

Report to	Cabinet	Item
	12 July 2017	
Report of	Director of business services	
Subject	Procurement of Norwich City Council vehicle fleet leasing contract	

KEY DECISION

Purpose

To seek approval to award a contract for vehicle leasing.

Recommendation

To award a contract for vehicle leasing to LeasePlan UK Limited trading as Automotive leasing

Corporate and service priorities

The report helps to meet the corporate priority value for money services

Financial implications

The financial consequences of this report is the award of orders for Norwich City Councils vehicle fleet leasing requirements with a total estimated cost of £351,000 over four years. This will be limited to payments from various approved budget within the Housing Revenue Account and General fund to £87,750 in total for each financial year.

Ward/s: Multiple Wards

Cabinet member: Councillor Kendrick - resources

Contact officers

Anton Bull, director of business services	01603 212326
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Carol Marney, Head of Operational Property Management	01603 227904
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Background documents

None

Report

Background

1. The council operates a fleet of vehicles for use of its officers to provide services to the residents of Norwich. The vehicles ensure officers are able to carry out their duties in a timely manner.
2. In 2012 the council procured a total of 59 cars on a three year contract hire for use as Council pool cars. This contract was extended for a further two years during which time a number were returned. These are now in need of replacing. In addition a small number of vans which were under individual contract hire have their contracts ceasing at the same time. To increase the potential of savings these are to be included within our new agreement
3. The forecast requirement for the next four years will consist of 42 vehicles of which most will be small city cars appropriate for journeys in and around Norwich. The decrease in the number of vehicles required is a reflection of a change in working arrangements. The most significant being a shift towards the rationalising of staff accommodation which has meant there was an opportunity to make better use of the vehicles.
4. The new fleet will be smaller and more efficient financially and environmentally.
5. By the use of telemetrics from the previous fleet our fleet review team has managed to reduce the size of the fleet to maximise its performance and to ensure the fleet is sized correctly for the needs of the council now and in the future.
6. In addition to 2 full electric cars the council will now also have 9 new hybrid electric vehicles which are replacing 7 diesels and 2 electric cars. This new configuration with the 22 petrol city cars will have significantly lower emissions both Carbon and particulates (PM 10)

Tender Process

7. The opportunity was advertised to the suppliers 02 June 2017 with a return date of 28 June 2017.
8. The council has utilised a framework offered by Eastern Shires Purchasing Organisation (ESPO) to carry out a quotation process to provide the required vehicles ensuring the Council obtains value for money.
9. The ESPO framework consists of varying categories of vehicles of which cars and vans are specific categories. After a fully compliant Official Journal of the European Union tender process was completed there were 7 suppliers on the ESPO framework to be chosen from.
10. The process was run using the Council's own specifications but utilising the framework details.

Tender evaluation

11. Although five of the framework suppliers indicated an interest, only one quotation was received which provided two pricing options. These were for a 3 year or 4 year contract with an option on each for maintenance to be included or not.
12. The response given was evaluated against pre-determined criteria. This quality assessment carried a maximum of 40% of the marks. The price was allocated 60% of the marks
13. The supplier submission scored:
 - 100 marks – 4 year option with maintenance.
 - 97.88 marks – 3 year option with maintenance.
14. Prices submitted were:

Submitted amounts
£87,679.17 per annum
£90,892.67 per annum

15. Conclusion

The highest scoring company was LeasePlan UK Limited trading as Automotive Leasing for their four year contract term with maintenance.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	12 July 2017
Director / Head of service	Anton Bull - director of business services
Report subject:	Procurement of Norwich City Council vehicle fleet leasing contract
Date assessed:	8 March 2017
Description:	Leasing of 33 cars and 9 vans for the use of council officers.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The tender process ensures that the Council achieves the best value for money at that particular time.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The new fleet will be smaller and more efficient financially and environmentally.</p> <p>By using the telemetrics our fleet review team has managed to reduce the size of the fleet to maximise its performance and to ensure the fleet is sized correctly for the needs of the council now and in the future.</p> <p>In addition to 2 full electric cars the council will now also have 9 new hybrid electric vehicles which are replacing 7 diesels and 2 electric cars. This new configuration with the 22 petrol city cars will have significantly lower emissions both Carbon and particulates (PM 10).</p>
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Pollution	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	In addition to 2 full electric cars the council will now also have 9 new hybrid electric vehicles which are replacing 7 diesels and 2 electric cars. This new configuration with the 22 petrol city cars will have significantly lower emissions both Carbon and particulates (PM 10).
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	In addition to 2 full electric cars the council will now also have 9 new hybrid electric vehicles which are replacing 7 diesels and 2 electric cars. This new configuration with the 22 petrol city cars will have significantly lower emissions both Carbon and particulates (PM 10).
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. As there was no alternative supplier there is little risk of challenge from any other framework supplier.</p> <p>2. There is a risk that the appointed supplier could fail during the duration of the contract. This is low risk due to the type of goods being supplied. In addition to this the Council is not investing in the supplier and so the risk is one of service continuity rather than financial.</p>

Recommendations from impact assessment
Positive
Negative
Neutral
Issues