

Report of **Head of Fleet Services**

Report to **Director of Environment and Housing**

Date: **28 November 2016**

Subject: **Replacement Fleet Vehicles – 17st Minibuses**

Capital Scheme Number: 16946 / 000 / 000

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) <small>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.</small>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. This report seeks authorisation to award a contract for the supply of up to 6No. (Six) new 17st Minibuses for various departments for a capital cost of up to £145,983.24 following a recent tender exercise.
2. This decision is a consequence of a previous decision that was approved on the 28th November 2015 (D42888) which gave authority to tender for all fleet vehicles on the 2015/16 Vehicle Replacement Programme.
3. The capital cost of these replacement vehicles falls below the amount which has been approved in the Council's vehicle capital programme. (£150,000.00).
4. Alternative fuelled vehicles have been considered in this tender exercise, but there are no alternative fuelled options available for this vehicle type (17st Minibus). A diesel engine to Euro 6 emissions standard has been specified as a minimum requirement, and will be supplied.

Recommendations

5. The Director of Environment and Housing is requested to approve the purchase of up to 6No. (Six) new 17st Minibuses to replace those as advised in the 2015/16 Vehicle Replacement Programme for various departments for a total capital cost of up to £145,983.24

1 Purpose of this report

1.1 To seek approval to award a contract for the replacement of up to 6No. (Six) 17st Minibuses.

1.2 To seek authority to incur an expenditure of up to £145,983.24 from Capital Scheme Number 16946 / 000 / 000

2 Background information

2.1 A delegated decision was approved in November 2015 (D42888) which gave authority to tender for all fleet vehicles on the Council's 2015/16 Vehicle Replacement Programme.

2.2 The cost of this particular vehicle type (17st Minibus) on the Vehicle Replacement Programme was estimated to be up to £25,000. per vehicle.

2.3 Fleet Services have undertaken a mini-competition procurement exercise for these vehicles from the Council's Supply of Vehicles Framework (YORE – 9AQKZA).

3 Main issues

3.1 The tender has been advertised / published on the YORtender system where tender submissions were invited from all the Suppliers on the appropriate category on the Council's Supply of Vehicles arrangement, thus ensuring all prior checks, due diligence etc. had already been passed and were in place.

3.2 Six suppliers were invited and four suppliers responded.

3.3 Return tender submissions were evaluated on both price and quality in keeping with the conditions under the Council's Supply of Vehicles Framework.

3.4 The maximum scores available were 600 points on Price and 400 points on Quality – to give a possible maximum total of 1000 points.

3.5 The highest scoring submission totalled 935 points (335 points on Price / 600 points on Quality) from General Motors UK Limited.

3.6 It is intended to award this contract to the successful tenderer, in this instance – General Motors UK Limited for the sum of up to £145,983.24

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The scheme proposal has been the subject of consultation with Fleet Services along with the requirements of the service and in line with the Vehicle Replacement Programme.

4.1.2 Fleet Services have been consulted with the technical requirements of the vehicle and have written the vehicle specification to the latest standards including the latest emissions standards, in this case Euro 6, and undertaken the procurement exercise.

4.1.3 Fleet Services have worked with the Cutting Carbon and Improving Air Quality Breakthrough Project to ensure that vehicles being purchased support the strategic work to reduce emissions from our fleets and make a contribution to improving public health through improving air quality. Fleet Services are consulting with senior managers to ensure that vehicles purchased will also be compliant with government legislation to enforce a Clean Air Zone in Leeds.

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 This process has been carried out in accordance with the Council's vehicle 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 This 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.
- Ensuring that Leeds City Council's fleet will be compliant with the introduction of a Clean Air Zone by 2020 in line with Government Legislation.
- Spending Money Wisely – Achieving VFM in respect of its fleet replacement programme.

4.4 Resources and value for money

4.4.1 The firm price following the tender exercise is a total of up to £145,983.24

4.4.2 The cost of these vehicles will be funded through the approved capital programme and charged to the various services through Prudential Borrowing.

4.4.3 The all-inclusive maintenance cost through Fleet Services for this vehicle type (17st Minibus) is estimated to be £2,444.28 per annum.

4.4.4 Overall the impact on the Service's budget of the capital and vehicle maintenance charges is neutral - when compared to the costs of their old vehicles going off fleet.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The award of this contract would be the consequence of a previous delegated decision which gave the authority to tender for all fleet vehicles on the 2015/16 Vehicle Replacement Programme. As a result it is classed as an administrative / significant operational decision and is therefore not subject to call in.

4.5.2 The Appendix (Tender Evaluation Summary) 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 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 how any information or lack of information would be scored in this mini-competition exercise. All tenderers will be given feedback on their submission/s.

5 Conclusions

5.1 The proposed vehicles (six 17st Minibuses) have gone beyond their normal operating life and are due for replacement on the 2015/16 Vehicle Replacement Programme. A competitive procurement exercise has been completed and the cost of the replacement vehicles has come in below the approved budget.

6 Recommendations

6.1 The Director of Environment and Housing is requested to approve the purchase of up to 6No. (Six) new 17st Minibuses to replace those as advised in the 2015/16 Vehicle Replacement Programme for various departments for a total capital cost of up to £145,983.24

7 Background documents¹

7.1 Tender Evaluation Summary.

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