

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2665
Author:	Andrew Smith
Department:	Communities
Contact:	Andrew Smith (Job Title: Assistant Manager (Fleet), Email: andrew.smith@nottinghamcity.gov.uk, Phone: 01158761368)
Subject:	Purchase of a 7.5T Compactor Vehicle
Total Value:	£37,833.00 (Type: Capital)
Decision Being Taken:	Approval to dispense with Contract Procedure Rule 5.1.1 in accordance with Financial Regulation 3.29 (Operational Issues) to allow for a direct award of a contract for £37,833.00 to Terberg Matec for a '7.5t Fully Aluminium Bodied Compacting Refuse Collection vehicle'
Reasons for the Decision(s)	The proposed vehicle is manufactured and supplied by the holder of the current Nottinghamshire Transport Consortium Contract for the supply of 18T to 32T Refuse Collection vehicles. This vehicle is outside of this 18T to 32T Gross Vehicle weight range and therefore not contained within the terms of the existing Contract. This is believed to be the only Full Aluminium bodied Compactor in this weight range available on the market and so there would be no competition and therefore no benefit in following a quotation process for this purchase. The Council previously had this vehicle on demonstration free of charge followed by a 3 month rental period. The Council will therefore benefit financially with a cheaper purchase price from the Supplier.
Other Options Considered:	Other vehicles were investigated but were found to be steel bodied and therefore heavier at 12T GVW which affects the driving licence categories required by the operational areas drivers. 7.5T GVW Plastic bodied vehicles were considered but they do not have the compacting facility so have a reduced payload.
Background Papers:	None.

Published Works:	None.
Affected Wards:	Citywide
Colleague / Councillor Interests:	None.
Dispensation from Financial Regulations:	Yes
Consultations:	<p>Date: 01/04/2016</p> <p>Other: John Marsh - HEAD OF STREET SCENE & WASTE Tony Papkiewicz - NORTH NEIGHBOURHOOD OPERATIONS MANAGER</p> <p>Both support the procurement of the vehicle as it will deliver a saving on vehicle, and staff movements and also increase productivity and deliver a better service to citizens.</p> <p>Those not consulted are not directly affected by the decision.</p>
Crime and Disorder Implications:	None
Equality:	EIA not required. Reasons: As a vehicle purchase decision this does not impact on equality.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	29/11/2016
Advice Sought:	Legal, Finance, Procurement

Legal Advice:

The proposals in this report raise no significant legal issues and are supported.

The Council has previously utilised the individual vehicle it is purchasing under this decision. The Operating team have therefore had the opportunity to test it and it is considered suitable to address business requirements with the design of the vehicle providing a number of advantages to the Council including the fact that it will assist in the vehicle replacement programme.

The Council will also benefit with a financial reduction in the purchase price of the vehicle rather than the purchase of a brand new one at substantially higher cost.

The vehicle is considered fairly unique in its size and capabilities and it is understood not be available by alternative providers. The value falls well below EU Procurement thresholds and so approval to dispense with the requirement to undertake a quotation process, which is permitted under the Contract Procedure Rules, is therefore supported.

Advice provided by Dionne Claire Screamon (Solicitor) on 29/09/2016.

Finance Advice:

The proposal to seek approval to dispense with Contract Procedure Rule 5.1.1 in accordance with Financial Regulation 3.29 (Operational Issues) to allow for a direct award of a contract to Terberg Matec is supported by Finance. The vehicle, a 7.5t Fully Aluminium Bodied Compacting Refuse Collection vehicle, is only available through this supplier therefore there would be no competition for the order.

The proposal is to fund the purchase from the Vehicle Replacement Programme (with budget of c.£3.5m annually) by replacing at least two of the three old Mitsubishi vehicles currently used for this operation. The purchase price of £37,833 for the demo vehicle is significantly less than the new purchase price of £84,500. The Fleet team have determined that demo vehicle is suitable for operational use in its current condition and there will be no additional benefit in buying a new, more expensive version. The Council will also benefit from reduced maintenance and fuel costs that the new, more efficient vehicle will allow.

Advice provided by Philip Gretton (Finance Analyst) on 30/09/2016.

Procurement Advice:

Approval to dispense with Contract Procedure Rule 5.1.1 in accordance with Financial Regulation 3.29 (Operational Issues) to allow for a direct award of a contract for £37,833.00 to Terberg Matec is required and, after discussing this with Andrew Smith, the procurement team supports the recommendations of this report.

Advice provided by Paul Ritchie (Lead Procurement Officer) on 26/09/2016.

Signatures

Nick McDonald (PH for Business, Growth and Transport)

SIGNED and Dated: 21/11/2016

Andrew Vaughan (Corporate Director Commercial and Operations)

SIGNED and Dated: 08/11/2016

Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations

SIGNED and Dated: 22/11/2016

Chief Finance Officer's Comments: