PFCC Decision Report

Report reference number: PFCC/099/26 **Classification:** OFFICIAL
Title of report: Commercial and Domestic Heating Maintenance Contract Award
Area of county / stakeholders affected: Countywide
Report by: Patrick Duffy – Head of Estates **Chief Officer:** ACO Claire Medhurst – Director of Support Services **Date of report:** 24 August 2026 **Enquiries to:** Patrick.Duffy@essex.police.uk

1. Executive Summary

This decision report outlines the procurement process and recommended contract award for inspecting, testing, servicing, and maintaining the following equipment, including 24/7 reactive and emergency repair call outs and planned installation of new equipment.

- Commercial Gas and Oil Boilers.
- Domestic Boilers (Under 29kW).
- Atmospheric Gas Boilers.
- Pressurisation Units.
- Gas Fired Room Heaters.
- Calorifiers.
- Pumps.
- Chimneys and Flues
- Heat collecting solar systems
- Commercial water boilers

The procurement process also included Kent Police as a separate lot and contract, details of which are not included within this decision report, which solely reflects the impact for the Essex PFCC and Essex Police.

The Commercial and Domestic Heating Maintenance Contract is essential to ensuring various statutory compliance and ensuring our systems and equipment are maintained and can be repaired when faults and failures occur. The supplier will provide a 24/7 service ensuring a responsive service to rectify faults.

2. Recommendations

For the reasons set out in this report, the Police, Fire and Crime Commissioner (PFCC) is recommended to:

- Approve a contract award to Munro Building Services Ltd for an initial term of three years, with the option to extend for a further four 12-month extensions. The cost of the servicing to Essex Police over the initial three-year contract totals £232,367.10 for maintenance across years 1 to 3.
  The reactive call outs, repairs and emergency work as well as planned work incorporating plant, materials and labour elements are estimated to be approximately £800,025 for years 1 to 3, thereby totalling £1,032,392.10 for the three-year contract.
- Sign the NEC 4 Term Service Contract (TSC) appended to this decision report under hand.

3. Background to the Proposal

Essex Police is responsible for maintaining a safe, compliant, and operational estate across its facilities. The service provided by the supplier includes all servicing and reactive maintenance of mechanical and electromechanical systems including but not limited to commercial and domestic boilers and heating, gas pipework, sump pumps, safety valves, Building Management System (BMS) systems and tea boilers. Many elements are legal requirements that the force must undertake for which we do not have expertise within the organisation.

The original Commercial and Domestic Heating Planned Maintenance Agreement (Contract Ref: 2017/095) was let on 1 October 2019 for a period of three years, with the option to extend for a further three, 12-month extensions with a total contract length of six years. Decision report PFCC/141/25 approved a Regulation 72 contract extension until 30 September 2026.

There is no change to the service requirements with this being a re-procurement to comply with our Contract Standing Orders, the PFCC's Financial and Procurement Regulations and the Procurement Act 2023.

The outcome of this process has identified a preferred bidder who meets the technical, commercial, and compliance requirements. This report seeks approval to award the contract to the recommended supplier.

4. Proposal and Associated Benefits

The proposal is to award a three-year contract to Munro Building Services Ltd, with the option of four further one-year extensions. This will ensure statutory servicing and maintenance, reactive and emergency repairs to boilers and heating systems that

provide essential services, thus ensuring that buildings continue to function at appropriate legal heating levels to support operational policing and meet health and safety legislation.

The contract includes a 24/7 emergency call-out service, ensuring response from qualified operatives outside of normal working hours. For an organisation operating 24/7, it is vital that reactive support is available at all times to mitigate risk, maintain operational continuity, and avoid service disruption.

The proposed contract ensures continuity of service and performance through clear key performance indicators (KPIs) and service level agreements covering both routine and emergency works. The proactive maintenance approach will reduce the likelihood of unplanned breakdowns, while also enabling cost efficiencies by resolving issues during scheduled visits.

5. Options Analysis

Option 1 - Do Not Award Contract – Option ruled out
Our commercial and domestic heating maintenance contract combines statutory, security and contingency requirements. Not undertaking this service is not an option, therefore the organisation would be required to continue under existing arrangements out of contract which would require a Single Tender Action (STA), thereby failing to comply with the PFCC's Financial and Procurement Regulations.

Option 2 - Re-Tender with Amended Service Provision – Option ruled out
The current service requirements within the specification meet our statutory obligations and essential maintenance only.

Option 3 - Award Contract - Recommended
This is the recommended option following the outcome of the procurement exercise and evaluation. This option ensures compliance with our Financial and Procurement Regulations.

6. Consultation and Engagement

Consultation has been undertaken with 7F Commercial. There has been no engagement with staff representative bodies associated with this decision report.

7. Strategic Links

The specification and contract have been part of our ongoing estate collaboration between Kent Police and Essex Police through the 7F Commercial Services team.

The contract underpins our corporate health and safety responsibility in managing risks.

8. Police operational implications

The commercial and domestic heating maintenance contract underpins our corporate responsibility in managing equipment, infrastructure and access control risks ensuring operational policing is unaffected.

9. Financial implications

The cost of the servicing to Essex Police over the initial three-year contract totals £232,367.10 for maintenance across years 1 to 3. The reactive call outs, repairs and emergency work as well as planned work incorporating plant, materials and labour elements are estimated to be approximately £800,025 across years 1 to 3, thereby totalling £1,032,392.10 for the three-year contract.

Note that the servicing costs are the fixed contractual costs that can be varied through contract variations. Reactive and planned work is funded through either revenue or capital depending upon the type of work and is not guaranteed through the contract.

Description	**Annual revenue budget**	**Forecast costof contract**	**Balance of available budget***
	£m	**£m**	**£m**
Reactive Maintenance 600003	0.715	0.267	0.448
Planned Preventative Maintenance 600010	1.162	0.077	1.085
Total	**1.877**	**0.344**	**1.533**

*The “annual revenue budget” is the overall budget covering a number of planned maintenance contracts, therefore the “balance of available budget” is already committed.

The overall cost for the new contract represents best value secured through the tender exercise. Please note, the extension periods are contractually linked to the Building Cost Information Service (BCIS) forecast figures from the base date of contract award: 2029 – 7.5% and 2030/33 - 2.5%.

Following the procurement exercise, the most economically advantageous tender was returned at £1,032,392.10 for the first three years (excluding costs for the options to extend for a further four years, which would increase the total contract cost to an estimated £2,855,002.99 for seven years).

The consolidated position detailed within the Contract Award Report does not reflect either a saving or budget cost pressure and will enable the Head of Estates to manage the costs within the overall budget allocation. The recommended contract award is therefore within the existing forecast and budget provision.

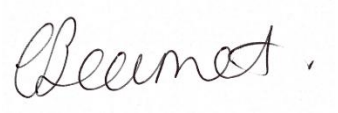
10. Commercial / contractual considerations

This is a 7Force contract. As such, the 7Force Director of Commercial Services has completed the below table.

Contract value (whole life of contract including extension options). This figure must align with Essex elements of the Contract Award Report and the contractual documentation.	*£1,032,392.10 (initial 3 years)* + *£1,822,610.89 (4 x 12-month extensions inc. BCIS)* = ***£2,855,002.99 for 7 years***
Contract start date	1 October 2026
Contract end date (initial term)	30 September 2029
Contract extension provisions	4 x 12 months (to 30 September 2033)
Which contract terms are being applied (e.g. standard 7 Force, industry specific e.g. JCT / NEC or framework terms). Outline any specific commercial observations, amendments to any standard terms and conditions, or extraordinary terms and conditions for consideration.	NEC 4 Term Service Contract
Key provisions for non-performance (beyond those in standard terms), e.g. service credits, liquidated damages	Service Credits – Linked to Key Performance Indicators
List any contractual terms yet to be clarified and when it is anticipated these will be finalised	Not Applicable

Declaration of accountability for commercial and legal compliance of the above contract:

I confirm my acceptance of responsibility for ensuring that the contractual documentation linked to this decision report is fully compliant with the Heads of Terms set out above. In the event of any variation from this, I will ensure that a further decision report is presented to the PFCC as required, in accordance with the PFCC's Financial and Procurement Regulations, Contract Standing Orders and Schemes of Delegation and Consent.

Signed:	
Title:	7 Force Director of Commercial Services
Date:	10/08/2026

11. Legal Implications

The procurement process has been carried out in accordance with the Contract Standing Orders and the Procurement Act 2023 via an open tender. The NEC4 Term Service Contract June 2017 with amendments January 2019, October 2020 and January 2023 has been used for this project.

The recommendation is for the PFCC to agree to enter into a contract with Munro Building Services Ltd for these services.

12. Staffing Implications

There are no staffing implications arising for either the PFCC or the Chief Constable from the recommendation within this decision report.

13. Equality, Diversity and Inclusion implications

There are no equality, diversity and inclusion implications arising from this decision report. The contract requires all work to be carried out with positive consideration of the needs of site personnel, visitors, and the public. Special attention is to be given to the needs of those with sight, hearing and mobility difficulties.

14. Risks and Mitigations

Failure to proceed with the option proposed would leave the force without a supplier to undertake the requirements of the contract which would impact on statutory maintenance requirement and the ability to undertake reactive repairs which could result in the loss of a building.

15. Governance Boards

- Chief Officer Group – 19 August 2026
- PFCC Strategic Estates Board – 24 August 2026

16. Links to Future Plans

The service provision supports the overall Estate Strategy.

17. Background Papers and Appendices

Appendix A – Contract Award Report – OFFICIAL SENSITIVE (*not for publication*)

Appendix B - NEC 4 Term Service Contract – OFFICIAL SENSITIVE (*not for publication*)

Report Approval

The report will be signed off by the PFCC's Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O. Sign:

Print: P. Brent-Isherwood

Date: 24 August 2026

Chief Finance Officer Sign: .....

Print: Jeremy White.....

Date: 24/08/2026.....

Publication

Is the report for publication? **YES** [X]

NO [ ]

If 'NO', please give reasons for non-publication *(Where relevant, cite the security classification of the document(s). State 'None' if applicable)*

Subject to redaction, as set out below

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet? **YES** [ ] **NO** [X]

2. Of Appendix? **YES** [X] **NO** [ ]

If 'YES', please provide details of required redaction:

The relevant information will be published in accordance with the Procurement Act 2023

Date redaction carried out: ……..

Chief Finance Officer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Chief Finance Officer or Chief Executive is to sign off that redaction has been completed.

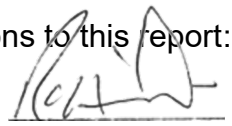
Sign: …….....

Print: …….

Chief Executive / Chief Finance Officer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Roger Hirst

PFCC

Date signed: 02/09/2026

I do not agree the recommendations to this report because:

…….....

.....

.....

Sign:

Print:

PFCC/Deputy PFCC

Date signed: