



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: For PCC approval.

Title: Fuel Cards

Executive Summary:

In 2014, the PCC for Cleveland entered into a contract with Allstar for the supply of fuel cards following a further competition on behalf of all Police Forces via the Crown Commercial Services (CCS) framework.

The fuel card contract provides fuel cards for all operational and non-operational vehicles across the Cleveland Fleet. This service also offers jet washing facilities.

The CCS framework expired in 2018 and CCS awarded a new framework agreement in line with Public Procurement regulations which is available to all Public Sector Organisations.

As of the 28th February 2019 Cleveland Police's existing Fuel Card contract was due to expire.

Due to the time it would take to run a further competition following the award of the new CCS framework, the incumbent supplier agreed to extend the service provision to all UK Police Forces under the existing contract until a further competition on behalf of all Police Forces had been carried out.

Sussex Police agreed to run the further competition on behalf of all Police Forces. This work commenced in 2018.

Sussex Police advised on 18th March 2019 that they had completed the further competition on the CCS framework and the contract had been awarded to Allstar.

Throughout the mini-competition the suppliers were asked to look at pricing and terms and conditions to see where changes should be made. It was agreed with the winning supplier that the following terms would be agreed moving into the new contract:

- 0.4 pence per litre on all non-discount diesel transactions
- Discount diesel supplied with a pump minus a further 2.0 pence per litre
- Monthly card charges would be 90p reduced from £1
- Transaction fee's removed
- Service is future proofed for the use of Electric vehicles
- Alternative fuels such as hydrogen are available.
- Should the demand for unleaded increase to the point where Allstar buy their own reserves, the savings will be passed back to the Emergency Services.

The successful supplier will look to commence immediately from approval of the Police and Crime Commissioner.

Decision:

- That the Police and Crime Commissioner note the further competition on the CCS

Framework carried out by Sussex Police on behalf of all Police Forces to appoint a new contract for Fuel Cards.

- The Police and Crime Commissioner accept Sussex Police's contract recommendation of awarding a contract for a period of two years with an option to extend for a further two year period to Allstar Business Solutions.

OPCC Lead Officer: Michael Porter

Contractor Details (if applicable): Allstar

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 Chief Finance Officer where the decision has financial implications)

In 2017/18 the Force spent approximately £630,000 on fuel.

Current Card cost is £1 per month per card, there are currently 331 cards in use, therefore the cost per annum for cards is £3,972.

The cost per card under the new contract is £0.90 per month per card; therefore the new cost per annum for cards is £3,575.

Savings of £397 per annum or £1,588 over the full 4 years of the contract can be achieved.

The Force currently purchases 562,500 litres of fuel per annum.

The average price per litre currently paid by the Force is £1.12.

The new contract offers a £0.004 rebate off the pump price, therefore additional savings of:

$562,500 \text{ litres} \times £0.004 = £2,250 \text{ per annum or } £9,000 \text{ over the 4 year term}$

Further savings of £0.02 per litre can be made if officers and staff utilise key fuel sites. If all fuel was purchased from these sites, the savings would equate to:

$562,500 \text{ litres} \times £0.02 = £11,250 \text{ per annum or } £45,000 \text{ over the 4 year term.}$

Total savings if the full benefits are achieved could equate to £13,897 per annum or £55,588 for the full 4 year term.

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

There are no Equality and Diversity implications to be considered as part of this process.

Human Rights Implications

There are no Human Rights implications to be considered as part of this process.

Sustainability Implications

There are no sustainability implications to be considered as part of this process.

Risk Management Implications

There are no Risk Management implications to be considered as part of this process. The new contract factors in the move to electric vehicles and also the ability to purchase alternative fuels such as hydrogen.

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 4/4/19

Police and Crime Commissioner:

The above request HAS my approval.

Signed  Date 4/4/19