

Report seeking approval to award the contract for the hire of sweeper and gulley vehicles

Date: 5th April 2024

Report of: Deputy Chief Officer, Head of Catering and Fleet Services

Report to: Chief Officer Civic Enterprise Leeds

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This report addresses the tender evaluation process and seeks approval to award a contract to Dawsongroup Environmental Municipal Civil Limited for the supply of hired sweeper and gulley vehicles which are used by community and neighbourhoods, Climate, Energy & Green Spaces and highways departments, respectively.

The machines and equipment require significant resources and expertise to maintain. They are required by frontline services 24 hrs per day, 7 days per week.

Provision of the equipment is essential to the Cleaner Neighbourhoods Team (CNT) Climate, Energy & Green Spaces and Highways operation.

The proposed hire contract will be effective from 1st May 2024 for a period of 4 years with no option to extend beyond this. The proposed contract value is estimated at circa £1.623m per annum (£6.492mm over the proposed 4 year total period).

Appendix 1 Tender Analysis Report should be designated exempt from publication as it contains commercially sensitive information.

Recommendations

The Chief Officer Civic Enterprise Leeds is requested to:

- a) Approve the award of a contract to Dawsongroup Environmental Municipal Civil Limited in the total value of £6.492m (approximately £1.623m per annum) exclusive of VAT for the supply of hired sweeper and gulley vehicles for a period of 4 years, 1st May 2024 to 30th April 2028.
- b) Recognise that Appendix 1 – Tender Analysis Report should be designated exempt from publication in accordance with information procedure rule 10.4(3).

What is this report about?

- 1 This report provides details of the tender evaluation process and seeks approval from the Chief Officer Civic Enterprise Leeds to award a contract to Dawsongroup Environmental Municipal Civil Limited for the supply of hired road sweepers, pavement sweepers and gulley vehicles for front-line services of the council.
- 2 This decision is a direct result of a previously taken Key Decision ref D57048 and therefore not open to call-in. The Authority to Procure decision was taken on 5th January 2024 (see background papers) giving approval to procure a contractor utilising a competitive tender procedure inviting specialist vehicle hire organisation from the compliant external third party framework, The Procurement Partnership Ltd (TPPL) framework Lot 3 Contract Hire of Heavy Goods Vehicles.
- 3 An open, transparent tender process has been undertaken. Seven organisations who expressed interest via TPPL were invited to tender. Two bids were received from Supplier A and Dawsongroup Environmental Municipal Civil Limited prior to the tender deadline. Their submissions were evaluated as outlined in the tender documentation. Dawsongroup Environmental Municipal Civil Limited has been identified as the successful organisation on conclusion of the tender process.
- 4 The tender submissions were assessed on a quality/price separated approach with an overall quality threshold of 60% required to then be evaluated on price. The evaluation team comprised of officers from Strategy and Resources directorate, City Development and Communities, and Housing and Environment directorate.
- 5 Following the completion of the quality evaluation as listed in the summary below, Dawsongroup Environmental Municipal Civil Limited and Supplier A both met the required quality threshold of 600 points and were therefore evaluated on price.

Tenderer	Quality Points (Total 1000)	Rank
Supplier A	870 Passed	1
Dawsongroup Environmental Municipal Civil Limited	670 Passed	2

- 6 Following the price evaluation by a Technical Officer and a Senior Officer from Fleet Services it was confirmed that a compliant tender had been submitted by Dawsongroup Environmental Municipal Civil Limited who were identified as the successful supplier.
- 7 The table below shows a summary of the price evaluation

Tenderer	Price	Rank
Dawsongroup Environmental Municipal Civil Limited	£1,622,844.36	1
Supplier A	£2,064,088.56	2

- 8 The Technical Officer and the Senior Officer in Fleet have noted the price is arithmetically correct and that all associated service costs within the pricing schedule have been benchmarked against the pre-tender estimate. The tender submitted by Dawsongroup Environmental Municipal Civil Limited is in line with the estimated total value of the contract. Additionally, Dawsongroup Environmental Municipal Civil Limited confirmed that they have included for all elements to facilitate the required services.

What impact will this proposal have?

- 9 The hire of sweepers and gully vehicles are required by Highways, Cleaner Neighbourhood Team (CNT) and Climate, Energy & Green Spaces for cleaning and maintenance activities citywide. The proposed new contract will ensure continuation of service delivery to the community.
- 10 An Equality, Diversity and Inclusion (EDI) impact assessment has been undertaken for this service and included as part of the Authority to Procure report. There are not expected to be any negative impacts in relation to the service provision.
- 11 Critically, awarding this contract will ensure continuation of essential service and contribute to the city's and council's ambition in terms of delivering quality outcomes to local communities, social values and positive environmental effects.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 12 The contract for the sweeper and gully hire will ensure all vehicles supplied are fully compliant to the latest Euro 6 exhaust emission standards. These new hire vehicles will contribute to realising the Council's Zero Carbon target.
- 13 Additionally, this proposal will support the CNT, Highways team and Climate, Energy & Green Spaces team who are responsible for cleaning and maintaining streets and pavements, empty litter bins, collect unwanted bulky items from households and support local community actions against littering. All these frontline services contribute to a healthy and pleasant environment for the citizen of Leeds.
- 14 In terms of Inclusive Growth, the proposed contract will ensure that spaces used to cultural and heritage events around city are maintained and kept clean to encourage all communities to use the space safely for events such Pride, Leeds West Indian Carnival and the many other events throughout the city.
- 15 Social Value was evaluated as part of the requirement for this provision and the contractor has made commitments to deliver on selected national Themes, Outcomes and Measures (TOMs) during the contract. The selected Core TOMs include the contractor's commitment to creating a healthier, safer and more resilient communities, improving wellbeing and sustainability and waste management. These will be monitored throughout the contract by the Council with support from the Social Value Engine (SVE).

What consultation and engagement has taken place?

Wards affected: All Leeds City Council wards

Have ward members been consulted?

Yes

No

- 16 Senior Officers in Highways Operations Team, Climate, Energy & Green Spaces and the Cleaner Neighbourhood Team (CNT) and their representatives have been consulted throughout to determine how requirements will be met and agree with the proposed procurement strategy.
- 17 Consultation and engagement have taken place with the Fleet Services Team and Procurement and Commercial Services (PACS) when determining the procurement strategy, as well as assessing the tendering options.

18 Procurement and Commercial Services (PACS) legal team have been engaged regarding the suitability of the external framework proposed for use and have confirmed that The Procurement Partnership Ltd (TPPL) framework Lot 3 Contract Hire of Heavy Goods Vehicles is considered to be an 'approved framework' and therefore a compliant procurement route.

What are the resource implications?

19 The tender received from Dawsongroup Environmental Municipal Civil Limited to the value of £1,622,844.36 against a schedule of rates is in line with expectations for the service content identified in the tender package. In making the final decision, the decision maker should be satisfied that this contract represents best value for the Council.

20 There are no additional resource implications once a contract for the provision of hired sweeper and gulleys is in place.

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

21 If the approval to award is not given, then the Council will not have a formal contract in place for the supply of hire gulley and sweeper vehicles. A consequence of this would be a significant increase in non-contract spend.

22 Appointing a single supplier potentially exposes the Council to an element of risk in terms of supplier insolvency and capacity to complete the required level of service. However, the risk is deemed relatively low due to Dawsongroup Environmental Municipal Civil Limited track record of providing this service in the past and regular due diligence reviews during the contract checks.

23 Prior to award a vetting process will be undertaken in relation to financial standing, insurance, Health and Safety, relevant qualifications, licences and technical references to ensure the contractor is financially stable and capable to deliver the contract to a high standard.

What are the legal implications?

24 The decision set out in this report is not subject to Call-in and flows from the original Key Decision as referred to in point 2. Except for the Tender Analysis Report (Appendix 1) which is to be kept confidential, there are no other grounds for keeping the contents of this report confidential under the Access to Information Rules.

25 Appendix 1 information of this report has been identified as exempt/confidential under the Access to Information rule 10.4(3) because the public interest in maintaining the exemption outweighs the public interest in disclosing the information and financial details which, could adversely affect the business of the Council and the business affairs of a number of individual other companies.

26 The procurement has been undertaken in line with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015, as relevant. The tender has been evaluated in accordance with the evaluation criteria set out in the tender documents and following an evaluation process, Dawsongroup Environmental Municipal Civil Limited have been identified as the proposed successful Supplier.

27 This contract is services driven so is above the Find a Tender Service (FTS) threshold and the procurement via the use of The Procurement Partnership Ltd (TPPL) Framework is fully FTS compliant. The original procurement of TPPL Framework was undertaken on a competitive basis in line with the Public Contracts Regulations 2015 and awarding a call off contract to Dawsongroup Environmental Municipal Civil Limited under the TPPL Framework is fully compliant with those regulations.

28 This contract is services driven so is above the Find a Tender Service (FTS) threshold. Therefore a 10-day standstill period has been carried out in accordance with the regulations to allow unsuccessful tenderer to request further feedback if required. This has been observed and expired on 02nd April 2024 with no issues raised.

Options, timescales and measuring success

What other options were considered?

29 Other options for this scheme were considered as part of the Authority to Procure report and the approach applied to use TPPL Framework was deemed to be the preferred procurement option.

How will success be measured?

- 30 SMART based KPIs to be used to monitor the performance of the contract and ensure service is being delivered in line with Council expectations in respect of value for money, sustainability and service delivery improvement.
- 31 The Social Value Engine will be used by the Council and the supplier to measure and monitor the impact of the additional social value measures implemented on this contract.

What is the timetable and who will be responsible for implementation?

32 It is critical that the contract is in place to ensure continuation of the service provision therefore early formation of this contract is essential so that it can be implemented by 1st May 2024. The Service Managers in CNT and Highways respectively will be responsible for implementation.

Contract Award	April 2024
Contract Commencement	1 st May 2024
Contract Completion	30 th April 2028

Appendices

- Appendix 1 – Tender Analysis Report (Confidential)

Background papers

- [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk)