

Cabinet (Resources) Panel

13 December 2023

Report title	Procurement – Award of Contracts for Works, Goods and Services	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Procurement	
Accountable employee	John Thompson	Head of Procurement
	Tel	01902 554503
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Report to be/has been considered by	Directorate Leadership Team	

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Cabinet Member for Environment and Climate Change, in consultation with the Director of Resident Services, to approve the award of a contract for the Supply of two Material Handlers and one Wheel Loader when the evaluation process is complete.

Recommendation for noting:

The Cabinet (Resources) Panel is asked to note:

1. UK Procurement Legislative Changes.

1.0 Councillor Craig Collingswood, Cabinet Member for Environment and Climate Change

1.1 Delegated Authority to Award a Contract – Supply of Two Material Handlers and One Wheel Loader

Ref no:	CWC23178
Council Plan aim	Climate Conscious
Originating service	Fleet Services
Accountable officer	Beth Cooper, Transport and Fleet Manager Kaleem Raza, Project Manager
Leadership Team approval	8 September 2023
Accountable Lead Cabinet Member	Cllr Craig Collingswood, Cabinet Member for Environment and Climate Change
Date Lead Cabinet Member briefed	9 November 2023
Procurement advisor	Sean Hynes, Procurement Manager

1.2 Background

1.3 City of Wolverhampton Council (CWC) require replacement of the fleet of two wheeled materials handlers and one wheel loader operated by Waste Services at the Council's House Waste Recycling Centre (HWRC) sites located at Shaw Road and Anchor Lane and the Waste Transfer Station (WTS) located at Crown Street. The service is currently operating hired machines in their place, supplied at a total hire cost of £168,440 per annum.

1.4 The above machines are operated by Waste Services at the Council's House Waste Recycling Centre (HWRC) sites located at Shaw Road and Anchor Lane and the Waste Transfer Station (WTS) located at Crown Street, are currently hired. These new machines will be like for like replacements and more environmentally friendly than the older vehicles currently in service.

Proposed Contract Award	
Contract duration	One Off Purchases
Contract Commencement date	22 January 2024
Total value	£784,300

1.5 Procurement Process

- 1.6 The intended procurement procedure will be an open tender process in accordance with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. This route to market has been decided because it encourages a market wide response for specialist vehicles including local suppliers and supporting the Wolverhampton Pound.
- 1.7 The evaluation scoring balance will be based on Price (60%) and Quality (40%) which includes 5% Social Value and 5% Equality, Diversity and Inclusion (EDI). Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.
- 1.8 The evaluation team will comprise:

Name	Job Title
Elizabeth Hartle	Fleet and Transport Change Manager
Kaleem Raza	Project Manager
Lee Platt	Contracts and Disposals Manager
Kate Darlington	Operations Manager

1.9 Evaluation of alternative options

- 1.10 CWC could continue to maintain the wheel loader, which has exceeded its operational life. This would maintain a risk to service continuity as replacement parts for the current vehicle are both costly and difficult to obtain. The current vehicle also requires excessive maintenance and repairs, and these pose a significant risk to service provision.
- 1.11 CWC could operate 3 hired machines, however, this is not best value for money for the Council and replacing them with owned machines will avoid ongoing hire costs of £168,440 per annum.

1.12 Reason for decisions

- 1.13 The replacement of this ageing fleet ensures the Council can meet its statutory obligation and ensures that its fleet is operational and cost effective.

1.14 Financial Implications

- 1.15 The contract will be funded from existing approved Fleet Services vehicle replacement £4.3 million capital budget. Purchased replacements will avoid ongoing hire costs.

1.16 Legal implications

- 1.17 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.

1.18 Equalities implications

- 1.19 This procurement involves purchase of specialist machines to be used by Waste Services operatives to fulfil statutory duties throughout the year. Equality considerations will take place to ensure the machines are 'fit for purpose' and that they meet quality standards by arranging for the service area to engage in the specification process. Service manager and operatives will be involved in this process to ensure they had the opportunity to provide feedback and the machines proposed was not less favourable to the needs of operatives.

1.20 All other implications

- 1.21 There are no other implications arising from the recommendations of this report.

1.22 Recommendation

- 1.23 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for Environment and Climate Change, in consultation with the Director of Resident Services, to approve the award of a contract for the Supply of two Material Handlers and one Wheel Loader when the evaluation process is complete.

1.24 Schedule of background papers

- 1.25 None

2.0 UK Procurement Legislative Changes

- 2.1 The UK procurement regime is going through several changes, and the Government is set to overhaul procurement legislation in 2024. The two significant changes are the Procurement Act 2023 and The Provider Selection Regime. Cabinet (Resources) Panel are asked to note these changes in 2024 and further updates to reflect Contract Procedure Rules and operational activity will be presented in due course where appropriate.
- 2.2 The Procurement Bill, which will reform the existing Procurement Rules, received Royal Assent in October 2023 forming the Procurement Act 2023. In early 2024 secondary legislation will be laid to bring some elements of the Bill and the wider regime into effect. It is anticipated that a minimum of 6 months' notice prior to 'go-live', will be given which we will be October 2024. The existing legislation will apply until the new regime goes live and will also continue to apply to procurements started under the old rules.
- 2.3 The Provider Selection Regime (PSR) removes the procurement of health care services, when procured by relevant authorities from the scope of the Public Contracts Regulations 2015 (the PCR) and upcoming Procurement Act 2023. The PSR has been designed to give the relevant authorities to which it applies more flexibility in selecting providers for health care services. Under the regime, competitive tendering will be one tool for organisations to use when it is of benefit, alongside other routes that may be more proportionate, and which better enable the development of stable partnerships and the delivery of integrated care. The regime still requires relevant authorities to consider value for money as an important criterion, and to be transparent, fair, and proportionate in their decision-making. The requirement will have minimal impact for the Council as it will only be relevant to some Public Health contracts. It is anticipated to receive Royal Assent by January 1 2024.

3.0 Financial implications

3.1 All financial implications are included within the relevant section of the report.
[RP/27112023]

4.0 Legal implications

4.1 All legal implications are included within the relevant section of the report.
[SZ/30112023/P]

5.0 Equalities implications

5.1 The relevance to equalities and progress in terms of equality analysis will vary for each proposal included in this report. Accountable officers have and will ensure that evidence is collected and used to demonstrate compliance with CWC's legal obligations under the Equality Act 2010.

6.0 All other implications

6.1 All other implications are included within the relevant section of the report.

7.0 Schedule of background papers

7.1 All background papers are included within the relevant section of the report.