

**Title:** Extension of United Guarding Services (UGS) Security Contract

**Report authorised by:** Mark Baigent, Director of Housing and Regeneration

**Lead Officer:** Christine Addison, Assistant Director for Capital Projects and Property  
Joe McBride, Transformation Manager

**Ward(s) affected:** n/a

**Report for Key/  
Non-Key Decision:** Key

## **1. Describe the issue under consideration**

- 1.1 In July 2019 Cabinet approved the insource of the Facilities Management (FM) Service from the previous provider on 1<sup>st</sup> April 2020. The FM insource excluded the Council's security service.
- 1.2 The Council's relationship with the security provider United Guarding Services (UGS) was extended in following the FM insource, albeit directly rather than through the previous FM provider, following the conclusion of a successful tendering process.
- 1.3 The original award of Haringey's security provision to UGS was for £475,000 covering an initial period of seven months from April 1<sup>st</sup> – 31<sup>st</sup> October 2020, with the option to extend for up to a further seven months if required.
- 1.4 A further six-month extension to Haringey's existing security contract with UGS is now required beyond 31<sup>st</sup> October to fully evaluate the future options for the service in line with the Council's Insourcing Policy and Community Wealth Building approach. The extension will also provide necessary continuity while the impact of COVID-19 on our buildings is fully assessed.
- 1.5 The value of the six-month extension to cover Haringey's regular security needs will amount to a further £407k in accordance with the extension terms agreed in the original award in March 2020. This brings the aggregated value of the contract to £885k and requires approval from Cabinet in accordance with Contract Standing Order (CSO) 10.02.1 b).

## **2. Cabinet Member Introduction**

- 2.1 The way we run our buildings is important - without well-maintained, secure buildings, public services in Haringey will not be able to meet the needs of residents and ensure the safety of our staff and visitors. United Guarding Services (UGS) has been providing security services to the Council since 2008. UGS is a locally based, London Living Wage employer who have strong staff retention rates in Haringey.
- 2.2 The security team has assisted the Council in response to COVID-19. We have relied on additional support and staff from UGS to manage the increased need with less buildings open and additional responsibilities around fire prevention and building security. With the continued uncertainty around COVID-19 and the way in which we run our buildings we have taken the decision to extend our security contract with UGS for a further six months.
- 2.3 A review of the Council's security function is already underway and an options appraisal for the future of the service will be presented in the autumn. In our Manifesto we said we would consider bringing services back in-house where it was prudent to do so and that remains our preferred option where appropriate.
- 2.4 The Insourcing Policy published at Cabinet in October 2019 also supports a range of other manifesto and borough plan commitments including the Council's Community Wealth Building approach to economic development by enabling the Council to keep wealth in the local community, keep public assets in public ownership, offer quality employment opportunities that are accessible to local residents, and create social wealth and enhance community activity. 95% of UGS staff working in Haringey live in the borough and we are pleased that we can continue to work with a local employer while the future security review is underway.

### **3. Recommendations**

- 3.1 For Cabinet to approve the extension of the UGS security contract for a further six months until 30<sup>th</sup> April 2021 with a value up to £407k, in accordance with CSO 10.02.1 b).

### **4. Reasons for decision**

- 4.1 As part of the wider FM insource planning it was agreed in consultation with members that security would be considered in a future phase of corporate insourcing. This was necessary due to the UGS contract not being novateable from the previous FM provider.
- 4.2 A short-term extension to the UGS contract is required in order to provide continuity within the security service and to allow a full review of future options in line with Council policy.
- 4.3 In March 2020, the Assistant Director for Capital Projects & Property, following a compliant procurement exercise, approved the original award of a contract to UGS to the value of £475,000 for an initial contract period of seven months commencing 1st April 2020, with the option to extend up to a further seven months.

4.4 Because the extension for a further six months, to a value of £407k as provided for in the original contract with UGS, exceeds the key decision threshold, a Cabinet decision is required in accordance with the Council's Contract Standing Orders.

## **5. Alternative options considered**

5.1 Not to provide the current services supplied by the current contractor - This option would leave staff, the public and Council sites vulnerable.

5.2 To undertake a full OJEU tendering process immediately - This option is not considered viable due to current market uncertainty related to COVID-19 and the need to investigate comprehensively options to insource these services, as per Council policy.

5.3 The current contract allows for an extension, which is the preferred option enabling a review of the contract specification, insourcing opportunities and a full retendering exercise during the extension period.

## **6. Background information**

6.1 The previous FM contract ended on 31<sup>st</sup> March 2020. It was essential to have continuity of security services from 1<sup>st</sup> April 2020 while an analysis of potential inhouse or hybrid options is completed and can be formally reviewed by Members.

6.2 A retendering of the security contract was required in March 2020 via DPS because the previous contract was not novateable from the previous FM provider.

6.3 A compliant tender process was undertaken by Strategic Procurement on behalf of the service. A single tender was received from UGS. This is primarily due to the period of time a contractor would have needed to secure the required assets and mobilise to meet the Council's contract commencement date.

6.4 Strategic Procurement reviewed the tender price submitted and concluded it was value for money, especially compared with the previous services fees paid by the Council for the same services.

6.5 UGS have been the Council's security provider since 2015 and has provided a good service over the duration of that period. As part of the tender process carried out earlier this year, UGS committed to provide all of the Council's security requirements when needed as per the duties below:

- Static Guarding –at specific locations-both scheduled and ad hoc.
- Mobile Patrols -Internal and external mobile patrolling of Council buildings/Locations both scheduled and ad hoc.
- Mobile patrol- response to Intruder/Fire/Panic alarms and CCTV security alerts.
- Other Emergency Response requirements as required
- Opening and locking council buildings/parks.
- Concierge, door supervision

- Dog Handling

6.6 In October 2019 Haringey's Cabinet approved and adopted an Insourcing Policy. The Insourcing Policy includes a commitment to a structured approach to support sustained progress on this agenda. Security is one of the key areas being assessed in detail by officers to determine the viability of a future insource.

6.7 The six-month extension to the current UGS contract will allow officers to complete a full review of the Council's future security options, including a potential insource of the service, as well as providing necessary continuity during the ongoing COVID-19 crisis.

## **7. Contribution to strategic outcomes**

7.1 Security is a necessary service to protect the Council's assets, staff and residents and supports several Borough Plan priorities relating to Your Council, People and Place.

7.1.1 United Guarding Services is a local employer, based in Bounds Green, Haringey, and a high proportion of our security staff live locally. UGS staff retention rate in Haringey since 2015 is over 94% which is considerably higher than the London average.

7.1.2 Contracting with local employers contributes to the Council's key Community Wealth Building objective.

## **7. Statutory Officers comments (Chief Finance Officer, Head of Procurement), Assistant Director of Corporate Governance, Equalities)**

### **8.1 Finance**

8.1.2 The recommendation for Cabinet to approve the extension of the UGS security contract for a further six months until 30<sup>th</sup> April 2021 with a value up to £407k taking the total value of the contract to £882k ( April 2020- 30 April 2021), in accordance with CSO 10.02.1 b).

8.1.3 The costs will be met from the revenue Budget and there will no further financial impact.

### **8.2 Procurement**

8.2.1 A compliant tender process was undertaken in accordance with CSO 9.04 (use of DPS) by Strategic Procurement in March 2020. Due to limited time period only one tender was received, from UGS, and following a benchmarking exercise of this bid it was concluded that the bid did offer value for money compared with the previous service fees paid by the Council for the same services.

8.2.2 Strategic Procurement can confirm the original award made provision to extend the contract by up to a further seven months and the recommendations made in this report to extend the contract are compliant with CSO 10.02.1 b).

### 8.3 Legal

8.3.1 The Assistant Director of Corporate Governance has been consulted in the preparation of the report.

8.3.2 Strategic Procurement have confirmed the contract extension which this report relates to is in accordance with the provisions of the contract.

8.3.3 The aggregate value of the contract (including the extension) exceeds the key decision threshold. Therefore, the extension requires Cabinet approval pursuant to Contract Standing Order 10.02.1(b).

8.3.4 The Assistant Director of Corporate Governance sees no legal reasons preventing Cabinet from approving the recommendations in the report.

### 8.4 Equality

8.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

8.4.2 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8.4.3 The proposed decision is to approve the extension of the UGS security contract for six months until 30th April 2021. The objective of the proposed decision is to provide continuity within the security service and to allow a full review of future options in line with Council's Insourcing Policy.

8.4.4 The primary group affected by the proposed decision will be employees of Haringey Council. Over 50% of Haringey staff are BAME, almost two-thirds are women, and at least 6.5% have disabilities, though this is likely to be an underestimate due to low reporting levels. To the extent that the extension of the contract helps to ensure the safety of Council employees, the decision will represent a measure to prevent indirect discrimination based on these protected characteristics.

8.4.5 As an organisation carrying out a public function on behalf of a public body, UGS will be required to have due regard for the need to achieve the aims of the public sector equality duty. Appropriate contract monitoring arrangements will be in place, and proportionate measures will be taken to address any inequalities that may arise in the operation of the security contract.

## **9. Use of Appendices**

None

## **10. Local Government (Access to Information) Act 1985**

Insourcing Policy - Cabinet October 2019