

DN440700 – Supply and Delivery of Electronic Security Equipment – Contract Award

Date: 13th September 2021

Report of: Head of Leeds Building Services

Report to: Chief Officer Civic Enterprise Leeds

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- To seek approval to award the recently tendered Leeds Building Services (LBS) framework contract for the supply and delivery of electronic security equipment to organisations for each of the following 12 lots:
 - :
 - Lot 1A – Bosch products
 - Lot 1B – Vanderbilt products
 - Lot 1C – HID products
 - Lot 1D – Honeywell products
 - Lot 1E – Quantec products
 - Lot 1F – Pyronix products
 - Lot 1G – Xtralis products
 - Lot 2 - CCTV external fully functional, external fixed, internal fully functional, internal fixed (digital)
 - Lot 3 – Digital Video Recorders, Networked Video Recorders and Video Management Systems
 - Lot 4 – Intruder alarm systems
 - Lot 5 – Door access control/intercom systems
 - Lot 6 – Cables, Cabinets, Accessories

- This contract contributes to the Best Council Plan in a number of areas:
 - **Safe, Strong Communities** – ‘Keeping people safe from harm, protecting the most vulnerable’ and ‘Being responsive to local needs, building thriving, resilient communities’.
 - **Housing & Civic Buildings** – ensuring our buildings are kept safe and secure for tenants, employees, and visitors.

Recommendations

- a) The Chief Officer Civic Enterprise Leeds is recommended to note the contents of this report and approve the award of contracts to the following suppliers:
 - a. ADI-Gardiner Limited – Lots 1A, 1B, 1C, 1D, 1E, 1F, 1G, 2, 3, 4, 5, & 6.
 - b. Future Network Distribution Limited – Lot 6.
 - c. Norbain Holdings Limited – Lots 1A, 1B, 1C, 1D, 1G, 2, 3, 4, & 5.

For the period 1st October 2021 to 30th September 2024 with the option to extend for a further 12 months, with an estimated total expenditure of £4,000,000 (annual value of £1,000,000) across all lots.

- b) Recognise that Appendix 1 should be designated exempt from publication in accordance with information procedure rule 10.4(3).

Why is the proposal being put forward?

- 1 The purpose of this report is to report the results of the tender evaluation process and to obtain approval to award contracts for the supply and delivery of electronic security equipment to ADI-Gardiner Limited, Future Network Distribution Limited and Norbain Holdings Limited, following conclusion of an OJEU threshold compliant tender opportunity advertised via Tenders Electronic Daily (TED).
- 2 The framework was procured via a restricted OJEU procurement process which involves issuing a standard selection questionnaire (SSQ), shortlisting applicants, and then inviting the shortlist to tender.
- 3 15 suppliers submitted a SSQ and out of those, 5 passed the minimum selection criteria and were invited to tender.
- 4 The tender was evaluated on the 80% Price, 20% Quality split with a minimum threshold applicable in regard to quality submissions.
- 5 Each supplier was given the option to tender for any of the 12 lots. Each lot was evaluated separately and the 3 highest scoring tender submissions for each lot were allocated a place on the lot.
- 6 5 tenders were received however 1 supplier withdrew from the procurement process due to misunderstanding the requirements of the contract and their inability to deliver the works as required by the specification.
- 7 An initial review of the quality submissions indicated that a very poor response had been received from 3 out of the 4 suppliers. Both procurement and LBS collectively reviewed the position and determined it was more appropriate to retender the requirements before proceeding further. A revised tender package was provided to all organisations with enhanced guidance and clarity on what was required.
- 8 The 4 remaining suppliers were invited to re-tender for a place on the framework. Unfortunately, 1 supplier failed to submit a response. No response was provided by the supplier to state why they didn't re-submit a tender.
- 9 The 3 remaining suppliers were then evaluated on the answers provided to the quality criteria and prices applied to a basket of goods containing the most purchased products. Subsequently, it is proposed the 3 suppliers are appointed onto the following lots:

Lots	Successful Supplier(s)	Approximate Lot Value per annum
1A – Bosch products	ADI-Gardiner Limited Norbain Holdings Limited	£610,000
1B – Vanderbilt products	ADI-Gardiner Limited Norbain Holdings Limited	£50,000
1C – HID products	ADI-Gardiner Limited Norbain Holdings Limited	£20,000
1D – Honeywell products	ADI-Gardiner Limited Norbain Holdings Limited	£10,000
1E – Quantec products	ADI-Gardiner Limited	£20,000
1F – Pyronix products	ADI-Gardiner Limited	£5,000
1G – Xtralis products	ADI-Gardiner Limited Norbain Holdings Limited	£60,000
2 - CCTV external fully functional, external fixed, internal fully functional, internal fixed (digital)	ADI-Gardiner Limited Norbain Holdings Limited	£60,000
3 – Digital Video Recorders, Networked Video Recorders and Video Management Systems	ADI-Gardiner Limited Norbain Holdings Limited	£80,000
4 – Intruder alarm systems	ADI-Gardiner Limited Norbain Holdings Limited	£8,000
5 – Door access control/intercom systems	ADI-Gardiner Limited Norbain Holdings Limited	£44,000
6 – Cables, Cabinets, Accessories	ADI-Gardiner Limited Future Network Distribution Limited	£33,000

10 For every new requirement, LBS will obtain quotations from the suppliers appointed onto the specific lot that the product(s) come under and the lowest quotation submitted will receive the order.

What impact will this proposal have?

Wards affected: City Wide		
Have ward members been consulted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

11 It's anticipated that there will be no significant impacts to the wards.

12 This contract will support LBS in their responsibility of delivering security equipment installations, repairs and servicing to housing and civic properties on behalf of their clients within the City.

What consultation and engagement has taken place?

13 The Chief Officer Civic Enterprise Leeds has been consulted throughout the development and implementation of the LBS procurement strategy which includes this proposed contract.

- 14 Senior Management and Heads of Service were consulted in obtaining Authority to Procure.
- 15 Procurement and Commercial Services have been consulted throughout the procurement process.
- 16 Leeds Building Services have been involved throughout the procurement activity.
- 17 Leaseholder consultation has been conducted in line with Section 20 of the Landlord and Tenant Act 1985 to ensure all associated recharges can be made. This process concluded on 15th September 2021.

What are the resource implications?

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

What are the legal implications?

- 19 The procurement has been undertaken in compliance with Public Contract Regulations 2015 and the Council's Contract Procedure Rules.
- 20 This procurement exceeds the threshold for high value activity and has therefore been advertised via Tenders Electronic Daily (TED) service in accordance with regulations.
- 21 This is a Significant Operational Decision as a direct consequence of the original Authority to Procure (Key Decision) taken on 18th February 2020, and is therefore not subject to call-in. Other than confidential Appendix 1, there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 22 The information in Appendix 1 of this report has been identified as exempt/confidential under the Access to Information Rules 10.4 (3). The public interest in maintaining the exemption in relation to the confidential appendix outweighs the public interest in disclosing the information and financial details which, if disclosed would adversely affect the business of the Council and the business affairs of a number of individual companies.

What are the key risks and how are they being managed?

- 23 Ensuring the contract is managed and monitored by the appointed Contract Manager within LBS to ensure the benefits of the services are maximised to meet the Client's requirements.
- 24 The Contract Manager in LBS will ensure that regular contract meetings take place throughout the duration of the contract and they will monitor performance measures/KPIs that are included within the specification and Contract Management Plan. The Contract Manager will ensure performance standards are met by the suppliers and if they are found to be underperforming and failing to meet minimum standards, appropriate action will be taken to rectify the cause of failure.
- 25 Expenditure against budgets provision will be monitored regularly by the Contract Manager to ensure that suppliers are on track with expected levels of spend.
- 26 Financial checks have already taken place and the proposed suppliers are confirmed as financially stable prior to contract award. If any suppliers reject any orders from LBS, the Contract Manager will closely monitor the supplier and identify the reasons for the rejection, as it could be an early sign of financial difficulty.
- 27 If the supplier has supply issues, the proposed contingency plan will be to utilise the Tender Hub team and obtain additional quotations.

Does this proposal support the council's three Key Pillars?

- Inclusive Growth Health and Wellbeing Climate Emergency

28 **Safe, Strong Communities** – 'Keeping people safe from harm, protecting the most vulnerable' and 'Being responsive to local needs, building thriving, resilient communities'.

29 **Housing & Civic Buildings** – ensuring our buildings are kept safe and secure for tenants, employees, and visitors.

Options, timescales and measuring success

What other options were considered?

30 The alternative option is to have no framework agreement in place. This would firstly result in a high level of off-contract spend but it would also mean that LBS would not have any contractual agreement in place with the suppliers which may result in an impact to the level of service we'd receive from the suppliers. They would not be held accountable for meeting key performance indicators and meeting requirements stipulated within the contract e.g. next day delivery of goods.

How will success be measured?

31 Each supplier will have a set of KPIs that must be met. LBS will manage the performance of the suppliers to ensure that their requirements are completed to their satisfaction.

32 Key Performance Indicators have been applied to this contract and will be monitored throughout its life. The KPIS include:

- a) Council query response targets
- b) Council complaints acknowledgement and prioritisation
- c) Council complaints resolution targets
- d) Goods delivered within target timescales
- e) Quality control

What is the timetable for implementation?

33 The framework contract is anticipated to commence on the 1st October 2021 for an initial period of 3 years with the option to extend for a further 1 x 12 months, subject to mutual agreement.

Appendices

34 Confidential Appendix 1 – Tender Analysis Report

Background papers

35 Authority to Procure: <https://democracy.leeds.gov.uk/ieDecisionDetails.aspx?ID=50571>