

Reference No: **37-2013**

THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST:			
Approve the award of the North East Procurement Organisation (NEPO) Framework Contract			
Title:			
Framework for the provision of Vehicle Hire			
Executive Summary:			
NEPO carried out a benchmarking exercise against the old Framework Contract, Government Procurement Service (GPS) Contract and the Eastern Shires Procurement Organisation (ESPO) Contract			
As a result of this procurement exercise, 27 providers are included within this Framework, which provides access to a wide range of vehicles.			
On the Blue Light Procurement Database (BLPD) there are other vehicle hire contracts, however these are not available for all Forces to use. Cheshire Police are in the process of a National Tender Exercise, however this is not available at this time. The NEPO arrangement offers value for money and enables us to use suppliers which are from the local economy.			
Decision:			
The PCC is asked to approve the award of the NEPO Vehicle Hire Contract which acts on behalf of 12 Local Authorities and 4 Regional Fire & Rescue Services in the North East.			
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)

The framework will deliver value for money and promote best value as the pricing is structured on the number of days the vehicle is on hire i.e. 1-2 days, 3-6 days, 7-27 days and 28+ days.

On the new Contract there is an increase on some vehicle rates, however similarly other rates have decreased. Some suppliers are providing delivery & collection on a free of charge basis, whilst others have imposed a nominal fee.

Please refer to Schedule A for an approximation of cost comparison.

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

Each contractor has signed the Terms & Conditions of the NEPO Framework Contract. There are no Legal implications associated with the award of this contract

Equality and Diversity Implications

There are no Diversity and Equality implications associated with the award of this framework contract.

Human Rights Implications

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

Sustainability Implications

Within the Tender Evaluation Process, CO2 emissions have been evaluated.

The vehicles provided by the suppliers are mostly diesel with some petrol vehicles available.


Risk Management Implications

During the meetings held with each supplier, their Company Registration Numbers have been collected so that Credit Checks can be monitored on a regular basis.

OFFICER APPROVAL**Chief Executive**

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: _____

4/7/15

Police and Crime Commissioner:

The above request HAS / DOES NOT HAVE my approval.

Signed: B. Caprin

Date: 5/7/15

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

Status: For Decision

Procurement Report for the Provision of Short & Long Term Vehicle Hire Framework Agreement

1. Purpose

- 1.1 The purpose of this report is to advise the Police and Crime Commissioner of the procurement process undertaken during the recent exercise to award a framework contract for short and long term vehicle hire.
- 1.2 As a result of a procurement exercise carried out by the North East Procurement Organisation (NEPO), 27 providers are included within this Framework, which provides access to a wide range of vehicles.

2. Recommendations

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint suppliers for the provision of short and long term hire.
- 2.2 The Police and Crime Commissioner accept the tender process carried out by NEPO which fully meets the criteria required to enter into a Framework Contract for a 3+1 year period.

3. Background

- 3.1 The Force has a requirement for the provision of short and long term hire of vehicles in addition to the Force Operational Fleet Vehicles.
- 3.2 Cleveland has utilised the NEPO Framework Contract since 2009 and have been covered throughout the full tender process carried out by NEPO by this contract, which has been extended on two occasions.
- 3.3 NEPO carried out a benchmarking exercise against the old Framework Contract, Government Procurement Service (GPS) Contract and the Eastern Shires Procurement Organisation (ESPO) Contract.

- 3.4 On the Blue Light Procurement Database (BLPD) there are other vehicle hire contracts, however these are not available for all Forces to use. Cheshire Police are in the process of a National Tender Exercise, however this is not available at this time. The NEPO arrangement offers value for money and enables us to use suppliers which are from the local economy.
- 3.5 An open tender process was conducted and the contract commenced on 13th May 2013 for a period of 3 years with an option to extend for a further 12 months.
- 3.6 Tenders were evaluated using the price and quality scoring methodology to determine the most economically advantageous tender using the following weightings:
- Price 70%
 - Vehicle Hire and Delivery/Collection Rates 65%
 - Additional Charges 5%
 - Quality 30%
 - Contract Management/Customer Services 10%
 - Quality & Range of Vehicles/Vehicle Stock 10%
 - Vehicle and Damage Maintenance 5%
 - Management Information 2.5%
 - Sustainability 2.5%
- 3.7 The Contractors listed on the Framework have been assessed for their financial stability, track record, experience, technical and professional ability, giving Contracting Authorities confidence to procure with no further vetting.
- 3.8 Out of the 27 suppliers on this contract, Cleveland will mainly use 3 suppliers which are local to the Force area, however should the need arise this Contract has the ability to use other suppliers using contracted rates.
- 3.9 We do not have a preferred supplier, we choose a suitable supplier in relation to the request received, firstly price will be taken into account and then availability etc.
- 3.10 A meeting with each supplier has been carried out to ensure that they are aware of how we will be choosing a supplier and to confirm the prices on the NEPO Contract List is what we will all be working to.

4. Implications

4.1 Finance

The framework will deliver value for money and promote best value as the pricing is structured on the number of days the vehicle is on hire i.e. 1-2 days, 3-6 days, 7-27 days and 28+ days.

4.2 Appendix A details a cost comparison for the period April 12 – March 13.

- 4.3 On the new Contract there is an increase on some vehicle rates, however similarly other rates have decreased. Some suppliers are providing delivery and collection on a free of charge basis, whilst others have imposed a nominal fee.
- 4.4 Legal
Each contractor has signed the Terms & Conditions of the NEPO Framework Contract. There are no Legal implications associated with the award of this contract.
- 4.5 Diversity & Equal Opportunities
There are no Diversity and Equality implications associated with the award of this framework contract.
- 4.6 Human Rights Act
There are no Human Rights implications associated with the award of this contract.
- 4.7 Sustainability
Within the Tender Evaluation Process, CO2 emissions have been evaluated. The vehicles provided by the suppliers are mostly diesel with some petrol vehicles available.
- 4.8 Risk
During the meetings held with each supplier, their Company Registration Numbers have been collected so that Credit Checks can be monitored on a regular basis.

5. Conclusions

- 5.1 The Vehicle Hire Framework Contract has been awarded in full compliance with Public Contracts Regulations 2006 and Contract Standing Orders.
- 5.2 The evaluation has been conducted in a fair, comprehensive, thorough and transparent process.
- 5.3 All contractors selected fully meet the specification of requirements required by the NEPO Purchasing Consortium which consists of 12 Local Authorities based in the North East of England.
- 5.4 The award of the NEPO Vehicle Hire Framework Contract will ensure value for money to the Police and Crime Commissioner of Cleveland and Cleveland Police.

Jacqui Cheer
Chief Constable

Cost Comparison

Based on cheapest Daily Rate available			
April 12 – March 13			
Vehicle	No of days hire	Old Contract	New Contract
Short Term Hire			
Ford Focus	735	£14,141.40	£13,230.00
Ford Mondeo	41	£ 891.75	£ 820.00
People Carriers	30	£ 1996.56	£ 750.00
Mini Bus 17 seats	29	£ 1,879.40	£ 1,044.00
Transit Van	50	£ 696.01	£ 600.00
4 x 4	3	£ 127.50	£ 75.00
Total	888	£19,732.62	£16,519.00
		Projected saving of approx £3,213.62	
Long Term Hire			
		£100,215.98	£100,256.92
			-£40.94
These spends are approximate. The hiring of vehicles, especially long term hires are reducing across the Force			

