

**Report To: Safe, Sustainable Communities Committee**      **Date 27 October 2009**

**Report By: Corporate Director Environment and  
Community Protection**

**Report No:  
ECP/ENV/AB09.29**

**Contact Officer: Robert Graham**

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**Subject: Vehicle, Plant and Equipment Replacement Programme – Procurement  
Approval of Single Source Suppliers**

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## **1.0 PURPOSE**

1.1 The purpose of this report is to seek approval of Committee (i) for the procurement of Vehicles, Plant and Equipment groups valued in excess of £250,000 from Single Source Suppliers and (ii) the procurement method(s) to be adopted.

## **2.0 SUMMARY**

2.1 The Policy and Resources Committee approved the Vehicle, Plant and Equipment Efficiency Review on 16 June 2009.

2.2 The Financial Regulations require that Committee approval is required for the procurement of works, goods or services with a value in excess of £250,000.

2.2 Overall funding for the Vehicle, Plant and Equipment replacement programme was approved at £7.0 million with £4.468 million committed for 2009/10.

2.3 The replacement of certain categories of the vehicle, plant and equipment programme will require expenditure in excess of £250,000 from single source suppliers. Details of each category are contained in 5.1 below.

2.4 Procurement of all vehicles, plant and equipment will be carried out through competitive tendering or existing framework contracts. Acceptance of tenders will be evaluated on the basis of the lowest or most economically advantageous tender.

2.5 Expenditure will be contained within the approved budget for the vehicle, plant and equipment replacement programme.

## **3.0 RECOMMENDATIONS**

3.1 That Committee approve (i) the procurement of vehicles, plant and equipment, as detailed below, which have an estimated valued in excess of £250,000 and which may be procured from a single source supplier and (ii) the method(s) of procurement outlined in para 5.2 below.

**Alan G. Barnes**  
**Head of Environmental Services**

## 4.0 BACKGROUND

- 4.1 The Policy and Resources Committee approved the Vehicle, Plant and Equipment Efficiency Review on 16 June 2009.
- 4.2 Overall funding for the Vehicle, Plant and Equipment replacement programme was agreed at £7.0 million with £4.468 million committed for 2009/10.
- 4.3 The Financial Regulations require that Committee approval is required for the procurement of works, goods or services with a value in excess of £250,000.
- 4.4 A number of the Vehicle/Plant/Equipment groups due for replacement will be in excess of £250,000 and may be procured from a single source supplier.

## 5.0 PROPOSALS

- 5.1 It is estimated that the following vehicle/plant/equipment categories will each be in excess of £250,000 and, due to a preference to standardise as much as possible, that they may be sourced, through competitive tendering or existing framework contracts, from a single source supplier.

Vehicle/Plant/Equipment Group	Estimated Spend
Refuse Collection Vehicles	£520,000
Vans/Cars	£530,000
Lorries up to 3500kg	£300,000
Other Heavy Goods Vehicles	£600,000
Minibuses (up to 17 seaters) including tail lift conversions	£440,000
Large Welfare Buses	£280,000
Grass Cutting Equipment	£440,000

- 5.2 Procurement will be through competitive tendering, exercised in accordance with the Council's Standing Orders Relating to Contracts and the European Procurement Regime, or the use of existing framework contracts operated by Scotland Excel or equivalent Local Government procurement consortia. In the event of existing framework contracts being used, the procurement process will be by way of a mini competition where appropriate, to ensure best value, part or all of that process may be carried out by the external body which operates the framework.

## 6.0 IMPLICATIONS

- 6.1 The funding for this procurement was approved at the Policy and Resources Committee on 16 June 2009.
- 6.2 Procurement costs will be contained within the approved budget.

### 6.3 Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital (Prudential Funding)	Vehicle Replacement	2009/10	£3.11	n/a	

## 7.0 CONSULTATION

- 7.1 Finance Services have been consulted on this report.
- 7.2 Legal Services have been consulted on this report.
- 7.3 The Performance Management and Procurement Service have been consulted on this report.

## **8.0 EQUALITIES**

**8.1** This report has no impact on the Council's Equality Agenda.