

DMPC Decision – PCD 692**Title: Re-procurement of Facilities Management services****Executive Summary:**

This paper seeks approval for the extension of two contracts, each for a year, at a combined value of £0.4m, and the re-procurement of three service areas with an estimated framework value of £5.7m as set out in the body of the report.

Recommendation:

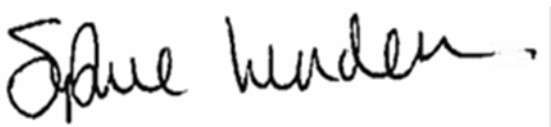
The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the initiation and award for the re-procurement of the Supply of Flags and Flagpoles using a competitive procedure on the proviso that the award value is within 10% of the published budgets
2. Approve the initiation and award for the re-procurement of the Provision of Clinical and Offensive Waste using a Public Sector Framework arrangement on the proviso that the award value is within 10% of the published budgets.
3. Approve the publication of a Prior Information Notice (PIN) as a call for competition for the Provision of Crime Scene Security and Specialist Cleaning Services and award of contract following a tender exercise on the proviso that the award value is within 10% of the published budgets.
4. Approve the additional extension year for the Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment and the Supply and Hire of Temporary Facilities Marquees and Tents.

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** 6/5/20

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

1. Introduction and background

- 1.1. The facilities management (FM) services set out below have been previously contracted and are now approaching the initial or whole term expiry date. This paper seeks approval to re-procure or extend existing approved contracts.
- 1.2. The services are
 1. The Supply of Flag and Flagpole Maintenance Services
 2. The Provision of Clinical and Offensive Waste
 3. The Provision of Crime Scene Security and Specialist Cleaning Services
 4. The Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment
 5. The Supply and Hire of Temporary Facilities Marquees and Tents

2. Issues for consideration

- 2.1. Following previous MOPAC advice the MPS has undertaken early market engagement to learn more about the current market and to encourage more bidders for these services. The proposed 4 year frameworks will be made available to GLA functional bodies and the London Ambulance Service.
- 2.2. The services 1-3 above are proposed for re-procurement, whilst services 4 and 5 are proposed to be extended by one year.
- 2.3. All of the extensions and re-procurements adhere to the London Living Wage requirements.

3. Financial Comments

- 3.1. There is sufficient budget provision within MPS Property Services to meet the estimated costs including a 10% tolerance.

4. Legal Comments

- 4.1. The estimated value and the routes to market of the proposed re-procurements are within the scope of the Public Contracts Regulations (2015). The proposed extensions are within the scope of the original procurement approvals.
- 4.2. The Mayor's Office for Policing and Crime is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). All awards and modifications to public contracts for goods and/or services shall be performed in accordance with the Regulations.
- 4.3. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy of and requests to go out to tender for contracts valued at £500,000 or above.
- 4.4. Paragraph 4.14 provides the DMPC reserves the right to call in decisions to approve all variations and extensions to contracts with an original value of £500,000 or above.

5. Commercial Issues

- 5.1. The re-procured contracts are expected to be of either 3 or 5 years in length for their initial term and with two, one year optional extensions. The estimated maximum framework value for all 3 services being re-procured is £5.7m, of which £2.7m relates to MPS, and there is provision for other GLA functional bodies to use if required. The tender processes will be via a EU open tender route.
- 5.2. The proposed extensions are for well-performing contractors with options in the awarded contracts for extension.

6. GDPR and Data Privacy

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

7. Equality Comments

- 7.1. There are no direct equality implications arising from this proposal.

8. Background/supporting papers

- 8.1. 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

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

A DPIA is not required.

✓

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.

✓

Interim 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: 24/04/20





MOPAC Investment Advisory Board 7th January 2020

Report by KBR / MPS 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

The Portfolio and Investment Board is requested to approve the initiation of following procurement activities under the Public Contract Regulations (PCR 2015) and where applicable, subsequent contract award following a competitive tender exercise using the Most Economically Advantageous Tender (MEAT) criterion.

The awards of the tendered service lines will be on the proviso that the tendered contract values are within 10% of the budgets contained within this paper.

This paper contains details of the following four approaches:

1. Re-tender activity of the following service line via a competitive procedure under the Public Contract Regulations (PCR 2015)
 - The Supply of Flag and Flagpole Maintenance Services Framework
2. Re-tender activity of the following service line via an existing Public Sector Framework arrangement.
 - The Provision of Clinical and Offensive Waste
3. The publication of a Prior Information Notice (PIN) as a call for competition, leading to a re-procurement activity for the following service line.
 - The Provision of Crime Scene Security and Specialist Cleaning Services Framework
4. The utilisation of the option years to extend the following service lines:
 - The Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment
 - The Supply and Hire of Temporary Facilities Marquees and Tents

All MPS investments that are over £500,000 or are unique in nature or contentious must go through the MPS and MOPAC governance process. The same paper is considered by Investment Advisory & Monitoring (IAM) meeting and submitted to the Deputy Mayor for Policing and Crime for decision

Recommendations

The MPS Portfolio & Investment Board (PIB) is asked to:

1. **Approve the initiation and award for the re-procurement of the Supply of Flags and Flagpoles using a competitive procedure on the proviso that the award value is within 10% of the published budgets**
2. **Approve the initiation and award for the re-procurement of the Provision of Clinical and Offensive Waste using a Public Sector Framework**

arrangement on the proviso that the award value is within 10% of the published budgets.

3. **Approve the publication of a Prior Information Notice (PIN) as a call for competition for the Provision of Crime Scene Security and Specialist Cleaning Services and award of contract following a tender exercise on the proviso that the award value is within 10% of the published budgets.**
4. **Approve the additional extension year for the Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment and the Supply and Hire of Temporary Facilities Marquees and Tents.**

If supported by the MPS Portfolio & Investment Board, the Deputy Mayor for Policing and Crime, via Investment Advisory Monitoring (IAM), is asked to:

1. **Approve the initiation and award for the re-procurement of the Supply of Flags and Flagpoles using a competitive procedure on the proviso that the award value is within 10% of the published budgets**
2. **Approve the initiation and award for the re-procurement of the Provision of Clinical and Offensive Waste using a Public Sector Framework arrangement on the proviso that the award value is within 10% of the published budgets.**
3. **Approve the publication of a Prior Information Notice (PIN) as a call for competition for the Provision of Crime Scene Security and Specialist Cleaning Services and award of contract following a tender exercise on the proviso that the award value is within 10% of the published budgets.**
4. **Approve the additional extension year for the Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment and the Supply and Hire of Temporary Facilities Marquees and Tents.**

Time sensitivity

A decision is required from the Deputy Mayor by 28th February 2020 to allow for full PCR 2015 compliant tender exercises to be undertaken and extensions to be communicated to the suppliers for the service lines.

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

Introduction and background

1. A collaborative workshop was held which analysed the current status of each of the service lines, covering current supplier performance, possible routes to market, commercial and contractual options, and risk and opportunities.
2. Potential suppliers were contacted to complete a Market Engagement Questionnaire (MEQ). Questions used in the Market Engagement exercise were bespoke to the industry and risk profile of the service line and were targeted to

consider current contract performances. The MEQ's were designed to capture short term and long term factors influencing the potential contracts. This included Brexit-readiness, continuity of supply, industry size and innovations coming to market soon.

3. The Supply of Flag and Flagpole Maintenance Services

3.1. This contract was last tendered in 2016 and was awarded on a 3 year plus 1 year extension, expiring 29th April 2021.

3.2. The requirement of this service line is for the provision of planned maintenance, reactive call-outs for repair and replacement works and undertaking small works projects for flag and flagpoles across the Authority's estate.

4. The Provision of Clinical and Offensive Waste Management Services

4.1. This contract was last tendered in 2017 and was awarded on a 3 year plus two 1 year extensions. The initial term excluding extensions expires 29th April 2021.

4.2. The requirement of this service line is for the collection of Offensive and Clinical Waste from internal and external locations across the Authority's estate.

5. The Provision of Crime Scene Security and Specialist Cleaning Services

5.1. This contract was last tendered in 2017 and was awarded on a 3 year plus two 1 year extension with the initial term expiring 8th October 2021.

5.2. The requirement of this service line is divided into 5 areas:

(1) Specialist crime scene cleaning after full forensic investigation has taken place,

(2) Providing bush, tree and grass clearance, tree and shrub excavation of top soil layer,

(3) Providing cleaning assistance such as cleaning services for operational police compounds used in special events, skips and recycling bin facilities for police compound sites and cleaning of buildings after major demonstrations as instructed,

(4) Cleaning ad-hoc MPS property prior to disposal,

(5) Securing premises using metal screens or other methods as instructed.

6. The Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment

6.1. A Framework was awarded in 2018 on a 3 year plus an optional 1 year extension expiring 31st January 2022.

6.2. The requirement of this service line is for the planned maintenance, reactive/corrective maintenance for Gymnasium Assets across the MPS Estate and the occasional supply of Gym Equipment to relevant sites.

7. The Supply and Hire of Temporary Facilities Marquees and Tents

7.1. This contract was last tendered in 2018 and was awarded on a 3 year plus an optional 1 year extension expiring 13th May 2022.

7.2. The requirement is for year round hire, supply and erection of marquees and tents for operations and events. Requirements for large national events with specific venues are sometimes known in advance, but on rare occasions, urgent response will be requested for the hire and erection of equipment at short notice.

8. Collaborative Procurement

The Authority as a public sector contracting body is encouraged by central government to collaborate where feasible with other public sector organisations to fulfil their respective requirements.

For the proposed tendered service lines, in order to ensure that all options are considered before approaching the market, a review has been undertaken to ascertain whether collaboration would be possible with another public sector organisation or via an existing Framework Agreement.

Framework agreements available for use by the following organisations have been reviewed:

- Crown Commercial Services (CCS)
- Eastern Shires Purchasing Organisation (ESPO)

Benefits of using a Framework

- Frameworks are compliant with UK/EU procurement legislation, meaning there is no requirement to undertake a full EU procurement process.
- Quicker route to market mitigating against the time scale needed for security vetting.
- Suppliers listed on the framework have been assessed during the procurement process for their financial stability, track record, experience and technical & professional ability.
- Transparent price lists can be available to enable a desktop exercise amongst framework members.
- Pre-agreed terms & conditions
- Contract length can be awarded beyond the life of the Framework.
- Ability to customise requirement and schedules to match social value priorities

Other Public Sector Organisations

In reference to the Clinical and Offensive Waste Management service line, the following public sector organisations were contacted to ascertain further information on the service they receive and the route to market that was utilised:

• Nottingham University Hospital	• Manchester Police
• Hertfordshire NHS Procurement	• Kent Police
• Medway NHS Procurement	• Avon and Somerset Police

• Wrightington Wigan and Leigh NHS Foundation	• Devon and Cornwall Police
• Guys and St Thomas's NHS Procurement	• Thames Valley Police
• St Georges London NHS Procurement	• Leicester County Council
• Taunton & Somerset NHS Foundation Trust	• UK Ministry of Defence

Three responses were received from:

- Leicester County Council
- UK Ministry of Defence
- Avon and Somerset Police

For the Supply of Flag and Flagpole Maintenance Services, and Provision of Crime Scene Security and Specialist Cleaning Services, a search of the available frameworks put in place by CCS, and ESPO did not provide any national Frameworks that could be utilised. Due to the geographical location of other public sector organisations and the timing of the requirements, the ability to jointly procure this opportunity at this moment in time is not possible. However, in order to ensure any collaborative opportunity is not missed these services will be procured as frameworks.

For the Provision of Inspection and Maintenance Services and the Occasional Supply of Gym Equipment, and for The Supply and Hire of Temporary Facilities Marquees and Tents, whilst the extension periods are being utilised, further investigation into the potential of collaboration will be undertaken.

9. Market Engagement

In order to understand the markets from which we expect to acquire these services we undertook a Market Engagement exercise.

The Market Engagement Questions (MEQ's) were designed to capture short term and long-term factors influencing the potential contracts. This included Brexit-readiness, continuity of supply, industry size and innovations coming to market soon. Other factors covered were contact details, company size, market penetration, brief summary of requirement, company preferred model of delivery e.g. self-delivery or sub-contract as well as a number of commercial and contractual preferences, contract length, key performance indicators (KPIs), form of contract, framework participation, Social Value Act as well as their capability to perform the required services.

A modified MEQ was also sent to key public bodies across the UK. This led to a realistic picture being created of the clinical waste industry from both the buyer and supplier perspectives. The buyer perspective revealed issues that had already materialised under the MPS contract, such as delays around security clearance adversely impacting the contract deliverables.

Issues for consideration

10. The overall value of all 5 procurement services listed in Executive Summary is £5.7m over the 4-year life of the framework agreements.
11. The overall MPS contract spend is anticipated to be in the region of £2.7M over 7 years
12. Full public procurement tender exercises will be undertaken for each service line (that is not being extended) in compliance with the Public Contract Regulations 2015 (PCR15) and MOPAC Contract Procedure Rules.
13. There is also no exclusivity or guarantee of work volumes to using the Call-off Contracts.
14. All Contracts let adhere to the Cabinet Office Principles and London Living Wage, this includes payment of the London living wage to any personnel working in London.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

15. The delivery of Facilities Management (FM) services by PSD to the MOPAC Estate ensures that
 - There is investment in the tools (Officers need) to do the job There is investment in core buildings that are expected to be retained for a minimum of 20 years a modern environment is created for our staff and the public who need our services
 - Service Delivery - best possible service
 - Responsiveness and flexibility– ability to anticipate change
 - Resilience – ensure we have a robust supply chain

Financial, Commercial and Procurement Comments

16. The MPS currently spend on average £753K p.a for the contract service lines. Costs are met from the PSD/OSG revenue budget.

Legal Comments

17. The Mayor's Office for Policing and Crime is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). All awards and modifications to public contracts for goods and/or services shall be performed in accordance with the Regulations.

Recommendations 1 and 2

18. DLS is instructed the total value of the proposed contracts are £806,000 and £877,000 respectively. Accordingly, the Regulations shall apply to both.

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

19. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy of and requests to go out to tender for contracts valued at £500,000 or above.

20. Recommendation 3 – there are no comments from DLS

Recommendation 4

21. DLS is instructed the extensions are within scope of the original procurements.

Paragraph 7.24 of the Scheme provides the Director of Strategic Procurement has consent to approve all variations and extensions for contracts, not elsewhere approved, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 provides the DMPC reserves the right to call in decisions to approve all variations and extensions to contracts with an original value of £500,000 or above.

Equality Comments

22. There are no negative equality or diversity implications arising from this procurement process. All bidders will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as a supplier to MOPAC. The evaluation exercise will consider their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.

Privacy Comments

23. These service will not involve the processing of personal data.

Real Estate Implications

24. Services may be impacted by future estate transformation changes. However, any changes will be dealt with by initiating the necessary change control procedures outlined in the supplier contracts.

Environmental Implications

25. There are no additional environmental risks arising from this request.

26. KBR will work closely with the Authority's Environment and Sustainability Team to ensure that a supply chain is procured which has an environmental capability relating to service delivery aligned to Authority's sustainability programmes.

27. KBR and the Authority have developed a set of contractual provisions for suppliers working with the Authority, including a set of robust requirements relating to sustainability embedded in the contracts. In addition, KBR has developed a Contract Health, Safety and Environment plan which sets out how

the contract will be delivered in a way which meets the Authority's sustainability standards and environmental compliance, and where applicable, industry best practice.

Background/supporting papers

28. Supporting papers in Part 2, exempt from publication.

Report author: Paul Homshaw, Procurement Specialist