

## DMPC Decision – PCD 796

### Title: Property Services – Electronic Security Services – Single Tender Action

#### Executive Summary:

This paper seeks approval for the transfer of the electronic security systems function from Digital Policing to Property Services, for the award of a 24 month single tender action (STA) contract at £1m p.a. for support and maintenance of Electronic Security Systems (ESS), for the contract to be managed under the Property Services Directorate (PSD) FM KBR Integrator model at a cost of £402k p.a., and for approval of £282k additional cost of PSD management of ESS (funded from within PSD).

#### Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the strategic requirement for a 24-month contract for the support and maintenance for ESS.
2. Approve the award of a 24-month contract to OpenView Security Solutions Ltd for the provision of support and maintenance for ESS to ensure continuity of service delivery at a value of £1M per annum. Total value of contract requiring approval £2M.
3. Approve the award of said contract under the existing supplier terms and conditions of the current MPS / PSD contract with the FM Integrator contractor (KBR); that OpenView be managed as a Tier 2 supplier at a total management cost of c. £402K p.a.
4. Approve the transfer of existing revenue budgets for ESS support and maintenance (£1M p.a.), embassy warning systems alarms (£95K p.a.) and one Band S post (£120K p.a.) from DP to PSD.
5. Approve the balance of funding required of c. £282K associated with management of the ESS service line (arising due to the incompatible contract management and delivery model between DP and PSD) to be met for the 24-month period from savings elsewhere within PSD through prioritisation of activities.
6. Note that further strategic work is being undertaken on the estate security and long-term maintenance proposals for ESS, which will be the subject of a future business case.


#### 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**

**Date** 3/8/20



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

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

- 1.1. Following a review the future provision of the electronic security systems (ESS) is proposed to be transferred from Digital Policing to Property Services. The interim procurement arrangement is for a single tender action to ensure maintenance of the service. During this period asset information and condition data will be gathered to inform a full procurement.

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

- 2.1. The transfer from Digital Policing to Property Services follows an internal audit review – see Part 2 for further detail.
- 2.2. The interim procurement arrangement will be provided by way of a 2 year, £2m single tender action as there is no other suitable framework agreements/contractors available to meet the current demands.
- 2.3. The contract will be managed under the existing Facilities Management (FM) Integrator model at an annual cost of £402k, which will be funded from within existing MPS resources.

### **3. Financial Comments**

- 3.1. The proposals in this paper involve the transfers from Digital Policing to Property Services of the contract value of £1m p.a. for ESS, £95k p.a. for the embassy warning system alarms and staff resources of £120k p.a.
- 3.2. The cost of the FM Integrator to manage the contract is £402k which will be funded by the transfers from Digital Policing and the identification of savings elsewhere within Property Services.

### **4. Legal Comments**

- 4.1. MPS have received legal advice that the award of the single tender action is allowed under the Public Contracts Regulations 2015. Further information is contained in the restricted section of the report.
- 4.2. Paragraph 4.8 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve budget virements or movements of £500,000 and above, (whether on a temporary or permanent basis).
- 4.3. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all contract exemptions for £100,000 or above.

### **5. Commercial Issues**

- 5.1. The service to be provided under the single tender action is the continuation of the provision of support and maintenance of electronic security systems.

- 5.2. A single tender action (STA) is recommended as for reasons of a technical nature only one supplier can meet the MPS requirement. The STA provides the time for MPS to gather the necessary asset data and condition to undertake a full procurement.

## **6. GDPR and Data Privacy**

- 6.1. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered. The proposed contract requires the completion of the asset data elements of the Surveillance Commissioner's Data Protection Impact Assessments (DPIA) pro-forma, directly supporting the MPS in its data compliance activities.

## **7. Equality Comments**

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. As this is the continuation of an existing service, this work does not change any aspects relating to equality or diversity

## **8. Background/supporting papers**

- Appendix 1 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**

*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**

GDPR compliance issues are covered in the body of the report.

✓

**Director/Head of Service:**

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

✓

**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** 29/7/20



MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

**Business Justification Paper**  
**Support and Maintenance for MPS Electronic Security Systems (Estates)**

**MOPAC Investment Advisory & Monitoring meeting 25 June 2020**

**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*

This Business Justification Paper (BJP) concerns the ongoing provision of support and maintenance for electronic security systems (ESS) across the MPS Estate. These systems make a significant contribution to the security protection of MPS staff, data, physical assets and property.

The BJP covers three key areas:

1. The transfer of responsibility for ESS from Digital Policing (DP) to Property Services Directorate (PSD) including relevant budgets.
2. The proposal for a 24-month single tender action contract to be awarded to OpenView Security Solutions Ltd to provide ESS support and maintenance services across the MPS.
3. The costs associated with delivering the overall ESS service, including the contract itself and supplier management, and the associated funding streams.

The value of the proposed single tender action contract is £1M per annum (p.a.) for two years. As this exceeds the £100K single tender action threshold, a decision is sought from PIB/IAM.

**Recommendations**

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

1. **Approve** the strategic requirement for a 24-month contract for the support and maintenance for ESS.
2. **Approve** the award of a 24-month contract to OpenView Security Solutions Ltd for the provision of support and maintenance for ESS to ensure continuity of service delivery at a value of £1M per annum. Total value of contract requiring approval £2M.
3. **Approve** the award of said contract under the existing supplier terms and conditions of the current MPS / PSD contract with the FM Integrator contractor

(KBR); that OpenView be managed as a Tier 2 supplier at a total management cost of c. £402K p.a.

4. **Approve** the transfer of responsibility for ESS from Digital Policing to Property Services Directorate including the ESS support and maintenance contract and the embassy warning systems alarms contract (not yet requiring renewal).
5. **Approve** the transfer of existing revenue budgets for ESS support and maintenance (£1M p.a.), embassy warning systems alarms (£95K p.a.) and one Band S post (£120K p.a.) from DP to PSD.
6. **Approve** the balance of funding required of c. £282K associated with management of the ESS service line (arising due to the incompatible contract management and delivery model between DP and PSD) to be met for the 24-month period from savings elsewhere within PSD through prioritisation of activities.
7. **Note** that further strategic work is being undertaken on the estate security and long-term maintenance proposals for ESS, which will be the subject of a future business case.

#### **Time sensitivity**

A decision is required from the Deputy Mayor by **31/07/20**. This is because the current ESS support and maintenance contract expires on 30/11/20. To allow for a one-month handover period to the PSD FM Integrator, the new contract needs to be agreed and in place by 30/10/20. A three-month period for drafting and agreeing the terms of the new contract is the minimum achievable timeframe.

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

#### **Introduction and background**

1. Drivers for change - The transfer of electronic security systems (ESS), estate security strategy and policy to the Property Services Directorate (PSD) were actions recommended in a recent Directorate of Audit, Risk and Assurance (DARA - Internal Auditors to the MPS) Risk and Assurance Review and committed to by the Met. The primary driver for the transfer is to reduce risk by concentrating the existing disaggregated responsibilities into a single business group, PSD. Secondary benefits include improved user experience through a unified helpdesk service and interlocking maintenance provision to remove duplication of effort.
2. The responsibilities transferring to PSD from Digital Policing (DP) include the management of the ESS support and maintenance services contract. The existing ESS contract expires at the end of November 2020 and cannot be further extended. There are fundamental differences between DP and PSD's contract management models so it is not possible to use the existing DP Framework arrangements to deliver a new contract into PSD. To deliver a completely new contract into the PSD model will take 18-24 months based on full

asset registers and asset condition information being provided. The purpose of a single tender action now is to ensure existing responsibilities continue to be delivered without interruption in the short term. The 24-month period will provide time to enable the development of a full, OJEU compliant, open tender process for a long-term ESS contract to new specifications and to mobilise that contract.

### **Issues for consideration**

3. Contract value - The value of the new 24-month contract (current contract value £1M per annum) at £2M.
4. Transfer of ESS responsibilities within the MPS - The corporate responsibility for the management, maintenance and lifecycle replacement of site based electronic security systems (ESS) will, subject to the approval of additional management and supply chain resources, transfer from DP to PSD in November 2020, with the current ESS contract ending on 30 November 2020.
5. DARA Internal Audit Findings - This information is contained in the restricted section of the report as it discusses specific security matters in relation to the MPS estate.
6. Delivery model - The transfer of ESS responsibilities between DP and PSD introduces a fundamental change to the contract and service delivery model.
7. DP's model is based on the in-house management of an external contractor appointed from the existing 'Building Technology Systems and Services' framework.
8. PSD's model uses the Facilities Management Integrator (KBR) to manage a wholly outsourced multiple-provider service based on open competition tenders and managed by a small intelligent client function unit within PSD.
9. The contract, when brought into PSD's area of responsibility, will be incorporated as a Tier 2 supplier within the existing Facilities Management (FM) 'Integrator' arrangement and be fully outsourced in line with the current supply chain model for facilities management services.
10. The total cost of managing the contract will be c. £402K p.a. with detailed resource proposals contained in the restricted section of the report. Additionally the embassy warning systems alarms contract of £95K p.a. will transfer from DP to PSD when the current contract expires in 2021.
11. These costs are partially funded by the transfer of revenue budgets from DP to PSD, with the balance of funding be met from existing resources within PSD.
12. Contract duration - The limited duration (24 months) of this contract recognises and accommodates the following strategic activity and constraints:
  - a) DP and PSD are currently re-shaping and re-competing their commercial service delivery models in preparation for the end of their existing

contracts. This represents a significant period of commercial change (and intense activity) for both business groups.

- b) The existing DP framework is incompatible with the PSD FM Integrator model in terms of contract management, contractor payment, work order systems and in respect of the specification format and its quality. The 24-month contract period is required to permit PSD (through the FM Integrator) to;
- Assimilate the contract into the PSD delivery model with the minimum of disruption to services.
  - Gather accurate asset information and condition data on the ESS infrastructure to form a complete picture of maintenance liabilities across the estate and facilitate cost modelling to support tender activity.
  - Develop a new technical specification to ensure the MPS increases the operating availability and reliability of ESS assets as part of a new planned preventative maintenance regime.
  - Plan and execute a competitive open tender process through the FM Integrator, supported by HQ Commercial Services. The MOPAC approval and contract mobilisation process will be aligned with the end of the 24-month contract proposed in this paper (30 November 2022).

13. Existing contract details - The current contract for the requirement SS3/13/107(19) - awarded to OpenView Security Solutions Ltd, expires on 30 November 2020 (with no further options to extend).

14. Proposed contract timeline - The award of this 24-month contract to commence from 1 December 2020 and end on 30 November 2022.

15. Alternative contracts - There are currently no other existing suitable Framework Agreements available to the MPS, that cover the scope of services and goods that the requirements demand.

16. Budget transfer - Agreement between DP and PSD has been reached in respect of transferring budgets, helpdesk information and asset data, where available.

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

17. Pages 45 – 49 of the MOPAC Police & Crime Plan 2017-2021 reference the transformation of the MPS. The security systems outlined within this paper directly support the safety of the MPS's main asset – its people.

### **Financial, Commercial and Procurement Comments**

18. Part of the approval sought is for the single-tender action award of a 24-month

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



contract to OpenView Security Solutions Ltd for the provision of support and maintenance for ESS to ensure continuity of service delivery. As such, detailed legal advice has been sought to ensure that this complies with the Public Contracts Regulations 2015.

19. In summary, a new shorter term contract (no more than 2 years) may be awarded to Openview in accordance with Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 which allows, for contracts to be awarded via a negotiated procedure without prior publication of a notice in the OJEU where for reasons of a technical nature only one supplier can meet the MPS requirement (a Single Tender Action (STA)). The MPS's reasonable requirements are, in brief, for a supplier to maintain the existing system, and to conduct an asset survey of that system so that the appropriate strategic decisions can be taken in regard to the future procurement of the electronic security system. In addition the MPS require a short (no more than 2 year contract) and a supplier who can ensure continuity of services (and therefore have sufficient vetted staff from day 1). MPS believe this requirement accurately reflects their needs. MPS have looked at existing frameworks and no suitable service provider can be identified. For technical reasons (outlined within the restricted section of the report) Openview are the only supplier who can provide this service.
20. The total cost of the proposal is £3M, the costs of which will be met through a combination of the transfer of budget from Digital Policing and existing resources within Property Services. In the next 18 to 24 months Property Services will review existing arrangements for the support and maintenance of Physical Security with the intention to award a new long-term ESS contract to new specifications when the contract due to be awarded the end of November 2020 expires. The cost of this and how it will be funded will be subject to a future business case.
21. There are no capital implications associated with this request.

#### **Legal Comments**

22. This information is contained in the restricted section of the report.

#### **Equality Comments**

23. As this is the continuation of an existing service, this work does not change any aspects relating to equality or diversity.

#### **Privacy Comments**

24. 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.

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.

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

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

### **Real Estate Implications**

25. This information is contained in the restricted section of the report.

### **Environmental Implications**

26. There is no impact on the Mayor's London Environment Strategy<sup>2</sup>.

### **Background/supporting papers**

27. There are no supporting papers.

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### **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 – Support and Maintenance for MPS Electronic Security Systems (Estates) 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 Commercial Interest Section 43

The paper will be exempt until contract completion in November 2022.

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<sup>2</sup> <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/draft-london-environment-strategy>