

**Forest Heath District Council (FHDC)
St Edmundsbury Borough Council (SEBC)**

**WEST SUFFOLK WASTE
AND STREET SCENE
SERVICES JOINT
COMMITTEE**

17 JUNE 2011

REPORT NO

C28

**Report of the Strategic Director (Services) (FHDC)
and the Corporate Director (Economy & Environment)
(SEBC)**

2011/2012 VEHICLE REPLACEMENT PROGRAMME

Synopsis:

SEBC and FHDC both have requirements to purchase replacement vehicles during the 2011/12 financial year. This report details the proposed procurement programme which will aggregate the two council's requirements to ensure best value is achieved.

1. FHDC and SEBC have, for many years, undertaken procurement of vehicles through individual tender processes. All such procurement has been fully compliant with EU Procurement law.
2. SEBC funds its fleet procurement from a Vehicle and Plant Renewal Reserve (VPRF) whereas FHDC funds procurement from its capital programme.
3. For the period 2011/2012, the joint requirements are for the purchase of 13 refuse collection vehicles (7 for SEBC, 6 for FHDC), 3 road sweepers (2 for SEBC and 1 for FHDC) and 1 gully tanker (SEBC). Total budget for this is estimated at £2.055m
4. In line with recommendations from the Cabinet Office Efficiency Reform Group (ERG) it is proposed to aggregate the requirements of both authorities, through the mechanism of joint working, in order to secure better unit prices through increased tender volume.
5. It is proposed to use an established pan-government framework through the PRO5 group of public buying organisations (PBO). SEBC and FHDC can access this framework through the Central Buying Consortium (CBC) which is one of the PRO5 members.
6. The proposed procurement schedule is shown in Appendix A to this report.

Finance/Budget/Resource Implications

7. Subject to the results of the tender exercise the budget commitment is expected to be:-
 - SEBC : £1.195m
 - FHDC : £0.86m

Environmental Impact and Sustainability

8. As part of the tendering exercise, evaluation of the environmental impact of the vehicles to be purchased is included in the scoring matrix in accordance with the requirements of the EU Directive 2009/33/EC on the promotion of clean and energy-efficient road transport vehicles.
9. A synopsis of this directive is included in Appendix B

Policy Compliance/Power

10. No impact.

Performance Management Implications

11. No impact.

Legal Implications

12. This procurement process is fully compliant with current EU Procurement Rules

Human Rights Act and Diversity Implications

13. No impact.

Crosscutting Implications

14. This joint procurement process offers economies of scale which can be achieved to the benefit of both authorities through the joint Waste and Street Scene Partnership.

Risk Assessment

15. There are risks associated with both completion of this project and non-completion:
 - (i) Failure to complete a timely replacement of vehicles puts both authorities at risk of greater revenue expenditure in maintaining an ageing fleet of vehicles. Conversely, a newer fleet will give the benefit of lower revenue maintenance costs.
 - (ii) The purchase of these vehicles represents a long term (7-8 years) investment in technology and it is crucial that the specification of the vehicles

is detailed and precise to ensure that a high quality of service delivery is maintained throughout the life expectancy of the equipment.

16. Council Priorities

Forest Heath

Street scene and environment

St Edmundsbury

Raise standards and corporate efficiency;
Secure a sustainable and attractive environment

17. Recommendation:

Members of the Joint Committee are recommended to note this report.

Documents Attached

Appendix A – Combined vehicle procurement programme 2011/12

Appendix B – Synopsis on the Directive on the Promotion of Clean and Energy Efficient Road Transport Vehicles

Nigel McCurdy
Strategic Director (Services)

Sandra Pell
Corporate Director (Economy & Environment)

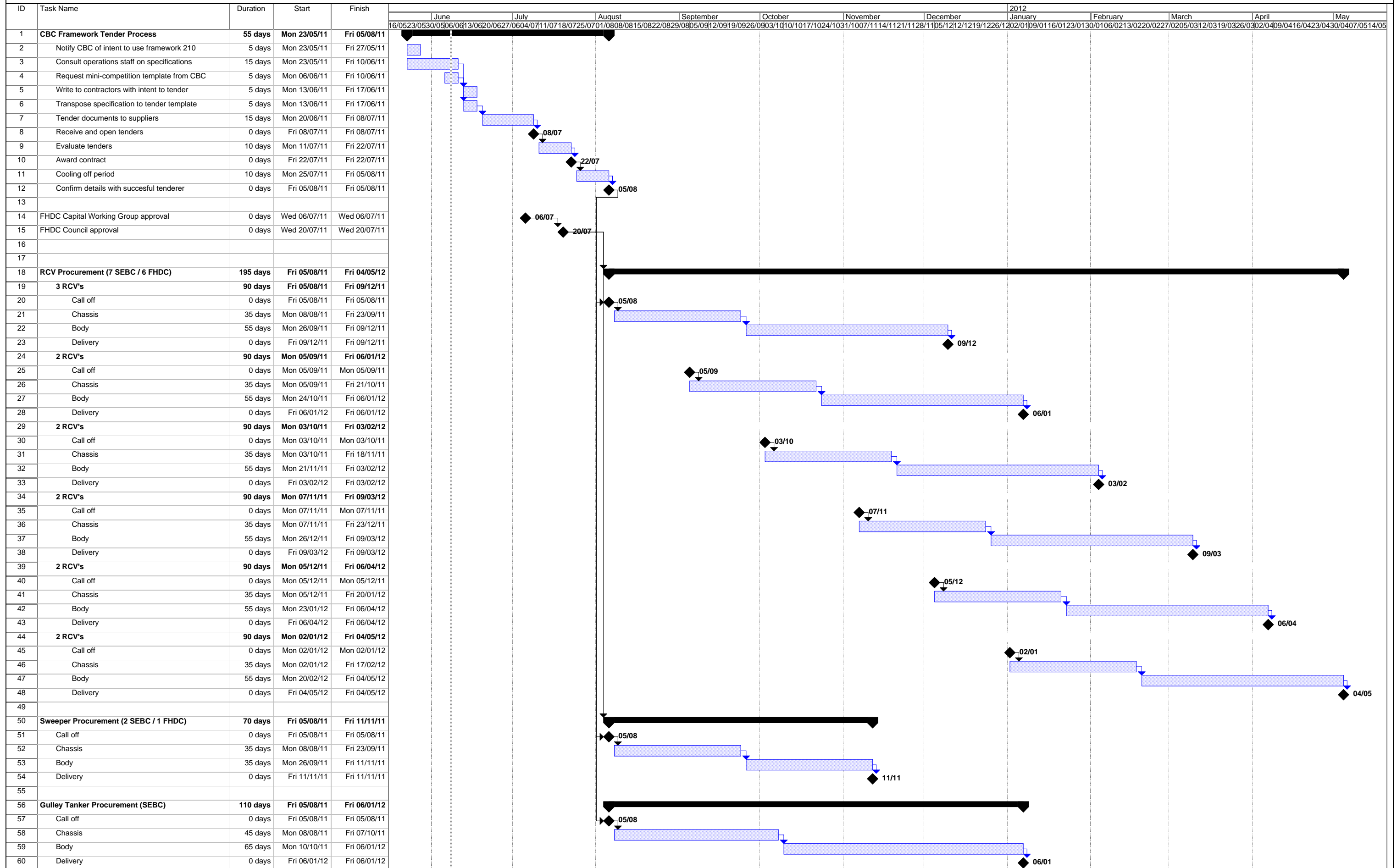
BACKGROUND PAPERS

None

CONTACT OFFICERS

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Appendix A - Combined FHDC / SEBC Vehicle Procurement Programme 2011/12



Project: Vehicle Procurement Program
Date: Wed 08/06/11

Task Progress Summary External Tasks Deadline ↓

Split Milestone Project Summary External Milestone

Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles – SYNOPSIS¹

The Directive on the Promotion of Clean and Energy Efficient Road Transport Vehicles aims at a broad market introduction of environmentally-friendly vehicles.

Public procurement can be a powerful market mover for the introduction of new technologies.

The Directive extends to all purchases of road transport vehicles, as covered by the public procurement Directives and the public service Regulation. The Directive requires that energy and environmental impacts linked to the operation of vehicles over their whole lifetime are taken into account in purchase decisions. These lifetime impacts of vehicles shall include at least energy consumption, CO₂ emissions and emissions of the regulated pollutants of NO_x, NMHC and particulate matter. Purchasers may also consider other environmental impacts.

Two options are offered to meet the requirements: setting technical specifications for energy and environmental performance, or including energy and environmental impacts as award criteria in the purchasing procedure.

If the impacts are monetised for inclusion in the purchasing decision, common rules shall be followed, as defined in the Directive for calculating the lifetime costs linked to the operation of vehicles.

This internalisation of external costs into new vehicle procurements will improve the contribution of the transport sector to the environment, climate and energy policies of the Community by reducing energy consumption, CO₂ emissions and pollutant emissions.

This Directive is expected to result, in the longer term, in a wider deployment of clean and energy efficient vehicles. Increased sales will help reduce costs through economies of scale, resulting in progressive improvement in the energy and environmental performance of the whole vehicle fleet.

¹ <http://ec.europa.eu/transport/urban/vehicles/doc/synopsis.pdf>