

To: ENVIRONMENTAL SERVICES COMMITTEE		Subject: Transport Management and Maintenance - Provision of Service to WOSWA
From: DIRECTOR OF ENVIRONMENTAL SERVICES		
Date: 19th February, 1998	Ref: EK/MC	

NORTH LANARKSHIRE COUNCIL
DIRECTOR OF ADMINISTRATION

20 FEB 1998

CENTRAL LEGAL PERSONNEL

1. INTRODUCTION

1.1 This report informs the Environmental Services Committee of the outcome of the tenders for the supply of vehicle maintenance for the WOSWA Vehicle and Plant Fleet.

2. BACKGROUND

2.1 North Lanarkshire council have maintained approximately 220 items from the WOSWA Vehicle Fleet since April, 1996. In August, 1997, WOSWA intimated that they would be submitting all of their transport and plant to competitive tender. This was contrary to the express wishes of the Local Authorities who were maintaining the WOSWA Fleet at this time. The Local Authorities had offered WOSWA a best value partnership approach.

2.2 WOSWA then tendered 24 contracts covering three categories of vehicles and plant for each of their eight operational areas. These were to be four year contracts with a twelve months extension.

3. THE BIDS

3.1 WOSWA received forty-two expressions of interest in the 24 contracts and twenty organisations were invited to bid for the work. Invitations were extended to all previous local authority service suppliers. However of the twenty approved tenderers four did not tender, nine declined to tender, one submitted a qualified bid and only six submitted valid tenders.

3.2 Only one private sector company submitted a tender, Lex Transfleet, Coventry. This company bid for all 24 contracts.

3.3 Six of the Local Authorities declined to submit a bid for any of this WOSWA work.

3.4 Only four Councils bid for the work with one joint bid.

3.5 North Lanarkshire bid for six contracts, three of which formed part of a lead authority bid with South Lanarkshire Council.

3.6 Under the tenders all WOSWA employees would be TUPE transferred to the successful bidders. In the case of North Lanarkshire Council this comprised twelve employees from Bellshill Depot being two supervisors, seven mechanics, two labourers and one storeman.

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4. THE CONTRACT AWARD

On 30th January, 1998, Board of WOSWA endorsed recommendations from their Chief Executive on the 24 contracts as following:-

- 4.1 All vehicle contracts i.e., sixteen to Lex Transfleet - the single private sector bidder.
- 4.2 Two of the eight plant contracts also to Lex Transfleet.
- 4.3 Four of the eight plant contracts to Glasgow, East Renfrew, South Ayr and Dumfries and Galloway Councils.
- 4.4 Two of the plant contracts are to be retendered.
- 4.5 In terms of the reports submitted to the Board of WOSWA on 30th January, 1998 (Ref. 22nd and 28th) January) the recommendations have been based upon the lowest prices submitted.
- 4.6 WOSWA have not formally advised North Lanarkshire Council of the tender awards although it is evident by consultations at Director level that the contract awards are as stated above.

5. THE WAY AHEAD

- 5.1 North Lanarkshire Council will continue to honour the current agreement with WOSWA for the maintenance of their fleet at Bellshill until the end of March, 1998.
- 5.2 On 1st April, 1998 the responsibilities for maintenance of all WOSWA vehicles will pass to Lex Transfleet and the employees will be TUPE transferred to Lex.
- 5.3 North Lanarkshire Transport Management are currently evaluating the overall impact of the reduction in fleet items which will result from the loss of the WOSWA work. It is crucial that average unit costs are maintained and reduced where feasible under Best Value.

All aspects will be covered within a total review of transport provision and maintenance to ensure that an efficient and effective service is provided for all Transport users within the Council. Consultations with the Trade Unions, employees and major users have already commenced to ensure that all options are developed and examined.

- 5.4 An early assessment of labour requirements for fleet maintenance has been undertaken in order to achieve an optimum manpower workload ratio level. This has resulted in a requirement for additional permanent vehicle mechanics to be advertised internally within the Council. The WOSWA employees have been given the opportunity of submitting applications for any vacancies arising.

6. RECOMMENDATIONS

The Committee are requested to note the contents of this report.

M'Kenzie L. Hutton