

REQUEST FOR DMPC DECISION – PCD 425

Title: Response and Non-Response Cars 2017/18- Contract Award

Executive Summary:

The Metropolitan Police Service (MPS) are seeking to award 6 contracts for the purchase of Response Vehicles via the Crown and Commercial Services (CCS) Vehicle Purchase Framework Agreement.

- The framework period is from 2nd December 2014 to 1st December 2018 and the contracts are within the technical and financial scope of the framework.
- The duration of the contracts will be 48 months commencing in July 2018.
- The contracts are valued at £15.9M in total.
- This remains affordable within the overall approved Fleet Capital Programme 2017/18 to 2021/22.
- Approval to initiate procurement action was granted by the Deputy Mayor for Policing and Crime on October 2016, as part of the MPS Vehicle Replacement Programme 2017/18.
- Through the procurement activity of a mini-competition, contract savings of £1.3M have been achieved over the standard CCS pricing framework.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

Approve the award of contract to be funded from the approved Fleet Capital Programme 2017/18 to 2021/22, for a four year period commencing July 2018 to:

1. BMW UK Ltd for £5.5M for the purchase of Response Cars.
2. Ford Motor Company Plc for £4.8M for the purchase of Response Vehicles.
3. General Motors UK Limited for £3.8M for the purchase of Response Cars.
4. Mitsubishi Motors in the UK for £0.75M for the purchase of Response Cars.
5. Hyundai Motor UK Ltd for £0.66M for the purchase of Response Cars
6. Volkswagen Group UK Ltd for £0.37M for the purchase of Response Cars.

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

Sybil Wenden

Date

24/07/18

PART 1 - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

Decision required – supporting report

1. Introduction and background

- 1.1. These contracts will facilitate the purchase of replacement vehicles within 2018 and will enable Fleet Services to deliver operational vehicles as required to support the Vehicle Replacement Programme.

2. Issues for consideration

- 2.1. The implementation of the Ultra-Low Emission Zone is scheduled to be brought forward by 17 months to April 2019 and will affect all vehicles travelling within the existing congestion charge zone.
- 2.2. The emission standards required of the Zone can be met by operating Euro 4 Petrol vehicles. The vehicles detailed within this tender will ensure that the non-compliant fleet is replaced with either zero emission or Euro 6 petrol vehicles and will ensure compliance with the zone.

3. Financial Comments

- 3.1. These contracts are valued at £15.9M over the four-year period and is within the approved Fleet Capital Programme.

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). When awarding public contracts for goods and services valued at £181,302 or above, all contracting authorities must do so in accordance with the Regulations.
- 4.2. This report confirms the tender detailed exceeds the above threshold. Consequently, the Regulations will apply to this requirement. This report identifies the Crown Commercial Services (CCS) framework agreement as its preferred procurement route. A compliantly procured framework agreement is a compliant route to market on the basis the framework is still in force, the MOPAC is identified as an eligible user of the framework, the MOPAC's requirements are within the technical and financial scope of the framework and the call-off procedure set out in the framework is followed. The Procurement Strategy and Tendering Process sections to this report confirm that the above are met.

5. Equality Comments

- 5.1. There are no negative equality or diversity implications arising from this procurement process. The Call Off agreement for the purchase of vehicles ensures suppliers adhere to perform their obligations in accordance with equality law

6. Background/supporting papers

- 6.1. 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

It is recommended that the information in the Part 2 form not be published since if a request for this information was made under the FOIA, it is likely that it would be exempt from disclosure under the following sections for the FOIA:

Commercial Interest Section 43

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed:
Completion of the contract.

ORIGINATING OFFICER DECLARATION

		Tick to confirm statement (✓)
Head of Unit: The Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.		✓
Legal Advice: The MPS legal team has been consulted on the proposal.		✓
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.		✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.		✓

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

10/07/18



MOPAC

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

RESPONSE AND NON-RESPONSE CARS 2017/18 – CONTRACT AWARD

MOPAC Investment Advisory Board 28th June 2018

Report by Assistant Commissioner Helen Ball, Professionalism Directorate on behalf of the Deputy Commissioner

Part 1 – This section of the report is suitable for MOPAC Publication

EXECUTIVE SUMMARY

The Metropolitan Police Service (MPS) are seeking to award 6 contracts for the purchase of Response Vehicles via the Crown and Commercial Services (CCS) Vehicle Purchase Framework Agreement.

- The framework period is from 2nd December 2014 to 1st December 2018 and the contracts are within the technical and financial scope of the framework.
- The duration of the contracts will be 48 months commencing in July 2018.
- The contracts are valued at £15.9M in total.
- This remains affordable within the overall approved Fleet Capital Programme 2017/18 to 2021/22.
- Approval to initiate procurement action was granted by the Deputy Mayor for Policing and Crime on October 2016, as part of the MPS Vehicle Replacement Programme 2017/18.
- Through the procurement activity of a mini-competition, contract savings of £1.3M have been achieved over the standard CCS pricing framework.

Recommendations:

The MPS Portfolio & Investment Board (PIB) is asked to:

1. **Approve the submission of the report and seek approval from the Deputy Mayor for Policing and Crime to award these contracts.**

If supported by the MPS Portfolio & Investment Board, the Deputy Mayor for Policing and Crime, via the Investment Advisory Board (IAB), is asked to,

Approve the award of contract to be funded from the approved Fleet Capital Programme 2017/18 to 2021/22, for a four year period commencing July 2018 to:

1. **BMW UK Ltd for £5.5M for the purchase of Response Cars.**
2. **Ford Motor Company Plc for £4.8M for the purchase of Response Vehicles.**

3. General Motors UK Limited for £3.8M for the purchase of Response Cars.
4. Mitsubishi Motors in the UK for £0.75M for the purchase of Response Cars.
5. Hyundai Motor UK Ltd for £0.66M for the purchase of Response Cars
6. Volkswagen Group UK Ltd for £0.37M for the purchase of Response Cars.

Time sensitivity

A decision is required from the Deputy Mayor for Policing and Crime by Friday 13th July 2018. This is to allow sufficient time to complete the required commercial activity and award contracts to facilitate the timely replacement of the fleet.

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

Introduction and background

1. These contracts will facilitate the purchase of replacement vehicles within 2018 and will enable Fleet Services to deliver operational vehicles as required to support the Vehicle Replacement Programme.
2. The DMPC approved the procurement initiation in October 2016 (PCD65) as part of the MPS Vehicle Replacement Programme 2017/18 and in September 2017 (PCD254) as part of the MPS Vehicle Replacement Programme 2018/21.

Issues for consideration

3. This information is contained in the restricted section of this report.

Contributes to the MOPAC Police & Crime Plan 2017-2021¹

4. The MPS operates a fleet of cars, vans, minibuses, motorcycles, large goods vehicles, marine vessels, along with items of plant and equipment. The fleet is supported by 2,067 pedal cycles, which are predominantly allocated to Territorial Policing.
5. The Fleet profile and distribution across operational business groups supports the Police and Crime Plan and enables the MPS to have a mobile workforce, which is capable of;
 - a) Responding to incidents
 - b) Protecting victims and vulnerable people
 - c) Transporting officers and equipment across London and the UK
6. In order to ensure a better police service for London the MPS is committed to;
 - a) Delivering policing where and when Londoners need it, in their communities, on the move, online at night and work
 - b) Increase protection for victims and vulnerable people

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

- c) Ensure the MPS meets its national and international strategic policing requirements
- d) Keeping children and young people safe
- e) Tackling violence against women and girls
- f) Standing together against hatred, intolerance and extremism

Air Quality Strategy

- 7. Fleet Services are soon to publish an Air Quality Strategy 2017-2020 which will support the Mayor's commitment to improve air quality in London and compels the MPS to deploy over 550 ultra-low emission vehicles across the Fleet by 2020. It is recognised that due to the varied and fast pace nature of policing, there is no single technology type that will meet all our requirements. As a result we have developed a mosaic approach and all fuel types and propulsion methods will be considered.
- 8. The introduction of the 550 ultra-low emission vehicles will be implemented in three phases and the first will target the five Mayor's Low Emission Neighbourhoods so that the MPS will contribute to tackling local air quality issues.
- 9. The tender is enabled to allow the MPS to take advantage of any new engine technology such as alternative fuels or those with a lower environmental impact.
- 10. The fuel and emission strategy adopted for this tender was to separate the Lots on the basis of fuel type and Co2 emission limits as follows:
 - a) Lots 1, 2, 3 & 4 were stipulated to utilise petrol/electric hybrids or petrol.
 - b) Lot 5 petrol/electric hybrid was stipulated.
 - c) Lot 6, 7 & 8 it was necessary to award to diesel variants as the market is not yet able to support petrol or petrol electric hybrids with the required levels of performance at this time.
- 11. The result of the tender is as follows;
 - a) Up to 32 Petrol Electric Hybrid Vehicles capable of zero emissions.
 - b) Up to 751 petrol vehicles with an average NOx reduction of 60% over previous diesel models.
 - c) Up to 291 diesel vehicles with a NOx reduction of 55% over previous Euro 5 models.
- 12. As part of this strategy, approximately 600 electric charge points will be installed across the estate over a three year period. In conjunction with the Estates Engineering Team, work is underway to commence installation at Phase 1 sites and will be planned to coincide with delivery of operational vehicles. Funding of the infrastructure is incorporated in the approved Fleet Capital Programme 2017-18 to 2021-22.

Procurement Strategy

- 13. The procurement strategy was to conduct a mini-competition through the Crown

Commercial Services (CCS) Vehicle Purchase Framework RM1070 that was established in December 2014 and is valid until December 2018. The MOPAC are identified as an eligible user of the framework by reference to it in the OJEU notice 2015/S 008-009193. The requirement set out in this report is within the financial and technical scope of the framework. The procurement strategy has complied with the purchasing procedures set out in the framework.

14. The Framework consists of a total of 41 suppliers split through 9 lots and allows MOPAC as a participating authority to complete a call off agreement via a direct award or through mini competitions. This allows the business to be flexible and approach each procurement activity according to fleet category and demand.

Tendering Process

15. For the purpose of this procurement, the operational requirements have been subject to a comprehensive review, in consultation with operational officers and the technical requirements for the duty have been confirmed.
16. The technical and commercial criteria was published on the CCS Framework Bluelight, EU Supply tendering portal by Procurement Services.
17. The technical responses were evaluated by Fleet Services to identify a short list of compliant suppliers.
18. The commercial responses were then evaluated to rank the compliant Bidders using a whole life costing matrix to obtain the best value submissions in each Lot.
19. To ensure resilience within the operational roles three Lots were split and awarded equal volumes as below:
 - a. Lot 1 - Medium Car Response the value was split equally across the top three suppliers.
 - b. For the Lot 2 - Medium Car Response Estate, the value was split equally across the top two suppliers.
 - c. For the Lot 3 - Medium Car Response MPV, the value was split equally across the top two suppliers.
20. The suppliers were ranked as per Table 6.

Financial Implications

21. These contracts are valued at £15.9M over the four year period and is within the initial value approved by the DMPC in October 2016 and September 2018.
22. The vast majority of the spend for these tenders will be incurred in the 2018/19 FY with the four year contract allowing for us to continue purchasing if requirements change and will allow the phased introduction of the Plug in Hybrid vehicles in line with the roll out of charging points when agreed.
23. Through the procurement activity of a mini-competition, contract savings of £1,282,990 have been achieved over the standard CCS pricing framework.
24. The funding for these contracts is incorporated in the approved Fleet Capital Programme 2017-18 to 2021-22.

25. Value for Money information is contained in the Restricted Section of the report.

Legal Comments

26. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (the Regulations). When awarding public contracts for goods and services valued at £181,302 or above, all contracting authorities must do so in accordance with the Regulations.
27. This report confirms the tender detailed exceeds the above threshold. Consequently, the Regulations will apply to this requirement. This report identifies the Crown Commercial Services (CCS) framework agreement as its preferred procurement route. A compliantly procured framework agreement is a compliant route to market on the basis the framework is still in force, the MOPAC is identified as an eligible user of the framework, the MOPAC's requirements are within the technical and financial scope of the framework and the call-off procedure set out in the framework is followed. The Procurement Strategy and Tendering Process sections to this report confirm that the above are met.
28. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent requires that approval is obtained by the Deputy Mayor for Policing and Crime (DMPC) for all requests to go out to tender for contracts of £500,000 or above.
29. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent to award all contracts with the exception of those called in through the agreed call in procedure. Paragraph 4.14 provides that the DMPC reserves the right to call in all contract awards of £500,000 or above.

Equality and Diversity Implications

30. The CCS Framework (RM1070) for Vehicle Purchase Agreements supports public sector bodies in being able to contract award ensuring Responsible Procurement has been considered. By utilising the framework the MPS benefits from being part of a national procurement solution but also ensures that it is supporting local economies and SME's. The suppliers on the framework are supporting public sector bodies through various approaches such as apprenticeship schemes where some lead into fulltime employment, supporting localised charities and SMEs for purchase of goods and/or services.
31. There are no negative equality or diversity implications arising from this procurement process. The Call Off agreement for the purchase of vehicles ensures suppliers adhere to perform their obligations in accordance with equality law
32. To cater for the diverse workforce the technical criteria included a requirement for a range of adjustments in the following areas to accommodate a wide range of drivers and passengers;
- Seat height and travel
 - Lumber support
 - Steering column height and reach

33. Inclusion, diversity and equality screening section detailed at Table 4.

Real Estate Implications

34. Fleet Services have engaged with the Real Estate team and have developed a plan to roll out 600 electric and hybrid vehicle chargers across the estate, over the next three years. The deployment of hybrid electric vehicles will be aligned with the installation of chargers.

Environmental Implications and Compliance with Ultra Low Emission Zone

35. The MPS operates in line with its Environment Policy and the procurement of new vehicles will continue to support the MPS in the implementation of the MPS Environment and Sustainability Strategy 2017-2021 (draft) objectives around air quality and reducing carbon emissions, as aligned to the London Environment Strategy.

36. The implementation of the Ultra-Low Emission Zone is scheduled to be brought forward by 17 months to April 2019 and will affect all vehicles travelling within the existing congestion charge zone.

37. The emission standards required of the Zone can be met by operating Euro 4 Petrol vehicles. The vehicles detailed within this tender will ensure that the non-compliant fleet is replaced with either zero emission or Euro 6 petrol vehicles and will ensure compliance with the zone.

38. With advancements in engine emission technology the new vehicles detailed within this tender offer a significant reduction in harmful pollutants over the previous vehicles in operational use. There will therefore be positive environmental impacts associated with the renewal process which are outlined in the environmental implications in Table 7.

39. Fleet Services continue to reuse vehicle parts internally prior to external recycling and disposal as per the objectives within the MPS Environment and Sustainability Strategy 2017-2021 (draft), resulting in significant savings to the MPS annually and this will be continued within this contract. The reuse of MPS vehicle parts for is to be captured and reported on an annual basis

Background/supporting papers

Part 2 Appendix 1

Table 1 - Procurement Route

Table 2 - Framework Agreement

Table 3 - Tender Information

Table 4 - Responsible Procurement

Table 5 - Contact Information

Table 6 - Tender Results

Table 7 - Environmental Implications

Report author: Jiggs Bharij, Head of Fleet Services

