

Report to:	Cabinet	Date of Meeting:	October 3 rd 2019
Subject:	Locality Services – Vehicle Hire Collaborative Contract		
Report of:	Head of Locality Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Locality Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

St Helens Council act as lead Authority for the Merseyside Procurement Partnership (MPP) for Commercial Vehicle Hire. The collaborative group consists of St Helens Council, Liverpool City Council, Halton BC, Knowsley BC, Sefton Council and Wirral Council. The rationale for this collaborative approach is to ensure that competitive pricing is received for the range of hired vehicles required by authorities across Merseyside.

Recommendation(s):

- 1) That the Head of Locality Services in consultation with the Cabinet Member for Locality Services be authorised to commit to the Collaborative Vehicle Hire Contract renewal exercise organised on behalf of Merseyside Authorities by St Helens Council, for a maximum period of [5] years comprising an initial [4] year period with an option to extend for [1] period of 12 months.

Reasons for the Recommendation(s):

Sefton Council currently spends over £400,000 per annum on externally hired vehicles which includes specialist cleansing vehicles, refuse vehicles, tippers, cars, light commercial vans, people carriers and minibuses utilised by all Council departments.

The Council has previously participated in the Merseyside Procurement Partnership Commercial Vehicle Hire Contract and benefited from the range of suppliers available, and the competitive prices quoted, providing the latest specification vehicles and equipment at fixed prices for the contract term.

Alternative Options Considered and Rejected: (including any Risk Implications)

To not participate in the collaborative contract, but to seek individual prices for this Council alone. This approach has been rejected as the Council would not benefit from the economies of scale delivered via the adoption of a collaborative approach resulting in greater purchasing power.

What will it cost and how will it be financed?

(A) Revenue Costs

There is no specific cost to being a part of the collaborative framework. Costs are only incurred when vehicles are hired. All of the costs associated with the hiring of vehicles are contained within the relevant transport budgets of the Sections, Services and Departments requiring hired vehicles.

(B) Capital Costs

There are no capital costs associated with this exercise as all required vehicles are hired for specific periods of time.

Implications of the Proposals:

<p>Resource Implications (Financial, IT, Staffing and Assets):</p> <p>There are no direct resource implication arising from ‘membership’ of the collaboration, but resources required for payment of hire costs arising from use of the framework are contained within the revenue budget of each respective service area.</p>
<p>Legal Implications:</p> <p>There are no legal implications</p>
<p>Equality Implications:</p> <p>There are no equality implications</p>

Contribution to the Council’s Core Purpose:

<p>Protect the most vulnerable:</p> <p>Not Applicable</p>
<p>Facilitate confident and resilient communities:</p> <p>Not Applicable</p>
<p>Commission, broker and provide core services:</p> <p>Utilisation of this collaborative framework will assist in the delivery of a wide range of core services across the Council for the next four years.</p>
<p>Place – leadership and influencer:</p> <p>Not Applicable</p>
<p>Drivers of change and reform:</p>

Not Applicable
Facilitate sustainable economic prosperity: Not Applicable
Greater income for social investment: Not Applicable
Cleaner Greener Not Applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5795/19) and the Chief Legal and Democratic Officer (LD4019/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

Introduction/Background

1. St Helens Council act as lead Authority for the Merseyside Procurement Partnership (MPP) for Commercial Vehicle Hire. They have undertaken a procurement exercise for the external hire of vehicles. The collaborative group

consists of St Helens Council, Liverpool City Council, Halton BC, Knowsley BC, Sefton Council and Wirral Council.

2. The Procurement was via an EU Procurement Process managed on the Chest portal. The purpose of the combined approach was to drive hired costs down using the purchasing power of all six Merseyside authority's annual hired vehicle requirements.
3. Sefton Council currently spends over £400,000 per annum on externally hired vehicles which includes specialist cleansing vehicles, refuse vehicles, tippers, cars, light commercial vans, people carriers and minibuses utilised by all Council departments.
4. The Council has previously participated in the Merseyside Procurement Partnership Commercial Vehicle Hire contract and benefited from the range of suppliers available and competitive prices quoted, providing the latest specification vehicles and equipment.

The Collaborative Contract

5. The contract will run for a four year period from the award date in October 2019 with a possible extension period of a further year dependant on satisfactory performance.
6. The opportunity will be divided into lots, LOT 1 Passenger & Light Commercial hire, and LOT 2 Heavy Commercial & Plant hire.
7. The contract for Lot 1 will be awarded to multi-suppliers who will be included on a framework giving access to a wide range of vehicles needed to deliver essential day to day public services, both short and long-term hire. Tenderers will be requested to complete a pricing schedule for each category of vehicle and these will be ranked in order of the cost/quality.
8. The contract for Lot 2 will include suppliers who are able to supply heavy Commercial Vehicles or Plant which will be entered onto a framework for each category of vehicle provided and a mini competition would be conducted selecting a minimum of 3 suppliers to provide quotes as and when required.