

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**17<sup>th</sup> May 2018**

**Report of the Director of Commissioning, Communities and Policy**

**URGENT DECISION TAKEN BY THE STRATEGIC DIRECTOR OF  
COMMISSIONING, COMMUNITIES AND POLICY  
USE OF ESPO FRAMEWORK 271: VEHICLE HIRE - SELF DRIVE  
(COUNCIL SERVICES)**

**1. Purpose of the Report**

To note the urgent decision taken by the Strategic Director of Commissioning, Communities and Policy in accordance with the Council's Constitution to use the ESPO Framework 271: Vehicle Hire – Self Drive for a period of one year to meet the vehicle hire requirements of all departments due to the current vehicle hire provider, TOM Vehicle Rental (TOM), going in to administration and ceasing to trade.

**2. Information & Analysis**

On 3 February 2016 Cabinet approved (Minute Number 32/16) the award of a contract for the Supply of Vehicle Hire to TOM.

The contract was for a period of two years commencing 1 April 2016 with an option to extend for a maximum of two individual years subject to satisfactory performance.

On 28 March 2018 the Council was notified by Ernst & Young LLP that TOM were in administration and had ceased trading.

To ensure service continuity and compliance with Public Contracts Regulations 2015 it was necessary for the Council to have a contract in place for the provision of vehicles. Due to the urgency for the contract to be established to replace the current hire fleet, an urgent decision was sought from the Strategic Director of Commissioning, Communities and Policy for permission to use the ESPO Framework 271 Vehicle Hire – Self Drive. The ESPO Framework allows for either mini-competition or direct call-off, the latter of which is the Council's preferred option due to the transparency of vehicle price lists.

In accordance with the Council's Financial Regulations a business case for the use of the Framework has been approved by the Director of Finance and ICT and the Director of Legal Services.

### **3. Legal Considerations**

The Council's Constitution provides that "notwithstanding any other provision of the Constitution Strategic Directors shall have the power, after discussion, if practicable, with the Leader of the Council or the relevant Cabinet Member or Chair, to take such actions deemed to be necessary and expedient in matters requiring urgent consideration and which, because of the timescale involved, or the need to safeguard the interests of the County Council, cannot be dealt with by submission to the next following meeting of the Council, Cabinet, Cabinet Member or Committee."

### **4. Social Value Considerations**

Social Value considerations will be taken into consideration as part of the process when procuring from the ESPO Framework.

### **5. Other Considerations**

In preparing this report the relevance of the following factors have been considered – prevention of crime and disorder, human resources, equality and diversity, property, health and transport considerations.

### **6. Background Papers**

Held within Corporate Procurement.

### **7. Key Decision                      Yes**

### **8. Call-In**

Is it required that call-in be waived in respect of the decisions proposed in the report?

**No**

### **9. Officer's Recommendation**

That the report be noted.

Emma Alexander

Strategic Director of Commissioning, Communities and Policy

**DERBYSHIRE COUNTY COUNCIL**

**URGENT DECISION TAKEN BY THE STRATEGIC DIRECTOR OF  
COMMISSIONING, COMMUNITIES AND POLICY**

**24th April 2018**

**TO APPROVE THE USE OF ESPO FRAMEWORK 271:  
VEHICLE HIRE - SELF DRIVE**

**1. Purpose of the Report**

To seek Strategic Director approval to use the ESPO Framework 271: Vehicle Hire - Self Drive for a period of one year to meet the vehicle hire requirements of all departments due to the current vehicle hire provider, TOM Vehicle Rental, (TOM) entering into administration and ceasing to trade.

**2. Information & Analysis**

On 3 February 2016 Cabinet approved (Minute Number 32/16) the award of a contract for the Supply of Vehicle Hire to TOM for the following Lots:

- Lot 1 - Passenger Vehicles Hire
- Lot 2 - Light Commercial Vehicles (LCV) Hire
- Lot 3 - General on road and off road 4x4's Vehicle Hire
- Lot 4 - Minibus Hire
- Lot 6 - Winter Vans

The contract with TOM was awarded for a period of two years commencing 1 April 2016 with an option to extend for a maximum of two years subject to satisfactory performance.

On 28 March 2018 the Council was notified by Ernst & Young LLP that TOM were in administration and had ceased trading.

The Council currently has approximately 242 vehicles on hire with TOM, approximately 200 of these vehicles are on long term hire (91-365 days+) and are owned by 20+ finance companies. Separately each finance company will request either the return of the vehicle or to offer a continued hire with the Council. It is considered that the arrangement to hire from such a large number of providers would be unworkable. The Council would be trading with over 20 companies all of which have different terms and conditions, maintenance and breakdown

support arrangements and the Council would have no compliant contract in place for future vehicle hires.

To ensure service continuity and compliance with the Public Contracts Regulations 2015, it is necessary for the Council to have a compliant contract in place. The ESPO framework allows for either mini-competition or direct call-off which is the Council's preferred option due to the transparency of vehicle price lists. Due to the urgency for the contract to be established, to replace the current hire fleet, an urgent decision is sought from the Strategic Director of Commissioning, Communities and Policy. As per the Council's Financial Regulations a business case has been approved for this requirement by the Director of Finance and ICT and the Director of Legal Services.

### **3. Financial Considerations**

Based on the previous tendered prices cost of the contract for long term hire vehicles is approximately £710,500 per annum. The costs associated with this contract will be met from the relevant departmental budgets.

### **4. Legal Considerations**

The Council's Constitution provides that "notwithstanding any other provision of the Constitution Strategic Directors shall have the power, after discussion, if practicable, with the Leader of the Council or the relevant Cabinet Member or Chair, to take such actions deemed to be necessary and expedient in matters requiring urgent consideration and which, because of the timescale involved, or the need to safeguard the interests of the County Council, cannot be dealt with by submission to the next following meeting of the Council, Cabinet, Cabinet Member or Committee."

The Director of Legal Services is satisfied that, on the basis of the information contained in this report, the contract can be awarded in accordance with the Council's Financial Regulations.

### **5. Social Value Considerations**

Social Value considerations will be taken into consideration as part of the process when procuring from the ESPO Framework.

### **6. Other Considerations**


In preparing this report the relevance of the following factors have been considered - prevention of crime and disorder, human resources, equality and diversity, property, health and transport considerations.

**7. Officer's Recommendation**

That Strategic Director of Commissioning, Communities and Policy approves the use of the ESPO Framework 271: Vehicle Hire - Self Drive from May 2018 for a period of one year to meet Council vehicle hire requirements as detailed in this report.

**EMMA ALEXANDER**

Strategic Director of Commissioning, Communities and Policy

  
25/4/18