



**OFFICE OF THE POLICE & CRIME  
COMMISSIONER FOR THAMES VALLEY**

**REQUEST FOR DECISION – PCC 2019 / 014**

**Title: Provision of fuel cards**

Fuel Cards provide an easy cashless method of paying for vehicle fuel using a single-purpose centrally provided card. Services include the ability to benefit from a nationally negotiated discounted rate for fuel, the provision of consolidated invoicing showing full details of each transaction. This detailed management information can help control fleet fuel spend and reduce the time spent dealing with administration. Carbon emission reporting is also provided.

Crown Commercial Services (CCS) have carried out the latest procurement exercise on behalf of all public sector agencies including all police forces to create a national contract which was awarded to a single supplier – Allstar Business Solutions Ltd – to provide Allstar One fuel cards.

Full details are provided in Annex 1, including a list of benefits to be derived from using these cards.

**Recommendation:**

The Police and Crime Commissioner is invited to agree the award of a contract for the Provision of Fuel Cards to Allstar Business Solutions Ltd.

In line with the CCS Framework, the contract is for the initial period until 22 March 2021 plus opportunity of 2 x 12 month extension options giving an ultimate expiry date of 22 March 2024

The total value of this contract is estimated at £29 million (based on historic spend) over the full project period (including extension options). The intention is to reduce this wherever possible by utilising optimum fuel prices.

This contract is on behalf of all members of the Chiltern Transport Consortium, and is supported by other Consortium members.

**Police and Crime Commissioner**

I hereby approve the recommendation above.

**Signature**

**Date** 30.9.19.

## **PART 1 – NON-CONFIDENTIAL**

### **1 Introduction and Background**

- 1.1 Fuel Cards provide an easy cashless method of paying for vehicle fuel using a single-purpose centrally provided card. Services include the ability to benefit from a nationally negotiated discounted rate for fuel, the provision of consolidated invoicing showing full details of each transaction. This detailed management information can help control fleet fuel spend and reduce the time spent dealing with administration. Carbon emission reporting is also provided.
- 1.2 Crown Commercial Services (CCS) have carried out the latest procurement exercise on behalf of all public sector agencies including all police forces to create a national contract which was awarded to a single supplier – Allstar Business Solutions Ltd – to provide Allstar One fuel cards.
- 1.3 Full details are provided in Annex 1

### **2 Issues for Consideration**

- 2.1 Benefits of the new contract include:
  - Discount diesel of 4.1 pence per litre on standard grade diesel (based on mid cif Platt's index price reflecting market rates)\*. The Allstar One cards can be used at Discount Diesel sites which consist of 1450 sites nationally and these are sites where Allstar have negotiated fuel rates.
  - Discount of 0.4 pence per litre on all non-discount diesel transactions (eg. All petrol transactions, Diesel outside of 1450 premier Allstar sites eg. Supermarket sites).
  - Monthly card charge reduced to 0.90 per month per card (from £1.00). There will be a rationalisation of user cards to remove those cards that have not been used, which will remove the unused card fees.
  - Transaction fees removed.
  - Up to 10% of the cards can be designated 'Contingency Cards' and will only incur the 0.90 per month per card charge during the months when the cards are actually used to purchase fuels (some are held for emergencies).
  - Service is future proofed for the increasing Electric Vehicle infrastructure.
  - Alternative fuels such as hydrogen are available.
  - Should demand for unleaded increase to the point where Allstar buy their own reserves, the savings will be passed back to the Emergency Services

### **3 Financial Comments**

- 3.1 Baseline spend in 2018/19 by the Consortium forces was £7,316,235.02 as shown below:

Thames Valley Police*	£3,012,468.16
British Transport Police	£1,390,087.60
Hertfordshire Constabulary	£1,009,541.86
Cambridgeshire Police	£985,769.62
Bedfordshire Police	£567,663.35
Civil Nuclear Constabulary	£350,704.43
*including (ERSOU)	

- 3.2 Total cashable savings were £162,461, as shown in Annex 1
- 3.3 The total contract value over the full contract period, including extensions, is estimated to be £29,264,940

#### 4 Legal Comments

- 4.1 The award followed a legally compliant route to market and no legal implications have been identified

#### 5 Equality Comments

- 5.1 This award meets all requirements relating to Equality and Diversity

#### 6 Background Papers

- 6.1 Not applicable.

##### Public Access to Information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

If yes, for what reason?  
Until what date?

Is there a Part 2 form? Yes

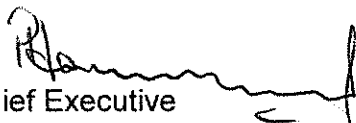
##### ORIGINATING OFFICER DECLARATION (as appropriate):

	Officer	Date reviewed
Head of Procurement	Richard Fowles	19.9.19
Financial Advice	Linda Waters	19.9.19

## OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

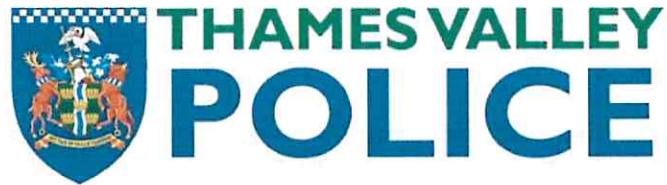
We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

  
Chief Executive

Date 27/9/2019

  
Chief Finance Officer

Date 27/9/19



## Procurement Services

### Procurement Outcome Report

TVP Reference FL19002

Provision of Fuel Cards

Submitted By Anne Canning / Lorraine Wastie

Date Submitted: 19<sup>th</sup> September 2019

**Contract Award (and POR) Sign-Off Sheet**

*By approving this document the Procurement Governance Board confirms acceptance of the detail contained within this document, approval to proceed with contract award, implementation and realisation of the benefits.*

*In the case of a Procurement which results in a new contract (or extension) the document replaces the previous award paper, and has a section for the relevant sign-offs below.*

## **Executive Summary and Recommendations**

## **1.1 BACKGROUND**

### **1.1.1 Baseline Spend**

The current Baseline / Budgeted Spend is shown below highlighting the past years spend.

### **1.1.2 Subjective Codes: 4977**

### **1.1.3 Summary of requirement and process:**

Fuel Cards provide an easy cashless method of paying for vehicle fuel using a single-purpose centrally provided card. Services include the ability to benefit from a nationally negotiated discounted rate for fuel, the provision of consolidated invoicing showing full details of each transaction. This detailed management information can help control fleet fuel spend and reduce the time spent dealing with administration. Carbon emission reporting is also provided.

Crown Commercial Services has carried out the latest procurement exercise for fuel cards on behalf of all public sector agencies including all police forces to create a national contract which was awarded to a single supplier – Allstar Business Solutions Ltd – to provide Allstar One fuel cards. There are no other collaborative contracts which have been procured on this scale, and the nationally procured solution is deemed to offer the best value.

Benefits of the new contract are as follows:

- Discount diesel of 4.1 pence per litre on standard grade diesel (based on mid cif Platt's index price reflecting market rates)\*. The Allstar One cards can be used at Discount Diesel sites which consist of 1450 sites nationally and these are sites where Allstar have negotiated fuel rates.  
11% of fuel currently purchased is transacted at Discount Diesel locations. A targeted campaign to require card holders to move from historical sites used and Discount Diesel sites could see an additional 56% of fuel purchased at optimum rates. It is accepted that the remaining fuel will be purchased elsewhere for sites that fall outside of a 3 mile radius of a Discount Diesel location.
- Discount of 0.4 pence per litre on all non-discount diesel transactions (e.g. All petrol transactions, Diesel outside of 1450 premier Allstar sites e.g. Supermarket sites).
- Monthly card charge reduced to 0.90 per month per card (from £1.00). There will be a rationalisation of user cards to remove those cards that have not been used, which will remove the unused card fees.
- Transaction fees removed.
- Up to 10% of the cards can be designated 'Contingency Cards' and will only incur the 0.90 per month per card charge during the months when the cards are actually used to purchase fuels (some are held for emergencies).
- Service is future proofed for the increasing Electric Vehicle infrastructure.
- Alternative fuels such as hydrogen are available.
- Should demand for unleaded increase to the point where Allstar buy their own reserves, the savings will be passed back to the Emergency Services

Allstar have provided User Guides and a FAQ sheet which will provide guidance on the new cards when they are issued. The use of a Smartphone app, Sat Nav, and online support is available to assist the location of the nearest best value fuel site. All information will be distributed with the replacement fuel cards, and available on the force intranet where users will be actively encouraged to re-fuel at the lowest cost sites.

Allstar One card will consist of a Chip and Signature card whereby the chip makes the card much more secure than the current card which has no Chip.

Allstar can also restrict the fuel that each card can be used for – so restricting the use of Premium Fuels and other ancillaries that may have been purchased previously (car wash for example – unless authorised).

The new cards will be able to gather a wider breadth of user data, and management information will be able to report in greater detail high users, fuelling locations used, all in an effort to reduce costs, and ensure that best value is derived from the use of the cards.



\*Global fuel pricing is tracked by the Platt Index. This measures marginal costs above the traded cost. Platt's is a provider of energy information and a source of price assessments in the energy markets. It is recognised as one of the most significant price reporting agencies for the oil market.

**1.1.4** Regulation 84 form has been completed and is at Appendix A. This is a record of the exercise required to be kept by the Cabinet Office.

**1.1.5** Contract Terms and Conditions: The suppliers meet all the requirements of the contract terms and conditions and specification and offer the Most Economically Advantageous Solution, as assessed through the evaluation process.

**1.1.6** Legal Implications: There are no legal implications in awarding this contract.

**1.1.7** Equality and Diversity: This award meets all requirements relating to Equality and Diversity

**1.1.8** Realisation Implementation Plan:

Following Contract Award, a mobilisation plan will be agreed with the supplier and key stakeholders to ensure a smooth transition to the replacement cards is achieved.

**1.1.9** Contract Management Review: Tier 1 ☒ or Tier 2 ☐ or Tier 3 ☐

**1.1.10** The procurement process has followed and complied with the 5 key Treaty Principles of PCR 2015:- Transparency; Non-Discrimination; Equal Treatment; Proportionality; Mutual Recognition.

## **1.2 RECOMMENDATION**

1.2.1 The Police and Crime Commissioner / Chief Constable of Thames Valley Police (Chief Finance Officer and Director of Finance) are invited to agree the award of contract in respect of the above mentioned supply to Allstar Business Solutions Ltd.

In line with the CCS Framework, The contract is for the initial period until 22 March 2021 plus opportunity of 2 x 12 month extension options giving an ultimate expiry date of 22 March 2024

The total value of this contract is estimated at £29 million (based on historic spend) over the full project period (including extension options). The intention is to reduce this wherever possible by utilising optimum fuel prices.

This award is supported by the key stakeholders (Chiltern Transport Consortium).

### *Process and POR approval*

Role	Name/Job Title	Signature and Sign-Off Date
Procurement Business Partner	Allyson Hughes	A Hughes 22.08.19
Procurement Manager/Co-Lead	Anne Canning	A Canning 19.8.19
Procurement Co-Lead	Lorraine Wastie	L Wastie 12.8.19
TVP Finance	Paul Morrison	P Morrison 12.8.19
CTC	Sam Sloan/Thomas Williams	



*Contract Award Approval*

Approval Role	Name	Job Title	Signature and Sign-Off Date
Reviewer:	Richard Fowles	Head of Procurement	R Fowles 28.8.2019
First Approver:	Linda Waters	Director of Finance	
Second Approver:	Ian Thompson	Chief Finance Officer	

**Public access to information**

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**PART 1 –  
FOR PUBLICATION ON TVP INTRANET SITE**

Contract Summary and Information for BLPD	
Proposed Supplier (s)	Allstar Business Solutions Ltd
Planned Contract Start Date	12 August 2019
Contract Duration – Initial Term ( <i>months</i> )	22 March 2021 (20 months) (to coincide with expiry of CCS Framework)
Contract Extensions Available ( <i>months</i> )	22 March 2024 which is the ultimate expiry date taking up 2 x 12 month extension periods
Contract Value <i>including extension period</i>	£29,264,940.08
Collaborative Purchase Information (who are we buying with and what is their proportion of spend).	This award covers all members of the Chiltern Transport Consortium led by Thames Valley Police.

Project Savings (for use on Home Office benefits reporting – NOT TO BE INPUT ON BLPD)	
<b>Baseline Spend</b> ( <i>highlight any changes to information provided in PLD</i> )	<b>TOTAL SPEND 2018/19</b> <b>£7,316,235.02</b>
	Thames Valley Police* £3,012,468.16
	British Transport Police £1,390,087.60
	Hertfordshire Constabulary £1,009,541.86
	Cambridgeshire Police £985,769.62
	Bedfordshire Police £567,663.35
	Civil Nuclear Constabulary £350,704.43
	*including (ERSOU)
<b>Savings Enabled:</b> <i>Detail at High, Low and Expected level if the savings are likely to be variable e.g. based on demand.</i>  <i>Include Annual &amp; Total Contract Savings</i>	<b>TOTAL SAVINGS 2018/19</b> <b>£162,461.61</b>
	<b>TOTAL Cashable:</b>
	Thames Valley Police* £83,495.04
	British Transport Police £19,597.21
	Hertfordshire Constabulary £33,749.96
	Cambridgeshire Police £5,848.75
	Bedfordshire Police £14,365.76
	Civil Nuclear Constabulary £10,010.58
	Savings calculated against current utilisation of Discount Diesel sites, and sites used within 3 miles of these locations.
	Savings broken down into immediate realisation, and targeted realisation based on changed behaviour.



	<p>20% of Potential Savings - Immediate Realisation:</p> <table border="0"> <tr> <td>Thames Valley Police*</td><td>£16,699.01</td></tr> <tr> <td>British Transport Police</td><td>£ 3,919.44</td></tr> <tr> <td>Hertfordshire Constabulary</td><td>£ 6,749.99</td></tr> <tr> <td>Cambridgeshire Police</td><td>£ 1,169.75</td></tr> <tr> <td>Bedfordshire Police</td><td>£ 2,873.15</td></tr> <tr> <td>Civil Nuclear Constabulary</td><td>£ 2,002.12</td></tr> </table> <p>80% of Potential Savings - Realistic realisation based on managed behaviour:</p> <table border="0"> <tr> <td>Thames Valley Police*</td><td>£66,796.03</td></tr> <tr> <td>British Transport Police</td><td>£15,677.77</td></tr> <tr> <td>Hertfordshire Constabulary</td><td>£26,999.97</td></tr> <tr> <td>Cambridgeshire Police</td><td>£ 4,679.00</td></tr> <tr> <td>Bedfordshire Police</td><td>£11,492.61</td></tr> <tr> <td>Civil Nuclear Constabulary</td><td>£ 8,008.46</td></tr> </table> <p>Non-Cashable: Restriction of non-approved fuels. New intelligent chipped cards allow for closer monitoring.</p>	Thames Valley Police*	£16,699.01	British Transport Police	£ 3,919.44	Hertfordshire Constabulary	£ 6,749.99	Cambridgeshire Police	£ 1,169.75	Bedfordshire Police	£ 2,873.15	Civil Nuclear Constabulary	£ 2,002.12	Thames Valley Police*	£66,796.03	British Transport Police	£15,677.77	Hertfordshire Constabulary	£26,999.97	Cambridgeshire Police	£ 4,679.00	Bedfordshire Police	£11,492.61	Civil Nuclear Constabulary	£ 8,008.46
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<b>Savings Start Date if different from Contract start date</b>	1 <sup>st</sup> October 2019																								
<b>Collaborative Savings</b>	<p>Savings will be derived from the improved commercial offer that the re-tender has delivered.</p> <p>By utilising the new cards, improved fuel rates will account for the majority of the savings, where lower fuel rates will be accessible. This will be combined with lower card rates (saving 10p per card) which are available immediately.</p> <p>Savings per CTC members differ as their spend profile varies based on a number of factors;</p> <p>The Diesel vs Unleaded split per force</p> <p>The Transactional sites used:</p> <ul style="list-style-type: none"> <li>• Comparison made between original transaction dependant on the location this was completed at i.e. low cost supermarket, discount diesel site or other.</li> <li>• The proximity of Discount Diesel outlets compared to Transactional locations, savings have been calculated based up to a 3 mile radius of preferred sites.</li> </ul> <p>Market fluctuations in fuel pricing.</p> <ul style="list-style-type: none"> <li>• Date when transactions were completed as savings change day by day depending on difference between base price of fuel and National average.</li> </ul>																								

<b>Savings Types</b> <i>(based on Savings Definitions in Savings Analysis Worksheet)</i>	
Other Benefits:	
Total Savings as a % of baseline spend:	2.22% Target Savings NB. Differs per member force based on split of: Diesel – v - Petrol purchased, Transactional sites used, Market fluctuations in fuel pricing.