



**Report of**

**Report to:** Chief Officer - Civic Enterprise Leeds

**Date:** 30<sup>th</sup> September 2019

**Subject:** Report requesting to commence a procurement exercise for the provision of workshop equipment repairs and calibration

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 checked="" 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 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:	<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 workshop equipment repairs and calibration.
- The historical workshop equipment repairs and calibration contract has been completed using contract waivers.
- The introduction of a future contract is to ensure long term support while capturing efficiencies.
- To meet 150 9001 and health and safety requirements the contract will ensure the process of equipment checks are robust and meet the necessary compliance. The equipment contract is for 3 + 1 year's extension.
- If a new procurement exercise 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 the contract is estimated at £25,000 per annum.

## **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 framework will reduce the resources needed from both operational and support services.

## **Recommendations**

The Chief Officer Civic Enterprise Leeds is recommended to approve the commencement of a procurement exercise in order to secure a contract for the provision of workshop equipment repairs and calibration. The contract will start in 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 repair and Calibration of equipment 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 There is no current contract in place.
- 2.2 The contract for provision of workshop equipment repairs and calibration is to provide both ongoing maintenance and calibration of working equipment.
- 2.3 The existing providers have been sourced through a waiver system over a number of years.
- 2.4 This contract is to ensure the authority has the correct provider to cover all equipment supporting the service across depots while providing accurate and timely information on the same equipment.
- 2.5 Through the implementation of a longer term contract further efficiencies will be sought.
- 2.6 Fleet Service Vehicle maintenance section carry out repairs to the Councils fleet vehicles from small vans up to 32 tonne refuse vehicles, over 7 days per week, many repairs require additional specialist and associated vehicle repair support either through the through peaks of work or shortage of specialist skills sets.

- 2.7 The municipal fleet vehicles are complex in nature and there are often requirements to call in addition support from specialist suppliers to ensure optimum “up time” of the fleet and reduce down time.
- 2.8 In order to meet the operational requirements and legislative compliance the vehicles require regular services and inspections. Many of the municipal fleet are complex with Euro 6 chassis, hydraulic and pneumatic systems and more recently EV electrical and hybrid vehicles.
- 2.9 Vehicles with their individual complexities often require specialist repairs currently covered through appropriate governance procedures.
- 2.10 In order to find efficiencies and secure the commitment from service providers Fleet Services requires a specialist and associated vehicle repair framework contract to provide this additional support and ensure that the authorities fleet can be service and maintained in a timely manner

### **3 Main issues**

- 3.1 The existing provision for the repair and calibration of equipment has been completed by using relevant LCC waivers.
- 3.2 The service has replaced the majority of its equipment parts of a replacement program to meet new fleet requirements.
- 3.3 The new equipment requires ongoing proactive maintenance and 6/12 monthly calibration to meet safety and equipment regulations.
- 3.4 Historical maintenance has been sporadic with ad hoc repairs and minimal planned works.
- 3.5 The historical spend has been £25,000 per annum including additional repairs.

### **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. 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 and cohesion screening document has been undertaken and it is not considered that the content of this report or the recommendations made will have any impact on any specific group or individuals.

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

- 4.3.1 There is no contract currently in place to secure the services of these specialist and ancillary vehicle repair suppliers and these services are currently being provided through 'non contract spend'. Once this contract is in place it will ensure that these services are secured and all spends will be 'on contract'.
- 4.3.2 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 Units policy and procedures.
- 4.3.3 Evidence of added social value will be considered and this may be developed as part of the tender process.

### Climate Emergency

#### **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 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 Unit to meet the requirements of a tender exercise in order to award a contract for provision of workshop equipment repairs and calibration. 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 Chief Officer is authorised to make this decision to commence the procurement process
- 4.5.2 Advice regarding any procurement exercise, including terms and conditions of contract/arrangement, will be obtained from Procurement to ensure council governance is met, and fair competition is observed.
- 4.5.3 The value of spend on the contract is approximately estimated at £75,000 (increased to £100,000 if the extension is taken up). This is a significant operating decision, and is not subject to call in.

#### **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 waiver for the provision of workshop equipment repairs and calibration 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 equipment 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 Chief Officer Civic Enterprise Leeds is recommended to approve the commencement of a procurement exercise in order to secure a contract for the provision of workshop equipment repairs and calibration. The contract will start on 1st January 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

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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.