

Procurement of Joint Waste Partnership Fuel

Cabinet Member for Climate Change & Recycling



Date: 8/2/2022
Agenda Item: 10
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Key Decision? YES
Local Ward All
Members

CABINET

1. Executive Summary

- 1.1 There is an on-going requirement for the supply of fuel for use by the Joint Waste Services and other Operational Services vehicles. We are seeking approval to undertake a procurement process to establish a multi-year framework agreement to ensure continuity of supply and price competition.

2. Recommendations

- 2.1 That Cabinet approves the procurement of a 4 year framework contract to one or more suppliers.
- 2.2 That Cabinet delegates the approval to award the resultant contract, subject to being within approved budgets, following on from the procurement process to the Head of Operational Services in consultation with the Cabinet Member for Climate Change & Recycling.

3. Background

- 3.1 The Joint Waste Service currently obtain several quotes each time they need to purchase fuel. Suppliers submit their best costs and delivery times based on the volume required. This can sometimes lead to favourable costs due to price fluctuations, however due to the accumulated value, a longer-term contractual solution is required.
- 3.2 We propose carrying out a procurement process to implement a framework agreement with several suppliers being appointed. Purchases of fuel will then be made on a mini-competition basis to ensure that we can take advantage of full competition between the suppliers. This will ensure we continue to achieve value for money whilst being compliant with procurement regulations. The framework will be for a maximum of 4 years.

Alternative Options

1. Do nothing – this would not be in compliance with the Contract Procedures Rules and Public Contract Regulations 2015, potentially leaving the council at risk of legal challenge.
2. Call-off from third party framework agreement – there are currently no third-party framework agreements that include the local / regional supplies we currently use

Consultation

1. Leadership Team

<p>Financial Implications</p>	<p>The actual spend and Approved Budgets for fuel are shown in the chart below:</p>  <table border="1"> <caption>Fuel Procurement Data</caption> <thead> <tr> <th>Year</th> <th>Actual Spend</th> <th>Approved Budget</th> </tr> </thead> <tbody> <tr> <td>2018/19</td> <td>373,399</td> <td>445,308</td> </tr> <tr> <td>2019/20</td> <td>390,249</td> <td>461,857</td> </tr> <tr> <td>2020/21</td> <td>350,619</td> <td>406,726</td> </tr> <tr> <td>2021/22</td> <td>408,730</td> <td>477,570</td> </tr> <tr> <td>2022/23</td> <td>420,990</td> <td>491,190</td> </tr> <tr> <td>2023/24</td> <td>433,620</td> <td>505,220</td> </tr> <tr> <td>2024/25</td> <td>446,630</td> <td>519,670</td> </tr> <tr> <td>2025/26</td> <td>460,030</td> <td>534,550</td> </tr> </tbody> </table>	Year	Actual Spend	Approved Budget	2018/19	373,399	445,308	2019/20	390,249	461,857	2020/21	350,619	406,726	2021/22	408,730	477,570	2022/23	420,990	491,190	2023/24	433,620	505,220	2024/25	446,630	519,670	2025/26	460,030	534,550
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<p>Approved by Section 151 Officer</p>	<p>Yes</p>																											
<p>Legal Implications</p>	<ol style="list-style-type: none"> Due to the potential value of the contract, a procurement process complaint with the Public Contract Regulations 2015 is required. Specific insurance policies will be required of the contractor delivering the service. 																											
<p>Approved by Monitoring Officer</p>																												
<p>Contribution to the Delivery of the Strategic Plan</p>	<ol style="list-style-type: none"> Ensuring the Joint Waste Services and Operational Services have the necessary Fuel Supply provision helps them to deliver their services, which in turn support the Strategic aims of; <ul style="list-style-type: none"> A Good Council that is – transparent and accountable Shaping Place – to keep it green and safe Aim to appoint local suppliers where possible 																											
<p>Equality, Diversity and Human Rights Implications</p>	<ol style="list-style-type: none"> As part of the Invitation to Tender pack, suppliers will be required to confirm that they adhere to all relevant legislation, as well as answering questions on their recruitment processes to ensure they are non-discriminatory. As part of the Invitation to Tender pack, suppliers will be required to answer questions and provide documentation in relation to Modern Slavery and Human Trafficking. 																											
<p>Crime & Safety Issues</p>	<p>None</p>																											
<p>Environmental Impact</p>	<p>Alternative fuel options are currently being explored as part of the review of future fleet options for the Joint Waste Service.</p>																											
<p>GDPR / Privacy Impact Assessment</p>	<p>None</p>																											

	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Legal challenge due to no aggregated contract in place Head of Operational Services	Likelihood: Red Impact: Red Severity: Red	Carry out a compliant procurement process and award contract(s).	Likelihood: Green Impact: Green Severity: Green
B	Procurement outcome exceeds the approved budget Head of Operational Services	Likelihood: Yellow Impact: Red Severity: Red	Ensure the specification and requirements of the service are clear and unambiguous. Ensure full market engagement via an open PCR2015 compliant process.	Likelihood: Green Impact: Red Severity: Yellow
C	Fluctuations in the price of fuel. Joint Waste General Manager	Likelihood: Red Impact: Red Severity: Red	The mini competitions will continue to ensure the most advantageous market price is accessed.	Likelihood: Red Impact: Yellow Severity: Yellow

None	Background documents Any previous reports or decisions linked to this item
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None	Relevant web links Any links for background information which may be useful to understand the context of the report
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