

REQUEST FOR DMPC DECISION – PCD 455**Title: Ultra Low Emission Non-Response Cars- Contract Award****Executive Summary:**

The Metropolitan Police Service (MPS) are seeking to award three contracts for the purchase of Ultra Low Emission Cars via the Crown and Commercial Services (CCS) Vehicle Purchase Framework Agreement. 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.

The fuel and emission strategy adopted for this tender was to target Plug-in Hybrid Electric Vehicle (PHEV) technology. This contract award supports the Mayor's London Environment Strategy 2018, in particular the MPS commitment to working towards all general purpose cars being zero emission capable by 2025. This also supports the Mayor's commitment to improve air quality in London and for the MPS to deploy over 550 ultra-low emission vehicles across the fleet by 2020.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

- Approve the award of contracts for the purchase of Ultra Low Emission Non Response Cars to be funded from the approved Fleet Capital Programme 2018/19 to 2021/22, for a four year period commencing September 2018 to
 1. BMW UK Ltd for £3,125,000
 2. Colt Car Company (Mitsubishi) for £937,500
 3. Toyota GB PLC for £2,187,500

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 Henderson***Date***02/10/2018*

PART I - 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.
- 1.2. The DMPC approved the procurement initiation in September 2017 (PCD254) as part of the MPS Vehicle Replacement Programme 2018 to 2021.

2. Issues for consideration

- 2.1. The fuel and emission strategy adopted for this tender was to target Plug-in Hybrid Electric Vehicle (PHEV) technology, this provides vehicles with a similar geographic range to petrol and diesel vehicles removing some of the range anxiety experienced with electric only propulsion.
- 2.2. This contract award supports the Mayor's London Environment Strategy 2018, in particular the MPS commitment to working towards all general purpose cars being zero emission capable by 2025. This also supports the Mayor's commitment to improve air quality in London and for the MPS to deploy over 550 ultra-low emission vehicles across the fleet by 2020.

3. Financial Comments

- 3.1. The contracts are valued at £6.25M over the four year period and are within the initial value approved by the DMPC in September 2017 (PCD254). The tender allows for the MPS to determine the volumes to be purchased to meet operational requirements.

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. The report confirms the values of the proposed contracts exceed this threshold. Accordingly, the Regulations are engaged.
- 4.2. The report confirms the MOPAC is identified as an eligible user of the proposed framework, the MOPAC's requirements are within the technical and financial scope of the framework and the call-off procedures set out in the framework have been followed.
- 4.3. 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.

5. Equality Comments

- 5.1. There are no negative equality or diversity implications arising from this procurement process.

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

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 *02/10/2018*



ULTRA-LOW EMISSION NON-RESPONSE CARS – CONTRACT AWARD

MOPAC Investment Advisory Meeting 30th August 2018

Report by Assistant Commissioner Sir Stephen House, Met Operations 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 three contracts for the purchase of Ultra Low Emission Cars via the Crown and Commercial Services (CCS) Vehicle Purchase Framework Agreement.

- The framework period is from 2nd December 2014 to 1st December 2018, the contract is within the technical and financial scope of the framework.
- The duration of the three contracts will be 48 months commencing in September 2018.
- The contract is valued at £6.25M.
- 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 in September 2017, as part of the MPS Vehicle Replacement Programme 2018 - 2021.
- Through the procurement activity of a mini-competition, contract savings of £30,331 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 meeting (IAM), is asked to:

Approve the award of contracts for the purchase of Ultra Low Emission Non Response Cars to be funded from the approved Fleet Capital Programme 2017/18 to 2021/22, for a four year period commencing September 2018 to:

1. **BMW UK Ltd for £3,125,000**
2. **Colt Car Company (Mitsubishi) for £937,500**

3. Toyota GB PLC for £2,187,500

Time sensitivity

A decision is required from the Deputy Mayor for Policing and Crime by Friday 14th September 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 September 2017 (PCD254) as part of the MPS Vehicle Replacement Programme 2018 to 2021.

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
 - 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

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

- f) Standing together against hatred, intolerance and extremism

Air Quality Strategy

7. Fleet Services have published an Air Quality Strategy 2017-2020 that supports 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, and aligns to the London Environment Strategy and the MPS Environment Policy. 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. As part of our commitment to the London Environment Strategy May 2018, we have committed to the following air quality aspirations which will provide a longer term road map to reduce the emissions from our fleet and we will work towards achieving;
 - a) All general purpose cars being zero emission capable by 2025
 - b) All new cars and vans (less than 3.5 tonnes), including response vehicles, being zero emission capable from 2025
 - c) All heavy vehicles (greater than 3.5 tonnes) being fossil fuel-free by 2030
 - d) All vehicles operated being zero emission by 2050
10. The fuel and emission strategy adopted for this tender was to target Plug-in Hybrid Electric Vehicle (PHEV) technology, this provides vehicles with a similar geographic range to petrol and diesel vehicles removing some of the range anxiety experienced with electric only propulsion.
11. The purchase of vehicles from this tender will facilitate the replacement of a significant proportion of the general purpose fleet meeting the zero emission capable target ahead of the 2025 deadline. These vehicles meet the requirements to qualify as a Ultra-Low Emission Vehicles and produce less than 75g/km of Co2 and can travel in excess of 20 miles in zero emission mode.

Procurement Strategy

12. 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.
13. 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.

14. MOPAC are signatories to the GLA Responsible Procurement Policy expects our supply chain to adhere to the requirements and we ensure that all suppliers have demonstrated this in their method statements at tender stage. The encompasses six themes:
- Enhancing social value
 - Encouraging equality and diversity
 - Embedding fair employment practices
 - Enabling skills, training and employment opportunities
 - Promoting ethical sourcing practices
 - Improving environmental sustainability - This includes a requirement to have in place a waste management policy, carbon reduction objectives and a commitment to reducing water consumption through their operations.

Tendering Process

15. The Invitation to Tender (ITT) was issued to all 22 eligible suppliers on Lot 1 of the CCS Framework on 10th July 2018, with responses to be submitted by 27th July 2018.
16. 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.
17. The technical and commercial criteria was published on the CCS Framework Bluelight, EU Supply tendering portal by Procurement Services.
18. The technical responses were evaluated by Fleet Services to identify a short list of compliant suppliers.
19. 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.
20. The supplier details can be found in Table 6.

Financial Comments

21. The contracts are valued at £6.25M over the four year period and are within the initial value approved by the DMPC in September 2017 (PCD254).
22. The tender allows for the MPS to determine the volumes to be purchased to meet operational requirements. The tender will allow the phased implementation of Plug-in Hybrid Electric Vehicles (PHEV) to the Non-Response fleet as the existing vehicles reach their optimum point for replacement.
23. Through the procurement activity of a mini-competition, contract savings of £30,331 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. The report confirms the values of the proposed contracts exceed this threshold. Accordingly, the Regulations are engaged.
27. The Procurement Strategy section of this report confirms the MOPAC is identified as an eligible user of the proposed framework, the MOPAC's requirements are within the technical and financial scope of the framework and the call-off procedures set out in the framework have been followed.
28. The Regulations do not specifically comment on the maximum duration of call-off contracts. Guidance issued by the Crown Commercial Services in 2016 provides that call-off contracts based on framework agreements may be for longer than four years and may extend beyond the expiry date of the framework agreement. On this basis the proposal will constitute a compliant route to market.
29. 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.
30. 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

31. 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.
32. There are no negative equality or diversity implications arising from this procurement process. The Call Off agreement for the purchase of hydrogen vehicles ensures suppliers adhere to perform their obligations in accordance with equality law.
33. 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

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

Privacy Comments

35. The MPS' Information Shared Support Unit has been consulted. Completion of the Privacy Impact Screening Questions has confirmed that a Data Protection Impact Assessment (DPIA) is not required.

Real Estate Implications

36. A charging infrastructure strategy is being drawn up to support the deployment of hybrid and electric vehicles across the fleet and a paper is expected to be submitted for approval in autumn 2018.
37. Initially Fleet Services had developed a plan to roll out 600 charging points across the estate over the next three years and are working closely with the Real Estate team to deliver this. A number of challenges have been encountered recently with the rationalisation of the estate and changes to the policing model within both Frontline Policing and Met Operation. More recently UK Power Networks have requested that all installations for fast chargers require approval prior to commencement of work to ensure the correct capacity is available within the network to cater for future demands. Whilst this is in its early stages it is likely to cause significant delays to our plans.
38. The MPS now has access to publically available charging points through Charge Master and Source London and both networks have 1,000s of fast charge points in London and across the UK. It is expected the vehicles purchased through this tender will be able to access these charging points.
39. To support the vehicles within this report which will be used for Non-Response purposes Fleet Services are working with the Real Estate team to evaluate the possibility of installing approximately 350 13A sockets that will allow slower overnight charging. Having analysed the types of vehicles and operational usage this appears to be a feasible solution and could potentially be delivered cheaper than expected.

Environmental Implications and Compliance with Ultra Low Emission Zone

40. The MPS operates in line with its Environment Policy and the procurement of Hydrogen 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.
41. 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.

42. 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 zero emission capable vehicles and will ensure compliance with the zone.
43. The adoption of Plug-in Hybrid Electric Vehicles (PHEV) detailed within this tender will result in a reduction in the emission of 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.
44. 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

Report author: Jiggs Bharij, Head of Fleet Services

