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Purchase of new Passenger Transport Fleet
Councillor Lynne Ayres, Cabinet Member for Children’s Services, Education, Skills and the University
April 2022
Deadline Date: April 2022

Cabinet portfolio holder	Councillor Lynne Ayres, Cabinet Member for Children’s Services, Education, Skills and the University In consultation with Councillor Simons, Cabinet Member for Waste, Street Scene and the Environment
Responsible Director	Adrian Chapman – Executive Director, Place and Economy
Is this a Key Decision? If yes has it been included on the Forward Plan	Yes, reference number – KEY/11APR2022/02 Yes
Is this decision eligible for call-in?	Yes
Does this Public report have any annex that contains exempt information?	No
Is this a project	Managed through PCC Procurement

RECOMMENDATIONS
The Cabinet Member for Children’s Services, Education, Skills and the University is recommended to: 1. Consider and approve the release of capital funding of £659,621 from the capital programme to purchase 13 minibuses to be used to deliver the Home to School Transport service for Peterborough City Council.

1. SUMMARY OF MAIN ISSUES

- 1.1. This report outlines the details needed for approval to be given to release capital funding for the purchase of new minibuses for the delivery of the Home to School Transport service delivered within Peterborough by Peterborough Limited (“PL”) on behalf of the

Council in accordance with the terms of the Operational Services Agreement (“OSA”) between the Council and PL.

- 1.2. The capital funding is to (i) replace fleet vehicles which have now reached the end of their economic viability (ii) To invest capital to reduce revenue expenditure on leased vehicles
- 1.3. The new fleet and plant will become the property of the Council (which is currently the case) and will be made available to PL in order to deliver Home to School Transport services. The OSA will require amendment to reflect changes to new hire terms to PL.

2. PURPOSE AND REASON FOR REPORT

- 2.1 This report is for the Cabinet Member for Children’s Services, Education, Skills and University to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (g).
- 2.2 The purpose of this report is to seek approval to award contracts for purchase of 13 minibuses from GM Coachworks and release capital funds from the capital programme to purchase these new vehicles for the delivery of environmental services.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

- 4.1 The delivery of the Home to School transport services is heavily reliant on reliable fleet vehicles to ensure both the safety of the passengers but the reliability of the routes also. A business case has previously been approved for the purchase of these vehicles and the award of the Passenger Transport element has now been competitively tendered.
- 4.2 Following the competitive tendering exercise we wish to award contract to GM Coachworks for the purchase of the 13 minibuses that will be used in connection with the OSA for the delivery of Home to School transport element.
- 4.3 The new fleet will be operated by Peterborough Limited under the Aragon Direct Services banner. Operation, maintenance and repair costs will be borne by PL in accordance with the terms of the OSA.

5. CONSULTATION

- 5.1 No external consultation is required.
- 5.2 Consultation has been carried out with PL and PCC officers.

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 Award of contracts to GM Coachworks for the purchase of 13 minibuses, leading to improved service levels and less down time with the vehicles. The purchase will also reduce cost of hiring equipment and due to the ages of the current fleet, the cost of repairs should also reduce.

7. REASON FOR THE RECOMMENDATIONS

- 7.1 The current remaining minibuses used to deliver the services are reaching the end of, or have surpassed their economic life. Maintenance costs have significantly increased, which has also increased down time during which the vehicles are not in productive use.
- 7.2 The proposed new fleet is programmed to last until 30/05/2029, to be co-terminus with the end of the OSA initial contract term. This will also mean we will be in a position to consider electric / other options to meet the council's aim to be carbon neutral by 2030.
- 7.3 The procurement was carried out by PCC using an approved framework managed by ESPO, Lot 7 (Minibuses under 3.5t (Including Conversions)) of Framework 215_20 Specialist Vehicles. The procurement was separated into 3 Lots; Lot 1: fully accessible 3.5t plated vehicles, Lot 2: 16-seat standard vehicle and Lot 3: fully accessible 16-seat vehicle. Three submissions were received for Lot 1 and 4 each for Lots 2 and 3. In accordance with the methodology set out in the ITT documents, each Lot was evaluated separately based on quality and price. The successful supplier in each Lot was the one which met the quality threshold of 65% and submitted the lowest price. Of the submissions received, for each Lot, only GM Coachwork Ltd met the quality threshold.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Do nothing – this was not considered viable as we would be unable to provide an effective and reliable Home to School transport service, and we would continue to see vehicle down time and increasing costs of mechanical failure.
- 8.2 It was considered as to whether options to lease vehicles on a short- or long-term basis should be used. This was rejected as the business cases for each area showed that this would be a more expensive option for service delivery.

9. IMPLICATIONS

Financial Implications

- 9.1 The total capital purchase is £659,621 to be funded through the capital program set aside for the replacement of the PL fleet.

Legal Implications

- 9.2 The Council is a contracting authority for the purposes of the Public Contracts Regulations 2015 – a body governed by public law. The Council is therefore bound to comply with these Regulations in the procurement of the new plant and fleet.
- 9.3 The use of a legally compliant procurement process has been followed to enable the purchase of these assets.

Equalities Implications

- 9.4 There are no negative equalities implications.

HR Implications

- 9.5 None at this time

Carbon Impact Assessment

- 9.7 The purchase of the 13 new mini buses to be used on the Home to School services operated by Aragon Direct Services these vehicles will have newer engines than currently being used to this hopes to offer better fuel economy.

10.BACKGROUND DOCUMENTS

10.1 None

11.DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

11.1 None

12.APPENDICES

12.1 None