

DMPC Decision – PCD 694

Title: Estates Transformation – Basic Command Unit (BCU) Building Refurbishments – Final Business Case

Executive Summary:

This paper proposes the investment of £124.5m to refurbish 15 buildings which have had no significant investment in the last 20 years, and which are known to be needed to be retained to support the BCU model.

The refurbishment will ensure that the buildings are bought into good repair, operational requirements are incorporated and space is maximised to align with the policy on smarter working, providing additional capacity that is business critical.

Many of these buildings have seen no significant investment in the last 20 years and as a result are in an inadequate condition. New investment will focus on making them fit for purpose by creating modern open working environments that will foster a greater collaborative working environment that will substantially improve the efficiency and effectiveness of the police service. There will also be improvements to welfare facilities for officers and to ensure that all relevant health and safety legal requirements such as the Workplace, Health and Safety Regulations and appropriate MOPAC and MPS standards are met.

Through this and future investment, police buildings will not only be improved but will also be utilised more intensively enabling more officers to work out of the same building. This will support both an increased number of officers and enable less efficient buildings to be sold. This will raise capital, contributing to the receipts target of £477m, that will be reinvested back into the MPS and will reduce the overall running costs of the estate, contributing to the £54m property revenue savings –equivalent to the cost of 1,000 police officers.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve expenditure of £124.5m to deliver Phase One of the BCU refurbishments.
2. Note that the capital programme will be updated accordingly as part of the ongoing review of the estates strategy, with amendments incorporated into the final budget submission due to be submitted to MOPAC in February.

3. Approve the award of construction contracts for refurbishment works to 15 BCU premises to be undertaken by MOPAC approved Framework Contractors
4. Note that each contract is to be entered into as a deed under the authority of the MOPAC Chief Executive Officer.
5. Note that this business case relates to 15 of the 27 sites included in the Tranche One and Two Outline Business Cases, PCD290 and PCD337.

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

Edna Lunde

Date

29/11/2020

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

1. Introduction and background

- 1.1. Investment in retained buildings is part of the “investment in the tools police officers need to do their job” and to create a modern working environment for public and staff are commitments in the Police and Crime Plan 2017. Having carried out initial feasibility and concept design work followed up by detailed design this paper requests the approval of £124.5m to deliver the phase 1 works. The cost is funded from within the approved existing capital programme.

2. Issues for consideration

- 2.1. There remains uncertainty as to the allocation from Government of additional officers to the Metropolitan Police Service (MPS) and their funding from the 20,000 national police officer uplift, and subsequently the roles which additional officers will undertake. The investment proposed in this paper is necessary to upgrade these buildings which are part of the “to-be-retained” estate. The phase 2 works to refurbish a potential further 11 buildings will commence once the impact of the police uplift on the estate is better understood.
- 2.2. The refurbishment of the 15 BCU Command buildings will ensure that the buildings are brought into good repair, operational requirements are incorporated and space is maximised to align with the policy on smarter working, providing additional capacity that is business critical.
- 2.3. Many of these buildings have seen no significant investment in the last 20 years and as a result are in an inadequate condition. New investment will focus on making the estate fit for purpose by creating modern open working environments that will foster a greater collaborative working environment that will substantially improve the efficiency and effectiveness of the police service. There will also be improvements to welfare facilities for officers and to ensure that all relevant health and safety legal requirements such as the Workplace, Health and Safety Regulations and appropriate MOPAC and MPS standards are met.
- 2.4. Through this investment, police buildings will not only be improved but will also be utilised more intensively enabling more officers to work out of the same building. This will support both an increased number of officers and enable less efficient buildings to be sold. This will raise capital that will be reinvested back into the MPS and will reduce the overall running costs of the estate allowing annual costs to be reinvested into police officers.
- 2.5. Where buildings to be refurbished currently house a Borough’s 24 hour a day, 7 day a week front counter and refurbishment will necessitate the temporary closure of the counter, provision will be made at an alternative, convenient location, allowing the public to continue to meet with police officers face to face and for the normal business of the Borough’s front counter to continue. Communications will take place with the public in advance of any temporary relocation of a front counter.

3. Financial Comments

- 3.1. The estimated cost of the works to refurbish these buildings is £124.5m. The funding is within the current approved affordable capital plan and following re-profiling is included in the draft capital programme being submitted for approval as part of the Budget process. Approval to this investment ahead of the final approval of the budget is sought in order to be able to progress these business-critical works and accept submitted tenders prior to their expiry.
- 3.2. This approval and the subsequent further investment in phase 2 is anticipated to enable the disposal of sites releasing capital receipts to contribute towards the overall capital receipts target of £477m and contributing to the £54m property revenue savings –equivalent to the cost of 1,000 police officers.

4. Legal Comments

- 4.1. Paragraph 4.7 of the Mayor's Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority for the approval of MOPAC expenditure, income and funding of annual revenue budgets and capital programme.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy for all requests to go out to tender for contracts valued at £500,000 or above.
- 4.3. Paragraph 5.22 provides the Chief Executive Officer of MOPAC has delegated authority to sign and to affix the common seal of MOPAC once they have been properly approved, for all contracts, agreements or transactions that are £5,000,000 or above in value over the life of the Contract (in money or money's worth).
- 4.4. Paragraph 7.23 provides the Director of Strategic Procurement has consent to approve the award of all contracts, with the exception of those called in through the agreed call in procedure.
- 4.5. The Directorate of Legal Services has contributed to, and supported, this request for a decision.

5. Commercial Issues

- 5.1. The consultancy and construction work involved in this approval has been sourced from the MOPAC approved MPS Construction Professional Services Framework and the MOPAC approved MPS Minor & Intermediate Building Works Framework. This project will be managed under the same systems and processes that were used for the refurbishment of Charing Cross which was delivered ahead of schedule and under budget.

6. GDPR and Data Privacy

- 6.1. The proposal does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered

7. Equality Comments

- 7.1. An over-arching equality impact assessment (EIA) screening study has been carried out to identify opportunities for improving buildings to support equality objectives. The planned refurbishments have been designed to ensure that they do not disadvantage any groups with protected characteristics under the Equality Act 2010.

8. Background/supporting papers

- 8.1. MPS paper Appendix 1

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? 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

ORIGINATING OFFICER DECLARATION

Tick to confirm statement (✓)

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

A DPIA has been completed.

✓

Director/Head of Service

The interim MOPAC Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

Interim 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

Date 29/11/2020



MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

BCU Building Refurbishment

MOPAC Investment Advisory & Monitoring meeting 19th December 2019

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 – PUBLIC

EXECUTIVE SUMMARY

Following earlier approval to undertake detailed designs in relation to the refurbishment of 27 BCU buildings, this paper is now seeking approval to progress the first phase of the project, refurbishing 15 buildings at a total cost of £124.5M.

Historically, the wider police estate has had minimal investment which has led to a very poor quality of accommodation in local buildings. This investment will not only create a working environment that will properly support our officers, but it will also enable the buildings to be used more effectively. This in turn supports the wider strategy to reduce the size of the estate creating over £50m of annual savings – the equivalent cost of 1,000 police officers.

A second phase project will seek authority once the impact of the officer uplift on the estate is better understood.

Recommendations

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

- 1. Approve expenditure of £124.5m to deliver Phase One of the BCU refurbishments.**
- 2. Note that the capital programme will be updated accordingly as part of the ongoing review of the estates strategy, with amendments incorporated into the final budget submission due to be submitted to MOPAC in February.**
- 3. Approve the award of construction contracts for refurbishment works to 15 BCU premises to be undertaken by MOPAC approved Framework Contractors**
- 4. Note that each contract is to be entered into as a deed under the authority of the MOPAC Chief Executive Officer.**

5. Note that this business case relates to 15 of the 27 sites included in the Tranche One and Two Outline Business Cases, PCD290 and PCD337.

Time sensitivity

A decision is required from the Deputy Mayor by 24th January 2020 as construction tenders are only open for acceptance until the 8th February 2020. Any delay in awarding these contracts may result in inflationary uplifts in the tender sums.

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

Introduction and background

1. Following approval to undertake detailed designs in relation to the refurbishment of 27 BCU Command buildings, this paper is seeking approval to progress the first phase of the project, refurbishing 15 buildings at a total cost of £124.5M.
2. The refurbishment of the 15 BCU Command buildings will ensure that the buildings are brought into good repair, operational requirements are incorporated and space is maximised to align with the policy on smarter working, providing additional capacity that is business critical.
3. Many of these buildings have seen no significant investment in the last 20 years and as a result are in an inadequate condition. New investment will focus on making them fit for purpose by creating modern open working environments that will foster a greater collaborative working environment that will substantially improve the efficiency and effectiveness of the police service. There will also be improvements to welfare facilities for officers and to ensure that all relevant health and safety legal requirements such as the Workplace, Health and Safety Regulations and appropriate MOPAC and MPS standards are met.
4. Through this investment, police buildings will not only be improved but will also be utilised more intensively enabling more officers to work out of the same building. This will support both an increased number of officers and enable less efficient buildings to be sold. This will raise capital that will be reinvested back into the MPS and will reduce the overall running costs of the estate allowing annual costs to be reinvested into police officers.
5. This project will be managed under the same systems and processes that were used for the refurbishment of Charing Cross which was delivered ahead of schedule and under budget.
6. The second phase of the project to refurbish a further 11 buildings will commence once the impact of the police uplift on the estate is better understood.
7. One site will no longer be progressed as the operational requirements of the BCU have been accommodated elsewhere and no further works are required.

Issues for consideration

8. The proposed refurbishments will provide workplaces that act as a catalyst for cultural change and support the MPS to deliver vital services to the citizens of London. The operational objectives have been at the core of the estate strategy and workspace design. The refurbishments will create working environments that support our people to:
 - Focus on what matters most to Londoners
 - Mobilise Partners and the public
 - Achieve the best outcomes in the pursuit of justice and support of victims
9. The investment meets the four core combined objectives for the estate which are to:
 - **Invest** in the estate to improve the quality of the accommodation;
 - **Intensify** the estate to deliver greater efficiency;
 - **Maximise** the value of surplus properties to reinvest back into MPS capital projects; and to
 - **Reduce** the running costs of the estate to reinvest back into police officers.
10. As a result, the Met will provide better value for money for taxpayers, whilst ensuring our people feel valued and have a place of work in which they can have pride. The overall aim is to create an environment where our people thrive.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

11. Section 1 of the Police & Crime Plan outlines the key objectives underpinning the draft Estate Transformation Strategy. As part of this strategy, there is a significant planned reduction in the number of buildings in the estate with substantial investment in the retained estate, to improve the quality of accommodation and working conditions for future policing.

Financial, Commercial and Procurement Comments

12. The BCU refurbishment works forms part of the draft Estates Transformation Strategy. Based on the draft capital programme submitted to MOPAC in November, it is currently estimated that £1,302M capital (including Optimum Bias) will be invested in the estate, enabling the rationalisation of the estate, generating capital receipts of £477M, and delivering revenue savings of £54M as part of the overall financial strategy.
13. Approval is being sought to undertake refurbishment works on 15 BCU Command Buildings at a total cost of £124.5M. The funding is within the current approved affordable capital plan and following re-profiling is included in the draft capital programme being submitted for approval as part of the Budget process.
14. Professional Consultants and Contractors were appointed following two separate procurement activities utilising MOPAC approved frameworks; these being the MPS Construction Professional Services Framework and the MPS Minor &

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

Intermediate Building Works Framework. Both of which provided for a compliant route to market, a competitive environment for tendering in order to maximise value for money and equitable transfer of risks between the MPS and the supply chain.

15. Tender returns for all 15 sites were received on the 11th October and the consultant teams have prepared Tender reports recommending acceptance of the contract sums as detailed in the Commercial Case. Note that the Tender acceptance period expires on the 8th February 2020.
16. MOPAC is a signatory to the GLA's "Responsible Procurement Policy" and the principles from this policy were evaluated at a Framework level when appointing suppliers.

Legal Comments

17. MOPAC is a contracting authority as defined in the Public Contracts Regulations 2015 (Regulations). All awards of public contracts for goods and/or services valued at £181,302 or above must be procured in accordance with the Regulations. This report confirms the value of the proposed awards exceeds this threshold. The report identifies the MOPAC's Construction Professional Services framework agreement and the Construction Professional Services framework agreement as the routes to market for the proposed professional consultancy and contractors contracts. The report confirms the frameworks were procured compliantly with procurement law.
18. Paragraph 4.7 of the Mayor's Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority for the approval of MOPAC expenditure, income and funding of annual revenue budgets and capital programme.
19. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy for all requests to go out to tender for contracts valued at £500,000 or above.
20. Paragraph 5.22 provides the Chief Executive Officer of MOPAC has delegated authority to sign and to affix the common seal of MOPAC once they have been properly approved, for all contracts, agreements or transactions that are £5,000,000 or above in value over the life of the Contract (in money or money's worth).
21. Paragraph 7.23 provides the Director of Strategic Procurement has consent to approve the award of all contracts, with the exception of those called in through the agreed call in procedure.
22. The Directorate of Legal Services has contributed to, and supported, this request for a decision.

Equality Comments

23. The refurbishment programme provides an opportunity to improve accessibility at each site. An over-arching Equalities Impact Assessment (EIA) screening study has been carried out to identify opportunities for improving buildings to support equality objectives. It also sets out how the decant of the sites will be managed so as to minimise any impact to accessibility during the refurbishment period.
24. The refurbishment at each of these sites has been designed to the relevant building standards and ensures that they are not only accessible, but do not disadvantage any groups with protected characteristics under the Equality Act 2010.
25. The 15 sites are in different states of repair and have different physical opportunities and constraints; different levels of refurbishment are required at each site. The over-arching EIA sets a framework for opportunities at each site which has been assessed by the appointed consultants. A separate template for each site has then been developed to demonstrate compliance with the relevant Equality and Diversity characteristic.

Privacy Comments

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 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.
28. 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.
29. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.

Real Estate Implications

30. This project forms part of the draft Estate Transformation Strategy which sets out the future structure of the MOPAC estate. Investment such as this is required in

the retained estate to improve the quality of accommodation and the working conditions.

Environmental Implications

31. This project will comply with the MPS Sustainable Design Guide which is aligned to the Mayor's London Environment Strategy. The replacement of life-expired mechanical and electrical plant will reduce energy demand, as will upgrades to the building fabric and enhanced use of the Building Management System (BMS). This reduction in energy use will contribute to the delivery of strategic carbon reduction targets.

Background/supporting papers

None

Report author: Guy Digby – Director of Real Estate Development

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 "Business Justification – Programme 11. Transforming the Estate (Stage Gate 3: Investment Decision) BCU Building Refurbishment 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 be exempt until 19th December 2022 or upon contract completion of the Phase Two BCU refurbishment.