

Nottinghamshire Police and Crime Commissioner

Notice of Decision



Author:	Paul Whitehall
Telephone number:	0115 967 0999 Ext: 800 2310
E-mail address:	Paul.whitehall@emscu.pnn.police.uk
For Decision or Information	Decision
Date received*:	08/08/17
Ref*:	2017.036

*to be inserted by Office of PCC

TITLE: AWARD OF CONTRACT FOR ESTATES PROFESSIONAL SERVICES

EXECUTIVE SUMMARY:

1. PURPOSE OF THE REPORT

The purpose of this report is to recommend approval to award contract to Lambert Smith Hampton to the total value of £243,875 excluding VAT for the ongoing provision of Estates Services to Nottinghamshire Police for the period 1 June 2017 to 30 April 2021.

2. BACKGROUND INFORMATION

Nottinghamshire Police Estates function requires a supplier to be appointed to cover the ongoing provision of its Estate Services including providing general advice and acting on behalf of the force in relation to areas such as dealing with ratings, rent reviews, lease renewals, sales, audit and general estate rationalisation. The contract will also include for a number of other related areas for which no specific volumes of work can be fully determined. Currently the force employs Lambert Smith Hampton but the current contract arrangement under which this supplier is appointed has expired, consequently it is necessary to enter into a new contract to cover the same service provision for the following years ahead.

3. TENDER PROCESS AND ANALYSIS

A request for quotation was issued by means of undertaking a mini-competition against the CCS Framework CCS (Crown Commercial Services) Estates Professional Services reference RM928. Whilst the framework contains a number of suppliers, only one tender response was received, namely from the force's incumbent service provider. Whilst only the one tender response was received a thorough evaluation was nevertheless still undertaken of this bid in order to assure ourselves of satisfactory compliance and value for money.

The following award criteria were applicable to this procurement:

Pricing:	30%
Quality – Service Approach	15%
Quality – Resourcing	15%
Quality – Experience	25%
Quality – Equality	10%
Quality – Business Continuity & Security	5%.

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The key points relating to the outcome of this evaluation was as follows:

- Lambert Smith Hampton confirmed compliance with all our mandatory pass / fail areas such as around the provision of adequate insurances, agreement to vetting and full agreement with the proposed terms and conditions of contract.
- Lambert Smith Hampton scored 'Good' or 'Excellent' with regards to all areas of their quality responses. Evidence provided of clear experience, resources and expertise in this area and this is further enhanced by a particular advantage of having a longstanding knowledge of both the Nottinghamshire Police estate and local valuation market with having supplied these same services to the force for a number of years now.
- With regards to pricing, Lambert Smith Hampton submitted an acceptable tender response which did not exceed framework pricing levels and which in some key high volume areas of activity actually represented an improvement on the standard ceiling pricing contained within their framework response to the CCS, as indicated in the table below:

Requirement Classification		Framework Minimum Fee	Tendered Minimum Fee
A	Acquisition of Freehold	£1700	£1250
B	Acquisition by Lease	£2500	£1500
C	Disposal of Freehold	£1125	£1125
D	Disposal of Leasehold	£1200	£1200
E	Sub-letting	£1200	£1200
F	Rent Reviews – <i>Where Customer is Tenant</i>	£1000	£1000
G	Rent Reviews – <i>Where Customer is Landlord</i>	£1000	£1000
H	Lease Renewals – <i>Where Customer is Tenant</i>	£1250	£1250
I	Lease Renewal – <i>Where Customer is Landlord</i>	£1250	£1250
J	Dilapidations – <i>Where Customer is Tenant</i>	15%	15% (1)
K	Dilapidations – <i>Where Customer is Landlord</i>	£600	£600 (2)

Other charges also applicable with regards to some other 'Optional Requirements' under the CCS framework but our Estates function has indicated that the volumes of activity / work in these areas is nil or minimal in a normal year for the force:

Finally, the contract includes for a series of time charge (hourly) rates applicable for other services performed during the course of any contract and Estates consider these to compare favourably to current rates charged.

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4. FINANCIAL CONSIDERATIONS

No complete direct comparison of costs with those currently invoiced is possible due to the very different nature of the pricing structure of the new CCS framework for Estates Services compared to that which Lambert Smith Hampton are currently appointed under. That said some mini-assessment has been carried out and this indicates that a circa 3% reduction in fees overall can be expected. However as this service provision / requirement is very much demand led, it will not be possible to determine until the end of each financial year as to whether any actual such reduction has taken place.

These costs and anticipated savings can be summarised as follows:

Contract Year	Current Budget:	Anticipated Saving
Year 1	£61,000	£1,830
Year 2	£62,220	£1,867
Year 2	£63,464	£1,904
Year 4	£64,734	£1,942
Total	£251,418	£7,543

INFORMATION IN SUPPORT OF DECISION: (e.g report or business case)

None attached but further information as part of the evaluation process including a more detailed tender award report can be shared with the OPCC if required.


Is any of the supporting information classified as non public or confidential information**?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If yes, please state under which category number from the guidance**	3			

DECISION:

Based on the quality and pricing responses contained within their bid as outlined above, Lambert Smith Hampton is therefore considered to represent a 'value for money' re-appointment and it is recommended that they be awarded this contract for providing ongoing Estates Professional Services to the force for a further period of four years.

FINANCIAL INFORMATION (please include if is it capital or revenue or both. What the split is and the totals being requested. Is this a virement/ something already budgeted for or something that requires additional funding. Are there any savings that can be offered up/or achieved)

As outlined already within the report above.

Signature: 
Chief Finance Officer

Date: 14th August 2017

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I have been consulted about the proposals above and confirm that the appropriate advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signature: 
Chief Executive

Date: 12th September 2017

DECLARATION:

I confirm that I do not have any disclosable pecuniary interests in this decision and I take the decision in compliance with the Code of Conduct for the Nottinghamshire Office of the Police and Crime Commissioner. Any interests are indicated below:

The above request has my approval.

Signature: 
Nottinghamshire Police and Crime Commissioner

Date: 20/9/17

** See guidance on non public information