



**REPORT TITLE: Procurement of Various GFRS Light Fleet Vehicles**

<b>Cabinet Date</b>	21 <sup>st</sup> September 2022
<b>Cabinet Member</b>	Cllr Dave Norman, Cabinet Member for Fire, Community Safety and Libraries
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	To seek approval to procure 41 multiple type new Light Fleet Fire Vehicles to for Gloucestershire Fire and Rescue over the 2 year period commencing September 2022
<b>Recommendations</b>	<p>That Cabinet delegates authority to the Executive Director of Economy, Environment &amp; Infrastructure, in consultation with Chief Fire Officer and the Cabinet Member for Fire, Community Safety and Libraries to:</p> <ol style="list-style-type: none"><li>1. Conduct a series of mini-competition processes under the Crown Commercial Services (CCS) Vehicle Purchase RM6060 Framework Agreement in respect of a series of call-off contracts for the supply of 41 various type light fleet vehicles to meet the business requirements, ensuring that the replacement of vehicles is economically advantageous and meets the requirements of the Council's Climate Change Strategy during the two-year period commencing September 2022.</li><li>2. Award such call-off contracts to any preferred tenderer(s) as required.</li></ol>
<b>Reasons for recommendations</b>	<p>The GFRS Light Fleet is ageing with 41 Light Fleet vehicles identified as needing to be replaced over the next 2 years.</p> <p>The GFRS workforce use vehicles in order to deliver the vision and priorities of the Community Risk Management Plan, managing risks to communities in through the provision of an efficient service. The procurement of light fleet vehicles will address operational risks associated with using older, less reliable vehicles, by ensuring that sufficient suitable vehicles are available to meet service requirements. The specification of these vehicles will include the use of new technologies to reduce operational carbon emissions in line with the council's Climate Change strategy and targets.</p>

<b>Resource Implications</b>	<p>£2.410 million of capital funding for the procurement of 41 light fleet vehicles budgeted at £1.160 million and 3 specialist vehicles budgeted at £1.250 million, was secured through the MTFS process and approved at the February 2022 Full Council meeting.</p> <p>This paper relates to the procurement of 41 light fleet vehicles under the light fleet vehicles replacement programme with an approved budget of £1.160 million.</p> <p>Funding for electric charging infrastructure at GFRS stations is not covered by this paper and is through the council's approved budgets for EV infrastructure and Climate Action Fund.</p>
<b>Background Documents</b>	<p>Fire and Rescue Services Act (2004)</p> <p>Community Risk Management Plan (CRMP) 2022-26</p> <p>Vehicle Asset Management Plan</p> <p>Gloucestershire ULEV Strategy, June 2021</p> <p><a href="https://glostext.gloucestershire.gov.uk/documents/s83851/GCC%20ULEV%20Strategy_v4.0_Final.pdf">https://glostext.gloucestershire.gov.uk/documents/s83851/GCC%20ULEV%20Strategy_v4.0_Final.pdf</a></p> <p>Gloucestershire Climate Change Strategy, December 2019</p> <p>Medium Term Financial Strategy – February 2022</p> <p><a href="https://www.gloucestershire.gov.uk/media/2113388/final-approved-mtfs-document-february-22-council.pdf">https://www.gloucestershire.gov.uk/media/2113388/final-approved-mtfs-document-february-22-council.pdf</a>.</p>
<b>Statutory Authority</b>	<p>Statutory duties and functions under the Fire and Rescue Services Act 2004.</p>
<b>Divisional Councillor(s)</b>	<p>All</p>
<b>Officer</b>	<p>Name: John Townsend (Corporate Fleet Unit Manager)</p> <p>Tel. no: 07557 213424</p> <p>Email: <a href="mailto:john.townsend@gloucestershire.gov.uk">john.townsend@gloucestershire.gov.uk</a></p>
<b>Timeline</b>	<p>2022 through to 2024</p>

## Background

### 1. Statutory Requirement

The Fire and Rescue Services Act 2004 sets out the responsibilities of Fire and Rescue Authorities (FRAs). There are four key responsibilities for FRAs that they must ensure that they make provision for including:

- Extinguishing fires in their area
- Protecting life and property in the event of fires in their area
- Rescuing and protecting people in the event of a road traffic collision, and
- Rescuing and protecting people in the event of other emergencies.

These four key responsibilities are underpinned by a duty to:

- Secure the provision of the personnel, services, and equipment necessary efficiently to meet all normal requirements.
- Make arrangements for dealing with calls for help and for summoning personnel.
- Make arrangements for obtaining information needed for the purpose of extinguishing fires in its area and protecting life and property in the event of fires in its area.

2. The Service has an ongoing Light Fleet Vehicle replacement programme to ensure that the fleet does not exceed its useable life. Light Fleet Vehicles which have been at busier higher risk locations are then moved to lower risk areas where their use is expected to reduce. This cascading approach ensures the optimum use of each vehicle.
3. GFRS officers have identified the need for 41 new Light Fleet Vehicles over the next 2 years to maintain an effective operational response, as identified through the vehicle asset management plan. The service areas within GFRS that require the vehicles are, Response, Equipment Team, Community Safety, Business Fire Safety, GFRS ICT and Driver Training.
4. Fire is increasing its staff capacity to deliver the objectives of the HMICFRS Improvement Plan. There are 12 more grey book staff than in 2021/22, 5 of which are officers who each require an Officer Response Vehicle provided by the service. In addition 2 older Officer Response Vehicles are in need of replacement, making a total of 7 such vehicles. There are also more staff carrying out Fire Safety and Prevention roles who will require use of vehicles, pushing up the need for more light fleet vehicles. These needs are contained within the overall fleet requirement.
5. GFRS have confirmed that the level of specification for the vehicles and overall number of vehicles required meets both the operational needs of the service and the aim to deliver this service as effectively and as efficiently as possible. New vehicles will be purchased taking into account whole life cost considerations to ensure they are best value for money, the most fit for purpose vehicle, while adhering to Gloucestershire ULEV and climate change strategy. Business case justification was prepared by GFRS as part of the MTFs process prior to funding approval at Full Council in February 2022.
6. The proposed new light fleet vehicles will be maintained through a combination of service plans, warranty and in house maintenance at the Tri Centre Workshops by a dedicated trained workshop team, following industry standard best practice. Any equipment on these

vehicles will also be inspected and maintained at the Tri Centre with trained equipment technicians

7. An estimate of the projected costs has been produced based on Crown Commercial Framework prices of suitable vehicle models in July 2022 and allowing for index linking at 10%. The total estimated cost of £1.16million is broken down below. Actual costs will vary as further work is done to finalise vehicle types/specifications based upon meeting the essential requirements of the service, the asset replacement programme and delivering the council's priorities including social value (emissions) and value for money:

Vehicle Type	Fuel	Number Required	Use	Estimated Cost
AWD SUV	Hybrid	7	FDO Response	£224,000
5T Van	Euro6	1	Workshop Support	£50,000
Medium Van	Electric	1	ICT	£40,000
Small Combi EV Van/Car	Electric	26	Community/Busines Fire Safety	£650,000
Car	Euro6	1	Driver Training	£21,000
4x4 Pickup	Euro6	5	Response	£175,000
		41		£1,160,000

8. The GFRS light fleet size is 78 vehicles. Therefore a future capital bid will be required to continue with the full replacement plan of further light fleet vehicles from 2024 onwards. As previously stated, this will be achieved through the usual process for developing the MTFs/Capital Programme and following the respective CRMP in place and any subsequent independent fire cover review.

## Business Options

9. Alternative options considered and why they were rejected

### a) Option 1 - Do nothing

To not purchase new replacement light fleet vehicles. This option was discounted because the current GFRS fleet of light fleet vehicles are ageing. The Chief Fire Officer must, in exercising their functions, ensure that GFRS meets the requirements of the Fire and Rescue Services Act 2004 – notably section 7.2a secure the provision of the personnel, services and equipment necessary efficiently to meet all normal requirements. The provision of suitable vehicles enables this.

### b) Option 2 - Use of open competitive procedure

This would mean that any supplier could submit a bid for the work. This would enable us to aggregate our requirement over this financial year and next. However, due to the value of the project this would require a regulated procurement process which would necessitate greater resource and add additional time and expense than would be

required if the proposed specialist vehicles were to be procured using a framework agreement.

**c) Option 3 - Use an alternative Fire Sector Frameworks to the Crown Commercial Services Framework Agreement**

A number of frameworks were assessed for their suitability including YPO 960 Specialist Vehicles framework agreement, but they were not appropriate given that they offered unsuitable specifications and/or were cost prohibitive due to fees and levies.

**d) Option 4 – Crown Commercial Services Framework Agreement (the preferred option)**

The Vehicle Purchase RM6060 Crown Commercial Services Framework Agreement has been specifically developed for use for Local Authorities and emergency services. Using the CCS Framework promotes value for money due to the large discounts on offer.

Using the CCS framework provides economies of scale, that GFRS may not be able to achieve in isolation if we were to run our own competitive tender process. Using the framework reduces procurement timescales whilst complying with the relevant public sector procurement regulations.

10. Option 4 is the preferred option because:

Option 4 provides the best value for money and is compliant with public contract regulations. The proposed framework agreement has been developed with aims of best value and increased collaboration to achieve greater efficiencies.

11. The Crown Commercial Services Framework was identified as being the most suitable for the following reasons:

- a simple solution for low cost, low volume, low complexity requirements
- a flexible route to market where suppliers can join at any time
- it supports the government's SME policy
- contributes to the Social Value outcome of increasing supply chain resilience and capacity by creating a diverse supply chain to deliver contracts including new businesses and entrepreneurs, SMEs and VCSEs
- uses a dynamic filtering system, giving customers flexibility based on the common goods and services they want, their SME status, and their location
- dynamic filters ensure that the right suppliers are notified about opportunities relevant to the common goods and services they are able to provide
- fully compliant with the Public Contracts Regulations 2015
- aligns with Procurement Policy Note 11/20: Reserving Below Threshold Procurements

- direct award is compliant with the Public Contract Regulations 2015 (customers should make sure it is compliant with their organisation's procurement policy)
- It is available for use by all UK fire and rescue services and their agents
- It is free of any framework fees, levies, charges or rebates

## Risks

12. Under the Fire and Rescue Service Act 2004, the Fire Authority has a legal requirement to provide responses to fires, road traffic collisions and promote fire safety.
13. If Cabinet are unable to support the replacement of light fleet vehicles, these vehicles could suffer a terminal failure due to their age exposing the Service and the public to unacceptable levels of risk.
14. Not replacing the vehicles would be at odds with our vision & values and will not align with our strategic aims for response and resilience whereby we aim to respond promptly and efficiently to deal with fires and others emergencies when they occur.
15. Procurement of fire vehicles through a bespoke framework minimizes the risk to GCC and GFRS by maintaining legal compliance with Public Sector Procurement Regulations.
16. Delays in procurement of these vehicles could reflect in higher costs through price index rises.
17. Vehicle manufacturing lead times are significantly longer than has been the case historically and there is a medium to high risk that the delivery period will be longer than expected. External factors behind this are outside of our control as they include a worldwide microchip shortage and the impact of the Ukraine invasion on the supply of steel and other internal components.

## Financial implications

18. Funding has already been approved at Full Council in February 2022 as part of the 22-23 MTFS process. The total fund available is £1,160,000 for 41 light vehicles to include any additional equipment.
19. There are no charges for using the **Crown Commercial Services Framework**. There are efficiency savings derived from its use in relation to resources, time, and the management of the tender process. It satisfies GCC standing orders and procurement regulations.
20. All obsolete vehicles will be disposed of as per GCC Asset disposal Policy & Procedure, however large capital receipts are extremely unlikely on very old vehicles and can range from approximately £500 to £8,000.. Blue light obsolete vehicles must be disposed using an approved auction method. The vehicles are asset stripped prior to auction for anything that is reusable.
21. The electric vehicles will be ordered as funding for charge points at GFRS stations is confirmed. The council has funds in its EV Infrastructure budget and Climate Action Fund to

cover some chargepoint costs in the short term. It will top this up by applying for government workplace charging grants towards installation costs. To address climate change and air quality targets an increasing proportion of vehicles will require EV charging infrastructure prior to the government's 2030 deadline when all new cars and vans must be electric. Therefore additional funding for chargepoints will be sought through the MTF process. The proceeds from the sale of older vehicles, estimated at £80k, will be a corporate receipt that will help to offset the costs of fleet replacement and associated EV infrastructure.

### **Climate change implications**

21. By removing very old more polluting euro 3/4/5 engine vehicles, over the next 2 years and replacing them with more efficient Electric and Euro 6 vehicles, reduces the Nitrogen oxides (NOx), Carbon monoxide (CO), Hydrocarbons (HC), particulate matter (PM) emissions produced across our fleet.
22. Prior to any vehicle being disposed, they will have all necessary equipment and identified parts removed for potential reuse within the GFRS.
23. New electric vehicles have an increased range compared to previous generations and are a real alternative to many of the GFRS light fleet. This combined with EV charge point infrastructure roll out to fire stations make this choice a viable option.

### **Equality implications**

24. An Equality impact assessment has been completed, with no major issues identified and do not believe there are any equality implications. Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.
25. The working group to establish the user requirements leading to the specification of the new light fleet vehicles will be formed from a diverse and fully inclusive group of staff members.

### **Data Protection Impact Assessment (DPIA) implications**

26. Having identified that no personal data is processed as part of this procurement, it has been established that there is no requirement for a Data Protection Impact Assessment.
27. All vehicles are business vehicles and not for personal use and will be fitted with a Tracker to identify their location for vehicle security aspects.

### **Social value implications**

28. Procurement of new light fleet fire vehicles demonstrates continuous investment in the county's fire and rescue service by the Fire Authority. New light fleet fire vehicles will help improve the economic, social, and environmental wellbeing of their local areas and their ability to respond when required. Procurement will include GCC social value consideration questions as appropriate and ensure that the GCC Social Value Policy is adhered to: 15% of the weighted evaluation criteria being attributed to social value. This is expected to focus on environmental criteria such as reduced greenhouse gas emissions. The Crown

Commercial Services framework agreement, the recommended procurement route, makes provision for social value criteria and support for small and medium size enterprises (SMEs).

### **Consultation feedback**

29. Consultation has been received through GFRS Operational Fire Fighters, through organised workshop groups on future light fleet vehicles and equipment, in relation to size of vehicles, any required water capacity, crew capacity, safety, storage and associated equipment.
30. The FRS's Transport Operator Group (TOG) has been contacted on best practice in terms of light fleet vehicles.
31. The Strategic Procurement team have confirmed that it is wholly appropriate to utilise the compliant CCS framework agreement to procure replacement light fleet fire vehicles.

### **Officer recommendations**

32. The Chief Fire Officer, based on all the available evidence and subsequent analysis, supports the recommendation that Cabinet should approve the proposal to procure 41 new light fleet vehicles to replace and supplement ageing vehicles in GFRS, approve the proposed level of expenditure and the identified procurement route.
33. The establishment of a Corporate Fleet Unit means that the council has the capability to:
  - a. provide independent and impartial technical advice and guidance to support the development of a fleet replacement programme and the procurement of vehicles to meet its business requirements, best value for money and social value objectives;
  - b. competitively procure the requirement, as detailed in paragraph 6; and
  - c. provide appropriate challenge to the requirement where necessary; and
  - d. to ensure that climate change and social value are considered in every decision.

### **Performance Management/Follow-up**

34. Regular Project performance management is conducted by GFRS Project Management Group. The project team meet regularly and it is regularly reviewed and discussed, including highlight reports showing status with actions.
35. The contract that will be drawn up under the CCS Framework will include a number of Service Level Agreements held with the Supplier.
36. Performance will be monitored and discussed at regular meetings with the designated Customer Relationship Manager. Underperformance is highlighted and reviewed with resolution sought and remedial measures put in place by the Supplier as and when necessary.