

DECISION-MAKER:	CABINET		
SUBJECT:	SECURITY SERVICES CONTRACT		
DATE OF DECISION:	17 SEPTEMBER 2019		
REPORT OF:	CABINET MEMBER FOR RESOURCES		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
Not applicable	
BRIEF SUMMARY	
Southampton City Council (“the Council”) requires services to maintain the security of buildings within its asset portfolio. Following a procurement exercise, it is recommended that Cabinet approve the award of a five-year contract to Vertas Group Ltd, at an estimated total cost of £1.44M over the duration of the contract.	
RECOMMENDATIONS:	
(i)	To approve the award of a Security Services contract to Vertas Group Ltd for a five-year period.
REASONS FOR REPORT RECOMMENDATIONS	
1.	To enable essential security services to be readily available to the Council, adhere to the Council’s Contract Procedure Rules (CPRs) and public procurement legislation and achieve Best Value.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	To award a contract for a shorter duration. This option was rejected as the result of offering the certainty of a longer term contract is that market is more likely to provide more advantageous prices and solutions. In addition, this approach reduces the costs and resources required to undertake repeat procurement exercises over the period and the disruption of potentially engaging an alternative supplier in the short term.
3.	To discontinue utilising security services. This option was rejected as the risks, when assessed against the benefits and costs of continuing to utilise security services, are substantial.
DETAIL (Including consultation carried out)	
4.	Security services are required for Council offices and satellite buildings across the city. These services include security guarding, mobile patrols and key holding.
5.	The security services are essential in order to protect the Council’s buildings and assets by reducing the incidence, costs and risks of vandalism, break-in,

	fire and water damage provide effective and speedy responses to urgent facilities issues.
6.	A tendering process was last undertaken in 2010.
7.	In order to develop a corporate approach and benefit from aggregating the Council's requirements, an officer project group was convened to design a Council-wide specification in order to incorporate all requirements for security services.
8.	An expenditure analysis was undertaken to inform the procurement strategy and assess the likely costs of the contract.
9.	As a result, an "open" procurement process was undertaken inviting tenders for the required range of services.
10.	This process resulted in Vertas Group Ltd winning the evaluation associated with the procurement process.
11.	Awarding a contract to the winning bidder will ensure that the Council's security service requirements are compliant with the Contract Procedure Rules, which form part of the Constitution.
12.	The Financial Procedure Rules (B.41) require Cabinet authorisation for spend values of £500,000 or more. The Rules (B.26) also require Cabinet authorisation for a commitment for future years' spend. As this contract spans 5 years, over the period 2019-2024, a budgetary commitment will be required.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue.</u>	
13.	Revenue budgets will need to be allocated to cover the cost for 5 years (Financial Procedure Rules B.26 – Commitment for future years' spend).
<u>Property/Other Not applicable</u>	
14.	The contract will support the maintenance of effective security services to help to ensure that the asset portfolio can be effectively managed in a secure manner.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
15.	s.111 Local Government Act 1972 and S.1 Localism Act 2011.
<u>Other Legal Implications:</u>	
16.	This contract will enable the associated services to be purchased in a manner which is fully compliant with the Contract Procedure Rules and public procurement legislation.
RISK MANAGEMENT IMPLICATIONS	
17.	The contract will mitigate the risks of financial loss and service interruption which may otherwise occur as a result facilities related issues including, but not limited to, vandalism, fire, break-in and water damage.
18.	Entering into a contract of this value carries a moderate amount of risk. This will be mitigated by the appropriate clauses within the contract to protect the Council's interests.
19.	Good contract management and monitoring is also essential to ensure that the service is delivered within agreed specification and financial parameters;

	this function will be assumed by the Council's Supplier Management service in order to mitigate these risks.
POLICY FRAMEWORK IMPLICATIONS	
20.	This contract and its services are consistent with the Council's policies and strategies.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	Not Applicable
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	None.

Documents In Members' Rooms

1.	Data Protection Impact Assessment.
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?	Yes
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Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
N/A	