

To: City Executive Board

Date: 15 June 2017

Report of: Executive Director of Sustainable City

Title of Report: Ubico bid for the provision of a maintenance and repair service to vehicles, mobile plant and equipment.

Summary and Recommendations

Purpose of report: To seek approval to submit a bid for the maintenance and repair service to vehicles, mobile plant and equipment, as the potential value of the bid exceeds delegated authority levels.

Key decision? Yes.

Executive lead member: Councillor Ed Turner

Policy Framework: Corporate Plan

Recommendation(s):

That the CEB authorises the submission of a bid to Ubico (a company wholly owned by Local Authorities) to undertake maintenance and repair service to vehicles, mobile plant and equipment owned by West Oxfordshire District Council. In the event that the bid is successful, CEB grants delegated authority to the Executive Director of Sustainable City, in consultation with the Council's S151 Officer and Monitoring Officer, and subject to the contract making a satisfactory contribution towards overheads, to enter into an appropriate contract for the supply of the relevant repair and maintenance services.

1. Introduction

1.1 The City Executive Board approved a report in September 2011 which set out a framework for expanding income generation through service supply to public sector bodies and charging for discretionary services.

1.2 Since that time ambitious but achievable targets for income generation have been included in the Council's Medium Term Financial Strategy.

1.3 The City Executive Board approved proposals to provide services to public sector bodies and to charge for the provision of discretionary services. Where the value did not exceed £500,000 the decision was delegated to officers.

1.4 Ubico is a company that is wholly owned by a group of Local Authorities that operate the vehicles, mobile plant and equipment wholly owned by West Oxfordshire District Council.

1.5 This report seeks approval to make a bid, and if successful, to enter into contractual relations as a contractor engaged to provide certain maintenance and repair services, as the potential value of the services to be provided exceeds that figure. The closing date for completed bids is 16th June 2017.

2. Proposal

2.1 Under the terms of the proposed contract, Direct Services would provide appropriate labour, plant, materials, supervision and management resource to undertake the repair and maintenance of vehicles, plant and equipment owned by West Oxfordshire District Council.

2.2 Direct Services would establish a team of operatives to run and deliver the contracted service including additional FTE staff, detailed in the appended briefing note. It is not envisaged that any additional management resource will be necessary to service this contract.

2.3 A briefing for members on the opportunity and risks is set out in the separate appendix attached, which is exempt from publication.

2.4 This report seeks a delegation of authority to the Executive Director of Sustainable City, in consultation with the Council's S151 Officer and Monitoring Officer to enter into the proposed contract, if the Council's bid is accepted.

3. Legal Implications

3.1 In entering into this proposed arrangement, the Council would be relying on the provisions of s93 of the Local Government Act 2003, which permits the Council to charge for the provision of discretionary services, subject to certain constraints, and/or s1 Local Authorities (Goods and Services) Act 1970, as the body ultimately procuring the overall works is a public sector body. Care would need to be taken in regard to accounting for the activity. If the bid is successful, an appropriate contract will be drawn up between the parties.

4. Financial Implications

4.1 The bid for the work is calculated to provide a contribution to overheads as a minimum. The contribution made will be monitored on a monthly basis by the Council's Trading Board and reported to Members on a quarterly basis through normal budget monitoring

4.2 Supply of these services would make a useful contribution to the income target (£7million for 2017/18) in the Council's Medium Term Financial Strategy

5. Equal Opportunities Policies

5.1 All relevant Council policies such as the Oxford Living Wage and Apprenticeships will be applied to the delivery of these services and will be costed into the proposal.

6. Conclusion

6.1 The delivery of this contract would bring an income opportunity providing a significant contribution to overhead. The Council's approach is to balance this by seeking to achieve an appropriate contribution to overheads and ensuring that sufficient resources are deployed to mitigate risks.

Name and contact details of author:-

Name: Ian Bourton

Job title: Waste Recycling and Fleet Manager

Service Area: Direct Services

Tel: 01865 252978 / 07740924881 e-mail: ibourton@oxford.gov.uk

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