

DMPC Decision – PCD 1089

Title: MPS Catering Services – Outsourcing

Executive Summary:

This paper seeks approval for the initiation of procurement for the supply of catering services. The different elements are being sourced across two lots – lot 1 - staff dining, hospitality and vending; and lot 2 - detainee and police operational feeding. The proposed contract terms are 5 years for the detainee and police operational feeding (lot 2) and for lot 1 is for an initial term of 3 years with two 1 year optional extensions. The estimated contract value over a 5 year period is set out in the restricted section of this paper. The paper also proposes an increase in the MPS client function to pro-actively manage the new contracts.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the proposed outsourcing model as summarised in this proposal.
2. Approve the development of an Intelligent Client Function with the right headcount, skills and capabilities to proactively manage a new Catering Strategy and the continuous improvement in supplier performance and customer experience. This will include an increase in the in-house catering management team by 1 x Band B and 2x Band C at a cost of £209k per annum, to be covered by existing MO11 budget.
3. Approve the continued funding of Lot 1 - Staff and Officer Dining, Hospitality Services and Vending for a three-year term with 2 x 1-year optional extensions to be funded by MO11.
4. Approve Lot 2 - Custody Feeding and Operational Feeding over a 5-year term which will continue to be funded through the OCUs budget.
5. Authorise the project team to proceed with procurement of services for Lot 1 and Lot 2 to ensure continuity of provision based on the above strategy

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

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Date

16/12/2021

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

1. Introduction and background

- 1.1. The current catering contract expires at the end of October 2022. This paper seeks approval for the re-procurement of this service.

2. Issues for consideration

- 2.1. Following engagement with the market and customer consultation the proposal is for the catering service to be provided by way of two lots – lot 1 to cover the staff dining, hospitality and vending functions, and lot 2 to cover the detainee and operational feeding requirements.
- 2.2. The Met assure that the proposed procurements will support the Police and Crime Plan as Lot 1 Staff & Officer Dining, Hospitality and Vending provides the necessary catering needs for our personnel ensuring the morale and wellbeing of all, and Lot 2 Custody Feeding enables people in custody to be well cared for under the Police and Criminal Evidence Act 1984 (PACE) and other relevant legislation, whilst Operational Feeding provides essential sustenance for officers whilst on their tour of duty keeping London safe.
- 2.3. The Metropolitan Police Federation and Trades Unions have been consulted on this paper and have supported it and were content with the direction of travel.
- 2.4. To proactively manage the new contract arrangements and there is a proposed increase in the client function

3. Financial Comments

- 3.1. The estimated 5 year cost for the supply of the catering services is set out in the restricted section of the report. The MPS assure that these costs can be met from within existing MPS budgets.
- 3.2. The additional cost of the increase in the client function of 3 staff is estimated at £209,000 p.a. which can be met from within existing 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"). All awards of public contracts for goods and/or services valued at £189,330 or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract exceeds this threshold.
- 4.2. Met Legal confirm that the proposed route is compliant.

4.3. Paragraph 4.8 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve business cases for revenue or capital expenditure of £500,000 or above.

4.4.

4.5. 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.

5. Commercial Issues

5.1. The proposal is for the supply of catering functions namely lot 1 - staff dining, hospitality and vending; and lot 2 - detainee and police operational feeding. The contract periods are 5 years for the detainee and operational feeding lot, and an initial term of three years with two 1 year optional extensions for lot 1.

5.2. The procurement will be by way of a restricted procedure through the Find a Tender portal.

5.3. The Met assure that the proposed procurement has taken account of the MPS Environment and Sustainability Policy and the MPS Environment & Sustainability Strategy 2019-2021., and that the specification captures the MPS commitment to the GLA Responsible Procurement Policy.

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 Met assure that the project 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 Met assure that suppliers will be required in the specification to be pro-active in meeting the diverse needs of MPS officers and staff.

8. Background/supporting papers

- Appendix 1 MPS Catering Outsource

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 Services 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

**MOPAC**MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME**MPS Catering Outsource****MOPAC Investment Advisory & Monitoring meeting 1st December 2021****Report by Marie Heracleous 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*****EXECUTIVE SUMMARY***

The current outsourced catering service has reached the end of its contractual life and a re-procurement is necessary.

Approval is sought for the procurement of MPS catering outsourcing, to be delivered through a new strategy and a two-lot structure that drives better customer outcomes and supplier performance.

Recommendations

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

- 1. Approve the proposed outsourcing model as summarised in the Business Case.**
- 2. Approve the development of an Intelligent Client Function with the right headcount, skills and capabilities to proactively manage a new Catering Strategy and the continuous improvement in supplier performance and customer experience.**
- 3. Approve the continued funding of Lot 1 - Staff and Officer Dining, Hospitality Services and Vending as described in Part 2.**
- 4. Approve Lot 2 - Custody Feeding and Operational Feeding with an additional estimated variable cost as described in Part 2.**
- 5. Authorise the project team to proceed with procurement of services for Lot 1 and Lot 2 to ensure continuity of provision based on the above strategy.**

Time sensitivity

A decision is required from the Deputy Mayor by 15/12/2021 to enable procurement activities to conclude prior to an effective transition period ahead of current contract expiry in October 2022.

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

Introduction and background

1. Catering Services within the MPS is currently outsourced, with this contract extended to end in October 2022. Reprocurring a service model that best delivers customer outcomes via the most economically viable means is necessary.
2. Operational Support Services have undertaken extensive customer engagement to assess the current delivery model of catering services across Staff & Officer Dining, Hospitality, Vending, Custody Feeding and Operational Feeding. This is detailed within the Business Case.
3. Five potential future delivery models have been assessed against the Critical Success Factors identified through this engagement using HM Treasury Green Book principles.
4. Our recommended option is a two Lot model with Lot 1 - Staff & Officer Dining, Hospitality and Vending; and Lot 2 - Custody & Operational Feeding.
5. This scored highest in the Critical Success Factor assessment, is achievable in delivery, and is the most optimal solution from a Finance perspective.

Issues for consideration

1. We will continue to outsource the catering service across the proposed scope, with an internal Intelligent Client Function managing a new attraction strategy and the outsourced suppliers through a partnership approach, continually seeking continuous improvement in service delivery. This design and new skills and capabilities will enable us to successfully manage the new contracts, ensuring a customer service focus, value for money, and proactive continuous improvement in performance.
2. The MPS has a statutory or policy requirement to provide Custody and Operational feeding.
3. It is expected that a higher quality product and service than currently experienced will be delivered. A developed attraction strategy will be devised and implemented by a new Intelligent Client Function, with external assistance, that will be set up for the successful management and ongoing improvement of suppliers. MO11 Project Revenue has been allocated in the Finance Case to assist with the development of this strategy.
4. Not approving a redesigned Intelligent Client Function with the associated headcount increase (covered by MO11 budget) will prevent the service from being managed effectively.
5. External supplier staff will continue to occupy MPS space and staff will need to achieve minimum security clearance that suits the site from which they will

work. It should also be noted that external occupiers of space will have an obligation to provide a minimum service per the signed license at Counter terrorism Operational Command (CTOC) in Empress State Building (ESB).

6. There are no proposed exceptional costs as existing outsourced staff will transfer to a principal service provider under TUPE arrangements.
7. The Police Federation and TUs have been consulted, with this paper being shared for comment. The Federation and TUs supported the paper and were content with the direction of travel.
8. Further information is contained in the restricted section of the report.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

9. The procurement includes two lots, each contributing to the successful execution of the MOPAC Police & Crime Plan. Lot 1 Staff & Officer Dining, Hospitality and Vending provides the necessary catering needs for our personnel ensuring the morale and wellbeing of all. Lot 2 Custody Feeding enables people in custody to be well cared for under the Police and Criminal Evidence Act 1984 (PACE) and other relevant legislation, whilst Operational Feeding provides essential sustenance for officers whilst on their tour of duty keeping London safe.

Financial, Commercial and Procurement Comments

1. Finance: The figures presented in Part 2 are a pre-procurement estimate that will be finalised and resubmitted following completion of the procurement activities. All figures are pre-tender estimates and will be validated during the procurement process. The contract starts from October 2022. The initial year (2022/23) and final year (2027/28) are 6 months only.
2. Commercial and Procurement: The procurement will follow the Find a Tender Service Restricted Procedure although as part of a Light Touch regime. It is confirmed that per Public Procurement Regulations 2015 and section (3)(a) of the Concession Contracts Regulations 2016 this requirement is not a services concession contract. The proposed contract is a services contract within the definition of the Public Contracts Regulations 2015.

Legal Comments

3. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £189,330 or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract exceeds this threshold.

This report confirms the Regulations will be applied.

¹ [Police and crime plan: a safer city for all Londoners | London City Hall](#)

The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (“DMPC”) has delegated authority to approve:

Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and all requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).

Equality Comments

4. The specification for this contract requires that suppliers cater for healthy, ethical, plant-based, cultural and religious dietary needs. A recent survey of MPS officers identified that 34% have a dietary requirement. Of these, 13% were vegetarian or vegan, with the remainder spread evenly across religious, cultural, or allergen related. The supplier must be pro-active in providing options that meet these diverse needs and ensure that cross-contamination is avoided. To meet the pro-active diversity and inclusion of the Metropolitan Police Service, the suppliers must also have a consistent and complementary focus on diversity and inclusion.

Privacy Comments

5. 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.

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.

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

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

1. Catering will continue to occupy the estate that it currently occupies. Catering Services wishes to retain their kitchen at Charing Cross to support Operational Feeding, however the procurement process will identify the specific requirements and clarity over these will be provided following this activity. Small works for power/drainage for Vending and Upgrade works for Café spaces are planned and the budget to be provided by MO11.

Environmental Implications

2. The MPS Environment and Sustainability Policy and the MPS Environment & Sustainability Strategy 2019-2021 have been taken into consideration. The suppliers will be expected to supply the Environment & Sustainability team with quarterly data on product origins, environmental incidents and contract specific

emissions (water, energy, mileage and carbon) data. Additional data, specifically on waste and social value, should also be made available, ensuring that the MPS can provide this data to the GLA if needs be.

Background/supporting papers

3. Supporting papers may be found in Part 2.

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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 MPS Catering Outsource 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 on completion of the procurement on 30th September 2022.