

CABINET

**MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL,
SOUTHPORT
ON THURSDAY 4TH APRIL, 2019**

PRESENT: Councillor Maher (in the Chair)
Councillors Cummins, Hardy, John Joseph Kelly,
Lappin, Moncur and Veidman

ALSO PRESENT: Councillor Sir Ron Watson

107. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Atkinson and Fairclough.

108. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interests or personal interests were received.

109. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the minutes of the Cabinet meeting held on 7 March 2019 be confirmed as a correct record.

110. CORPORATE HEALTH AND SAFETY POLICY

The Cabinet considered the report of the Head of Corporate Resources which provided details of the revised Corporate Health and Safety policy which had been reviewed to ensure that it reflected the operating arrangements in place and current legislation.

Decision Made: That

- (1) the Corporate Health and Safety Policy be approved; and
- (2) it be noted that the changes to the terms of reference of the Audit and Governance Committee, referred to in paragraph 2 of the report, will be submitted to the Committee and Council in due course.

Reasons for the Decision:

The Council has an existing Corporate Health and Safety Policy which in line with good practice has been reviewed to ensure that it reflects the operating arrangements in place and current legislation.

The Council's Constitution outlines that the Cabinet has a strategic responsibility for employee related health and safety.

Alternative Options Considered and Rejected:

None considered.

111. LOCALITY SERVICES - CLEANSING SERVICES VEHICLE FLEET PROCUREMENT

The Cabinet considered the report of the Head of Locality Services in relation to cleansing services vehicle fleet procurement. The report indicated that the current refuse collection and recycling vehicle fleet was initially purchased in 2012/13, with the prudential borrowing being repaid over a five year period up to 2017/18. Following the final repayment of all purchase costs, the fleet is currently being operated for an additional two years in 2018/19 and 2019/20. At seven years old the fleet will have reached the point at which it is no longer reliable, and an increased number of breakdowns would be expected, coupled with greatly increased maintenance costs. As such, a replacement vehicle fleet will be required.

In order to procure a new fleet during 2020/21, the procurement process must commence over twelve months in advance of the vehicles being required. Therefore, in order to provide continuity of service, approval was being sought to commence the required procurement process in April 2019, albeit with no capital requirement until the 2020/21 financial year.

Decision Made: That

- (1) the requirement to replace the vehicle fleet in 2020/21 be noted and officers be requested to commence the necessary procurement process to obtain tender prices accordingly; and
- (2) it be noted that no commitment will be entered into prior to a further report upon completion of the initial procurement process detailing costs and options and funding proposals.

Reasons for the Decision:

The current fleet is reaching the end of its effective life cycle and needs replacement.

The current fleet is also 'Euro 5' diesel, and to meet the revised and enhanced suite of targets, a fleet of 'Euro 6' compliant, or the potential or possibility of CNG (compressed natural gas) vehicles, or electric vehicles,

must be purchased to meet strict carbon and emissions targets by the EU and UK national Government.

Alternative Options Considered and Rejected:

To not renew the fleet risks the current fleet becoming unmaintainable and the service provision liable to be disrupted. A new fleet greatly reduces/eliminates the risk of service delivery disruption.

112. PROCUREMENT OF LIQUID FUELS

The Cabinet considered the report of the Head of Strategic Support that set out the approach for the procurement of Liquid Fuels via an external supply framework with effect from 1 October 2019.

Decision Made: That

- (1) approval be given to the Council sourcing its supply of Liquid Fuels via the new Yorkshire Purchasing Organisation (YPO) Liquid Fuels supply framework and that the contract be established with effect from 23 November 2019, for a maximum period of 4 years, subject to re-competition within the framework after 2 years;
- (2) approval be given to an extension of the current supply arrangement with Standard Fuel Oils, via the existing YPO Liquid Fuels supply framework, for the 8 week bridging period of 1 October 2019 to 22 November 2019 in order to align the procurement timescales; and
- (3) the Head of Strategic Support be granted delegated authority in consultation with the Cabinet Member – Regulatory, Compliance and Corporate Services to approve and implement the resulting supply arrangements to ensure uninterrupted service.

Reasons for the Recommendations:

The Council must procure quantities of liquid fuels to operate its daily business. Under the Council's Contract Procedure Rules the level of expenditure involved (approximately £1.168m per annum) requires that pre-procurement approval is sought from Cabinet.

It is considered that the Council can best be assured of value for money, in terms of price and security of supply, by continued procurement through an external framework contract that is able to offer considerably more collaborative usage volume to the market than Sefton Council alone can offer.

Alternative Options Considered and Rejected:

The Council could decide not to continue procuring Liquid Fuels through an external framework and instead undertake its own procurement

process. This process would need to be a procurement process compliant with the Public Contract Regulations, and would take approximately 6 months to complete.

The significant risk is that it is considered that the separate procurement of lower volumes of fuel (i.e. Sefton Council procuring fuel alone) would be certain to result in much higher unit prices, potentially greater fluctuation in price, and potentially less reliable supply, than if the Council pools its requirement with a significantly wider user group.