

REQUEST FOR DMPC DECISION – PCD 349**Title: Surrender of Lease - Buckingham Gate****Executive Summary:**

Buckingham Gate is no longer required by the MPS and has been de-commissioned. There were no public facing facilities at this location.

The existing lease expires in February 2020 which does not cost effectively provide sufficient time to relocate alternative MPS functions to it or to sublet. Agreement has been reached with the landlord for an early surrender of the lease which avoids significant costs.

Recommendation:

The DMPC is asked to approve the surrender of the lease of 4/5 Buckingham Gate on the terms set out in Part 2.

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*Stephen Hender***Date***20/3/18*

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

Decision required – supporting report

1. Introduction and background

- 1.1. Buckingham Gate has become surplus to MPS operational requirements and has been vacated and decommissioned.

2. Issues for consideration

- 2.1. Consideration was given to relocating alternative MPS functions to this site but this is not cost effective, and there is insufficient time remaining on the lease to enable a sub-letting arrangement.
- 2.2. The landlord has agreed “in principle” terms to early surrender of the lease as set out in Part 2.

3. Financial Comments

- 3.1. The cost of the surrender is detailed in Part 2 and will be met from the specific dilapidations reserve. The revenue savings will accrue with effect from 2018/19 following the surrender of the lease.

4. Legal Comments

- 4.1. No specific legal issues arise from the proposed surrender as MOPAC have the legal power to transact property. The surrender constitutes the disposal of property. Section 6 of the Police Reform and Social Responsibility Act 2011 (“the Act”) provides that MOPAC must secure the maintenance of the Metropolitan Police Service, and secure that the Metropolitan Police is efficient and effective.
- 4.2. In carrying out its functions, the MOPAC may, under paragraph 7, Schedule 3 of “the Act” “do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office.” This includes entering into contracts and other agreements, in addition to acquiring and disposing of property (including land) under paragraph 7 (2) (b) of Schedule 3 of “the Act”.

5. Equality Comments

- 5.1 There are no direct equality or diversity implications arising from this report.

6. Background/supporting papers

MPS Report

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>
Head of Unit: The Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Financial Advice: The Chief Financial Officer has been consulted on this proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓

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

28/03/18

**MOPAC****MAYOR OF LONDON**
OFFICE FOR POLICING AND CRIME**4/5 BUCKINGHAM GATE LEASE SURRENDER****Report by Tony Cooper on behalf of the Deputy Commissioner*****EXECUTIVE SUMMARY***

The 2012-2016 Estates Strategy MOPAC/MPS Estate Strategy had a strategic objective to provide a more efficient and higher quality estate with lower running costs.

4/5 Buckingham Gate was identified as a building that was not required for operational use and was approved for disposal of as part of the 2012-2016 Estate Strategy.

This paper recommends the payment of a premium to enable the surrender of the MOPAC lease of the building to deliver significant revenue savings. As the premium exceeds the Scheme of Consent MOPAC approval is required.

Recommendations

The Deputy Mayor for Policing and Crime is asked to:

- 1. Approve the surrender of the lease of 4/5 Buckingham Gate as detailed in Exempt Part 2.**

Introduction and background

1. Under the previous and current draft MOPAC/MPS Estate Strategies the strategic objective is to provide a more operationally and cost efficient and high quality Estate.
2. Under these strategies 4/5 Buckingham Gate is not required by the MPS for operational use. 4/5 Buckingham Gate is a substantial leasehold property of approximately 3,000 sq.m. The MOPAC lease ends in February 2020, and the building has been decommissioned as part of the 2012-2016 Corporate Real Estate programme.
3. Terms have been agreed for a surrender as set out in Appendix 1 of Exempt Part 2.

Issues for consideration

4. As the MPS has no operational requirement for the site, and is relatively expensive to operate, the surrender of the lease provides a clear financial benefit in removing a costly and operationally inefficient building from the MOPAC Estate.
5. Reuse of the building temporarily for decant or other space was considered, along with sub-letting, but was not viable due to the short lease remaining, business rate savings and lack of demand.
6. The decision to surrender is the best option for this site to deliver the savings required from the Estate Strategy, however, there are very tight timescales which need to be met in order to deliver the benefits.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

7. Surrendering the lease reduces the operating costs of the Estate to support the MPS in delivering the Police & Crime Plan.

Financial, Commercial and Procurement Comments

Legal Comments

8. Full details of the proposed surrender are set out in Exempt Part 2 of this paper.
9. The building does not have a front counter or Safer Neighbourhoods base and was not used for Borough policing.

Equality Comments

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

10. The surrender of the lease of a vacant and non-operational property has no known equality impacts.

Privacy Comments

11. There are no known Privacy issues and the transaction will only be reported in accordance with the statutory requirements e.g. Land Registry records.

Real Estate Implications

12. The surrender delivers a cost saving and Estate reduction that is directly aligned to the previous and current Estate Strategies, which in turn support the wider corporate MPS objectives.
13. The surrender of the lease removes a surplus property from the MOPAC Estate, reducing the various risks associated with empty properties such as squatting, and damage and deterioration of the building.

Environmental Implications

14. There are no environmental implications for MPS/MOPAC as the site is decommissioned and redundant.

Background/supporting papers

15. MOPAC Estate Strategy 2012-2016

Report author: Tony Cooper, Head of Estate & Asset Management

