

MUNICIPAL YEAR 2017/2018 REPORT NO.

**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

OPERATIONAL DECISION OF:

Executive Director –
Regeneration and
Environment

Agenda – Part: 1	KD Num: 4609
Subject: Delivery of Cycle Training and Supporting Services – Framework with LB Haringey	
Wards:	All

Contact officer and telephone number:

Lars Chresta, 020 8379 4598

E mail: lars.chresta@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report seeks authority to award the joint Enfield/Haringey Cycle Training Framework, set up to deliver local Cycle Training and Supporting Services ('the Service'), to Tenderer A after a competitive open tender. Tenderer A shall be party to the Framework and shall be the single source economic provider of the Service.
- 1.2 The Framework replaces the existing Cycle Training Contract, which expires on 11 February 2018, after having been delivered successfully by the current provider since April 2013.
- 1.3 Joint procurement offers economies of scale and the Framework approach, with all London authorities eligible to call off services for an Access Agreement fee set at 1% of contract value, provides an additional income opportunity for Enfield beyond Framework set-up cost recovery. It will be administered by Enfield's Procurement & Commissioning Department.
- 1.4 Enfield Council plans to call off from this new Framework to deliver the Service for three years, with the possibility of extending the contract for a further year.

2. RECOMMENDATIONS

That the Executive Director – Regeneration & Environment:

- 2.1 Approves the appointment of Tenderer A (to the Framework) as the single source economic provider of Cycle Training and Supporting Services (the 'Service') for a 3-year period with the possibility of a 1-year extension.
- 2.2 Agrees that the option to extend the Framework for a period of 1 year shall be at the sole discretion of the Council and shall further be subject to:
 - the satisfactory performance of Tenderer A
 - adequate funding being available at the time of proposed extension
- 2.3 Notes that it is not a requirement for the Council to enter into an access agreement with Tenderer A in order to call off services from the Framework as the Council is already party to the Framework, and authorises the Council to call off from the Framework to deliver the Service in the borough of Enfield.
- 2.4 Notes that the procurement of the Services was conducted jointly with the London Borough of Haringey. The London Borough of Enfield is the Lead Authority of the Framework.
- 2.5 Approves Council entry into access agreements with any Local Authorities interested in calling off from the Framework.

3. BACKGROUND

- 3.1 Enfield Council has been delivering Cycle Training and Supporting Services to Enfield residents with Transport for London ('TfL') funding since 2013, using TfL's cycle training framework. The framework was wound down in September 2016 and the Council's current contract for this service expires on 11 February 2018.
- 3.2 The Council has identified Tenderer A, through joint open tender with Haringey Council, as provider for a new cycle training framework to deliver this service for a minimum of three years from February 2018 or earlier, subject to the continued availability of funding from TfL. At the recommendation of Council's Procurement and Commissioning Review Board (at its 16 February 2017 meeting), this framework will be set up for 3+1 years, open to other London authorities for call-off with a view to generating income for Enfield. Both Enfield and Haringey will enter into a call-off contract with the Framework's service provider.

- 3.3 The contract is to be awarded at the beginning of December 2017 with contractual negotiations and mobilisation ahead of an 11 February 2018 start date.
- 3.4 The Council has been very satisfied with the quality of service provided by the current provider throughout this contract and is looking to maintain the same capacity and level of professionalism, especially as demand for cycle training and supporting services is expected to keep increasing with progressive implementation of Council's Mini-Holland plans, with more safe cycling routes becoming available.
- 3.5 The current contract has delivered the following results:

Activity	2014/15	2015/16	2016/17
Children trained level 1 Bikeability	1,955	1,624	2,628
Children trained level 2 Bikeability	1,293	915	1,279
Schools delivering cycle training	48	52	45
Adults trained level 1 Bikeability	349	301	388
Adults trained level 2 Bikeability	104	51	74
Adults trained level 3 Bikeability	24	18	28
Dr Bike - Bikes serviced	863	2,149	3,191
Family bike ride participants	109	117	116
Cycle maintenance course trainees	60	43	40
Safe Urban Driving - Lorry and van drivers trained (number of courses)	68 (5)	160 (8)	218 (15)

- 3.6 The Council's cycling delivery has been funded largely by contributions from TfL's LIP programme, with TfL's three-year Borough Cycling Programme providing additional resources from 2014/15 to 2016/17 to increase the number of cycle training sessions in schools, for adults, and also to deliver more Safe Urban Driver training sessions for lorry and van drivers in Enfield.
- 3.7 In 2017/18 it is anticipated that the following activities will be delivered via the Contract, all funded by contributions from TfL's LIP programme:
- £265,000 for cycle training
 - £54,000 for Supporting Services
(Dr Bike sessions, Cycle Maintenance Classes and Sunday Bike Rides)
 - £17,000 for Safer Freight
(Safe Urban Driver training for lorry and van drivers)

4. ALTERNATIVE OPTIONS CONSIDERED

Sole procurement (without Haringey), straight contract (without framework). These options were not recommended in view of economies of scale and additional income generation opportunities to Council.

5. REASONS FOR RECOMMENDATIONS

The current arrangements have been shown to provide value for money and good performance, ensuring that children and adults in Enfield continue to receive support for active travel through free cycle training and mechanic services, in line with our Road Safety and Transportation Policy Objectives. This is also a key element of the Cycle Enfield complementary measures programme.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES, AND OTHER DEPARTMENTS

6.1 Financial Implications

Please refer to Part 2 Report.

6.2 Legal Implications

- 6.2.1 S.111 Local Government Act (1972) gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.
- 6.2.2 The general power of competence under s.1(1) Localism Act (2011) states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The proposed services as mentioned within this report are in accordance with this power.
- 6.2.3 S.19 Local Government (Miscellaneous Provisions) Act (1976) further enables the Council to provide such recreational facilities as it thinks fit (including power to provide buildings, equipment, supplies and assistance of any kind for this purpose).
- 6.2.4 The Council must comply with any terms attached to the funding it receives from TfL and must also comply with its obligations relating to obtaining best value under the Local Government (Best Value Principles) Act (1999).
- 6.2.5 The Council must comply with its Constitution, Contract Procedure Rules (CPRs) and, as the Framework/subsequent call-off contract(s) value exceeds the EU threshold for services, it must also comply with the Public Contracts Regulations (2015) (PCR 2015).
- 6.2.6 All legal agreements arising from the matters described in this report must be approved in advance of contract commencement by the Assistant Director of Legal and Governance Services.

6.2.7 This report constitutes a Key Decision and the Council must ensure that the correct Governance processes are followed.

6.3 Procurement Implications

The procurement was undertaken in accordance with Council's Contract Procedure Rules (CPR's) and followed an open process advertised through the Council's e-procurement platform (London Tenders Portal). The opportunity was advertised as an OJEU contract, contract notice reference number 2017/S 143-294873.

6.4 Property Implications

There are no identifiable property implications arising directly from these proposals.

7. KEY RISKS

Please refer to Part 2 Report.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The provision of Cycle Training in the Borough enables residents to utilise cycling as a mode of transport that is free, convenient and healthy. This programme does not discriminate against those who can't afford to drive. Encouraging cycling in the Borough will improve air quality and the environment for all residents.

8.2 Growth and Sustainability

Cycle training enables people to cycle safely and utilise the bicycle as a mode of transport in the Borough. This is a highly sustainable mode of transport that provides access to employment enabling economic growth in Enfield.

8.3 Strong Communities

Cycling strengthens communities. Areas that have higher rates of active travel (walking and cycling) are known to be safer and more cohesive communities.

9. EQUALITY IMPACT IMPLICATIONS

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment/analysis is not relevant or proportionate for the approval of this. It should be noted that the cycle training programme is open to all residents and adapted bikes are available for those with mobility issues.

It should be noted that the any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

10.1 The proposal supports the commitment in the Council's Business Plan to:

- Maintain a clean, green sustainable environment
- Work in partnership to ensure that Enfield is a safe and healthy place to live

10.2 Specifically, cycle training and supporting measures form part of the wider Cycle Enfield programme which aims to deliver both environmental and health benefits.

10.3 In addition, the extended contract will help the Council meet the targets in its Local Implementation Plan to increase the number of adults and children receiving cycle training.

11. HEALTH AND SAFETY IMPLICATIONS

The report raises no direct health and safety implications for the Council. The provider complies with necessary legislation and guidance when delivering the service.

12. PUBLIC HEALTH IMPLICATIONS

Delivering more cycle training in Enfield will have a positive impact on Public Health in Enfield. Cycling is an important tool in the prevention and treatment of obesity and physical inactivity related Ill Health. Physical inactivity is the fourth leading cause of mortality worldwide and associated with a reduction of between 20-40% of all long-term conditions. Long-term conditions account for 70% of the NHS budget. Delivering a more efficient cycle training service in the Borough will improve the quality of cycle training provided, increase the number of people cycling in the Borough and help attain modal shift away from driving, a sedentary and polluting mode of transport.

Background Papers

None

MUNICIPAL YEAR 2017/2018 REPORT NO.

**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

OPERATIONAL DECISION OF:
Executive Director –
Regeneration and
Environment

Agenda – Part: 1	KD Num: 4599
Subject: Replacement of Refuse Collection Vehicles (Incorporating Changes to the Fleet Profile)	
Wards:	All

Contact officer and telephone number:

Julian Minta – 07790 585086

E mail: Julian.minta@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 An analysis of current spend on the maintenance of refuse collection vehicles has shown considerable saving can be made by replacing the current fleet due to the significant cost of repairing and maintaining the vehicles.
- 1.2 Due to the significant increase in the cost of maintaining a refuse collection vehicle once it is older than seven years, it is proposed to change the replacement cycle from the nine years to seven years for all refuse collections vehicles. This is also in line with the recommendations from the Fleet review carried out by Edge in March 2017 and APSE guidance for vehicle replacement timescales.
- 1.3 Additional to this the existing fleet will be non-compliant with new London Emissions regulations due in 2019, the Work Related Road Risk requirements (WRRR) in 2019, and Construction Logistics and Community Safety regulations (CLOCS) due in 2020, which will force replacement of the current fleet.
- 1.3 Further savings can be achieved from better fuel economy and reduced vehicle maintenance downtime. The reliability of new vehicles will also reduce the need and reliance on hire vehicles.

2. RECOMMENDATIONS

That the Executive Director, Regeneration and Environment approves:

- 2.1 To commence replacement of the current fleet of refuse collection in vehicles as set out in 2.2.
- 2.2 To change the replacement cycle for all refuse collection vehicles to seven years.
- 2.3 To spread the replacement program over the next three years:
 - 14 vehicles to be replaced in financial year 2017/18
 - 22 vehicles to be replaced in financial year 2018/19
 - The balance of 15 vehicles to be replaced in financial year 2019/20 (the final number to be determined following consultation with the service near the time with consideration given to the reliability of the new fleet and any changes in the service provided)

3. BACKGROUND

- 3.1 The council currently operate a fully owned fleet of 51 refuse collection vehicles. These are used for the collection of domestic and trade waste within the London Borough of Enfield.
- 3.2 The current fleet ranges in age from between 5-10 years old, with 36 aged between 7 and 10 years.
- 3.3 A decision was taken in June 2013 to extend the life of the split back refuse collection vehicles from the industry standard of seven years to nine years. This decision was made with data that was relevant at the time but which has subsequently proved to be incorrect. The result of this are that we are now incurring excessive maintenance costs and extended downtime from vehicle repairs. The Fleet review undertaken by Edge in March 2017 confirmed that 74% of the current maintenance budget was spent on repairs classed as unfair wear and tear brought about by the extended life of the vehicles. It was concluded that LBE should change the replacement cycle from the nine years to seven years for all refuse collections vehicles. This is also in line with APSE guidelines on vehicle replacement that are adopted by many other local authorities.
- 3.4 Further, the new fleet will be fully compliant with upcoming legislation with regards to emissions and risks to other road users (CLOCS and WRRR) will also render the existing fleet un-operational by 2019.
- 3.5 We can clearly demonstrate substantial cost savings can be achieved by purchasing new vehicles. The maintenance costs of the new vehicles are substantially lower, as are fuel savings which the new vehicles being

40% more efficient on fuel economy. In addition to this the new fleet will remove the over reliance on hire vehicles to compensate for the failing current fleet.

- 3.6 There will be a final order to replace the balance of remaining vehicles but the numbers will be determined by any changes in service and also the efficiency of the new vehicles in operation. This final phase will be due for tender in financial year 2018/19 for deliver at the start of the financial year 2019/20. By adopting this strategy, we ensure that we will not over order the number of vehicles required.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Contract Hire the new vehicles. This has been investigated and dismissed due to the cost implications. Better value can be achieved through direct purchase. The cost savings are outlined in the financial implications
- 4.2 Leave the existing fleet un-changed. This has been dismissed due to the spiralling maintenance costs and vehicle downtime that is currently being experienced. Also, the noncompliance of the fleet denotes that we will have to replace the existing fleet.

5. REASONS FOR RECOMMENDATIONS

- 5.1 Cost efficiencies that can be achieved in fuel efficiency and reduced maintenance costs, and cost avoidance caused by increased repair costs when vehicles are older than seven years.
- 5.2 Operation of a fleet compliant with all upcoming regulations.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES, AND OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 The report is seeking the approval to replace the current fleet with new vehicles, and to change the fleet replacement profile from the current 9 years to 7 years for the new vehicles and to spread the replacement program over 3 years. 14 to be replaced F/Y 2017/18, 22 to be replaced F/Y 2018/19 and the balance to be replaced F/Y 2019/20.
- 6.1.2 The final number are to be determined following consultation with the service nearer the time to take in account the reliability of the new fleet and any changes in the service provided.

- 6.1.3 The business case demonstrates the cost efficiency of continuing with the current arrangement of outright owned refuse vehicles via moving to a contract hire method (see table below).
- 6.1.4 It is proposed that the purchase costs be funded from the internal leasing fund "Vehicle & Parks Equipment Replacement Reserve (94729)". The availability of funding will be assessed on an annual basis and the number of vehicles purchased in each might have to be adjusted to reflect funding availability.
- 6.1.5 The total annual contribution to the internal leasing fund (Vehicle & Parks Equipment Replacement Reserve - 94729) will be funded from the centralised internal leasing cost centre.
- 6.1.6 The internal leasing fund is designed in such a way that when the vehicles are due for replacement at the end of their assets life, there would be sufficient contributions made over the life of the assets to the reserve to fund the assets replacement costs when they fall due.
- 6.1.7 As per the recent Fleet vehicles management arrangement (agreed by Operational Services, Fleet Management and Finance); these vehicles will be wholly owned and run by Fleet Management Services and only, fuel, non-routine and damage costs will be charged to clients cost centres – all routine maintenance costs will be carried out by fleet, this is a similar concept to contract hire company's arrangements. The relevant budgets will be realigned to reflect the new arrangement (the centralisation of fleet vehicles).

6.2 Legal Implications

- 6.2.1 The power to enter into contracts to provide such facilities and services is contained in Section 111 of the Local Government Act 1972 which permits a local authority to do anything ancillary to, incidental to or conducive to the discharge of any of its functions. In addition, the Council has the power under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power in this way.
- 6.2.2 The contents of this report constitute a Key Decision and this item has been included in the Key Decision List with reference: KD4599. Once approved, the decision to proceed will be subject to the usual five-day call-in period.
- 6.2.3 The Council must comply with all requirements of its Constitution, Contract Procedure Rules ("CPRs") and the Public Contracts Regulations 2015 ("Regulations"). As the anticipated contracts value exceeds £250,000 this is a Key Decision and the Council must comply

with the Key Decision procedure. Each procurement exercise must be carried out in accordance with a formal tender process in line with the EU rules and the selection process must be fair, transparent, proportionate and non-discriminatory and must ensure value for money in accordance with the overriding Best Value Principles under the Local Government Act 1999. Approval from the Procurement and Commissioning Board must be obtained in relation to each contract.

- 6.2.4 Throughout the engagement of vehicle suppliers, the Council must also comply with its obligations of obtaining best value, under the Local Government (Best Value Principles) Act 1999. The Council must keep a clear audit trail of its decision to award these services to the specific suppliers in order to demonstrate that best value has been and will continue to be obtained for the Council.
- 6.2.5 The legal agreements related to this project will be contracts for the provision of goods (vehicles).
- 6.2.6 All legal agreements arising from the matters described in this report must be approved in advance of contract commencement by the Assistant Director of Legal and Governance Services. Contracts whose value exceeds £250,000 are required to be executed under seal.

6.3 Property Implications

There are no property implications associated with this report as the recommendation merely changes the existing vehicles for new vehicles. Existing fleet accommodation arrangements at the depot at Morson Road remain unchanged.

6.4 Procurement Implications

All procurement was in line with the CPR's, UK and EU regulations. Procurement activity was compliantly run through the London Tenders Portal and all documents uploaded into the Portal.

7. KEY RISKS

The key risk to LBE is an increase of vehicle down time and spiralling maintenance costs by continuing to extend the current life of the existing fleet. This will lead to a reduction of service delivery by the Waste and Recycling services and increased costs to the council. Additionally, the current fleet will become non-compliant with regards to all regulation for emissions and other road users within 18 months.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

By providing the replacement vehicles both the Waste and Recycling teams we will enable them to operate effectively for those people who live, work or travel in the Councils area, and the provision of using modern reliable vehicles will enhance the delivery of service.

8.2 Growth and Sustainability

By using proven vehicle suppliers, the vehicles will be available for duties for greater periods thus enabling the Council to provide these services on a more efficient basis. All vehicles that are to be provided also meet all current and future emission regulations giving us a fleet of the cleanest vehicles available when it comes to exhaust gasses. This will also ensure our carbon footprint is kept the absolute minimum when it comes to vehicle operation. We have the ability to comply with all current and future road traffic regulations designed to protect other users, namely pedestrians and cyclists.

8.3 Strong Communities

By using the 26t GVM vehicles which will give an increased payload of waste, the teams can remain on task longer rather than disrupt their working day by trips to the waste transfer station.

9. EQUALITY IMPACT IMPLICATIONS

Corporate advice has been sought regarding equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report. However, it should be noted that the any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The new vehicles will enable the council to streamline the performance of the fleet using a single vehicle manufacturer. This will provide consistency in operation and service delivery.

11. HEALTH AND SAFETY IMPLICATIONS

All the new vehicles and have been designed to meet and go beyond all health and safety aspects surrounding the operation of such vehicles. In addition, we are fully compliant with the forthcoming CLOCS and WRRR regulations. The vehicles meet all current H&S and EU regulations. All drivers will have induction training as part of the contract and all workshop technicians will have full training on maintenance and operation of the equipment.

12. PUBLIC HEALTH IMPLICATIONS

The new vehicles will be to the latest emission standards (Euro 6) and will comply with the new Transport for London Emissions standards that come into force in 2019 promoting the clean air for the residents of all London Boroughs. This combines with better fuel efficiency which again reduces pollution and improves air quality.

Background Papers

None.

