

DMPC Decision – PCD 808

Title: Eagle House Lease Renewal

Executive Summary:

In order to support the Estates strategy approval is sought to renew the lease at Eagle House for a period of up to ten years. The lease expired in May 2020. The site supports the South West Basic Command Unit and provides accommodation for an Achieving Best Evidence suite for the safeguarding team, digital forensics and Met prosecutions. The costs of the proposed lease renewal will be met from within existing MPS resources.

Recommendation:

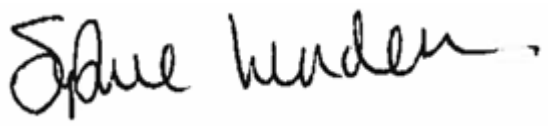
The Deputy Mayor for Policing and Crime is recommended to approve the renewal of the lease at Eagle House for 10 years.

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

3/9/2020

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

1. Introduction and background

- 1.1. This paper seeks approval to renew an existing lease at Eagle House, Kingston Upon Thames for a period of ten years with a tenant only option to break the lease in year five.

2. Issues for consideration

- 2.1. The lease renewal will provide accommodation for the South West BCU safeguarding functions including a Achieving Best Evidence (ABE) suite, and other teams including digital forensics and Met prosecutions.
- 2.2. The MPS confirm that this location forms part of the to be retained estate, and its retention avoids significant costs of relocating the ABE suite and IT systems.

3. Financial Comments

- 3.1. Further detail is set out in Part 2. The costs of the proposed lease renewal will be met from within existing MPS resources.

4. Legal Comments

- 4.1. Section 6 of the Police Reform and Social Responsibility Act 2011 (“the Act”) provides the MOPAC must secure the maintenance of the Metropolitan Police Service and secure that the Metropolitan Police Service is efficient and effective.
- 4.2. In carrying out its functions, the MOPAC may, under paragraph 7, Schedule 3 of “the Act” “do anything which is calculated to facilitate or is conducive or incidental to the exercise of the functions of the Office”. This includes, entering into contracts and other agreements, in addition to acquiring and disposing of property (including land).
- 4.3. Paragraph 4.16 of the Mayor’s Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) with delegated authority to approve all business cases to acquire or renew a leasehold with a value in excess of £500,000 over the initial lease period or 5 years whichever is the lesser.

5. Commercial Issues

- 5.1. Due to commercial interests, this information has been included in the Part 2 paper.

6. GDPR and Data Privacy

- 6.1. This report does not use personally identifiable data of members of the public therefore there are no GDPR issues to be considered

7. Equality Comments

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. There are no equality implications arising from this proposal.

8. Background/supporting papers

- 8.1. Appendix 1 MPS report.

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

If yes, for what reason:

Until what date: N/A

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 rationale for non-publication.

Is there a **Part 2** form – YES

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓
Commercial Issues Commercial issues are covered in the body of the report.	✓
GDPR/Data Privacy GDPR compliance issues are covered in the body of the report.	✓
Director/Head of Service: The interim MOPAC Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

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



Date 21/08/2020



MOPAC

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Lease Renewal Eagle House

MOPAC Investment Advisory Monitoring - July 2020

Report by the Director of Property Services on behalf of the Deputy Commissioner

Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC

Summary

This report seeks approval to renew the lease at Eagle House for 10 years with a tenant only break in year five. Noting the impact this will have on the budget and medium term financial plan as set out in Part Two.

Recommendations

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

- 1. To renew the lease for 10 years at Eagle House at a cost set out in Part Two. Noting that costs will be met from within existing resources.**

Time sensitivity

A decision is required from the Deputy Mayor by Tuesday 4th August 2020 because any delay could jeopardise the current commercial position.

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and background

1. MOPAC's current occupation of Eagle House, Kingston upon Thames, Surrey KT1 1HL, is under a lease dated 23rd May 2005, for a 15 year term commencing 23rd May 2005 and expiring 22nd May 2020 at an annual rent of £307,325 per annum, which was reviewed on May 2015. The lease did not include a break clause.
2. Eagle House is within the South West BCU area, and is one of the 152 buildings on the retained estate list previously signed off by PIB and MOPAC.
3. The SW BCU use this building as the base for their Safeguarding functions, including OCSAE. The building also has an ABE suite, making it the perfect place for co-location with the Safeguarding teams. The ABE suite is also used

by other BCU and non-BCU units within that area, and Kingston is considered to be the ideal location for this facility.

4. In addition to the BCU teams, the building also houses a Digital Forensics hub, VIIDO, Met Prosecutions and LDSS typists.
5. Currently, there is no obvious place to relocate these teams if the lease is not renewed, particularly the ABE suite as the remaining buildings on the BCU do not have sufficient available space for this to be installed.
6. Following confirmation that the property was on the retained list and still operationally required, a new lease was to be agreed. Following initial lack of engagement from the Landlord with Knight Frank LLP a S.26 Notice was served on the Landlord to commence lease renewal proceedings. An extension of legal proceedings has been agreed to protect MOPACs position while board approval is sought.
7. A new 10 year lease has been provisionally agreed subject to MOPAC sign and seal. This lease is on effective full repairing and insuring terms to be contracted inside the security of tenure provisions of the Landlord & Tenant Act 1954, Part II (as amended). The lease will be based on the same terms as the existing lease save as for modernisation.
8. The new lease will commence from the expiry of the existing lease, 23rd May 2020. The MOPAC shall have the right to determine its lease at the end of the fifth year of the term, subject to providing 9 months prior written notice to the landlord. There will be no pre-conditions applicable to the operation of the break save for payment of Principal Rent and leaving the demise free from any rights of occupation. A three month rent penalty will be payable should the break be exercised at the end of the fifth year.
9. A headline rent as set out in Part Two shall be paid by the MOPAC exclusive of rates, building service charge, building insurance and VAT. With an upward only Rent Review to market rent on the fifth year of the term. The Service Charge will remain as per the current lease agreement.

Issues for consideration

10. Renewal of lease will avoid the need to relocate functions based within the building thereby avoiding considerable cost. For example a new ABE suite would need to be provided (in the region of £250K) and the digital forensics hub rely on an IT system (LabNet) that is not accessed through AWARE, installation of this system could also run to several hundred thousand pounds if the team were relocate to a building that does not currently have this installed.

Financial, Commercial and Procurement Comments

1. The MPS currently lease Eagle House at an annual rent of £307,375. Approval is being sought to enter into a new lease at a cost set out in Part Two. Based on the assumption that bids for non pay inflation will continue to be successful, the additional costs are affordable.

A more detailed breakdown of costs is attached at Part Two.

Legal Comments

1. Paragraph 4.16 of the Mayor's Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) with delegated authority to approve all business cases to acquire or renew a leasehold with a value in excess of £500,000 over the initial lease period or 5 years whichever is the lesser
2. Paragraph 4.7 of the Mayor's Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (DMPC) has delegated authority for the approval of MOPAC expenditure, income and funding of annual revenue budgets and capital programme.
3. Weightmans have been appointed to act on behalf of MOPAC under the National Legal Services Framework.

Equality Comments

4. There are considered to be no equality or diversity issues arising from this paper.

Privacy Comments

5. There are no privacy issues identified through the Data Protection Impact Assessment (DPIA) completed for this work. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.
6. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
7. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.

8. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.

Real Estate Implications

9. This property forms part of the retained estate.

Background/supporting papers

Eagle House Lease Renewal Report May 2020 prepared by Knight Frank LLP.

Report Author: Henry Pilleau Knight Frank LLP

Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is:
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Request for Approval to Dispose of Surplus Real Estate Assets – 2019/2020 is exempt from publication for the following reasons:

Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

The paper will cease to be exempt after 5 years

