

South Lakeland District Council

Delegated Executive Decision

5 November 2020

Purchase of fleet vehicles (1No. 12T Refuse Vehicle) for the Council – award of contract.

Portfolio:	Cllr Philip Dixon – Portfolio Holder for Customer and Commercial services and people
Report from:	Simon Rowley – Director Customer and Commercial Services
Report Author:	Sion Thomas – Operational Lead for Delivery and Commercial Services
Wards:	N/A
Forward Plan:	Key Decision included in the Forward Plan.

1.0 Expected Outcome

- 1.1 To purchase 1 No. 12T streetscene fleet vehicle. The purchase is in line with the current capital replacement vehicle programme. It is expected that it will help reduce the maintenance and servicing costs for the service and provide a reliable fleet of vehicles to help the service run effectively.

2.0 Proposed decision

2.1 It is proposed:

- (1) To approve the award of the contract for purchase of the 1 No. 12T refuse wagon for Streetscene to the recommended bidder as noted in Part II Appendix 1; and
- (2) That the Director of Customer and Commercial Services in conjunction with the Case Management officer and Lead Specialist Legal Governance and Democracy enter into the appropriate contract on behalf of the Council with the successful bidder.

3.0 Background and Proposals

Please note that in accordance with Section 100B(2) of the Local Government Act 1972, copies of the appendix to this report are excluded from inspection by members of the public as they contain information as described in Schedule 12A of the Act, as amended by the Local Government (Access to Information) (Variation) Order 2006, as follows:-

- Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Paragraph 3)

- 3.1 There is 1 No. 12T refuse wagon to be acquired. It is to be purchased to replace an existing vehicle which is due to be replaced as part of the vehicle and plant replacement programme.
- 3.2 The vehicles are due for replacement. SLDC replace vehicles after 7 years. This is the optimum period that provides for disposal of vehicle in advance of the vehicle-life costs outweighing the capital cost of replacement. The vehicle replacement programme is included within the Capital Programme and the tendered cost falls within the Capital sum available. These items were on the Procurement Schedule.
- 3.4 The specification is agreed with input from the Transport manager, Team Leaders and Drivers to ensure that the correct requirements are specified and tendered. As part of the tender, the tenderers provide vehicles for the crews to Demo. SLDC received five tenders. The tender scoring the highest marks met with the specification provided as part of the tender. The price / quality ratio was 40%/60%. The evaluation results were as follows:

Overall Score					
	B1	B2	B3	B4	B5
Financial Section	348	351	400	390	334
Quality Section	580	535	455	465	480
Total Overall Score	928	886	855	855	814

- 3.4 It is proposed that the Council proceeds with the purchase of the 12T refuse vehicle to bidder B1 having followed the Council's procurement policy and the new vehicle meets with the requirements set out as part of the tender.
- 3.5 The proposal to procure the vehicle has been on the Procurement Schedule approved by Council and Cabinet. Further the contract award has been on the Forward Plan and the changes to the delegated decision making on the 30th June 2020 are being followed. This provided that for contract awards relating to procurement decisions authorised by Cabinet and Council on the procurement schedule that the relevant Director now has the delegated authority to award the contract. In cases which are a key decision the proposal to award the contract should also be placed on the Forward Plan.
- 4.0 Consultation**
- 4.1 The portfolio holder for Customer and Commercial service has been consulted on the procurement of the vehicles.
- 4.2 The Streetscene department was consulted as part of the process, demo vehicles were brought in for testing to ensure that the correct specification was provided during tender.
- 5.0 Alternative Options**
- 5.1 To not purchase new vehicles and to run the existing fleet. This will inevitably lead to increase in maintenance and servicing costs and will provide an ageing fleet which will be less reliable. Reliability of vehicles is key to the streetscene department with collections expected on set days.

- 5.2 To lease as opposed to buy new vehicles. This is not recommended with the increase pressure on the revenue budget that this will likely bring. It also means that any servicing and maintenance would not be undertaken in house which again can lead to issues in terms of vehicles being available for set rounds on set days.
- 5.3 Another alternative option is to not award a contract to the recommended bidder in this procurement exercise. This is not considered a preferred option because the recommended bidder met the necessary criteria to proceed as set out in the analysis in the Part II appendix.

6.0 Links to Council Priorities

6.1 N/A

7.0 Implications

Financial, Resources and Procurement

- 7.1 The current capital programme includes for the purchase of the 12T refuse wagon.
- 7.2 The specification was agreed with input from the Transport manager, Team Leaders and Drivers to ensure that the correct requirements were specified and tendered. The tender was issued under ESPO framework 215_9 lot 1. Analysis of the tender response received is set out in the Part II appendix. The price / quality ratio was 40/60 and this has been approved by the Chief Finance Officer in accordance with the Constitution.

Human Resources

- 7.2 By procuring new vehicles, there will less demand on the Vehicle and Transport maintenance team and therefore staffing levels can be managed accordingly.

Legal

- 7.3 Legal Governance and Democracy Specialists will advise on the contract documentation for the purchase.

Health, Social, Economic and Environmental

- 7.4 Have you completed and Health, Social, Economic and Environmental Impact Assessment? No
- 7.5 If you have not completed an Impact Assessment, please explain your reasons: N/A

Equality and Diversity

- 7.7 Have you completed an Equality Impact Analysis? No
- 7.8 If you have not completed an Impact Assessment, please explain your reasons: N/A

Risk

Risk	Consequence	Controls required
Tender return is valid for set period of time. If order is not placed, then tender will be invalid.	Potential additional cost or need to re-tender.	Order to be placed for the vehicles following Cabinet approval.

Contact Officers

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Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Part II – award of contract – tender report

Background Documents Available

Name of Background document	Where it is available
Council's procurement schedule	https://democracy.southlakeland.gov.uk/documents/s27801/Corporate%20Financial%20Update%20Quarter%2020201920-%20Appendix%205.pdf

Tracking Information

Signed off by	Date sent	Date Signed off
Legal Services	23.09.20	15.10.20
Section 151 Officer	23.09.20	
Monitoring Officer	23.09.20	
CMT	23.09.20	

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	23.09.20
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Council	N/A

Note – Report authors must consult the relevant Portfolio Holder, members of the Corporate Management Team, the Monitoring Officer, and any other interested parties before a decision can be taken. If any objections are received, they must be reported at the meeting before the decision is taken.

Signed by:-	Title:-