

Approved By: Mark Gilmartin Chief Officer	Classification of Paper: Restricted.....
Report to PCC/Deputy PCC <i>(delete as appropriate)</i>	Report reference number: A044 & A045 PCC/0006/13
Date of Decision: Date of Report: 1 st February 2013	Area of County/Stakeholders affected: All sites - Countywide
Title: UPS Servicing & Maintenance – Various Sites	
Report by: Candace Bloomfield-Howe	
Enquiries to: Darren Lucas / Patrick Duffy	

1. Purpose of report

To seek approval of the STA report attached to this document. This is for the continued provision of servicing and maintenance of Essex Police Powerwave UPS equipment. UPS Equipment provides an instant uninterruptible power support function and enables critical systems to be maintained.

2. Recommendations

It is recommended that we award the STA contract to UPS Ltd, based on their expertise, experience and UPS Ltd being the sole supplier of this equipment and qualified servicing in the UK.

3. Benefits of Proposal

UPS Ltd are the only company in the UK that has Newave trained engineers, technical manuals, manufacturers support, service updates and a full complement of spares for products currently installed in various Essex Police sites.

If this STA is not approved this will cause severe disruption to critical systems in the event of power failure and will give rise to potential business continuity which will have severe impact to Front line operational policing and potentially compromise the requirements for Essex Police to comply with Legislation

4. Background and proposal

Please see the STA Report attached for a detail overview.

The STA report is to seek approval for a further 3 year agreement. This time extension is required so Essex and Kent Police Property Departments can work with each other and the joint IT department to find a solution that will support both forces and enable competition to be carried out where the market can be tested. To enable this IT and Property services need to discuss and plan a new solution for the force, which will be subject to many further implications for agreement and discussion in due course.

5. Police and Crime Plan

In terms of business continuity, UPS Equipment servicing and maintenance is a critical requirement for the continuation of Essex Police services as the self-contained UPS units support all vital communications and operational IT equipment. In the event of power failure, the UPS Equipment provides an instant uninterruptible power support function and enables critical systems to be maintained.

6. Police Operational Implications

Please see comments in point 5.

7. Financial Implications

N/A (Financial information is in the STA report)

8. Legal Implications

Essex Police Standard Terms and Conditions of Contract will apply.

9. Staffing and other resource implications

Only implications are contract and performance management matters as standard by Property Services and Procurement Services Departments.

10. Equality and Diversity implications

None.

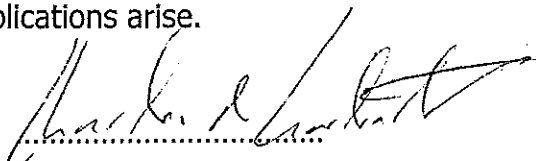
11. Background papers

STA Report enclosed.

Report Approval

The report will be signed off by the Chief Executive and CFO and the PCC Solicitor where legal Implications arise.

Chief Executive/M.O


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Chief Financial Officer

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PCC Legal Advisor

..... (As necessary)

Decision

I agree the recommendations to this report


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~~PCC/Deputy PCC~~

I do not agree the recommendations to this report because

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PCC/Deputy PCC

Publication

Reasons for non-publication (state 'None' if applicable)

.....This report yes, but not the supporting report.

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Signed/Print name

Report for publication

YES

NO

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.



Saving money through
Joint procurement

Request for Single Tender

Area/ Department:	Procurement Services and Property Services
Officer:	[REDACTED]
Service/ Purchase:	UPS Servicing & Maintenance -- Various Sites
File Ref:	A044 & A045
Date:	30 th August 2012

Application is hereby made for the following Works to be awarded by way of a single tender Essex Police Financial Regulations.

Brief Overview of Goods/Services/Works (including how this is essential for policing needs):

The maintenance and servicing of PowerWAVE UPS Equipment is currently under a Single Tender Action approval which was agreed by the Head of Joint Procurement and previous Acting Director of Finance & Administration on 30th December 2010, for a 3 year provision which is now due to expire on 31st March 2013. (Previous approval correspondence attached).

The agreement for a Single Tender Action was supported on the basis that the Service Provider UPSL, were the sole company in the UK that supplied and installed PowerWAVE systems. More importantly, the Service Provider was the only company in the UK able to provide spares for the UPS equipment which would meet the 2 hour emergency response time required by Essex Police for attending to breakdowns and repairs.

This situation has not changed and the Service Provider has confirmed that PowerWAVE systems are manufactured by Newave, a Swiss company and that UPSL are the sole suppliers of this equipment in the UK. The Service Provider has also confirmed that UPSL are the only company in the UK that has Newave trained engineers, technical manuals, manufacturers support, service updates and a full complement of spares for products currently installed in various Essex Police sites.

Essex Police has a requirement from 1st April 2013 to provide continued maintenance arrangements to support these business critical systems, by retaining the existing contractors for a further three year period, given that the circumstances in relation to UPSL have remained the same.

In terms of business continuity, UPS Equipment servicing and maintenance is a critical requirement for the continuation of Essex Police services as the self contained UPS units support all vital communications and operational IT equipment. In the event of power failure, the UPS Equipment provides an instant uninterruptible power support function and enables critical systems to be maintained.

RESTRICTED – CONTRACTS

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Total Contract Value:

It is therefore requested that STA approval be given for the period April 2013 – March 2016 for the following expenditure levels:

Servicing and call-out cover - [REDACTED]
Reactive maintenance and repairs - [REDACTED]
Service remedial & other planned maintenance - [REDACTED]

Collective Cost – [REDACTED]

Details of current anticipated spending under these arrangements are shown in full at Appendix 'A'. The expenditure for 2012/13 has been reviewed on the basis of current invoice billing from 1st April 2012 to date and a pragmatic estimate of the value of likely service that will be required up until 31st March 2013.

Contract Period: Service to continue until 31st March 2016.

Supplier/Service Provider: UPS Limited

Terms and Conditions: Essex Police Standard Aggresso Terms and Conditions (Existing from original tendered contract)

Credit Check completed (>£20,000) Y/N, Date & Outcome:

A credit check via Equifax was undertaken on 31st August 2012 identifying no obvious areas of concern on risk.
An Equifax score check grade was given of A+.

Evidence of Value for Money:

Under the existing period of service, UPS agreed to [REDACTED] which provided inflationary cost avoidance for the three financial years. UPSL have considered their ongoing pricing from 1st April 2013 and have tried to mitigate annual increase in support of Essex Police requirements to save money and whilst they are unable to freeze costs to the current value, they will only look to increase current costs by 3-4% and then fixed the annual costs for duration of 3 years. Effectively, this will provide inflationary cost avoidance for a further period up to the end of March 2016.

UPSL have provided a very good responsive service and try hard to work in partnership with Essex Police in delivery a value service. All operatives are security cleared and business continuity would continue without difficulties.

Savings (Cashable & Non Cashable):

Cost associated with the service will increase by 3-4% in the initial year but then will be maintained during the remaining 2 years, thus providing a 3-4% annual increase which would provide a saving of [REDACTED]. It is also anticipated that non-cashable savings will be forthcoming for not having to undertake a competitive exercise.

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Reason to support and evidence the exemption:

This Single Tender Action requests that existing services remain continuous for a further 3 year period commencing 1st April 2013. This would provide business continuity and support the maintenance of equipment effectively.

Whilst it is feasible that Essex Police could engage another organisation to maintain this equipment, it makes very little sense as all reputable UPS companies would not, for Health and Safety reasons, send an untrained engineers to work on equipment they have no knowledge of. Secondly, as and when there is a fault, engineers would not have access to any new spare parts which would mean that they could not fix the UPS systems in a timely fashion, if at all.

It is true that other organisations do take other manufacturers equipment on board and normally enter into a 'back to back' arrangement, which makes sense where there are only 1 or 2 UPS installations across the estate. However, when doing this, the company add a significant margin to cover their costs and to make it worth there while. In the case of Essex Police, with such a large amount of equipment being PowerWAVE installations, the uplift would significantly increase costs and this would typically be a 20-30% margin. This margin would be applied to cover the administration costs etc and any profit element.

In addition, warranties and guarantees would become invalid, if equipment was to fail due to untrained engineers working on the systems.

Previous Procurement advice has been provided about the requirements for tendering and it was considered that a negotiated procedure could be adopted without prior publication of a contract notice as stated in section 14.1(a) of the EU Procurement Legislation.

Budget Revenue: Engineering Servicing 1060

It is requested that approval be given to deal with this requirement under a Single Tender Action for the following reason:

- There is a genuinely justifiable case to use an existing contractor/supplier to maintain continuity of supply or site experience

Risks of not approving Single Tender Action

If this STA is not approved this will cause severe disruption to critical systems in the event of power failure and will give rise to potential business continuity which will have severe impact to Front line operational policing and potentially compromise the requirements for Essex Police to comply with Legislation.

Details of this application have been recorded on the *Single Tender Action Log* for the purposes of reporting to the Police Authority.

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2b Single Tender Action

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