

GREATER LONDON AUTHORITY

Request for Greater London Returning Officer (GLRO) Decision – GLRO 20-04

Title: Hire of three Count Centre venues and approval of expenditure for support services at those venues and City Hall for the 2020 Mayor of London and London Assembly Elections.

Executive Summary:

The Mayor of London and London Assembly Elections will take place on Thursday 7 May 2020. A decision is required to procure accommodation at Alexandra Palace, Excel and Olympia to serve as Count Centres for the elections; and approve facilities management-related expenditure to support their fit-out, set-up and operation.

Decision:

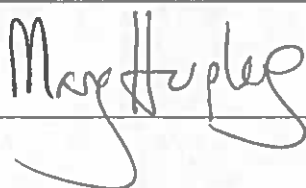
The GLRO is asked to approve:

- Expenditure of up to £588,000 to enter into short-term rental agreements and pay deposits to Alexandra Palace, Excel London and Olympia for the hire of accommodation to use as Count Centres for the 2020 Mayor of London and London Assembly Elections;
- Expenditure of up to £325,000 to enter into a consultant's appointment for Facilities Management (FM) and production services including venue production costs, which covers consultancy, fit-out, set-up and supporting FM supplies and services to the Count Centres and City Hall;
- An exemption from the requirement under Section 9 of the GLA's Contracts and Funding Code to seek three or more written quotations or seek a call off from a suitable framework in relation to securing the three venues; and
- An exemption from the requirement under Section 9 of the GLA's Contracts and Funding Code to seek a call off from a suitable framework or undertake a tender process in relation to the appointment of the FM production company.

Greater London Returning Officer

The above request has my approval.

Signature



Date

17 January 2019

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

Decision Required – Supporting Report

1. Introduction and Background

- 1.1 The use of e-counting for the 7 May 2020 elections necessitates the procurement of suitable venues for use as the count centres for the constituencies, which are equipped to manage electronic vote-counting.
- 1.2 The three venues identified and used for the count for the three previous elections were Alexandra Palace, Olympia and Excel. Although concerns have been expressed previously that there is no venue in South London, further enquiries failed to identify suitable alternatives.
- 1.3 The post-2016 election review undertaken by London Elects noted that the arrangements at two of the three count centres worked well. While there would be logistic and cost benefits of having a single large count centre (e.g. Excel) there would also be considerable risk were that venue to be incapacitated for any reason. Borough and Constituency Returning Officers have also expressed a preference to use the same venues as 2016.
- 1.4 The timescales to set-up the count centres, deliver the results and exit are very tight. The centres will be made available from 8am on 5th May 2020 to 10pm on 9th May 2020, with 24 hour access on both 7th and 8th May 2020. In 2016 a FM production company, experienced at working with the venues and their suppliers, was appointed to provide the logistical support necessary. This worked well, and it is proposed to work with the same production company using the same model in 2020 for the reasons set out in section 2.

2. Objectives and expected outcomes

- 2.1 The 2016 election hire charges totalled £549,579 plus FM event production costs of a further £293,890. This included such items as catering, energy, furniture, equipment security, portage and archiving.
- 2.2 Following extensive discussions with the venues on the requirements of the count and the options available the hire charge for 2020 at each venue is:

Venue	Total cost	Phasing of Payments		
		2018/19	2019/20	2020/21
Alexandra Palace	£214,300	£40,860	£81,720	91,720
Excel	£206,750	£20,675	£186,075	
Olympia	£166,500	£16,650	£149,850	
City Hall	Free of Charge	n/a	n/a	n/a
Total Venue Hire	£587,550	£78,185	£417,645	£91,720

Estimated Production Costs	£325,000
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- 2.3 The cost indicated for each venue is for the 'dry hire', although Alexandra Palace includes some additional services. The costs of the event production which includes services such as energy, fit-out, furniture & equipment, catering and security are in addition. The space provided will accommodate the following number of constituencies at each venue:

Centre	2016	2018
Alexandra Palace	5	4
Excel	5	5
Olympia	4	5

The increase in cost from 2016 is due to extra space to be procured at Olympia. The space utilised in 2016 was sub-optimal. The increased capacity will increase the site's resilience and allow the constituency which was moved to Alexandra Palace in 2016 to be relocated back to Olympia in 2020, as is their preference. It also allows by-elections for any of the Boroughs to be counted at the same location; and the relevant share of the hire fee can be recharged to the Borough.

- 2.4 The rental of the count centre venues does not need to be advertised as an OJEU tender as transactions for the rental of existing buildings are exempted from the Public Contract Regulations 2015. However, it is good practice to follow the GLA Contracts and Funding Code to ensure transparency and value for money. An exemption from the Code is sought as only these three venues meet the Authority's requirements. These include the geographical spread, ability to accommodate several constituencies within the same space, security of the venue and ease of access for transporting ballot papers. It will also be financially beneficial to the Authority, as it will avoid the need to revise the layouts for centres by utilising the same venues.
- 2.5 An exemption from the Code is also sought in relation to the appointment of Adfield Harvey as the FM production company. Adfield Harvey were previously appointed as the FM production company during the 2016 election. Adfield Harvey are already authorised to work at all three venues and gained a great deal of practical experience during the last election, to be directly applied in 2020. A single source justification is being sought to appoint Adfield Harvey, based on the consultant having had previous involvement in a specific current project or continuation of existing work that cannot be separated from the new project.
- 2.6 The FM event production costs will include:
- A fee from the production company for providing advice and consultancy regarding the venues, set-up and logistics. This fee will be established by seeking a quote.
 - Charges for the furniture, equipment, energy and services such as security and catering that are required at all the venues, including City Hall. These will be procured in a variety of ways depending on which is the most advantageous. This will include purchasing:
 - directly from the venues;
 - via the venues' preferred or approved suppliers;

- c. through the event production company and/or
- d. directly by the Greater London Authority

- 2.7 The final costs for this will only be known after the election when final accounts are submitted. They are likely to be higher than 2016 as some services are people-based, and labour costs have increased since the previous approval was signed for the 2016 elections. Much of the furniture and equipment costs will be dependent on the requirements set out by the successful e-counting contractor's proposal for setting up the count centres.
- 2.8 Taking into account all of the above and the lessons learned in 2016 it is estimated that the FM event production spend will be circa £325,000 - (2016 fees + circa 10% to allow for lessons learned and inflationary uplifts over the four-year period).
- 2.9 A further approval will be sought should the combined estimated expenditure on hire of the venues (£588,000) and the FM production costs (£325,000) exceed £913,000.

3. Other considerations

a) Key risks and issues

- 3.1 The key risk associated with the count centres is that one becomes unavailable due to circumstances outside of our control. The use of three count venues offers resilience against this and avoids the unnecessary risks that use of a single site can bring
- 3.2 The Authority's retained health and safety consultants will be used to draw up and monitor risk assessments and method statements for using these venues. The Constituency Returning Officers will also be able to carry out their own risk assessments for their spaces within the venue should they feel it necessary.
- 3.3 As all three venues are commercial entities, they are currently taking bookings in 2020 for various events. To minimise the risk of losing one or more of the venues to another hirer it is important not to delay a decision on entering into contracts. Payment for the venues will be staged as set out at paragraph 4.2.
- 3.4 The key risk of planning the set-up and logistics of the count centres without engaging a production company is that the GLA would not leverage added value from the extra essential services that can only be provided by the venues or their approved suppliers such as power, catering, security and access to additional space or extra free time. The GLA does not have the resources in-house to carry out the necessary detailed planning, procurement and delivery of all the hired furniture and equipment, services and logistics that are necessary to provide fully functional venues that are fit for purpose in the timeframes required.

b) Impact assessments and Consultation

- 3.5 All venues are fully accessible to all visitors to the count centres. The venues are of a sufficient size to ensure that this accessibility is maintained when the e-counting equipment is put in place.

4. Financial Comments

- 4.1 Approval is being sought to fund the hire charges of up to £588,000 for the three venues required as count centres for the 2020 Mayoral and London Assembly Elections and up to £325,000 for FM production costs.
- 4.2 The hire charges for the venues will be profiled as per the table below:

Venue Hire	Phasing of Payments		
	2018/19	2019/20	2020/21
Alexandra Palace	£40,860	£81,720	£91,720
Excel	£20,675	£186,075	-
Olympia	£16,650	£149,850	-
City Hall Free of Charge	-	-	-
Total	£78,185	£417,645	£91,720

- 4.3 A significant proportion of the FM production costs, which is based on the 2016 Elections, is expected to include security services, equipment hire, catering and document archiving.
- 4.4 The expenditure will be funded by the 2020 Elections Budget, payments for the venues are as per the breakdown in the above table.

5. Legal Comments

- 5.1 By s 29 of the Greater London Authority Act 1999 (the "Act"), the Greater London Returning Officer (GLRO) is the person appointed as the proper officer for the purposes of a s 35 (2C) of the Representation of the People Act (RotPA) 1981 (returning officer at elections of the Mayor and London members). The Mayor and Assembly have appointed the Chief Officer the GLRO as part of her terms and conditions of employment under s 70(2) of the Act.
- 5.2 The GLRO is the returning officer for the Mayoral and London Member elections, and constituency returning officers are the returning officers for the election of a Constituency Member of the Assembly. The Authority must, under section 36(4B) of RotPA, pay for all expenditure properly incurred by a returning officer in relation to the holding of an Authority election, in so far as it does not, in cases where there is a scale fixed by the Authority, exceed that scale.
- 5.3 The Authority's Scheme of Delegation enables the GLRO to incur expenditure for the purposes of the preparation or conduct of any anticipated election as she considers necessary or expedient for that purpose. She is also able to authorise entry into contracts, licences or other instruments, in connection with an anticipated election in accordance with the Authority's Contracts and Funding Code (the "Code") and Financial Regulations.
- 5.4 The procurement of venue hire is exempt from the Public Contract Regulations 2015, but it is good practice to follow the Code for transparency and value for money, for example Section 9 of the Code which requires the GLA to seek three or more written quotations in respect of the supplies required (in this case venue hire). However, the GLRO may approve an exemption from this requirement under section 10 of the Code upon certain specified grounds. One of those grounds is that the

approval of the exemption is justified because the supplier (the venue provider) is unique in its ability to provide a venue which is compatible with the requirements of the Authority. Officers have indicated at paragraph 2.4 of this report that this ground applies. Officers must ensure that the proposed contracts secure value for money. On this basis the GLRO may approve the proposed exemption if satisfied with the content of this report. Officers must ensure that appropriate agreements are entered into between the venue owners and the Authority before placing reliance upon the use of the venues and should seek advice on the terms of those agreements if required.

- 5.5 Section 9 of the Code requires the Authority to undertake a tender process compliant with the Public Contract Regulations 2015 or seek a call off from a suitable framework for the appointment of a FM production company to provide the FM production services. However, the GLRO may approve an exemption from this requirement under section 10 of the Code upon certain specified grounds. One of those grounds is previous involvement in a specific current project or continuation of existing work that cannot be separated from the new project. Officers have indicated at paragraph 2.5 of this report that this ground applies. Officers must ensure that the proposed contract secures value for money. On this basis the GLRO may approve the proposed exemption if satisfied with the content of this report. Officers must ensure that an appropriate agreement is entered into between the FM production company and the Authority before placing reliance upon the services and should seek advice on the terms of the agreement if required.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract (if applicable)	Dec 2018
Delivery Start Date (if applicable)	5 th May 2020
Delivery End Date (if applicable)	10 th May 2020

Appendices and supporting papers:

Single Source Justification for the award of contract to Adfield Harvey.

Public access to information

Although the GLRO is not subject to the Freedom of Information Act 2000 (FOI Act), the information in this form will be published on the GLA website once the deferred period has expired.

If immediate publication risks comprising the implementation of the decision (for example, to complete a procurement process), it will be deferred until a specific date. Deferral periods will 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? YES**

Deferral is sought to protect the commercial interests of the Authority. Premature release of the information contained in the Decision Form could undermine obtaining the best value during negotiations with the venues and production company.

Until what date: (a date is required if deferring) 30th April 2019.

Part 2 Confidentiality:

Only the facts or advice considered to be exempt from disclosure under the FOI Act or whose publication may be prejudicial or commercially sensitive 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:	Drafting officer to confirm the following (✓)
Drafting officer: Jo Cresswell has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.	✓
The Deputy GLRO has reviewed the request and is satisfied that it is correct and can be referred to the GLRO for approval	✓

Executive Director, Resources

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allen

Date 21.12.18

