

REQUEST FOR DMPC DECISION – PCD 222**Title: Crabtree Manorway Warehousing****Executive Summary:**

In 2015 approval was given for the development of a modern warehousing facility at Crabtree Manorway. This paper requests additional funding of £10m to enable the development to progress following detailed ground and security surveys, and a review of the equipment to be installed to maximise the efficiency of the warehouse.

Recommendation:

The DMPC is asked to:

1. Approve the additional costs of £10.044m for the development project at Crabtree Manorway funded through re-prioritising the existing PSD capital programme.
2. Approve the contract award for construction services as set out in Part Two

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*Spivey-Henderson***Date***20/6/17*

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

Decision required – supporting report

1. Introduction and background

- 1.1. In 2015 approval was given for the development of a modern warehousing facility at Crabtree Manorway. This paper updates the progress on the development and requests approval for further funding.

2. Issues for consideration

- 2.1. The development is an integral element of the wider estate transformation and supports the Police and Crime Plan objective of “invest(ing) in the tools they (officers) need to do their job” by investing and enhancing the retained estate and supporting operational need. In addition, the reduced running costs arising from the development support the objective of reducing the back office costs to a maximum of 15% of MPS total revenue spend by 2019/20.
- 2.2 The original estimated cost of the development was anticipated to be £26.7m. Following detailed ground and security surveys, and a review of the remaining economic life of racking systems, garage equipment and forensic freezers additional costs of £10m have been identified as necessary to meet environmental standards, address security threat assessments and deliver value for money.

3. Financial Comments

- 3.1 The additional cost of £10m can be met from within the existing capital programme. The development will deliver revenue savings of £1.4m

4. Legal Comments

- 4.1 Section 6 of the Police Reform and Social Responsibility Act 2011 (“the Act”) provides the 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). The MOPAC has the power to dispose of surplus properties (including land) under paragraph 7 (2) (b) of Schedule 3 of the “the Act”.

5. Equality Comments

- 5.1 There are no direct equality implications arising from this decision.

6. Background/supporting papers

Appendix 1 – Development of Warehousing Facilities at Crabtree Manorway

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 MOPAC CFO 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 Strategic Finance and Resource Management Team 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**

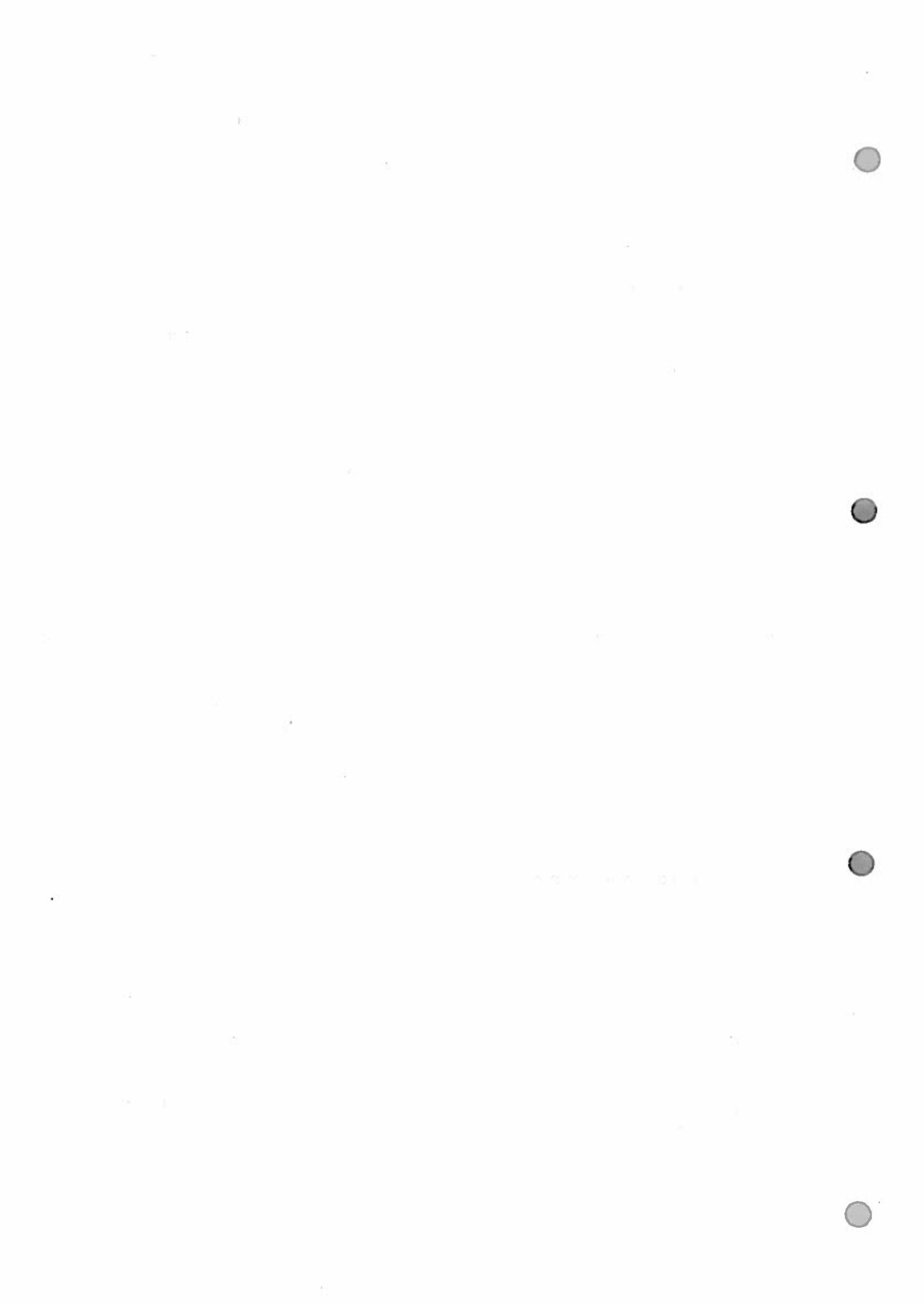
I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature

R. Lawrence

Date

15/06/17



DEVELOPMENT OF WAREHOUSING FACILITIES AT CRABTREE MANORWAY

A report on behalf of the Director of Commercial and Finance

SUMMARY

The Police & Crime Plan 2017 – 2021 has committed to 'invest in the tools they (officers) need to do their job' and invest in core (buildings that are expected to be retained for a minimum of 20 years) buildings 'to create a modern environment for our staff and the public who need our services'.

In support of this commitment Property Services are seeking approval of capital funding of an additional £10M to invest in the provision of warehousing facilities at Crabtree Manor Way.

A. RECOMMENDATIONS – That Deputy Mayor for Policing and Crime (DMPC):

1. Approve the additional costs of £10.044m for the development project at Crabtree Manorway funded through re-prioritising the existing PSD capital programme.
2. Noting that the DMPC under the previous administration approved the construction of a new facility under DMPCD 2015 99
3. Approve the contract award for construction services as set out in Part Two.

B. SUPPORTING INFORMATION

BACKGROUND

1. The Police & Crime Plan 2017 – 21 identifies the need to 'invest in the tools they (officers) need to do their job' which includes improving the quality and versatility of the MOPAC estate to meet the needs of modern policing. This includes investment both in public facing buildings such as police stations, but also operational support facilities critical to ensuring the police can "do their job".
2. Our estates transformation activity supports delivery of Police and Crime Plan through the key business support objectives set out below:
 - **invest** in and improve the quality of accommodation of the retained estate to support operational need bringing it closer to communities where required;
 - **enhance** and intensify the use of the retained estate through targeted investment to support smarter working – which, in turn, enables operational objectives to be met within a smaller estate.
 - **maximise** the value of those assets released that are surplus to need in order to release capital for reinvestment to support operational need, underpinning the Capital Programme whilst keeping in consideration the wider mayoral objectives for Affordable Housing; and
 - **reduce** the running cost of the retained estate to support the objective of reducing back office costs to a maximum of 15% of the MPS total revenue spend by 2019/20.
3. The development of modern warehousing facilities at Crabtree Manorway are an important strand of our estates transformation activity. Creating modern operational support facilities which will not only improve the quality of the retained estate but, through investing in the retained buildings, will do so at a substantially lower annual running cost and reduced environmental footprint.

4. The facility provides replacement and updated facilities for criminal evidence storage (including modern freezers, efficient racking and a controlled environment) and modern vehicle maintenance facilities.
5. Following detailed ground and security surveys as well as a review of the remaining life of the racking systems, garage equipment and forensic freezers a number of assumptions made in the original business case have had to be modified to ensure (a) the building meets environmental conditions; (b) the security threat assessment is mitigated; (c) that value for money is achieved on moving equipment from current buildings vs the need to replace it anyway within the short term.
6. This paper requests approval of £10M capital funding for the additional investment required.

C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

Equality and Diversity Impact

1. Future investment in the core estate will ensure full compliance with the Equalities Act 2010 with regards to the provision of accommodation. Facilities for staff working in all buildings will be enhanced over time as investment is focused on those assets core to operations.

Financial Implications

2. The improvement of the MOPAC estate to meet operational requirements is a core deliverable within the Police and Crime Plan 2017 - 21. The approved capital programme includes provision to undertake the proposed expenditure

Legal Implications

4. Section 6 of the Police Reform and Social Responsibility Act 2011 ("the Act") provides the MOPAC must secure the maintenance of the Metropolitan Police Service, and secure that the Metropolitan Police is efficient and effective.
5. 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). The MOPAC has the power to dispose of surplus properties (including land) under paragraph 7 (2) (b) of Schedule 3 of the "the Act".
6. The Commissioner may also do anything which is calculated to facilitate, or is conducive or incidental to acquiring and disposing of property (apart from land) but only with the consent of MOPAC under paragraph 4 (2) (b) of Schedule 4 of "the Act".

Risk (including Health and Safety) Implications

7. All relevant health and safety legal requirements such as the workplace, health and safety regulations and appropriate MOPAC and MPS standards will be met. Input has been sought throughout the feasibility stage from the MPS Standards and Audit Team. The construction projects if approved will be notifiable to the Health and Safety Executive (HSE) as significant construction projects under the Construction (Design and Management Regulations) 2015. Critical operational functions and infrastructure will need to be relocated in advance of any works to provide continuity of service.
8. Project Risks registers will be developed and managed and maintained within the Procurement and Property team.

Environmental Implications

9. The refurbishment of specific sites and more efficient use of part of the support estate, will generate environmental and sustainability benefits with associated cost reductions as well as adherence to MOPAC/MPS targets in line with Mayoral objectives and legislation (including the Social Value Act 2012).
10. The refurbishment of older sites with poor environmental performance provides the mechanism for improved environmental performance. There will be a one-off increase in waste in the short term associated with the refurbishments. Waste will be managed in line with the European waste hierarchy and the MPS storage and treatment of waste and recycling toolkit and the building disposals waste checklist. Particular attention will be paid to ensuring all waste and crush materials are managed appropriately to avoid generating hazardous waste or cross-contaminating other materials that may be stored on site. Waste generation during operation is likely to remain broadly similar.
11. All building redevelopments / refurbishments are required to adhere to the MPS' Sustainable Design Guide, which sets out minimum environmental performance standards. These lead to efficiency gains through net reductions in consumption of energy, water and product / material resources and improved recycling of waste that will be managed throughout the design and build stage. These Standards support a whole life cost approach aimed at ensuring capital investment optimises building costs in operation. Additional Standards encourage cultural changes subject to operational requirements to reduce carbon emissions. Reducing the reliance on the use of vehicles and the provision of vehicle parking, increasing the use of public transport and supporting cycling with racks and showers for example will reduce carbon emissions (associated with travel). The strategy will deliver environment and sustainability benefits during subsequent implementation (lifecycle) stages.
12. Responsible procurement principles are embedded into the procurement process. Recycling items at the end of their life or when no longer required and reusing items in future locations, are encouraged. High recycled content components and sustainable materials are considered wherever practical

