

**DMPC Decision – PCD 805****Title: Supply of Replacement Marine Vessels****Executive Summary:**

This business justification paper seeks approval to award contracts to the value of £5.3M for the purchase of replacement marine vessels used by the Metropolitan Police Service (MPS) Marine Police Unit.

These replacement marine vessels will enable the MPS to meet its strategic targets and ensures it remains a mobile service capable of responding proactively to crime and policing matters, combating terrorism and protecting those living and working in and around the river Thames.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

1. Approve the contract award to Babcock Marine Energy Ltd for Lot 1 Command and Control Vessels valued at £1.8M with a 3+1 year contract term, to commence in August 2020.
2. Approve the contract award to Babcock Marine Energy Ltd for Lot 2 Fast Patrol Vessels valued at £3.5M with a 3+1 year contract term, to commence in August 2020.
3. To note MPS has undertaken the procurement process in accordance with the Public Contracts Regulations 2015 via the Official Journal of European Union.

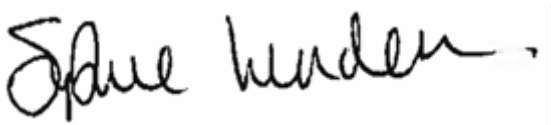
**Deputy Mayor for Policing and Crime**

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**

3/8/20



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

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

- 1.1. The MPS has set out objectives in its strategy document, the Met's Direction: Our Strategy 2020-2025. To support this strategic approach, the fleet asset management objectives will be based on the ISO 55001 / ISO 55002 asset management standard and Fleet Services aspire to work towards accreditation to support the following key objectives:
  - a) Deliver a fit-for-purpose, available and flexible fleet for all officers and staff;
  - b) Manage the fleet effectively and efficiently using data-driven decision-making; and
  - c) Support users and staff working on the fleet through any operational/strategic changes.
- 1.2. The MPS is part of the Greater London Authority ("GLA"), and therefore, the MPS has a number of strategic air quality targets to meet by October 2023 and further to 2025. The timely replacement of the MPS ageing marine fleet will be key to ensure we continue to meet emissions standards, in addition to achieving the MPS strategic objectives in relation to:
  - a) Fleet safety;
  - b) Quality and availability of assets and equipment;
  - c) Value for money; and
  - d) Technology and innovation.
- 1.3. The MPS has a requirement to purchase new vessels built in accordance with Code A of the Police Boat Codes (PBC3) without exception and as accepted by the Maritime and Coastguard Association (MCA). The new vessels are required to replace the current ageing fleet of Fast Patrol Vessel ("FPV") and Command and Control Vessel ("CCV").
- 1.4. The operating environment for these vessels is primarily fast tidal river and estuary (tide speed can be in excess of 4 knots), containing driftwood, debris, flotsam, etc. This hostile environment, coupled with excessive use of aging vessels, contributes to excessive repair and maintenance.
- 1.5. By purchasing new vessels, the MPS will be at the forefront of new marine technologies, including laminating techniques (which ensure a lighter stronger hull) and the latest engine developments (which ensure lower emissions and improved fuel economy). The hull and deck structure will be built to class under Lloyds or a similar certifying authority. The vessels will meet EU Recreational Craft Directive (RCD) Code B as a minimum and ideally Code A.

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

- 2.1. Collaboration with London Fire Brigade and Kent and Essex Police was explored. However, this was not possible, as at the time the Kent and Essex Police Forces were considering reducing their combined marine involvement, whilst the London Fire Brigades' requirements were not consistent with MPS technical requirements due to the unique nature of their operation and hull construction and use in shallow water which differ substantially from the MPS requirements.

- 2.2. The MPS continues to review the operational requirements to Police the river Thames and the review is expected to be completed by Q3 2020.
- 2.3. The MPS will work with the Port of London Authority to drive the change in emissions on the river Thames and will seek collaboration opportunities to develop new technology to reduce the emissions from our vessels.
- 2.4. At the time of completing the tender, Volvo do not have any emission reduction technology that would be suitable for the MPS. If during the lifetime of the vessels this technology becomes available the MPS will explore retro fitment.

### **3. Financial Comments**

- 3.1. The combined contracts are valued at £5.3M with an initial contract duration of three years with an option to extend for one year.
- 3.2. Approval to initiate procurement action was sought in September 2017 (PCD254) as part of the MPS Vehicle Replacement Programme 2018-21 the award of the contracts is within the initial values approved.
- 3.3. Funding for replacement marine vessels is included in the long term Fleet Services capital plan approved in February 2020.

### **4. Legal Comments**

- 4.1. The Mayor's Office for Policing Crime 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 £181,302 or above will be procured in accordance with the Regulations.
- 4.2. 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.
- 4.3. 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. Due to the high value and specialist nature of the replacement vessels, the MPS has undertaken a procurement process in accordance with the Public Contracts Regulations 2015 (PCR) via the Official Journal of European Union (OJEU).
- 5.2. Market engagement to the external market was conducted by issue of a Prior Information Notice (PIN) in July 2018 via the e-tendering portal, which indicated a reasonable amount of interest from suppliers against MPS requirements.

- 5.3. The tender results detailed in the restricted section of the report identify the highest scoring successful supplier (Babcock Marine Energy Ltd) against Lot 1 and Lot 2.
- 5.4. Babcock Marine Energy Ltd tendered in this process as the principle supplier, sub-contracting to Wessex Marine. Wessex's most dominant UK brand is Targa boats, which are constructed by the family firm of OY Botnia Marin AB. The Targa boat is the brand leader in the UK market in both recreational and commercial roles.
- 5.5. The tender was based on non-committed volume and value and therefore the commercial price evaluated is the unit price. This excludes price breaks which assume volume commitment which cannot be agreed at this stage with the supplier.
- 5.6. Further value for money and price break information is contained in the restricted section of the report.

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

- 6.1. GDPR matters have been discussed with the Data Protection Officer, who has confirmed that no Data Protection Impact Assessment (DPIA) is required for these programmes of work. However, the personal details of any individuals or organisations with whom contact is made for the purposes of the engagement will be managed in accordance with MOPAC's wider Privacy Notice. Any organisation that is contracted to conduct work in support of this programme will be required to sign a MOPAC contract that will specify their GDPR responsibilities.

## **7. Equality Comments**

- 7.1. The equality and diversity impact has been considered with no issues identified or foreseen. All select service providers will be evaluated for acceptable equality and diversity statements, as well as their ability to comply with the Equality Act 2010. The evaluation exercise has considered their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.
- 7.2. Equalities considerations have been taken into account, particularly concerning the vessels manufacturer's cabin space design, which includes seat and column adjustments. These considerations are further enhanced through being able to request detailed design specifications.
- 7.3. Using a European standard to select service providers who meet equality and diversity criteria, tendered the purchase agreement for the supply of marine vessels and associated services to the UK public sector.
- 7.4. Fleet Services acknowledges its responsibilities towards its staff and the members of London's diverse communities and will engage with, and value the contributions of, communities and its partners and continue to nurture positive relationships of constructive support

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

- 8.1. The 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: [Insert 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 (✓)*

**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**

The Contract Management Team has been consulted on the commercial issues within this report. The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

**GDPR/Data Privacy**

- GDPR compliance issues are covered in the body of the report.

✓

**Director/Head of Service:**

The CFO 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** 29/7/20



MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

## Supply of Replacement Marine Vessels

**MOPAC Investment Advisory & Monitoring meeting 5<sup>th</sup> June 2020**

**Report by Jiggs Bharij 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 as – PUBLIC**

### **Executive Summary**

This business justification paper seeks approval to award contracts for the purchase of replacement marine vessels used by MO7 Taskforce Marine Police Unit.

These replacement marine vessels will enable the MPS to meet its strategic targets and ensures it remains a mobile service capable of responding proactively to crime and policing matters, combating terrorism and protecting those living and working in and around the river Thames.

### **Recommendations**

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

- 1. Approve the contract award to Babcock Marine Energy Ltd for Lot 1 Command and Control Vessels valued at £1.8M with a 3+1 year contract term, to commence in August 2020.**
- 2. Approve the contract award to Babcock Marine Energy Ltd for Lot 2 Fast Patrol Vessels valued at £3.5M with a 3+1 year contract term, to commence in August 2020.**
- 3. Note: The MPS has undertaken the procurement process in accordance with the Public Contracts Regulations 2015 via the Official Journal of European Union.**

### **Time sensitivity**

A decision is required from the Deputy Mayor for Policing and Crime by 15<sup>th</sup> June 2020. This is because contract prices will only be held until 30<sup>th</sup> September 2020. If this contract award is delayed beyond this date, a 2.49% uplift to the bid price will be applied. A decision is therefore requested to avoid a contract price increase.

This report was originally scheduled for submission to IAM in April 2020 and has been delayed due to a review of operational requirements within the MPS.

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

## Introduction and background

1. The MPS has set out objectives in its strategy document, the **Met's Direction: Our Strategy 2020-2025**. To support this strategic approach, the fleet asset management objectives will be based on the ISO 55001 / ISO 55002 asset management standard and Fleet Services aspire to work towards accreditation to support the following key objectives:
  - a) Deliver a fit-for-purpose, available and flexible fleet for all officers and staff;
  - b) Manage the fleet effectively and efficiently using data-driven decision-making; and
  - c) Support users and staff working on the fleet through any operational/strategic changes.
2. The MPS is part of the Greater London Authority ("GLA"), and therefore, the MPS has a number of strategic air quality targets to meet by October 2023 and further to 2025. The timely replacement of the MPS ageing marine fleet will be key to ensure we continue to meet emissions standards, in addition to achieving the MPS strategic objectives in relation to:
  - a) Fleet safety;
  - b) Quality and availability of assets and equipment;
  - c) Value for money; and
  - d) Technology and innovation.
3. The MPS has a requirement to purchase new vessels built in accordance with Code A of the Police Boat Codes (PBC3) without exception and as accepted by the Maritime and Coastguard Association (MCA). The new vessels are required to replace the current ageing fleet of Fast Patrol Vessel ("FPV") and Command and Control Vessel ("CCV").
4. The operating environment for these vessels is primarily fast tidal river and estuary (tide speed can be in excess of 4 knots), containing driftwood, debris, flotsam, etc. This hostile environment, coupled with excessive use of aging vessels, contributes to excessive repair and maintenance.
5. By purchasing new vessels, the MPS will be at the forefront of new marine technologies, including laminating techniques (which ensure a lighter stronger hull) and the latest engine developments (which ensure lower emissions and improved fuel economy). The hull and deck structure will be built to class under Lloyds or a similar certifying authority. The vessels will meet EU Recreational Craft Directive (RCD) Code B as a minimum and ideally Code A.

## Issues for consideration

6. Collaboration with London Fire Brigade and Kent and Essex Police was explored. However, this was not possible, as at the time the Kent and Essex Police Forces were considering reducing their combined marine involvement, whilst the London Fire Brigades' requirements were not consistent with MPS technical requirements due to the unique nature of their operation and hull construction and use in shallow water which differ substantially from the MPS requirements.
7. The MPS continues to review the operational requirements to Police the river

Thames and the review is expected to be completed by Q3 2020.

8. The MPS will work with the Port of London Authority to drive the change in emissions on the river Thames and will seek collaboration opportunities to develop new technology to reduce the emissions from our vessels.
9. At the time of completing the tender, Volvo do not have any emission reduction technology that would be suitable for the MPS. If during the lifetime of the vessels this technology becomes available the MPS will explore retro fitment.

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

10. Replacement marine vessels enable the MPS to meet its strategic targets and ensures it remains a mobile service capable of responding proactively to crime and policing matters, combating terrorism and protecting those living and working in and around London.

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

11. The combined contracts are valued at £5.3M with an initial contract duration of three years with an option to extend for one year.
12. Approval to initiate procurement action was sought in September 2017 (PCD254) as part of the MPS Vehicle Replacement Programme 2018-21 the award of the contracts are within the initial values approved.
13. Funding for replacement marine vessels is included in the long term Fleet Services capital plan approved in February 2020.
14. Due to the high value and specialist nature of the replacement vessels, the MPS has undertaken a procurement process in accordance with the Public Contracts Regulations 2015 (PCR) via the Official Journal of European Union (OJEU).
15. A technical assessment was undertaken to analyse the operational river policing requirements, thereby ensuring the future vessels meet our long-term aspirations for policing the river and environmental responsibilities.
16. Market engagement to the external market was conducted by issue of a Prior Information Notice (PIN) in July 2018 via the e-tendering portal, which indicated a reasonable amount of interest from suppliers against MPS requirements.
17. The tender results detailed in the restricted section of the report identify the highest scoring successful supplier (Babcock Marine Energy Ltd) against Lot 1 and Lot 2.
18. Babcock Marine Energy Ltd tendered in this process as the principle supplier, sub-contracting to Wessex Marine. Wessex's most dominant UK brand is Targa boats, which are constructed by the family firm of OY Botnia Marin AB. The Targa boat is the brand leader in the UK market in both recreational and commercial roles.

---

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



19. The tender was based on non-committed volume and value and therefore the commercial price evaluated is the unit price. This excludes price breaks which assume volume commitment which cannot be agreed at this stage with the supplier.
20. Further value for money and price break information is contained in the restricted section of the report.

### **Legal Comments**

21. The commercial section confirms the proposed contract award is procured compliantly in accordance with the PCR.
22. The Mayor's Officer for Policing Crime 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 £181,302 or above will be procured in accordance with the Regulations.
23. 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.
24. 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.

### **Equality Comments**

25. This business case has undergone initial equality screening. Due regard has been taken to the Equality Act's Public Sector Equality Duty under Sec 149 of the Equality Act 2010. All bidders were required to detail their approach to supplier diversity.
26. The equality and diversity impact has been considered with no issues identified or foreseen. All select service providers will be evaluated for acceptable equality and diversity statements, as well as their ability to comply with the Equality Act 2010. The evaluation exercise has considered their ability to act as a responsible employer and meet employment obligations deemed commensurate with wider GLA objectives.
27. Equalities considerations have been taken into account, particularly concerning the vessels manufacturer's cabin space design, which includes seat and column adjustments. These considerations are further enhanced through being able to request detailed design specifications.
28. Using a European standard to select service providers who meet equality and diversity criteria, tendered the purchase agreement for the supply of marine vessels and associated services to the UK public sector.
29. Fleet Services acknowledges its responsibilities towards its staff and the members of London's diverse communities and will engage with, and value the contributions

of, communities and its partners and continue to nurture positive relationships of constructive support.

### **Privacy Comments**

30. 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.
31. 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.
32. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
33. This project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

### **Real Estate Implications**

34. There are no real estate implications as a result of this contract award.

### **Environmental Implications**

35. The Ultra-Low Emission Zone ("ULEZ") came into force on 8th April 2019 and applies to the road network in London. At the present time there is no ultra-low emissions standards applicable to the river network, however, Fleet Services recognises the challenge associated with deploying the latest emission technology and will seek a renewable alternative to fossil diesel by 2030.
36. The MPS explored the technical possibility to move to Euro 6 diesel engines for this contract. However the market in this sector is in an early stage and the technology does not yet exist for this size of marine vessels. If technology is developed during the life of the vessels, the MPS will actively consider conversions.
37. As part of the Fleet Services Air Quality strategy, Gas-To-Liquid ("GTL") fuel has been identified as a cost effective and viable option for the Marine Policing Unit to make steps towards emission reduction. This diesel alternative turns natural gas into a liquid fuel suitable for use in unmodified diesel engines.
38. It is our intention to run all proposed new vessels on GTL fuel rather than low sulphur diesel. GTL fuel provides a number of benefits when compared to conventional diesel, for example it is fully biodegradable within thirty days and non-carcinogenic. It offers a reduction of nitrogen oxide ("NOx") emissions by 6-13% and Particulate Matter ("PM") by 15-60%.

## **Background/supporting papers**

Report author: Jiggs Bharij, Head of Fleet Services.

### **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 Supply of Replacement Marine Vessels is exempt from publication for the following reason:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).
- The relevant sections under the FOIA that would exempt this information from disclosure Commercial Interest Section 43

The paper will cease to be exempt until seven years after all contracts have expired.