

REPORT TO: Cabinet Member - Environmental

DATE: 30th June 2010

SUBJECT: **VEHICLE/PLANT REPLACEMENTS 2009/10
SPECIALIST CLEANSING VEHICLES**

WARDS AFFECTED: None Directly Affected

REPORT OF: J.G Black
Operational Services Director

CONTACT OFFICER: V J Donnelly
Vehicle Maintenance Manager
0151 288 6158

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To advise the Cabinet Member - Environmental of the change of Specialist Cleansing Vehicle suppliers due to the originally nominated supplier losing their sales franchise and ceasing to trade.

REASON WHY DECISION REQUIRED:

To comply with the Council Constitution and Contract Procedure rules.

RECOMMENDATION(S):

It is recommended that the Cabinet Member - Environmental approves the following;

1. Acceptance of the tender provided by Scarab Sweepers of £87,677 per vehicle excluding VAT for tender number T:317 Mechanical Road Sweepers.
2. Acceptance of the tender provided by Ditchburn Trucks of £56,055 per vehicle excluding VAT for tender number T:308 Skip Loading vehicles.

KEY DECISION: No

FORWARD PLAN: Not Appropriate

IMPLEMENTATION DATE: Following the expiry of the "call-in" period for the minutes of the meeting.

ALTERNATIVE OPTIONS:

None

IMPLICATIONS:**Budget/Policy Framework:** None**Financial:** Costs of replacement vehicles will be met from within existing resources.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: None**Risk Assessment:** None**Asset Management:** None**CONSULTATION UNDERTAKEN/VIEWS**

Legal

Finance (FD413) - The Interim Head of Corporate Finance & Information Services has been consulted and has no comments on this report.

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities		√	
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being		√	
5	Environmental Sustainability		√	
6	Creating Inclusive Communities		√	
7	Improving the Quality of Council Services and Strengthening local Democracy		√	
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Vehicle and Plant Tenders January 2010

Background

1. A report was presented to Cabinet Member Environmental on 7th April 2010 and to Cabinet on 14th April 2010 informing members of the results of the tendering exercise using the Commercial Vehicle Framework Agreement – Contract 565 and seeking approval to accept tenders and place orders for a number of new vehicles and plant.
2. Orders have been placed with suppliers for most of the vehicles and plant with the exception of tender reference number T:308 for 17-Ton Skiploaders (two vehicles) and T:317 for Mechanical Sweepers (two vehicles).
3. The report recommended that orders be placed with a company called Chatfields of Bridle Road, Bootle a local IVECO dealership and the only tenderer for the above vehicles. Unfortunately this company has lost the IVECO sales franchise and is in the process of closing down, therefore no orders were placed.

Procurement Method

4. Advice was sought from the Central Purchasing Section and Wirral Council, who administer Commercial Vehicle Framework – Contract 565, on the best way to obtain an alternative supplier(s). Based on their advice it was deemed appropriate to seek new tenders from companies included in the framework agreement but to exclude Chatfields from the exercise.
5. The lowest prices obtained were from Ditchburn Trucks at £56,055 per vehicle for Tender reference T:308 17-Ton Skiploaders and from Scarab Sweepers Ltd at £87,677 per vehicle for T:317 Mechanical Sweepers.
6. The price offered by Scarab Sweepers for tender reference number T:317 matches the original price tendered by Chatfields.
7. The price offered by Ditchburn Trucks for tender reference T:308 does represent an increase of £668 per vehicle, compared to the original (Chatfields) tender. However, as they do have a chassis readily available and have included a 3 year unlimited mileage warranty and roadside assistance in their tender, both of which were not offered by Chatfields, it is considered to be of comparable value.

Financial Implications

8. The tendering exercise has resulted in an overall increase of £1336 for tender reference number T:308 17-Ton Skiploading vehicles.
9. The vehicles for T308 and T317 will be purchased using an Operating Lease Facility arranged by the Finance Department and will not impact on the level of capital resources available.
10. Provision exists within the Cleansing Services budget for the marginal increase of revenue lease costs of the vehicles, to be procured via the Commercial Vehicles Framework Agreement – Contract 565, identified in tenders T308 and T317.