contracts Regulations 2015 will take a minimum of 6 months to prepare, advertise, evaluate, award and mobilise. A short term 12 month contract will ensure continuation of current service quality levels for maximum efficiency whilst allowing sufficient time with some contingency for a full high value procurement exercise to be undertaken
- 3.4 In consultation with Procurement and Commercial Services (PACS) a change in contractor is not deemed viable at this stage and could cause significant inconvenience or substantial duplication of costs to the Council.
- 3.5 A full procurement exercise will commence no later than 1st November 2021 by which time the future events landscape will be much clearer following the lifting of any remaining COVID restrictions.

Consequences if the proposed action is not approved

- 3.6 Should the proposed action not be approved, the Council will be without a contracted provider for stewarding and security services. Without having a formal contract in place, the Council could be exposed if a future wave causes a lockdown situation and causes events to be cancelled.

Advertising

- 3.7 It is not intended that this opportunity be advertised.

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 of 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*'. A short term contract is deemed the most efficient option available to the council at this time.

4.4 Resources, procurement and value for money

4.4.1 The short term contract ensures that the current schedule of rates (in line with CPI increases) 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 the Arts, Events & Venues Service within City Development and extending to include the Parks & Countryside Service and / or any other council service user departments for any ad-hoc requests. Ongoing staff resources will be required to manage the provision of services for each respective department / directorate utilising the contract.

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

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

4.5.2 Awarding the contract direct to Showsec International Ltd in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that the Council should always consider whether contracts of this value should be subject to a degree of advertising in order to ensure that opportunities are made available to all potential contractors and that value for money is obtained. It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance.

4.5.3 The Chief Officer for Culture & Economy has considered the scope of this report and the nature and uncertainty of the services to be provided over the next 12 months and on the balance of risk of challenge verses the operational need and overall risk management (see 4.6 below) is of the view that advertising would not be appropriate. As a delegated decision this will be published on the Councils register and in line with CPRs and the Public Contracts Regulations 2015 the new tender documents will be advertised on YORtender no later than 1st November 2021.

4.5.4 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

4.5.3 Although there is no overriding legal obstacle preventing the waiver of CPR 9.1 and 9.2, the above comments should be noted. In making their final decision, the Chief Officer for Culture and Economy should be satisfied that the course of action chosen represents best value for the Council.

4.6 Risk management

- 4.6.1 The risk to the council of not having a contract 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

- 4.5.4 The contract for event stewarding and security has expired and due to the ongoing COVID emergency there is still uncertainty ahead as to when events may be able to return and / or whether there will be future government restrictions imposed. As such, it is difficult to plan the requirements for the next 12 months as events may be subject to further postponement or cancellation with little notice.
- 4.5.5 In consultation with Procurement and Commercial Services (PACS) a change in contractor is not deemed viable at this stage and an interim 12 month contract with the previous provider has been identified as the most efficient way forward in the best interests of the Council.
- 4.5.6 Due to the high value of a new contract it is anticipated that a full procurement exercise will take a minimum of 6 months to prepare, advertise, evaluate, award and mobilise. A full procurement exercise in line with CPRS and Public Contracts Regulations 2015 will commence no later than 1st November 2021.

6. Recommendations

- 6.1 The Chief Officer for Culture & Economy is recommended to approve a waiver of Contract Procedure Rules (CPRs) 9.1 and 9.2 in order to award a contract directly to Showsec International Ltd for a period of 12 months from 10 May 2021 to 9 May 2022. The value of the contract is estimated to be up to a maximum of £400,000, but with no guarantees to the contractor on the provision of services required or to be undertaken.

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.