

<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>		
<b>DATE:</b>	<b>17 SEPTEMBER 2015</b>	<b>REPORT NO</b>	<b>CFO/077/15</b>
<b>PRESENTING OFFICER</b>	<b>CHIEF FIRE OFFICER</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>AM NICK SEARLE</b>	<b>REPORT AUTHOR:</b>	<b>S MARTIN / S MATTHEWS</b>
<b>OFFICERS CONSULTED:</b>	<b>BERNIE SULLIVAN</b>		
<b>TITLE OF REPORT:</b>	<b>PURCHASE OF PRIME MOVERS</b>		

<b>APPENDICES:</b>	<b>NONE</b>
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### **Purpose of Report**

1. To inform Members of the recent procurement exercise for two replacement prime mover vehicles and to request approval to proceed with the purchase.

### **Recommendation**

2. That Members approve the proposed purchase of two prime mover vehicles.

### **Introduction and Background**

3. The Authority currently has eight vehicles with multi lift systems. The age profile of the vehicles is as follows:
  - 2012 – 2 vehicles
  - 2008 – 2 vehicles
  - 1994 – 2 vehicles
  - 1993 – 2 vehicles
4. A procurement exercise has been carried out for the replacement of the 2 oldest vehicles. The expected lifecycle for fire appliances and specialist vehicles is 15 years.
5. The vehicles are designed to carry any one of a possible 22 demountable units all with standardised sub-frames and catering for various operational and training functions. The demountable units have a 20 year lifecycle.
6. There are approximately 179 operational and personnel including instructional staff and 12 workshop personnel trained to operate and maintain these vehicles.
7. Vehicles built onto Scania chassis account for in excess of 90% of the current fleet. To maintain continuity within the fleet and avoid the resource implications

required to undertake extensive re-training of personnel on a new chassis, it was considered necessary to purchase Scania chassis modified with an appropriate hook lift system.

8. The Scania chassis specified incorporates the latest Euro Six engine that meets a higher standard of exhaust emissions set by European Union Directives.
9. The anticipated value of the purchase is in excess of the European procurement threshold (£173k). Under European procurement regulations, it is not permitted to stipulate a named provider for the supply of any component within product or service specifications. Therefore, in order to secure a Scania chassis for the vehicles, it was necessary to consider the purchase of the vehicles through a compliant framework which permits the stipulation of the required chassis.
10. The Consortium framework arrangements which have been used in the past to source fire appliances and specialist vehicles expired in December 2014 necessitating a review of the options open to the Authority.
11. A framework let by Bath & North East Somerset Council (BNES) in conjunction with The Procurement Partnership Limited (TPPL) was identified as a suitable route to market for the Authority requirements as it permits a direct award of a contract to the necessary chassis manufacturer.
12. Under the guidance of TPPL, a request for quotation, which included a detailed specification compiled by the Transport and Equipment Maintenance Department, was issued to Scania. The supplier was required to confirm their compliance against each requirement stated in the specification and provide details of supply lead times, measures taken to improve sustainability and their approach to corporate and social responsibility.
13. The response submitted by the proposed supplier was reviewed by the Procurement Team and members of the Transport & Equipment Department to ensure compatibility with requirements.
14. As the procurement was not subject to a competitive process the price submitted for the vehicles was compared against the price paid for the vehicles in 2012.(See table 1 below)

Table 1

Year	Price per Vehicle	%ge Increase	CPI Jan 2012 – Dec 2014
2012	£131,637	-	-
2015	£140,340	6.6%	6.9%

15. The price increase of 6.6% is perceived to be reasonable when compared against an increase of 6.9% of CPI in the same period.

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**Equality and Diversity Implications**

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16. Suppliers to the BNES / TPPL framework were evaluated on a pass fail basis on their compliance with Equality and Diversity legislation. It is not anticipated that there will be any adverse impact on equality and diversity arising from this procurement exercise.

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**Staff Implications**

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17. The purchase of the proposed vehicles will minimise the amount of training required by vehicle operatives and maintenance staff and hence minimise the amount of training resource required for the safe operation of the vehicles.

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**Legal Implications**

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18. The Authority has a duty to ensure compliance with UK and EU procurement legislation and its own contract standing orders. Awarding against the established framework will ensure that the supply of the vehicles will be compliant with applicable legislation and the Authority's own procedures.

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**Financial Implications & Value for Money**

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19. The total cost the 2 vehicles is £280,680 (£140,340 each). The proposed supplier is ranked first of the BNES / TPPL framework which was procured in line with Most Economically Advantageous Tender (MEAT) principals to ensure value for money is obtained.
20. Value for money is further enhanced due to the minimal resource required to train vehicle operatives and maintenance personnel and compatibility with existing demountable units without the need for modification.

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**Risk Management, Health & Safety, and Environmental Implications**

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21. There is a risk of challenge if the Authority procures the vehicles without undertaking an appropriate procurement process. The proposal contained in this paper significantly reduces the risk of any challenge.
22. Suppliers to the BNES / TPPL framework were evaluated on a pass fail basis on their financial stability, compliance with Health & Safety and Environmental protection legislation. Therefore there risk to the Authority posed by these factors are reduced by sourcing via this framework.

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**Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters***

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23. Sourcing via the proposed framework will result in cost effective and fit for purpose vehicles for use by firefighters. The provision of the vehicles will maintain operational capability and will directly contribute to the achievement of the Mission.

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**BACKGROUND PAPERS**

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## **GLOSSARY OF TERMS**

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<b>BNES</b>	Bath & North East Somerset Council
<b>CPI</b>	Consumer Price Index
<b>EU</b>	European Union
<b>MEAT</b>	Most Economically Advantageous Tender
<b>TPPL</b>	The Procurement Partnership Ltd