

DMPC Decision – PCD 1716

Title: Estate Management – Contract Uplift and Re-procurements

Executive Summary:

This paper seeks approval for an existing contract uplift in value, and for the re-procurement of that and two other contracts which support the MPS Property Service Directorate in providing buildings and accommodation for operational and other policing functions.

Recommendation:

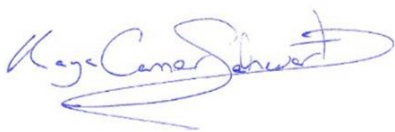
The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the uplift of the existing Estate Management Services contract value from £6,100,000 to £9,100,528 in order to maintain service provision across the MOPAC estate within the existing contract term.
2. Approve the re-procurement and award of the following service lines, to within a 10% tolerance of the values outlined in this paper, to be signed off by the MPS Commercial Director under delegated authority:
 - a) Estate Management Services Contract through a restricted tender procedure with a proposed total contract value of £8,546,454. Based on a proposed contract length of 5+1+1 years.
 - b) Estates Valuation Services Contract with a total contract value of £4,011,329 over a contract length of 5+1+1 years.
 - c) Estates Business Rates Services with a proposed total contract value of £4,776,191 over a contract length of 6+1 years. This contract term is required in order to align with the rating and appeals process set in place by the Valuation Office Agency (VOA)

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.



Signature

Date 26/11/2024

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

1. Introduction and background

- 1.1. MOPAC previously approved the procurement of the Estate Management services contract with effect from April 2022 for a initial term of 3 years with two 12-month optional extensions, with an estimated 5-year value of £6,100,000. The contract will expire in March 2027. The Valuation and Rating contract was awarded with effect from April 2022 for a initial term of 3 years with two 12-month optional extensions, with an estimated 5-year value of £1,450,000.

2. Issues for consideration

- 2.1. MPS seek approval for an increase in the contract value for the Estate Management services contract of £3,000,528 due to
 - additional work in relation to New Met for London (NMfL),
 - significant works associated with retaining and renegotiating leasehold properties that were due to be exited under the former estate strategy,
 - additional work incurred supporting the metrics and data to develop the draft 2024-2034 Estate Strategy and the Strongest Ever Neighbourhood Policing Model (SENP), and
 - additional work involved in negotiating with local authorities on planning requirements associated with grant funded net zero carbon projects.
- 2.2. The MPS also seek approval for the re-procurement of each of the three contracts.
 - Estate Management Services
 - Estate Valuation
 - Estate Rating – the rating function has been split out from the previous Valuation and Rating contract arrangement due to the changes by Government for the timing and regularity of rating valuations to every 3 years.
- 2.3. The MPS is considering the in-sourcing of a number of roles within the Estate Management Services function to minimise cost and embed the activities within the MPS Property Services Directorate.

3. Financial Comments

- 3.1. The MPS assure that both the additional costs of the contract uplift and the proposed contract values of the re-procurements will be funded from within existing MPS budgets.

4. Legal Comments

- 4.1. 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 £213,477 or above shall be procured in accordance with the Regulations.

- 4.2. In relation to the contract value uplift the Directorate of Legal Services assure that the change can be approved under Regulation 72(1)(a) which provides that the contract may be modified provided that the initial procurement include clauses and options to allow this, which has been confirmed by MPS.
- 4.3. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months.
- 4.4. In relation to the recommendation to re-procure three contracts the Directorate of Legal Services assure that the routes to market are compliant
- 4.5. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all requests to go out to tender for contracts of £500,000 or above.
- 4.6. 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.

5. Commercial Issues

- 5.1. The services involved in this request are
- Estate Management - to provide strategic estate & property management services which include, rent reviews, lease renewals, acquisitions, disposals, town planning and ad-hoc / specialist property advice/services
 - Valuation - to provide Commercial & Residential annual asset valuations along with an annual programme of Insurance reinstatement cost assessments. This service also provides ad-hoc valuations for specialist services including acquisitions, disposals and CPO
 - Rating - to provide all professional work associated with 2026 & 2029 business rates revaluation. The work will include devising & implementing an appeal strategy to access and challenge MOPAC's business rates assessments. The contract will be structured such that the costs of the rating service will be met by way of existing budgets and savings arising from successful appeals.
- 5.2. The proposed terms of contract are for an initial term of 5 years with two 12-month optional extensions for the Estate Management and Valuation contracts, and an initial term of 6 years with one 12-month optional extension for the Rating contract.
- 5.3. The MPS propose to use the restricted tender route to market but will continue to review the market for any new frameworks and will ensure a compliant route to market is used.

- 5.4. The MPS assure that following review there is no opportunity for collaboration with the GLA or functional bodies.
- 5.5. The MPS assure that social value aspects will be considered as part of the procurement 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, and engaging with London Business Forums. The bidders response to the invitation to tender will include a minimum 10% weighting on objectives agreed by the London Anchor Institution Charter.
- 5.6. Further detail is set out in the restricted section of this paper.

6. GDPR and Data Privacy

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS assure that the proposed contracts do not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

7. Equality Comments

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. The MPS assure that 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.

8. Background/supporting papers

- Appendix 1 MPS Report - The PSD Real Estate Management (REM) – Contract Value Uplift and Re-Procurement of Estate Management Contracts

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES/NO

If yes, for what reason:

Until what date:

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES/NO

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓
Commercial Issues Commercial issues are covered in the body of the report.	✓
GDPR/Data Privacy GDPR compliance issues are covered in the body of the report.	✓
Drafting Officer Alex Anderson has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature

A handwritten signature in black ink, featuring a circular loop at the beginning followed by a series of connected, slightly wavy lines.

Date 11/11/2024