

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3319
Author:	Annmarie Scott-Reddish
Department:	Commercial and Operations
Contact:	Annmarie Scott-Reddish (Job Title: Parking and Commercial Manager, Email: annmarie.scott-reddish@nottinghamcity.gov.uk, Phone: 07925891639)
Subject:	Purchase of purpose built Ultra Low Emission Cage Tippers
Total Value:	£180,000 (Type: Capital)
Decision Being Taken:	<ol style="list-style-type: none">1. To approve the receipt and allocation of £180,000 from the DEFRA Early Measures Fund to purchase three LDV purpose built Cage Tippers;2. To approve dispensation from Contract Procedure Rule 5.1.2 in accordance with the Council's Financial Regulation 3.29, to award an Contract to HRVS Group Ltd for the purchase of the vehicles;3. To delegate authority to the Corporate Director for Commercial and Operations to award and sign a contract with HRVS Group Ltd.
Reasons for the Decision(s)	<p>Nottingham is one of five original cities named by the Department for Environment, Food and Rural Affairs (DEFRA) as showing exceedances in nitrogen dioxide levels above legal limits. The council is under Ministerial Direction to develop a local plan to achieve compliance in the shortest possible time. In March 2018, the Council was successful in securing a DEFRA Early Measures £1.5m grant to contribute to a £2.8m project to enable the Council to pilot the conversion of a number of its heavy fleet vehicles from diesel to ULEV, which are the main contributors to local pollution. The funding award was approved in the medium term financial plan 2018/19-2020/21.</p> <p>The council is proposing to seek dispensation from financial regulations in order to expedite the purchase of three Electric LDV Single Cab Cage Tipper Maximum GVW 4.0T.</p> <p>LDV are the only purpose built electric Cage Tippers manufactured and available in the market to purchase. The council wishes to purchase the Cage Tippers from HRVS Group Ltd, the LDV dealer, based in Ripley Derbyshire. This supplier is the nearest local dealer to Nottingham, which is why they have been chosen, making the service, maintenance and aftercare for the vehicles simpler.</p> <p>Commencing a competitive procurement would take at least six months therefore increasing the risk of Nottingham City Council not achieving air quality compliance in the shortest possible time as set under Ministerial Direction.</p>

Other Options Considered:	<p>Option 1. Do nothing. This option was rejected. The council is under Ministerial Direction to achieve air quality compliance in the shortest possible time. This option was rejected as the opportunity to utilise the external grant to help meet our clean air plan objectives would be missed and not delivering the project would significantly damage the council's reputation.</p> <p>Option 2. Competitive procurement. This option was rejected. There are currently no other Cage Tipper on the market, so by waiting for other manufacturers to come to market would considerably delay vehicle delivery as it is unknown as to whether other manufacturers will come to the market. Also, commencing a competitive procurement would take at least six months therefore increasing the risk of Nottingham City Council not achieving air quality compliance in the shortest possible time as set under Ministerial Direction.</p>
Background Papers:	None
Published Works:	<p>Medium Term Financial Plan 2018-2021 Nottingham City Council Age and Emissions Policy</p>
Affected Wards:	Citywide
Colleague / Councillor Interests:	None
Dispensation from Financial Regulations:	Yes
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	N/A
Equality:	EIA not required. Reasons: EIA not required. Reasons: The proposal will see the purchase of three alternatively fuelled vehicles. There are no significant benefits or disbenefits to the protected equality groups.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	20/11/2018

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

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

The purchase of the cage tippers from HRVS Group Ltd, a reputable, local supplier will provide the Council with a swift and compliant procedure for acquiring the vehicles which will become part of the Council's fleet. The electric cage tippers will therefore support the Council's obligation to comply with the Ministerial Direction of nitrogen dioxide reduction in the city in the shortest possible time.

Dispensation from Contract Procedure Rule 5.1.2 in accordance with Financial Regulation 3.29 (Operational issues) is supported for the reasons given in the report, which will allow the most expedient method of procuring these vehicles to commence the Council operating an electric fleet as soon as possible without being restricted by the limited market availability at this time. Advice provided by Dionne Claire Screamon (Solicitor) on 16/10/2018.

Finance Advice:

Approval was obtained at the Executive Board May 2018 to accept a DEFRA grant of £1.495m with match funding coming via a transfer of £1.320m from the Vehicle Replacement Programme, this current decision is within the approval limit set during May's Executive Board. This Executive Board report identified Cage Tippers as vehicles which required replacing.

Due to this preceding approval this decision will not amend the capital programme.

This current decision seeks approval to commission HRVS Group Ltd to deliver works up to the value of £0.180m. In commissioning HRVS Group Ltd to carry out these works, dispensation from contract procedure rule 5.1.2 is required under financial regulation 3.29 for operational reasons.

Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 08/10/2018.

Procurement Advice:

Approval to dispense with Contract Procedure Rule 5.1.2 in accordance with Financial Regulation (3.29) for operational reasons to allow for a direct award of a contract for the purchase of 3 LDV purpose built cage tippers is being requested.

This decision does not raise any significant procurement issues.

Advice provided by Paul Ritchie (Lead Procurement Officer) on 12/10/2018.

Signatures

Dave Liversidge (Portfolio Holder for Transport and HR)

SIGNED and Dated: 13/11/2018

Andrew Vaughan (Corporate Director Commercial and Operations)

SIGNED and Dated: 13/11/2018

Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations

SIGNED and Dated: 23/10/2018

Chief Finance Officer's Comments: