



**Record of Officer  
Executive Decision**

**Ref. No:** DforCS/006/16-17

**Date of Decision:** 19 September 2016

If you have any questions about this decision, please contact 01903 221006 or email [heather.kingston@adur-worthing.gov.uk](mailto:heather.kingston@adur-worthing.gov.uk).

<b>Record of Decision:</b> Fleet Procurement
<b>Decision taken by:</b> Director for Customer Service
<b>Declaration:</b> I do not have a disclosable pecuniary interest, or conflict of interest.
<b>Delegated authority:</b>  At 2.7.8 of the Scheme of Delegations, a Director has a delegated authority to undertake all matters in relation to procurement and the letting of contracts (after consulting with the Chief Financial Officer & Technical Services and the Solicitor to the Council). The procurement for this contract must have regard to the Councils' Joint Contract Standing Orders and to the Public Contract Regulations 2015.
<b>Decision:</b> To award a contract for supply of 24 Refuse/Recycling vehicles from Bidder A.
<b>Key Decision:</b> Yes
<b>Reason for the Decision:</b>  It was a fully measured and validated open procurement. The preferred supplier tendered cheapest price, was in the allotted budget and at the appropriate quality and were able to provide real added value by the inclusion of a demonstration vehicle at a lower price. The decision was made following a detail procurement and tender evaluation process:  <b>Procurement Process</b>  As part of the Capital bid process, a financial options appraisal was conducted by procurement to find the most advantageous financing methods for the procurement of the vehicles. The conclusion was that outright purchase of the vehicle was the best current option. Due to the value of the purchase, it is thought that the best option for the councils to procure these vehicles is through a full EU tender process directly to the market rather than using a EU Compliant Framework. This will satisfy EU procurement rules as well as local Standing Orders and Financial Regulations. In June, through the Councils' In-tend host tendering portal, the Invitation to Tender documentation was posted with a return date of 15th July 2016.

Five manufacturers submitted detailed responses were evaluated using a weighting of 55% cost considerations and 45% technical quality considerations. An evaluation panel met on 5th of August to process the tender returns with it's finding's listed in the Tender Evaluation.

### Tender Evaluation

The table below sets out the price comparisons between the five manufacturers that returned tender submissions along with some of the technical quality considerations.

The budget estimate for replacing the 24 vehicles is **£4,357,110**.

Service	No.	A	B	C	D	E
Trade	Each	146,420	149,725	143,281	147,718	151,597
3 x vehicles	3	439,260	449,176	429,843	443,154	454,791
Recycle	Each	158,185	160,055	168,676	166,227	178,062
8 x vehicles	8	1,265,480	1,280,443	1,349,408	1,329,816	1,424,496
Twin Pack	Each	189,635	199,027	188,777	198,909	206,347
13 x vehicles	13	2,465,255	2,587,351	2,454,101	2,585,817	2,682,511
<b>Total</b>	<b>24</b>	<b>4,169,995</b>	<b>4,316,970</b>	<b>4,233,352</b>	<b>4,358,787</b>	<b>4,561,798</b>
<b>Delivery</b>						
Lead time		16 -18 weeks	20 weeks	22 weeks	18 - 22 weeks	26 - 28 weeks
<b>Warranty</b>						
Chassis		3 years	3 years	3 years	3 years	3 years
Cab corrosion		5 years	Not stated	Not stated	Not stated	Not stated
Body mechanical		3 years	3 years 1 month	3 years	3 - 4 years	3 years
Body structure		5 years	4 years	3 years	3 - 5 years	3 years
Trade lift		3 years	3 years 1 month	3 years	3 years	1 year

As with the current refuse vehicle fleet it would be advantageous from an operational point of view, to have a single manufacturer / supplier which will allow for:-

- both driver and operator familiarization when changing for one vehicle to another
- vehicle maintenance and repair training can be streamlined and focused on a single product line
- spare parts stores can be kept at a manageable financial and storage level with many items common across a single manufacturers range
- a single point of contact for all vehicle related warranty, parts and servicing needs. Dennis Eagle was by far the cheapest when pricing spare parts cost across their range of vehicles.

Under the added value section of the tender document, Bidder A offered the option to purchase an ex demonstration trade vehicle which is less than 6 months old and would save a further £50,000 off the cost of a new vehicle.

Another consideration evaluated was the cost of a common list of parts across all makes of refuse vehicles, encompassing chassis, body and binlift spares. Below is a summary of the total prices submitted from the various manufacturers.

**Table 1 - Spare Parts Costs**

Vehicle Type	A	B	C	D	E
Refuse	£4,991.36	£6,234.11	£6,850.96	£5,924.16	£12,013.23
Trade	£4,126.28	£5,394.93	£3,869.93	£5,059.08	£7,489.15
Twin body	£4,797.86	£7,003.69	£6,870.01	£5,140.89	£14,138.81
<b>Total</b>	<b>£13,915.50</b>	<b>£18,632.73</b>	<b>£17,590.90</b>	<b>£16,124.13</b>	<b>£33,641.19</b>

**Table 2 - Tender Evaluation Weighting Scores**

<b>Tender for Refuse Vehicles - Overall Evaluation Score Sheet</b>					
<b>Technical 45% Weighting</b>					
<b>Supplier</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Weighted quality score</b>	<b>45</b>	<b>34</b>	<b>24</b>	<b>21</b>	<b>14</b>
<b>Cost of Service 55% Weighting</b>					
<b>Cost based on contract specification</b>	<b>£4,169,995</b>	<b>£4,316,970</b>	<b>£4,233,352</b>	<b>£4,358,787</b>	<b>£4,561,798</b>
<b>Lowest Score % of bid price</b>	<b>100</b>	<b>97</b>	<b>99</b>	<b>96</b>	<b>91</b>
<b>Price Weighting</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>
<b>Weighted Score</b>	<b>55</b>	<b>53</b>	<b>54</b>	<b>53</b>	<b>50</b>
<b>Total weighted score</b>	<b>100</b>	<b>87</b>	<b>78</b>	<b>74</b>	<b>64</b>
<b>Overall Ranking</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Lowest Price</b>	<b>£4,169,995</b>		<b>Budget</b>	<b>£4,357,110</b>	

**Alternative Options Considered:** Four other bidders who's costs were higher for supply and maintenance of the vehicles.

<b>Other Matters Considered:</b>			
Legal Advice and Issues	X	Financial Advice and Issues	X
Sustainability Issues	X	Equality Issues	X
Community Safety Issues	X	Human Rights Issues	X
Reputation	X	Risk Assessment	X
Health and Safety Issues	X		
<b>Consultation:</b> With the Procurement Team, Legal Services Adur & Worthing Executives Members for the Environment and staff.			
<b>Background Papers:</b> Joint Strategic Committee report - 5 January 2016			
<b>Call-in:</b> The call-in deadline for this decision will be 5:00pm on 27 September 2016.			



**Signed:**

**Dated:** 19 September 2016

**Name:** Jane Eckford, Director for Customer Service

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