



**REPORT TITLE: Procurement of a Security & Key Holding Service Framework for Gloucestershire County Council and partner premises located within Gloucestershire**

<b>Dates between which decision will be taken</b>	Earliest date: 15 November 2023 Latest date: 31 December 2023
<b>Cabinet Member</b>	Cllr Lynden Stowe, Deputy Leader and Cabinet Member for Finance and Change
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	To seek approval to procure a Security & Keyholding Framework Agreement and to then award call-off contracts thereunder
<b>Recommendations</b>	<p>That Cabinet delegates authority to the Executive Director of Corporate Resources, in consultation with the Cabinet Member for Finance and Change, to:</p> <ol style="list-style-type: none"><li>1. Conduct a competitive procurement process in respect of a 4-year Framework Agreement under which the council, individual participating schools in Gloucestershire and additional four public sector partners may award call-off contracts for the supply of security &amp; keyholding services for the council's corporate properties, certain schools in Gloucestershire and additional four public sector partners.</li><li>2. Award such Framework Agreement to the preferred tenderer.</li><li>3. Procure and award 187 call-off contacts under such Framework Agreement for the supply of the security &amp; keyholding services to the council in respect of its corporate properties. The proposed call-off contracts shall continue for an initial period of 3 years, and each include an option to extend its term for a further period of not more than 2 years (ie, 3+2 years). In the event that the value of any single proposed call-off contract exceeds £500,000, a separate key decision will need to be considered in order to authorise the procurement of such call-off contract.</li></ol> <p>NOTE: Participating schools and partner organisations shall each procure and award their own call-off contracts under the Framework Agreement.</p> <p>Determine whether to exercise the option to extend each of the council's call-off contracts for a further period of not more than 2 years on the expiry of the initial 3-year term.</p>
<b>Reasons for Recommendations</b>	The Council's current contract for the supply of Security & Key Holding services for its corporate premises and schools is due to expire on 31st July 2024.

	<p>Therefore, replacement contracts under the proposed framework will need to be awarded in December 2023 in order to enable the orderly transition/mobilisation of services.</p> <p>The recommended procurement option will ensure the Council receives best value for money through economies of scale.</p> <p>Including schools and named public sector partners potentially increases the contract value and as a result, GCC benefits through enhanced economies of scale.</p>
<p><b>Resource Implications</b></p>	<p>The estimated value of the proposed Framework Agreement, assuming that all call-off contracts awarded by the council and participating schools continue for a period of 5 years, is £921,600. If the term of such call-off contracts continues only for the initial period of 3 years, the estimated value of the Framework Agreement is £552,960.</p> <p>Of this sum, the estimated value of all call-off contracts that will be awarded by the council under the proposed Framework Agreement is £914,535, assuming the term of such call-off contracts continue for a period of 5 years. If the term of such call-off contracts continues only for the initial period of 3 years, the estimated value of the Framework Agreement and all call-off contracts that will be awarded by the council under it is £548,721. This will be funded from the Asset Management and Property (AMPS) Corporate Budget.</p> <p>The estimated value of all call-off contracts that will be awarded by participating schools in Gloucestershire under the proposed Framework Agreement is £7,065, assuming the term of such call-off contracts continue for a period of 5 years. If the term of such call-off contracts continues only for the initial period of 3 years, the estimated value of the Framework Agreement and all call-off contracts that will be awarded by schools under it is £4,239. This will be funded by the schools themselves.</p> <p>The Framework Agreement will also make provision for public sector partners to call off contracts. The value of such contracts (estimated to be £300K) will be in addition to the above amounts., but will be funded by those partners themselves, so will not incur any additional financial commitments by the Council.</p> <p>There are no additional in-house resource requirements. The Framework Agreement and all call-off contracts that are awarded by the council will be managed by the council's existing Support Services team. The procurement process in respect of the framework agreement will be carried out by the council's Commercial Unit Tendering team, supported by AMPS for the evaluation process. The cost of the procurement will be funded from within existing AMPS revenue budgets.</p>
<p><b>Background Documents</b></p>	<p>None</p>
<p><b>Statutory Authority</b></p>	<p>Local Government Act 1972</p>

<b>Divisional Councillor(s)</b>	N/A
<b>Officer</b>	Any representations should be sent to:  Name: Cathy King Tel. no: 01452 328834 Email: cathy.king@gloucestershire.gov.uk  By 5pm on 14 November 2023
<b>Timeline</b>	Invitation to Tender – 1st February 2024 Award of Contract – 1st May 2024 Contract Commencement – 1st August 2024

## Background

1. The council's current key holding, and security contract provides a 365 days a year, security service for Gloucestershire County Council properties, provided alongside an out of hours response contract for key-holding. It is a 3-year contract with a single supplier, which expires on 31st July, 2024.
2. The contract is available to corporate properties, schools and participating bodies. The contract offers:
  - An out of hours key holding service
  - Emergency response to out of hours security & fire alarm activation
  - A call off contract for security service for guards (unauthorised access)
  - Lock up and key holding for Park & Ride, working with the integrated transport unit
  - Library security guards
  - Security for vulnerable sites on the Council's disposals list
  - Key holders for 999 emergency services
  - Management of vulnerable sites.
3. The main contract currently serves 187 premises, comprising:

Childrens Centres	23
Community Adult Care	23
Highways	7
Libraries	32
Community Fire Stations	17
Youth Centres	14
Learning Disability	11
Vacant Corporate Properties	43
Other	15
Schools	2

Although the contract makes provision for schools in practice only two have chosen to participate as they are required to install hardware in order to benefit from the service, and few have chosen to do so.

4. The current key holding and security service has received very positive feedback from internal stakeholders and is clearly a welcomed and well-supported service, fulfilling our corporate requirements.
5. It is proposed that the Framework Agreement should be structured so as to allow other public bodies, including schools and district authorities to use the service. This will

ultimately lead to greater efficiency savings for participating bodies. Discussions are underway with further partners but not yet concluded .

6. It is anticipated that the two schools that participate in the current contract will call off contracts through the new framework. However it will be made available to all Primary, Special and Secondary Schools. Discussions are being held with an additional four public sector partners with a view to them calling off contracts from the new framework. It is intended that the framework agreement will make provision for such arrangements.

## Options

7. Several options have been considered to deliver best value to the Council with respect to these services.
8. Option 1 – To discontinue the use of security & keyholding services
9. Rejected on the basis that the council is obligated to undertake security & Keyholding in respect of its corporate estate. Stopping the current contracting arrangements and deciding not to replace them would result in the need for corporate premises, schools, and named partners in Gloucestershire making their own procurement arrangements. This would result in extensive procurement time for Council staff and approved contractors not being immediately available to deliver services to the Council or its partners.
10. This would involve:
  - Staff being asked to be front line support to security call outs;
  - Additional cost for staff required to be 'on call' and for working anti-social hours;
  - Increased risks associated with lone working;
  - A risk of less speedy response time to call outs;
  - A decentralised approach leading to a lack of management information about the security of the property portfolio and greater exposure to security risks;
  - Increased liability for empty properties which make up the single biggest category of buildings served by the contract;
  - Failure to exploit cost benefits of countywide arrangements.
11. Not providing an out of hours & 24/7 call out service would also lead to a disproportionate amount of GCC officer time spent on site-by-site arrangements. Dissatisfaction from premises/sites who currently use the corporate contract and who expect and demand this service. Negative financial impact on individual premises, who would be paying more to form their own key holding & security arrangements, or possibly managing with no security arrangements at all.
12. Option 2 -. Procure an external provider to deliver the Key Holding & Security Service through a pre-existing Framework Agreement.

13. Rejected on the basis that preexisting Frameworks through ESPO & CCS have higher costs than our current contract. Existing ESPO & CCS frameworks have a limited pool of pre-qualified suppliers, which may restrict competition and limit the options available for buyers.
14. Preexisting Frameworks also come with predefined contract terms and conditions, leaving little room for negotiation or customisation.
15. Option 3 - To procure a framework to allow the call off of contracts by the council, participating schools and partners to deliver a Keyholding and Security service
16. This is the recommended option. Procuring our own contract enables us to create a bespoke service for our corporate estate. Tendering gives multiple suppliers the opportunity to bid ensuring that the Council achieves best value. It also provides the opportunity to offer the opportunity to our schools and partners to call off contracts, providing them with a convenient route to market for these services. By increasing the property portfolio we will achieve great purchasing power and benefit from economies of scale
17. Option 4 - To procure a framework to allow the call off of contracts by the council alone (i.e. without making provision for schools and partners to call-off contracts from the framework.
18. This option is not recommended. Whilst the majority of the call offs are for our corporate estate, making it available for others improves our working relationship with our schools and partners, making it easier for them to secure these services without imposing an additional burden on the council.

## **Risks**

19. Risk: That the Framework Agreement will not be delivered on time.  
Mitigation: A Project Plan has been drawn up - a project manager will be appointed, and demand on support services has been included.
20. Risk: Failure to attract sufficient interest from the market.  
Mitigation: We assess this risk as being low. It is further mitigated by the admission of schools and partners to the framework which will increase the potential contract value and make it more attractive to potential providers.

## **Financial implications**

21. The table below sets out annual spend under the council's existing Keyholding and Security framework agreement.

August 21 – March 22 – corporate properties only	Keyholding	£8,100
	Call Outs	£14,200
	Mobile Patrols	£47,700
	<b>Total</b>	<b>£70,000</b>
April 22 – March 23 – corporate and schools	Keyholding	£14,400 of which £52.50 is schools
	Call Outs	£27,600 of which £220 is schools
	Mobile Patrols	£116,000
	<b>Total</b>	<b>£158,000</b>
April 23 – March 24 – corporate and schools (Averages of initial 4 months used to calculate full year)	Keyholding	£13,320 – (of which £90 is schools)
	Call Outs	£49,000 – (of which £1,323 is schools)
	Mobile Patrols	£122,000
	<b>Total</b>	<b>£184,320</b>

22. The annual cost has increased significantly with the additional requirements associated with managing vacant properties as part of the M5 Jct.10 Improvements Scheme.

23. Over the next three years, we anticipate that the number of vacant corporate properties associated with the M5 Jct.10 Improvements Scheme will increase as additional property is purchased. The ongoing costs to look after the vacant sites will be charged back to the project as funded by Homes England.

24. As AMPS hold the corporate property budget it is anticipated that the number of corporate sites will remain consistent.

25. It is hoped that the Framework will result in an increased number of schools and partners calling-off contracts, but as these contracts will be funded by those schools and partners, this will not incur additional expenditure for the Council.

### **Climate change implications**

26. The specification for security service requires the use of vehicles for their mobile patrols which will have a positive environmental impact. We will be evaluating the tender bids

again their savings in CO2 emissions on contract achieved through de-carbonisation and monitoring through the social value portal

### **Ecological implications**

27. Has an Ecological Impact Assessment (EclA) been produced, or will one be undertaken at a later stage? No

28. An EclA is not relevant to this decision.

### **Equality implications**

29. Has an Equalities Impact Assessment (EIA) been completed? No

### **Data Protection Impact Assessment (DPIA) implications**

30. A DPIA is not required for this decision.

### **Social value implications**

31. The Council will be using a new performance and evidence-based approach to Social Value, based on the National TOMs (Themes, Outcomes and Measures) which has been developed for the Council by the Social Value Portal. Tenderers will be required to propose credible targets against which performance (for the successful Tenderer) will be monitored. Tenderers are free to choose those measures that are proportional and relevant to their business and this specific contract. However, a key success factor for Tenderers will be to demonstrate the ability to deliver against the commitments made.

32. Tenderers will be required to provide the following as part of their tender:

- A quantified Quantitative Social Value Proposal; and
- Qualitative Social Value Proposal providing evidence describing how the social value being proposed will be delivered against each of the measures offered.

33. The Council will make provision for these commitments in its contract with the winning Tenderer which will then be monitored and reported on, periodically, throughout the term of the contract.

### **Consultation feedback**



34. Discussions are underway (but not yet concluded) with those schools and public sector partners who may wish to call off contracts from the Framework, once established. Arrangements will be put in place during the lifetime of the framework to ensure that partners can provide feedback into its effectiveness at meeting their needs.

### **Officer recommendations**

35. Option 3 is the recommended option - that Cabinet delegates authority to the Executive Director of Corporate Resources in consultation with Cabinet Member for Finance and Change to implement the proposals set out in the above Recommendations.

### **Performance management/follow-up**

36. The Framework Agreement and call-off contracts awarded by the council thereunder will be managed in line with the Council's contract management procedures.

37. The Call-off Contracts awarded by the council shall be fully managed and monitored on the sites by both the appointed contractors and the council's Support Services contract monitoring team with Asset Management and Property Services.

38. Monitoring of contractor performance will be through a set of pre agreed KPIs that will be reported at regular meetings.