

REQUEST FOR DMPC DECISION –PCD 85**Title: Initiate Procurement – Construction Professional Services Framework****Executive Summary:**

This paper requests approval to initiate tendering for a framework for the supply of construction related professional services. The anticipated value of the framework is £40-£50m and includes the ability for GLA group bodies as well as other police and emergency services to access the framework.

Recommendation:

That the Deputy Mayor for Policing and Crime (DMPC)

1. Approves the commencement of an OJEU compliant tender process for the procurement of a new Construction Professional Services Framework supporting Property Services Department (PSD) with access to design, project/programme management and technical services over a three year plus one period with consultants appointed to specific service delivery lots aligned to service requirements.
2. Delegate authority to the Commercial Director (Procurement) to enter into the framework agreement with successful suppliers approved to one or more lots.

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**Date**

27/10/16

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

Decision required – supporting report

1. Introduction and background

- 1.1. The MPS operate their access to construction related professional services via a 4 year framework. The current framework expires in August 2017. The framework has a number of 'lots' for different services e.g. design consultants, building control inspection, cost management etc.
- 1.2. The framework financial capacity will provide for the award of call-off contracts with fee expenditure in the region of £40m to £50m, the latter value to aid collaborative procurement with GLA Group and Police and Emergency Services Authorities.
- 1.3. MPS now propose to replace the existing framework with a new one from August 2017, on the basis of a 3 year award, with potential to extend for a further 12 months. The services are required to provide specialist services not provided in house.

2. Issues for consideration

- 2.1. The current framework arrangements in support of Property Services Department's (PSD) delivery of construction services expires in August 2017. No further option to extend these arrangements are available. Adequate time (circa 10 months) is planned for the re-procurement exercise.
- 2.2. It is essential that suitable support provided by professional services suppliers remain in place to manage the property obligations of the MPS/MOPAC. This is ensure building compliance, design standards, legal obligations and value for money are met. Furthermore, the PSD operating model is designed to provide for a small in house construction team supported by an external professional supply chain.
- 2.3. The requirement for a compliant procurement route is essential to help deliver the Estates Transformation programme.
- 2.4. The proposal also considered collaborative procurement approaches with other members of the GLA Family. However, the skill set required for the Construction Professional Services were not available through existing GLA or other public frameworks.
- 2.5. Further details are provided in Part 2.

3. Financial Comments

- 3.1. The PSD model is designed to provide a small in house team supported by an external supply chain. The business case relates to that supply chain and the need to maintain and enhance the quality of services provided.
- 3.2. The framework will not commit MOPAC to any expenditure. Proposed expenditure will be subject to individual business cases with approval sought in line with the approved governance process.

4. Legal Comments

- 4.1. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2006 (the Regulations). When awarding a public contract for goods and services valued at £164,176 or above all contracting authorities must do so in accordance with the Regulations.
- 4.2. Under paragraph 5.12 of the MOPAC Scheme of Delegation approval is required by the Deputy Mayor for Policing and Crime for all MPS requests to go out to tender for contracts of £500,000 or above.

5. Equality Comments

- 5.1. There are no equality and diversity implications as a result of this procurement.

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 MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

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 – Yes

If yes, for what reason: commercial sensitivity

ORIGINATING OFFICER DECLARATION:

		Tick to confirm statement (✓)
Head of Unit: The Head of Strategic Finance and Resource Management 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 Strategic Finance and Resource Management Team has been consulted on this proposal.		✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.		✓

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

25/10/16

OPEN REPORT

INVESTMENT ADVISORY BOARD (IAB)

Initiate procurement for a new Estates Transformation Construction Professional Services Framework

SUMMARY

The Metropolitan Police Service (MPS) is seeking approval to initiate an OJEU compliant tender process to put in place a new framework agreement for Construction Professional Services. This is to replace existing framework arrangements which come to an end in August 2017. The new framework will provide Property Services with access to building design, project/programme management and technical services consultants for up to four years and entered into with consultants appointed to specific service delivery lots aligned to service requirements. The framework financial capacity will be in the region of £40m to £50m, the latter higher value to aid collaborative procurement as the framework will be open to GLA Group, Police and Emergency Services Authorities.

A. RECOMMENDATIONS – That the Deputy Mayor for Policing and Crime:

1. Approves the commencement of an OJEU compliant tender process for the procurement of a new Construction Professional Services Framework supporting Property Services Department (PSD) with access to design, project/programme management and technical services over a four year period with consultants appointed to specific service delivery lots aligned to service requirements. The framework financial capacity will provide for the award of call-off contracts with fee expenditure in the region of £40m to £50m, the latter higher value to aid collaborative procurement with GLA Group and Police and Emergency Services Authorities and;
2. Delegate authority to the Commercial Director (Procurement) to enter into the framework agreement with successful suppliers approved to one or more lots.

B. SUPPORTING INFORMATION

1. PSD is managing a significant capital investment in the MOPAC estate as part of the early development of key components of the Estates Transformation programme in line with the developing Estates Strategy 2016 – 2020 and in support of the One Met Model (OMM) 2020. As part of these strategies, PSD is supporting the development and delivery of business plans in support 'Smarter Working' initiatives, namely changes to the MOPAC estate so as to move to a smaller property portfolio with a lower annual running cost, capable of operating from more flexible, agile working places that supports the operational requirements of the OMM2020.
2. The professional services provided by the supply chain of consultants for design and project management is key to supporting PSD's delivery of the capital programme

and delivery of the Estates Strategy, Estates Transformation programme and OMM 2020.

3. The current framework arrangement in support of PSD's delivery of construction projects expires in August 2017. No further option to extend these arrangements are available. PSD's operating model is designed to provide for a small in house construction team supported by an external professional supply chain.
4. The proposed initial framework term is three years with the option to extend for a further 12 months depending on the suppliers performance and the requirements of the MPS in 2020/21.
5. Framework Agreements have no contractual binding financial commitment unless a call-off contract is awarded which will be subject to award of contract via MPS Scheme of Delegation (SoD) subsequent to MOPAC approval to the initial feasibility stage cost and design proposals followed by the full project funding investment approval.
6. As set out in full in Part 2, Appendix A and B a full Business Case justification and Subject Matter Expert endorsement has been presented by Property and Procurement Service, with support from MPS's Portfolio and Investment Board (PIB) on the 27/09/2016 to the recommendation to initiate a tender process for a new framework for construction professional services.

C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

Equality and Diversity Impact

1. There are considered to be no negative equality or diversity implications arising from this procurement process. The approved companies will be evaluated for acceptable equality and diversity statements, as well as their ability to meet the MPS requirements under the Equality Act 2010 as a supplier to MOPAC.

Financial Implications

2. Costs can be met from existing budgets. Further detail is provided in Part 2, Appendix A.

Legal Implications

3. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2006 (the Regulations). When awarding a public contract for goods and services valued at £164,176 or above all contracting authorities must do so in accordance with the Regulations.
4. Under paragraph 5.12 of the MOPAC Scheme of Delegation approval is required by the Deputy Mayor for Policing and Crime for all MPS requests to go out to tender for contracts of £500,000 or above.

Report author: David White – Director Construction, Property Services Department
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