



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: CPC-0001324 approval for the award for the Provision of Fleet Vehicle Tyres			
Title: Provision of Fleet Vehicle Tyres			
Executive Summary: <p>The Police and Crime Commissioner for Cleveland procure the fleet vehicle tyres through a national framework.</p> <p>The Home Office, working with the National Association of Police Fleet Managers (NAPFM) have for many years worked collaboratively to award national contracts and frameworks.</p> <p>This framework has been tendered in partnership with Crown Commercial Service (CCS) and the aggregation of spend has produced the framework for tyres RM3767 which replaces RM955 that expired on 9th October 2016.</p> <p>Following consultation with key stakeholders the need for a single replacement framework agreement was identified which would offer a full range of tyres and associated fitting service to organisations across the public sector.</p> <p>A prior information notice was published on 6th February 2016 (2016/S 026-041554) and notified the market that CCS intended to go to market. The procurement exercise was undertaken using the open procedure and the advertisement was published in the Official Journal of the European Union (OJEU) on the 27th July 2016 (2016/143-259139)</p> <p>Following evaluation and compliance checks the framework was awarded exclusively to Goodyear Dunlop Tyres UK Ltd for the supply of tyres and tyre service.</p> <p>Subject to the PCC's final approval, the new National contract will commence on the 10th October 2016 and is for a four year period.</p>			
Decision: The PCC is asked to approve the procurement methods used and award the contract to Goodyear Dunlop Tyres UK Ltd for a period of four years.			
OPCC Lead Officer: Michael Porter			
Contractor Details (if applicable): Goodyear Dunlop Tyres UK Ltd, Tyre Fort, 94-98 Wingfoot Way, Birmingham B24 9HY			
Implications:			
Has consideration been taken of the following:	Yes	No	
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
(If yes please provide further details below)			

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's CFO where the decision has financial implications)

Year	Estimated volumes (based on 15/16 volumes)	National Contract pricing 2016-2020	'Off contract' price (local service provider)	Potential Cost Saving
2016/2017	1069	£97,755.84	£143,434.20	£45,678.36
2017/2018	1069	£102,643.64	£150,605.91	£47,962.27
2018/2019	1069	£107,925.82	£158,136.21	£50,210.39
2019/2020	1069	£113,322.11	£166,043.02	£52,720.91

The above table highlights the estimated base volume of 1069 tyres per annum for each of the four years of the contract based on 2015/2016 figures, however it should be noted that there may be an overall increase from the base volume figure of 1069 per annum due to the increase in fleet size during 2016/17.

The table also shows a benchmark figure between the National contract and 'off contract' price for each year of the contract period, which is based on the estimated annual volume of 1069 vehicle tyres.

The 2015/2016 pricing shows the 'off contract' average selling price at £131.35 per tyre (Local service provider) and the National contract average selling price at £89.52 per tyre. The pricing difference between both procurement options is comparable over the contract period with an estimated 5% pricing uplift with both the National contract and 'off contract' price.

As highlighted, the vehicle tyres which are available through the National contract are more cost effective than purchasing with a local service provider and would save approximately £196,571.93 for the PCC over the life of the contract.

The current budget for tyre replacement is £120,000.00. Using the new National Contract and the volumes for 2015 / 2016, this budget should be adequate over the next 4 years period.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive is satisfied that this report does not ask the PCC to make a decision which would (or would be likely to) give rise to a contravention of the law.

Equality and Diversity Implications

All bidders were requested to complete an equality and diversity questionnaire as part of the initial tendering process.

Human Rights Implications

There are no Human Rights implications associated with the award of this contract.

Sustainability Implications

There is no sustainability implications associated with the award of this contract.

Risk Management Implications

There is no risk involved in joining the National contract; the recommended bidder is a previous supplier to the Police sector.

However should the situation arise that Goodyear Dunlop cannot supply the Force with tyres, on rare occasions, the National Contract does allow the Force to use another supplier to provide continuity of service.

OFFICER APPROVAL

Monitoring Officer

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed:  Date: 11/1/17

Police and Crime Commissioner:

The above request HAS my approval.

Signed:  Date: 11/1/17



Report of the Chief Constable to the Police and Crime Commissioner for Cleveland – October 2016

Status: For Decision

Procurement Report for the Provision of Fleet Vehicle Tyres

1. Purpose

- 1.1 The purpose of this report is to advise the PCC of the result of the national procurement exercise for the purchase of Cleveland Police fleet vehicle tyres.

2. Recommendations

- 2.1 To agree that the National Contract provides the best value solution for the procurement of fleet vehicle tyres for Cleveland.
- 2.2 To agree the use of the National Contract for the provision of Fleet Vehicle tyres with Goodyear using the CCS Framework for Tyres RM3767.

3. Background

- 3.1 The Home Office working with the National Association of Police Fleet Managers (NAPFM) have for many years worked collaboratively to award National Contracts and Frameworks.
- 3.2 This framework has been tendered in partnership with Crown Commercial Service (CCS) and the aggregation of spend has produced the framework for tyres RM3767 which replaces the existing CCS framework which expired on 09th October 2016.
- 3.3 Following consultation with key stakeholders nationally (NAPFM) the need for a single replacement framework agreement was identified in order to ensure that an offer was available for a full range of tyres and associated fitting services to organisations across the public sector.
- 3.4 A PIN (Prior Information Notice) was published on 6th February 2016 (2016/S 026-041554) and notified the market that Crown Commercial Service intended to go to market in the coming months.
- 3.5 An Industrial Day was held on the 8th March 2016 and was attended by some of the leading tyre suppliers.

- 3.6 The procurement exercise was undertaken using the open procedure and the advertisement was published in the Official Journal of the European Union on the 27th July 2016 (2016/ 143-259139).
- 3.7 Following compliance checks, tenders for each of the respective lots were evaluated in accordance with the published criteria and evaluation guide. The framework Agreement commenced 11th October 2016.
- 3.8 The Police and Emergency Services have a unique lot in this Framework and this is awarded exclusively to Goodyear for the supply of tyres and tyre services.
- 3.9 The bid returns were assessed under the following Lots
- Lot 1 – The supply and fit of tyres and associated services to the blue lights emergency services throughout the UK – including tyres for Cars, on road 4x4's, 4x4's (with off road capability), Vans, Light Commercial Vehicles (LCV's), Heavy Goods Vehicle's (HGV's) and Heavy Commercial Vehicles (HCV's) over 3.5 tonnes, Coaches, Buses and Minibuses, Agrarian Vehicles and motorised / non-motorised bicycles.
 - Lot 2 – The supply and fit of tyres and associated services to the blue lights emergency services, central Government and the wider public sector throughout the UK – including tyres for Cars, on road 4x4's, 4x4's (with off road capacity) Vans, Light Commercial Vehicles (LCV's), Heavy Goods Vehicle's (HGV's) and Heavy Commercial Vehicles (HCV's) over 3.5 tonnes, Coaches, Buses and Minibuses, Agrarian Vehicles and motorised / non-motorised bicycles, and Luton box vans with tail lift (the latter are often required for off road military exercises).
 - The following items are also available under the framework agreement:
 - a. Emergency breakdown
 - b. Tyre Disposal
 - c. Tyre storage facility – winter tyres, any fit for further use, wheels
 - d. Standard fitting
 - e. Wheel valve
 - f. Wheel balance
 - g. Calibration and adjustment of tracking
 - h. Wheel and axle alignment checks
 - i. Repair of punctured tyres
 - j. Turn on the rim and twinning
 - k. High pressure valve caps
 - l. Valve extensions
 - m. Re-tread, re-groove
 - n. Tyron bands
- 3.10 The choice made by the National evaluation team is for Goodyear Dunlop Tyres UK Ltd to be awarded the contract for Lots 1 & 2.

- 3.11 The award of the contract to a single supplier has presented unique pricing for vehicle tyres to the Police sector as well as offering convenience of a single award contract.
- 3.12 The National Contract commenced on the 10th October 2016 for a four year period. Subject to the PCC's final approval, Cleveland will commence use of this new contract with immediate effect.

4. Implications

4.1 Finance

Year	Estimated volumes (based on 15/16 volumes)	National Contract pricing 2016-2020	'Off contract' price (local service provider)	Potential Cost Saving
2016/2017	1069	£97,755.84	£143,434.20	£45,678.36
2017/2018	1069	£102,643.64	£150,605.91	£47,962.27
2018/2019	1069	£107,925.82	£158,136.21	£50,210.39
2019/2020	1069	£113,322.11	£166,043.02	£52,720.91

The above table highlights the estimated base volume of 1069 tyres per annum for each of the four years of the contract based on 2015/2016 figures, however it should be noted that there may be an overall increase from the base volume figure of 1069 per annum due to the increase in fleet size during 2016/17.

The table also shows a benchmark figure between the National contract and 'off contract' price for each year of the contract period, which is based on the estimated annual volume of 1069 vehicle tyres.

The 2015/2016 pricing shows the 'off contract' average selling price at £131.35 per tyre (Local service provider) and the National contract average selling price at £89.52 per tyre. The pricing difference between both procurement options is comparable over the contract period with an estimated 5% pricing uplift with both the National contract and 'off contract' price.

As highlighted, the vehicle tyres which are available through the National contract are more cost effective than purchasing with a local service provider and would save approximately £196,571.93 for the PCC over the life of the contract.

The current budget for tyre replacement is £120,000.00. Using the new National Contract and the volumes for 2015 / 2016, this budget should be adequate over the next 4 years period.

4.2 Legal

There are no specific legal implications associated with the award of this contract to which the Chief Constable wishes to draw to the PCC's attention. The contract terms have been considered by Legal Services.

4.3 Diversity & Equal Opportunities

All bidders were requested to complete an equality and diversity questionnaire as part of the initial tendering process.

4.4 Human Rights Act

There are no Human Rights implications associated with the award of this contract.

4.5 Sustainability

There is no sustainability implications associated with the award of this contract.

4.6 Risk

There is no risk involved in joining the National contract; the recommended bidder is a previous supplier to the Police sector.

However should the situation arise that Goodyear Dunlop cannot supply the Force with tyres, on rare occasions, the National Contract does allow the Force to use another supplier to provide continuity of service.

5. Conclusions

- 5.1 In an effort to drive standardisation across the forces and provide further value for money; the CCS pooled the anticipated vehicle tyre requirements across all forces for the next four years and entered into a single award contract.
- 5.2 As a result of the CCS tender and the unique pricing provided the Police sector, it is recommended that the PCC use the National contract for the provision of the fleet vehicle tyres.
- 5.3 The use of the National contract would also provide full compliance with PCC's CSO (Contract Standing orders) for this area of spend.

Evaluation team:

Procurement Category Leader