

Report of	Meeting	Date
Director of Public Protection, Streetscene and Community (Introduced by the Executive Member for Resources)	Executive Cabinet	11 December 2014

APPROVAL FOR PROCUREMENT OF NEIGHBOURHOOD VANS

PURPOSE OF REPORT

- To seek approval for the procurement approach including the award procedure, evaluation methodology and criteria for 8 x Neighbourhood Vans.

RECOMMENDATION(S)

- To approve the procurement approach for 8 x Neighbourhood Vans via direct award through the Crown Commercial Service Vehicle Purchase Framework Agreement Reference RM 859.
- To approve the procurement approach for the fitting out of the neighbourhood vans as detailed in the report.

EXECUTIVE SUMMARY OF REPORT

- The Council's fleet of neighbourhood vans have now come to the end of their lease period and are due for replacement. A total of 8 vans now need to be procured.
- The report outlines the procurement approach and seeks approval for the direct award to purchase 8 vans – 3 electric and 5 diesels.

Confidential report Please bold as appropriate	Yes	No
--	-----	----

Key Decision? Please bold as appropriate	Yes	No
--	-----	----

Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

6. Under the Council's contract procedure rules approval by the Executive Cabinet of contract award procedure and evaluation criteria for tenders greater than £75,000 in value is required.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7. The Council has considered alternative procurement routes including Open Tender and other framework options.

CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities	✓	An ambitious council that does more to meet the needs of residents and the local area	

BACKGROUND

9. The Council's fleet of Neighbourhood Vans have now come to the end of their lease period and are due for replacement. A total of 8 vans now need to be procured.

SPECIFICATION

10. The specification of the vans together with the optional extras has been determined with the Neighbourhoods team. The Nissan NV200 provides the storage space required including side access and space for dog cages.
11. A mix of diesel / electric vehicles has been chosen as this will provide savings whilst also ensuring service resilience. For most daily duties the charging range of the electric vehicles is sufficient (80 miles). By also having some diesel vehicles this will ensure service resilience for any duties or ad-hoc work that requires greater traveling distances such as dropping off stray dogs to kennels outside of the borough.
12. The following 8 vehicles required will be as follows:
 1. Nissan NV200 1.5 Dci Accenta in white c/w Beacon bar (lined, sealed & 1 dog cage)
 2. Nissan NV200 1.5 Dci Accenta in white c/w Beacon bar (lined, sealed & 2 dog cages)
 3. Nissan NV200 1.5 Dci Accenta in white c/w Beacon bar (lined, sealed & 2 dog cages)
 4. Nissan NV200 1.5 Dci Accenta in white c/w Beacon bar (lined, sealed & 2 dog cages)
 5. Nissan NV200 1.5 Dci Accenta in white c/w Beacon bar (lined, sealed & 2 dog cages)
 6. Nissan E - NV200 Accenta RAPID in white c/w Beacon bar (lined & sealed)
 7. Nissan E - NV200 Accenta RAPID in white c/w Beacon bar (lined & sealed)
 8. Nissan E - NV200 Accenta RAPID in white c/w Beacon bar (lined & sealed)
13. It is proposed that the above vehicles are procured through the Crown Commercial Service (CCS) Vehicle Purchase Framework Agreement Reference RM 859.

14. The CCS framework is a national public sector framework agreement which has been advertised and awarded in accordance with EU Procurement Rules and is therefore fully compliant with EU procurement legislation. Procurement through the framework has a number of benefits including aggregated volume for best value pricing and discounts, full account of the clean vehicle directive and nationally agreed, streamlined terms and conditions.
15. Procurement through Frameworks is specifically provided for within the Council's Contract Procedure Rules (CPR 35).
16. Pricing for individual vehicles can be accessed directly through the on line CCS fleet portal by authorised procurement officers. It is intended to determine the vehicle models/ makes which are capable of meeting the Council's specific specification requirements and obtain pricing for each of these vehicles from the relevant manufacturer via the CCS online- fleet portal. The contract will be directly - awarded to the lowest cost / best value vehicle manufacturer in accordance with the published framework guidance.
17. The direct award pricing available via the fleet portal has been tested and has been determined to be extremely competitive with high discounts available.
18. Following purchasing of the vehicles a financial assessment will be undertaken to determine the best financing option such as leasing or borrowing. Purchase and subsequent leasing has provided the best option for recent procurement of vehicles such as the mechanical sweepers.
19. All of the vans will be dry lined and sealed with five vans having dog cages fitted. This work is estimated to cost £30K and this will be procured through three competitive quotes in line with the Council's procurement procedure.
20. If the vehicles are ordered in December 2014 they should be available for April 2015 following delivery and fitting out.
21. The Executive Member (Streetscene Services) has been consulted and is in full agreement with the proposal.

IMPLICATIONS OF REPORT

22. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

23. The procurement exercise will determine the most cost effective approach to replace the vans. Should the decision be taken to lease the vehicles and dry lining/sealing, they would be recharged to a leasing company and the cost to the Council would be the annual rentals. However if outright purchase, financed by borrowing is preferred, budget approval would be required in the capital programme. There is sufficient budget provision within the Streetscene Fleet budget to fund either annual lease costs or the annual costs of borrowing.
24. Borrowing is the only procurement option available for the electric vehicles as leasing opportunities are not currently available.

25. The method of financing the diesel vehicles will be considered after a full option appraisal, and the budget implications for diesel and electric vehicles will be reflected in revenue budget and capital programme monitoring reports as appropriate.

COMMENTS OF THE MONITORING OFFICER

26. The proposed procedure is compliant with the Council's Contract Procedure Rules. A direct award is appropriate for the reasons detailed in the report. As this is a Key Decision notice will be placed on the Notice of Key Decisions document and publicised.

JAMIE CARSON
DIRECTOR OF PUBLIC PROTECTION, STREETSCENE AND COMMUNITY

Report Author	Ext	Date	Doc ID
Jamie Dixon	5250	24 November 2014	EC NH Vans Procurement 11-12-2014