

**REQUEST FOR DMPC DECISION – PCD 321****Title: Combined Benefits Platform- For the Provision of Employee Benefit Services****Executive Summary:**

The MPS is seeking to supply a combined benefits package for Employee Services to the organisation by using the Crown Commercial Services (CCS) framework.

The framework will be awarded to a single supplier to provide the following services only; Cycle to Work Scheme (via salary sacrifice), Childcare Voucher Scheme (via salary sacrifice), Car Hire Scheme, Home Technology Scheme, Access to discounted Goods and Service, Associated secure website dedicated to the MPS, where users can access all offers.

The total value of this requirement for the MPS is likely to be between £10 - £15 million. However, this value is representative of spend between employees and the supplier with costs recovered by the MPS via salary sacrifice.

The duration of the call-off contract of 48 months; this is the maximum term for a call off contract from a framework and there will be no option to extend.

**Recommendation:**

The DMPC is asked to approve:

- The use of the CCS framework Lot RM3704, the total value of this requirement for the MPS is likely to be between £10 - £15 million. However, this value is representative of spend between employees and the supplier with costs recovered by the MPS via salary sacrifice.
- The duration of the call-off contract of 48 months; this is the maximum term for a call off contract from a framework and there will be no option to extend.

**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***Spive Under***Date***29/01/18*

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

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. The MPS is seeking to supply a combined benefits package for Employee Services to the organisation by using the Crown Commercial Services (CCS) framework.
- 1.2. The framework will be awarded to a single supplier to provide the following services only; Cycle to Work Scheme (via salary sacrifice), Childcare Voucher Scheme (via salary sacrifice), Car Hire Scheme, Home Technology Scheme, Access to discounted Goods and Service, Associated secure website dedicated to the MPS, where users can access all offers.

#### **2. Issues for consideration**

- 2.1. Issues for consideration are addressed in Part 2.

#### **3. Financial Comments**

- 3.1. The total value of this requirement for the MPS is likely to be between £10 - £15 million. However, this value is representative of spend between employees and the supplier with costs recovered by the MPS via salary sacrifice.

#### **4. Legal Comments**

- 4.1. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). Public contracts for goods and services valued at £164,176 or above must be procured in accordance with MOPAC governance and the regulations. This report confirms the value of proposed contract exceeds this threshold and, accordingly, the regulations are engaged.
- 4.2. This report also confirms the procurement route proposed is to call off from a CCS framework agreement. This will represent a compliant route to market where the MOPAC is named as an eligible user of the framework and the MOPAC's requirements are within the framework's technical and financial scope.
- 4.3. Under the MOPAC Scheme of Delegation and Consent, the DMPC must approve the contract modification under section 4.13 as the modification relies on an exemption and is valued over £100k.

#### **5. Equality Comments**

- 5.1. This contract will be open for access by all MPS staff. It will be a requirement of the contract that the supplier will adapt processes to meet the individual needs of staff who are disabled or have medical conditions, which could be classed as a disability under the Equality Act 2010.
- 5.2. For the Cycle to Work Scheme the MPS will specify that the supplier must be able to supply a wide range of bicycles including electric, road, mountain, folding and hybrid cycles (something for everyone) with consistent pricing across all outlets. This is to ensure that individuals with disabilities are provided with the widest choice of bicycles possible.

#### **6. Background/supporting papers**

- 6.1. Report

**Public access to information**

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

**Part 1 Deferral:**

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

**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 rational for non-publication.

Is there a **part 2** form – Yes

**ORIGINATING OFFICER DECLARATION:**

<b>Head of Unit:</b> The Head of Strategic Finance and Resource Management has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
<b>Legal Advice:</b> There are no legal issues arising from this proposal.	✓
<b>Financial Advice:</b> The Chief Financial Officer has been consulted on this proposal.	✓
<b>Equalities Advice:</b> There are no Equality and Diversity issues arising from this proposal.	✓

**OFFICER APPROVAL****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

R. Lawrence

Date

29/1/16



**Not Protectively Marked**

**Investment Advisory Board**

**24 January 2018**

**For the provision of Employee Benefit Services**

**Report by Kate Martin (Head of Pay and Reward) on behalf of Robin Wilkinson**

**Part 1: Publishable**

**EXECUTIVE SUMMARY**

The MPS is seeking to supply a combined benefits package for Employee Services to the organisation by using the Crown Commercial Services (CCS) framework.

Lot RM3704 from CCS framework will be used. This lot has a sole supplier appointed and we request approval to undertake a direct award to the suitably capable contractor Edenred Ltd. The contract term will be for a period of 48 months from contract award. The current contract expires on the 31<sup>st</sup> March 2017 so the commencement date for the contract start will be 1 April 2018.

The framework will be awarded to a single supplier to provide the following services only:

- A Cycle to Work Scheme (via salary sacrifice)
- A Childcare Voucher Scheme (via salary sacrifice)
- A Car Hire Scheme
- A Home Technology Scheme
- Access to discounted Goods and Services
- Associated secure website dedicated to the MPS, where users can access all offers

This paper proposes options and recommends that the Deputy Mayor for Policing and Crime (DMPC) approves a direct award to Edenred Ltd due to the low cost of the benefit services to the contracting authority and the value that it provides to MPS officers and staff.

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**TIME-SENSITIVITY**

A decision is required by **31 January 2018** to allow the MPS to secure commercial terms with Edenred Ltd.

**A. RECOMMENDATIONS**

That DMPC approves the following recommendations:

1. The use of the CCS framework Lot RM3704.

2. The use of a cost neutral contract that generates savings by way of reduced National Insurance (NI) contributions which, if demand remains consistent, will generate savings of £938k per year, or £3.75m over the four-year term.
3. That the levy generated through the administration fee for the car hire scheme (around £44k per annum) is used to fund the management fee for the administration of the Childcare Voucher scheme (approximately £7.5k per annum). It should be noted that there are no other costs to the MPS which are not recoverable to the organisation.
4. The duration of the call-off contract of 48 months; this is the maximum term for a call off contract from a framework and there will be no option to extend.
5. Note the total value of this requirement for the MPS is likely to be between £10 - £15 million. However, this value is representative of spend between employees and the supplier with costs recovered by the MPS via salary sacrifice.
6. Note the call-off contract will provide MPS staff with access to a Cycle to Work, Childcare Vouchers, Car Hire and Home Technology schemes and a platform for discounted shopping through a single management contract.
7. Note the call-off contract will be awarded by the Mayor's Office for Policing and Crime (MOPAC)