

REQUEST FOR DMPC DECISION – PCD 218

Title: National Police and Emergency Services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems

Executive Summary

The MPS is seeking approval to initiate a new tendering exercise for a National Police and Emergency Services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems.

Recommendation:

The DMPC is asked to:

1. Approve the commencement of a Restricted, Official Journal of the European Union (OJEU) tendering process for a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems.
2. Note the anticipated value of the four year Framework Agreement is estimated to be between £44m and £78m. The MPS spend is estimated at £44m with the latter higher value to aid collaborative procurement with the Greater London Authority (GLA) Group and Police and Emergency Services Authorities.
3. Approve the initiation of the new tendering process without the need for referral back to the DMPC unless the value of approved award is exceeded or an appropriate, cost effective, compliant and alternative collaborative Framework is in place.

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

Edna Henden

Date

20/6/17

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

Decision required – supporting report

1. Introduction and background

- 1.1. There is an ongoing requirement for electronic systems and other building technology systems. The requirement is currently met by an MPS only Framework Agreement which consists of three separate lots and was for an estimated value of £44m.
- 1.2. The tender requirement is divided into the following three lots:
 - Lot 1 Building Technology Systems and Services – managed by Digital Policing
 - Lot 2 CCTV Image Presentation and Control Rooms Systems – managed by SCO35
 - Lot 3 Digital Video Recording Systems, Video Walls and Ancillary Services – managed by SCO35
- 1.3. There are currently no existing suitable Framework Agreements available to the MPS, that cover the scope of services and goods that the requirement demands. The current MPS framework expires on November 2nd 2017.

2. Issues for consideration

- 2.1. There is a current Review of pan-London CCTV in collaboration with MOPAC, TfL, local authorities and other users. The work is being led by the MPS and aims to formulate a strategy for CCTV including harmonising processes, standards and equipment to meet current and future requirement of users and partners.
- 2.2. Should the Review recommend the establishment of a pan-London CCTV Support Framework then this Framework Agreement could be terminated /superseded providing it provided additional value for money.

3. Financial Comments

- 3.1. The MPS requires funding of up to £44m, which is provided for in existing budgets. This will be allocated as follows:
 - Lot 1 – £26m funded from Digital Policing
 - Lot 2 – £8m funded from SCO35
 - Lot 3 – £10m funded from SCO35

This is a new MPS led national Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems. The MPS has estimated the contract value based on historic spend.

4. Legal Comments

- 4.1. There are no legal implications arising from this report.

5. Equality Comments

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

6. Background/supporting papers

- 6.1. Report.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Part 1 Deferral:

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

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 rational for non-publication.

Is there a **part 2** form – No

If yes, for what reason:

ORIGINATING OFFICER DECLARATION:

Head of Unit: The Chief Financial 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: No Equality and Diversity issues identified.	✓

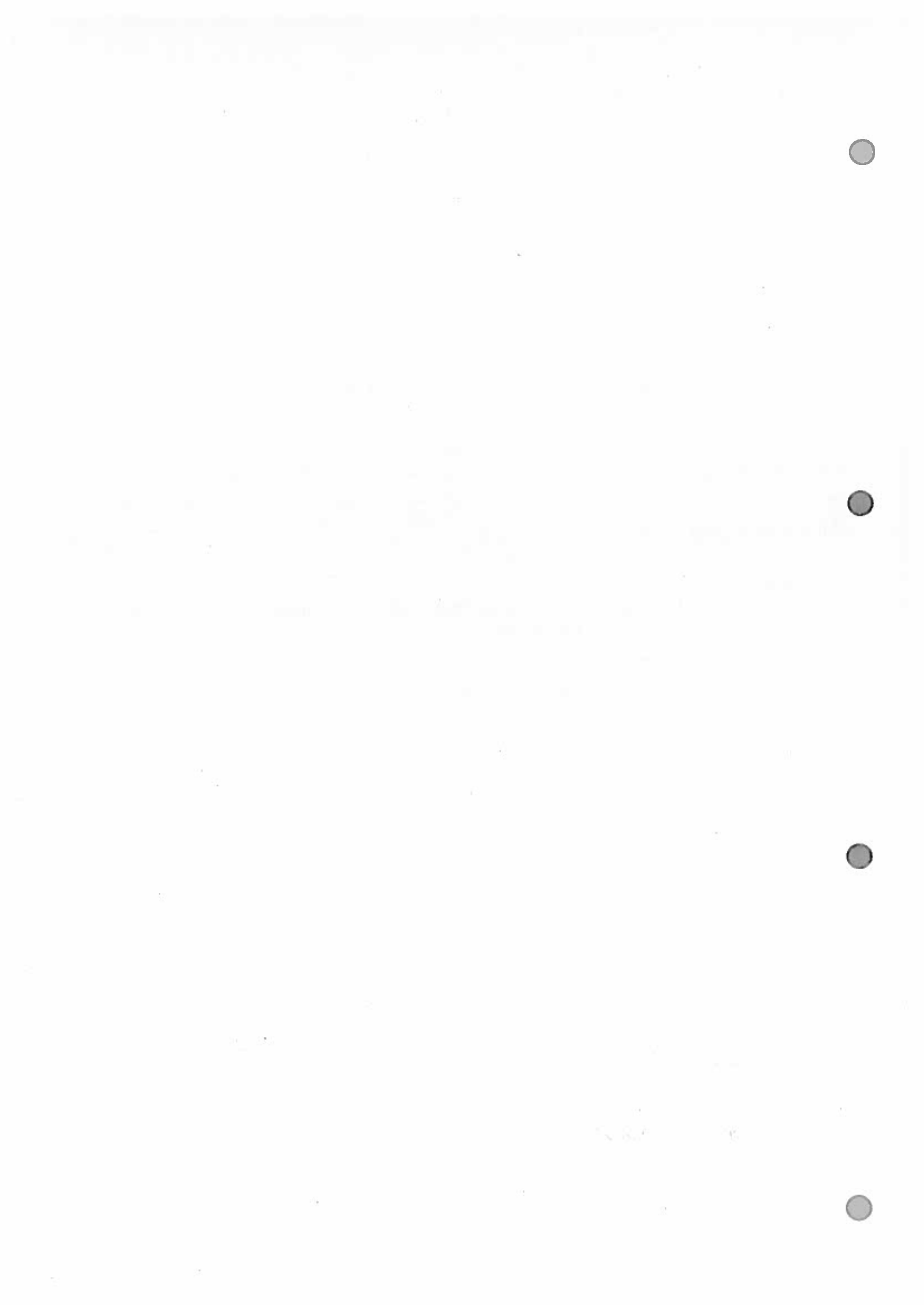
OFFICER APPROVAL

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*





Business Justification - Initiation for

National Police and Emergency Services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems

Portfolio and Investment Board - 9 May 2017

Investment and Advisory Board - 9 June 2017

1. Freedom of Information Act Publication Scheme

Protective Marking	2.	Not Protectively Marked
Publication Scheme Y/N	3.	Y
Title	4.	National Police and Emergency Services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems
Version	5.	0.9
Summary	6.	Business Justification for a new National Police and Emergency Services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems
(B)OCU or Unit, Directorate	7.	Digital Policing (DP): Lot 1
Report Owners	8.	Covert Intelligence (SCO35): Lot 2 and Lot 3
Report Author	9.	Neil Shazell / Gerard Lawlor-Smith (Digital Policing): Lot 1
Review Date	10.	Greg Page / Jon Simmons (SCO35): Lot 2 and Lot 3
Date Issued	11.	Lee Kitchen (HQ Commercial Services), ICT Category Manager
	12.	6 months from publication
	13.	10 February 2017

Purpose of this document: To provide justification for progressing a tender exercise for a new four year national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio Visual Systems.

PROCUREMENT TYPE	VALUE	BOARDS



BUSINESS AS USUAL	ABOVE £500k	PB, P&IB & I&AB
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Version History

14. Version	15. Date	16. Additions/Modifications	17. Prepared/Revised by
6	18. 08.03.2017	19. Sixth draft	20. Lee Kitchen (HQ Commercial Services) / Ruth Hodson (HQ Finance)
7	21. 13.03.2017	22. Seventh draft	23. Jon Simmons (SCO35)
8	24. 21.03.2017	25. Eighth draft	26. Luke Collins (DLS)
9	27. 03.04.2017	28. Ninth draft	29. Adrian Bines (PSD)

Internal Consultation & Assurance

The following people have been consulted in the production of this Business Justification and their opinions incorporated.

Directorate / Dept.	Name & Job Role	Rank / Grade	Date Assured
Digital Policing (Lot 1)	Neil Shazell	Director Applications & End User Services	16.03.2017
Digital Policing (Lot 1)	Gerard Lawlor-Smith	Applications Delivery Manager	15.03.2017
SCO35 (Lot 2 and Lot 3)	Greg Page	Head of Engineering - Public Order Technology	13.03.2017
SCO35 (Lot 2 and Lot 3)	Jon Simmons	Infrastructure Manager - Public Order Technology	13.03.2017 (Version 7)
Portfolio Transformation Office for Planning	Laura Pescod	Planning Manager	21.03.2017
Health & Safety	Mike Chinchin	Senior H & S Advisor	21.03.2017
Strategic Diversity and Inclusion	Shawn Goodchild	Strategic Diversity and Inclusion	21.03.2017
HQ Directorate of Legal Services	Luke Collins	Solicitor	21.03.2017
Property Services	Adrian Bines	Engagement Manager	31.03.2017
Property Services (Environmental)	Sarah Foster	Recycling Officer (Policy, Strategy and Compliance)	20.03.2017
HQ Commercial Services	Dave Evans	Category Director (Operational Procurement)	22.03.2017
Finance Business Partners (Lot 2 and Lot 3)	Ruth Hodson	Strategic Finance Business Partner (Specialist Crime and Operations)	08.03.2017
HQ Finance	Michael Killoran	HQ Finance	12.04.2017



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Appendices

Procurement files are held by HQ Commercial Services containing all necessary approvals and strategies

Appendix 1

Investment Criteria



1 Decisions Required

This Business Justification concerns the provision of a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio Visual Systems. The proposal is for a four year Framework Agreement to cover three separate Lots.

The Portfolio and Investment Board is requested to approve the following recommendations:

1. To approve the commencement of a Restricted, Official Journal of the European Union (OJEU) tendering process for a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio-Visual Systems.
2. To approve the funding requirement for a four year Framework Agreement (estimated value of £44m to £78m) with the latter higher value to aid collaborative procurement with the Greater London Authority (GLA) Group and Police and Emergency Services Authorities for a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems & Audio-Visual Systems, outlined in this paper which will be funded from existing budgets (applicable to the MPS estimate value of £44m only).

The key issues the Portfolio and Investment Board needs to take account of are:

1. **There is a current Review of pan-London CCTV in collaboration with MOPAC, TfL Local Authorities and other users. The work is being led by the MPS and aims to formulate a strategy for CCTV including harmonising processes, standards and equipment to meet the current and future requirements of users and partners.**
2. The current MPS Framework Agreement for the requirement expires on 2 November 2018.
3. There is an on-going requirement for electronic systems and other building technology systems. The requirement is currently met by an MPS only Framework Agreement which consists of three separate Lots and was for a total estimated value of £44m.
4. Lot 1: Building Technology Systems and Services will be managed by MPS Digital Policing, Lot 2: CCTV Image Presentation and Control Room Systems and Lot 3: Digital Video Recording Systems, Video Walls and Ancillary Services will be managed by SCO35. However, any mini competitions will have to be signed off by the business to confirm sufficient budgets are available.
5. There are currently no existing suitable Framework Agreements available to the MPS, that cover the scope of services and goods that the requirement demands.
6. Restructure of the MPS Digital Policing has resulted in Operational Technology moving to SCO35. They continue to manage all Operational CCTV support contracts, supported by HQ Commercial Services.
7. The requirement also takes into consideration the five year Estates Strategy Programme (subject to separate MOPAC approval) when rolling out the new security infrastructure. As a number of existing locations/floors may require additional security.



2 Strategic Case

The approval of this proposal is necessary for the MPS to ensure the security of assets and infrastructure, protect its workers and meet the organisations legal obligations in relation to the Health and Safety Act 1974 and the Management of Health and Safety Regulations 1999 as well as maintaining operational effectiveness. The scope of the Framework Agreement will include the supply and service of the following types of equipment: CCTV both for security and evidential purposes; access control systems; alarm systems; locksmith services; security management systems; information display television systems; video conferencing systems; public address systems. The suppliers will also be expected to provide "through life" solutions to include: solution designs based on the following operational requirements: provision of equipment and services to implement a solution; training documentation; long term maintenance and support for implemented solutions; support of product evaluation and development. To date the following MPS contracts/projects have been successfully awarded utilising the current MPS Framework Agreement:

Custody suite refresh - digital upgrade; Electronic security support and maintenance; Embassy warning - support and maintenance; Cobalt Square and Empress State Building (ESB) - security access upgrade; Charlton and Perivale car pounds - security upgrade; ID suites - digital upgrade; Building Security upgrade: MPS estate (due to be tendered in early 2017); Automatic Number Plate Recognition (ANPR) Government Security Zone (GSZ) - support and maintenance; CCTV Control Rooms - support and maintenance (due to be awarded in May 2017); Video Wall - digital upgrades and new Audio Visual equipment installed at Curtis Green.



3 Economic Case

The requirement is to provide a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio Visual Systems.

The justifications for this Framework Agreement term are:

1. Advertising as a national police and emergency services tender will drive effective competitive bids through economies of scale.
2. Awarding for a longer period (four years) will save on internal MPS resource costs/manpower.
3. Provides a complete solution for a longer period.
4. Prices will be more competitive due to economies of scale (factoring in the longer period).
5. The shorter the term - the less likely all Bidders will want to bid for the Framework Agreement.
6. The Bidders are less likely to offer as good a price (compared to a longer term Framework Agreement when the contractor would have greater certainty in terms of a longer term income stream).
7. Resulting mini-competitions/direct awards will be underpinned by the MPS Framework Agreement terms and conditions.
8. A consistent/standard mini comp tender pack will be utilized for each mini-competition to aid consistency.
9. Supplier's service engineers will be pre MPS security vetted cleared.
10. Mini-competitions will save on the internal resources in place of conducting individual OJEU tender exercises.
11. External savings for other police forces and emergency services - as the Framework will negate the need to conduct individual OJEU tender exercises.

Should the current pan-London CCTV Review recommend the establishment of a pan-London CCTV Support Framework then this Framework Agreement could be terminated / superseded providing it provided additional value for money. The length of any given contract is carefully scoped and goes through several internal assessments as soon as HQ Commercial Services are engaged with. This is ultimately a joint decision with the Business Group and HQ Commercial Services that best fits the needs of the organisation. There are currently no existing suitable Framework Agreements available to the MPS that cover the scope of services and goods that the requirement demands.

4 Commercial Case

The MPS are procuring a new national police and emergency services Framework Agreement for Electronic Security, Control Room Systems and Audio Visual Systems. The requirement is currently managed by MPS Digital Policing (Lot 1) and SCO35 (Lot 2 and Lot 3).

To ensure that value for money is achieved and that the subsequent contract awards are effectively maintained and supported the client units within MPS Digital Policing (Lot 1) and SCO35 (Lot 2 and Lot 3) will closely manage the performance of subsequent contract awards by monitoring spend through-put, that key performance indicators and service levels are met on time. The Framework Agreement will provide Digital Policing and SCO35 with a route to market for all purchases relating to Electronic Security Equipment, Systems and Services. Any subsequent contract award, arising as a result of mini-competitions run via the Framework Agreement, can be let for up to a maximum of four years during the term of the Framework Agreement. The aim is to conduct a Restricted OJEU tendering process via the EU Supply tendering portal to cover the requirements.

The three Lots include the following:

Lot 1 - Building Technology Systems and Services (managed by MPS Digital Policing) will include, but is not limited to, the design, supply, installation, decommission, support and maintenance of the following types of system:

1. Analogue, Digital and Internet Protocol (IP) Building Security Systems
2. CCTV Systems, both for Security and Evidential Purposes
3. Access Control Systems, including Ironmongery
4. Intercom Systems
5. Intruder and Perimeter Alarm Systems
6. Custody Suite Systems
7. Recorded Interview Systems
8. General Audio and Video Systems
9. Public Address Systems

The aim is to award up to eight suppliers a place under Lot 1, however there may be one supplier with the capabilities to fulfill this requirement. A range of one to eight suppliers will be expected to be awarded a place will be stated in the OJEU contract Notice.

Lot 2 - CCTV Image Presentation and Control Room Systems (managed by MPS SCO35) will include the following, but is not limited to the design, supply, installation, decommission, support and maintenance of the following categories:

1. Command and Control Rooms
2. CCTV and Audio Systems - using propriety and Bespoke Software
3. Drag and Drop Graphical User Interfaces
4. Digital Mapping Systems
5. Digital and Internet Protocol (IP) Video and Audio Control Systems
6. Television Video Network Protocol (TVNP) and Digital Video Network Protocol (DVNP) Systems
7. Open Network Video Interface Forum (ONVIF) Systems
8. Video Recording and Image Capture Systems
9. Analogue & Digital Video Matrices and Interfaces
10. ANPR & Operational Camera Systems, Supply, Installation and Support
11. Failover Resilient Systems

The aim is to award to up to three suppliers a place under Lot 2, however there may be one supplier with the capabilities to fulfill this requirement. A range of one to three suppliers will be expected to be awarded a place will be stated in the OJEU contract Notice.



Lot 3 - Digital Video Recording Systems, Video Walls and Ancillary Services (managed by MPS SCO35) will include, but is not be limited to the design, supply, installation, decommission, support and maintenance of the following systems:

1. New and Replacement Video Wall and Displays
2. New and Replacement Digital Storage Systems
3. Bespoke Supply and Maintenance of Specialist Audio, Video and Control Systems
4. Wireless presentation systems
5. New and Replacement Video Conferencing Systems and Unified Communications
6. Network Design, Management and provision
7. Internet Protocol Television (IPTV) Systems
8. Control Room Design Furniture and specialised/bespoke AV furniture
9. Digital Signage
10. Other services in scope under the framework

Due to compatibility and configuration of a single system required across the MPS this will be a single supplier Lot and will be stated in the OJEU contract Notice.

A notification will be placed on the Blue Light Police Database (BLPD) to inform other police forces and emergency services of our intention to advertise the Framework as a national tender to both gauge interest and to request estimated annual spends. A notification will also be placed on Competefor notifying small medium enterprises (SMEs) of our intention to conduct the tender exercise and to signpost the suppliers to the EU Supply portal / OJEU Notice. In addition a Prior Indicative Notice (PIN) will also be advertised - before the official OJEU Notice is advertised.

The Framework Agreement will provide value for money in terms of:

11. Compliant route to market.
12. The suppliers on the Framework Agreement will be pre-selected as a result of an OJEU tendering exercise evaluating financial status, past experience, capability and price.
13. Labour rates will be fixed.
14. Rebates will be paid back to the MPS in terms of throughput from resulting contract awards.
15. By utilising the Framework Agreement there will be an internal and external saving both to the MPS and to the external supplier base as there will be no requirement to undertake further OJEU tendering processes for each requirement, as the Framework Agreement is a mechanism to conduct compliant mini-competitions.

Members of Digital Policing and SCO35 departments will independently conduct the technical evaluations at both pre-selection and award stages of the tender evaluations (including a moderation exercise and HQ Commercial Services will separately evaluate the commercial/pricing responses.

Legal Implications (provided by the Directorate of Legal Services)

The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). The Regulations apply to awards of all public contracts for goods and services (save for specific service categories listed in Schedule 3 of the Regulations, which are not applicable here) where the value of the contract exceeds £164,176. This report confirms the value of the proposed contract is envisaged to be between £44m and £70m over a maximum four-year term. Accordingly, the Regulations will be engaged. Regulation 33(5) provides that framework agreements may be open for use by other contracting authorities where they have been clearly identified for that purpose in the call for competition. Regulation 33(7) provides that where a framework agreement is concluded with a single economic operator (as is the intention with Lot 3) call-off contracts shall be awarded within the limits in the framework agreement. Regulation 33(8) provides that where a framework agreement is concluded with more than one economic operator (as is the intention with Lots 1 and 2) and where not all the terms governing the provision of services are laid down, a contracting authority must re-open competition amongst the economic entities which are parties to the Framework Agreement. The report confirms regulation 33 will be followed. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that Deputy Mayor for Policing and Crime has authority to approve all requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest.

5 Financial Case

Revenue

The budget for the MPS four year Framework is circa £44m for the four year term, as per the following: Lot 1 (£26m); Lot 2 (£8m) and Lot 3 (£10m). Lot 1 requirements / spends are managed by Digital Policing. Lot 2 and Lot 3 requirements / spends are managed by SCO35. Four year Framework term total:

Lot No.	MPS est value (4 year)	Other Police Forces & Emergency Services etc. Est value (4 year)	Total (4 year)
Lot 1	£26m	£16m	£42m
Lot 2	£8m	£12m	£20m
Lot 3	£10m	£6m	£16m
TOTAL (4 year):	£44m	£34m	£78m

The MPS estimated four year values will be financed internally by the following revenue budgets: Lot 1: has a four year cap of £26m which is £6.5m per annum. Digital Policing and other MPS business groups conduct mini competitions for various Lot 1 requirements and draw down from the Lot 1 total capped value. Lot 2 and Lot 3: has a four year cap of £18m which is £4.5m per annum. SCO35 and other MPS business groups conduct mini competitions for Lot 2 requirements with direct awards placed for requirements under Lot 3 and subsequently draw down from each of the Lot 2 and Lot 3 capped values. However, all direct awards will have to be signed off by the business to confirm that there is sufficient budget available. This is a new MPS led national police Framework Agreement for Electronic Security, Control Room Systems & Audio-Visual Systems, the MOPAC/MPS have estimated a total spend (based on historical spend) for the four year term to be between **£44m (MPS spend) and £78m** with the latter higher value to aid collaborative procurement with GLA Group and Police and Emergency Services Authorities. As this is the first MPS led national police Framework Agreement for Electronic Security, Control Room Systems & Audio-Visual Systems for the police it is difficult to give an accurate figure, however the MOPAC/MPS have endeavoured to give a reasonable estimate based on the limited information available from police forces, mainly via the BLPD. The Metropolitan Police Service and other UK police forces, emergency services, authorities and chief constables ("Participating Bodies") may wish to call off services from this Framework Agreement on a non-exclusive basis. **Capital:** There is no capital expenditure directly associated with this Framework Agreement.



6 Management Case

The Invitation to Tender and contract award will be managed by representatives from HQ Commercial Services, supported by a nominated Applications Delivery Manager. The Framework Agreement will include terms and conditions, with Key performance Indicators, against which the contractors will be assessed. Periodic performance meetings will be held to review performance and highlight where the service has not met with the customer's needs. The requirement currently sits outside of the Service Integration and Management (SIAM) Towers model, the Framework Agreement (once awarded), will be managed internally by Digital Policing (Lot 1) and SCO35 (Lot 2 and Lot 3). All contractor's staff will be vetted to Counter Terrorism Check (CTC) level or above during the award process of the Framework Agreement - any newly appointed staff will be required to pass this level of vetting before being appointed to any resulting mini-competition/direct award via the Framework Agreement. There are currently no environmental implications associated with the business justification for the proposed approach to tender at this stage. Environmental considerations will be fully embedded into the procurement process at the appropriate stages highlighting that suppliers will be expected to demonstrate their commitment to environmental sustainability and to using resources wisely, whilst ensuring compliance with all applicable legislation such as the waste electrical and electronic equipment (WEEE) regulations 2010 and the Social Value Act 2013. All suppliers will be assessed for their ability to consider and ensure compliance against the relevant legislation/standards and the MPS Environmental Policy. Suppliers will also be assessed in terms of Health and Safety compliance and legislation.

Appendix 1 - Investment Criteria

Criteria	Minimum score required	Indicative Score	Comments
Business Requirement	3	5	The approval of this proposal is necessary for the MPS to ensure the security of assets and infrastructure, protect its workers and meet the organisations legal obligations in relation to the Health and Safety Act 1974 and the Management of Health and Safety Regulations 1999 as well as maintaining operational effectiveness. This is the re-tender of an existing MPS Framework expiring on 2 November 2018. The new Framework will be a national police and emergency services Framework Agreement.
Cashable Revenue Saving	0	1	The procurement/tendering exercise should deliver savings above £1m.
Return on Investment	4	0	
Total	7	6	
Total exc ROI	3	6	