MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**POLICY AND RESOURCES COMMITTEE**		
DATE:	**15TH DECEMBER 2016**	**REPORT NO:**	**CFO/089/16**
PRESENTING OFFICER	**CHIEF FIRE OFFICER**		
RESPONSIBLE OFFICER:	**NICK SEARLE**	**REPORT AUTHOR:**	**NICK SEARLE**
OFFICERS CONSULTED:	**BERNIE SULLIVAN – WORKSHOPS MANAGER STEWART MARTIN – COMMODITY MANAGER SHARON MATTHEWS – HEAD OF PROCUREMENT**		
TITLE OF REPORT:	**PROVISION OF B TYPE PUMPING APPLIANCES**		

APPENDICES:	

Purpose of Report

1. To request Members agree to the procurement of four replacement fire appliances with an option to purchase a further six appliances. This approach is consistent with our current assets refresh strategy.

Recommendation

2. That Members approve the award of contract for B Type pumping appliances to W.H. Bence.

Introduction and Background

3. The Authority fleet currently comprises of 51 heavy pumping appliances over 18 tonnes. The Authority operates a policy of rolling replacement of vehicles that have been operational for 10 years.

4. Over the past fifteen years, the Authority has largely standardised the chassis and key components of the vehicles that they operate in order to reduce the levels of replacement parts held by their workshop and improve efficiency in maintenance and operator training.

5. At present 46 of the pumping appliances operated by the Authority are built onto Scania chassis and have the same or similar key components.

6. A procurement exercise has been carried out in respect of the vehicles that are scheduled for replacement over the next three years.

7. A review of the procurement options identified a number of framework agreements which the Authority could utilise. The framework identified as being most suitable was the Fleet Options framework let by Derbyshire Fire and Rescue Service for use in the sector.

8. A specification for new appliances was prepared by Transport and Equipment Maintenance Department for two types vehicle, one with a standard capacity pump and one with a high capacity pump which will be used in conjunction with appliances fitted with hydraulic platforms. The new specification contained options for a digital pump control system.

9. The specification along with instructions to suppliers, pricing schedules, quality questionnaire and details of the scoring methodology to be used to evaluate responses were incorporated into a tender pack that was distributed via the web based tendering portal used by the Authority.

10. Under the framework, a further competition was conducted amongst the 5 suppliers to the framework using the prescribed evaluation criteria which had weightings applied as follows:

Technical	45%
Commercial	10%
Planning & Implementation	15%
Cost	30%

11. The tender was released on 14th September 2016 and suppliers were allowed five weeks to prepare and submit their bids. To assist in the preparation of proposed layout configurations, two open days were hosted at the Authority Workshops to allow suppliers to view and discuss the features and capabilities of one of the newest appliances in the fleet.

12. By the tender deadline, four responses had been received which were evaluated by members of the Transport and Equipment Maintenance and Procurement Departments using the scoring methodology that had been published in the tender pack.

13. The outcome from the evaluation is contained in the table below:

Criteria	**W H Bence**			
Technical	36.45%	38.60%	30.78%	30.26%
Commercial	7.00%	6.60%	7.80%	7.60%
Planning & Implementation	8.00%	8.00%	12.00%	9.00%
Cost	28.59%	30.00%	27.76%	28.88%
Total	80.04%	83.20%	78.34%	75.74%

14. W.H. Bence scored the most points as they offered the lowest cost product and scored well in all other areas. On this basis, they are the preferred bidder.

Equality and Diversity Implications

15. Suppliers to the Fleet Options framework have previously been evaluated on their compliance with Equality and Diversity legislation by the lead authority, Derbyshire Fire & Rescue Service.

16. All appliances are fitted with a ferry lift system to lower the vehicle and permit easier access to equipment stored at higher levels and on the roof of the appliance.

17. The proposed stowage layout of the vehicle has been designed to be compliant with Firestow standards to ensure equipment is stored in accordance with the allowable lifting capabilities.

18. In view of the measures outlined in paragraphs 15, 16 and 17, it is not anticipated that there will be any adverse impact on equality and diversity arising from this procurement exercise.

Staff Implications

19. The purchase of the proposed vehicles will minimise the amount of training required by vehicle operatives and maintenance staff and hence minimise the amount of training resource required for the safe operation of the vehicles.

Legal Implications

20. The Authority has a duty to ensure compliance with UK and EU procurement legislation. Awarding against the established framework will ensure that the supply of the vehicles are compliant with the regulations.

Financial Implications & Value for Money

21. The highest ranked supplier against the evaluation criteria adopted is W.H. Bence. The unit costs submitted for each type of appliance for the initial purchases is as follows:

Vehicle fitted High Capacity Pump	£252k
Vehicle fitted with Standard Capacity Pump	£250k

22. If we choose to exercise further options under the contract the unit cost for a vehicle fitted with a standard capacity pump will increase to £254k.

23. Based on the current planned replacement programme the spend profile over the period covered by the contract will be as follows:

Total Value of Build Programme	Appliances	Unit Cost	Annual Cost
Initial Purchase (with high capacity pump)	3	£252,113	£1,007,193
Initial Purchase (with standard capacity pump)	1	£250,854	
Option # 1 - (with standard capacity pump)	3	£254,349	£763,047
Option # 2 - (with standard capacity pump)	3	£254,349	£763,047

24. This procurement has been conducted to identify the Most Economically Advantageous Tender (MEAT) to ensure value for money is obtained.

25. Value for money is further enhanced due to the minimal resource required to train vehicle operatives and maintenance personnel.

26. The current 5 year capital programme assumes 10 appliances will be replaced over the next 3 years with a further 7 in the following 2 years at an average cost of £252k per appliance. Therefore the proposals within this report can be contained within the current capital programme.

Risk Management, Health & Safety, and Environmental Implications

27. There is a risk of challenge if the Authority procures the vehicles without undertaking an appropriate procurement process. The proposal contained in this paper significantly reduces the risk of any challenge.

28. Suppliers to the Fleet Options framework have been evaluated on their financial stability, compliance with Health & Safety and Environmental protection legislation. Therefore there risk to the Authority posed by these factors are reduced by sourcing via this framework.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

29. Procuring the appliances under the proposed contract will result in cost effective and fit for purpose vehicles for use by firefighters. The provision of the vehicles will maintain operational capability and will directly contribute to the achievement of the Mission.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS

MEAT Most Economically Advantageous Tender.