



**Report of: Head of Fleet Services**

**Report to: Director of Housing and Resources**

**Date: September 2019**

**Subject: Report requesting to commence a procurement exercise for the provision of vehicle bodywork repairs to Leeds City Council**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input 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**

**1. Main issues**

- The purpose of this report is to seek approval to commence a new procurement exercise for the provision of vehicle bodywork repairs to Leeds City Council.
- There current framework contract was awarded on 1<sup>st</sup> August 2016 for a period of two years with a further two years available by way of extensions both twelve moth extensions available were utilised with the current contract expiring in the 31<sup>st</sup> January 2020.
- Procuring a new framework contract will secure the vehicle body work repairs required at the best possible price.
- If a new procurement exercises is not undertaken, then either the service required by end users cannot be provided, or significant revenue spend will be incurred off contract.
- The value of this future arrangement is estimated at £200k per annum.

**2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- Promoting a more competitive, less wasteful, more resource efficient, low carbon economy.

### **3. Resource Implications**

- Resources are available from both CEL and Procurement and commercial Services Section to meet the requirements of a tender exercises in order to award a contract for the provision of vehicle body work repairs.
- There are no additional resource implications once a contract for the provision of vehicle bodywork repairs is awarded.

### **Recommendations**

- a) The Director of Housing and Resources is recommended to approve the commencement of a procurement exercise in order to secure a contract for the provision of vehicle bodywork repairs. The contract will start on the 1<sup>st</sup> February 2020 and be for a period of 3 years, with 1 x 12 month option to extend.

## **1. Purpose of this report**

- 1.1 This report details the reasons why a contract for the provision of vehicle bodywork repairs is required. The purpose of this report is to seek approval to commence a procurement exercise, which will see the award of a contract for this supply. The contract will be for 3 years, with the option of 1 x 12 month extension.

## **2. Background information**

- 2.1 The current framework contract expires 31<sup>st</sup> January 2020.
- 2.2 A contract for the provision of vehicle bodywork repairs is required to provide specialist accident damage repairs to both light and heavy Leeds City Council vehicles which support key council services including transport of people, refuse collection and highways services. Not to have a contract in place will mean either reduced vehicle availability for services, or significant expenditure will be incurred off contract.
- 2.3 Currently Fleet Services as the councils internal vehicle maintenance provide does not have the necessary equipment or skills to provide this type of specialist repair service.
- 2.4 The current contract in place since 1<sup>st</sup> August 2016 has proved to be an effective means of providing completion awarding jobs to individual companies based on estimates submitted.
- 2.5 From the experience of using the framework for the last 4 years it has proved to be successful in both reducing overall spend by 40% and in providing reduced vehicle downtime to key services.

## **3. Main issues**

- 3.1 The existing contact for the provision of vehicle bodywork repairs expires in January 2020, the current contract utilises Garforth Panel Beaters Leeds for light and heavy vehicle repairs and Station Garage Castleford for light vehicle repairs only.
- 3.2 The existing contract is a mini competition framework where all contractors have to submit estimates for each job with individual awards based on a price/quality split thus the service is assured of value for money.
- 3.3 If a new procurement exercise is not undertaken vehicle availability to key services would be reduced or significant expenditure will be incurred off contract.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 It is not considered that the content of this report or the recommendation made will have a significant impact on any particular word or community.
- 4.1.2 Consultation has taken place with key services and service providers and will continue throughout the process.

### **4.2 Equality and diversity / cohesion and integration**

4.2.1 An Equality, Diversity, Cohesion and Integration screening form has been completed.

### **4.3 Council policies and the Best Council Plan**

4.3.1 It is paramount that procurement within Leeds City Council is undertaken with a view to ensure openness, transparency and fairness. As such the contract for the provision of vehicle bodywork repairs will be procured in line with Leeds city Councils Procurement and Commercial Services sections policy and procedures

4.3.2 Evidence of added social value will be considered and this may be developed as part of the tender process.

#### Climate Emergency

4.3.3 Evidence of reduction in CO2 emissions will be considered and this will be developed as part of the tender process.

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

4.4.1 Any contract entered into as a result of the procurement exercise will be used for the provision of vehicle bodywork repairs. This forms an essential element in supplying vehicles to key services who support deliver of Leeds City Council services.

4.4.2 Any contract entered into as a result of the procurement exercise will be regularly reviewed by monitoring market conditions and trading indices to ensure continuing value for money.

4.4.3 Resources are available from both CEL and Procurement and commercial Services Section to meet the requirements of a tender exercises in order to award a contract for the provision of vehicle body work repairs.

4.4.4 There are no additional resource implications once a contract for the provision of vehicle bodywork repairs is awarded.

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

4.5.1 The Director of Housing and Resources is authorised to make this decision to commence a procurement process.

4.5.2 Advice regarding any procurement exercise, including terms and conditions of contract / arrangement, will be obtained from the Procurement and Commercial Services section to ensure council governance is met, and fair competition is observed.

4.5.3 The value of spend on the contract is approximately £200k per annum (3 years plus 1 x 12 month extension) is estimated at £800k.

### **4.6 Risk management**

4.6.1 There is no particular risk in approving the commencement of a procurement exercise.

## **5. Conclusions**

- 5.1 The current contract for the provision of bodywork repairs has provided value for money providing financial savings and reduced administration costs.
- 5.2 Not to commence a procurement exercise to award a contract for the provision of vehicle bodywork repairs, will mean either the service cannot be provided, or purchases to provide the service will be made off contract. A tendered service contract would put the requirement on a firm contractual footing.

## **6. Recommendations**

- 6.1 The Director of Housing and Resources is recommended to approve the commencement of a procurement exercise in order to secure a contract for the provision of vehicle bodywork repairs. The contract will start on the 1<sup>st</sup> February 2020 and be for a period of 3 years, with 1 x 12 month option to extend.

## **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.