

REPORT TO: Executive Board

DATE: 14 September 2023

REPORTING OFFICER: Executive Director Environment & Regeneration

PORTFOLIO: Environment and Urban Renewal

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

WARD(S) 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 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 in the region of £733,000 per annum. These contracts supply Council sites with diesel 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 Public Contracts Regulations 2015. The Contracts expire on 31st March 2024.

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 including Hydrotreated Vegetable Oil (HVO). By joining this procurement exercise, the Council will be able to award new Contracts for its fuel requirements for the period 1st April 2024 to 31st March 2026 (24 months).

3.4 The budget identified for these Contracts is £737,171 per annum (cost centre 4070). A 24 month contract has been estimated at £1,474,340.

3.5 The position under the 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.

3.6 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.

3.7 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.

4.0 **POLICY IMPLICATIONS**

No direct impact

5.0 **FINANCIAL IMPLICATIONS**

No direct impact

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

No direct impact

6.2 **Employment, Learning & Skills in Halton**

No direct impact

6.3 **A Healthy Halton**

No direct impact

6.4 **A Safer Halton**

No direct impact

6.5 **Halton's Urban Renewal**

No direct impact

7.0 **RISK ANALYSIS**

There are no risks anticipated with acceptance of this Procurement Strategy

8.0 **EQUALITY AND DIVERSITY ISSUES**

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

9.0 **CLIMATE CHANGE IMPLICATIONS**

9.1 The Council had made significant progress over many years to reduce its Carbon Footprint and emissions have reduced significantly from a 2008 baseline. As part of the Action Plan the Council is developing plans to transition its fleet from petrol/diesel to lower emission vehicles. This work will take some years to complete and in the meantime to ensure ongoing service delivery this fuel supply contract is required.

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