

**REQUEST FOR MAYORAL DECISION – MD1313**

**Title: The feasibility of outsourcing the City Hall Night Time Security Service**

**Executive Summary:**

A restructuring proposal was put forward for the Greater London Authority's (GLA) Facilities Management (FM) team in September 2013. It was agreed that one element of that proposal – outsourcing the City Hall Night Time Security Service – be subject to further analysis. That work has now been completed and the Mayor is being asked to approve the commencement of a tendering process. A further Mayoral decision would be sought should, following the evaluation of the tenders received, an officer recommendation be made to outsource the function. Additionally, any proposal to delete posts from the GLA's staffing establishment would be a decision of the GLA's Head of Paid Service, following consultation with the Mayor and the London Assembly.

**Decision:**

That the Mayor agrees to commence a tendering process for the City Hall Night Time Security Service.

**Mayor of London**

I confirm that I do not have any Disclosable Pecuniary Interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

**Signature**

**Date**

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1 A paper was presented to the 10 September 2013 meeting of the London Assembly's GLA Oversight Committee which put forward proposals for a restructuring of the GLA's FM team. One element of the restructuring was a proposal that the City Hall Night Time Security Service be outsourced. Members asked that further details be worked up on the feasibility of the proposal, including a business case. That business case is appended to this decision form.
- 1.2 The business case sets out an indicative timetable which is reproduced in the table below. Mayoral approval will now be in February 2014 rather than January 2014 but it will still be possible to have a contract start date for the contract of April 2015, should that a decision be taken at the evaluation stage to go down that route.

#### Timetable

Milestone	Date
Feasibility study on outsourcing prepared	December 2013
Decision on whether to proceed with tender	January 2014
<i>If proceed to tender agreed:</i>	
Commence tendering process	April 2014
Evaluate tenders	December 2014
Decision to appoint a specialist service supplier	December 2014
<i>If special service supplier appointed:</i>	
Staff consultation period and mobilisation	January – March 2015
TUPE of staff to specialist service supplier	April 2015
Contract start date	April 2015

#### 2. Issues for consideration

- 2.1 The business case sets out the issues for consideration in full, including the risks arising. The pros and cons of the proposal are reproduced in the table overleaf.

## Pros and Cons

<b>To</b>	<b>Pros</b>	<b>Cons</b>
<b>GLA</b>	Better use of resources and VFM	Possible loss of knowledgeable staff
	Wider pool of GLA trained officers	Perception that outsourcing could lead to a loss of trust and confidence
	New ideas and practices introduced	Less immediate control if issues arise
<b>Security staff</b>	More development opportunities	Potential loss of favourable GLA terms and conditions
	More places to work	Initial drop in morale
	Potential for better support from a specialist supplier	Scope for night time security staff not to feel part of the GLA operation

### **3. Financial comments**

3.1 The appended business case sets out the level of savings which might be achievable.

### **4. Legal comments**

4.1 Sections one and two of this report indicate that:

4.1.1 the decisions requested of the Mayor fall within his powers, acting on behalf of the Authority, to do anything which may be considered to be facilitative of or conducive or incidental to the discharge of its principal functions; and

4.1.2 in formulating the proposals in respect of which a decision is sought officers must comply with the Authority's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;
- (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- (c) consult with appropriate bodies.

- 4.2 Officers must ensure that:
- 4.2.1 the services which may be required are procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the Authority's Contracts and Funding Code; and
  - 4.2.2 appropriate contract documentation is put in place and executed by the successful bidder(s) and the Authority before the commencement of such services.
- 4.3 In the event that the services in question be provided by a third party contractor in the future, the award of such a contract will have the effect of transferring the employment of employees wholly or mainly assigned to the services being transferred from the GLA to the new service provider, under the Transfer of Undertakings (Protection of Employment) Regulations 2006. Therefore, the GLA is legally obliged to inform and consult with representatives of those affected employees regarding the proposed transfer and any measures that might be taken as a result of it.
- 4.4 As part of this consultation, the GLA will have to meet with the affected employees directly as well as with Unison, the union representing them. The GLA must also ensure that it complies fully with its Management of Change policy. Any employees transferring to a new service provider will not be able to retain membership of the Local Government Pension Scheme (LGPS). However, the new provider will be required to provide a pension scheme offering broadly comparable benefits to the LGPS.

## **5. Investment & Performance Board**

- 5.1 The contents of this form fall outside the terms of reference of the Investment & Performance Board.

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

- 6.1 A business case is appended.
- 6.2 The FM restructuring paper presented to the 10 September 2013 meeting of the London Assembly's GLA Oversight Committee is available via:  
<http://www.london.gov.uk/moderngov/documents/s28248/Proposed%20Changes%20to%20the%20GLA%20Establishment.pdf>

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

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

If YES, for what reason:

Until what date: (a date is required if deferring)

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

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

	Tick to indicate approval (✓)
<b>Drafting officer:</b> <u>Tom Middleton</u> has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.	✓
<b>Assistant Director/Head of Service:</b> <u>Tom Middleton</u> has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.	✓
<b>Sponsoring Director:</b> <u>Martin Clarke</u> has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.	✓
<b>Mayoral Adviser:</b> <u>Sir Edward Lister</u> has been consulted about the proposal and agrees the recommendations.	✓
<b>Advice:</b> The Finance and Legal teams have commented on this proposal.	✓

**OFFICER APPROVAL****Executive Director, Resources**

I have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

**Signature**

**Date**

**Chief of Staff**

I am satisfied that this is an appropriate request to be submitted to the Mayor

**Signature**

**Date**