

**Denmark Hill Replacement of Building L&M BJP****MOPAC Investment Advisory & Monitoring meeting 07 December 2023****Report by Vince Fihosy on behalf of the Chief of Corporate Services****Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – SENSITIVE (COMMERCIAL)*****EXECUTIVE SUMMARY***

The current buildings L&M at the Wireless Station, Denmark Hill are in poor state of repair and need to be replaced. This paper seeks approval to replace these two buildings with new, two-storey buildings to replace the poor quality space and to increase local capacity. These works will be part-funded from the agreed forward works plan and part-funded from funds currently included in within the current approved capital plan but identified for potential future projects.

Recommendation

MOPAC is requested to approve the following:

- a) The expenditure of up to £1.6m from the approved forward works budget in FY 23/24 and 24/25, to replace buildings L and M with a new two storey building on the site of Building M
- b) The allocation and expenditure of up to £1.4m, allocated from the “Major refurbishments, extensions and acquisitions” budget line within the approved Capital Budget, on the construction of an additional two storey building on the site of Building L
- c) Delegated authority to the Director of Commercial Services for the procurement and award of both Consultant and Contractor contracts to undertake the design and construction of the works. All appointments will use the relevant MOPAC framework.

Time sensitivity

A decision is required from the Deputy Mayor by 21/12/2023, the standard advised earliest available date post-IAM

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and background

1. This Business Justification paper sets out the options for replacing Buildings L & M at the Wireless Station, Denmark Hill. This facility is one of the two principal engineering centres who provide critical covert and non-covert surveillance services supporting front line policing and Met Operations. The replacement of block M (which will reprovide existing space) will be funded from the forward capital works budget over two financial years 2023/24 and 2024/25. The replacement of Block L (which is required as a result of the increase in workload and staffing) would require funding from the “Major refurbishments, extensions and acquisitions” budget line in the approved capital plan.
2. There have been previous plans developed to replace Building M, the last being in 2015. At that time, planning permission was granted for its replacement but a lack of available funding meant the project did not proceed.
3. The feasibility study for this project looked at the options for the replacement of buildings L & M to provide a functional solution that will give at least a 20-year lifespan. It also includes the options for improving insulation values and the possibility of installing Photo Voltaic cells (PVs) to generate electricity and help with the reduction of revenue costs as well as contributing towards achieving Met Zero carbon buildings by 2030.
4. The estimated total expenditure for the recommended solution at Denmark Hill is £3M (c. £1.6M funded from the forward works budget and £1.4M funded from the “Major refurbishments, extensions and acquisitions” budget in the approved capital plan) based on the feasibility at Project Lifecycle Stage 1. This includes design and project management, planning fees, allowances for IT and technology installations, as well as an allowance for MPS staff costs and a client held contingency.

Issues for consideration

5. Full details regarding context and business need - This information is contained in the restricted section of the report
6. The available space at Denmark Hill is already fully occupied and staff numbers are increasing, putting significant pressure on the available space. To support the increased volume and complexity of work delivered at Denmark Hill the unit have recruited an additional 10 technical members of staff; there is not now the space to properly accommodate them.
7. Buildings L & M are existing single storey prefabricated buildings, constructed approximately 40 years ago, and which are in extremely poor condition. The occupants of these buildings have reported numerous issues over the last few

years and the temporary repairs that have been carried do not provide a permanent solution to the issues. There is no realistic opportunity to refurbish the buildings and the service cannot be relocated (it needs to remain co-located with the remaining services at Denmark Hill); therefore, the optimal solution is to demolish them and replace them with modern, fit for purpose accommodation. In doing so, there is the opportunity to replace the current single storey buildings with two new two-storey facilities, significantly increasing the available footprint.

8. The new Building M will replicate the current accommodation with modern, effective space that will bring it up to the “2024 accommodation standard”. The additional building will provide Office and specialist work space for the additional staff that now operate from the site, alongside additional project rooms, specialist work rooms and storage which will allow the teams based on site to respond to the increased demand that they are facing.
9. The proposed project will provide value for money, as set out within the commercial case, and will provide space for the current expected growth of unit activities and will allow the continued efficient delivery of services and operations from the teams on site.

Contributes to the MOPAC Police & Crime Plan 2022-25¹

10. The Mayor wants London both to be a safer city and for Londoners to feel safer. To deliver this vision the Police and Crime Plan sets out some key areas for action which include: Reducing and preventing violence; Increasing trust and confidence; Better supporting victims.
11. The new building at Denmark Hill will provide a modern working environment for MPS staff. The improved site will help support effective delivery and contribute towards creating a safer city for Londoners.

Financial, Commercial and Procurement Comments

12. This paper is seeking approval for capital expenditure entered into by the MPS of up to £3.0m. This is funded as follows: £1.6m of funding from the approved budget for the Forward Works programme to replace building M with a two storey building; and £1.4m to be allocated from the approved PSD funding for “Major refurbishments, extensions and acquisitions”. This latter funding is already profiled within the approved Capital Plan in 2026/27 and will be bought forward to 2024/25 to fund the replacement of Building L and provide capacity for the increased headcount . This will reduce the current forecast spend in 2026/27 by £1.4m and increase that in 2024/25 by the same amount. There are no additional revenue implications arising from this proposed investment.
13. The estimated total cost for the replacement of buildings L & M (option 4) is £3.0M including all costs and client held contingency. If this business case and its recommendations are approved, the works will be the delivered via a compliant

¹ [Police and crime plan: a safer city for all Londoners | London City Hall](#)

procurement exercise using the MPS Building Works Framework Lot 1. The commercial agreements required to deliver this project will be procured and awarded in full compliance with the Public Contracts Regulations (PCR) 2015 and MOPAC Scheme of Delegation.

14. The Decisions recommended for approval by MOPAC are supported by Commercial Services, and it is confirmed that the award of contracts as set out in Recommendation (c) will be through MOPAC approved MPS Frameworks following compliant call-off procedures and in accordance with PCR 2015.
15. These frameworks are:
 - MPS Building Works Framework – 2022- 2026 (construction works up to £10m);
 - and MPS Professional Services Framework 2022- 2026 (design services for all project values)
16. It should be noted that the Met supports the Mayor’s Responsible Procurement Policy including: enhancing social value, encouraging equality and diversity, embedding fair employment practices, enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.
17. **London Anchor Institutions’ Charter²**. As part of a compliant framework call-off approach to appoint the main contractor, the tender process the MPS will follow will include requesting and assessing the tenderers commitments to specific actions to address the LAIC objectives. The appointment of both main contractor and consultant will include specific commitments in regard to MOPAC’s social value objectives including those related to COVID-19 recovery. Performance against these will be assessed as part of the ongoing framework management approach. The contracts will encourage the use of London supply chain specific initiatives including: apprenticeship levies; adherence to modern slavery and London Living Wage obligations; financial commitment to MET charities.

Legal Comments

18. Section 6 of the Police Reform and Social Responsibility Act 2011 (“the Act”) provides the MOPAC must secure the maintenance of the Metropolitan Police Service, and secure that the Metropolitan Police is efficient and effective. In carrying out its functions, the MOPAC may, under paragraph 7, Schedule 3 of “the Act” “do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office”. This includes, entering into contracts and other agreements, in addition to acquiring and disposing of property (including land).
19. The Mayor’s Office for Policing and Crime (“MOPAC”) is a contracting authority as defined in the Public Contracts Regulations 2015 (“the Regulations”). All awards of public contracts for goods and/or services valued at £213,477 or above shall be procured in accordance with the Regulations. All awards of Public contracts for works valued at £5,336,937 or above shall be procured in

² <https://www.london.gov.uk/coronavirus/londons-recovery-coronavirus-crisis/anchor-institutions-charter>

accordance with the Regulations. This Report confirms the requested services and works shall be procured compliantly.

20. Recommendation (c) can be lawfully approved on the basis that contracts will be awarded through valid framework agreements which are a compliant route to market.
21. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:
 - Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
 - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13). Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

Equality Comments

22. This business case has undergone an initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Consideration has been taken to assess equality impact caused by the proposed changes to the site security systems. The new facility will improve the accessibility for the conference room facilities and the ground floor engineering facilities. No negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and those who are not. A site specific EIA will be undertaken as part of the Detailed Design process.

Environmental Implications

23. In accordance with the MOPAC initiative to be carbon neutral by 2030, consideration has been given at the design stage to whether there is an opportunity to provide any carbon reduction initiatives as part of the project. The new buildings will be entirely electric and therefore will support the Mayor's net zero carbon aspirations. The design team will also address the requirements within the MPS Decarbonisation Screening Checklist for smaller projects, which includes incorporating energy reduction measures such as LED lighting and enhanced insulation. This will ensure that incremental benefits within the site are achieved to deliver energy efficiency.

Privacy Comments

24. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
25. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become

mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.

26. There are no privacy issues identified through the Data Protection Impact Assessment (DPIA) completed for this work. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.
27. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
28. Under the requirements of the Surveillance Commissioners Code for CCTV, Data Protection Impact Assessments (DPIA) will be required for any adaptations/amendments undertaken on the MPS estate CCTV system. These assessments are well understood and are part of the contractual delivery of any CCTV works.

Real Estate Implications

29. This a property services directorate owned business case. There are real estate implications outlined throughout the report.

Background/supporting papers

30. None

Report author: Simon Marsh, Assistant Director PSD - RED.

Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is:
OFFICIAL-SENSITIVE [OPERATIONAL]

Part 2 of Denmark Hill Replacement of Building L & M BJP as part of Programme 11 Transforming the Estate is exempt from publication for the following reasons:

- Exempt under Article 2(2)(c) of the Elected Local Policing Bodies (Specified Information) Order 2011
- The relevant section under the FOIA that would exempt this information from disclosure is Law Enforcement - Section 31 (1).

The paper will continue to be exempt as it contains operationally sensitive data. . This exemption will be reviewed every 5 years from the date of approval of this paper.