

DMPC Decision – PCD 1087

Title: Initiation of new tender action for Support and Maintenance for MPS Electronic Security Services (ESS)

Executive Summary:

This paper seeks approval to initiate procurement for the supply of support and maintenance for Metropolitan Police Service security systems such as access control, intruder detection, estate related CCTV surveillance and estate related personal attack alarms. The procurement will be via a restricted procedure with an estimated annual value of £2,000,000. The proposed contract term is for an initial four year period with two optional 12 month extensions. The total estimated contract value is £12,000,000.

Recommendation:

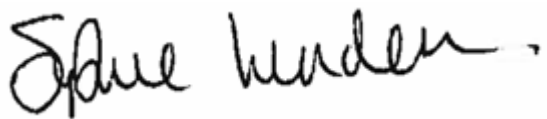
The Deputy Mayor for Policing and Crime is recommended to approve the procurement, via a restricted two stage procedure for two contracts (Lot A and Lot B) for a term of four years plus a 1 + 1 year extension option (estimated £2,000,000 per annum with total cost over six years of £12,000,000) for the support and maintenance of the in scope Electronic Security Services. (Option 4)

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

20/12/2021

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

1. Introduction and background

- 1.1. The current contracts for the supply of the Electronic Security Services and the Embassy Warning System expires in November 2022.

2. Issues for consideration

- 2.1. The services to be procured are for the supply and maintenance of a range of security systems used across the MPS estate such as access control, intruder detection, estate related CCTV surveillance and estate related personal attack alarms. In addition, the Metropolitan Police Service (MPS) has taken the opportunity to incorporate the Embassy Warning System (EWS) maintenance requirements within this procurement.
- 2.2. The MPS assure that this proposal supports the MOPAC Police and Crime Plan 2017-2021 which recognises the importance of the MPS officers and staff and which this contract will contribute to keeping them safe.

3. Financial Comments

- 3.1. The estimated annual cost of the services to be procured is £2,000,000. Across the potential 6 year term of the contract the total value is £12,000,000. These costs will be met from within the MPS budgets.

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 2015 (the Regulations). The Regulations require that contracts above the value of £189,330 for goods/services generally needs to be subject to an open, advertised procurement. This report confirms the value of the proposed contract is expected to significantly exceed this value. Accordingly, the Regulations will be engaged. The requirements of the Regulation would be satisfied through the use of an advertised open or restricted procedure, as set out above, subject to the other requirements set out in the Regulations also being met.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all requests to go out to tender for contracts of £500,000 or above.
- 4.3. Paragraph 7.23 of the MOPAC Scheme of Delegation and Consent provides that the Director of Strategic Procurement has delegated authority to approve the award of all contracts, with the exception of those called in through the agreed call in procedure.

5. Commercial Issues

- 5.1. The services to be procured are for the supply and maintenance of a range of security systems used across the MPS estate such as access control, intruder detection, estate

related CCTV surveillance and estate related personal attack alarms. In addition, the MPS has included in the procurement the maintenance of the Embassy Warning System (EWS).

- 5.2. The proposed contract term is an initial 4 year period with two 1 year optional extensions. The term proposed is in order to be attractive to the market and provide greater stability for bidders to invest.
- 5.3. The procurement will seek bids for 2 geographical areas and each will be awarded to separate contractors – to build resilience. The supplier who bids best for the Embassy Warning System will also be awarded all of this element. MPS Commercial Services assure that the procurement route to market using a restricted procedure will be fully compliant with the PCR2015.
- 5.4. The proposed procurement route is a MPS restricted procedure tender as MPS report that no frameworks were available to meet requirements. The MPS engaged with GLA and Blue Light Commercial (BLC) who were not able to confirm their ability to meet requirements for a procurement in the given timescales. MPS expect this route to increase competition and be more attractive to Small and Medium Enterprises (SME's).

6. GDPR and Data Privacy

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS assure that the contract does not use personally identifiable data of members of the public, so 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. The MPS assure that there are considered to be no negative equality or diversity implications arising from this process.

8. Background/supporting papers

- Appendix 1 MPS Paper - Business Justification - Initiation of new tender action for: Support and Maintenance for MPS Electronic Security Services (ESS)

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:

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.	✓
Drafting Officer Alex Anderson has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The MOPAC Chief Finance Officer and Director of Corporate Service 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 15/12/2021

**Business Justification - Initiation of new tender action for:
Support and Maintenance for MPS Electronic Security Services (ESS)**

MOPAC Investment Advisory & Monitoring meeting 01-12-21

Report by Vince Fihosy 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 – SENSITIVE

EXECUTIVE SUMMARY

This report details the current position regarding the maintenance of Electronic Security Systems (ESS) and expiry of existing provision. It identifies the strategy and offers a proposal for the re-procurement of these services moving forward, for which it requests approval to proceed.

The BJP covers the following two points:

1. The request for authority to commence procurement for these services to be continued following the expiry of the current contract
2. The cost associated with delivery of this contract are factored into existing budgets so no additional funding is being requested as part of this

The value of this contract is £2M per Annum based on a term of up to 6 years.

Recommendations

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

1. **approve** the procurement, via a restricted two stage procedure for 2 contracts (Lot A and Lot B) for a term of 4 years plus a 1 + 1 year extension option (estimated £2m per annum with total cost over 6 years of £12m) for the support and maintenance of the in scope Electronic Security Services. (Option 4)

Noting that:

2. There is an estimated additional cost of £250k to account for one off asset verification in year one, which is already budgeted for within the forward works programme.

3. No inflation costs are allowed for in this paper and indicated costs are at today's prices.

Time sensitivity

A decision is required from the Deputy Mayor by 31st December to allow for the procurement, award paper governance and mobilisation before the expiry of the current contract at the end of November 2022.

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

Introduction and Approval

1. The Purpose of this paper is to provide justification and approval for progressing the tender action of a 4+1+1 year support and maintenance contract(s) for MPS Electronic Security Services installed across the Metropolitan Police District.
2. ESS systems make a very significant contribution to the mitigation of threats to MPS staff, data, physical assets and property. This Business Justification Paper BJP addresses two key areas covering the scope of the service:
 - The ongoing support and maintenance of the current ESS portfolio, which includes corporate access control (EBACS), estate-related surveillance systems (CCTV) and estate-related alarm and intruder detection systems.
 - The ongoing support and maintenance of the external alarm systems used by the Parliamentary and Diplomatic Protection Group to protect diplomatic properties across Greater London, known as the Embassy Warning System, or 'EWS'. This system is in the process of moving to Property Services as outlined in an earlier BJP and approved in MOPAC Decision Notice PCD796, 3rd August 2020.
3. The DMPC is requested to approve the following:
 - To approve the procurement, via a restricted two stage procedure for 2 contracts (Lot A and Lot B) for a term of 4 years plus a 1 + 1 year extension option (estimated £2m per annum with total cost over 6 years of £12m) for the support and maintenance of the in scope Electronic Security Services.
 - Noting:
 - i. that there is an estimated additional cost of £250k to account for one off asset verification in year one which is already budgeted for within the forward works programme.
 - ii. All costs indicated are at today's prices.
 - iii. Recommendation for approval is Option 4 detailed below.
 - iv. Proposed Lots:

Lot A – Electronic Security Services – North Area – With option for EWS service

Lot B – Electronic Security Services – South Area – With option for EWS service

Both North & South Area tender returns will be required to include a separate cost for

the EWS service. The EWS element being awarded to either Lot A or Lot B, based on the outcome of a technical and cost evaluation of the EWS element.

A separate supplier will be awarded each Lot, no one supplier can be allocated both Lots to improve resilience.

Background and Drivers

1. On 3rd August 2020, DMPC decision PCD 796 approved the transfer of the maintenance and repair of Electronic Security Services from Digital Policing to the Property Services Directorate. Primarily these services consisted of or included:
 - Electronic access control -the corporate 'EBACS' solution.
 - Intruder detection systems (building and perimeter alarms).
 - Personal attack alarms (located in public access rooms, front counters and other vulnerable areas).
 - Closed Circuit Television surveillance systems (estate systems).

Following this approval services were transitioned along with budgets to Property Service on 1st December 2020.

2. This paper does not address major capital expenditure for replacement and enhancement in line with new standards or works that form part of capital refurbishment programme work (P10 and P11). These projects would be subject to separate submissions.
3. This paper focusses on the need for:
 - The requirement for a sustainable long-term support and maintenance solution for Estate-related Electronic Security Systems (ESS).
 - The expiry of the existing ESS contract on 30th November 2022 provides an opportunity to drive competition via a restricted procedure procurement model to improve diversity of suppliers and achieve greater value for money, performance and accountability.
 - The transfer of the responsibility for managing the EWS alarm system, covering diplomatic properties to Property Services from Digital Policing on 30th September 2021, which will benefit from being assimilated into the scope of the existing ESS range of services. The above contract expiry date has been extended to align with the ESS expiry date as detailed in item B above.

Key issues for consideration

4. There is currently a revenue budget set aside for the maintenance activity and remedial works emanating from reactive works is currently funded from a capital budget and/or user funded. Details of funding and values is identified in the Part 2 document.
5. Maintenance and service costs are anticipated to be unchanged but rather than being

split into several areas as now, will be brought together and be managed within the Property Services Directorate (PSD) revenue and capital budgets.

6. There has historically been no forward works or lifecycle replacement programme for ESS systems, meaning the assets within the estate have deteriorated over time and substantial investment is required to bring them into reliable operation.
7. The continued management and support of infrastructure to support ESS comprising of Redcare (alarm response signalling system) and Sentinel (alarm response receiving system) is currently undertaken by Digital Policing (DP).
8. The recommended procurement route will drive greater value for money and encourage a much broader range of bidders (including the current incumbents) than previously available under the existing Digital Policing Lot 1 Framework which expires 30 November 2022.
9. These changes will align ESS delivery to other property maintenance and management services with planned works and reactive calls via the Authority's Integrator 24/7/365 Help Desk, allowing for a better co-ordination of activity between suppliers.
10. Capital investment to support lifecycle replacement programmes, will be subject to separate proposals for funding using compliant approvals processes and funding streams outside of the ESS maintenance contract proposed in this document.
11. The requirements are split into two separate Lots. Bidders may submit responses for one or both lots but can only be awarded one. They will include a bid for the EWS aspect which, for operational reasons, cannot be split geographically, so one supplier will be awarded all of that element of the work.
12. To align the two main contracts, the existing Embassy Warning System contract has been extended by fourteen months within MPS delegated responsibility to enable it to be absorbed into one of the larger ESS contract.
13. There can be no gap in service between contracts to ensure system resilience is maintained along with security of the MOPAC estate.
14. The following are specifically excluded from the proposed contract because they will continue to be delivered by Digital Policing (except where otherwise noted);
 - All electronic security systems intended for the purpose of protecting counter-terrorism assets and other externally-accredited secure environments, perimeters, and entry points (vehicular and pedestrian). CT have their own contract in place for these assets and further explanation for this is identified in the restricted section of this report.
 - Interview recording systems including those used in Police Stations and Identity Suites.
 - Audio Visual systems.
 - Mobile surveillance systems (CCTV), alarms and access systems used in operational policing.

- Alarm handling systems (e.g. the Sentinel system).
- Telephone lines connecting alarm systems to the telephone network (e.g. Redcare systems).
- Lighting systems associated with CCTV which is supported through Facilities Management contracts.
- Management of the central EBACS database (Nedap 'AEOS') and HiD 'SAFE' software systems.

Contributes to the MOPAC Police & Crime Plan 2017-2021

15. Pages 45-49 of the MOPAC Police & Crime Plan 2017-2021 reference the transformation of the MPS. The security systems outlined within this paper directly support the safety of the MPS main asset – its people.

Financial, Commercial and Procurement Comments

16. Contract term – The intention is to let the contract for a period of six years (initial period of four years with an option to extend for up to a further period of 1 + 1 year) with justification for this contract term being:

- Awarding for a longer period of 4 years (up to a period of six years) would provide an opportunity for analysis of the service delivery model to determine where further cost savings could be realised
- Greater stability for bidders to invest and assurance that some technology replacement work would be required during the term.
- More market attractiveness for potential bidders.

17. Contractual Options and Analysis and Appraisal – A review was carried out for selecting the most economically advantageous contractual option which best meets the MPS needs for Electronic Security Services and optimises value for money in alignment with the HMT's Green Book methodology. Options were identified and reviewed by Property and Commercial teams against a set of critical success factors and a RAID (Risks, Assumptions, Issues and Dependencies) undertaken to determine the preferred option.

18. Options considered

- Option 1 - Do Nothing
- Option 2 – Retender service as it is on all-inclusive basis to a single supplier.
- Option 3 – Retender services on a revised specification and contract based on a fixed fee for planned services and chargeable reactive and minor improvement work, cost split to a single supplier.

- Option 4 (recommended) – Retender services on a revised specification and contract based on a fixed fee for planned services and chargeable reactive and minor improvement work, cost split to two suppliers with a North/South split to provide resilience.

The RAID log and critical success factors are contained in the restricted section of this report

19. Contract costs - The proposed contract will provide 24/7 support to the MPS Electronic Security Services (including the Embassy Warning Systems). The estimated annual value is £2M. Values are based on high-level historical expenditure data provided by PSD Integrator management information of 12 months. This has been supplemented from additional financial information obtained via the Authority's financial system (PSOP), the Authorities technology supplier (CDW) and the Authorities construction delivery contractors.
20. Property Services will be funding costs from existing budget lines (both revenue and capital). Major Capital investment will be bid for, funded and delivered via a separate work stream under separate governance.
21. There will be no staff moves as a result of this procurement.
22. Further Financial breakdown is outlined in the Part 2 document.

Legal comments

23. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). The Regulations require (amongst other things) that contracts above the value of £189,330 for goods/service generally needs to be subject to an open, advertised procurement. This report confirms the value of the proposed contract is expected to significantly exceed this value. Accordingly, the Regulations will be engaged. The requirements of the Regulation would be satisfied through the use of an advertised open or restricted procedure, as set out above, subject to the other requirements set out in the Regulations also being met.
24. Paragraph 7.23 of the MOPAC Scheme of Delegation and Consent provides that the Director of Strategic Procurement has delegated authority to approve the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the Deputy Mayor for Policing and Crime reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

Equality Comments

25. There are considered to be no negative equality or diversity implications arising from this process

negating the requirement to present any mitigation.

26. In addition, it should be noted that the MPS support the Mayor's Responsible Procurement Policy including: Enhancing Social Value, Encouraging Equality and diversity, Embedding fair employment practices, Enabling skills, training and employment opportunities, promoting ethical sourcing practices and improving environmental sustainability.

Privacy Comments

27. 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.
28. 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 organizations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
29. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the contract change meets its compliance requirements.
30. The contract does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

31. This change support the Estate Strategy fully and is further detailed in the restricted section of the report.

Environmental Implications

32. There are no implications arising from this request.

Background/supporting papers

33. There are no supporting Papers.

Report author: David Field Head of Facilities Management 07795061302

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 ***Initiation of new tender action for: Support and Maintenance for MPS Electronic Security Services (ESS)*** 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