

CABINET

DATE	17 th July 2024
REPORT OF	Councillor Henry Hudson, Portfolio Holder Environment and Net Zero
RESPONSIBLE OFFICER	Carolina Borgstrom, Director of Economy, Environment, and Infrastructure
SUBJECT	Procurement or Replacement Fleet
STATUS	Open
FORWARD PLAN REF NO.	CB 07/24/05

CONTRIBUTION TO OUR AIMS

Stronger Communities - The current fleet supports young people's services/vulnerable adults, which fall under the categories of independence, active citizens, and healthy lives. Without its fleet the Council would not be able to meet its statutory duties by providing transport for adults and children with special education needs.

Stronger Economy –Effective Fleet Management and providing a modern fit for purpose fleet contributes towards the Council's aim of consistently delivering a quality and cost-effective service for local people having a positive impact on local residents, businesses, visitors, and tourism.

Compliance with Environmental priorities and Statutory Duties - The replacement of vehicles is essential in ensuring our fleet remains legal, roadworthy and complies with our statutory obligations under our Operator Licence. The fleet enables the Council to meet its statutory duties in areas such as waste collection, street cleansing, children's services, education, and highways and winter maintenance along with delivering its priorities as set out within the Councils Commissioning Plan and Outcomes Framework. By ensuring vehicles are kept on the road and in a roadworthy condition it aligns with the Environment priorities under the Council Plan, ensuring we have the capacity to keep our streets clean and maintain our parks and open spaces for everyone to enjoy.

EXECUTIVE SUMMARY

The Council's identified current fleet have come to the end of their cost effective and operational life. In order to ensure a continuity of services and protect the Council's Operator Licence, some replacement fleet needs to be procured. The replacement arrangements will comply with the Public Contracts Regulations 2015, The Procurement Act 2023 and the Council's Contract Procedure Rules, and ensure that the Council achieves its duty of Best and whole life Value. The estimated replacement cost for these fleet items is £392,000 carried over from 2023/24, £535,000 in 2024/25 and £975,000 in 2025/26. The list of vehicles and year to be procured is shown in Appendix 1. Budget has already been approved by Assistant Directors and Business Development Group (BDG) in March 2024, and this report is to seek approval to proceed with procurement.

RECOMMENDATIONS

It is recommended that the Cabinet:

1. Approves the commencement of procurement exercises for fleet items over a two year period.
2. Delegates authority to the Director of Economy, Environment, and Infrastructure in consultation with the Portfolio Holder for Environment and Net Zero to award contracts following the required procurement exercises for the purchase of the replacement fleet items.
3. Authorises the Assistant Director Law and Governance (Monitoring Officer) to complete and execute all legal documentation arising.

REASONS FOR DECISION

The decision allows the Council to commence the procurement exercises for the replacement fleet items and allows the Council to award the necessary contracts.

1. BACKGROUND AND ISSUES

- 1.1 The requirement is for replacement of fleet items for North East Lincolnshire Council and is part of the "Vehicle Management" category of Council requirements.
- 1.2 A project team has been established in readiness to undertake the procurement activity which consists of officers from Fleet Management and the Procurement Team. Advice will be sought from Legal Services in relation to the terms and conditions and Officer Decision Reports.
- 1.3 The required Invitation to Tender documentation and award criteria will be developed for each procurement in consultation with officers from procurement and legal. All procurement activity will be undertaken in line with the requirements of the Public Contracts Regulations 2015, the Procurement Act 2023 and the Council's Contract Procedure Rules and ensure that the replacement contract represents value for money for the Council.
- 1.4 Due to the variety of vehicles being purchased, a variety of different procurement approaches will be utilised as appropriate to the vehicle requirement and value being procured. These will include:
 - 1.4.1 Open procedure tenders (both above and sub threshold).
 - 1.4.2 Accessing compliant frameworks, including Crown Commercial Services, ESPO, TPPL and YPO to obtain the best possible prices. All tenders will be conducted in accordance with the rules of the framework being accessed and will usually utilise a mini competition unless a direct award under the framework is more appropriate for the requirement.
- 1.5 All procurement activity will be carried out using the YORtender (e-procurement portal), Contracts Finder and Find a Tender (and their replacement platforms as appropriate) in accordance with the Public Contracts Regulations 2015 and Procurement Act 2023 and the Council's

Contract Procedure Rules.

- 1.6 Full budget has already been approved by Assistant Directors and Business Development Group (BDG) in March 2024 for replacement of fleet in 2024/25 and 2025/26.

2. RISKS AND OPPORTUNITIES

- 2.1 If we did not award then this would result in vehicles breaking down and being off the road longer and we would be at risk of not being able to carry out some of our statutory services such as waste, street cleansing, winter maintenance and Children's services. Vehicles need to be procured in line with the council's operator licence, construction and use regulations and Driver and Vehicle Standards Agency statutory requirements.
- 2.2 There is an approximate lead time of 12 - 24 months on delivery of any heavy goods vehicle. Therefore, procurement approval needs to be in place to allow for the vehicles to be delivered in the financial year.

3. OTHER OPTIONS CONSIDERED

Do nothing. This is not a viable option however as aging fleet would mean vehicles would consistently break down and require the Council to hire vehicles to cover the downtime. Due to increased impacts on revenue budgets this would not be cost effective and is not a viable option.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are potential positive/negative reputational implications for the Council resulting from the decision. To approve procurement would have a positive impact to allow fleet replacement and will maintain essential services. It would also have a positive impact due to newer, cleaner vehicles and would improve corporate image with newer vehicles. Not to award would have negative reputational issues as there would be downtime on vehicles which will impact essential services and may lead to complaints from the public. If Children's Services vehicles were affected this may have serious consequences on these services and any Ofsted inspections.

5. FINANCIAL CONSIDERATIONS

- 5.1 Capital budget has been approved by Assistant Directors and Business Development Group (BDG) in March 2024 for replacement of fleet.
- 5.2 If the procurement process for the replacement of the existing fleet is not approved this will have a major impact of service users and ultimately the Council's revenue budgets.
- 5.3 The fleet investment, will not payback the capital investment from savings achieved. They are not invest to save proposals, the vehicles are essential to be replaced due to the fact that they are at the end of their useful lives, and they will disrupt service provision from constant breakdowns if they are not replaced. However, the financial revenue savings, from electric vehicles, on fuel and tax, is estimated to be approximately £800 per vehicle, per year.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

Some Children's Services vehicles are scheduled for replacement in 2025/26 and if not replaced any breakdowns may have a significant Impact on their service and may affect any future Ofsted inspections.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

- 7.1 Replacement Heavy Goods Vehicles (HGV's) have the latest Euro VI engines to ensure cleaner fuel technology and therefore reducing CO2 emissions which falls under the Clean Vehicles Regulations 2009, the Council's category of Sustainable Environment and the Council's commitment to reduce its carbon footprint and air quality.
- 7.2 The introduction of a fleet of electric vehicles in 2016 with the Fleet Team replacing 36 diesel vehicles with new modern cost-effective electric vehicles. This decision was not only based on the introduction of cleaner vehicles but mainly on a cost saving basis due to the reduction in fuel costs, being cheaper to service and maintain due to less moving parts and savings on zero road tax.
- 7.3 The introduction of these innovations will reduce the Council's carbon footprint,

8. CONSULTATION WITH SCRUTINY

None

9. FINANCIAL IMPLICATIONS

This proposed spend on the replacement of fleet vehicles is included within the current approved capital programme for financial years 2024/25 and 2025/26.

10. LEGAL IMPLICATIONS

- 10.1 The procurement of replacement fleet plays into the stated aims of the Council underpinning its strategic objectives of Stronger Economy, Stronger Communities as laid out above.
- 10.2 The procurement exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers.
- 10.3 The delegations sought are consistent with an exercise of this nature.
- 10.4 Officers should note that an award constitutes a further decision and will be subject to completion of an Officer Decision Record. Where key decision criteria are met such Officer Decision Record will be subject to call in. Award and implementation timelines should accommodate this.

11. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications in relation to the procurement of the fleet vehicles.

12. WARD IMPLICATIONS

All wards in North East Lincolnshire are affected by this report.

13. BACKGROUND PAPERS

None

14. CONTACT OFFICER(S)

Chris Whitfield, Fleet and Garage Manager, 01472 324220

**COUNCILLOR HENRY HUDSON
PORTFOLIO HOLDER FOR ENVIRONMENT AND NET ZERO**

Registration	Make	Current Model / Body	Service	Estimated Replacement Cost
YR64 EOB	FORD	TRANSIT 350 LWB HIGH ROOF 2.2 Tdci 125PS	GARAGE SERVICES	£50,000
WU15 HTO	MAN TGM	9m3 Fixed Body Gritter	HIGHWAYS	£142,000
FX14 FFA	NEW HOLLAND	T4.85 2WD TRACTOR	GROUNDS MAINTENANCE	£57,000
	ISEKI	SXG 323 Mower c/w SBC600 High tip collector	GROUNDS MAINTENANCE	£19,000
	ISEKI	SXG Mower 323 c/w SBC600 High tip collector	GROUNDS MAINTENANCE	£19,000
	UNIVERSAL	VERTIDRAIN 7521	GROUNDS MAINTENANCE	£19,000
DS12 UNE	VAUXHALL	ZAFIRA 110 1.7CDTi Exclusiv	EAST MARSH CHILDRENS CENTRE	£35,000.00
		Overhead Crane	GARAGE SERVICES	£15,000
		FORK LIFT	GARAGE SERVICES	£26,000
	Ifor Williams	Breakdown Trailer	GARAGE SERVICES	£10,000
				£392,000

Reg	Make	Current Model / Body	Service	Estimated Replacement Cost
		Fleet Project work		£30,000.00
DK14 YKB	MITSUBISHI	Fuso Canter 7C15 EUROVI	GROUNDS MAINTENANCE	£90,000.00
FX65 VHG	FORD	Transit 350 L3 Double Cab Tipper 2.2TDCi 125PS	GROUNDS MAINTENANCE	£30,000.00
FX67 AVE	JACOBSEN	TURFCAT MOWER	GROUNDS MAINTENANCE	£22,000.00
FX15 YHW	FORD	Transit 350 L2 Single Cab Tipper 2.2TDCi 100PS	STREET CLEANSING	£29,000.00
FY66 UVG	FORD	Transit 350 L2 Single Cab 'One Stop' Tipper 2.2TDCi 125PS	STREET CLEANSING	£29,000.00
GK71 XDA	SCARAB	AZURA FLEX MC210 COMPACT SWEEPER	STREET CLEANSING	£82,000.00
GK71 XDB	SCARAB	AZURA FLEX MC210 COMPACT SWEEPER	STREET CLEANSING	£82,000.00
GK71 XDP	SCARAB	AZURA FLEX MC210 COMPACT SWEEPER	STREET CLEANSING	£82,000.00
FX15 YHG	FORD	Transit 350 L2 H2 125PS 3500kg Panel Van	VULNERABLE CHILDREN	£50,000.00
	DOUGHTY	NILFISK ALTO TRUCK BOOSTER POWER WASH	GARAGE	£9,000.00
				£535,000.00

Reg	Make	Current Model / Body	Service	Estimated Replacement Cost
		Fleet Project work		£30,000.00
YK64 KMO	LEYLAND DAF	LF220 Chassis with ECON body gritter	HIGHWAYS	£125,000.00
FX65 VHJ	FORD	Transit 350 L3 Double Cab Tipper 2.2TDCi 125PS	GROUPS MAINTENANCE	£30,000.00
KX67AHY	NISSAN	CABSTAR C/W PALFINGER P200 AXE ACCESS PLATFORM	GROUPS MAINTENANCE	£65,000.00
FX17 DSV	RANSOMES	PARKWAY 3 METEOR FLAIL MOWER	GROUPS MAINTENANCE	£31,000.00
FX17 DSY	RANSOMES	PARKWAY 3 METEOR FLAIL MOWER	GROUPS MAINTENANCE	£31,000.00
YX67 DXR	TORO	LT3340 RIDE ON CYLINDER MOWER	GROUPS MAINTENANCE	£29,000.00
YX67 DXP	TORO	LT3340 RIDE ON CYLINDER MOWER	IMMINGHAM TOWN COUNCIL	£29,000.00
YX23 ZKR	KUBOTA	RTVX1110 4 WHEEL ALL TERRAIN VEHICLE	BEACH SAFETY	£24,000.00
YX23 ZKS	KUBOTA	RTVX1110 4 WHEEL ALL TERRAIN VEHICLE	BEACH SAFETY	£24,000.00
YY67 AYD	JOHN DEERE	1550 RIDE ON ROTARY MOWER	GROUPS MAINTENANCE	£23,000.00
FX66 CKC	NEW HOLLAND	T4.85 2WD TRACTOR	GROUPS MAINTENANCE	£32,000.00
FX66 CKD	NEW HOLLAND	T4.85 2WD TRACTOR	GROUPS MAINTENANCE	£32,000.00
FX66 CKE	NEW HOLLAND	T4.95 4WD TRACTOR	STREET CLEANSING	£37,000.00
	ISEKI	SXG216H MOWER	GROUPS MAINTENANCE	£10,000.00
	RANSOME	TG4650 GANG MOWER	GROUPS MAINTENANCE	£32,000.00
	RANSOME	TG4650 HYD GANG	GROUPS MAINTENANCE	£32,000.00
	MCCONNEL	PA45 SIDE ARM FLAIL	GROUPS MAINTENANCE	£14,000.00
BP66 NBE	NISSAN	ENV200 ACENTA RAPID PLUS 80KW ELECTRIC 7 SEAT COMBI	VULNERABLE CHILDREN	£40,000.00
BP66 NCD	NISSAN	ENV200 ACENTA RAPID PLUS 80KW ELECTRIC 7 SEAT COMBI	VULNERABLE CHILDREN	£40,000.00
BP66 NCE	NISSAN	ENV200 ACENTA RAPID PLUS 80KW ELECTRIC WHEELCHAIR ACCESS VE	VULNERABLE CHILDREN	£50,000.00
BP66 NBY	NISSAN	ENV200 ACENTA RAPID PLUS 80KW ELECTRIC 7 SEAT COMBI	VULNERABLE CHILDREN	£40,000.00
BW17 OHN	NISSAN	ENV200 ACENTA RAPID PLUS 80KW ELECTRIC VAN	VULNERABLE CHILDREN	£40,000.00
YR14 ZTL	FORD	TRANSIT 350 L2 H2 125PS PANEL VAN	GROUPS MAINTENANCE	£50,000.00
	BARBER	BEACH RAKE CLEANER	STREET CLEANSING	£50,000.00
		ELECTRIC VEHICLE INFRASTRUCTURE/CHARGERS		£35,000.00
				£975,000.00