

To: Finance, Resources and Customer Services Policy Board

On: 05 June 2019

**Report by: Joint Report by The Chief Executive and the Director of
Environment & Infrastructure Services**

Heading: The Purchase of 2 of 18t Refuse Collection Vehicles (RCV)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award the contract for The Purchase of 2 of 18t Refuse Collection Vehicles to Faun Zoeller UK Ltd as part of the Council's Vehicle Replacement Programme for 2019/2020.
- 1.2 This procurement exercise was conducted as a direct award to contract for the Purchase of 2 of 18t Refuse Collection Vehicles to Faun Zoeller UK Ltd under Lot 8 the Scotland Excel Framework Agreement for Heavy Vehicles (ref: 03/17) and in accordance with the Council's Standing Orders relating to Contracts.
- 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit which covered the purchase of vehicles for the vehicle replacement programmes from 2018/19 to 2022/2023 and was approved by the Director of Environment and Communities (the predecessor service to Environment and Infrastructure) and the Corporate Procurement Manager in June 2018.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise:
 - 2.1.1 The Head of Corporate Governance to award a Contract for the Purchase of 2 x 18t Refuse Collection Vehicles (RCV) to Faun Zoeller UK Ltd.
 - 2.1.2 The contract value of £311,538 excluding VAT.
 - 2.2 The Finance, Resources and Customer Services Policy Board are asked to note that if an order is placed with Faun Zoeller UK Ltd before the end of June 2019, vehicle delivery will be before the end of March 2020. Delivery will be made to Fleet Services, Underwood Road, Paisley.
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3. **Background**

- 3.1 As part of the vehicle replacement programme Environment & Infrastructure Services identified a requirement to purchase two (2) new 18 tonne Refuse Collection Vehicles. In accordance with Standing Order 29.5 of the Standing Order relating to Contracts, the Scotland Excel Framework Agreement for Heavy Vehicles (ref: 03/17) Lot 8 was identified as the best option for this vehicle purchase.
- 3.2 Scotland Excel established a Framework Agreement for Heavy Vehicles (ref: 03/17) on 1st January 2018. The Framework Agreement allows for “Direct Awards” to be utilised as the Selection Procedure where the Council can demonstrate best value for money.
- 3.3 Analysis of the Suppliers on the relevant Lot of the Scotland Excel Framework Agreement for Heavy Vehicles (ref: 03/17) was undertaken. The analysis demonstrated that best value for money could be achieved by making a direct award for the purchase of these 2 vehicles from Faun Zoeller. This analysis took into consideration the recent survey of all low floor RCV, Recent purchases of other low floor vehicles have been problematic causing damage to vehicles due to design issues. Staff engagement has been important in the selection of these vehicles due to cab ergonomics and safety improvements.
- 3.4 The costs for these contracts will be met from the Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2019/20.
- 3.5 Community and additional benefits were requested on a voluntary basis with the following commitment provided from Faun Zoeller.

- Work Experience Placement for an individual 16+ years of age
- Work Experience Placement for an individual aged 14 to 16 years of age
- Industry Awareness Events
- Industry Skill Transfer to Schools
- Business advice/support to an SME /Social Enterprise/ Voluntary organisation
- Event to promote supply chain opportunities
- Financial Support for a Community Project
- Non-financial support for a Community Project

Implications of the Report

1. **Financial** - The costs under this Contract will be funded from the Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2019/2020
2. **HR & Organisational Development** - No TUPE implications have arisen or are anticipated.
3. **Community/Council Planning** – N/A
4. **Legal** - The procurement of this Contract was conducted in accordance with the requirements for a direct award under Lot 8 of the Scotland Excel Framework Agreement for Heavy Vehicles (ref: 03/17) and the Council's Standing Orders relating to Contracts.
5. **Property/Assets** – No property/asset implications have arisen or are anticipated.
6. **Information Technology** - None
7. **Equality & Human Rights** -
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following

implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** – Faun Zoeller UK Ltd's health and safety standards have been assessed and evaluated by Scotland Excel to confirm they meet the minimum requirements regarding insurable risk.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – Faun Zoeller UK Ltd's insurances have been assessed and evaluated by Scotland Excel confirm they meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - No Privacy Impact Assessment requirements were identified within this procurement.
12. **Cosla Policy Position** - No Cosla Policy Position implications have arisen or are anticipated

List of Background Papers – N/A

Author: *Rachel O'Neill, Procurement Advisor, Tel: 0141 618 4573*