

# **WEST DUNBARTONSHIRE COUNCIL**

## **Report by Director of Housing and Technical Services**

**Community Safety and Environmental Services Committee : 1 March 2006**

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**Subject: Framework Agreement for Vehicle Procurement**

### **1. Purpose**

- 1.1** The purpose of this report is to advise the Committee of the current position with regard to the ABC framework agreement for vehicle procurement.

### **2. Background**

- 2.1** Local Authorities and other public bodies recognise the benefits to be gained from economies of scale available to them through their combined purchasing power.
- 2.2** West Dunbartonshire Council together with Renfrewshire, East Renfrewshire, South Ayrshire and Argyll & Bute Councils agreed to explore the possibility of procuring light and heavy vehicles through a framework agreement during 2004.
- 2.3** Due to the volume of work involved, it was agreed to progress a light commercial vehicle agreement (vehicles up to 3.5 tons gross vehicle weight) in 2004 followed by heavy commercial vehicles in 2005.

### **3. Main Issues**

- 3.1** A project group from the above Councils developed the new framework agreements. Other Local Authorities who have expressed an interest in participating in years two and three of the project were also involved in the tender development and evaluation. Renfrewshire took the role of Lead Buyer for the project.

#### **3.2 Light Commercial Agreement**

- 3.2.1** Indicative letters were issued to approximately 60 firms who responded to the Prior Information Notice (PIN).
- 3.2.2** The framework was advertised in the Official Journal of the European Union and national press and tender documents were issued to 23 firms.
- 3.2.3** Eight firms failed to tender, two firms declined to tender and eleven completed offers were received by the due date and time. Two firms returned offers beyond the due date and time.

**3.2.4** The tender evaluation was based on price (66%) and technical compliance (34%).

**3.2.5** Given that the offers from all the firms submitted were to specification, it was recommended awarding the framework contract to all firms but nominate a preferred bidder status to firm(s) to achieve the core objective of single or dual badge status. The preferred bidders are Arnold Clark Automobiles Ltd Kilmarnock and Ford Motor Company.

**3.2.6** A framework agreement for the supply and delivery of light commercial vehicles is in place from 1 November 2004 until 31 October 2006 with an option to extend for up to a further year.

### **3.3** Heavy Commercial Vehicles

**3.3.1** The framework was advertised in the Official Journal of the European Union and national press in accordance with the open tendering procedure. In response to the advertisements, e-tender documents were issued to 51 firms.

**3.3.2** Thirteen firms failed to tender and 37 completed e-tender offers and 1 hard copy tender was received by the due date.

**3.3.3** Following an evaluation process the initial selection of framework suppliers was as follows: -

- Applied Sweepers Ltd, Falkirk;
- Dennis Eagle Ltd, Warwick;
- Econ Engineering Ltd, North Yorkshire;
- Farid Municipal Vehicles Ltd, West Sussex;
- Jetpatcher UK Ltd, Tyne & Wear;
- Johnston Sweepers Ltd, Surrey;
- Kerr & Smith, Glasgow;
- Lex Commercials, Glasgow;
- Logan Inglis Ltd, Cumbernauld;
- MAN/ERF, Bellshill;
- NU-Track Ltd, Northern Ireland;
- Outreach plc, Falkirk;
- Schmidt, Peterborough;
- Volvo Truck and Bus (Scotland) Ltd, West Lothian;
- Whale Tankers Ltd, Solihull;
- Zoeller Waste Systems Ltd, Redditch

**3.3.4** The remaining framework suppliers are: -

- Bunce (Ashbury) Ltd, Swindon;
- Cebotec Ltd, Falkirk;
- Central Motors, Ardie;
- D&B Engineering Ltd, Motherwell;
- Eftee Metal Bodies, Airdrie;
- Faun Municipal Vehicles, North Wales;
- Allan Fuller, Chepstow;
- Geesink Norba Group, Pontyclun;
- Heil Europe Ltd, Fife;
- John Maitland & Sons, Ayrshire;
- Keillor Coachbuilders Ltd, Arbroath;
- Leicester Carriage Builders, Leicester;
- Mellor Coachcraft, Rochdale;
- NTM – GB Ltd, Shropshire;
- Otto, west Midlands;
- PJ Allan Sales & Services, Leics;
- Renault Trucks, Glasgow;
- Scania (Great Britain) Limited, Bellshill;
- Terberg Matec UK Ltd, Warrington;
- Truck Specialists Ltd, Cheshire;
- Western Commercial, Midlothian;

**3.3.5** While there is agreement to the “Buy Together” strategy, Councils will retain the flexibility to purchase heavy municipal vehicles from any of the 37 firms listed to ensure individual operational needs are met.

**3.3.6** A framework agreement for heavy commercial vehicles is currently in place from 1 August 2005 to 31 July 2008 with an option to extend to 31 July 2009.

**3.4** The financial savings will largely depend on the number of vehicles procured through the framework agreement. However other benefits are more immediate and include: -

- A central contract involving a number of Local Authorities will reduce workload and effort.
- The vehicle procurement difficulties and delays experienced in the past should now be eradicated.
- The agreement will bring an end to purchasing a “mixed bag” of the cheapest vehicles each year.
- All Local Authorities involved in the framework will be in a better position to exert pressure on manufacturers to resolve various problems and give them a forum to identify common difficulties.
- The evaluation includes total cost of ownership and an SLA on spare parts cost and delivery.

- The process will enhance our e-procurement collaborative buying initiatives.

#### **4. Financial Implications**

- 4.1** The funding for vehicle procurement will be provided by the Council's annual Capital and/or Revenue budgets.

#### **5. Recommendation**

- 5.1 The Committee is invited to note the progress in developing Framework Agreements for Vehicle Procurement.**



**David McMillan**  
**Director of Housing and Technical Services**  
**Date : 13 February 2006**

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<b>Wards Affected:</b>	All
<b>Appendix:</b>	None
<b>Background Papers:</b>	None
<b>Person to Contact:</b>	Ronald Dinnie, Head of Land Services, Garshake Road, Dumbarton - Tel: 01389 737601  Angus Bodie, Manager of Roads, Garshake Road, Dumbarton - Tel: 01389 737598