

FLEET AND EQUIPMENT CONTRACT

EXECUTIVE MEMBER: Cllr Allan Holliday

LEAD OFFICER: Keith Parker

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Summary: This report seeks funding to undertake the fleet procurement exercise in order to facilitate the re-tendering of this contract.

Recommendation:	<p>That,</p> <ul style="list-style-type: none">a) The arrangements made with the Office of Government Commerce be noted.b) £30,000 be made available from Major Projects Fund to fund project management support, advertising and associated costs of the project, andc) If practical a partnership arrangement be entered into with Eden District Council to share project management resources for up to 12 months and if not independent consultancy support is procured to assist with project management.d) The Overview and Scrutiny for Performance and Resources be requested to provide an arm's length challenge to the tender process
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Impact on delivering the Corporate Plan: This contract has no direct impacts on the Corporate Plan being a supporting service. However in ensuring the Council receives value for money in obtaining a 'fit for purpose' fleet and in working in partnership with other agencies to undertake the procurement exercise the Council's corporate objectives are underpinned.

This is a key Service Plan objective for Leisure and Environmental Services this year.

Impact on other statutory objectives (e.g. crime & disorder, LA21): Few direct impacts other than perhaps by ensuring an environmentally friendly fleet is procured sustainability issues are addressed

Financial and human resource implications: £30,000 from Major Project Fund. The balance on the MPF before accounting for the £30k. is £263,790.

Project & Risk Management:

It is intended to use a similar project and risk management process to last financial years Leisure procurement exercise.

Key Decision Status

- **Financial:** The award of contract will be a key decision
- **Ward:** None

Other Ward Implications:

1. INTRODUCTION

- 1.1 The Council's fleet provision and maintenance contract has operated successfully with Lex Transfleet (now renamed Fraikin Ltd) for six years. The Contract has enabled the Council to respond to changes over time including the loss and gain of some services, impacting significantly on the Council's fleet requirements. Members may recall that Lex also invested in the workshop facilities at Moresby Parks and relocated their Workington operation to Moresby. However, the Contract has been extended to the maximum permitted under its original contract and therefore it has to be re-tendered. The Contract is of a significant value and therefore any re-tender exercise must comply with European Public Procurement Rules.
- 1.2 The significance of the contract requires will require a considerable amount of Member and Officer input. It is proposed to run the project in a similar manner to the Leisure procurement exercise conducted last financial year and employ additional support to ensure targets and milestones are met. At this stage agreement has been reached with the Office of Government Commerce (OGC) to enable them to second one of their team to assist the Council with a contract review of the existing contract, the establishment of a re-tender strategy and associated timetabling, and the drafting of the OJEU (Official Journal of the European Communities) advert and Pre-tender Questionnaire. This arrangement has been made at no cost to this Council.
- 1.3 It should be noted the arrangement with the OGC is just the beginning of the process and further support will be required approximately equivalent to 50% of a full time employee for 12 months. Similar to the Leisure exercise, where originally the project officer was sought via a partnership with Allerdale, opportunity has arisen to enter into a similar arrangement for this project with Eden District Council, whereby the two authorities 'share' a project officer. Eden are currently seeking to employ such an officer for two years on a part time basis and in principle are agreeable to working with this Council to employ them on a full time basis to meet our needs. It is estimated that project costs in the order of £30,000 will be required to pay for the project support, advertisements, printing, external legal work and the like. Accordingly this sum is sought from Contingencies/the Major Project Fund.
- 1.4 This is the early stages of a major project. Financially its impact may be significant, the Council has benefited from a very competitive price for the last few years. It is hoped that market conditions are such that a well managed re-tender exercise will ensure the Council gains a similarly competitively priced contract into the future. In order to ensure that Members have a full input into the project it is suggested that Overview and

Scrutiny for Performance and Resources be requested to provide an arm's length challenge to the tender process

List of Appendices: None

List of Background Documents: None

List of Consultees: Cllr Holliday; Corporate Team