

**REQUEST FOR DMPC DECISION – PCD 470****Title: Supply of Ammunition****Executive Summary:**

The paper details the request for a single tender actions to commence in order to award contracts to providers for continuous supply of existing Ammunitions.

This requirement is essential to ensure that to SCO19 can effectively meet and sustain the operational and training demands for ammunition supplies to Firearm Commands for the next two-three years, whilst a procurement strategy is planned and executed.

Approval is sought to award these contracts using the negotiated procedure without prior publication for the medium term to bridge the gap and ensure continuous supply of training and operational ammunition whilst a Procurement strategy is developed and tenders processes executed. All interim contracts will have flexibility in their terms and have clauses for termination for convenience in light of the potential contract awards from the planned competitive tender processes.

Awarding contracts for an agreed period will add value by ensuring a fixed pricing for ammunition, volume discounts and shorter lead times. The longer-term contracts equally allows resilience and contingency to be built in should there be any surges in demand and allows better management controls for any quality issues with batches.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

- Approve the award of four separate contracts for a variety of mixed calibre ammunitions (Operational, Training and Specialist Training) for 2-year initial terms with options to extend for 12 months. The estimated contract values are;
  - £1.164m
  - £0.630m
  - £3.456m
  - £1.290m

Details of ammunitions are included in the exempt part of the report.

- To note the intentions for establishing a Memorandum of Understanding (MOU) with the Ministry of Defence (MOD) to allow the MPS to purchase their Ammunition and Explosive Goods where practical.

**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**

*Seamus Henden .*

**Date**

*15/10/2018*

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

### **Decision required – supporting report**

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

- 1.1. This requirement is essential to ensure that to SCO19 can effectively meet and sustain the operational and training demands for ammunition supplies to Firearm Commands for the next two-three years, whilst a procurement strategy is planned and executed.
- 1.2. Nationally the increase in Counter Terrorist Specialist Firearms Officers (CTFSO) continues to grow, which adds additional demand on the MPS for the provision of National CTFSO training. Additionally the implementation of new specialist capabilities enabled by the firearms uplift also attracts further ammunition use across the armed workforce.

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

- 2.1. SCO19 use over thirteen different types of weapons systems for operations and training together with in excess of twenty different types of ammunitions. This a complex and intricate subject to be fully appreciated and is certainly not a case of one size fits all as different calibers are needed to suit the weapon system and situations they are to be used in.
- 2.2. This approval is sought to award these contracts using the negotiated procedure without prior publication for the medium term to bridge the gap and ensure continuous supply of training and operational ammunition whilst a Procurement strategy is developed and tenders processes executed. All interim contracts will have flexibility in their terms and have clauses for termination for convenience in light of the potential contract awards from the planned competitive tender processes.

#### **3. Financial Comments**

- 3.1. This will be funded from existing revenue budget of £3m.

#### **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 (PCR 2015).
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent (the Scheme) requires that approval is obtained by the Deputy Mayor for Policing and Crime (DMPC) for all contract exemptions for £100,000 and above.
- 4.3. Regulation 32 of the PCR 2015 details the circumstances when the negotiated procedure may be used without prior publication.

- 4.4. DLS confirms that the recommendations can be approved on the basis that the most appropriate exemption has been relied upon. Further legal information is contained in the exempt section of the report.

## **5. GDPR and Data Privacy**

- 5.1. The programme does not use personally identifiable data of members of the public therefore there are no GDPR issues to be considered.

## **6. Equality Comments**

- 6.1. There are not any negative equality or diversity implications arising from this proposal.

## **7. Background/supporting papers**

- 7.1. 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

**ORIGINATING OFFICER DECLARATION**

	<i>Tick to confirm statement (✓)</i>
<b>Financial Advice:</b> The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
<b>Legal Advice:</b> The MPS legal team has been consulted on the proposal.	✓
<b>Equalities Advice:</b> Equality and diversity issues are covered in the body of the report.	✓
<b>GDPR and Data Privacy</b> A DPIA is not required at this stage, but will be completed where required for constituent elements of the programme as it develops.	✓
<b>Head of Unit:</b> The 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** 11/10/2018



MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

## Supply of Ammunition

MOPAC Investment Advisory Meeting 27<sup>th</sup> September 2018

Report by Chief Superintendent Andy Walker 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

The paper details the request for a single tender actions to commence in order to award contracts to providers for continuous supply of existing Ammunitions.

This requirement is essential to ensure that to SCO19 can effectively meet and sustain the operational and training demands for ammunition supplies to all seven Firearm Commands for the next two-three years, whilst a procurement strategy is planned and executed.

Awarding contracts for an agreed period will add value by ensuring we have fixed pricing for ammunition, volume discounts and shorter lead times. There is also opportunity to implement planned delivery schedules to fit into our training schedule. The longer-term contracts equally allows resilience and contingency to be built in should there be any surges in demand and allows better management controls for any quality issues with batches.

## 1. Recommendations

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

- Approve the award of four separate contracts for a variety of mixed calibre ammunitions (Operational, Training and Specialist Training) for 2-year initial terms with options to extend for 12 months. The estimated contract values are;
  - £1.164m
  - £0.630m
  - £3.456m
  - £1.290m

Details of ammunitions are included in the exempt part of the report.

- To note the intentions for establishing a Memorandum of Understanding (MOU) with the Ministry of Defence (MOD) to allow the MPS to purchase their Ammunition and Explosive Goods where practical.

### **Time sensitivity**

A decision is required from the Deputy Mayor by 1<sup>st</sup> October 2018. This is because existing supply arrangements will expire.

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

## **2. Introduction and background**

- 2.1 This requirement is essential to ensure that to SCO19 can effectively meet and sustain the operational and training demands for ammunition supplies to all seven Firearm Commands for the next two-three years, whilst a procurement strategy is planned and executed.
- 2.2 The MPS Armed Response Vehicle (ARV) Police Officers are specially trained to identify, locate and confront any maurading terrorist threats. Recent attacks in London, including London Bridge (June 2017) and Palace of Westminster (August 2018) highlights the ongoing risk of such a threat is real. With the UK's current threat level remaining at 'Severe', it still highly likely that there could be further attacks on London and across the UK.
- 2.3 In the last two years the demands for ammunition have increased significantly since the firearms uplift in capability began in 2016. The number of ARV Officers within the new course and re-accreditaion training remains high and is not likely to decrease as we seek to sustain suitable officer numbers to provide the armed response the capital deserves.
- 2.4 Nationally the increase in Counter Terrorist Specialist Firearms Officers (CTFSO) continues to grow which adds additional demand on the MPS for the provision of National CTFSO training. Additionally the implementation of new specialist capabilities enabled by the firearms uplift also attracts further ammunition use across the armed workforce.
- 2.5 The MPS firearms training facilities are operating above full capacity to ensure that the firearms uplift capabilities can be fully achieved. The Firearms Officer training is managed by SCO19, who are the gate keepers for all our weapons and firearms decisions. They set the standards and provide the training for all MPS Armed Policing resources including the CTFSO's and the majority of the necessary counter terrorist speciliast training for the other UK regions on behalf of National Armed Policing to develop a coordinated CTSFONetwork.
- 2.6 SCO19 are currently scheduled to train in excess of 3000 Armed Police Officers per annum (pa). These firearms training programmes are intensive courses that last up to 20 weeks depending on their role profile. Once an Armed Police Officer completes their training they are obliged to complete continious refresher training which can be as broad as bi-monthly to Quarterly throughout their career. This equates to between approximately 40-250 hours of training pa (depending on role profile). Given the uplift programme has more than double the number of Firearms Officers, this has significantly increased the demand for continious training to sustain those numbers.
- 2.7 Firearms Training is complex and covers basic to advanced levels. Each MPS firearms training course is paramount to ensure that Officers learn how to use a range of weaponry in isolation and in conjunction with their tactics and experience firing both live, blank and marking rounds from a range of weapons systems.



- 2.8 For realistic training, the MPS Firearm ranges have always been fully equipped with a wide range of targetry to enhance the training experience and help prepare the officers for close quarter armed combat as we have seen during the 2017 terror attacks. This targetry requires alternate ammunitions for safe use which adds additional further volume.

### **3. Issues for consideration**

- 3.1 SCO19 use over thirteen different types of weapons systems for operations and training together with in excess of twenty different types of ammunitions. This a complex and intricate subject to be fully appreciated and is certainly not a case of one size fits all as different calibers are needed to suit the weapon system and situations they are to be used in.
- 3.2 The ammunition category is unique to majority of products that the MPS purchase and the market is complex and has various fractions that can influence our supply chain. Due to the nature of the goods, pricing can be subject to price fluctuations and exchange rates until it is agreed.
- 3.3 A full OJEU tender process for ammunitions is resource intensive, requires market engagement, high level of technical preparation, extensive evaluation and user trials and specialise expertise.

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

- 4.1 Approving the MPS Firearms uplift was one of the Mayor's first actions and this requirement provides sustainability for that increased capability.
- 4.2 This requirement contributes to the delivering safety and security perception as having visible armed police officers in front line services, provides reassurances to the public, especially at vulnerable places i.e. London airports and public events.

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

#### **5.1 Financial**

An approved budget of £3m has been allocated by SCO19 and approved by MPS finance.

#### **5.2 Commercial**

- i. There are limited options in terms of the procurement route due to the necessity to ensure operational effectiveness, compliance with known and tested capability and interoperability with existing weaponry.
- ii. This approval is sought to award these contracts using the negotiated procedure without prior publication for the medium term to bridge the gap and ensure continuous supply of training and operational ammunition whilst a Procurement strategy is developed and tenders processes executed. All interim contracts will have flexibility in their terms and have clauses for termination for convenience in light of the potential contract awards from the planned competitive tender processes.

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

- iii. Awarding these interim contracts for an agreed period will achieve better value for money by ensuring we have fixed pricing for ammunition, volume discounts and shorter lead times. It is hope to achieve cost avoidance savings against current spot-buying pricing.
- iv. Going forward a competitive tender process is underway with tender documentation being prepared. A further market engagement by form of a Prior Information Notice will be published in September 2018 to forwarn the market to anticipate the first tender will be published late 2018. The new tender strategy plans to separate training and operational ammunition requirements thus ensuing competitive pricing can be gained in each area. Additionally it is hoped some of the contracts will be national framework which will benefit from economies of scale and allow access for wider UK Armed Policing.
- v. Collaborative opportunites are activiely being sought with the MOD. MPS Commercial team are currently in dialogue with MOD Commercial team to seek where possible, for the MPS to be named in future MOD contracts and OJEU Tender Notices .This will mean that the MPS can access the market in a compliant manner without the cost or complexity of running our own OJEU tender process.

## **6. Legal Comments**

- i. The Mayor's Office for Policing and Crime (MOPAC) is a contracting authority as defined in the Public Contracts Regulations 2015 (PCR 2015).
- ii. Regulation 32 of the PCR 2015 details the circumstances when the negotiated procedure may be used without prior publication. This includes Regulation 32(5) which states that:

32.—(5) The negotiated procedure without prior publication may be used for public supply contracts—

  - (b) for additional deliveries by the original supplier which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations where a change of supplier would oblige the contracting authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance.
- iii. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent (the Scheme) 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.
- iv. The obligation to obtain Value for Money in public contracts is addressed by the steps taken at paragraph 5.2(iii) above.
- v. DLS confirms that the recommendations can be approved on the basis that the most appropriate exemption has been relied upon. Further legal information is contained in the exempt section of the report.

## **7. Equality Comments**

- i. There are not any negative equality or diversity implications.

**8. Privacy Comments**

- i. The DPIA is focused exclusively on the processing of personal data or special category data for MPS personnel [officers and staff] deployed or connected otherwise with armed policing. Therefore, the DPIA screening has determined that this is not applicable to this submission.
- ii. Commercially sensitive information is contained within the Pt 2 document.

**9. Real Estate Implications**

- i. A training ammunition has been designed by the MPS to reduce key characteristics that would now permit that calibre to be used within existing specialist firearms range infrastructure. This provides an MPS training cost avoidance saving of approximately £1.5m that would have been required to change current firearms range infrastructure if this ammunition had not been designed.
- ii. The implementation of frangible training ammunition should reduce unavoidable damage to range bullet traps.
- iii. The introduction of nontoxic / lead free ammunition should reduce range maintenance costs in the longer term

**10. Environmental Implications**

- i. The implementation of nontoxic / lead free training ammunition will improve the air quality on MPS firearms ranges. There is a negative effect on the air quality within the range due to ammunition components that contain lead and expulse hot gases and unburnt powder upon discharge. The training ammunition requested will provide a cleaner air and healthier environment for all persons using range facilities with or without forces air extraction.
- ii. Lead free bullets will negate the harmful waste material obtained for disposal during routine range safety maintenance.

**11. Background/supporting papers**

None.

Report author: SCO19 Chief Inspector

**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 Ammunition is exempt from publication for the following reasons:

- i. It contains commercially sensitive information.

**OFFICIAL - PUBLIC**

The paper will cease to be exempt in 2027 after the contract has been awarded, concluded and retained for a minimum of 6 years according to the MPS Records Management Policy.