

DMPC Decision – PCD 615

Title: Catering Contract Extension

Executive Summary:

This paper is to obtain agreement to fund an extension to the 1st generation catering contract with Elior, catering suppliers to the MPS. The contract expires in April 2020 and the MPS are seeking to extend the contract until April 2022.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended:

1. To agree the funding of a subsidy of £1.04m in 2020/21 and £942k in 2021/22, to extend the current catering contract for a further 2 years from April 2020. This will be funded from the medium term financial plan.

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

Edie Hinch

Date

13/11/2019

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

1. Introduction and background

- 1.1 Extending this contract will allow sufficient time to research and fully explore a 2nd generation catering business model working alongside Property Services and Commercial.
- 1.2 The 1st generation catering extension options will require funding for the continuation of a catering at the current 14 sites. Operational Feeding, Detainee Feeding, Retail Vending and Hospitality will also continue.

2. Issues for Consideration

- 2.1 The extension of the catering facilities at the 14 MPS sites is for a period of 2 years from the end of the initial term in April 2020.
- 2.2 It should be noted that without a catering provider the Business Continuity Plan (BCP) for Operational feeding does not fully cover the scale and scope required for large volume planned and unplanned events, e.g. Notting Hill Carnival and Bridges. Trials continue with both PSOP self-claim and gift cards. Also, the current BCP will not cover service provision at staff restaurants.

3. Financial Comments

- 3.1 The extension of the 1st generation service will require a subsidy of £1.04m in 2020/21 and £942k in 2021/22 and will be an unbudgeted pressure in the medium-term financial plan.

4. Legal Comments

- 4.1 The report confirms the proposed extension period was included as an option from when the contract was originally awarded in 2017. On that basis the extension is compliant with the procurement rules.
- 4.2 A voluntary ex-ante transparency (VEAT) notice allows potential suppliers across Europe ten days within which to mount a legal challenge. The VEAT was published on 02/10/2019, and the ten day period ended without challenge.
- 4.3 Paragraph 7.24 of the MOPAC Scheme of Delegation and Consent provides the Director of Strategic Procurement has consent to approve all variations and extension for contracts with the exception of those called in through the agreed call in procedure.
- 4.4 Paragraph 4.14 of the Scheme provides that the Deputy Mayor for Policing and Crime (DMPC) reserves the right to call in all variations and extensions to contracts with an original value of £500,000 or above.

5. GDPR and Data Privacy

- 5.1 The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
- 5.2 The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

6. Equality Comments

- 6.1 This business case has undergone initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess equality impact caused by the proposed business changes.
- 6.2 As this is an extension of an existing service this work does not change any aspects relating to equality or diversity.

7. Background/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 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? YES

If yes, for what reason: Commercial sensitivities. Until April 2020.

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: Legal information is contained within this report.	✓
Equalities Advice: Equality and diversity are contained within this report.	✓
GDPR and Data Privacy <ul style="list-style-type: none">GDPR compliance issues are covered in the body of the report and the GDPR Data Protection Officer has been consulted on the GDPR issues within this report.A DPIA is not required.	✓
Head of Unit: The CFO has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

Interim 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 13/11/2019



Business Justification Catering Contract Extension

MOPAC Investment Advisory & Monitoring meeting 18th July 2019

Report by Bidisha Kondal on behalf of the Chief of Corporate Services

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

This Business Justification paper is to obtain agreement to fund an extension to the 1st generation catering contract with Elior, catering suppliers to the MPS. The contract expires in April 2020 and we are looking to extend for two years until April 2022.

Recommendations

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

1. To agree the funding of a subsidy of £1.04m in 2020/21 and £942k in 2021/22, to extend the current catering contract for a further 2 years from April 2020. This will be funded from the medium term financial plan.

Time sensitivity

A timely decision is required from the Deputy Mayor. This is because the current catering contract ends in April 2020.

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

Introduction and background

1. This will allow sufficient time to research and fully explore a 2nd generation catering business model working alongside Property Services and Commercial. A catering paper with suggested recommendations for decision, discussed on the 15th February 2019 at Management Board senior management team meeting, resulted in a steer to investigate 1) which buildings across the estate require a potential catering solution with a guaranteed footfall and 2) investigate the option of a café style offer and what level of subsidy would be required. This would be alongside the provision of catering to the large staff restaurant sites, namely NSY, Hendon, Lambeth and ESB. Work on this is progressing and an update on this work, with proposals will be taken through governance by OSS, Commercial and Property Services at a later date.

2. The 1st generation catering extension options will require funding for the continuation of a catering site offer. Operational Feeding, Detainee Feeding, Retail Vending and Hospitality will continue with either option.

Issues for consideration

3. Contractually any extension is for a period of 2 years from the end of the initial term.
4. It should be noted that without a catering provider the Business Continuity Plan (BCP) for Operational feeding does not fully cover the scale and scope required for large volume planned and unplanned events, e.g. Notting Hill Carnival and Bridges. Trials continue with both PSOP self-claim and gift cards. Also, the current BCP will not cover service provision at staff restaurants.
5. To note any changes to the 10 smaller sites will potentially require a capital spend to convert to offices.

Financial, Commercial and Procurement Comments

6. The extension of the 1st generation service will require a subsidy of £1.04m in 2020/21 and £942k in 2021/22 and will be an unbudgeted pressure in the medium-term financial plan.

Legal Comments

7. This report confirms the proposed extension period was included as an option from when the contract was originally awarded in 2017. On that basis the extension is compliant with the procurement rules.
8. Paragraph 7.24 of the MOPAC Scheme of Delegation and Consent provides the Director of Strategic Procurement has consent to approve all variations and extension for contracts with the exception of those called in through the agreed call in procedure.
9. Paragraph 4.14 of the Scheme provides that the Deputy Mayor for Policing and Crime (DMPC) reserves the right to call in all variations and extensions to contracts with an original value of £500,000 or above.
10. A voluntary ex-ante transparency (VEAT) notice allows potential suppliers across Europe ten days within which to mount a legal challenge. The VEAT was published on 02/10/2019, and the ten day period ended without challenge.

Equality Comments

11. This business case has undergone initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess equality impact caused by the proposed business changes.
12. As this is an extension of an existing service this work does not change any aspects relating to equality or diversity.

Privacy Comments

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

14. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

15. The impact on the estate is covered within the report and at this stage there are no implications.

Environmental Implications

16. There are no environmental implications

Background/supporting papers

17. No.

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 the Business Justification Paper - extension of catering contract is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011
- The relevant section under the FOIA that would exempt this information from disclosure is Commercial Interest Section 43
- The paper will cease to be exempt until April 2022

