



Report of: Head of Fleet Services

Report to: Director of Housing and Resources

Date: 29th July 2019

Subject: To extend the contract of the hire of vehicles framework 9W2D-4UXM2K for the provision of road sweepers, pavement sweepers and Gully tank lots only

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

- Leeds as an authority has made a decision to have both sweepers and gully municipal vehicles on hire for over 15 years due to their specialisms. The sweepers up to 33 machines and 5 gully vehicles are currently used in community and neighbourhoods and highways departments. Both areas have indicated they are renewing the numbers provided with possible reductions highlighted.
- The machines and equipment has proven to be difficult to maintain, require heavy resources while supporting challenging services over 7 days per week 24 hrs per day.
- Provision of the equipment is paramount to both Cleaner Neighbourhoods Team (CNT) as well as Highways operations. The existing equipment all CAZ compliant are hired through existing hire framework from 2016 due to expire early 2020.
- These front line hire vehicles in specialist areas require the technical expertise and additional contract flexibility to reduce or increase numbers as and when required going forward. The existing framework allows for feasibility around reductions at no cost to LCC on current spot hire rates.
- Both Fleet Services and the operational areas are confident with exploring extended hire arrangements with vehicles already compliant to meet CAZ compliance in advance of the start date, while offering service reconfiguration options of fleet

reductions. Both CNT and Highways department have indicated they are renewing existing numbers looking to reduce vehicles long term across these two areas.

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

- Improving air quality, reducing pollution and noise
- Promoting a more competitive, less wasteful, more resource efficient, low carbon economy

3. Resource Implications

- The use of this current arrangement will reduce the resources needed from both operational and support services which would be needed to carry out a full tender exercise required for these specialist vehicles

Recommendations

- a) The Director of Resources and Housing to approve the continued provision of up to 33 no. sweepers and 5 no. Gully Fleet at a cost of £1,100,000 per annum from 7th February 2020 – 6th February 2024 through Dawson's Rental Materials Handling Equipment Limited.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval for the continued provision of up to 33 no. sweepers and 5 no. gully fleet at a cost of £1,100,000 per annum from February 2020 – February 2024 through Dawson's Rental Materials Handling Equipment Limited.

2. Background information

- 2.1 Historically both the procurement sweepers and Gully vehicles have been limited following an option appraisal against internal provision. Due to the specialisms of the machines there are only limited numbers of providers to support such volumes of hire.
- 2.2 The sweepers and gully fleet are complete in the mechanics and resource heavy with high maintenance and specialist service schedules. This options appraisal with the services established that the provision of machines and gully fleet through hire was the best solution at reduced costs.
- 2.3 CNT have operated with (33) sweepers while Highways with (5) gully fleet. The equipment operatives with additional auxiliary equipment and hydraulics proving complete requiring specific engineering resources found in the market place.
- 2.4 Both services are undergoing a fleet review looking a possible vehicle reduction over the coming months.
- 2.5 Gully wagons are being reviewed to determine the requirement and the best option for future provision.
- 2.6 The provider Dawson's have ensured all fleet are CAZ compliant in the current market place and the existing hire framework allows fleet reductions with no financial impact to LCC and the associated service areas. These vehicles are part

of a fleet project working with highways on a possible procurement option with new extended warranty options and more robust engineering capability.

2.7 The current provider are Dawson's Rental Materials Handling Equipment Limited.

3. Main issues

3.1 A procurement was run in 2016 to establish a framework for the hire of vehicles. This framework runs until 6th February 2020. LCC are able to award direct drawdowns to the lead organisation, based on quality and price, whilst the framework is live.

3.2 The first ranked supplier for road sweepers and gully vehicles is Dawson's Rental Materials Handling Equipment Limited.

3.3 Fleet Services, CNT and Highways are happy with the existing arrangements and the provider with minimal operational issue.

3.4 Contract management has been minimal with an excellent working relationship by all involved.

3.5 To reconfigure the fleet under new contract terms is not timely and would pose costly for LCC.

3.6 With vehicles (across the range involved) costing in excess of £80,000 to £150,000 any possible reduction of fleet would play a significant impact to any new provider in a time of uncertainty, and would be a risk for any provider going out to the market place rather than appointing through existing framework.

3.7 Numbers of hired vehicles are likely to be reduced over time following service reviews. Services have done significant amount of work on operational lows and have already indicated a possible reduction of vehicles to provide a more efficient service.

3.8 It is the intention to run the hire of road sweepers and gully vehicles for a period of time to match the new contract for the hire of light and light goods vehicles.

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 ward or community.

4.1.2 Consultation has taken place with key services 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 extension for the provision of hired sweepers and gully fleet will be extended in line

with Leeds City Council Procurement and Commercial Services section's policy and procedures.

- 4.3.2 Evidence of added social value has been considered and developed a part of this process.

Climate Emergency

- 4.3.3 The current specialist vehicles supplied are fully CAZ compliant and changed to the latest exhaust emission standard when available.
- 4.3.4 A full CNG sweeper is currently operated in the City Centre where air quality is key

4.4 Resources, procurement and value for money

- 4.4.1 Any contract entered into as a result of the procurement extension exercise will be used for the provision of hired sweeper and gully fleet. This forms and essential element in supplying vehicles to key services who support delivery 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 (PACS) to meet the requirement of a contract extension for the provision of sweepers and gully vehicles.
- 4.4.4 There are no additional resource implications once a contract for the provision of hired sweeper and gulley's 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 extend the contract following previous procurement process.
- 4.5.2 Advice regarding any procurement exercise, including terms and condition 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 £1,100,000

4.6 Risk management

- 4.6.1 There is no particular risk in approving the commencement of a contract extension exercise.

5 Conclusions

- 5.1 The current contract extension for the provision of hire sweepers, etc. has provided value for money providing financial savings and reduced administration costs.
- 5.2 Not to commence an extension exercise to award a contract for the provision of vehicle hire, will mean either the service cannot be provided, or purchases to provide the service will be made off contract.

6. Recommendations

- a. The Director of Resources and Housing to approve the continued provision of up to 33 no. sweepers and 5 no. gully fleet at a cost of £1,100,000 per annum from February 2020 – February 2024 through Dawson's Rental Materials Handling Equipment Limited.

7. Background documents¹

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.