

ANGUS COUNCIL

COMMUNITIES COMMITTEE – 16 APRIL 2019

VEHICLE REPLACEMENT PROGRAMME FOR 2019/20

REPORT BY DIRECTOR OF COMMUNITIES

ABSTRACT

The Committee is asked to authorise the Director of Communities to procure fleet vehicles and equipment required for the 2019/20 capital replacement programme.

1. RECOMMENDATION

It is recommended that the Committee:

- (i) authorises the Director of Communities to procure vehicles and equipment required for the 2019/20 capital replacement programme on the basis set out in this report.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

2.1 This report contributes to the following local outcome contained within the Angus Local Outcomes Improvement Plan and Locality Plans:

- Safe, secure, vibrant and sustainable communities
- A reduced carbon footprint

3. BACKGROUND

3.1 The Council's vehicle replacement programme has been profiled for 2019/20 to ensure that the vehicles and equipment scheduled for replacement (as detailed in Section 6) represent those that are the priority in order to maintain service provision for a number of service areas across the Council.

3.2 As vehicles and equipment age, maintenance and repair costs tend to increase and the associated increase in downtime impacts upon service delivery, it is therefore essential to have an effective replacement programme. When implementing the replacement programme, vehicle age, condition, mileage, funding mechanisms, suitability for purpose, environmental targets and whole-life costs are considered.

3.3 Fleet management arrangements within the Council are managed as part of a Service Level Agreement with Tayside Contracts. The Council is responsible for the strategic elements of fleet management including control over the vehicle replacement programme. Tayside Contracts are responsible for the procurement of vehicles on behalf of the Council and the maintenance of the vehicles that are purchased.

4. CURRENT POSITION

4.1 The supply market has been analysed and it is considered that the market for the supply of the required vehicles and equipment is reasonably competitive through Scotland Excel and Tayside Procurement Consortium framework agreements. As detailed in section 5, where there is no relevant framework agreement, items will be procured through an open procurement procedure

4.2 The impact on the locally-based supply chain of procuring this requirement has also been considered and is considered to be minimal. Some of the potential suppliers/dealers are based in Angus and others are national companies.

- 4.3 The procurement is not considered to be a “major procurement” in terms of Financial Regulation 16.8.4. Approval of this report would mean that the contracts can be accepted without the need for further approval by the relevant Committee.
- 4.4 The introduction of a new shift pattern for waste collection from April 2019 has led to a significant reduction in the number of refuse collection vehicles to be retained on the fleet. There would have been the requirement to replace 6 large refuse collection vehicles in 2019/20 at a combined cost of approximately £920,000, however the new shift pattern means there is no requirement to replace any large refuse collection in 2019/20.

5. PROPOSALS

- 5.1 If this report is approved, the procurement method used for items in tables 1 and 3 will be as follows.
- 5.2 Items (a) to (e) and (g) will be procured using Scotland Excel framework agreement 03/17 “Supply and Delivery of Heavy and Municipal Vehicles” and 03/15 “Supply and Delivery of Waste Disposal Equipment”.
- 5.3 The Crown Commercial Service Vehicle Purchase Framework Agreement (Ref: RM 1070) will also be considered for procuring items (e) and (g).
- 5.4 Items (h) to (q) will be procured using the Tayside Procurement Consortium framework agreement for “supply and delivery of grounds maintenance equipment and small plant”.
- 5.5 Item (f) will be procured through an open procurement procedure as there is no relevant Framework for these.
- 5.6 Contracts are expected to all be instigated to ensure that orders for the required vehicles and equipment can be placed in time to ensure delivery by no later than 31 March 2020.
- 5.7 A mini-competition approach amongst existing suppliers on Frameworks will be used. The mini-competition opportunity does not need to be further advertised as the frameworks have been duly advertised already. It will, however, be issued to all the framework suppliers who are capable of meeting the Council’s requirement here.
- 5.8 Completed tenders returned to the Council shall be evaluated and the contracts will be awarded on the basis of the most economically advantageous tender, on a mix of quality and price. The price/quality split applied will be 70/30% in accordance with Financial Regulation 16.14.2 and will allow whole life costs, service support and suitability.
- 5.9 The Corporate Procurement Manager has been consulted on the proposed procurement process and outline requirement and is satisfied that this approach is suitable and likely to produce best value for the Council.
- 5.10 Each vehicle or item recommended has been selected as the best fit for Angus Council’s specifications and takes into account whole life maintenance and repair costs, thus ensuring value for money is obtained for the Council.

6. FINANCIAL IMPLICATIONS

Purchase of Fleet Vehicles - Waste Vehicle Replacement Programme (WVRP)

Table 1 - All vehicles will be utilised in Environmental Services (Waste Management)

Description	Number	Total Cost (£,000)
a. Food collection vehicle (7.5t)	3	183
b. Refuse collection vehicle (7.5t)	1	79
c. Glass collection vehicle (26t)	1	166
d. Skips (35 cube open)	3	8
e. Pick-up with bin-lift	1	25
f. Vehicle pressure washers	6	41
Totals	15	502

- 6.1 The WVRP revised position detailed below will be reflected within the Environmental Services section of the Financial Plan at its next update to reflect the decrease in cost detailed below.

Table 2

Funding Of WVRP Purchases	Original Position Report 62/18 (£,000)	Revised Position Per Costs Above (£,000)
Revenue Funding – Waste Strategy Fund *	600	183
Capital Allocation	487	319
Gross Expenditure Allowance	1087	502

Purchase of Fleet Vehicles – General Vehicle Replacement Programme (GVRP)

Table 3

Description	Number	Total Cost (£,000)
g. Crew cab panel van	1	24
h. Tractor	5	185
i. Tractor (Angus Alive)	1	70
j. Small dump truck (1t)	1	36
k. Low load trailer	1	3
l. Back hoe digger (4t and 1.5t)	2	70
m. Compact mini tractor	1	11
n. Motor triple cylinder mower	2	50
o. Mini tractor rotary mower	1	10
p. Ride on mower	1	7
q. Mini tractor rotary mower and collector	1	16
Totals	17	482

- 6.2 The GVRP revised position detailed below will be reflected within the Environmental Services section of the Financial Plan at its next update. An additional £700k was agreed for the General Replacement Programme over a 4 year period by the PBSG on the 18 December 2018. The increase detailed below is contained within the additional £700k.

Table 4

Funding Of General Purchases	Original Position Report 62/18 (£,000)	Revised Position Per Costs Above (£,000)
Capital Allocation	249	482
Gross Expenditure Allowance	249	482

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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