



**Report of** Head of Fleet Services

**Report to** Director of Environment and Housing

**Date:** 30<sup>th</sup> November 2015

**Subject:** Award of Contracts for purchase of new vehicles for various departments identified on the 2015/2016 replacement programme

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: 10.4 (3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

### Summary of main issues

1. A delegated decision for the purchase of replacement vehicles identified for the financial year 2015/16 was approved on the 12<sup>th</sup> November 2015.
2. Following recent procurement exercises managed by the Council's Fleet and Procurement, Fleet Services are now ready to award contracts for the supply of up to 45 electric vans and up to 5 electric MPV's for various departments
3. This is a tender exercise for supplying new vehicles for the Directorates and the evaluation panel have identified which suppliers will have been awarded the contract, as set out in the tender documents. The total amount for procuring these vehicles is up to £800,000.

### Recommendations

To seek approval from the Director of Environment and Housing to award the contract for the purchase of up to 45 electric vans and 5 electric MPV's to Nissan Motor (GB) Ltd .

## **1 Purpose of this report**

The Director of Environment and Housing to agree to award the contract for the purchase of up to 45 electric vans and 5 electric MPV's at a cost of up to £800,000.

## **2 Background information**

- 2.1 A delegated decision to purchase various vehicles identified for replacement for the financial year 2015/2016 was approved on the 12<sup>th</sup> November 2015 (D42888).
- 2.2 This specific tender was advertised in October 2015 on the Council's electronic tendering portal – [www.yortender.co.uk](http://www.yortender.co.uk), and companies responded with a tender. All tenderers had to meet a desired specification to be eligible to have their price submission evaluated. The successful tenderer will then be awarded the contract.
- 2.3 Fleet Services have undertaken a competitive procurement on behalf of the various Directorates and this report specifically relates to contract award for up to 45 electric vans and 5 electric MPV's

## **3 Main issues**

- 3.1 A full tender evaluation exercise was completed with each of the suppliers required to meet the requirements of the specification.
- 3.2 The tenders were evaluated on a 60% price (600 points) / 40% quality (400 points) basis. The quality criteria used were delivery timescales (maximum 100 points), dealer support (maximum 100 points) and actual driving range (maximum 200 points). The successful bidder scored highest on both quality and price with a total of 955 points out of a possible 1000 points, the unsuccessful scored 885 points.
- 3.3 It is intended to award the contract to the successful tenderer(s). The intention is that the order will be placed for replacement vehicles with the successful tenderer(s).
- 3.4 The successful tenderer(s) who will be awarded the contract have been vetted by procurement, e.g. company details, accounts, insurance and references sought and have passed the vetting process.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Fleet Services have consulted with service managers within the Directorates on the specifications of all the vehicles being purchased. 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**

4.3.1 The vehicles have been procured in accordance with the Council's procurement policies.

4.3.2 This report draws attention to co-ordinated working that demonstrates a contribution towards the following priorities contained in the Best Council Plan:

- Achieve the savings and efficiencies required to continue to deliver frontline services

4.3.3 The report highlights the contribution to the following Council Business Plan priorities:

- Developing Leeds as a Low Carbon city
- A carbon reduction target of 40% by 2020
- Improving the city's Air Quality through reductions in harmful pollution from diesel engines
- Spending Money Wisely – Achieving VFM in respect of its fleet replacement programme

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

4.4.1 The expenditure for this procurement exercise is funded through the capital programme. The successful bidder offered the most economically advantageous tender based on the whole life costs associated with owning and running the vehicle

### **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.

### **4.6 Risk Management**

4.6.1 There remains the risk that unsuccessful tenderers may present a legal challenge to the results of this procurement exercise. However this risk has been mitigated as the evaluation clearly stated which information or lack of information would constitute a 'fail' through the extensive evaluation programme developed for this tender. They will be given feedback as to why their bid was unsuccessful.

## **5 Conclusions**

5.1 A competitive procurement exercise has been completed and the costs of the replacements are within the approved budget.

## **6 Recommendations**

To seek approval from the Director of Environment and Housing to award the contract for the purchase of up to 45 electric vans and 5 electric MPV's to Nissan Motor (GB) Ltd .

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

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.