

Report to Executive

Agenda
Item:

A.11

Meeting Date: 19th October 2015
 Portfolio: Environment and Transport
 Key Decision: No:
 Within Policy and Budget Framework Yes
 Public / Private Public

Title: VEHICLE PROCUREMENT
 Report of: The Director of Local Environment
 Report Number: LE 26/15

Purpose / Summary:

The report seeks approval for accepting a tender where only a single supplier has tendered.

Recommendation:

That the Executive approve acceptance of the tender for a discounted, nearly new refuse collection vehicle received on the 4th September 2015, in line with Contract Procedure Rules.

Tracking

Executive:	19th October 2015
Overview and Scrutiny:	
Council:	

1. BACKGROUND

- 1.1 The Executive approved the release of capital for vehicle replacement on the 7th April 2015. The programme allows for four of the oldest vehicles in the waste fleet with the worst record of breakdowns to be replaced this year.
- 1.2 The current 'lead in' time for refuse collection vehicles is currently around nine months and the 'Rethinking Waste' project has still to finalise its specification on some of the fleet that requires replacement.
- 1.3 With the need to replace some of the worst refuse collection vehicles in the fleet more quickly, a decision was made to go out to tender for a nearly new ex demo vehicle that would be available straight away.

2. DETAIL

- 2.1 A tender was advertised at the end of August for a single refuse vehicle. The specification highlighted the requirement for a vehicle up to two years old and which could be delivered by October 2015. Only one tender was received within the specified time period and it offered the choice of two vehicles of different ages at extremely competitive prices. The tender for one of the vehicles was accepted and the order placed in accordance with Council procurement rules. The vehicle will be with the Council by the end of September.
- 2.2 The other nearly new ex demo vehicle that the tenderer offered is also considered to be excellent value for money and will help the service better manage its service delivery by quickly improving the break down performance of its fleet.
- 2.3 In order to accept this second vehicle however, Executive approval is required in accordance with Contract Procedure Rules which state that 'if it appears to the appropriate Director that there is only one possible contractor or supplier in respect of any given contract, he/she may, for supplies up to £35,000 and with the approval of the Executive for supplies over £35,000 but up to £70,000, invite and accept a tender from a single person, firm or company. As the market has been tested by the initial procurement process, Officers are satisfied that there is only a single supplier that can meet the specification set out in the tender, i.e. an ex-demonstration vehicle of the kind required and available for quick delivery.

- 2.4 This report seeks approval to purchase this vehicle without carrying out a second tender exercise.
- 2.5 In view of the fact that only one tender was received, and that only identified two possible vehicles, officers conclude that if the second vehicle is not purchased without delay it may not be available.

3. CONSULTATION

- 3.1 Executive approval is required in accordance with Contract Procedure Rules to accept the tender as outlined in the report.

4. CONCLUSION AND REASON FOR RECOMMENDATION

- 4.1 There is an urgent need to replace part of the refuse fleet to enable the service to address recent high levels of vehicle breakdown. The long lead times for new vehicles meant that a tender for a nearly new vehicle available by October was required. In view of the fact that only one tender was received, and that only identified two possible vehicles, officers conclude that if the second vehicle is not purchased without delay it may not be available.

The purchase of the second vehicle further strengthens business continuity capability should service suspensions occur during the Winter. To conclude it is recommended that the Executive agree that there is only one possible supplier for this particular vehicle and approve acceptance of the tender received from a single supplier on the 4th September 2015 in line with Contract Procedure Rule 10(c).

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 An effective waste services fleet supports the Carlisle Plan priorities for a Cleaner Carlisle.

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**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance – The Director of Local Environment has delegated authority to issue orders and accept tenders, provided that she complies with the Contracts Procedure Rules. This report is to ensure compliance with those Rules.

The decision may be exempt from the Call In procedure if Members agree that it is urgent, that is, that any delay caused by the call in process would seriously prejudice the Council's interests. Officers have advised that a delay may mean that the vehicle is no longer available to purchase. If Members agree that this constitutes urgency, the decision must state that this is an urgent decision and not subject to call in. If the Mayor then agrees both that the decision taken is reasonable and urgent, the decision will not be subjected to the Call In procedure but would need to be reported to the next meeting of the Council.

Local Environment –

Resources –The budget for vehicle replacements was released in April 2015 and a procurement process was undertaken for a single refuse vehicle in August. This procurement process resulted in a single tender being submitted, but with the option of two alternative vehicles. It is felt that both vehicles offered give the Council value for money and rather than re-tender for the second vehicle, Contract Procedure Rules allow the Executive to approve the acceptance of the second vehicle price if they are satisfied that there is only a single supplier capable of meeting the Council's requirement. As a tender was undertaken for the first vehicle that resulted in only a single response, this is felt to satisfy the requirement for Executive approval under the Contract Procedure Rules.