

**DMPC Decision – PCD 554****Title: Central Estates Programme – Newlands Park – Additional Investment****Executive Summary:**

Following approval of the Central Estate – Counter Terrorism and Organised Crime (CTOC) Hub in March 2018 further planning, design and survey works have been undertaken. This paper requests the approval of additional expenditure of £8.1m to both increase the capacity of Newlands Park and so better support the decant from Empress State Building(ESB), and to bring forward the essential elements of investment in the mechanical and electrical infrastructure at the site. The additional cost will be met from within existing resources.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the mechanical and electrical works at Newlands Park at a total cost of £3.3m (incl. OB) using funding transferred from the Forward Works budget in Financial year 2020/21 (part of the approved Capital budget).
2. approve the Property Services Department (PSD) tender for the works through the existing compliant MPS Minor & Intermediate Building Works Framework (Contract No. SS316146) and Construction Professional Services Framework (Contract No. SS3161091).
3. approve the continuation of works on site to deliver the project, noting that the intention is to meet the increase in costs due to more accurate estimates (£3.3m incl. OB) through a realignment of budgets included in the CTOC Hub budget. The balance of increased costs (£1.5m incl. OB) will be met through Optimism Bias included in the CTOC Hub budget.
4. approve the revised profile for the capital programme as set out in the Financial case.

**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**

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

### **1. Introduction and background**

- 1.1. The Central Estate Programme is a project designed to rationalise and improve the “to be” retained estate mainly in relation to central functions, decision PCD 335 refers.

### **2. Issues for consideration**

- 2.1. Following further survey and design work on the Newlands Park site and the detailed work on decanting ESB additional investment at Newlands Park is sought to provide the flexible accommodation for both the originally anticipated number of decants from ESB as well as additional decants. Additional works also include the potential to provide a canteen facility and to improve accessibility.
- 2.2. Planned investment in the mechanical and electrical services at Newlands Park was planned for 2020/21. In order that the additional capacity being created at the site can be fully supported by the mechanical and electrical services these essential works are being brought forward. This has the additional advantage of de-risking future mechanical and electrical works at the site.

### **3. Financial Comments**

- 3.1. The original business case identified a sum of £2.6m for the anticipated works at Newlands Park. The additional works identified above are estimated to cost an additional £8.1m. These additional costs will be met from within existing 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 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. Accordingly, contracts for works and services may be entered into. The MOPAC, as contracting authority, will however, need to observe the rules under the Public Contract Regulations 2015 when procuring and awarding contracts.
- 4.4. This report is submitted in line with paragraph 4.13 of MOPAC’s Scheme of Delegation and Consent which requires approval of the DMPC before going out to tender for above threshold contracts as set out in that paragraph.

### **5. Commercial Issues**

- 5.1. The works will be carried out using the existing compliant MPS Minor and Intermediate Building Works Framework.

## **6. GDPR and Data Privacy**

6.1. There are no GDPR or data privacy issues.

## **7. Equality Comments**

7.1. There are no equality and diversity implications arising from these proposals.

## **8. Background/supporting papers**

8.1. 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:

**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**

	Tick to confirm statement (✓)
<b>Financial Advice:</b> The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
<b>Legal Advice:</b> Legal advice is not required.	✓
<b>Equalities Advice:</b> Equality and diversity issues are covered in the body of the report.	✓
<b>Commercial Issues</b> Commercial issues are not applicable	✓
<b>GDPR/Data Privacy</b> A DPIA is not required.	✓
<b>Director/Head of Service:</b> The MOPAC Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

**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

27/3/19



# MOPAC

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

Central Estates Programme change paper – undertake additional works at the Newlands Park Receive Site.

**MOPAC Investment Advisory Board, 22<sup>nd</sup> March 2019**

**Report by Matt Twist DAC on behalf of the Deputy Commissioner**

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

## EXECUTIVE SUMMARY

This paper is seeking approval, as part of the Central Estates Programme (CEP), to undertake essential mechanical and electrical works and refurbishment of the Ground, 1<sup>st</sup> and 2<sup>nd</sup> floors of Newlands Park. The CEP will deliver a CTOC Hub at Empress State Building (ESB), and delivery of this is predicated upon the decant of certain functions from ESB into several receive sites, one of which is Newlands Park.

The FBC for P10 made an allowance of £2.6M (including Optimism Bias (OB)) for works at Newlands Park, based on a light touch refurbishment of the 1<sup>st</sup> and 2<sup>nd</sup> office floors to convert these floors into a Smarter Working layout, making use of the existing mechanical and electrical (M&E) infrastructure. The MPS are now seeking approval to invest £10.7M in Newlands Park. This represents an increase in costs of £8.1M. Reasons for the increased costs are set out below:

- Provision of more accurate estimates for the refurbishment following the site survey have increased the original costs by £3.3m incl. OB.
- It is proposed to make changes to the design at Newlands to (a) accommodate an increase in the expected numbers being decanted from ESB (b) the potential to provide a canteen at the site (c) to improve accessibility to ensure the building is compliant. This represents an increase in the original costs by £1.5m incl. OB
- Undertaking mechanical & electrical maintenance works identified by a survey of the site. Bringing forward the relevant budget allocation from the Forward Works budget from 2020/21 to 2019/20 to fund this. By doing this now, the MPS will be de-risking the potential for failure of some of this plant, causing unnecessary disruption to occupants in the future. The additional cost for this is £3.3m (incl. OB).

The intention is to meet these additional costs through existing budget provision included in the approved Property Services Capital Programme through a combination of Optimism Bias, realignment of budgets included in the CTOC Hub budget, and existing budget provision Forward works.

## Recommendations

The MPS Portfolio & Investment Board (PIB) and, supported by PIB, the Deputy Mayor for Policing and Crime, via the Investment Advisory Board (IAB), are asked to:

The Deputy Mayor for Policing and Crime is asked to:

- **APPROVE** the mechanical and electrical works at Newlands Park at a total cost of £3.3m (incl. OB) using funding transferred from the Forward Works budget in Financial year 2020/21 (part of the approved Capital budget).
- **APPROVE** the Property Services Department (PSD) tender for the works through the existing compliant MPS Minor & Intermediate Building Works Framework (Contract No. SS316146) and Construction Professional Services Framework (Contract No. SS3161091).
- **APPROVE** the continuation of works on site to deliver the project, noting that the intention is to meet the increase in costs due to more accurate estimates (£3.3m incl. OB) through a realignment of budgets included in the CTOC Hub budget. The balance of increased costs (£1.5m incl. OB) will be met through Optimism Bias included in the CTOC Hub budget.
- **APPROVE** the revised profile for the capital programme as set out in the Financial case.

## Time sensitivity

This project forms part of Programme 10 – Central Estates Programme (CEP) to deliver a CTOC Hub at Empress State Building. There are time requirements associated with the approval of this project as a decision by the end of March 2019 would facilitate the delivery of the CTOC hub by creating suitable flexible accommodation for those decanting ESB from Sept 2019.

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

### **Introduction and background**

1. The One Met Model (OMM) has been established as a number of separate programmes that together will deliver more effective and efficient policing across London. The Central Estates Programme (CEP - P10) will deliver a CTOC hub at Empress State Building (ESB) and is dependent upon the decant of certain non CTOC functions from ESB into several receive sites across the estate.
2. Newlands Park was identified in the P10 FBC as one of several receive sites under a flexible accommodation model (FAM). The FBC for P10 was approved in March 2018.

### **Issues for consideration**

3. The repairs and renewals of plant items and other works are business-as-usual maintenance works. As such they would be funded in the normal course of events from the Forward Works Budget.
4. The works can be carried out under the same contract for the creation of the flexible accommodation model in order to avoid major disturbances in the future and deliver the entirety of the works in the most efficient manner.
5. Only the essential elements of the existing M&E infrastructure will be repaired or renewed to guarantee the effectiveness of the building over the next 5 to 7 years. Fabric issues in other parts of the building will need to be addressed as part of the business as usual Forward Works plan, but not in the short term.
6. This investment ensures that the building will be fit to receive the teams decanting ESB by March 2020 whilst also ensuring sufficient monies remain in the Forward Works budget to enable spend across the remainder of the estate in 19/20.

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

7. Section 1 of the Police & Crime Plan outlines the key objectives underpinning the draft Estate Transformation Strategy. As part of this strategy, there is a significant planned reduction in the number of buildings in the estate with substantial investment in the retained estate, to improve the quality of accommodation and working conditions for future policing.

---

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

### **Financial, Commercial and Procurement Comments**

8. Validation surveys for this project have been carried out by Consultants, appointed via the existing MPS framework for Construction Professional Services.
9. The appointed consultants have made an assessment of the price of the project, from which costs have been calculated of £7.4m (incl. OB) for the refurbishment and £3.3m (incl. OB) for the essential maintenance.
10. These works are "business as usual" maintenance, repair and decoration type works. This request is to highlight the works required, which will be funded from the Forward Works within the existing capital budget that is part of the approved capital plan. New funding is not being requested for the works, however the value of the project is such that MOPAC approval must be sought before drawing down against the approved Forward Works budget.
11. The project will be procured via the MPS' Minor & Intermediate Building Works Framework and Construction Professional Services Framework. These frameworks were developed to deliver the draft Estate Transformation Strategy and Forward Works programme in a cost-effective, efficient way.
12. MOPAC is a signatory to the GLA's "Responsible Procurement Policy" and the principles from this policy were evaluated at a Framework level when appointing suppliers.
13. This project will secure the operation of the building for the foreseeable future.

### **Legal Comments**

14. 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 is efficient and effective.
15. 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).
16. The Commissioner may also do anything which is calculated to facilitate, or is conducive or incidental to acquiring and disposing of property (apart from land) but only with the consent of MOPAC under paragraph 4 (2) (b) of Schedule 4 of "the Act".
17. Accordingly, contracts for works and services may be entered into. The MOPAC, as contracting authority, will however, need to observe the rules under the Public Contract Regulations 2015 when procuring and awarding contracts. It is therefore recommended Commercial Services are engaged at the outset.
18. This report is submitted in line with paragraph 4.13 of MOPAC's Scheme of Delegation and Consent which requires approval of the DMPC before going out to tender for above threshold contracts as set out in that paragraph.

### **Equality Comments**

19. The Strategic Diversity & Inclusion Unit were consulted as part of this Business Justification.



20. An Equalities Impact Assessment (EIA) screening study is being carried out to identify if there are any protected characteristics under the Equalities Act 2010 affected by the proposal.

**Privacy Comments**

21. This request will not involve the processing of personal data.

**Real Estate Implications**

22. This project forms part of the draft Estate Transformation strategy which sets out the future structure of the estate and Central Estates Programme (P10) to meet the aims of the One Met Model. Investment such as this is required in the retained estate to improve the quality of accommodation and the working conditions for future policing.

**Environmental Implications**

23. The project will comply with the MPS Sustainable Design Guide which is aligned to the Mayor's London Environment Strategy<sup>2</sup>. The replacement of life-expired mechanical and electrical plant will reduce energy demand, as will upgrades to the building fabric and enhanced use of the Building Management System (BMS). This reduction in energy use will contribute to the delivery of strategic carbon reduction targets.

**Background/supporting papers**

None.

**Report author: Luciano Pellegrinelli, Construction, 07766 443754**

---

<sup>2</sup> <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/draft-london-environment-strategy>

**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 "Business Justification – Newlands Park - undertake Essential Mechanical and Electrical Works as part of Programme 10" 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 relevant section under the FOIA that would exempt this information from disclosure is Commercial Interest Section 43

The paper will be exempt until 1<sup>st</sup> February 2020 or upon contract completion.