

**Report of : Head of Waste Operations, Environment and Housing****Report to : Director of Environment and Housing****Date: 24<sup>th</sup> September 2014****Subject: Award of Contracts for replacement vehicles**

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: 1 - 10.4 (3) Appendix 1 to this report has been marked as exempt under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**Summary of main issues**

1. A delegated decision to replace up to 47 front line vehicles in the Environment and Housing Directorate was made on May 23<sup>rd</sup> 2014.
2. Following a recent procurement exercise managed by Fleet and Procurement, contracts for the replacements of 17 refuse collection vehicles are now ready to be awarded.
3. The cost of these replacement vehicles are within the amounts approved in the Council's capital programme.

**Recommendations**

4. The Director of Environment and Housing authorised the award of the contract for the replacement of 17 new refuse collection vehicles at a cost of £2.472m to Faun Zoeller (UK) Ltd.

**1 Purpose of this report**

- 1.1 The purpose of the report is to request the Director of Environment and Housing to award contracts for the replacement of 17 refuse collection vehicles.

## **2 Background information**

- 2.1 After a Government Spending Review from which Local Authorities had to react to the deficit reduction plan, Leeds City Council put on hold its Vehicle Replacement Programme and all fleet vehicles have been 'run on' beyond their usual planned service life. The vehicle replacement programme recommenced in 2013/14 and this is the second year of the new programme.
- 2.2 A delegated decision to replace up to 47 front line vehicles in the Environment and Housing Directorate was made on May 23<sup>rd</sup> 2014. The total cost of this decision was estimated at between £3.2m.
- 2.3 Fleet Services have undertaken a competitive procurement on behalf of the Directorate and this report specifically relates to contract award for 17 refuse collection vehicles.

## **3 Main issues**

- 3.1 The refuse collection service uses around 70 collection vehicles (including spare pool cover) each day to provide collections of Residual, Recycled and Garden Waste across the City. These vehicles have a normal road life of 5 years. All of the refuse collection vehicles being replaced as part of this procurement are now beyond that vehicle life and need replacing.
- 3.2 It is intended to purchase a range of different sized vehicles to ensure efficiency and flexibility within the refuse service. The 17 vehicles will be sized as follows:-
  - 10 \* 26 tonne (standard refuse vehicles)
  - 3 \* 32 tonne
  - 2 \* 18 tonne
  - 2 \* 12 tonne

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Fleet Services have consulted with service managers within the Directorate on the vehicle replacement schedule and the specifications of all the vehicles being replaced. The new vehicles will meet the specification required by the service to operate.

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

- 4.2.1 An Equality, Diversity, Cohesion and Integration screening report was considered as part of the original delegated decision. This concluded a full Equality Impact Assessment was not required.

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

- 4.3.2 The replacement of the fleet vehicles have been procured in accordance with the Council's procurement policies.

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

- 4.4.1 The award of the contracts for the replacement vehicles and the purchase of the additional refuse vehicle can be met from the total amount approved for replacements in the capital programme in 2014-15.

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

- 4.5.1 The contract award is a consequence of a previous delegated decision. As a result, it is classed as an administrative / significant operational decision and is therefore not subject to call in.
- 4.5.2 Appendix 1(Tender prices) to this report has been marked as exempt under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial affairs of the authority which, if disclosed to the public would, or would be likely to prejudice the commercial interests of the Council. The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In this case the report author considers that it is in the public interest to maintain the exemption

#### **4.6 Risk Management**

- 4.6.1 There are no specific risk issues associated with the award of this contract.

### **5 Conclusions**

- 5.1 All of the vehicles being replaced are beyond their normal operating life. A competitive procurement exercise has been completed and the costs of the replacements are within the approved budget.

### **6 Recommendations**

- 6.1 The Director of Environment and Housing authorised the award of the contract for the replacement of 17 new Refuse Collection vehicles at a cost of £2.476m to Faun Zoeller UK Ltd.

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

- 7.1 Delegated decision to replace up to 47 front line vehicles (DDN 41181 ~ 23/05/2014)

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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.