

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2794

Title: Extension of Lateral Flow Testing Centre Provision for north-east London's COVID-19 Response

Executive Summary:

The Greater London Authority (GLA), as the strategic authority for London, is an integral part of the London COVID-19 pandemic response alongside local authorities, the NHS, Public Health England and the Government. In December 2020, the Strategic Coordination Group (SCG), London Resilience Group and the north-east London boroughs asked the GLA for urgent assistance in securing resources to support the set-up and operation of temporary Lateral Flow Testing Centres in the eight north-east London boroughs.

In MD2743, a request for temporary expenditure of up to £4.8m to establish Lateral Flow Testing Centres in each of the eight boroughs up until 28 February 2021, was approved. This decision form requests retrospective approval for temporary expenditure of an additional £2.1m to ensure the Lateral Flow Testing Centres in the eight boroughs can continue to operate up until at least the 31 March 2021. The full cost of this work will be recouped from the eight London boroughs.

The London boroughs will be asked to procure the services directly from April 2021 onwards. Should there be any significant issues with the handover, the GLA will consider whether to continue this service for a maximum of two further months until 31 May 2021, provided a detailed handover plan is in place alongside commitment to cover all further costs. At the current rate, this could equate to a further £4m. This decision form therefore also requests approval for the delegation of decision making to the Executive Director, Resources in consultation with the Chief of Staff for a period of two months to agree any extension to April/May if necessary, without the need for a further decision form.

Decision:

That the Mayor approves:

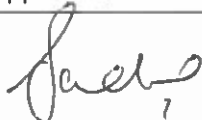
- 1) retrospectively, temporary expenditure of a further £2.1 million towards the additional operational costs incurred by Loud Sound Limited (trading as Hub Logistics for this work) associated with the extension of the running of Lateral Flow Testing Centres across eight boroughs in north-east London from 1 March to 31 March 2021, pending the full costs of these works being recouped;
- 2) the extension of the contract with Loud Sound Limited (trading as Hub Logistics for this work) for further period(s) from 1 March 2021 until 31 May 2021;
- 3) an exemption from the requirement of the GLA's Contracts and Funding Code for the GLA to enter into a contract, without competitive tender, with Loud Sound Limited to scope and deliver Lateral Flow Testing Centres;
- 4) a delegation to Executive Director, Resources to take, in consultation with Transport for London's Commercial team, all steps necessary to finalise arrangements for the contract with Loud Sound proposed at decision 2) above;
- 5) a delegation to the Executive Director, Resources in consultation with the Chief of Staff, for all future decisions associated with this contract (without the need for a further decision form) for a duration of two months; and
- 6) based on current rates, approval of an additional temporary expenditure of £4 million should the GLA need to continue this service for a maximum of two further months from April to May 2021, pending and subject to the full costs of these works being recouped.

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:

16/3/21

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

Decision required – supporting report

1. Introduction and background

- 1.1 The Greater London Authority (GLA), as the strategic authority for London, is an integral part of London's response to the COVID-19 pandemic alongside local authorities, the NHS, Public Health England and the Government, to ensure that London has in place the mechanisms to slow the spread of the virus and to save the lives of Londoners.
- 1.2 On 10 December 2020, the London Resilience Group¹ contacted the GLA on behalf of the Chief Executives of LB Redbridge and LB Havering to ask the GLA for assistance in securing resources, on an urgent basis, to support the set-up and operation of a Lateral Flow Testing Centres in eight north-east London boroughs for a period of three months commencing a week from that date. These testing centres were to support mass testing of asymptomatic Londoners within these boroughs as a key strategy to attempt to slow the rate of growth of COVID-19 cases in the area and needed to commence immediately to be effective.
- 1.3 The GLA was contacted given our experience in establishing mortuary hubs in the first wave of the pandemic and the GLA's experience in working with event production companies who are best able to provide significant levels of resources and who have significant experience in pulling together large-scale events/operations in short timeframes. Given their experience in setting up and running the mortuary hubs, we contacted Loud Sound Limited (who operate under the name Hub Logistics for COVID-19 response work). They confirmed that they were able to meet the needs specified.
- 1.4 As a result of this, on Thursday 10 December 2020, London Resilience Group requested that the GLA engage and contract with Loud Sound to support the planning, delivery and operation of Lateral Flow Testing Centres in eight locations in north-east London, and, as necessary, provide similar support for further locations identified (subject to the availability of Loud Sound resources and budget).
- 1.5 The GLA was asked to contract with Loud Sound directly as no single London borough in the sub-region was comfortable procuring this separately and because the GLA has a good working relationship with Hub Logistics and was able to activate a contract at speed, given the first Lateral Flow Testing Centres needed to be operational within a week of the first meeting. A single contract across eight boroughs was also more practical, timely and enabled economies of scale to be achieved when compared to each borough contracting independently.
- 1.6 Loud Sound are not on any GLA or Transport for London procurement frameworks, and as such, were single-sourced to deliver this work.
- 1.7 Section 9 of the GLA's Contracts and Funding Code ('Code') requires that goods and services over £25,000 are procured competitively. However, section 10 of the Code sets out the circumstances in which such a single-source exemption may be sought. For MD2743, the single sourcing of Loud Sound met the exemption criteria for urgency. As set out in this decision form, we consider the continued single sourcing of Loud Sound to meet the criteria for 'continuation of existing work that cannot be separated from this work'. Loud Sound are continuing to provide critical day-to-day operations of the centres and removing them would negatively impact the project from both a financial and operational perspective. Given their work is in relation to Covid-19, their experience to date and the critical delivery timelines involved in this project makes it unsuitable to go out for tender to another supplier. Loud Sound's rates are based on previous procurement and tested against market rates to ensure value for money. The Mayor is asked therefore, to approve an exemption from the

¹ London Resilience Group coordinates institutions and communities to prevent, handle, recover and learn from disruption, and adapt to change; on behalf of the Mayor of London, Greater London Authority, Local Authorities and London Fire Brigade to ensure London survives and prospers

requirements of section 9 of the Code on this basis. Given the time sensitive nature of the need for variation to be put in place and consultation with TfL's Commercial team in this regard it is also proposed that the Mayor delegates authority to the Executive Director, Resources, in consultation with TfL's Commercial team, to take all steps necessary to finalise such arrangements.

- 1.8 In MD2743, approval was granted for expenditure of up to £4.8m to support the initial operation of north-east London's Lateral Flow Testing Centres. The full cost of this work is being recouped from the eight London boroughs who have all confirmed £400k funding per month from the Department for Health and Social Care, as per Appendix A. This equates to a total of £4.8m over the initial six-week period, however the eight boroughs took decisions to mobilise testing centres at a slower rate than originally anticipated and hence this £4.8m funding was stretched to cover an 11-week period up until 28 February 2021. In total there have been over 100,000 lateral flow tests administered at 30 sites in operation across the boroughs.
- 1.9 Given this initial funding under MD2743 has now been expended in full, retrospective approval is now being sought for additional expenditure of £2.1m to continue to support the operation of north-east London's Lateral Flow Testing Centres from 1 March until 31 March 2021 at the request of the north-east London boroughs. As the boroughs' letter of comfort (Appendix 2) was only received on 17 February, approval is being sought retrospectively due to limited timelines in ensuring appropriate governance was in place.
- 1.10 The full cost of this work will be recouped from the eight London boroughs who have all agreed to continue to underwrite the costs up until the end of the contract, as per Appendix B. The costs per borough will vary depending on the number and size of the sites required in each borough. If total costs are to increase, they will be reviewed between the boroughs as a collective.
- 1.11 The boroughs will need to procure further services either independently or collectively for testing capacity from April onwards. At the time of writing, the Department for Health and Social Care has not made any further funding commitment. If further funding is identified at short notice, there is a risk that the boroughs will be unable to procure services to deliver continued testing without a break in service provision. If this is the case, this decision form delegates authority to the Executive Director, Resources in consultation with the Chief of Staff to agree whether the GLA should continue to provide this service during April and May 2021. In view of the urgent timescales, this delegation can be exercised without the need for a further decision form. The GLA will require a robust procurement and handover plan to be in place alongside assurance that all costs incurred by the GLA will be reimbursed as part of the consideration as to whether to further extend this service during April and May.

2. Objectives and expected outcomes

- 2.1 At the time of writing, commitment has been made to continue to run the Lateral Flow Testing Centres in each of the following north-east London boroughs: Barking & Dagenham, City of London, Hackney, Havering, Newham, Redbridge, Tower Hamlets, Waltham Forest.
- 2.2 The scope of works include:

Scope of work	Further detail
Project management	Overall management of the sites
Management	- Site management - Logistics management
Training	In accordance with NHS Standard Operating Procedures for Lateral Flow Testing Centres

Personnel	• Carrying out testing • Reporting and administration
Facilities	• Communications equipment – IT, printing • Signage • Furniture/other equipment • Barriers/fencing
Crowd management	• Crowd management • Traffic management
Staff welfare	• Staff welfare

2.3 The GLA will continue to support Loud Sound with reporting progress to the collective of North East London boroughs, known as the North East London Sub-regional COVID Response. The GLA (alongside a nominated borough representative acting as a single point of contact) will also provide tactical and communications support to Loud Sound as necessary.

2.4 The GLA will also closely monitor all expenditure associated with this contract.

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' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity between people who have a protected characteristic and those who do not. Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity between people who have a protected characteristic and those who do not.

3.2 BAME communities and those with disabilities are disproportionately affected in general by COVID-19. Supporting the continued rollout of lateral flow testing in North East London will support the diverse communities living in these eight boroughs to improve testing and tracing and hence controls outbreaks, having a positive effect on BAME Londoners and those living with disabilities.

3.3 All sites are assessed to ensure full accessibility (DDA friendly) for members of the public where possible and practical. Testing booths are at least 1.2m wide to accommodate wheelchairs and staff are on hand to provide additional assistance where required.

4. Other considerations

4.1. Risks

Risk	Mitigation
Insufficient resources available from the London boroughs hosting the Lateral Flow Testing Centres to support the on-going operation and its administration	London Boroughs are made aware of the minimum requirements to support the Lateral Flow Testing Centres.
Resources become difficult to maintain due to sickness of staff and the seasonal time of year	Resourcing contingency plans are in place. Full health and safety plans are in place to ensure

	there is no additional risk to those working on site.
Management of clinical waste will need to be considered	Hub Logistics to work closely with Public Health England/London borough staff to ensure appropriate mechanisms are in place. There are contractual obligations in place to address this risk.
Reputational risk of operational error at a testing site	Hub Logistics, the GLA and the London boroughs to work closely to ensure all appropriate processes are in place. There are contractual obligations in place to address this risk.
Risk of overdemand with incorrect communication to borough residents	Hub Logistics to continue to work closely with London boroughs to ensure communication plans are correct to the scale of centres capacity.
Risk of boroughs facing challenges when procuring services directly at the end of GLA contract	GLA to provide the boroughs a minimum of four weeks' notice ahead of contract deadline. GLA to support the boroughs and Hub Logistics where possible through the transfer.

Links to Mayoral strategies and priorities

- 4.2. This work links to the Mayor's responsibilities under the Civil Contingencies Act.

Consultation

- 4.3. The Deputy Mayor for Fire and Resilience, the Mayor's Chief of Staff and the GLA's Chief Officer were consulted on the proposal. Chief Executives of all eight boroughs are also consulted on the proposal, and have confirmed support in Appendix A.

Conflicts of interest

- 4.4. The drafting officers have no known conflicts of interest.

5. Financial comments

- 5.1. This decision requests retrospective approval of a further £2.1 million towards the additional operational costs incurred by Loud Sound Limited (trading as Hub Logistics for this work) associated with the extension of the running of Lateral Flow Testing Centres across eight boroughs in north-east London from 1 March to 31 March 2021, pending the full costs of these works being recouped.
- 5.2. The costs will be temporarily incurred by the GLA, before they will be recouped from the eight local boroughs who have confirmed Government funding as detailed in Appendix B. The costs per borough will vary depending on the number and size of the sites required in each borough.
- 5.3. Formal confirmation from the Government has been provided that costs will be reimbursed or covered by other bodies. The Executive Director of Resources, in consultation with the Chief of Staff, has the power to stop or limit funding dependent on the actual rate of spend and progress with confirming that the expenditure is covered by the Coronavirus Act or otherwise.
- 5.4. The GLA would not be liable for any costs over the committed £2.1m which will be paid by London boroughs who have all had additional funding from the Department for Health and Social Care confirmed. This is because either the Executive Director of Resources can halt any proposed

expenditure over the £2.1m or the Government and/or boroughs will commit to meet any costs above this limit.

- 5.5. This decision brings the total expenditure approval for Lateral Flow Testing Centres in London to £6.9m (original approved was to up £4.8m via MD2743 plus this additional request of £2.1m). All expenditure and reimbursements should be accounted for in the financial year they occur in and the proposal is that this will all be in 2020-21. Cost reimbursement from boroughs should be promptly invoiced. All invoices will be based on actual costs incurred by each borough.
- 5.6. It should also be noted that should there be any significant issues with the handover, the GLA will consider whether to continue this service for a maximum of two further months until 31 May 2021, provided a detailed handover plan is in place alongside commitment to cover all further costs. At the current rate, this could equate to a further £4m. This decision form therefore also requests approval for the delegation of decision making to the Executive Director, Resources in consultation with the Chief of Staff for a period of two months to agree any extension to April/May if necessary, without the need for a further decision form.

6. Legal comments

- 6.1 The GLA is a Category 1 Responder under the Civil Contingencies Act 2004 ("CCA"). Other Category 1 Responders include local authorities, the Metropolitan Police Service, the London Fire Brigade, NHS primary care trusts, and the Environment Agency. Section 2 of the CCA requires a Category 1 Responder to maintain plans for the purpose of ensuring that if an emergency occurs it is able to perform its functions so far as necessary or desirable for the purpose of preventing the emergency, reducing, controlling or mitigating its effects, or taking other action in connection with it.
- 6.2 There is a general duty upon Category 1 and 2 Responders to co-operate with each other in the performance of their duties under Section 2 of the CCA.
- 6.3 Under section 30(1) of the Greater London Authority Act 1999 (as amended) (GLA Act), the Mayor may do anything which he considers will further one or more of the principal purposes of the Authority of promoting economic development and wealth creation, social development, or the improvement of the environment in Greater London. The allocation of funding proposed in this Mayoral Decision falls within one or more of the GLA's principal purposes and is not precluded by any of the limitations contained in section 31 of the GLA Act.
- 6.4 In order to exercise the power under section 30 of the GLA Act, the Mayor must consider as appropriate various matters contained in section 30(3-11); none of which are relevant to proposed decision. The Mayor must also consult with the bodies listed in section 32(2) of the GLA Act, if he considers this appropriate. The report above demonstrates that the Mayor is consulting as appropriate.
- 6.5 Under section 34(1) of the GLA Act, the Mayor may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the Authority.
- 6.6 Part C of the Contracts and Funding Code (the 'Code') requires the GLA to seek a call-off from a suitable framework, where possible, or if not, undertake a formal tender process which will be managed by TfL in respect of the services. However, the Mayor may approve an exemption from this requirement from paragraph 10, Part C of the Code upon certain specified grounds. One of those grounds is the approval of the exemption if continuation of existing work cannot be separated from this work. Officers have indicated at paragraph 1.7 of this report that this ground applies.
- 6.7 The Mayor may delegate authority to the Executive Director, Resources as proposed pursuant to section 38(1) of the Greater London Authority Act 1999 should he so wish.

- 6.8 Officers must ensure that the appropriate contract variation documents are put in place and executed by Loud Sound Limited and the GLA as soon as possible.
- 6.9 Section 86(1)(c) of the Coronavirus Act 2020 provides that there is to be paid out of money provided by Parliament expenditure which is incurred by a public authority in connection with the making of payments, or the giving of financial assistance to a person (whether directly or indirectly), as a result of coronavirus or coronavirus disease. The GLA's expenditure and proposed expenditure under this Mayoral Decision is likely to qualify as money that is to be paid out of money provided by Parliament.
- 6.10 This approval is sought retrospectively, the reasons for which are set out at paragraph 1.9 of this report. Accordingly, the Mayor should take account of those reasons in considering whether to approve the recommendations of this report.

7. Planned delivery approach and next steps

Activity	Timeline
Further site considerations	Ongoing
Operation ceases	31 March 2021 To be confirmed

- 7.1 The project may continue beyond 31 March 2021 if Lateral Testing as a response to COVID-19 is still required in the North East London Boroughs. For this extension, London Boroughs will be asked to procure the services directly, but should there be any significant issues with the handover, the GLA will consider whether to continue this service for a maximum of two further months until 31 May 2021, provided a detailed handover plan is in place alongside commitment to cover all further costs.

Appendices and supporting papers:

Appendix A – Letter from LB Havering 16 December 2020

Appendix B – Letter from LB Havering 17 February 2021

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: The MD needs to be deferred until the UK's COVID-19 planning response is in a less critical stage.

Until what date: 31 December 2021

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:

Emma Strain has drafted this report in accordance with GLA procedures and confirms the following: ✓

Sponsoring Director:

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

Mayoral Adviser:

Fiona Twycross 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 8 March 2021.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature



Date

9 March 2021

CHIEF OF STAFF:

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

Signature



Date

8 March 2021