

Report to: Executive Board 27th September 2002

PROVISION OF FINANCE BY WAY OF OPERATIONAL LEASING

<p>Report of: Strategic Director of Finance and Corporate Services</p> <p>Report Author: John Moyles Chief Accountant Telephone: 01865 252294 Email: jmoyles@oxford.gov.uk</p> <p>Lead Member Responsible: Cllr. Alex Hollingsworth</p> <p>Overview and Scrutiny Committee Responsibility: Finance and Performance Mgt.</p> <p>Key Decision: No</p>	<p>WARDS AFFECTED</p> <p>ALL</p>
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SUMMARY AND RECOMMENDATIONS

On 14th May 2002, a report went to the Executive Board recommending acceptance of the tender submitted by Tenderer 'A'. In letting the contract, it has been concluded by our Lawyers that we can not award to Tenderer 'A' and on that basis we, therefore, now wish to contract with Tenderer B

The Executive Board is ASKED

- a) Accept the tender submitted by Tenderer 'B' in replacement for Tenderer 'A'
- b) Agree not to release from confidentiality the identity and commercial information of the Tenderers.
- c) Note that the details of the tender award will be published in the Official Journal of the European Union.

THIS REPORT HAS BEEN SEEN AND APPROVED BY:

Cllr. Alex Hollingsworth
 Mark Luntley, Strategic Director
 Helen Liddar, Legal Services Manager

Background papers:

Report to Executive Board on 28th November 2001.
 Report to Executive Board on 29th January 2002.
 Report to Executive Board on 14th May 2002.

1 INTRODUCTION & SUMMARY

- 1.1** The purpose of this report is to award the Tender for the provision of finance by way of operational leasing
- 1.2** Tenderer 'A' was originally selected to be the most economically advantageous of the three original Tenders received. This was reported to and approved by the Executive Board on 14th May 2002. Since then, Financial Management and Legal Services have been trying to award this contract. There were various time consuming issues that the Council needed to investigate and work through with Tenderer A. There has been ongoing dialogue but despite verbal assurances by Tenderer A on some issues, at the point of contract they confirmed that they can not comply with the procurement requirements set out in the Council's tender specification. Our Lawyers advise that without this compliance we are unable to contract with Tenderer A.
- 1.3** With not being able to contract with Tenderer A, the Executive Board is now asked to approve letting the contract to Tenderer B. The costs shown for Tenderer B, as reported at the 14th May meeting (confidential agenda), are higher than Tenderer A. However, at this stage we still expect those costs to be contained within the current budget.

2 Conclusion

- 2.1** It is now recommended that the Executive Board approve the award of the contract to the next most economically advantageous tender, being Tenderer 'B'. Tenderer B has already confirmed their ability to comply with the procurement requirements.