

## PFCC Decision Report

**Report reference number:** 013-22

**Classification** Official - Commercial

**Title of report:** Vehicle Hire Services 7F-2020-0172

**Area of county / stakeholders affected:** Essex Police

**Report by:** Andrea Weed (Senior Category Manager), 7 Force Commercial Services

**Chief Officer:** Mark Gilmartin (Director of Support Services)

**Date of report:** 7th June 2022

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### 1. Executive Summary

This paper seeks approval from the Police, Fire and Crime Commissioner (PFCC) to enter into a contract with Enterprise Rent-a-Car UK following a procurement exercise. This report contains details relating to the Vehicle Hire Contract for Essex Police and the request for authorisation to be given for the application of the PFCC's electronic signature to the Call Off Agreement.

### 2. Recommendations

The approval requested will ensure the completion of the contract agreement which will formalise the vehicle hire arrangements currently in place. The total value of the Essex call off contract with Enterprise Rent-a-Car UK for an initial term of three years is estimated to be £454,867 with two 12-month optional extension periods available, to bring the total possible term to five years.

The PFCC for Essex is recommended to authorise the application of the PFCC's electronic signature to the Call Off Contract attached at Appendix 1.

It should be noted that the Regulation 84 report was previously signed by the Section 151 Officer for the PFCC on 19<sup>th</sup> March 2021 but no decision report was submitted

due to an administrative oversight at the time. As the winning bidder is also the previous incumbent, it has continued to supply vehicles to the force.

### **3. Background to the Proposal**

Kent and Essex contracts for vehicle hire were due to expire in October 2020 but were extended until March 2021 in line with Suffolk and Norfolk / UEA contract expiry dates. This enabled the opportunity to explore a collaborative approach and allowed a sufficient 'pause' to review the use of both pool and hire cars, providing the market with a more realistic usage given the disruption of Covid and changes to working practices. The objective of the project was to secure value for money and ensure continuity of supply.

This work also fed into the wider work being undertaken to scope what is needed in terms of pool cars moving forward. It is anticipated that the increased use of digitalisation will reduce the need for static pool cars and thus this contract will complement the demand should both officers and staff still need to travel and pool cars or specialist hiring needs be required.

The Eastern Shires Purchasing Organisation (ESPO) Framework Agreement was used for this procurement. The framework is a cost effective and compliant route to market, offering options of further competition to ensure best value is achieved. The procurement for vehicle hire services was conducted as a further competition using this framework for the following reasons:

- Suppliers listed on the framework were assessed during the procurement process for their financial stability, track record, experience and technical and professional ability before being awarded a place on the framework.
- Competitive rates agreed for a wide range of vehicles which can be called off without the need for further competition.
- Options to create a Master Vendor or Car Club solution or seek improved rates in the event that you have a significant and specifically known demand.
- Rates agreed for hire periods from 1 day to 180 days.
- Options available to include insurance cover if required.

11 suppliers were invited to bid, however nine did not respond. Two suppliers submitted viable tenders, Enterprise and [REDACTED]

### **4. Proposal and Associated Benefits**

- Allows staff and officers to carry out their day-to-day business, meaning a continuation of service to the public.
- The successful bidder is the incumbent supplier. This reduces the costs and timescales associated with mobilisation to a new supplier.
- This contract will deliver the requirements of both operational policing and support roles, allowing personnel to access hire vehicles to allow them to continue their daily business when fleet vehicles are not available.

- All efforts will be made to ensure the choice of vehicles will reflect a greener mode of travel, mitigate costs and compliment the policy of ‘driving better for business’.

## 5. Options Analysis

- Do nothing – Rejected. This is not an option due to forces having an ongoing requirement for access to hire vehicles to supplement fleet numbers.
- Direct award from the framework – Rejected. The option of further competition from the framework allowed us the opportunity to clarify particular areas of the specification whilst also ensuring we were achieving the best value available to us.

## 6. Consultation and Engagement

Stakeholders across the 7F region were consulted regarding their requirements for this provision. Bedfordshire, Cambridgeshire and Hertfordshire confirmed that their vehicle hire needs are covered by their agreement with the Chiltern Transport Consortium and therefore did not require inclusion in the procurement.

Stakeholders from Essex, Kent, Norfolk and Suffolk were engaged with throughout the process to ensure the needs of the business were met by the new contract.

## 7. Strategic Links

This contract supports a number of the 12 objectives contained within the Police and Crime Plan for Essex by ensuring that officers and staff have constant access to vehicles to allow them to carry out their duties to the best of their ability.

## 8. Police operational implications

The ability of officers and staff to be able to get to where they need to be in order to execute their duties is of paramount importance. This contract will enable colleagues to do this thereby reducing the negative impact on operational policing.

## 9. Financial implications

The estimated Essex costs over three years total £454,867. This total estimated spend for the initial contract term was based upon previous spend data from 2017 to 2019. The spend data from 2020 was deliberately excluded as this could distort actual usage as the pandemic passes.

Suppliers were made aware that the spend is estimated due to Covid-19 and the new / future ways of working that the pandemic may bring about.

Essex Police	Year 1 2017	Year 2 2018	Year 3 2019	Total
	185,909	139,832	129,126	£454,867

## **10. Legal implications**

The procurement has been carried out in accordance with the Contract Standing Orders and the Public Contracts Regulations 2015 using a compliant framework agreement. The terms and conditions of contract are standard framework terms and conditions as set out in the attached call off contract.

## **11. Staffing implications**

There are no staffing implications to this procurement.

## **12. Equality, Diversity and Inclusion implications**

The recommendation does not have any adverse equality or diversity implications. The range of vehicles available does include accessible options for those with disabilities.

## **13. Risks and Mitigations**

Procurement risks are mitigated through use of a legally compliant framework. Financial due diligence was carried out using Credit Safe indicated the successful bidder had a score of 58 which indicates a low risk.

It should also be noted that this contract is with the previous supplier, which has continued to supply the force in the absence of a formal contract. Although the Regulation 84 Report was signed by the Section 151 Officer for the PFCC on 19<sup>th</sup> March 2021, a decision report was not submitted at that time so this report seeks to regularise that position.

## **14. Governance Boards**

- Gate 1 approval – Strategic Procurement Governance Board September 2020 – Ref D027
- Gate 2 approval – Strategic Procurement Governance Board February 2021 – Ref D042
- Essex Strategic Board – June 2022

## **15. Links to Future Plans**

Each force is evaluating fleet usage moving forward. This includes pool cars and hire cars. There is additional work being undertaken in the use of electric vehicles, mainly for patrol cars but factoring in the use of other vehicles.

This contract has the facility to enable shared journeys across the region, thus reducing unnecessary fleet use and reducing carbon emissions which may be beneficial in future transport planning.

## 16. Background Papers and Appendices

Appendix 1 – Framework Schedule 3 – Form of Contract and Call-Off Terms



Background papers:


Gateway 2 paper


Regulation 84 Report



**Report Approval**

The report will be signed off by the PFCC’s Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O. Sign:   
Print: P. Brent-Isherwood  
Date: 7 June 2022

Chief Financial Officer Sign:   
Print: Janet Perry  
Date: 8 June 2022

**Publication**

Is the report for publication? YES   
NO

If ‘NO’, please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State ‘None’ if applicable)

However the appendix and background papers are not for publication as they have been protectively marked “Official-Sensitive – Commercial”

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

**Redaction**

If the report is for publication, is redaction required:

1. Of Decision Sheet? YES  NO  2. Of Appendix? YES  NO

If ‘YES’, please provide details of required redaction:

The name of the unsuccessful bidder is to be redacted from the report prior to publication as this is commercially sensitive information.

As set out above, the appendix and background papers are not for publication as they have been protectively marked "Official-Sensitive – Commercial"

**Date redaction carried out:** ..15 July 2022.....

**Chief Finance Officer / Chief Executive Sign Off – for Redactions only**

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

**Sign:** .....

**Print:** .....

**Chief Executive / Chief Finance Officer**

**Decision and Final Sign Off**

I agree the recommendations to this report:

**Sign:** 

**Print:** Roger Hirst

**PFCC**

**Date signed:** 15 July 2022

I do not agree the recommendations to this report because:

.....  
.....  
.....

**Sign:**

**Print:**

**PFCC/Deputy PFCC**

**Date signed:**