

<b>Chief Fire Officer</b>	<b>Ref No:</b> OKD25 19/20
<b>November 2019</b>	<b>Key Decision:</b> Yes
<b>Procurement of replacement wheelchair accessible minibuses</b>	<b>Part I</b>
<b>Report by Fleet Manager</b>	<b>Electoral Division(s):</b> All
<p><b>Summary</b></p> <p>The Council operates a Fleet Assessment Management Plan that details the vehicles and equipment due for replacement over a rolling 5 year period.</p> <p>During 2020/21 there is a requirement to replace a number of wheelchair accessible minibuses used to support the provision of home to school transport as well as some adult services operations.</p> <p>Within the scope of this decision there are 33 vehicles due for replacement.</p>	
<p><b>West Sussex Plan: Policy Impact and Context</b></p> <p>The provision of modern and fuel-efficient vehicles ensures that the workforce is supported in their role in providing services to residents but also that the impact on the local environment is kept to a minimum.</p> <p>This outcome supports the objective of making West Sussex a strong, safe and sustainable place.</p>	
<p><b>Financial Impact</b></p> <p>Resources to run the procurement process and mobilise the vehicles ready for service have been identified as a business as usual activity.</p> <p>A further competition using an external Framework Agreement will allow the Council to identify best value.</p> <p>The anticipated cost of a turn-key solution (vehicle + conversion) is approximately £2m</p>	
<p><b>Recommendations</b></p> <p>The Chief Fire Officer is asked to approve the commencement of a compliant procurement process to source the vehicles using an agreed specification.</p>	

## Proposal

### 1. Background and Context

- 1.1 Transport Bureau operate a fleet of 113 standard and wheelchair accessible vehicles to support home to school and adult services transport.
- 1.2 These vehicles are driven by Council-staff in areas of West Sussex where expensive prices are received from the external transport market.

- 1.3 There is a requirement to replace 33 wheelchair accessible minibuses during 2020/21 of which 31 are leased and 2 are owned by the Council.
- 1.4 The leased vehicles will reach their end of their initial lease period during 2019/20 following 5 years of use. Lease extensions of approximately 12 months will be required to allow for the lead-time of the proposed replacement vehicles.
- 1.5 The annual mileage of the vehicles is approximately 20,000 miles. The annual lease costs are £8,200 per vehicle per year.
- 1.6 As part of the new vehicle acquisition procedure, key stakeholders including Transport Bureau staff and end users have been consulted about additional and revised requirements to support operations as well as to confirm on-going affordability of any new leases.
- 1.7 As part of Key Decision SSC 14 17.18, authority has been delegated to the Chief Fire Officer to award contracts as part of the delivery of the Fleet Asset Management Plan.

## **2. Proposal Details**

- 2.1 It is proposed to commence a procurement for 33 wheelchair accessible minibuses to replace the current vehicles in operation.
- 2.2 The specification of the replacement vehicles is based around the provision of a 'turn-key' solution which covers the vehicle purchase and subsequent conversion.
- 2.3 Broad highlights of the proposed vehicle specification are:
  - Electric passenger lift;
  - Automatic transmission;
  - Up to 6 wheelchair positions;
  - Euro 6 standard;
  - Wipe clean interior;
- 2.4 A further competition will be organised using an external Framework Agreement which is a common route to market used by other public sector buyers.
- 2.5 Bids will be evaluated on technical and non-technical grounds including price, warranty, delivery timelines and post-sale support.

## **Factors taken into account**

### **3. Consultation**

- 3.1 Extensive consultation has taken place with Transport Bureau and service users to develop a specification that meets the current and future needs of staff (drivers) and vehicle users.

- 3.2 The feedback has identified the following requirements that are different to the current batch of vehicles:
- Automatic transmission
  - Nearside camera
  - Door safe system to help prevent passenger-lift accidents
- 3.3 The Council's Procurement Board has been consulted about the proposal and the intended approach.

#### **4. Financial (revenue and capital) and Resource Implications**

- 4.1 The vehicles will be purchased using funds allocated from the Council's capital programme. Currently there is £2m set against all fleet vehicle purchases during 2020/21.
- 4.2 At the point of purchase, the Council's finance department will make a lease or buy decision depending on what offers best value on a whole life cost basis.
- 4.3 Should leasing be the preferred route, receipts from the sale of the vehicle to the lease company will go back to the Council, with the lease costs being met from the appropriate revenue budget within Transport Bureau.
- 4.4 Lease costs are expected to be approximately £9600 per vehicle per year. The increase on current charges is due to a general increase in the base price of OEM vehicles in the last 5 years (since the original purchase).
- 4.5 The following table illustrates the capital and revenue implications of the proposal:

	<b>Year 1 2020/21</b>	<b>Year 2 2021/22</b>	<b>Year 3 2022/23</b>	<b>Year 4 2023/24</b>	<b>Year 5 2024/25</b>	<b>Year 6 2025/26</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	
<u>Capital Budget (estimate)</u>	2,000,000	-	-	-	-	-
<u>Revenue Budget (estimate)</u>	£211,200	£316,800	£316,800	£316,800	£316,800	£105,600

\* Assumes vehicles are delivered in July 2020, with a 5-year lease starting at that date.

- 4.6 On-going maintenance costs will be covered from internal revenue budgets.
- 4.7 The overall effect of the proposal is to provide Transport Bureau with vehicles that are safe and economical to run whilst also meeting the broad needs of the vehicle users.
- 4.8 The overall quantity of this type of vehicle will be review over the next 5 years. There are 28 other wheelchair accessible vehicles of a similar specification on a lease plan due to expire in 2022/23.

4.9 The management of the vehicles will be overseen by the Fleet Support team.

## 5. Legal Implications

5.1 The procurement will be undertaken in accordance with the Public Contract Regulations 2015 and WSCC Standing Orders for Contracts and Procurement ensuring the principles of transparency and equal treatment are maintained, ensuring acceptable time limits are applied and details of the award procedure made clear in the tender documents.

## 6. Risk Implications and Mitigations

6.1 The following risks and mitigations have been considered

<b>Risk</b>	<b>Mitigations</b>
Failure to provide vehicles in 2020/21	Further extension to leases will be required as well as a re-profiling of the capital requirement. This will prolong the use of ageing vehicles.
The vehicles are not fit for purpose	Extensive engagement with the service has identified the core requirements of the vehicles and these will be incorporated into the specification
Delay in delivery of vehicles	Delivery timescales will be evaluated as part of the further competition and will be monitored by the Fleet Team post-award.
Uncertainty around exit from European Union (EU)	Informal feedback from suppliers suggests a likely increase in costs in a 'no-deal' scenario of between 10-15%. The tender process will ask bidders to be clear about impacts so they can be considered in the evaluation process.

## 7. Other Options Considered (and reasons for not proposing)

7.1 The following options have been considered

- a) Do nothing;
- b) Hire minibuses for term-time only use;

7.2 Option a) has been discounted on the basis that it would mean handing back the vehicles to the lease company leaving Transport Bureau with no provision and unable to meet transport obligations.

7.3 Option b) would cost the Council more as the approximate rental period would cover approx. 270 days of the year (school days and weekends) at approximately £45/day.

## **8. Equality and Human Rights Assessment**

- 8.1 Wheelchair accessible minibuses form part of the Council's fleet to help vulnerable children (and adults) to access services such as schools and day centres. The new minibuses will ensure service users benefit from a modern and safe travelling environment.
- 8.2 Some minor familiarisation will be required among service users if the vehicle looks different or if the steps/seats are configured in a different way.

## **9. Social Value and Sustainability Assessment**

- 9.1 As part of the procurement process, bidders will be asked to outline how they seek to use local labour and suppliers as part of the delivery and conversion of vehicles as well as how they will support the Council in the delivery of its Sustainability Strategy.

## **10. Crime and Disorder Reduction Assessment**

- 10.1 None

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**Appendices** None

**Background papers** None