

# Report to Cabinet

**23 March 2022**

<b>Subject:</b>	Purchase of Grounds Maintenance Plant and Machinery
<b>Cabinet Member:</b>	Cabinet Member for Environment Councillor Ahmad Bostan
<b>Director:</b>	Director of Borough Economy Alice Davey
<b>Key Decision:</b>	Yes Above £250,000
<b>Contact Officer:</b>	Gary Charlton Gary_Charlton@sandwell.gov.uk

## 1 Recommendations




- 1.1 That the Director of Borough Economy be authorised to award contracts to replace the council's grounds maintenance equipment at the end of its projected life expectancy at a cost of approximately £1.8m for the next 4 years.
- 1.2 That approval be given to access the Eastern Shires Purchasing Organisation (ESPO) Framework 274 and North East Procurement Organisation (NEPO) Framework Agreement to place 'call off' orders as and when required to purchase Grounds Maintenance Plant and Machinery with the call off contract from 01/10/2022 – 30/09/2026.
- 1.3 Authorise the Director Law and Governance – Monitoring Officer to execute any documentation necessary to enable the course of action referred to in 1.1 above to proceed.
- 1.4 That any necessary exemptions be made to the Council's Procurement and Contract Procedure Rules to enable the course of action referred to in 1.1 and 1.2 above to proceed.



## 2 Reasons for Recommendations

- 2.1 Consultation has taken place with Procurement Services, Grounds, Fleet services and Bereavement services sections to determine the new course of action. Following a re-appraisal of all options it has been decided that the recommendations outlined will represent the best option for the Council.
- 2.2 Following the analysis of the pricing provided within the Eastern Shires Purchasing Organisation (ESPO) and North Eastern Purchasing Organisation (NEPO) Frameworks, and consultation with Client officers within Fleet Management, it is recommended that the ESPO and NEPO frameworks offer the most expedient, compliant and value for money procurement route for the Council rather than carrying out its own tendering process.

## 3 How does this deliver objectives of the Corporate Plan?

	Best start in life for children and young people Grounds maintenance equipment is used to maintain the parks and open spaces in Sandwell, this allows children and young people a place for recreation and to socialise.
	People live well and age well Grounds maintenance vehicles and equipment is maintained by Fleet Services. These fleet items are key in maintaining the green spaces of Sandwell that are used for recreation and exercise.
	Strong resilient communities Grounds maintenance equipment is used for various events in Sandwell that allow communities to build relationships. Sandwell Valley is a perfect example of this, a place that facilitates community events and shows.
	Quality homes in thriving neighbourhoods Grounds maintenance equipment is used in a number of the councils housing stock and also, used to maintain the grounds of the high-rise accommodation buildings.
	A strong and inclusive economy The proposed contract includes local companies, giving them the opportunity to supply goods and services.





A connected and accessible Sandwell  
By maintaining the parks, grounds and open spaces in Sandwell it creates better access to the borough.

## 4 Context and Key Issues

### 4.1 Background and main considerations

4.2 The council currently purchases a variety of equipment through ESPO 274\_18 and the NEPO 214 frameworks, as not all equipment is available from one source.

4.3 These frameworks offer the Council a quick, simple and competitive route to purchase grounds maintenance plant and machinery including lawn mowers, ride on mowers, trailers, trailed mowers, mower collectors, hedge cutters, strimmer's, pole saws, blowers and chippers. The options are based on a direct award or on specialist equipment the framework would create a mini competition on behalf of the council thus saving council resources.

4.4 The council currently operates a grounds maintenance equipment replacement program which is the most efficient and cost-effective way of maintaining a fleet, each individual item procured is given a replacement/disposal date. This is fashioned on several factors which include cost of the item, useful life of the item and maintenance costs. Each item/asset that is procured is assigned a birth file, maintenance file and asset/fleet number. This is recorded electronically on the council's fleet database and paper files are created. When the predetermined life of the asset is due to expire a consultation period begins between the section that own the asset along with Fleet Services, it is then decided if the business still requires the asset or the nature of the business has changed and the asset is either no longer appropriate or required. If the asset is still required by the section then Fleet Services will order a replacement and dispose of the old asset through auction, depending on who owns the budget of the asset will depend on where the proceeds of the auction will populate.



- 4.5 The council's total expenditure is estimated at £574,004 for 2022/2023, 2023/2024 £493,370, 2024/2025 £452,385 and 2025/2026 £244,306. The expenditure will be funded on the following basis; assets procured under £10,000 will be funded from the fleet revenue budget, assets procured £10,000 and over will be funded from prudentially borrowing. The prudential borrowing is then settled over the term of the predetermined asset life from the Capital borrowing budget.
- 4.6 Following market research and consultation with Fleet services, Grounds Maintenance, Bereavement services and Procurement Services it was decided that the ESPO and NEPO frameworks still offer the most expedient, compliant and value for money procurement route for the Council rather than undertaking its own tendering process.
- 4.7 The call off contract will provide the Council with access to national framework agreements on a direct call off basis of direct award and/or mini competition, depending upon the requirement.
- 4.8 The period of the call off contract will be 48 months from the date this report has been approved.
- 4.9 Orders placed under the call off contract will be in accordance with the following principle; when the Council has a requirement for Grounds Maintenance plant or machinery it will select the contractor who is ranked number one in either framework for the item required. If this contractor is unable to supply the council due to lack of availability at the time in question, the Council will use the contractor who is ranked number two and so on.
- 4.10 Contract monitoring shall be undertaken by Fleet services, Grounds and Bereavement services in consultation with the Corporate Procurement service.

## 5 Alternative Options

- 5.1 An alternative option is for the council to conduct a full tendering process. The research that has been undertaken indicates that as this is a very limited market, it is highly unlikely a full OJEU procurement process would produce a result that is different to what is available under the ESPO and NEPO frameworks.



5.2 For the council to outsource the grounds maintenance operation and therefore disbanding the need to procure new equipment.

## 6 Implications

<b>Resources:</b>	The total expenditure of this contract is estimated at just under £1.8m over the four-year period.
<b>Legal and Governance:</b>	The contract will be awarded in accordance with the Council's Procurement and Contract Procedure Rules and the Public Contracts Regulations 2015
<b>Risk:</b>	The corporate risk management strategy has been complied with to identify the risks associated with the recommendations being sought. No red risks have been identified. For the risks that have been identified, measures have been/ will be put in place to mitigate the risks to acceptable levels.
<b>Equality:</b>	There are no specific equality issues regarding the proposals contained in this report.
<b>Health and Wellbeing:</b>	Grounds maintenance equipment provides key services for the residents of Sandwell Council that contribute to the health and wellbeing of Sandwell residents. These include street cleansing, grounds maintenance and estate maintenance.
<b>Social Value</b>	The Framework Agreement will adhere to the Council's social value policy by providing opportunities to meet the Council's key criteria requirements by providing value for money in terms of generating benefits to society and the economy e.g. employment and skills, health and wellbeing, whilst minimising the impact to the environment.

## 7. Appendices

None

## 8. Background Papers

None

