

INFORMATION NOTE

Purchase of Vehicle Under Exempt Contract Procurement Rule 3

As part of the approved fleet replacement programme a transit double cab tipper has been authorised for purchase in this year's capital spend. The corporate procurement standard procedure requires the tendering of the specification through the Procurement Partnership Ltd to obtain a number of competitive quotations which are then evaluated and awarded based on best value. The Transport Manager, Steve Fulton, commenced the procurement process for the transit van however it became apparent that the current build time for the specified vehicle may be in excess of 9 months. Waiting this length of time would impact on service delivery and result in increased repair costs to maintain the roadworthiness of the existing vehicle. It would also delay purchase of the vehicle requiring capital funds to be slipped into the forthcoming financial year.

As an alternative, the Transport Manager, was able to source a suitable vehicle to the required specification at Evans Halshaw in Preston. The vehicle was pre-registered by the dealership in September 2015 and even though it was still in the 'as delivered' condition, with wax coat and only delivery mileage, it was classed as second hand.

The cost of this vehicle was approximately £500 more than a vehicle procured as new through the Procurement Partnership however it was readily available and purchasing it would avoid the lengthy delay waiting for a new vehicle. Paying the extra £500 was more cost effective than incurring the increased repair costs to maintain the roadworthiness of the existing vehicle. It would also avoid the requirement to slip capital funds into the forthcoming financial year.

The direct purchase of this, second hand, vehicle did not meet the standard terms of procurement at Fylde. As no other dealerships had a similar vehicle in stock it was not possible to obtain 3 quotations for comparison. Purchasing the vehicle as a 'one off' directly from the dealership therefore fell within the procedure for exempt contracts under contract procurement rule 3 as follows:

3.1 This procedure only applies to contracts where:

(iii) The goods, materials or works desired are of a proprietary or special character or for other reasons there would be no genuine competition; or

3.2 The procedure is that the relevant chief officer must be satisfied that the arrangements made secure the best available terms to the Council and must report the circumstances to the next available meeting of the appropriate Committee.

Approval for this direct purchase was sought from Allan Oldfield as Chief Executive and manager responsible for Operational Services. This was granted on the grounds that it represented the best available terms to the Council i.e. no extended delay on the delivery of the vehicle and savings in maintenance and repair costs of the existing vehicle.

The order was subsequently place with Evans Halshaw and the vehicle was received in Fleet Management Services on the 23rd December.

FURTHER INFORMATION

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