

Report of Trading and Operational Support Manager

Report to Chief Officer Parks and Countryside

Date: 20 November 2018

Subject: Replacement parts and machinery plant and equipment– Waiver of Contracts Procedure Rule 9.1 and 9.2 High Value Procurement.

Are specific electoral wards affected? If yes, 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:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. The Parks & Countryside service procures various equipment throughout the financial year which is specialist to Horticulture, Agriculture and Arboriculture including ancillary equipment.
2. The current framework expired on 12 November 2018 and in preparation of a new framework, the service has looked at other existing frameworks and have undertaken an extensive Market Sounding Exercise (MSE) to gain information from the market regarding a number of issues related to the potential procurement exercise and the development of electric, hybrid and low emission vehicles and machinery.
3. The MSE will help shape the specifications of machines together with detailed feedback from section managers within the Parks & Countryside service in preparation for a future procurement exercise which should be completed by Summer 2019.
4. Until a new framework is in place, the service will need to have in place a waiver for the procurement of spare parts to ensure the winter maintenance and overhaul programme of works does not become delayed and the service may also need to replace some machines that have become uneconomical to repair. The estimated expenditure in relation to this is waiver is under £170K and can be met within existing resources from the capital programme.

Recommendations

Chief Officer for Parks and Countryside is requested:

- to use the authority set out in Contract Procedure Rule (CPR) 1.3 to waive Contracts Procedure Rule No 9.1 and 9.2 – High Value Procurement – to enter into a contract for the procurement of specialist machinery, plant and equipment as set out within the report.
- to give the authority to spend no more than £170k in total from existing resources in the capital programme on the procurement of specialist machinery, plant and equipment with the companies set out in this report.

1. Purpose of this report

- 1.1 The Chief Officer for Parks and Countryside is recommended to approve the waiver of Contracts Procedure Rule No 9.1 and 9.2 – High Value Procurement – to enter into a contract for the procurement of specialist Horticulture, Agriculture and Arboriculture including ancillary equipment.
- 1.2 The Chief Officer for Parks and Countryside is recommended to give the authority to spend no more than £170k in total from existing resources in the capital programme on the procurement of the above items.
- 1.3 This waiver is in relation to the following suppliers, Chippendale Plant Ltd, Gibsons Garden Machinery Ltd, Ripon Farm Services, Russells Ltd and FR Sharrocks Ltd.

2. Background information

- 2.1 The Parks & Countryside service procures various equipment throughout the financial year which is specialist to Horticulture, Agriculture and Arboriculture including ancillary equipment.
- 2.2 The current framework expired on 12 November 2018 and in preparation of a new framework, the service has looked at other existing frameworks and have undertaken an extensive Market Sounding Exercise (MSE) to gain information from the market regarding a number of issues related to the potential procurement exercise and the development of electric, hybrid and low emission vehicles and machinery.
- 2.3 The MSE will help shape the specifications of machines together with detailed feedback from section managers within the Parks & Countryside service in preparation for a future procurement exercise which should be completed by Summer 2019.
- 2.4 Until a new framework is in place, the service will need to be able to procure spare parts and some machines from a list of specialist suppliers and manufacturers to ensure service continuity and income generating work. The estimated expenditure in relation to this is under £170K and can be met within existing resources from the capital programme.
- 2.5 The machinery is used to deliver the service's core requirements, Service Level Agreements and assist in achieving the majority of the current income budget target of £14.7 million.

3. Main issues

- 3.1 It is not possible to extend the existing framework and the Parks & Countryside service has a rolling program of replacing plant and machinery which is phased over a number of years to spread the costs.
- 3.2 Until a new framework agreement has been procured, the service needs to have in place a waiver to ensure service continuity, in particular the service is about to enter the busiest period for the winter over haul.
- 3.3 As machines come in, it is possible that some may no longer be economical to repair and will therefore require urgent replacement.

- 3.4 If the service is unable to procure this specialist equipment there would be a detrimental impact on the quality of the service provided, the service's ability to deliver the income targets and the cost of maintaining the equipment to a useable standard.
- 3.5 This waiver is only a temporary arrangement until such time as a new framework is in place. A new framework will enable suppliers from within an open competitive market for them tender in relation to any future procurement of this bespoke specialist and technical equipment.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Executive Member for Environment & Active Lifestyles has been consulted on these proposals.
- 4.1.2 Procurement have also been consulted.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Due regard has been given throughout the decision making process and a screening document has been prepared and an independent impact assessment is not required for the approvals requested. The screening document has been sent to the equality team to be approved and published.

4.3 Council policies and best council plan

- 4.3.1 This report draws attention to co-ordinated working that demonstrates a contribution towards the following priorities contained in the City Priority Plan:
- Best city for communities:
 - Best city to live:
 - Best Council Plan 2015 to 2020
 - Vision for Leeds 2011 – 2030
- 4.3.2 The procurement of machines ensures that the parks and greenspaces are well maintained for the health and wellbeing of people.
- 4.3.3 The procurement of new machines will ensure lower emissions than older or worn out machines and the replacement of some with electric or alternative fuels, will help to lower air pollution levels across the City's local greenspaces.

4.4 Resources and value for money

- 4.4.1 Having well serviced machines and replacing those that have reached the end of its economical useful life, is more efficient and reduces running costs over all and ensures Health & Safety compliance.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This is a significant operational decision which is not subject to call-in.

4.5.2 Although there is no overriding legal obstacle preventing the waiver of CPR 9.1 and 9.2 the content of the report should be noted. In making their final decision, the Chief Officer of Parks Countryside should be satisfied that the approved course of action represents best value for the council.

4.6 Risk management

4.6.1 The risk associated with this waiver is thought to be low given the specialist nature and quality of the products required for the proposed work.

5. Conclusions

5.1 Parks & Countryside has a diverse service which consists of managing, developing, conserving and maintaining horticultural, agricultural and arboriculture landscapes. Specialised machinery is used to implement the service provided which, in turn, requires regular maintenance and the replacement of old machinery so that service standards and income levels can be sustained each year.

6. Recommendations

6.1 Chief Officer for Parks and Countryside is requested;

- to use the authority set out in Contract Procedure Rule (CPR) 1.3 to waive Contracts Procedure Rule No 9.1 and 9.2 – High Value Procurement – to enter into a contract for the procurement of specialist machinery, plant and equipment as set out within the report.

- to give the authority to spend no more than £170k in total from existing resources in the capital programme on the procurement of specialist machinery, plant and equipment with the companies set out in this report.

7. Background documents¹

7.1 None.

¹ 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.