

## REPORT

To: ENVIRONMENTAL SERVICES COMMITTEE		Subject: FLEET PROCUREMENT 2016 LIGHT VEHICLE TENDER AWARD (1)
From: HEAD OF ENVIRONMENTAL ASSETS		
Date: 16 <sup>th</sup> August 2016	Ref: KF/GJ/JS	

**1. INTRODUCTION**

- 1.1 The purpose of this report is to note the action taken by the Head of Business for Legal and Democratic Services, following consultation with Convener of the Environmental Services Committee, in approving the purchase of, three (3) panel vans, four (4) 3.5t Double Cab Tipper, six (6) 7seat MPV with wheel chair conversion, and seven (7) 4x4 cars.

**2. BACKGROUND**

- 2.1 This report details the outcome of this procurement exercise for twenty vehicles through Scotland Excel Light Vehicle framework schedule number 06/12 PC-03.
- 2.2 Twenty vehicles are part of the ongoing 2016 Vehicle Replacement Programme.
- 2.3 An option appraisal was carried out for the twenty vehicles which showed it was more cost effective for the twenty vehicles to be subjected to an operating lease. This process requires the vehicles to be purchased by the Council at a cost of £325,047.72, then the Treasury Section arranges for the vehicles to be sold to a Finance Leasing Company who become the owners of the vehicles, and they in turn lease the vehicles back to the council.
- 2.4 After consultation with procurement it was agreed that a mini competition would be conducted to ensure best value. The vehicles were broken down into lots, as detailed below, and suppliers on the framework were invited to compete.

Lot 1 - TRA/00a/2016 – Four wheel drive 2.0Tdi 5 door car (Quantity 7)  
 Lot 2 – TRA/08a/2016 – 3,500kg LWB Double Cab Tipper (Quantity 4)  
 Lot 3 – TRA/21a/2016 – 7 seat MPV conversation with wheelchair (Quantity 6)  
 Lot 4 – TRA/02b/2016 – 2,200kg Panel Van (Quantity 3)

See appendix A showing winning tender submissions.

**3. TENDERS**

- 3.1 An evaluation team was appointed to evaluate the mini competition responses. Tenders were evaluated on the basis of the “most economically advantageous” and applying a 60/40 price /quality ratio. Quality scores were carried forward from the original Scotland Excel Framework.
- 3.2 Upon the successful completion of the procurement exercise, authorisation to proceed with the procurement exercise, and place orders for twenty (20) vehicles with the suppliers which provided the most economically advantageous tenders was given by the Head of Business for Legal and Democratic Services, following consultation with the Convener of the Environmental Services Committee.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The purchase cost of the twenty vehicles is £325,047.72. The estimated annual leasing cost for the twenty vehicles will be £50,848 per year. This leasing cost is charged to user departments who have existing budgets for this. The user departments have been given an indicative cost per vehicle for these new leases. The final lease value becomes known once the vehicles have actually been sold to the leasing company. The user departments will have to fund any increased costs and they have already been made aware of this.
- 4.2 All twenty vehicles are based on a five year lease period.

#### **5. RECOMMENDATION**

- 5.1 The committee is asked to note the action taken by the Head of Business for Legal and Democratic Services, following consultation with the Convener of the Environmental Services Committee, to proceed with the procurement exercise, and place orders for twenty (20) vehicles with the suppliers which provided the most economically advantageous tenders.



**KENNETH FORBES**  
**HEAD OF ENVIRONMENTAL ASSETS**

Local Government Access to Information Act: for further information about this report please contact Graham Johnstone on 01698-506275

**Lot 1 – TRA/00a/2016 – Four wheel drive 2.0Tdi 5 door car (Quantity 7)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Volkswagen Van Centre	£98,553	60	18.45	78.45	1

**Lot 2 – TRA/08a/2016 – Rear Wheel Drive 3,500kg GVW LWB Double Cab Tipper – Build 1 (Quantity 1)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Arnold Clark	£20,625.03	60	24.90	84.90	1

**Lot 2 – TRA/08a/2016 – Rear Wheel Drive 3,500kg GVW LWB Double Cab Tipper – Build 2 (Quantity 2)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Arnold Clark	£39,830.06	60	24.90	84.90	1

**Lot 2 - TRA/08a/2016 – Rear Wheel Drive 3,500kg GVW LWB Double Cab Tipper – Build 3 (Quantity 1)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Arnold Clark	£19,630.03	60	24.90	84.90	1

**Lot 3 – TRA/21a/2016 – 7 seat MPV conversation with wheelchair (Quantity 6)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Volkswagen Van Centre	£115,068	60	18.45	78.45	1

**Lot 4 - TRA/02b/2016 – 2,200kg GVW Panel van (Quantity 3)**

<b>Tender Name</b>	<b>Price After Evaluation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>	<b>Ranking</b>
Lookers	£31,341.60	60	21.51	81.51	1