

PFCC Decision Report

Report reference number: PFCC/100/22

Classification OFFICIAL

Title of report: 7F.2021.P045 - Lightning Conductors, Fall Arrest and Radio Masts (Kent & Essex)

Area of county / stakeholders affected: Essex Police – Force-wide

Report by: Becky Canfield, 7F Commercial Services

Chief Officer: ACO Mark Gilmartin – Director of Support Services

Date of report: 16 December 2022

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1. Executive Summary

This decision report outlines the procurement process and recommended contract award for the provision of lightning conductors, fall arrest and radio masts throughout the county of Essex.

2. Recommendations

The first recommendation to the PFCC is to approve the contract award to Central High Rise for an initial term of three years, with the option to extend for a further two 12-month periods. The cost of servicing to Essex Police over the initial three-year contract totals £41,377.40 of revenue and a further £250,030.18 of essential backlog maintenance to be funded from the approved capitalised maintenance budget, the total contract value being £291,407.58.

The second recommendation is for the PFCC to authorise the application of the PFCC's electronic signature to the NEC 3 Term Service Agreement for the Planned Maintenance Agreement for Lightning Conductors, Fall Arrest and Radio Masts.

3. Background to the Proposal

A contract for this provision is required to enable safe access to Essex Police owned masts in accordance with health and safety legislation. The force cannot authorise any lessees to carry out repairs on equipment located on the masts if there is not a Safe to Climb certificate. The masts are principally leased to the Emergency Services Network (ESN) supplier as well as being used by internal and external blue light services. The ability to provide safe access to the assets ensures these services are maintained.

The fixed ladders, anchor points and other safety equipment are used to access the building to carry out repairs and maintenance. If these works are not carried out, the associated buildings may become unsafe and therefore affect police operations.

The procurement process has been carried out in accordance with the 7 Force Contract Standing Orders and the procurement procedure chosen was the open tender to maximise competition and allow small to medium enterprises to bid.

Four suppliers submitted compliant bids and were evaluated against the published evaluation criteria (as set out in the Regulation 84 report appended to this Decision Report). The results of the evaluation were as follows (amount rounded to nearest £):

Tender Submission – Stage 2 (LOT 1 – ESSEX)						
Bidder	Total Bid Price (£)	Commercial Score 55%	Technical Score 40%	Social Value 5%	Total Score 100%	SME Yes/ No
Bidder 1	£291,408	55%	23.20%	0.41%	78.61%	Yes
Bidder 2	£355,216	45.12%	16.40%	3.05%	64.57%	Yes
Bidder 3	£315,461	50.81%	19.20%	4.20%	74.21%	Yes
Bidder 4	£478,150	33.52%	19.40%	1%	53.92%	Yes

4. Proposal and Associated Benefits

The proposal is to award a three-year contract to Central High Rise with the option of further extensions of two 12-month periods. Previously an annual contract was put in place, but a longer-term contract will provide the force with best value for money due to certainty of work volumes.

5. Options Analysis

Do Nothing – Option ruled out

A replacement contract is required to comply with health and safety legislation. Procuring on an annual basis is also inefficient.

Award Contract – This is the recommended option.

For the reasons set out in section 3, this contract is necessary to ensure safe access to enable vital equipment to be maintained. Putting a long-term contract in place provides a longer-term opportunity to the market and provides continuity of supply at agreed rates. The procurement process has identified the most economically advantageous tender.

6. Consultation and Engagement

Stakeholders consulted during this process included Engineering Maintenance Managers and the Chief Finance Officer to the Chief Constable.

7. Strategic Links

The areas of the Police and Crime Plan that may be supported by this contract are as follows:

- Supporting the safety of the officers and staff, by ensuring the access safety equipment is accessible and suitably tested, therefore being available when needed to carry out works to the mast / building.
- Increasing collaboration between the two forces, resulting in better value contracts.

8. Police operational implications

Having the correct equipment / service available ensures that health and safety standards are maintained across all the police buildings, and that masts are maintained which are critical to the ESN and policing.

9. Financial implications

The cost of service to Essex Police over the initial three-year contract totals £291,407.58. If the contract is extended to the full five-year term, the estimated value of the contract is £321,362.02 (*please note the extension figures are calculated using an estimated inflation rate of 4% per annum, therefore year 4 is 12% and year 5 is 16%*)

£41,377.40 servicing costs are revenue and will be met from existing Estate Services budgets. The anticipated further costs of £250,030.18 of essential back log maintenance will be funded from the approved capitalised maintenance budget.

	Previous Suppliers	Proposed Supplier 2022-2025	Difference +/-
Year 1 Service Cost	£6,604 (2019)	£15,156.78	+£8,552.78
Year 2 Service Cost	N/A (2020)	£13,110.31	+£13,110.31
Year 3 Service Cost	£9,257 (2021)	£13,110.31	+£3,853.31
Unplanned, Emergency work, Plant, Materials & Labour	£23,105 (All Years)	£250,030.18 (All Years)	+£226,925.18
Total Contract Value	£38,966	£291,407.58	+£252,441.58

Although the new contract has additional costs of £252,441.58 (747%), this represents best value obtained through the tender exercise, given that previously only three quotes were obtained annually, there was no contract in place with management and reporting criteria, and there was no mechanism for undertaking remedial work in accordance with our internal contract standing orders and financial regulations,

causing delays to repairs impacting on policing systems (which this contract addresses).

Following the procurement exercise the most economically advantageous tender, was returned at £291,407.58 (excluding costs for the option to extend). However, it is important to note that the increase in costs reflects the current supply chain issues in the industry in terms of labour and materials shortages / costs and allows for future wage inflation

The budget provision is within the following Estate Services and capital budget codes:

Servicing – GL 600010, cost centre ESS43J5A

Capitalised Maintenance – AUC447, Capitalised Maintenance Scheme CAP3219

10. Legal implications

The procurement process has been carried out in accordance with the Contract Standing Orders, and the Public Contract Regulations 2015 via the Open Procedure. Industry standard NEC3 Term Service Contract terms have been used for this contract.

11. Staffing implications

There are no staffing implications associated with the decision report.

12. Equality, Diversity and Inclusion implications

There are no equality, diversity and inclusion implications associated with this decision report.

13. Risks and Mitigations

The construction industry is still facing supply / material delays which may have an impact on the contract. However, the Estates team will work with the appointed supplier to mitigate any time delays where necessary.

Failure to proceed with the option proposed could impact the force's ability to carry out repairs and servicing work when required. More information is included in section 3 of this report.

14. Governance Boards

PFCC Strategic Board 26th September 2022

15. Links to Future Plans

7F Commercial to review collaborative opportunities for this provision, as other force arrangements expire.

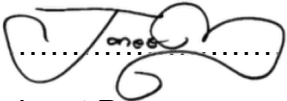
16. Background Papers and Appendices



Date redaction carried out: 8 March 2023.....

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.

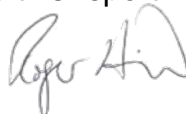
Sign: 

Print: Janet Perry

~~Chief Executive~~ / Chief Finance Officer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Roger Hirst

~~PFCC/Deputy PFCC~~

Date signed: 23 January 2023

I do not agree the recommendations to this report because:

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Sign:

Print:

PFCC/Deputy PFCC

Date signed: