

REQUEST FOR MAYORAL DECISION – MD2411

Title: Procurement of Facilities Management support services contracts

Executive Summary:

This Mayoral Decision seeks approval of expenditure on re-procuring external services where existing contracts are due to expire in May 2019. The specific services are:

- Heritage Warden Services at Trafalgar Square and Parliament Square Gardens.
- Supporting Security and Operations Services for City Hall and other GLA sites.

There is uncertainty about the expected level of annual expenditure and the length of contracts. This will be determined following procurement advice and through the procurement exercises and a delegation to the Chief Officer is also being sought to approve the specific level of expenditure without the need for a further decision form.

Decision:

The Mayor is requested to approve:

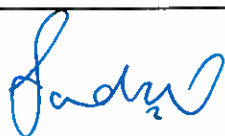
1. Expenditure on the two services listed below, following procurement exercises:
 - Heritage Warden Services at Trafalgar Square and Parliament Square Gardens for a period of up to five years with an expected annual expenditure of up to £509,000.
 - Supporting Security Services for the GLA for a period of up to five years with an expected annual expenditure of up to £193,000.
2. A delegation to the Chief Officer to approve:
 - without the need for a further decision form, an increase in the expected annual expenditure up a maximum of ten per cent from the expected annual expenditure level set out above. Any additional expenditure will be reflected in future budgets; and
 - via a director decision form, any term extensions required to the existing contracts for the above services while the procurement exercises are being completed.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

13/5/19

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

Decision required – supporting report

1. Introduction and background

- 1.1 To support the conduct of the Greater London Authority's business at City Hall, and its management of Trafalgar Square and Parliament Square, facilities services are provided through a combination of in-house staff and outsourced specialist service suppliers.
- 1.2 MD1300 signed in January 2014 set out the long-term procurement strategy for outsourced specialist service suppliers. Part of the strategy was aimed at phasing procurement to avoid the need to tender multiple complex contracts simultaneously. In line with this strategy, two of the outsourced contracts are due to expire in May 2019 and will need to be retendered.
- 1.3 This Mayoral Decision seeks to approve the procurement of the following two essential Facilities Management support service contracts:
 - Heritage Warden Services at Trafalgar Square and Parliament Square Gardens for a period of up to five years with an expected annual expenditure of up to £509,000.
 - Supporting Security and Operations Services for the GLA for a period of up to five years with an expected annual expenditure of up to £193,000.

2. Objectives and expected outcomes

- 2.1 The key objective of this procurement is to provide the Mayor, Assembly and GLA with facilities and services that meet the needs of the organisation and ensure that the Authority meets all its statutory duties and obligations in relation to the management of its core offices, Trafalgar Square and Parliament Square and that they represent value for money.
- 2.2 The procurement route to sourcing these services along with the contract durations will be established at the time of approaching the market, subject to the advice given by TfL Procurement which will be reflected in the Procurement Strategy.
- 2.3 Whilst most of the costs associated with the baseline level for these services are fixed, there is a demand-led element associated with them. The demand being created either by GLA itself, for example in a GLA-led event, or external factors such as a large unauthorised activity on one of the Squares, or an increased security threat to City Hall. The tendering and contracts will reflect the fact that these are demand-led and additional services, within the scope of the contracts, may be required. The specific objectives for each of the two services are set out below.

Heritage Warden Service

- 2.4 Under sections 383 to 385 of the Greater London Authority Act 1999 (the "**GLA Act**") the GLA has the responsibility for the care, control and management of Trafalgar Square and Parliament Square Garden.
- 2.5 The GLA Act also allows the GLA to make such byelaws that it considers are necessary for securing the proper management of those Squares and the preservation of order and the prevention of abuses there. In addition, the GLA is one of the enforcing Authorities identified in Part 3, sections 142 to 149 of the Police Reform and Social Responsibility Act 2011 in relation to Parliament Square.
- 2.6 The current contract for the Heritage Warden Service on Trafalgar Square and Parliament Square Gardens was let in 2015 to AOS Ltd, now trading as Amulet Ltd for a period of 3 years with an optional 1 year extension which has been exercised.

- 2.7 The current contract provides the GLA with its primary, 24/7, means of enforcement activity and security on the Squares, as well as providing general assistance to visitors and situational awareness for the GLA. This is currently delivered through a core team of 10 uniformed Heritage Wardens, which can be supplemented by others should the need arise. This is a specialist, public facing service that requires enforcement and high-level security training in addition to customer service skills. Staff provided through this contract will potentially have to give evidence in court in relation to enforcement activities or other criminal acts that may take place on the Squares.
- 2.8 The current contract is due to expire on 31 May 2019. It may be necessary to further extend the existing contract until a contract can be awarded to the most economically advantageous supplier who can deliver the full requirements of the service for the maximum period that Procurement advise. If this is the case, approval will be sought from the Chief Officer, via a Director Decision.
- 2.9 The outcome of this decision is to re-procure the service and put in place a new contract with a service provider who can meet the requirements of the specification.

Supporting Security and Operations Services

- 2.10 The services are currently being provided under a 3+1 year Supporting Security and Operations Services framework agreement providing for call-off contracts with multiple suppliers (Servoca, AOS, G4S and Shield).
- 2.11 The Supporting Security and Operations Services framework provides call-off contracts for professional, SIA Licensed security staff to supplement the in-house security staff at City Hall when there are surges in demand for extra officers or front of house staff, for example to support Mayor's Question Time, or during periods of increased threat state. This service also provides for security staff to attend off-site events that are run by the Authority, for example People's Question Time, VIP protection and asset protection duties at Trafalgar Square or Parliament Square Gardens, when there is the risk of malicious damage being incurred to the national heritage monuments and structures. This service also has the capability to provide the necessary security and operations support to any additional permanent or temporary sites managed by the Facilities Management Unit. Due to the commitment required to provide specialist site training and the lack of guaranteed work, only Servoca and AOS have been able to supply officers under a call-off contract.
- 2.12 The current framework agreement is due to expire on 31 May 2019. It may be necessary to extend it until a new contract is awarded to the most economically advantageous supplier who can deliver the full requirements of the service. If this is the case, approval will be sought from the Chief Officer, via a Director Decision.
- 2.13 The outcome of this decision is to re-procure the service and put in place a new arrangement with a service provider or providers who can meet the requirements of the specification. At this stage it is not known whether this will be in the form of a framework agreement or a contract with an individual supplier, the best option will be explored with TfL Procurement.

Synergies of Services

- 2.14 As there are some synergies between the Heritage Warden Service and Supporting Security and Operations Services, the tender will provide an option for potential suppliers to tender for both services and should it be advantageous a single contract may be awarded. However, previous attempts to achieve this have not been successful due to the more specialist nature of the enforcement skills side of the Heritage Warden Service and the requirement for the Supporting Security and Operations Service to be capable of meeting sudden, unplanned increases in demand for staff. Both services will need to be responsive to new and emerging threats and issues. Robust evaluation criteria will ensure that the suppliers have the required capabilities.

3. Equality comments

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2 By considering the 5 core questions posed in the GLA's document, "Guidance on mainstreaming equality, diversity and inclusion in the decision-making process" we have determined there will be no impacts on those with protected characteristics under the public sector equality duty arising from delivery of these services.
- 3.3 Due regard will be given to equalities duties as part of the procurement exercise and these requirements will be reflected in the contracts with the suppliers. Particular emphasis will be placed on the supplier(s) of the Heritage Warden Service and Supporting Security Services as their role involves interfacing with the public. These specifications will require the suppliers to provide training to their staff in their obligations under public sector equality duties.

4. Other considerations

Key Risks

- 4.1 Without suitable contracts in place, Facilities Management will be unable to provide the essential facilities and services required to enable the Mayor and the Authority to discharge their statutory duties.
- 4.2 If procurement is delayed or there are delays in the procurement process there is the risk of contracts needing to be extended beyond their contractual end date.
- 4.3 The GLA will prepare a procurement strategy which will aim to reduce the risk of a failure during the procurement exercise and subsequent award of contracts. In the event of there being any delays in the procurement the current contractors would be capable of continuing with the delivery of the services until new contracts are in place. All the incumbent contractors are performing to an acceptable standard.
- 4.4 A GLA officer will be responsible for managing each of the contracts and once awarded, service delivery will be monitored and maintained through a set of bespoke monthly Key Performance Indicators established for each contract. This will provide early warning of any performance issues and allow for corrective action to be taken by the contractor and/or the GLA. This will be supported by regular formal contract review meetings at which the KPIs will be discussed.

Links to Mayoral strategies and priorities

- 4.5 Without adequate facilities management the GLA would not be able to provide a suitable and safe working environment at its offices in City Hall nor would it be able to discharge its statutory duties to cleanse, light, maintain and prevent abuses in both Trafalgar Square and Parliament Square Garden. Therefore, the provision of efficient and effective facilities management services at its core properties are critical to the proper operation of the GLA as an organisation and therefore, supports the Mayor in delivering his strategies for London.

Consultations and impact assessments

- 4.6 It is not considered necessary or appropriate to consult within the meaning of Section 32 of the Greater London Authority Act as these arrangements relate to the Authority's procurement of support services.

5. Financial comments

- 5.1 Approval is sought to approve the procurement and expenditure of Facilities Management Support Services Contracts for Heritage Wardens Services and Supporting Security Services.
- 5.2 The estimated expenditure for the contracts will be profiled across the financial years below.

Contract	2019-20	2020-21	2021-22	2022-23	2023-24	Total
Heritage Warden Services	£509,000	£509,000	£509,000	£509,000	£509,000	£2,545,000
Supporting Security Services	£193,000	£193,000	£193,000	£193,000	£193,000	£965,000
Total	£702,000	£702,000	£702,000	£702,000	£702,000	£3,510,000

- 5.2 Any costs relating to 2019-20 will be funded from within the existing Facilities Management Budget for 2019-20 and contained within budgets approved for future years (the allocation of which is subject to the annual budget setting process).

6. Legal comments

- 6.1 The foregoing sections of this report indicate that:
- the decisions requested of the Mayor (in accordance with the GLA's Contracts and Funding Code) concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London;
 - in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people;
 - consider how the proposals will contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.2 Sections 383 and 384 of the Greater London Authority Act 1999 (the "Act") makes the GLA responsible for the care, control, management and regulation of Trafalgar Square and Parliament Square. The contracts for the Heritage Warden Service and Supporting Security and Operations Services may reasonably be viewed as falling within the said section as it relates to the management of Trafalgar Square and Parliament Square.
- 6.3 Section 34 of the Act also enables the GLA's taking of steps which are calculated to facilitate or are conducive or incidental to the exercise of any functions of the GLA. The entry into the agreements for the Heritage Warden Services and Supporting Security and Operations Services may reasonably be viewed as facilitative of the GLA's functions under section 383 and 384 of the Act.

- 6.4 The Mayor may, under section 38 of the Act, delegate the exercise of the GLA's functions to the Chief Officer as proposed.
- 6.5 The officers have indicated at paragraph 4.8 that they have considered whether consultation is required in accordance with section 32 of the Act. Given that the proposed contract is for facilities management services, it may be viewed as not requiring the consultation envisaged by section 32.
- 6.6 In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.7 The services required must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code.
- 6.8 Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.

7. Planned delivery approach and next steps

- 7.1 The next steps will be to establish the best routes to market, set out the Procurement Strategy and then commence the tendering process.

Activity	Timeline
Procurement Strategy established	March 2019
Procurement of contracts commences	April 2019
Award of contracts	June 2019

Appendices and supporting papers:

None

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 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 it has been approved 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: Deferral is requested until the new contracts are awarded as it could jeopardise the Authority's commercial interests during the procurement if the financial values associated with these services were disclosed at this stage, which may result in the Authority not obtaining best value.

Until what date: (a date is required if deferring): 31 August 2019

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included 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:

Chris Harris has drafted this report in accordance with GLA procedures and confirms the following: ✓

Sponsoring Director:

Mary Harpley has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities. ✓

Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations. ✓

Advice:

The Finance and Legal teams have commented on this proposal. ✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 13 May 2019.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date 13.05.19

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date 13/5/2019.

D. Bellamy

