

## Report of Head of Waste Operations

### Report to Chief Officer Waste Management

**Date:** 14<sup>th</sup> July 2014

**Subject:** Waiver of contract procedure rule 8.2 and procurement of Autokontrol Geofencing System

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. Refuse Collection Services spend around £850,000 per year on repairs to fleet vehicles. A proportion of this is due to damage caused whilst tipping at landfill sites. The speed of the vehicle can contribute to the damage caused at landfill sites.
2. The Autocontrol 'geofence' system automatically limits the speed of vehicles when they are at landfill sites, reducing damage and therefore repair costs.
3. An assessment of the market indicates that no other such system exists. The cost of the system for 44 vehicles will be £15,400 (exc VAT).

### Recommendations

4. That the Chief Officer Waste Management waives contract procedure rule 8.2 and procures the Autokontrol 'geo-fence' system.

## **1 Purpose of this report**

- 1.1 This report outlines the justification for the Chief Officer Waste Management to waive contract procedure rule 8.2 and procure the Autokontrol 'Geofence' system.

## **2 Background information**

- 2.1 Refuse collection services has budgeted for £600,000 of spend on repairs to fleet vehicles in 2014/15. In 2013/14 this figure out-turned at £860,000.
- 2.2 Damage due to the disposal of waste on landfill sites is a key area of expenditure. Detritus from the sites, impacting on the engine and components, can cause significant damage, especially when combined with excessive speed.

## **3 Main issues**

- 3.1 The Autokontrol 'geofence' system contains a geo-fenced speed limiter. In designated areas, such as landfill, geo-fence data is pre-loaded with the perimeter of the site in question. As the vehicle enters into the pre-loaded area the system automatically reduces the vehicle to the required speed and on exiting reverts back to the normal speed.
- 3.2 The Geo-Fencing can be extended to cover any number of locations and effectively transfers the responsibility for speed control on landfill sites from the driver to the unit.
- 3.3 Fleet Services have assessed the market for such products and found that Autokontrol 'geo-fence' is the only available product that can provide active speed control in the vehicle. Several products provide speed limit alerts and feed-back, however no others actually reduce the speed of the vehicle based on location.
- 3.4 Six vehicles have this software installed as part of a trial. Based on data from November 2013 to March 2014, it was found that the cost of repairs per vehicle had reduced by around 20% which would more than pay for the cost of installation.
- 3.5 The cost of this system is £350 per vehicle (exc VAT). The system will only be fitted to those vehicles that visit landfill, and not to the full fleet some of which do not visit landfill or cannot due to the type of vehicle. Based on installation on 44 vehicles, the total cost would therefore be £15,400 (exc VAT). Refuse Collection Services expect that this cost will be covered in savings from reduced landfill damage to vehicles.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Consultation with Fleet Management and Finance colleagues have resulted in support for the implementation of the system.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 There are no equality and diversity or cohesion issues related to this decision.

### **4.3 Council policies and City Priorities**

4.3.1 This decision supports the Best Council objective of “Dealing effectively with the city’s waste - minimising waste in a growing city.”

4.3.2 It also supports the objective of “Becoming an efficient and enterprising council - streamlining ways of working and developing our people.”

### **4.4 Resources and value for money**

4.4.1 The procurement of this system will result in reduced landfill damage and therefore reduced spend on maintenance for refuse fleet vehicles.

4.4.2 The total cost of the system is projected to be £15,400 (exc VAT) the cost of which will be covered by reduced repair and maintenance costs of the vehicles.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 No legal implications.

### **4.6 Risk Management**

4.6.1 No significant risks have been identified.

## **5 Conclusions**

5.1 Having assessed the situation Refuse Collection Services believe that the Autokontrol ‘geo-fencing’ system delivers value for money for the council. In the absence of any competitors contract procedure rule 8.2 can be waived.

## **6 Recommendations**

6.2 That the Chief Officer Waste Management waives contract procedure rule 8.2 and procures the Autokontrol ‘geo-fence’ system.

## **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.