

Cabinet – 4 September 2019

Supply of Hired Compact Sweeper Contract

Portfolio: Councillor Oliver Butler, Clean and Green

Related portfolios: None

Service: Clean and Green Services

Wards: All

Key decision: Yes

Forward plan: Yes

1.0 Aim

- 1.1 A new contract is required for the supply of five hired compact sweepers before 18th November 2019. The new contract would ensure that the Council is able to keep the roads and pavements clean and tidy across the borough.

2.0 Summary

Background

- 2.1 The current service operates with five compact sweepers plus a spare. Compact sweepers are difficult to service, maintain and repair. The hire contract mitigates the Council's risk of the full complement of sweepers not being available for front-line service.
- 2.4 The current provider, Go Plant supply five hired sweepers plus a spare one through Yorkshire Purchasing Organisation (YPO) 372 framework – Contract for the provision of compact sweepers. The spare sweeper is included in the contract so that Clean and Green can provide continuity of service in the event of a breakdown, accident or servicing.
- 2.5 The award of the contract was 17th November 2016, for a period of three years with a possible two years extension.
- 2.6 The current provider, Go Plant have indicated that the contract is not financially viable and not willing to extend past the initial three years that ends on 16th November 2019.
- 2.7 The renewal of the existing contract has given the Council an opportunity to engage the market on compact sweeper availability and the best options going forward.

- 2.8 Clean and Green has conducted a soft marketing testing exercise with suppliers and have assessed the different types of compact sweepers available such as Johnston CX202 and the Schmidt Swingo 200+.
- 2.9 The compact sweeper specification includes live CCTV cameras to reduce insurance claims and provide visual evidence of incidents, accidents and compliance issues. The provision of CCTV cameras has increased the rental charges, slightly.

3.0 Recommendations

- 3.1 Following consideration of the confidential information in the private session of the agenda, Cabinet is recommended to:
- 3.2 Approve the award the contract for the supply of five hired compact sweepers plus a spare (only to be used if one of the 5 sweepers is off the road), for a period of five years from 18th November 2019 to Bidder 1 (Dawson Group Sweepers Ltd).
- 3.3 Delegate authority to the Executive Director of Economy and Environment in consultation with the Portfolio Holder for Clean and Green to authorise the signing / sealing of any contracts or related documents.

4.0 Report detail - Know

Procurement Process

- 4.1 The Council's Contract Rules state that existing Council contracts, EU rules and UK compliant purchasing consortium arrangements or framework agreements shall be used, whenever available.
- 4.2 YPO 372 framework has now expired. The Procurement Partnership Limited (TPPL) was chosen for this exercise though the Commercial Services Kent Limited (CSKL) Daily Rental Framework Lot 5.
- 4.3 The nine companies that are part of the Framework were invited to take part in the TPPL mini competition and the two companies Bidder 1 and Bidder 2 that returned a tender were evaluated by a team of a:
- Senior Operations Manager – Fleet Services
 - Assistant Manager – Street Cleansing
 - Procurement Officer – Fleet Procurement

- 4.4 The submitted bids were evaluated using the criteria in the 'Call off Contract' as outlined below:

40% Price	- Assessed by	Lowest tendered price
60% Quality	- Assessed on	Compliance with specification and preferred options (12 marks)
		Start date and delivery of sweepers (12 marks)
		Terms and Conditions (12 marks)
		Breakdown response and accident damage (12 marks)
		Health & Safety (12 marks)

- 4.5 Following the evaluation process, Bidder 1 was the successful bidder with Johnston CX202 compact sweepers.

- 4.6 The successful bid was more expensive on the rental price but the quality responses made it the Most Economically Advantageous Tender.

Council Corporate Plan priorities

- 4.7 Procuring the supply of hired compact sweepers will contribute to delivering the following priority as stated within the Corporate Plan 2018-21:

- Internal focus – All Council services are efficient and effective, modernising our services to meet the ever changing environment and behaviours, with the procurement of hired compact sweepers at the most economically advantageous to the Council, providing value for money and being a resilient council.

Risk management

- 4.8 There is a significant risk of deterioration to the borough without the use of compact sweepers.
- 4.9 To mitigate the risk the replacement of the existing five compact sweepers is required. If you reduce the number of replacement sweepers to four, there is a further risk the cleanliness of streets and pavements would deteriorate due to the reduced availability of compact sweepers.

Financial implications

- 4.10 There is a price increase of circa. £37,000 in 2020/21 due to a higher rental prices under the new contract with an annual cost of circa £157,000 from the existing budget of circa £120,000. This would create an ongoing budget pressure for Clean and Green of circa. £37,000 from 2020/21.
- 4.11 Clean and Green is currently projecting a break-even position for the 2019/20 financial year. There is no available budget to implement increased street cleansing activities, therefore, additional revenue budget allocations are required, or implementation of these proposals will result in a net overspend within the Service.

- 4.12 There are no existing budgets in the current form of the Council's Mid Term Financial Plan to fund the additional costs as recommended in this Report. In order to deliver a balanced budget, alternative savings may need to be identified, or ceasing of other services or activity within the Council.
- 4.13 In order to reduce the ongoing financial impact of £37,000 on the existing budget it would be possible to operate with a reduced number of four compact sweepers but this would have a detrimental impact on service provision.

Legal implications

- 4.14 The terms of the contract are part of the framework where the terms and conditions are fixed.

Procurement Implications/Social Value

- 4.15 The mini-competition was undertaken from a Framework that was tendered in compliance with the Public Contract Regulations 2015 and that Walsall Council are entitled to utilise being members of TPPL.

Property implications

- 4.16 There are no property implications.

Health and wellbeing implications

- 4.17 The new contract would support with a clean and well-maintained local environment. There are no health and wellbeing implications.

Staffing implications

- 4.18 There are no staffing implications.

Reducing Inequalities

- 4.19 There is no direct ways for reducing inequalities for Walsall citizens with this Report.

Consultation

- 4.20 There has been no external stakeholders identified for consultation.

5.0 Decide

- 5.1 This is a key decision because it exceeds the threshold for "significant" expenditure and affects all wards.

6.0 Respond

- 6.1 If Cabinet approve the award of new contract to Dawson Group Sweepers Ltd via the TPPL framework. Clean and Green would commence the mobilisation and implementation of the new contract.

7.0 Review

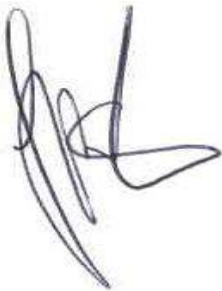
- 7.1 Clean and Green's fleet services will monitor the contract on a weekly basis. There will be formal six monthly review meetings based on financial and operational performance over the contract life.

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27 August 2019

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