

REPORT TO: Executive Board

DATE: 14 March 2019

REPORTING OFFICER: Strategic Director
Enterprise, Community & Resources

PORTFOLIO Transportation

SUBJECT: Preliminary Estimates for Liquid Road Fuel
Contracts – Supply of Diesel, Kerosene, Gas Oil
and Ad Blue

WARDS: Borough-Wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval for the Council to be included in a national procurement exercise in order to award Contracts for the supply of Liquid Road Fuels to Council sites.

2.0 RECOMMENDATION: That the Board approves the use of Procurement Standing Order 1.4.1 to allow the Council to use a Framework Agreement procured by a Central Purchasing Body (Crown Commercial Services) in compliance with the EU Public Contracts Regulation 2015.

3.0 SUPPORTING INFORMATION

3.1 The Council currently has a Liquid Road Fuel contract and a contract for the provision of Ad Blue in place with a total expenditure of in the region of £488,000 per annum. These contracts supply Council sites with diesel, Gas Oil A2 and Ad Blue.

3.2 Both Contracts were awarded under a national Framework Agreement procured by Crown Commercial Services (an executive agency sponsored by the Cabinet Office that provides commercial services, including buying services, for the public sector.) in compliance with the EU Public Contracts Regulations 2015. The Contracts expire on 30th September 2019.

3.3 Crown Commercial Services are commencing a new procurement exercise to award new call off Contracts under the Framework for the provision of Liquid Road Fuels. By joining this procurement exercise, the Council will be able to award new Contracts for its fuel requirements for the period 1st October 2019 to 31st March 2022.

3.4 The budget identified for these Contracts is £668,130 per annum (cost centre 4070). A 30 month contract has been estimated at £1,670,325.

4.0 BUSINESS CASE

- 4.1 The position under EU Public Contracts Regulations 2015:- The Liquid Road Fuels Framework has been tendered by Crown Commercial Services (CCS) in line with EU Regulations. The Framework has been structured in such a way that call off contracts for public organisations can be awarded through a bulk competition run by CCS based on 100% price. The qualitative elements have already been evaluated by CCS when the framework was set up.
- 4.2 Value for Money – The use of a national central purchasing body with increased purchasing power will offer economies of scale for the Council. The procurement exercise will also save Council resources as CCS manage the majority of the procurement process.
- 4.3 Transparency - Contracts will be recorded in the Council's Contract Register accessible via the internet together with the publication of all spend in excess of £500.00. Award details will also be published on the Contracts Finder website.

5.0 POLICY IMPLICATIONS

No direct impact.

6.1 OTHER IMPLICATIONS

None.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children and Young People in Halton

No direct impact.

7.2 Employment, Learning and Skills in Halton

No direct impact.

7.3 A Healthy Halton

No direct impact.

7.4 A Safer Halton

No direct impact.

7.5 Halton's Urban Renewal

No direct impact.

8.0 RISK ANALYSIS

There are no risks anticipated with acceptance of this Procurement Strategy.

9.0 EQUALITY AND DIVERSITY ISSUES

There are no direct equality and diversity issues arising from this report.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

There are no background papers under the meaning of the Act.