

NORTHERN JOINT POLICE BOARD

15 JUNE 2007

Agenda Item	
Report No	

PROCUREMENT ACTIVITY

Report by the Chief Constable

SUMMARY

To provide Members with an update on recent significant Procurement Activity.

This report presents a summary of recent significant (over £100K) non-Works procurement activity and is submitted in accordance with Contract Standing Orders.

Additionally, members are provided with an update on recent developments in the area of procurement policy, specifically in relation to the Suppliers' Charter and the Scottish public sector core pre-qualification questionnaire and the introduction of revised standard terms and conditions in contracts.

VARIATIONS TO CURRENT CONTRACTS

Police Surgeon/Forensic Medical Examiner (FME) Services (Contract reference: NCC 17-01-40)

The option to extend existing contract with Medacs Healthcare Service Plc has been taken up following the failure of a tendering exercise conducted in 2006 to produce an affordable solution. As reported to the Board in January 2007, a number of factors, including the withdrawal by some doctors to provide Police Surgeon/FME Services, significant gaps in geographical coverage, withdrawal of out of hours cover in certain locations and a significant uplift in price all contributed to the decision to abandon the competitive tendering exercise. However, following a period of negotiation between the Force and Medacs staff a maximum, or capped price of £762,028 (ex VAT) has been agreed with Medacs for the provision of these services for the 12 month period commencing 2nd January 2007.

Early indications from Medacs suggest that the likely costs for the full 12 month period may be significantly lower than the agreed capped price, due primarily to lower than anticipated salary costs for the doctors in the Inverness area and slightly lower than contract management costs. Members will wish to note that the monthly invoices submitted by Medacs will continue to be subject to scrutiny and challenge where it is felt that charges claimed are felt to be unjustified.

CONTRACTS AWARDED THROUGH COMPETITION

Police Surgeon/Forensic Medical Examiner (FME) Services – Western Isles

A contract has been awarded to the Group Practice, Stornoway for the provision of Police Surgeon/FME throughout the Western Isles for a 5-year period commencing 1st May 2007. Contract value for the 5-year period is estimated to be in the region of £250,000. The prices for the first 2 years are FIRM (i.e. not subject to variation unless there is a change in the

requirement). Prices thereafter can only be uplifted in accordance with agreed method of indexation.

Number of tenders issued: 6

Number of tenders submitted: 4

The award criteria: Most Economically Advantageous using a quality/price evaluation mechanism. Quality represented 60% of the total marks available (i.e. general understanding of the specification; assessment of the proposals against the requirements; staffing proposals; experience of key staff) and Commercial aspects 40% (i.e. Price and acceptance of terms and conditions)

Occupational Health Services

A contract has been awarded to NHS Highland, for the provision of an Occupational Health Service for a period of 3 years from 1st August 2007, with an option to extend for a further period of up to 2 years. The estimated contract value (without the option to extend) is £180,000 (ex VAT). The prices for the first 2 years are FIRM (i.e. not subject to variation unless there is a change in the requirement). Prices thereafter can only be uplifted in accordance with the agreed method of indexation.

Number of tenders issues: 2

Number of tenders returned: 2

The award criteria: Most Economically Advantageous using a quality/price evaluation mechanism. Quality represented 60% of the total marks available (i.e. general understanding of the specification; assessment of the proposals against the requirements; staffing proposals; experience of key staff) and Commercial aspects 40% (i.e. Price and acceptance of terms and conditions)

Other information: The requirement for occupational health services was widely advertised, resulting in a total of 8 expressions of interest. Of the expressions of interest submitted only three organisations submitted a pre-qualification questionnaire. One of the questionnaires was submitted by an organisation that specialised in the provision of Occupational Health professionals rather than the provision of an occupational health service and on this basis was not invited to submit a tender.

EXCEPTIONS FROM CONTRACT STANDING ORDERS

Command and Control Maintenance Agreement

An order has been placed on a single source basis with Intergraph (UK) Ltd. The order is for the provision of professional maintenance services. These services consist of twice-weekly dial-in checks and preventative maintenance visits every 2 months for an all-inclusive price.

The basis upon which this exception to Contract Standing Orders is applied is that Intergraph (UK) Ltd has the sole rights as the supplier of the existing Command and Control system. The value of the order is £36,000 (ex VAT).

PROCUREMENT POLICY

Suppliers' Charter and Pre-qualification questionnaire

Members may wish to note that on 17th April 2007, the Force formally signed a declaration supporting both the Suppliers' Charter and the use of the core qualification-questionnaire. Both initiatives should support a professional approach to procurement, in doing so, helping to implement the Recommendations of the Review of public Procurement in Scotland.

The Suppliers' Charter is a voluntary non-statutory document which commits both public purchasers and the business community to, amongst other things, the adequate publicity of contract opportunities and the development of procurement processes that demonstrate increasingly levels of transparency and fairness.

The use of the core pre-qualification questionnaire is the result of recent consultation between the business community and the Scottish Executive and is aimed at reducing the burden on business through the greater standardisation of documentation across the public sector as a whole.

Standard terms and conditions of contract

Members will wish to note that the Board's standard terms and conditions of contract have been updated to reflect recent important changes in legislation, specifically relating to public procurement and the extension of discrimination obligations.

RECOMMENDATION

The Board is invited to note the position.

I Latimer
Chief Constable
June 2007