
Report To: Environment & Regeneration Committee **Date:** 7 June 2012

Report By: Corporate Director Environment,
Regeneration and Resources **Report No:** ECP/ENV/IM/12.127

Contact Officer: Robert Graham **Contact No:** 01475 712654

Subject: Request to Proceed to Tender – Hire of Surfacing Plant & Road
Planing Equipment

1.0 PURPOSE

- 1.1 The purpose of this report is to seek Committee approval to issue tenders for the Hire of Surfacing Plant & Road Planing Equipment and delegated authority for the Corporate Director of Environment, Regeneration and Resources to accept the most economical advantageous tender (MEAT).

2.0 SUMMARY

- 2.1 The Council previously had a contract for Road Planning and separate arrangements for Surfacing and Plant Hire. Due to the similar nature of these commodities and similar supplier it is intended to join these goods and services provisions and tender for 1 contract. A new contract will be required to be in place by the start of September this year.
- 2.2 The Current annual spend for 2011-2012 with suppliers is approx £367,000.
- 2.3 The estimated value of the contract over the potential contract period is in excess of £250,000 which in terms of the Standing Orders requires Committee approval before tenders are issued.
- 2.4 The contract will be advertised to interested parties on the basis of a 70% price 30% quality basis. The contract will have 4 lots with 1 lot for each of the following commodities:
- | | |
|----------------------------|----------------------|
| Lot 1 – Surfacing Plant | @ £180,000 per annum |
| Lot 2 – Tanker Hire | @ £ 40,000 per annum |
| Lot 3 – Planers | @ £120,000 per annum |
| Lot 4 – Mechanical Brushes | @ £ 27,000 per annum |
- 2.5 Lotting the contract will allow suppliers to bid for tranches of work that they otherwise would not have been able to had the contract sum been aggregated to the total estimated value of £367,900 per annum. This approach will encourage SME bids and competition within Lots leading to best value.
- 2.6 Tenders will be advertised on the basis of an initial 1 year contract with a possible 1 year extension. This short period with a short possible extension will allow the Service to assess collaborative opportunities with neighbouring authorities.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee approve the issuing of tenders in respect of the Hire of Surfacing Plant & Planing Equipment for a period of 2 years.

3.2 That authority be delegated to the Corporate Director of Environment, Regeneration and Resources to accept the most economical advantageous tender (MEAT).

Ian Moffat
Head of Environmental and Commercial Services

4.0 BACKGROUND

- 4.1 The Council previously had a contract for Road Planning and separate arrangements for Surfacing and Plant Hire. Due to the similar nature of these commodities and similar supplier it is intended to join these goods and services provisions and tender for 1 contract. A new contract will be required to be in place by the start of September this year.
- 4.2 The Current annual spend for 2011-2012 with suppliers is approx £367,000.
- 4.3 The estimated value of the contract over the potential contract period is in excess of £250,000 which in terms of the Standing Orders requires Committee approval before tenders are issued.
- 4.4 The contract will be advertised to interested parties on the basis of a 70% price 30% quality basis. The contract will have 4 lots with 1 lot for each of the following commodities:
- | | |
|----------------------------|----------------------|
| Lot 1 – Surfacing Plant | @ £180,000 per annum |
| Lot 2 – Tanker Hire | @ £39,000 per annum |
| Lot 3 – Planers | @ £120,000 per annum |
| Lot 4 – Mechanical Brushes | @ £27,000 per annum |
- 4.5 Loting the contract will allow suppliers to bid for tranches of work that they otherwise would not have been able to had the contract sum been aggregated to the total estimated value of £367,900 per annum. This approach will encourage SME bids and competition within Lots leading to best value.
- 4.6 Tenders will be advertised on the basis of an initial 1 year contract with a possible 1 year extension. This short period with a short possible extension will allow the Service to assess collaborative opportunities with neighbouring authorities.

5.0 FINANCIAL IMPLICATIONS

- 5.1 Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
		1/9/12	Up to £367,900	-	Contain in existing budgets.

The overall costs of this contract will be contained within existing Budgets.

6.0 LEGAL IMPLICATIONS

- 6.1 The Head of Legal and Democratic Services confirm that the proposals outlined within this report comply with the European Procurement Directives.