



MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Empress State Building (ESB) – Decarbonisation Decision Paper

MOPAC Investment Advisory & Monitoring meeting 10 January 2024

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

This paper advises and seeks approval for the expenditure of £998,645.90 of Grant Funding received from the Greater London Authority (GLA) to deliver the design for the Decarbonisation of ESB to Royal Institute of British Architects (RIBA) Stage 4.

Recommendation

MOPAC is requested to support the decision and recommendations to:

1. Approve the receipt and expenditure of a GLA Grant Funding award for ESB Decarbonisation design and project management consultancy services not exceeding £998,645.90;
2. Approve that these services be procured via compliant MPS frameworks, and for delegated approval to be granted to the Director of Commercial Services for award of consultancy service contracts

Time sensitivity

A decision is required from the Deputy Mayor by 25/01/2023, 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. ESB is one of the Met's top five carbon emitters, accounting for 8 – 9% of the Met's estate operational emissions. The existing boilers are around 20 years old and a lifecycle replacement strategy needs to be developed for the site.
2. This paper advises and seeks approval for the expenditure of £998,645.90 of Grant Funding received from the Greater London Authority (GLA) to deliver the design for the Decarbonisation of ESB to RIBA Stage 4.

Issues for consideration

3. The life-expired nature of the heat generation equipment at ESB, mean that the Met needs to find a solution at ESB in the near future. The baseline funded option for ESB would be to replace the existing boilers with a similar gas-fired system, this may result in a minor reductions of carbon emissions but the ESB system would fundamentally be powered by burning fossil fuels.
4. Replacing the boilers is critical to the resilience of site operations. A feasibility assessment of the ESB heat generation plant confirmed that it has reached the end of its economic life and is due for replacement.
5. Earl's Court Development Company (ECDC) (a joint venture between Delancey and Transport for London) is working on an innovative plan to deliver a decarbonised, zero emissions and zero carbon heat network on the site adjoining ESB.
6. There is an enormous opportunity for us to work in this unique collaborative partnership allowing us to remove over 8% of the Met's estate carbon emissions from ESB whilst progressing a commercially novel, innovative public-private heat network.
7. Working in partnership with ECDC has the potential for us to deliver the most innovative cost and carbon efficient solution in the long term.

Contributes to the MOPAC Police & Crime Plan 2022-25¹

8. 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.
9. The decarbonisation of ESB will help provide a safe and 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

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

10. The GLA Grant Funding of £998,645.90 will allow technical solutions to be designed for all options that demonstrate an optimum carbon resolution and value for money. This work will cover RIBA stages 2-4 and will take 12-18 months, the output will also include a detailed cost plan.
11. The delivery of a final decarbonised solution is estimated at £15m-£20m. Following completion of the grant funded works, PSD will evaluate and prepare a self-funded, grant funded or Green Bond Financed application for the ESB site, and prepare a commercial solution with ECDC. In addition there is the potential for contributions from ECDC towards this Capital outlay.
12. The commercial risk is low and it should be noted that we are only committing the value of the GLA Grant Funding at this stage and that the framework process allows for pause or termination of design services at each stage if necessary.
13. The ESB Decarbonisation design and project management consultancy services required for this project will be procured via compliant MPS frameworks.
14. **London Anchor Institutions' Charter**². As part of their appointment onto the MPS frameworks, the delivery partners the MPS will use to deliver the design for the Decarbonisation of ESB to RIBA Stage 4 have committed to take specific actions to address the LAIC objectives. The contracts will encourage the use of London supply chain specific initiatives including: apprenticeship levies; adherence to modern slavery and London Living Wage obligations; social value impact opportunities.

Legal Comments

15. 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. This report confirms the value of the proposed contract exceeds this threshold.

This report confirms the MOPAC's route to market is compliant with the Regulations.

The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:

- (a) Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
- (b) 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 Commercial Services 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

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

provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

Equality Comments

16. There are considered to be no negative equality or diversity implications arising from this process negating the requirement to present any mitigation. Any approved suppliers will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as suppliers to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.
17. In addition, it should be noted that the MPS support the Mayor's Responsible Procurement Policy including: Enhancing Social Value, Encouraging Inclusion, Diversity and Equality, Embedding fair employment practices, Enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.

Environmental Implications

18. Executing this project will set out a plan to improve the services at ESB. Collaborating with ECDC will ensure that we emphasise proactivity by working in partnership to solve the Carbon issues at source. The opportunity to work alongside ECDC offers the potential to deliver the most cost and carbon efficient solution in the long term.

Privacy Comments

19. 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.
20. 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.
21. 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.
22. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
23. 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

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

25. **Licence to Alter:** MPS will seek advice from our retained planning consultants for the ESB project with regards to Landlord's consent for the proposed works once the designs have been developed.

Background/supporting papers

26. None

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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 [COMMERCIAL]

Empress State Building (ESB) – Decarbonisation Decision Paper as part of Programme 11 Transforming the Estate is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).
- The relevant section under the FOIA that would exempt this information from disclosure is Commercial Interest Section 43

The paper will continue to be exempt until January 2028