

Chief Fire Officer	Ref No: OKD40 19/20
March 2020	Key Decision: Yes
Award of contract for the purchase 33 Wheelchair Accessible Minibuses	Part I
Report by Fleet Manager	Electoral Division(s): ALL
<p>Summary</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>OKD25 19/20 approved the commencement of a procurement for 33 wheelchair accessible minibuses.</p> <p>The route to market used was Lot 5 of the Bath and North East Somerset Council Bus & Coach Procurement Framework Agreement (Framework Ref – BNESJB/0617)</p> <p>The procurement process has now concluded and this report seeks approval to award the contract to the winning bidder.</p>	
<p>West Sussex Plan: Policy Impact and Context</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>Financial Impact</p> <p>The financial implications of the outcome of the procurement process are follows:</p> <p>Purchase of 33 wheelchair accessible minibuses: £2,006,573.</p> <p>Capital funds have assigned for the purchase of this equipment through the Council's Capital Programme.</p> <p>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.</p> <p>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.</p>	
<p>Recommendation</p> <p>The Chief Fire Officer is asked to approve the award of the contract for the purchase of 33 wheelchair accessible minibuses to Treka Bus Limited.</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 Following a review of the need and requirement it was agreed that the procurement of replacement minibuses would:
 - Replace current vehicles that are either at the end of the lease period or useable life;
 - Continue to modernise the fleet taking into account fuel efficiency and vehicle emissions;
 - Incorporate stakeholder comments and feedback in the area of improving accessibility for passengers and usability for drivers/passenger assistants.
- 1.5 The route to market used was Lot 5 of the Bath and North East Somerset Council Bus & Coach Procurement Framework Agreement (Framework Ref – BNESJB/0617). This Framework is managed by The Procurement Partnership Limited (TPPL).
- 1.5 There are 10 suppliers listed on Lot 5 of the Framework Agreement. The suppliers specialise in vehicle conversions and are able to provide a turn-key solution to buyers.
- 1.6 An invitation to tender (ITT) was published on TPPL's e-sourcing on 06 January 2020. The deadline for receipt of submissions was 27 January 2020.
- 1.7 The evaluation approach (as stated in the tender documents) was to identify the supplier submitting the most economically advantage tender (MEAT), with a weighting of 60% Price and 40% Quality.
- 1.8 8 tender responses were received by the closing date and taken forward for evaluation.
- 1.9 The tender was evaluated by a range of internal subject matter experts for compliance against the specification and post-sale support.

2. Proposal Details

- 2.1 It is proposed that the contract to purchase 33 wheelchair accessible minibuses to Treka Bus Limited.
- 2.2 The response submitted by Treka Bus Limited met the agreed specification and scored well on the technical elements including post-sale support.

- 2.3 The total value of the contract to purchase the vehicles is £2,006,573.
- 2.4 The expected operational life of the vehicles is 5 years.
- 2.5 The features and benefits of the proposed solution include:
- Base vehicle proposed (Mercedes Sprinter) aligns with rest of fleet;
 - Strong warranty offer on the vehicle, the conversion and equipment (e.g. heating systems and passenger lift);
 - Delivery lead-time that meet the Council’s requirement (with delivery complete before September 2020);
 - Good post-sale support and account management.

3. Consultation

- 3.1 Consultation on the final bid response has been carried out with the following parties:
- Fleet Resource Support Team Leader
 - Category Manager - Resources
 - Transport Provision Manager
 - Legal Services
 - Senior Finance Officer

4. Financial (revenue and capital) and Resource Implications

- 4.1 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.

Capital requirement

	Year 1 2020/21 £m	Year 2 2021/22 £m	Year 3 2022/23 £m	Year 4 2023/24 £m	Year 5 2024/25 £m
Capital budget	£2.006	0	0	0	0
Value of spend	0	0	0	0	0
Remaining budget	0	0	0	0	0

Revenue requirement (depending on financing decision taken)

	Year 1 2020/ 21 £m	Year 2 2021/2 2 £m	Year 3 2022/2 3 £m	Year 4 2023/2 4 £m	Year 5 2024/2 5 £m	Year 6 2025/2 6 £m
Revenue budget *	£0.184	£0.316	£0.316	£0.316	£0.316	£0.132
Value of spend	£0.184	£0.316	£0.316	£0.316	£0.316	£0.132
Remaining budget	0	0	0	0	0	0

*Assumes vehicle delivery complete by September 2020

- 4.5 On-going maintenance costs will be covered from internal revenue budgets.
- 4.6 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.
- 4.7 The management of the vehicles will be overseen by the Fleet Support team.

5. Legal Implications

- 5.1 The procurement was 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 were maintained, ensuring acceptable time limits were applied and details of the award procedure made clear in the tender documents.

6. Risk Assessment Implications and Mitigations

- 6.1 The following risks and mitigations have been considered:

Risk	Mitigations
The vehicles are not fit for purpose	Extensive engagement with the Service has identified the core requirements for the vehicles and these have been incorporated into the specification
Delay in delivery of vehicles	Delivery timescales have been evaluated as part of the tender process and will be monitored by the Fleet team in the post-award phase. There are options to extend leases in the event of an unavoidable delay.

Uncertainty around exit from European Union (EU)	The pricing submitted is firm. Any possible delays with supply chains will be managed with the supplier.
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7. Other Options Considered

7.1 The following options have been considered:

- a) Abandon procurement process;
- b) Extend the existing vehicle leases by a period of 1-3 years.

7.2 Option a) has been discounted on the basis that the process attracted sufficient interest and is within budget.

7.3 Option b) has been discounted on the basis that beyond 5 years, the vehicles become less economical to run and would exceed internal vehicle management policies.

8. Equality and Human Rights Assessment

8.1 The specification for the vehicles was developed to aide and improve accessibility for specific groups of people who are protected by law.

9. Social Value and Sustainability Assessment

9.1 As part of the procurement process, bidders were assessed on their approach to Corporate Social Responsibility (CSR) as well as how they will support the Council in the delivery of its Sustainability Strategy.

10. Crime and Disorder Reduction Assessment

10.1 Not applicable

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Appendices None

Background papers None