

**Report of the Chief Constable to the Chair and Members
of Policy & Resources Panel
30th June 2011**

**Executive & Presenting Officer: Mrs Ann Hall, Assistant Chief Officer
(Finance & Commissioning)**

Status: For Information

Annual Report on the Action Stations PFI Contract

1 Purpose

- 1.1 To provide Members with an appraisal of the performance of the Action Stations PFI Contract over the Financial year 2010/11.
- 1.2 To assure Members that the contract is robustly managed by Cleveland Police.
- 1.3 To assure Members that the contract still offers value for money, performs to the contracted requirements and meets the needs of the Force.

2 Recommendations

- 2.1 It is recommended that Members note the contents of the report.

3 Reasons

3.1 Contract Management

As previously reported to Members, Reliance continue to work closely with Cleveland Police in the management of the service contract. Positive working relationships are maintained through a number of meetings:

- Quarterly Contractual PFI Performance meetings
- Monthly meetings between the Forces' Strategic Contracts Manager and Reliances' Facilities Manager
- Monthly district meetings with local management
- Attendance at district health and safety meetings

- 3.2 The monthly and local meetings are held to facilitate the resolution of any outstanding issues between the parties, and to allow that the quarterly performance meeting to focus on 'headline issues'.
- 3.3 The PFI Performance meeting is chaired by the Forces' Strategic Contracts Manager with representatives from the Force, Reliance and Cleveland FM Services Ltd. (CFMS), which is the organisation responsible for monitoring Reliance to ensure adherence to the Key Performance Indicators (KPIs).
- 3.4 The contract has now been operational since November 2006. Benchmarking of the contract is required every 5 years to market test the services provided by Reliance. The first benchmarking exercise has already started with CFMS.
- 3.5 Energy Consumption
Currently the Force and Reliance are working together to identify how the energy consumption of the PFI buildings can be reduced, and therefore make savings in terms of cost and CO₂ emissions. This has been an evolving process over the last year following Reliance's purchase of additional software to compliment the Building Management System (BMS).
- 3.6 To date, no cost and low cost measures have been made which have resulted in a saving of £1k in the cost of gas and electricity at Middlesbrough HQ for April 2011. This saving is expected to continue, resulting in a £12k return on investment for the Authority after the initial purchase of the BMS of £1.5k.
- 3.7 The BMS can now be interrogated in more detail to identify high consumption areas, areas where investment may be needed to introduce measures to have a positive impact on consumption, and where and how savings could be made. The review of energy consumption has now been taken over by the Environmental Monitoring Group.
- 3.8 Services
Reliance and the Force continue to work closely to review the storage of items within the Central Property Store.
- 3.9 As a result of this joint working the income received from the sale/auction of items authorised for disposal has increased. Suitable items are now sold on e-bay via the West Middlesbrough Neighbourhood Trust (WMNT) charity. The WMNT takes 30% commission, but this is still less than previous arrangements. For the year ending 31st December 2010 £21,759 was received. This compares to £5,465 that was received during 2007.
- 3.10 As reported to Members previously, there have been some issues with the gates at the PFI stations. A refurbishment programme is now underway by a nationally recognised gate contractor to improve the quality of the component parts, and therefore enhance their reliability. Whilst this work is ongoing new

4. Implications

4.1 Finance

There are no financial implications arising from this report to bring to Members' attention.

4.2 Diversity & Equal Opportunities

Diversity and equal opportunities considerations are kept under constant review in line with Force policies and 'Putting People First'. There are no issues arising from this report to bring to Members attention.

4.3 Human Rights Act

There are no Human Rights Act implications arising from this report.

4.4 Sustainability

There are no sustainability implications arising from this report.

4.5 Risk

Any risks are managed within the contract monitoring regime. There are no risks to report for 2010/11.

5. Conclusions

- 5.1 Relationships between the Force and Reliance remain positive with an open and transparent approach being adopted to address any emerging issues. This positive joint working is delivering a good service to our staff and the communities of Cleveland.

Sean Price
Chief Constable