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Provision of security services – Leeds Kirkgate Market

Date: May 2022

Report of: Deputy Markets manager

Report to: Chief Officer, Operations.

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

The contract for the provision of security services at Leeds Kirkgate Market is due to end in November 2022.

The overriding objective of the security contract is to provide a high-profile retail security presence for the indoor and outdoor markets. The appointed supplier 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.

Whilst a direct award can be made for the new contract under the terms of the Eastern Shires Purchasing Organisation's ('ESPO') Framework this report is seeking approval from the Chief Officer, Operations to conduct a further competition with the suppliers on the framework to satisfy the Market service that they will appoint the best supplier based on price and quality submission.

The provision of a high-quality security service is an integral element within the Kirkgate Market Strategy Vision (2021-2026) which sets out that the future vision for the market and 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.

Recommendations

a) The Chief Officer, Operations is recommended to approve a procurement exercise under Sub-Lot A of the ESPO Framework 347 – 'Security Services' to award a three year contract (with an option to extend for a further year) for the provision of Security services at Leeds Kirkgate Market.

Why is the proposal being put forward?

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 within the framework 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 50% price and 50% quality, 30% quality will be an evaluation of the responses to these questions. 10% of the quality criteria will be reserved for assessment of Social Value offers.

What impact will this proposal have?

Wards affected: Little London, City Centre and Woodhouse.		
Have ward members been consulted?	☐ Yes	☒ No

2. The proposal detailed within this report will ensure the best security supplier from within the existing framework, based on price and quality, is awarded the contract. The appointed supplier 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.

What consultation and engagement has taken place?

3. 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 adherence to all Transfer of Undertakings (Protection of Employment) regulations (TUPE) arrangements.

What are the resource implications?

4. The estimated value for the contract over the four years is c£380k excluding any annual increases because 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.

What are the legal implications?

5. 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.

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

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

7. 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. A key purpose of a further competition is to determine if the suppliers can improve upon their framework rates. It should be noted that the rates cannot increase.

Risk 2 – Complications and delays with staff transferring under TUPE

8. The Chief Officer, Operations, should note that these risks are considered improbable and a successful outcome from the further competition is expected. 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.

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

☒ Inclusive Growth ☒ Health and Wellbeing ☒ Climate Emergency

Options, timescales and measuring success

a) What other options were considered?

9. The provision of a high-profile retail security presence for Kirkgate market is considered to be an essential service so it is not an option to cease the provision once the current contract ends in November 2022.

10. 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.

b) How will success be measured?

11. The proposal detailed within this report will ensure the best security supplier based on price and quality is awarded the contract.

12. 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. This can be indirectly measured by analysing customer footfall data along with other key indicators including the retention of existing businesses and attracting new businesses to the market.

What is the timetable for implementation?

13. The new supplier will commence on 4th November 2022 when the current contract expires.

Appendices

14. N/a

Background papers

15. N/a