

## **Report to CABINET**

### **Grounds Maintenance Replacement Vehicle Fleet**

**Portfolio Holder:** Cllr Ateeque Ur-Rehman, Cabinet Member for Neighbourhoods

**Officer Contact:** Helen Lockwood - Deputy Chief Executive – People and Place.

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**Monday 24<sup>th</sup> February 2020.**

#### **Reason for Decision**

Fleet Management seek approval to purchase 17 Grounds Maintenance vehicles. A mini competition was held via the TPPL framework for the Vehicles. Lookers submitted a quote and this vehicle best meets the specification issued by the Council via the Chest which has been assessed by Fleet Management and Commercial Services.

#### **Executive Summary**

Oldham Council's Grounds Maintenance Service require a fleet of 17 double cab tipper vehicles to ensure efficient and effective working methods across the Borough. After exploring all options available to us the service is seeking approval to purchase the new vehicle fleet through the procurement framework detailed above.

#### **Recommendations**

To purchase 17 new double cab tippers via a Mini Competition run by procurement Council under the TPPL framework.

## **Grounds Maintenance Replacement Vehicle Fleet**

### **1.0 Background**

- 1.1 Oldham Council's Grounds Maintenance Service require a fleet of 17 new vehicles to ensure efficient and effective working methods across the Borough.
- 1.2 The current fleet has already passed its end life of 7 years. After this point the cost of maintaining and repairing vehicles generally exceeds the borrowing costs of a new vehicle fleet.

### **2.0 Current Position**

- 2.1 The Ground Maintenance Service has been running a fleet of double cab tipper vehicles for the last 7+ years. This fleet of vehicles reached their planned 'end of life' in September 2019 and so a vehicle fleet replacement procurement process has now started. The Service have been using double cab tippers to enable the teams to get around the borough as a group without the need for extra vehicles.
- 2.2 There is a commitment to replace the fleet with compliant vehicles to ensure that the air quality strategy is fully supported. An electric option for this style of vehicle is largely untested with availability and costs still major factors. Each vehicle showing a cost of £80,000 as against the procured cost proposed in this paper of £27,322. The replacement vehicles will be euro 6 diesel engines and therefore deemed fully compliant.

### **3.0 Options/Alternatives**

Option 1 To purchase 17 new Grounds Maintenance vehicles via the TPPL Framework as already approved in the Fleet Management Replacement Programme..

Option 2 To not purchase the new vehicles.

- 3.1 **Delay replacing the vehicle fleet.** The advantages of this would be that we would not incur any costs this financial year on replacing the vehicle fleet. However the vehicles are bought using prudential borrowing and therefore the repayment, repair and maintenance costs are spread over the 7-year life span. The main disadvantage would be an increased risk in vehicle break downs and a significant increase in repair costs as the vehicles get older. This has the potential to cause significant impact on Grounds Maintenance service delivery around the Borough.

### **4.0 Preferred Option**

- 4.1 To purchase 17 new Grounds Maintenance vehicles via the TPPL Framework as already approved in the Fleet Management Replacement Programme.

### **5.0 Consultation**

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5.1 n/a

**6.0 Financial Implications**

6.1 Cabinet approved a spending programme for replacing fleet vehicles totalling £5.57m on 25<sup>th</sup> February 2019. This programme encompasses a five year period of spend covering years 2019/20 to 2023/24.

6.2 The cost of acquiring 17 replacement vehicles for Grounds Maintenance, on the basis of the preferred quote referred to above.

6.3 Subject to approval, replacement will take place in the first quarter of financial year 2020/21 (year two of the current programme).

6.4 There is adequate funding within the capital budget for 2020/21 to meet this commitment.

(Nigel Howard)

**7.0 Legal Services Comments**

7.1 The Council has followed Rule 4.1 of its Contract Procedure Rules and used an existing framework agreement to select the most economically advantageous tender from the bids submitted. However, in view of past experience in purchasing such expensive items of equipment the Council must ensure that there are appropriate warranties in place for the goods and that there is continued liaison with Legal Services in the event that any of the machines are faulty. ( Elizabeth Cunningham Doyle)

**8.0 Co-operative Agenda**

8.1 n/a (Sarah whittle)

**9.0 Human Resources Comments**

9.1 n/a

**10.0 Risk Assessments**

10.1 n/a

**11.0 IT Implications**

11.1 n/a

**12.0 Property Implications**

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12.1 n/a

13.0 **Procurement Implications**

13.1 A Procurement process was undertaken in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015. The route to market was to utilise the 'The Procurement Partnership Ltd' (TPPL) Vehicle Purchase Framework. TPPL had completed an OJEU tendering exercise on behalf of Hertfordshire County Council (HCC) to establish a procurement framework covering several lots. On inspection of the framework documentation our requirements were covered by Lot 2: Light and Medium Commercial Vehicles upto 12.5t. All 20 suppliers were then invited to take part in the further competition exercise.

Based on the outcome of the evaluation process, Procurement recommends that the award of the contractor to Lookers Motor Group Ltd. Having demonstrated that their organisation have submitted the most economically advantageous tender, which demonstrated the capability and quality elements within their bid. The submitted tender price falls within the financial envelope [Jay Thind]

14.0 **Environmental and Health & Safety Implications**

14.1 see paragraph 2.2 above

15.0 **Equality, community cohesion and crime implications**

15.1 none.

16.0 **Equality Impact Assessment Completed?**

16.1 No

17.0 **Key Decision**

17.1 Yes

18.0 **Key Decision Reference**

18.1 NEI-20-19

19.0 **Background Papers**

19.1 None.

20 **Appendices**

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20.1 None.