

ITEM 7. TENDER - SECURITY SERVICES

FILE NO: S122105.001

TENDER NO: 1728

SUMMARY

This report provides details of the tenders received for Security Services.

The City currently engages security service providers for general and event security.

General security services are engaged for the provision of regular and ad hoc physical security services at Council's properties and at other venues. The staffing requirements may be either short term or long term.

Event security services are engaged to support the delivery of safe events such as New Year's Eve, Chinese New Year, Art and About, and other outdoor and street events run by Council. New Year's Eve requires the engagement of a large number of security personnel, with qualifications in crowd control, traffic control, and the responsible service of alcohol.

This report recommends that Council accept the tender offer of Tenderer 'B' for general security services and the tender offer of Tenderer 'C' for New Year's Eve and event security services.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'B' for the provision of **General Security Services** for a contract period of two years, with the option of three additional one year extensions, based on performance and the ongoing requirements of Council;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender in clause (A);
- (C) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly;
- (D) Council accept the tender offer of Tenderer 'C' for the provision of **Sydney New Year's Eve and Event Security Services** for a contract period of two years, with the option of three additional one year extensions, based on performance and the ongoing requirements of Council;
- (E) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender in clause (D); and
- (F) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (d), if appropriate, and negotiate the price to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

(As Attachment A is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The City utilises external service providers for the provision of physical security services at the City's properties and at other venues, on a regular and adhoc basis when required. The staffing requirements may be either short term or long term engagements.
2. General security services personnel often represent the City as the front of house or front line representatives, particularly in facilities such as Sydney Town Hall and Town Hall House. These staff need to be well presented and knowledgeable regarding City operations and services.
3. The City hosts a large number of public outdoor events throughout the year, such as New Year's Eve, Chinese New Year, Art and About, and other outdoor and street events. For these events the City will engage a suitably qualified, highly experienced security service provider to provide appropriately qualified security staff to support the safe delivery of these events.
4. Major events such as New Year's Eve and Art and About require the engagement of a large number of security personnel with qualifications in crowd control, traffic control, and the responsible service of alcohol.

INVITATION TO TENDER

5. The tender for the provision of security services was advertised in The Daily Telegraph, The Sydney Morning Herald and Council's eTender website on 20 June 2017.
6. The tender was open for a period of 28 days and closed on Tuesday 18 July 2017.

TENDER SUBMISSIONS

7. A total of 15 submissions were received from the following organisations:
 - AST Protective Services Pty Ltd
 - Australian Concert and Entertainment Security Pty Ltd
 - Bluestar Security
 - Business Risk International Pty Ltd
 - Business Security Management Solutions Pty Ltd
 - Constant Security Pty Ltd
 - EGroup Pty Ltd
 - ISEC Pty Ltd
 - MSS Security Pty Ltd
 - Prime Group (NSW) Pty Ltd
 - Reddawn Australia Pty Ltd

- Secure Events and Assets Pty Ltd
 - Southern Cross Group Services Pty Ltd
 - TJS Services Group Pty Ltd
 - Wilson Security
8. No late submissions were received.

TENDER EVALUATION

9. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
10. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – **Attachment A**
11. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) schedule of rates;
 - (b) demonstrated capacity to meet the service requirements outlined in the specification and quality operations plan;
 - (c) demonstrated managerial capability, qualifications, number of suitably qualified personnel to provide the services (and previous experience in event security - event services only);
 - (d) documented transition, business continuity and risk management plans (general services only).;
 - (e) Work Health and Safety; and
 - (f) financial and commercial trading integrity including insurances.

PERFORMANCE MEASUREMENT

12. Key Performance Indicators (KPIs) have been developed as part of the tender specifications. Additional KPIs will be developed in consultation with the successful tenderers. The performance of the tenderers will be measured against KPIs and feedback will be provided at monthly meetings with the tenderer's management representative.

FINANCIAL IMPLICATIONS

13. There are sufficient funds allocated for these services within the current year's operating budget and future years' forward estimates.

RELEVANT LEGISLATION

14. The tender has been conducted in accordance with the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and the City's Contracts Policy.

15. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
16. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
17. All tender responses were also evaluated in accordance with the *Security Industry Act 1997* and *Security Industry Amendment Act 2012* in relation to subcontracting services.
18. The *Commonwealth Fair Work Act 2009* formed the basis for collecting information from tenderers on key industrial matters including the use of subcontractors, payment of wages and entitlements for workers. The recommended tenderers will be required to inform the City during the life of the contract of any compliance action undertaken by the Fair Work Ombudsman, while the City will also have the power to audit payments to personnel.

CRITICAL DATES / TIME FRAMES

19. Subject to Council approval, and the induction of the recommended tenderers, it is proposed that the new service providers commence 13 November 2017 allowing a one month transition in period with the current service providers.

OPTIONS

20. Not proceeding with engaging contractors to provide security services would put the City at risk, particularly at major events such as New Year's Eve and Chinese New Year. Effective command and control not only enables delivery of such events and management of major buildings such as Town Hall and Town Hall House, but is also critical to safety and security operations at all such venues and events.

PUBLIC CONSULTATION

21. There was no public consultation required for this tender.

DAVID RIORDAN

Director, City Operations

Peter Nikolakopoulos - Security Operations Manager