

DMPC Decision – PCD 612

Title: Vehicle Conversion, Decommissioning, and Disposal Contracts

Executive Summary:

The MPS current vehicle conversion, decommissioning, and disposal contracts expire in 2020 and 2021. This report seeks approval to initiate procurement action for new contracts to provide service continuity.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

- Approve the procurement strategy for vehicle conversion, decommissioning, and disposal.
- Approve the initiation of procurement action for vehicle conversion and decommissioning contracts with a duration of seven years and estimated value of £84.0m, funded from approved budgets.
- Approve the initiation of procurement action for vehicle disposal contracts with a duration of four years and estimated value – including buyers' fees, sellers' fees, and vehicle sale prices – of £37.6m, funded from approved budgets, and delegate authority to approve the award of these contracts to the Director of Commercial Services.

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 Kende

Date

19/7/19

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

1. Introduction and background

- 1.1. Fleet vehicles are converted with specialist equipment to make them suitable for police use and decommissioned at the end of their life. Fleet and seized vehicles are disposed through auction, scrappage, or breakage to generate income.

2. Issues for consideration

- 2.1. The vehicle conversion and decommissioning contract with Babcock Vehicle Engineering Ltd expires on 31 October 2020. The vehicle disposal contracts with John Pye & Sons Ltd, Recycling Lives Ltd, and Synetiq Ltd expire on 31 May 2021. Approval is sought to initiate procurement action to provide service continuity.
- 2.2. In accordance with their new operating models being developed through the Operational Support Services Programme, Fleet Services and Vehicle Recovery and Examination Services will now share vehicle disposal contracts.
- 2.3. The vehicle conversion, decommissioning, and disposal contracts will include stringent health and safety requirements. Tenders will be evaluated accordingly. The running of the procurements themselves has no significant health and safety impacts.
- 2.4. Tenders will be evaluated for environmental impact. This will include a review of contractor policies, licenses, permits, and consignment notes where relevant, particularly for the vehicle disposal requirements for scrappage and breakage.

3. Financial Comments

- 3.1. Spend on vehicle conversion and decommissioning will be in accordance with approved budgets. Vehicle disposal generates income, with sellers' fees deducted from this and buyers' fees paid in accordance with established market practice.
- 3.2. Vehicle conversion and decommissioning contracts with a duration of seven years are estimated to cost £84.0m, funded from approved budgets.
- 3.3. Vehicle disposal contracts with a duration of four years with an estimated value – including buyers' fees, sellers' fees, and vehicle sale prices – of £37.6m, funded from approved budgets, and delegate authority to approve the award of these contracts to the Director of Commercial Services

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, which apply to the contracts to be procured as their values are £181,302 or above.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Consent and Delegation provides that the Deputy Mayor for Policing and Crime has delegated authority to approve the procurement

strategy and requests to go out to tender for contracts of £500,000 or above, as is the case with these contracts.

5. GDPR and data privacy comments

- 5.1 A Data Protection Impact Assessment has been undertaken with support from the Information Assurance Unit.

6. Equality Comments

- 6.1 An Equality Impact Assessment has been undertaken with support from the Strategic Diversity and Inclusion Team.

7. Background/supporting papers

- 7.1 None

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

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.

✓

GDPR/Data Privacy

- GDPR Data Protection Officer has been consulted on the GDPR issues within this 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 have 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

18/7/19



**Vehicle Conversion, Decommissioning, and
Disposal Contracts Business Justification Paper**

**Portfolio and Investment Board on 9 July 2019
Investment Advisory and Monitoring Meeting on 18 July 2019**

**Report by Assistant Commissioner Nick Ephgrave,
Met Operations on behalf of the Deputy Commissioner**

Part 1 – This section of the report will be published by MOPAC

EXECUTIVE SUMMARY

Current vehicle conversion, decommissioning, and disposal contracts expire in 2020 and 2021. Approval is sought to initiate procurement action for new contracts to provide service continuity.

Recommendations

Portfolio and Investment Board and the Deputy Mayor for Policing and Crime are asked to:

1. Approve the procurement strategy for vehicle conversion, decommissioning, and disposal.
2. Approve the initiation of procurement action for vehicle conversion and decommissioning contracts with a duration of seven years and estimated value of £84.0m, funded from approved budgets.
3. Approve the initiation of procurement action for vehicle disposal contracts with a duration of four years and estimated value – including buyers' fees, sellers' fees, and vehicle sale prices – of £37.6m, funded from approved budgets, and delegate authority to approve the award of these contracts to the Director of Commercial Services.

Time sensitivity

A decision is required from the Deputy Mayor for Policing and Crime by 5 August 2019 to allow the Project to progress at pace and not hinder implementation.

Background

1. Fleet vehicles are converted with specialist equipment to make them suitable for police use and decommissioned at the end of their life. Fleet and seized vehicles are disposed through auction, scrappage, or breakage to generate income.

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Issues for consideration

2. The vehicle conversion and decommissioning contract with Babcock Vehicle Engineering Ltd expires on 31 October 2020. The vehicle disposal contracts with John Pye & Sons Ltd, Recycling Lives Ltd, and Synetiq Ltd expire on 31 May 2021. Approval is sought to initiate procurement action to provide service continuity.
3. In accordance with their new operating models being developed through the Operational Support Services Programme, Fleet Services and Vehicle Recovery and Examination Services will now share vehicle disposal contracts.

Financial comments

4. Spend on vehicle conversion and decommissioning will be in accordance with approved budgets. Vehicle disposal generates income, with sellers' fees deducted from this and buyers' fees paid in accordance with established market practice.

Legal comments

5. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015, which apply to the contracts to be procured as their values are £181,302 or above.
6. Paragraph 4.13 of the *MOPAC Scheme of Consent and Delegation* provides that the Deputy Mayor for Policing and Crime has delegated authority to approve the procurement strategy and requests to go out to tender for contracts of £500,000 or above, as is the case with these contracts.

GDPR and data privacy

7. A Data Protection Impact Assessment has been undertaken with support from the Information Assurance Unit.

Equality and diversity implications

8. An Equality Impact Assessment has been undertaken with support from the Strategic Diversity and Inclusion Team.

Background and supporting papers

9. *Vehicle Conversion, Decommissioning, and Disposal Contracts Business Justification Paper*, which is not suitable for MOPAC publication. Disclosure under the Freedom of Information Act 2000 is exempt by section 43(2). Confidentiality should be reviewed after 2028, the expected end of life of the longest contract.

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