The Provision of Total Facilities Management to Live Fire Skills House, Gravesend
MOPAC Investment Advisory & Monitoring meeting 5th November 2024

Report by Vince Fihosy on behalf of the Chief people and Resources Officer

Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC

EXECUTIVE SUMMARY

This business justification paper (BJP) seeks approval to procure a Total Facilities Management Contract for the recently constructed Live Fire Skills House (LFSH) training facility based within the Gravesend Metropolitan Police Specialist Training Facility (MPST) site. The procurement will include mechanical, electrical, cleaning, waste, grounds, pest and reactive services within the demise of the LFSH training facility. For avoidance of doubt the LFSH is a standalone property currently excluded from the scope of the PFI contract at Gravesend Metropolitan Police Specialist Training Facility (MPST).

This procurement will ensure the facility is maintained to an industry recommended standard ensuring compliance with health & safety, statutory and legal requirements needed to keep the facility functional and operational. This BJP does not require any additional PSD funding.

This procurement will ensure the newly constructed facility is serviced and maintained until the end of the existing Private Finance Initiative (PFI) agreement that ends in February 2028 where the facility will be incorporated into the wider exit programme as the PFI transitions into MOPAC ownership. An additional six months contract headroom and duration will be incorporated to allow the continuation of services beyond the February 2028 PFI contract end should this option be required.

Recommendations

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

Approve the procurement and award of the following service line within a 10% tolerance of the values outlined within this paper, to be signed off by the MPS commercial Director under delegated authority.

- Procurement of the Total Facilities Management Contract with a proposed contract value of £1,574,000 over 3 years.

Key Financial Data including proposed contract value

Table 'A' below provides a summary of the key financial information and current service costs along with the new proposed contract term value and duration.

The proposed contract term value of the contract indicates the contract 'headroom' value and not the budget required. These figures have been calculated based on a benchmark of the recently tendered contract incorporating future demand, inflationary increases and the like. This allows sufficient headroom within the contract value to provide the services through to the end of the recommended contract term 01/02/2028. The proposed new contract term and value includes an allowance for inflation (5% per annum) and £100K provision for unplanned reactive works for the contract duration. The provisional value allows for the anticipated increased wear and tear, usage and capital replacement of assets.

Table A – Contract Values

Service	Existing Service Cost 2024/25	Total Value 2024/25	Average Monthly Proposed Contract Value	Proposed Contract Term Value (3 Years)
Total Facilities Management	£0.445M	£0.445M	£0.044M	£1.58M

Procurement Timescales

The current service arrangement providing Total Facilities Management TFM Services for LFSH is due to conclude on 1st September 2025.

The programmed timescales for procurement of these services are –
- issue of the SSQ mid-January 2025
- three month procurement
- evaluations completed end of April 2025
- notification of award and standstill period
- four month mobilisation period prior to the contract live date

This timescale can be accommodated within the existing program of procurement activities being undertaken by PSD.

Time Sensitivity

A decision is required from the Deputy Mayor by 3rd December 2024.

To enable adequate time for the procurement to take place and the new contract to commence at the point the existing contract reaches the end of its term. Continuation of this service is critical to support operational policing.

Background to the Service Requirements

The scope of requirements for the contract is summarised in Table 'B' below. The contract will provide TFM Services to the LFSH based in Gravesend Metropolitan Police Specialist Training Facility (MPST) site.

Table B – Scope

Contract	Scope of Requirements

Total Facilities Management	The provision to procure and approval to award, a total facilities maintenance contract for Live Fire Skills House in Gravesend.
	• Full maintenance (planned & reactive) service on a 24/7/365-366 basis across the site for;
	    o Mechanical & Electrical Services
	    o Firing Range Specialties
	    o General Building Works
	    o Locksmiths
	    o Gates
	    o Cleaning Services
	    o Waste Services
	    o Pest Services
	    o Storage and Replacement Sacrificial Fabric
	• Small works projects up to the value of £25,000

A review of the scope has been undertaken to identify any opportunity to in-source/self-deliver of all or part of the contracted services.

Since 1999 Property Services has been operating a predominately outsourced delivery model, whilst retaining a small 'intelligent-client' unit. There has been a shift and a change in delivery models for other previously outsourced services, which has resulted in bringing certain roles and functions back in house. In 2004 for example, staff delivering fire training/management, public health services and management of the MOPAC residential estate were insourced. More recently in 2022, as part of the integrator re-procurement, both the audit function and procurement of the Facilities Management (FM) Supply Chain were insourced. These roles and services naturally fitted within the client unit structure, demonstrated Value for Money and enhanced the resilience and delivery of Professional Services within the Client unit.

Whilst the Authority continues to review opportunities for insourcing, for these services covered within this paper, the options are not considered viable due to the nature of the services being provided (e.g. cleaning and ground maintenance operatives, qualified electrical and mechanical engineers). Generally the services are delivered by a supply chain across similar organisations and across the remaining MOPAC estate.

Current Position

Total Facilities Management – LFSH was completed as a new build project within the Gravesend Metropolitan Police Specialist Training Facility (MPST) in September 2024. A single years' service provision was set in place with the existing PFI subcontractor Bouygues to maintain the facility from September 2024 to provide TFM services as defined within the BJP PCD1153. The LFSH TFM contract is due to finish in August 2025.
This request is for approval to procure for a further period of 3 years from September 2025 to provide ongoing TFM services to align with the remaining PFI contract duration expiring February 2028. Post 2028, the LFSH TFM services will be absorbed within the future MPST site wide delivery model which will be subject to a further business justification paper.

New Met for London

The LFSH TFM Contract will support the organisation to achieve our mission of ‘More Trust, Less Crime, High Standards’ through ensuring the provision of safe and effective training facilities for operational staff, and in doing so ‘set our people up to succeed’ by making it easier for them to do their job and provide higher standards and in turn reduce crime.

The new contract allows a provision to increase the number of training days and support the forecast growth in officer numbers and the corresponding demand on services that arise in delivering the MPS mission.

Risks and Mitigations

The following risks and mitigations have been identified and are detailed in Table C below.

Table C - Risks and Mitigations

Area Identified	Risk	Mitigation
Data	Accuracy and integrity of data provided may be insufficient for the market to provide accurate pricing and tender responses	Ensuring accurate data is provided to the bidders. PSD’s data management systems will provide the most up-to-date picture of the estate requirements following updates from the 1 year contract in place from August 2024.
Poor response to ITT	There is a risk that the market does not respond/responds poorly to the procurement opportunities.	Well defined requirements specified within scope of requirements and contract conditions. The work completed for the 1 year contract has provided a comprehensive specification to ensure a fair, compliant and competitive process.
Mobilisation and Security	The new supplier is not prepared by go-live date, including key personnel not gaining security clearance.	A 4-month mobilisation period has been built in to the tender period, in which the PSD Compliance team will work closely with the supplier to ensure readiness for go live. This will be achieved through utilising submitted mobilisation plans and regular check point meetings. Earliest submission of security clearances to be prioritised.
Inflationary pressure	Continued risk that inflation remains above the Bank of England 2% target.	Sufficient headroom is built into the proposed new contract value to account for inflation at 5%. Pricing Model allows for tracking of CPI throughout the contract period, de-risking bidders inflating tenders where price remained fixed for longer period than twelve months.

Contributes to the New Met for London (NMfL) Plan and / or MOPAC Police & Crime Plan 2022-25

This request enables the currently embedded services that are essential to the provision of specialist training of MPS officers, supporting the public image of the MPS and to maintain a highly skilled officers to deliver operational policing.

MPS Commercial Services have reviewed and considered options in relation to the 'lotting' of these service contracts and recommend the structure detailed in option 1 below.

Table D – Lotting/Packing Options

Option	Pros	Cons	Overall Risk
Procure Single Contract through Restricted Competition	• Pre-selection of suppliers with a proven track record of delivering TFM services • Maximises Authority leverage • Reduced supplier overheads • Reduced Authority overheads • Allows Small Medium Enterprise (SME) inclusion given the service line value	• Reduced Supplier resilience - Mitigated via checks undertaken at 1st stage of the restricted tender process • Mark up on subcontracting of services • Coordination of work and disruption to business operations • May eliminate smaller SME's due to the size of the contract	**Recommended**
Split Services into multiple Lots (M&E, Cleaning, Waste, ect)	• Increased Supplier resilience • Multiple Suppliers including SME's • Potential reduction in overheads and mark-up values	• Further dilutes Authority leverage • Further Increases Authority and Property Integrator overheads • Increases management and reporting burden • Increased risk of failed procurement due to limited size of opportunity.	**Not Recommended**

Route to Market

It has been concluded at the time of obtaining approval to procure these services, that a restricted tender procedure is the most suitable to ensure maximum market interest and opportunity for SME's and recommended route for these Services.

During the preparation of tender documents and prior to going to market, Commercial and Property Services will remain vigilant for any emerging availability of new frameworks or service bundling opportunities that may be more economically advantageous (MAT), if an alternative was identified it might be opted for in preference of the restricted tender or nominated framework.

The Service lines will undergo a competitive tender process, and the evaluation criteria will be based on a blend of:

- Technical capability
- Commercial compliance including social value
- Pricing competitiveness

A contract term of 3 years has been recommended following analysis of the industry standards and in recognition of mobilisation, vetting and information compliance requirements.

Financial Case

This BJP does not require any additional PSD funding, any additional spend beyond the current available budget will be managed by the budget holder and other budget lines available will be utilised to ensure no additional expenditure within financial years. E.g. Cross charge of income generated through third party use, additional annual inflationary funding from MPS/MOPAC and funding of replacement components funded from the capital program.

Contract values identified within Part 2 include allowances for predicted inflationary uplifts together with additional funding from PSD capital budgets and other cost centers.

Legal Comments

MOPAC is a contracting authority as defined in the Public Contract Regulations 2015 (the Regulations). All awards of public contracts for goods and/or services valued at £214,904 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:

- 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.

Corporate Social Responsibility / Social Value

Corporate and Social Responsibility (CSR) and achieving Social Value will be of focus on this requirement, including:

- Contractual obligations and close audit of full compliance with statutory and social obligations as at Modern Slavery Act 2015
- Building into the contract payable hourly rates of minimum London Living Wage
- Engaging with suppliers within the local communities within underrepresented groups
- Engaging with London Business Forums

Equality Comments

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.

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. All supplier contracts awarded on behalf of MOPAC mandate the Mayor for London's minimum wage payment to all employees.

Anchor Institution Charter

- The London Recovery Board objectives will be achieved through ensuring that the bidders compete for this contract based on obligations to:
- deliver local employment and their innovation in doing so;
- have inclusion and diversity values that are reflected within their workforce;
- work towards achieving 80% recycling;
- have apprenticeship schemes in place; and
- bring innovations into reducing their carbon footprint whilst working towards carbon net-zero

The bidders' responses will be evaluated on above criteria which will form an integral part of MOPAC's intended contract obligations on the supplier.
The CSR and Social Value elements (including the Anchor Institution Charter) will be worked through and built into the scope of services. Within the procurement exercise the bidders' responses will be evaluated on above criteria which will form an integral part of MOPAC's intended contract obligations on the supplier with a minimum weighing of 10% in line with Procurement Policy Note –Taking Account of Social Value PPN 06/20 and Carbon Reduction Plan PPN 06/21.

Privacy Comments

- 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.
- 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.
- The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the contract change meets its compliance requirements.

- The contract does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered. This is not a new project or programme and purely relates to the contract value of an existing contract.

Real Estate Implications

- This change supports the draft 2024-2034 Estate Strategy by ensuring compliance and function of this key training facility.

Environmental Implications

- The MPS Environment Policy and the Environmental and Sustainability Strategy will be taken into consideration with any change in contract arrangements and the project it delivers.

Background/Supporting Papers

- There are no supporting papers.
- Report author: Mark Paris Senior PSD Commercial Manager

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]

Part 2 of The Provision of Total Facilities Management to Live Fire Skills House, Gravesend is exempt from publication for the following reasons:

- Commercial Interest Section 43

The paper will cease to be exempt until 30th October 2028. Any request for information under FoIA would need to be assessed on a case by case basis, no matter what or when the original decision was made, as the circumstances may have changed eg information no longer commercially sensitive.