

**To: Finance, Resources and Customer Services Policy Board**

**On: 29 January 2020**

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

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**Heading: Supply and Delivery of Two Zero Emissions 16-seater Accessible  
Buses Notice of Contract Award under clause 9.1(j) of Standing  
Orders Relating to Contracts 2017**

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**1. Summary**

- 1.1 The purpose of this report is to notify the Finance, Resources and Customer Services Policy Board of a Contract for supply of two (2) zero emission low floor, 16 seater accessible buses Woodall Nicholson Ltd T/A Mellor Coachcraft (RC-CPU-16-287) authorised for award by the Director of Environment and Infrastructure Services under clause 9.1 j) of Council Standing Orders Relating to Contracts.
- 1.2 The Council was offered a grant from Transport Scotland towards the cost of electric vehicles, a condition of which required any order made under this grant to be placed by 30 November 2019. As the next Finance, Resources and Customer Services Policy Board due was this board on 29 January 2020, to ensure that the grant could be utilised, the Head of Policy and Commissioning approved the use of standing order 9.1 j) Council Standing Orders Relating to Contracts with the requirement for retrospective reporting to this Policy Board.
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## **2. Recommendation**

- 2.1 The Finance, Resources and Customer Services Policy Board is asked to note:
- 2.1.1 That a Contract of Supply was awarded by the Council to Woodall Nicholson Ltd T/A Mellor Coachcraft for the supply of two (2) zero emission low floor, 16 seater accessible buses. ( RC-CPU-16-287) This Contract was authorised by the Director of Environment and Infrastructure Services in accordance with clause 9.1(j) of Council Standing Orders Relating to Contracts.
  - 2.1.2 That the contribution from the total grant allowed the Council to procure two (2) zero emission low floor, 16 seater accessible buses from Woodall Nicholson Ltd T/A Mellor Coachcraft.
  - 2.1.3 A cumulative spend under the Contract of up to £339,072 excluding VAT. This is made up of £168,789 which will be funded by Transport Scotland and £170,283 which will be funded by Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2020/21.
  - 2.1.4 Note, that the Supplier has agreed a vehicle delivery date of no later than 30 April 2020. Delivery will be made to Environment and Infrastructure Services at 52 Underwood Road, Paisley.
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## **3. Background**

- 3.1 The Council was offered a grant of £168,789 from Transport Scotland towards the cost of two (2) zero emission low floor, 16 seater accessible buses, a condition of which required any contract for the buses order to be placed by 30 November 2019. Environment and Infrastructure Services was notified of the condition on 5 November 2019, with the next Finance, Resources and Customer Services Policy Board meeting on 13 November 2019 there was insufficient time available to arrange a contract before that board meeting and no further policy board to seek authority from, as the next Finance, Resources and Customer Services Policy Board due was this board on 29 January 2020. To ensure that the grant could be utilised, the Head of Policy and Commissioning approved the use of standing order 9.1 j) Council Standing Orders Relating to Contracts and this retrospective report to the Policy Board.
- 3.2 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. This was approved by Director of Environment and Communities, the predecessor service to Environment and Infrastructure Services, and the Corporate Procurement Manager in June 2018.

- 3.3 In accordance with Standing Order 29.5 of the Standing Order relating to Contracts, the Crown Commercial Service Framework Agreement for Heavy Vehicles (ref: RM6060) Lot 5 – Buses and Coaches was identified as a possible option for this vehicle purchase.
- 3.4 The Council Corporate Procurement Unit carried out an appraisal of all suppliers under Lot 5 of the Crown Commercial Service Framework Agreement for Heavy Vehicles (ref: RM6060) Lot 5 – Buses and Coaches and received confirmation from all suppliers on this framework that they were unable to quote for a 16 seater, low floor, zero emission accessible bus.
- 3.5 Additional soft market testing was carried out by the Council's Corporate Procurement Unit and Environment & Infrastructure department with a view to identifying additional routes to market. As a result of this soft market testing it was confirmed that only Woodall Nicholson Ltd T/A Mellor Coachcraft could provide a zero emission low floor, 16 seater accessible bus. The soft market testing revealed Woodall Nicholson Ltd T/A Mellor Coachcraft to be the world's first fully low-floor electric minibus manufacturer.
- 3.6 As there is only one fully low-floor electric minibus manufacturer, a request to negotiate was submitted and approved by the Strategic Procurement Manager on behalf of the Head of Policy and Commissioning ( HOPAC), to negotiate with Woodall Nicholson Ltd T/A Mellor Coachcraft as there would be no benefit in conducting an open tender as competition is absent for technical reasons. As such, there was no prior publication of this public contract. These requirements have been considered in terms of The Public Contracts (Scotland) Regulations 2015, Regulation 33 (1) (b) (ii) as the Contract Value is in excess of the EU Threshold for Supplies:
- (1) A contracting authority may award a public contract following negotiated procedure without prior publication of a contract notice or prior information notice in any of the following cases—
    - (b) where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons—
      - (ii) competition is absent for technical reasons;

but only, in the case of paragraphs (ii) and (iii), where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement.

- 3.7 The entire contract value will be up to £339,072 of which £170,283 will be met from the Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2020/21. The remaining £168,789 will be met from Transport Scotland grant funding.
- 3.8 Community Benefits were requested through this process with the following commitment provided by Woodall Nicholson Ltd T/A Mellor Coachcraft:
- Work Experience Placement for an individual 16+ years of age
  - Industry Awareness Events
  - Non financial support for a Community Project

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## Implications of the Report

1. **Financial** - The cost of £170,283 excluding VAT will be met from the Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2020/21. The remaining £168,789 will be met from Transport Scotland funding.
2. **HR & Organisational Development** - No TUPE implications have arisen or are anticipated.
3. **Community/Council Planning**  
Creating a sustainable Renfrewshire for all to enjoy- the Contract will support the delivery of this outcome.
4. **Legal** - This procurement was carried out in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The Council will have the use of two zero emission low floor accessible buses.
6. **Information Technology** - No Information Technology implications have arisen or are anticipated.
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** - Woodall Nicholson Ltd T/A Mellor Coachcraft's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedure outlined within this report ensure that the Council meets its statutory requirements in respect of the EU regulatory requirements and the Council's Standing Orders Relating to Contracts.
10. **Risk** - Woodall Nicholson Ltd T/A Mellor Coachcraft's insurances have been assessed and evaluated to confirm that they have met 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.
13. **Climate Risk**  
The level of impact associated with provision of this service has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

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## List of Background Papers

None.

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