

Fuel Supply Framework Contract Award

Cabinet Member for Waste and Recycling.

Date: 15 February 2023

Agenda Item:

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Key Decision? YES

Local Ward Members N/A



Cabinet Member Decision

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 award a multi-supplier framework agreement to ensure continuity of supply and price competition.

2. Recommendations

- 2.1 To award the Framework to the following Suppliers for 36 months with 1 optional extensions of 12 months:

1st Ranking: BWOC

2nd Ranking: Certas Energy UK Ltd

3rd Ranking: Rix Petroleum (Hull) Ltd

4th Ranking: New Era Fuels Ltd

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.

Alternative Options

1. Do nothing – Not advised, the framework will make the procurement of fuel compliant with PCR 2015 Regulations.
2. Re-run the procurement exercise

Consultation

1. Leadership Team

| Financial Implications | <div><p style="text-align: center;">Fuel Procurement</p><table><thead><tr><th>Year</th><th>Grounds Maintenance</th><th>Street Cleansing</th><th>Joint Waste</th><th>Other Areas</th><th>Total</th></tr></thead><tbody><tr><td>2019/20</td><td>10,000</td><td>10,000</td><td>380,000</td><td>10,000</td><td>461,857</td></tr><tr><td>2020/21</td><td>10,000</td><td>10,000</td><td>340,000</td><td>10,000</td><td>406,726</td></tr><tr><td>2021/22</td><td>10,000</td><td>10,000</td><td>390,000</td><td>10,000</td><td>465,161</td></tr><tr><td>2022/23</td><td>10,000</td><td>10,000</td><td>565,000</td><td>10,000</td><td>684,200</td></tr><tr><td>2023/24</td><td>10,000</td><td>10,000</td><td>568,000</td><td>10,000</td><td>660,270</td></tr><tr><td>2024/25</td><td>10,000</td><td>10,000</td><td>590,000</td><td>10,000</td><td>684,160</td></tr><tr><td>2025/26</td><td>10,000</td><td>10,000</td><td>613,000</td><td>10,000</td><td>708,050</td></tr><tr><td>2026/27</td><td>10,000</td><td>10,000</td><td>635,000</td><td>10,000</td><td>731,940</td></tr></tbody></table><p style="text-align: center;">ActualBudget</p><p style="text-align: center;">■ Grounds Maintenance ■ Street Cleansing ■ Joint Waste ■ Other Areas</p></div> <p>(Graph is estimated volume/ spend based on historical data – the volatility of fuel prices may result in price increases or decreases)</p> | Year | Grounds Maintenance | Street Cleansing | Joint Waste | Other Areas | Total | 2019/20 | 10,000 | 10,000 | 380,000 | 10,000 | 461,857 | 2020/21 | 10,000 | 10,000 | 340,000 | 10,000 | 406,726 | 2021/22 | 10,000 | 10,000 | 390,000 | 10,000 | 465,161 | 2022/23 | 10,000 | 10,000 | 565,000 | 10,000 | 684,200 | 2023/24 | 10,000 | 10,000 | 568,000 | 10,000 | 660,270 | 2024/25 | 10,000 | 10,000 | 590,000 | 10,000 | 684,160 | 2025/26 | 10,000 | 10,000 | 613,000 | 10,000 | 708,050 | 2026/27 | 10,000 | 10,000 | 635,000 | 10,000 | 731,940 |
|--|--|------------------|---------------------|------------------|-------------|-------------|-------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|---------|--------|--------|---------|--------|---------|
| Year | Grounds Maintenance | Street Cleansing | Joint Waste | Other Areas | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019/20 | 10,000 | 10,000 | 380,000 | 10,000 | 461,857 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020/21 | 10,000 | 10,000 | 340,000 | 10,000 | 406,726 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021/22 | 10,000 | 10,000 | 390,000 | 10,000 | 465,161 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022/23 | 10,000 | 10,000 | 565,000 | 10,000 | 684,200 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023/24 | 10,000 | 10,000 | 568,000 | 10,000 | 660,270 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024/25 | 10,000 | 10,000 | 590,000 | 10,000 | 684,160 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2025/26 | 10,000 | 10,000 | 613,000 | 10,000 | 708,050 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2026/27 | 10,000 | 10,000 | 635,000 | 10,000 | 731,940 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Approved by Section 151 Officer | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Legal Implications | <div><div>1. Resultant Agreement will be PCR2015 compliant.</div><div>2. A compliant procurement procedure has been undertaken.</div></div> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Approved by Monitoring Officer | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Contribution to the Delivery of the Strategic Plan | <div><div>1. Ensuring the Joint Waste Services and Operational Services have the necessary fuel provision helps them to deliver their services, which in turn support the Strategic aims of;</div><div><div>● Shaping Place – to keep it green and safe</div><div>● A Good Council that is – responsive and customer focussed</div></div></div> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equality, Diversity and Human Rights Implications | All suppliers appointed to the framework have passed the standard supplier questionnaire which asks questions around Equality, Diversity and Human Rights. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Crime & Safety Issues | None | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Environmental Impact | The use of suppliers that obtain fuel from the depot most local to the JWS - Kingsbury | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GDPR / Privacy Impact Assessment | None | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Risk Description & Risk | Original | How We Manage It | Current |
|-------------------------|----------|------------------|---------|
|-------------------------|----------|------------------|---------|

| | Owner | Score (RYG) | | Score (RYG) |
|---|---|--|--|--|
| A | Lack of contract/compliant contract in place Darren Phillips | Likelihood: Yellow Impact: Red Severity of Risk: Red | Carry out procurement process and award compliant contract. | Likelihood: Green Impact: Red Severity of Risk: Yellow |
| B | Insufficient fuel available to complete services Darren Phillips | Likelihood: Yellow Impact: Red Severity of Risk: Red | Carry out procurement process and award compliant contract. Ensuring requests for quotations and orders are placed well in advance of tanks being empty. Several suppliers on framework to alleviate this issue. | Likelihood: Yellow Impact: Red Severity of Risk: Yellow |
| C | Fuel price fluctuations/volatility Darren Phillips | Likelihood: Red Impact: Red Severity of Risk: Red | Mini competitions to take place when ordering to ensure price competition and VFM. Make sure sufficient budgets in place to account for any large fluctuations. | Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow |

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| 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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