

Nottinghamshire Police and Crime Commissioner
Notice of Decision



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For Decision or Information	Decision
Date received*:	20 th September 2016
Ref*:	2016.042

*to be inserted by Office of PCC

TITLE: AWARD OF FRAMEWORK FOR COVERT VEHICLE HIRE

EXECUTIVE SUMMARY:

1. PURPOSE OF THE REPORT

The purpose of this report is to recommend approval for entering into a framework agreement (against which subsequent Call-Off Contracts will be placed) for the provision of Covert Vehicle Hire Services to the five east midlands region police forces, for which Nottinghamshire Police are the Lead Force in this instance. These services will be provided through the use of two suppliers and at a fixed set of charges for the full period of the framework agreement, which shall be for a period of 4 years, anticipated effective from 1 October 2016 (allowing for Contracts to be signed) to 30 September 2020. No minimum levels of business commitments apply but rather services will only be ordered and subsequently paid for as and when required by a police force.

Additionally in the case of Nottinghamshire Police, Transport have confirmed that sufficient budget exists to cover these services as part of a wider vehicle hire budget inclusive of standard (non-covert) and covert hire.

2. BACKGROUND INFORMATION

The east midlands region of police forces currently have contracts in place with Anglo American, and additionally so with Car Port UK in the case of Northamptonshire Police.

As all five east midlands police forces require these services, it was decided that this requirement would lend itself well to the establishment of a regional framework agreement for all five police forces to subsequently call-off from. Hence the strategic decision to undertake a procurement exercise which would meet Nottinghamshire Police requirements in particular as the largest user of covert vehicle hire in the region but also allow for the setting up of a regional framework broken down into 3 lots as follows:

Lot 1: Hire of motor vehicles for general covert policing purposes, typically of 3 years of age or older;

Lot 2: Hire of motor vehicles for deep covert operations, typically of less than 3 years old;

Lot 3: Hire of motorcycles for covert purposes.

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3. TENDER PROCESS AND ANALYSIS

A thorough and detailed tendering process has been conducted, principally involving EMSCU Procurement, and representatives from all five forces transport departments.

An OJEU Notice and invitation to tender was issued in accordance with the EU Public Procurement Regulations 2015 and the following three suppliers responded by the tender return date:

- Anglo American Filming Vehicles Limited
- Car Port UK Ltd
- Scot Group Ltd T/A Thrifty Car and Van Rental.

A comprehensive tender evaluation exercise was carried out, with all tenders against the following:

- check for completeness of tender responses;
- check for financial and commercial standing, compliance with the proposed framework terms and other mandatory EU issues concerning the legal and economic standing of the organisation;
- technical / service delivery requirements;
- pricing.

Additional face to face clarification meetings were also held post receipt of tenders to ensure there was a complete understanding around the responses particularly in terms of service delivery issues and the capacity / capability of suppliers to perform fully the lots they were applying for. Best and Final Offers were also requested as part of this process. The outcome of these evaluations is shown in the following tables:

Table 1 – Summary of Applications / Final Proposed Awards across all Lots

Tenderer	Lots tendered for	Lots proposed be awarded	Comments
Anglo American Filming Vehicles Limited	Lot 1, 2 and 3	Lot 1 and 3	To be appointed to Lots 1 and 3. Withdrew their application for Lot 2 following further clarification as unable to fully meet the requirements of that Lot.
Car Port UK Ltd	Lot 1	None	Not awarded any Lot; withdrew themselves from the process fully
Scot Group Ltd T/A Thrifty Car & Van Rental	Lots 1 and 2	Lot 2	To be appointed to Lot 2 only. Withdrew their application for Lot 1 following further clarification as unable to fully meet the requirements of that Lot.

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Table 2 - Summary of Evaluation Scores Awarded

		Anglo American	Car Port	Thrifty
Price / Cost (40% Available)	Lot 1 Score %	40.00%	<i>Withdrew from the process</i>	N/A
	Lot 2 Score %	N/A		40.00%
	Lot 3 Score %	40.00%		N/A
Core Service Proposal / Delivery (45% Available)	Lot 1 Score %	32.49%		N/A
	Lot 2 Score %	N/A		34.51%
	Lot 3 Score %	31.00%		N/A
Contract Management/ Customer Support (15% Available)	Score %	9.00%		10.29%
TOTAL	Lot 1 Score %	81.49%		N/A
	Lot 2 Score %	N/A		84.80%
	Lot 3 Score %	80.00%		N/A
FINAL RANKING Lot 1		1	N/A	N/A
FINAL RANKING Lot 2		N/A	N/A	1
FINAL RANKING Lot 3		1	N/A	N/A

Details with regards to financial considerations and savings are contained further on within this Decision Notice.

INFORMATION IN SUPPORT OF DECISION: (e.g report or business case)

None attached but further information as part of the evaluation process and a tender award report can be shared with the OPCC if required.

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FINANCIAL INFORMATION (please include if is it capital or revenue or both. What the split is and the totals being requested. Is this a virement/ something already budgeted for or something that requires additional funding. Are there any savings that can be offered up/or achieved)

In addition to representing the best quality responses received and capable of acceptance in respect of each lots as set out above, Anglo American and Thrifty also appear to represent suitable value for money based on a comparison of the charges submitted for the new contract v those currently being paid, resulting in a small inflationary saving. Whilst it is believed that the two recommended suppliers for the new contract represent value for money, it must nevertheless be born in mind that these only represent evaluated costs based on the making of certain assumptions around future levels of demand. The actual extent of costs and therefore savings achieved over the lifetime of the new contract will depend on the actual level of activity arising under the new contract as managed and monitored by the Force's Transport Departments. A summary of these costs and potential savings is shown in the following tables.

Table 3 - Summary of Evaluation Costs (for all East Midlands police forces over 4 years)

Total Evaluated Cost 4 yrs	Lot 1	Lot 2	Lot 3
Anglo American	£692,070	Not applicable	£4,128
Thrifty	Not applicable	£511,720.42	Not applicable

Table 4 – Estimated Procurement Savings (per annum for Nottinghamshire Police only)

Supplier	Lot	Current Charges / Spend	New Charges / Anticipated Costs	Net Anticipated Savings
Anglo American	1	Current core charges range between £230 and £275 per vehicle per calendar month*.	New core charge for all vehicles (except transit vans in some instances potentially) is a single uniform rate of £250 per vehicle per calendar month*.	Whilst in effect therefore this does not represent any price reduction, pricing however is fixed for 4 years. <u>For Nottinghamshire Police this represents an inflationary saving per annum of circa £1,620</u> based on a current RPI of approx. 1.8%.
Thrifty	2	Spend for 2015/16 identified as £18,604 (currently not spend covered by any formal contract).	Anticipated contract spend per annum for Nottinghamshire Police based on the new charges is £10,947.55.	<u>Amounts to a potential saving per annum for Nottinghamshire Police therefore of £7,656.50.</u>
Anglo American	3	Very minimal volumes and largely a requirement incorporated within the new contract primarily at the request of Northamptonshire Police. No savings to predict therefore in respect of this lot. Spend over the whole region for 4 years only estimated to be circa £4,128 at the maximum for this lot.		

*the monthly hire period charge has been applied for the purposes of estimating savings as both Transport and the current incumbent service provider have confirmed that the monthly hire tem represents the vast majority of hires under the contract. Nottinghamshire Police account for circa 52% of total such hires in the region.

Additional savings may also be realised from this contract in future by the lowering of demand. The figures within Table 3 above are based on an evaluation of the volume levels detailed within our ITT which Tenderers will also have tendered against. The volume levels identified in the case of Lot 1 with Anglo American are circa 25 vehicles per annum whereas current demand is running at circa 40 such vehicles per annum with the same company. The current annual spend against Anglo American is circa £142,517 which compares to an evaluated per annum cost of £89,969.

A lowering of demand may therefore bring about a potential further savings per annum of circa £52,548.

Signature: [REDACTED]
Chief Finance Officer

Date: 27th September 2016

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Is any of the supporting information classified as non public or confidential information**?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If yes, please state under which category number from the guidance**	3			

DECISION:

The recommendation is that Lots 1 & 3 of the framework agreement be awarded to Anglo American Filming Vehicles Limited and Lot 2 to Thrifty Car & Van Rental, as both the 'most economically advantageous tender (M.E.A.T)' capable of acceptance for these lots. Anglo American also represent one of our current incumbent service providers in this area and no significant negative performance issues have been reported by any force which would lead us not to award a further contract to them. Thrifty meanwhile are a national wide company generally involved in vehicle hire.

OFFICER APPROVAL

I have been consulted about the proposals above and confirm that the appropriate 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 Police and Crime Commissioner.

Signature:



Date:

29/9/16

Chief Executive**DECLARATION:**

I confirm that I do not have any disclosable pecuniary interests in this decision and I take the decision in compliance with the Code of Conduct for the Nottinghamshire Office of the Police and Crime Commissioner. Any interests are indicated below:

The above request has my approval.

Signature:



Date:

3/9/16

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** See guidance on non public information