

# Authority to Procure a new contract/framework for the supply of vehicle parts

Date: 18 October 2021

Report of: Head of Catering and Fleet Services

Report to: Director of Resources

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- Sourcing vehicle parts ensures that council vehicles are maintained to a high level which reduces harmful emissions, which in turn reduces the impact the environment.
- Having a compliant contract/framework will demonstrate the market has been tested and any new contract/framework offers very good value for money
- Maintenance and repair of council vehicles ensures they will operate at an optimum levels, so is an essential requirement for a large number of council vehicles.
- This contract/framework will support front line council in delivering their services.

## Recommendations

The Director of Resources, is recommended to give the authority to procure a new contract/framework for the supply of vehicle parts for fleet services maintenance and repair. The new contract/framework is due to commence on 1 February 2022 for a period of 4 years.

### Why is the proposal being put forward?

- 1 The current framework DN295308 supply of motor vehicle parts is due to end on 31 January 2022, with no option to extend.
- 2 The current contract was for a four year period, from 1 February 2018 to 31 January 2022. The previous framework comprised of 6 separate lots, awarded to 3 different suppliers with an estimated annual value of £180,000.
- 3 Fleet service require a compliant contract/framework to ensure they can continue to maintain and repair council vehicles
- 4 Not to approve this request to give authority to procure a new contract/framework risks non-compliant spend, higher prices, and potential affect continuity of supply.

### What impact will this proposal have?

#### Wards affected:

Have ward members been consulted?

Yes

No

- 5 Approving the authority to procure a new contract/framework will ensure fleet services will continue to maintain and repair the council's vehicle fleet to high standards.
- 6 Council vehicle are maintained to high standard, which helps to reduce harmful emissions. Having a compliant contract/framework in place will ensure fleet services can maintain this service, which in turn allows other council departments to meet their front line service requirements.
- 7 If a new contract/framework is not in place, the Council will be subject to non-compliant spend and potentially significantly higher prices.
- 8 The tender opportunity will allow the Council to test the market with the view to reduce costs in this area, especially as the Council increases its fleet of electric vehicles and reduces reliance on traditional diesel and petrol vehicles. Approximately twenty five percent of the council fleet are currently electric vehicles, this should lead to savings as fewer moving parts are required for these types of vehicles.
- 9 Fleet services are currently maintaining an extra 200 vehicles, from when the current contract was procured. The fleet is also ageing, with some vehicles now over 10 years old, and the initial batch of electric vehicles, now 4 years old. This will reduce some of the expected savings, had the fleet size remained the same,
- 10 Fleet are currently maintaining and serving over 100 vehicles to external clients. This will generate additional incomes, however, will increase the requirements for this new contract.
- 11 By having a single supplier, it is further hoped additional savings can be achieved.
- 12 As part of the process, the way vehicle parts are ordered, used and managed will be reviewed to identify any possible further savings.

### What consultation and engagement has taken place?

- 13 Fleet services have confirmed they require a compliant contract/framework to continue maintaining and repairing council vehicles.

### **What are the resource implications?**

14 Fleet services and PACS have resources available to procure a new contract/framework for the supply of motor vehicle parts.

### **What are the legal implications?**

15 PACS have advised there are no legal implications to procure a new contract/framework for the supply of vehicle parts.

### **What are the key risks and how are they being managed?**

16 i) A key risk is to ensure that a compliant contract/framework is successfully procured. PACS will guide fleet services to ensure risks are minimised in this procurement.

ii) Not to procure a contract/framework risks the council having to incur non-compliant spend with higher costs. PACS and fleet services will ensure a compliant contract/framework is in place by 1 February 2022

### **Does this proposal support the council's three Key Pillars?**

Inclusive Growth

Health and Wellbeing

Climate Emergency

17 i) The new contract/framework will ensure fleet services can continue to maintain and repair council vehicles.

ii) By having vehicle parts available to maintain and repair council vehicles means vehicles will operate more efficiently reducing harmful emissions, which can affect both health and the environment.

## **Options, timescales and measuring success**

### **What other options were considered?**

18 When approval is given PACS and fleet services will check to see if any existing external frameworks will meet the requirements for fleet services. A recent previous search has indicated that existing frameworks do not contain the full requirements for fleet services.

### **How will success be measured?**

19 Success will be measured by procuring a compliant contract/framework that meet the requirements of fleet services for vehicle parts, whilst offering excellent value for money.

### **What is the timetable for implementation?**

20 The new contract needs to be in place for 1 February 2022.

## **Appendices**

21 Appendix A – EDCI Screening Form

## **Background papers**

None