

REQUEST FOR MAYORAL DECISION – MD470

Title: Trafalgar and Parliament Square Heritage Warden Contract Extension and Tender

Executive Summary:

Following amalgamation of the Squares and Facilities Management Team, a review of contract documentation is taking place. It is now necessary to retrospectively extend the contract for Trafalgar and Parliament Square Heritage Wardens (Security) in order that a new contract can be procured in accordance with the EU Procurement Regulations.

Decision:

Mayoral approval is sought to:

- 1) retrospectively extend the existing contract for Heritage Warden (Security) Services with Chubb Security Personnel Limited from 1 May 2009 until 30 April 2011 in accordance with the provisions set out in the original contract; and
- 2) undertake a competitive tender exercise in order to procure a new contract for Security Services at Trafalgar and Parliament Squares to commence in April 2011, for a period of 4 years with the option to extend for up to 2 years in 1 year lots and award this contract to the most economically advantageous tenderer; and
- 3) delegate authority for award of any new contract and subsequent extension of the same to the Director of Resources.

Mayor of London

The above request has my approval.

Signature

Date

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

The contract for Heritage Warden Services was let to Chubb Security Personnel Limited following a competitive tender exercise in 2006. Authority to carry out the competitive tender and award to the most economically advantageous contractor was given under MA2643 for an initial period of 3-years with the option to extend for 2-years.

Chubb Security Personnel Limited have consistently carried out the services required by the contract to an acceptable standard and have been consistent in the quality of staff provided.

The services carried out by Chubb Security Personnel are in excess of those included in a regular man-guarding security contract. All Heritage Wardens must be SIA licensed, must have exemplary knowledge of the bylaws which apply to the Squares and must have the ability to manage contractors, external events co-ordinators and have the ability to establish and maintain relationships with the Police. Wardens are also expected to act as a point of contact for the public, providing help, guidance and information as well as deterring criminal activity or damage to the Squares, which as iconic locations within multiple English Heritage listed sites attract among the highest number of visitors in the capital. In effect the contractor is the GLA's permanent agent on the Squares.

At the time when the original contract period with Chubb Security Personnel Limited expired in May 2009 a formal extension to the contract using the provisions set out in the original contract was not invoked. This was an administrative oversight during the early stages of Organising for Delivery Programme and when there were temporary management arrangements for the Squares Team. Under the new Facilities and Squares Management Team a complete review of Squares contract documentation is being undertaken to ensure compliance.

2. Issues for consideration

a) Links to strategies and Strategic Plan

Efficient Facilities and Squares Management contracts support the proper operation of the GLA as an organisation and therefore support Mayoral strategy and operations.

b) Impact assessments and Consultation

Legal, Procurement and Finance teams will be consulted at the appropriate stages of the evaluation process for this contract. It is not considered necessary or appropriate to consult within the meaning of Section 32 of the Greater London Authority Act 1999 as these arrangements relate to the Authority's procurement of support services.

c) Risk

Without suitable contracts in place, Facilities and Squares Management will be unable to ensure the day-to-day security of the Squares and would therefore be at risk of damage to people, iconic Squares, historic monuments and other property, and the reputation of the Authority, which may have a financial impact.

3. Financial Comments

Contract Extension with Chubb Security Personnel Limited from 1 May 2009 to 30 April 2011.

- 3.1 MA2643 approved the appointment of Chubb Security Personnel Ltd to provide these services from 1 May 2006 for a period of three-years, with the option of a possible two-year extension. It is now proposed to respectively approve the contract extension from 1 May 2009 to 30 April 2011.
- 3.2 The estimated cost of the contract extension is **£857,522** and will have to be contained within the overall **London Squares budget**, with the budget for which costs that fall into 2010/11 and 2011/12 being subject to the Authority's annual Strategic Planning & Budget Process.

Proposed Procurement of New Contract

- 3.3 It is proposed that a tender exercise is undertaken in order to procure a new contract for Security Services at Trafalgar & Parliament Square, with an estimated start date of 1 May 2011 for a period of 4-years with the option to extend for up to 2 years in 1-year lots.
- 3.4 The estimated cost of the proposed new contract for 4-years is **£1,715,044**, which equates to approximately £428,761 per annum and will have to be contained within the budget provision for London Squares subject to the annual Strategic Planning & Budget Process. It should be noted, however, market testing has not yet taken place and therefore officers cannot at this stage substantiate accurately the annual cost of the proposed new contract.
- 3.5 For information the current budget provision (2009/10) for this contract totals £370,000 within the London Squares budget and previous years over-spend on this contract have been funded from within the overall London Squares budget provision, for 2009/10, this being £1,243,000. A growth bid has been submitted to increase the budget provision for this contract to £430,000 for 2010/11 onwards to take into account of the true cost of security requirements of the Square. However, as part of the contract provision is called-off on an 'as and when required' basis, if the growth bid is not approved, officers will have to ensure contract costs are contained within the overall London Squares budget, realigning budget provisions accordingly (this is applicable for the contract extension noted above and the new contract proposal).
- 3.6 The budget position will be monitored on a monthly basis and remedial action taken, where necessary. All appropriate budget adjustments will be made.

Other Issues

- 3.7 Officers are reminded to ensure that they follow the Authority's Procurement Rules when procuring the new contract and where necessary seek advice from the Legal, Procurement & Finance.
- 3.8 Any changes to the proposals above (including, scope of contracts, and budgetary implications) will be subject to further approval via the Authority's decision-making process.
- 3.9 Facilities and Squares Management within the Resources Directorate will be responsible for managing the contract extension with Chubb Security Personnel Ltd and the proposed procurement of the new contract.

4. Legal Comments

- 4.1 Sections 383 and 384 of the Greater London Authority 1999 (“the Act”) provide that the Authority, is responsible for the care, control and management and regulation of Trafalgar and Parliament Squares. Pursuant to section 34 of the Act the Mayor has the power to do anything that is calculated to facilitate or is conducive or incidental to the exercise of the Authority’s functions. Therefore, the extension of the current and the procurement of a new Heritage Wardens contract falls within section 34, as it is incidental to the duty to care, control, manage and regulate Trafalgar Square and Parliament Square.
- 4.2 The current contract was awarded following a competitive tender exercise which expressly provided for the extension of the contract for a period of up to two years, the extension being agreed in writing and signed by both the Authority and Chubb. Therefore, the contract may be extended but officers must ensure that a letter of extension is put in place and counter-signed and returned by Chubb as a matter of urgency given the oversight noted in section 1 above.
- 4.3 Under section 38 (1) of the Act, any function exercisable on behalf of the Authority by the Mayor shall also be exercisable on behalf of the bodies or persons specified in subsection 38(2), if or to the extent that the Mayor so authorises, whether generally or specially, and subject to any conditions imposed by the Mayor. Section 38(2) goes on further to state that those bodies and persons include any member of staff of the Authority.
- 4.4 Therefore, the Mayor may approve the proposals made by officers.
- 4.5 The services required and in respect of which approval is sought will be procured by Transport for London Procurement who will determine the procurement strategy to be adopted in accordance with the Authority’s Contracts and Funding Code. Officers must liaise with Transport for London Procurement in this regard.

5. Background/supporting papers

MA2643 – Copy attached.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOI Act) and other legislation. Part 1 of this form will be made available on the Greater London Authority website within 1 working day of approval. Any facts and advice that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this approval to be deferred? NO

If yes, for what reason:

Until what date:
Is there a part 2 form - NO

ORIGINATING OFFICER DECLARATION:

Tick to indicate approval

Sponsoring Director:

Martin Clarke has reviewed the request and is satisfied it is correct and consistent with the Mayor’s plans and priorities. ✓

Mayoral Advisor:

Sir Simon Milton has been consulted about the proposal and agrees the recommendations. ✓

Head of Law:

Stephen Fernandes-Owen has commented on this proposal on behalf of the Head of Law. ✓

OFFICER APPROVAL

Executive Director, Resources

I have been consulted about the proposal and confirm that Financial and Legal advice have been taken into account in the preparation of this report.

Signature

Date

Chief of Staff

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date