

DMPC Decision – PCD 571

Title: Optimising Our Buildings FBC

Executive Summary:

This paper seeks approval for an upto 5-year, £5.6m value for provision for additional Subject Matter Expertise (SME) capacity to support the various programmes involved in transforming the estate and smarter working. At this stage the recommendation is for an initial procurement for a 18 month - 2 year timeframe at a value of £2.7m.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the request to source this business change expertise from the market. The ceiling of approval requested is for the full 5 years amount (£5,596,412), noting that the initial procurement will be only for £2,698,320.

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 Hinde

Date

7/5/2019

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

1. Introduction and background

- 1.1. The MPS has a significant programme of transformation, One Met Model 2020, which include smarter ways of working and estate rationalisation.
- 1.2. Plans are already in place for significant changes to reduce the volume of the estate generating significant capital receipts and annual revenue savings, and enabling the avoidance of future investment costs. This proposal is for investment in Subject Matter Experts (SME) to support the officers and staff who will be working in different locations, in mobile ways, and with different technology and who will face behaviour and cultural changes.

2. Issues for consideration

- 2.1. This proposal will include the procurement of experienced SME resource with proven smarter working and estates transformation experience to deliver this business critical cultural and business change and build the MPS in-house capability for longer term deployment.
- 2.2. The provision of this capacity will assist in de-risking the delivery of the planned non-cashable benefits, and the anticipated estates programmes capital receipts and revenue savings.

3. Financial Comments

- 3.1. The 2 year cost of the proposal is up to £2.7million. The funding for the initiative in 2019/2020 of £1.68 million will be managed from existing budgets, and the £1.02 million for 2020/2021 will be added to the existing savings' gap and addressed via the budget process over the summer 2019.

4. Legal Comments

- 4.1. There are no legal implications arising from this proposal. The DMPC is asked to approve the recommendation under paragraph 4.8 of the MOPAC Scheme of Consent and Delegation which requires DMPC approval for "Business cases for revenue or capital expenditure of £500,000 and above" and paragraph 4.13 for which DMPC approval is required for "All requests to go out to tender for contracts of £500,000 or above".

5. Commercial Issues

- 5.1. The MPS propose a tender via the Bloom framework which is a compliant route to market, and a 18 month contract term. If further SME capacity was needed after the 18 month term MPS propose that a new tender process would take place.

6. GDPR and Data Privacy

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

7. Equality Comments

- 7.1. In relation to this procurement the tender process will include a weighted criteria on awareness and knowledge of equality topics and will require the successful bidder to commit to working in line with the Equality Act 2010.

8. Background/supporting papers

- 8.1. MPS Report to IAM

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

	<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
Legal Advice: Legal advice is not required.	✓
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.	✓
Director/Head of Service: The MOPAC Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

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 8/5/2019



MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Optimising Our Buildings Full Business Case

MOPAC Investment Advisory Meeting 01 May 2019

Report by DAC Matt Twist on behalf of the Deputy Commissioner

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

EXECUTIVE SUMMARY

MPS is at the delivery phase of its Estates Transformation. The Estate footprint is being reduced significantly to realise sizeable cashable benefits for the organisation to reinvest in front line policing. This will not succeed unless people work in a different way ('Smarter Working'). An investment in Subject Matter Expertise (SME) support is paramount to enabling this to happen. Specifically, this requires SME support with credible experience of delivering Smarter Working type programmes and managing complex interdependencies across IT, culture and physical space.

This Final Business Case (FBC) is for the provision of this SME pool to support police staff and officers in realising and embedding cultural change and Smarter Working behaviours across MPS. The expertise required to achieve this does not currently exist across our staff and officer group.

Optimising Our Buildings (OOB) needs to deliver smarter working with minimal disruption to operations, enabling officers and staff to work in a different and agile way within a transformed estate. We are seeking approval to source this expertise from the market, to deliver the following:

- **Workspace design:** Design workspaces in a way that maximises utilisation
- **Embedding change** – Using SME validated change management insight to drive cultural change through engagement and communications events, helping officers/staff to understand the required changes to behaviours and working with leadership to drive the change in working practices
- **Data** - To develop an intelligent and replicable data model providing current and future utilisation and capacity measures for each building and its workspaces.
- **Building in-house capability** - To maintain long-term delivery, reduce reliance on specialist support in the future, and make sure the change is embedded, officers and staff will be upskilled to create an in-house capability within the Transformation Directorate itself and the Property Services Directorate. This will be achieved through SME resources working alongside our internal resources, sharing expertise and best practice in driving successful 'smarter working' change

Recommendations

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

- **Approve** the request to source this business change expertise from the market. The ceiling of approval requested is for the full 5 years amount (£5,596,412), noting that the initial procurement will be only for £2,698,320. This will include the procurement of experienced SME resource with proven smarter working and estates transformation experience to deliver this business critical cultural and business change and build our in house capability for longer term deployment.

The funding for the initiative in 2019/2020 of £1.68m will be managed from existing budgets and the £1.02m for 2020/2021 will be added to the existing savings' gap and addressed via the budget process over the summer 2019.

- **Note** Delegated authority to draw down on the additional funds has been requested above, but this will be subject to available funding and is not anticipated at this stage

Time Sensitivity

A decision is required from the Deputy Mayor by the 11th May 2019. This is to allow enough time to complete the necessary commercial activities to select and appoint the new contractor by the 1st of July 2019 and execute the exit strategy for the incumbent SME provider, if appropriate.

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

Introduction and background

1. The MPS Estates Strategy assumes an 80% utilisation figure as a basis for the reduction in the MPS estate. This will not be achievable through the re-design of its buildings and workspaces alone. It will require detailed knowledge of the constraints brought about by those buildings and workspaces, the teams (people) and their operational and business needs, alongside the technology deployed.
2. The Estates Strategy vision is at risk if our colleagues do not know how to work differently and more flexibly in a reduced estate footprint, or are unable to as they do not have the right tools and information supplied by the Business Change team(s) to drive the necessary cultural change to ways of working and inform their decision-making.
3. The MPS does not have the required experience, subject matter expertise (SME) or resource capacity to deliver the complexities of the Optimising Our Buildings business and cultural change programme.
4. Without a collaborative approach to business and cultural change across key stakeholder directorates, major disruption to operations and business functions may be experienced.
5. With this in mind, the requirement for Subject Matter Expertise is essential in reducing the risk to implementation. The magnitude and complexity of the cultural change brings significant challenge and managing the complexity of operational and business user requirements to ensure operations and

- business functions are not disrupted will need this external expertise.
6. This business case proposes to supplement (via tender competition) the team of officers and staff with experienced SMEs sourced from the private sector to provide the detailed knowledge and problem solving skills likely encountered during the extensive engagement. The key skills brought to the team will focus on credible experience of delivering similar smarter working estates transformation programmes, stakeholder engagement and communications and utilising workshop modelling to inform current and future decision making. The SMEs will be accountable for the knowledge transfer and upskilling of MPS officers and staff to create an in-house capability (shared between the Transformation Directorate and the Property Services Directorate) and rely less on external support in the future. This will also mitigate the risk of the transient nature of officers' roles within the Transformation Directorate.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

7. As an organisation, we want to continue to develop our internal capabilities. A "flexible workforce" requires flexibility by the MPS to allow its workforce to work from various locations to better utilise the available workspace. This in turn offers individuals the opportunity to improve work/life balance and practical needs, as well as offering a much-improved working environment (modern spaces, well networked, with appropriate technology). This clearly demonstrates how we can "Care for each other, work as a team, and be an attractive place to work". In the Met striving to be an attractive place to work, helps create connections with people (through hot-desking – but also encouraging a team to review how they work together regardless of location - and create an environment where they can thrive).
8. The selected Procurement Strategy brings the following key advantages:
 - The new supplier will be managed against clear outputs with key milestones to meet.
 - To mitigate the risk related to scope realignment due to changes in the Estate Transformation Plan, the initial contractual duration will terminate after 18 months.

Legal Comments

9. There are not believed to be any significant legal implications

Equality Comments

10. The Business Change team is currently finalising a general Equality Impact Assessment (EIA) to cover the Smarter Working implementation in conjunction with HR, and will be included within the contracted scope of work. For this specific business case, particularly in relation to the sourcing of SMEs, these proposed actions were agreed with the Transformation Directorate Equality lead:
 - a. The tender requirements that will govern the commercial process, will include a weighted selection criteria on Awareness and Knowledge of Equality Topics.
 - b. The tender's winning bidder will need to formally commit in delivering

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

support and consultation to the OOB Team and Business Change Team in alignment with the Equality Act 2010.

Privacy Comments

11. The proposal does not use personally identifiable data of members of the public therefore there are no GDPR issues to be considered

Real Estate Implications

12. Underpinning the Estate Strategy is the drive to better utilise the MPS estate, Smarter Working is a key enabler to the utilisation as it focuses on changing where we work, and ultimately how we work. Details of this information is contained in the restricted section of the report.

Environmental Implications

1. Effective Smarter Working practices in conjunction with a higher utilisation of the MPS sites will also support the Environment & Sustainability Strategy and the draft Estate Transformation Strategy which aims to reduce the number of owned and leased properties and invest in the retained estate. This will result in an improved quality of the remaining buildings with reduced environmental impact and greater efficiency through the following:
 - energy use and carbon emissions,
 - water consumption,
 - reduced travel,
 - responsible procurement of materials

Background/supporting papers

2. There are no supporting papers

Report authors:

- Leila Callaghan, Programme 7 - Smarter Working Programme Manager;
- Maksimilijan Jozef Petkovsek, Optimising Our Buildings Senior Project 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 Optimising Our Buildings FBC is exempt from publication for the following reasons:

- This paper contains commercially sensitive information regarding our strategy and scope of work which if released could compromise a competitive tender.
- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).
- The relevant sections under the FOIA that would exempt this information from disclosure, for example:
 - Commercial Interest Section 43

The paper will be exempt until October 2019 or on completion of competitive tender process.

