

# Cabinet

27 September 2017



<b>Title</b>	Grounds maintenance vehicles (exemption from contract standing orders)		
<b>Purpose of the report</b>	To make a decision		
<b>Report Author</b>	Jackie Taylor Group Head Neighbourhood Services		
<b>Cabinet Member</b>	Councillor Nick Gething	<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability		
<b>Recommendations</b>	<b>Authorise the Group Head of neighbourhood services to make a direct award to Supplier A outside of the framework tender.</b>		
<b>Reason for Recommendation</b>	<b>Direct award for the procurement of vehicles to supplier A is beneficial to the Council both financially and operationally</b>		

## 1. Key issues

- 1.1 Both Council and Cabinet have already approved a capital sum for the purchase of grounds maintenance machinery & vehicles following the Council's decision to bring the service back in-house.
- 1.2 The European Public contracts directive sets out detailed procedures for the award of contracts whose value equals or exceeds specific thresholds. The threshold, applying from 1st January 2016 is £164,176.
- 1.3 In view of the high value of the machinery & vehicles required to operate the service mini tender competitions were run through the Yorkshire purchasing organisation and East Shires purchasing organisation frameworks.
- 1.4 In parallel to the mini tenders we also requested an estimate for provision of the transport vehicles from Supplier A, whilst we have already used Supplier A for the provision of other large vehicles they were not on the framework for the supply of these smaller operational vehicles required for grounds maintenance services.
- 1.5 On receipt of the returned tenders a full evaluation of the prices, vehicle, manufacturer, quality and delivery timescales was undertaken which showed that a direct award to supplier A would be more financially viable, operationally more sustainable and provide a better quality of vehicle.

## 2. Options analysis and proposal

- 2.1 We could purchase vehicles through the framework at a cost of £163k but the vehicles would be of a lower quality, not suitable for the work they would be required to undertake, be subject to longer delivery timescales and would be

slightly more expensive. The delivery timescales are imperative as we are currently spot hiring vehicles.

- 2.2 If exemption from standing orders is authorised a direct award could be made to Supplier A who have a national purchasing arrangement with the preferred manufacturer and who are able to call off vehicles in much shorter time scales. The cost of the vehicles under this option would be £161k which is below the EU procurement threshold. This is the preferred option.

### **3. Financial implications**

- 3.1 The capital budget has already been approved for the purchase of these vehicles and there are no additional capital funding requirements.
- 3.2 The vehicles currently in use are on spot hire and it is therefore necessary for us to commit to the outright purchase as soon as possible to remove these additional hire costs.

### **4. Other considerations**

- 4.1 All new vehicles would be low emission vehicles and have up to date engine technology.

### **5. Timetable for implementation**

- 5.1 If exemption approval is given an order would be placed immediately with delivery expected within 4 to 6 weeks from date of order.

**Background papers:** There are none

**Appendices:** There are none