

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD76

Title: Gym Equipment Contract

Executive Summary:

This report recommends that the Deputy Mayor for Fire and Resilience approves expenditure of up to £423,000 by the London Fire Commissioner for the purpose of awarding a contract for the maintenance and supply of gym equipment across the LFC's estate to Sportsafe Ltd as a call off from the Mayor's Office for Policing and Crime (MOPAC) framework. The call off from the MOPAC framework achieves the aim of collaboration for services with other Greater London Authority (GLA) Group members and will enable LFC to benefit from the competitive rates achieved through that procurement exercise. The cost of the contract is up to £423,000 over five years, from August 2020 onwards, consisting of an initial three-year term and two optional one-year extensions.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...”.

Decision:

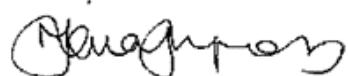
That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to approve the expenditure of up to £423,000 for the procurement of the maintenance and supply of gym equipment by Sportsafe Ltd.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

29 July 2020

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 The current contract for the maintenance and supply of gym equipment across all premises in the London Fire Commissioner (LFC) estate is held by Sportsafe Ltd and expires on 31 July 2020. The scope of the contract includes the annual maintenance and safety check of all gym equipment, *ad hoc* repairs as required and provision of new and replacement gym equipment.
- 1.2 The current annual budget for this service is £84,000 which covers both the planned servicing and reactive repairs and replacements.
- 1.3 The current contract was let as a direct award under the Mayor's Office for Policing And Crime (MOPAC) framework in 2016 with a contract term of three years with an optional one-year extension. The optional extension year was utilised, and no further extensions are available.
- 1.4 The scope of planned services within the contact is for an annual safety check and service on all types of gym equipment provided in accordance with the Standard Station Design Brief. As part of the servicing the contractor will raise any remedial actions required which are reviewed and progressed as repairs as required.
- 1.5 The reactive service addresses any faults or issues arising for gym equipment which are responded to in accordance with defined response times and progressed in accordance with a schedule of rates. Replacement equipment can also be secured with the repairs process as required.
- 1.6 Performance throughout the term of the contract has been good with no issues or concerns. Key performance indicators are included within the current contract which measure completion of planned servicing, responding to repairs and other requests within the defined response times and compliance with contractual procedures. The current supplier has performed well against all key performance indicators and has provided a good level of service throughout the contract term.
- 1.7 This service contract supports the overall fitness policy for operational staff, policy 0935, and the increased focus on fitness across the workforce. The contract includes a schedule of rates for the provision of new and additional equipment as required to support changing requirements although additional funding would need to be secured for any future major changes in provision.

2. Objectives and expected outcomes

New Contract

- 2.1 The LFC proposes to award a new contract to Sportsafe Ltd as a direct award under the MOPAC framework.
- 2.2 The MOPAC framework was re-procured (on behalf of the Greater London Authority (GLA)) in April 2018 under the Public Contracts Regulations 2015. An advert was placed in the Official Journal of the European Union (OJEU) using the open procedure with the stated intention of appointing a single operator to the framework. Following a thorough evaluation of the responses, including quality and pricing Sportsafe Ltd was identified by MOPAC as the successful bidder. The proposed direct award is wholly consistent with the terms of the framework agreement as there is only one supplier.

2.3 The MOPAC framework includes provisions to allow any GLA family member to benefit from the rates secured in the competition and directly award a contract for a similar scope of services. The proposed approach to utilise this framework aligns with the aim for collaboration with other GLA members.

2.4 The specification for the contract has been refined to align to the principles embedded in the new bundled soft services contract and to reflect changes in the intended ways of working from the delivery of the new overall facilities management strategy. This service has remained separate from the bundled soft services contract due to the specialist nature of the services.

2.5 The performance mechanism has also been tailored to ensure it is relevant and proportionate and encourages performance and swift resolution of any issues.

2.6 In the new framework the rates have remained constant for the planned services so there will be no initial cost increase from the award of this contract. The new contract will include for fixed costs for an initial three-year period with costs inflated in the optional extension years in line with indexation.

2.7 The proposed contract term is three years with two optional 12 month extensions. It is the LFC's intention to utilise these two extensions, provided service delivery is being achieved and market intelligence on rates current at the time of the extension has confirmed that value for money is and can still be achieved from the contract. Approval is requested for the full five years of spend.

2.8 The annual planned maintenance cost is £18,000 and a budget of £66,000 annually is required for repairs and replacements. This results in a total contract value of £423,000 which allows for inflation by 5% compound interest for the two optional extension years. These costs can be met from established Property budgets.

Year 1	Year 2	Year 3	Year 4	Year 5	Total
£84,000	£84,000	£84,000	£85,000	£86,000	
Planned	Planned	Planned	Planned	Planned	
£18,000	£18,000	£18,000	£19,000	£20,000	
Reactive	Reactive	Reactive	Reactive	Reactive	
£66,000	£66,000	£66,000	£66,000	£66,000	£423,000

2.9 Following approval of the expenditure, the contract will be awarded to commence on 1 August 2020.

3. Equality comments

3.1 The London Fire Commissioner and the Deputy Mayor for Fire and Resilience are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

3.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.

3.3 The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.

3.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:

- (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
- (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
- (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.

3.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

3.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

3.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

- (a) tackle prejudice, and
- (b) promote understanding.

3.8 There are no equalities implications.

4. Other considerations

Workforce comments

4.1 There are no direct implications associated with this report requiring consultation.

Sustainability implications

4.2 The contract will be procured in line with our Responsible Procurement policy including the application of employment and skills requirements.

5. Financial comments

5.1 This report requests approval to award a contract for the provision of maintenance and supply of gym equipment for a period of three years with the option to extend for a further two years.

5.2 The annual cost for this contract in years one to three is £84,000, based on fixed cost of £18,000 for planned maintenance and a budget of £66,000 for reactive maintenance. The reactive costs are estimated for repairs needed for the equipment and based on previous spend. Allowing for inflation of the fixed cost element in the final, optional, two years of the contract, the total cost of this contract over five years is up to £423,000. These costs can be met through existing property budgets.

5.3 There are no additional financial implications for the GLA.

6. Legal comments

- 6.1 Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.2 By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
- 6.3 Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
- 6.4 The Commissioner must also comply with the requirements of the Health and Safety at Work etc. Act 1974 (the "1974 Act"). Section 2 of the 1974 Act imposes a general duty on the employer to 'ensure, so as is reasonably practicable, the health, safety and welfare at work of all of his employees.'
- 6.5 This general duty extends (amongst other things) to the plan and systems of work, the provision of information, instruction, training and supervision and to the provision and maintenance of a working environment that is, so far as reasonably practicable, without risks to health and adequate as regards facilities and arrangements for welfare at work.
- 6.6 The provision of the gym equipment as described in this report contributes to the Commissioner's compliance with its duties under the 1974 Act and the subordinate legislation made under that Act.
- 6.7 The General Counsel also notes that the proposed procurement of the goods and service provider is in compliance with the Public Contracts Regulations 2015.
- 6.8 The LFC has delegated authority to the relevant director for the level of spend expected in this procurement (i.e. below £0.5m) and to the Assistant Director for Technical and Commercial Services for the award of contract.

Appendices and supporting papers:

Appendix 1 - Report LFC-0373 – Gym Equipment Contract

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

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

If YES, for what reason:

The commercial interests of the London Fire Commissioner require deferral of the decision until after the cooling off period for the contract award has expired.

Until what date: 1 October 2020

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

Drafting officer

Richard Berry has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Niran Mothada has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

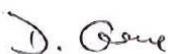
✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 27 July 2020.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature**Date**

28 July 2020