

**To:** Cabinet  
**Date:** 10 December 2025  
**Report of:** Nigel Kennedy Group Finance Director  
**Title of Report:** Delegation to purchase fleet vehicles 2025/26

Summary and recommendations	
<b>Decision being taken:</b>	To delegate authority to the Group Finance Director for the remainder of the current financial year to award any fleet contracts valued in excess of £750k following a compliant procurement process.
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Nigel Chapman, Cabinet Member for Citizen Focused Services and Council Companies
<b>Corporate Priority:</b>	A well run Council
<b>Policy Framework:</b>	None

<b>Recommendation(s):</b> That Cabinet resolves to:
1. It is recommended that Cabinet resolves to delegate authority, for the remainder of the current financial year, to the Group Finance Director to award contracts with values in excess of £750k for the purchase of fleet vehicles.

Information Exempt From Publication
N/A

## Introduction and background

1. Fleet utilised by Oxford Direct Services Limited (“ODSL”) and Oxford Direct Services Trading Limited (“ODSTL”) are purchased by the Council. The Council enter into the contracts and make payment to the suppliers, with ODSL working with OCC Procurement carrying out the procurement. The vehicles are owned by the Council, depreciated over 7 years but leased to ODSL over that time with an appropriate leasing charge inclusive of interest payable to Council under the lease arrangements.

2. ODSL scope and determine need in terms of fleet management. Fleet is used across a range of functions, including housing, waste, streets and parks. Life cycle of the fleet ranges typically from 7 to 10 years.
3. The fleet that is being replaced is at multiple years in its life span and therefore with a number of the vehicles there is a reliability risk, though they are currently operational. None of the existing vehicles will be sold until the delivery of replacement vehicles.
4. A number of Fleet Frameworks (including but not limited to CCS (Crown Commercial Services), ESPO (Eastern Shires Purchasing Organisation), YPO (Yorkshire Purchasing Organisation), TPPL (The Procurement Partnership) will be reviewed for potential use to establish value for money for the purchase of vehicles.
5. The procurement team may also run Request for Proposal or Invitation to Tender processes if the framework option does not represent value for money.
6. Fleet that remain to be purchased within this financial year are as follows

<b>Vehicle Type</b>	<b>Quantity</b>	<b>Draft price (excluding VAT)</b>
Medium Van	9	£315,000
Large Van	14	£560,000
Luton Van	2	£90,000
7.5t Box Lorry	1	£55,000
Tippers	29	£1,218.000
Cars	3	£71,000
4x4 Pick Up	4	£200,000

### **Contract Rules Compliance and Financial Assessment**

7. All procurements will be undertaken in accordance with the Public Procurement Regulations and OCC procurement policies and the Council's Constitution. All vehicle procurement falls under the Vehicle Capital Replacement Programme. The budget is allocated from OCC Finance and monitored via Smartsheet to the City Council Capital Monitoring Board.

### **Alternative Options Considered**

8. N/A

### **Financial implications**

9. The fleet vehicle budget is approved within the capital budget provision for the vehicle replacement programme by Council in February each year. The last approval for this financial year 2025 – 2026 was made in February 2025 in the sum of £3.5million.
10. The budget for the replacement of fleet vehicles together with the leasing repayments are included within the Council's revenue and capital programmes.

ODSL will be responsible for the leasing payments to the Council as well as the running costs in relation to the vehicles.

### **Legal issues**

11. Under Part 4.5 (11) and Rule 19 (17) of the Constitution Cabinet is responsible for the award of contracts valued at £750,000 and over. Under section 9E (3) (c) of the Local Government Act 2000 Cabinet is empowered to delegate its functions to officers.
12. The purchase of vehicles needs to comply with Part 19 of the Council's constitution. Where the estimated spend under a contract for the purchase of vehicles is in excess of the applicable threshold under the Procurement Act 2023 the procurement exercise must comply with the act. Legal services can support and advise on the procurement process and provide the contract documentation if needed.
13. Any decision taken under the proposed delegation (to award a contract of £750,000 or greater) will be a Key Decision and will need to comply with the procedure for taking Key Decisions set out in the Council's Constitution.
14. The Council must ensure that the proposed leasing is compliant with the applicable Subsidy Control requirements and legal advice must be sought where necessary.

### **Level of risk**

15. To not replace life expired vehicles will impact on the ability of ODSL to deliver effective services.
16. The delay in the procurement of the vehicles increase the risk of additional costs to ODSL should they need to hire replacement vehicles before the replacement of the aging fleet.

### **Equalities impact**

17. Not applicable

### **Carbon and Environmental Considerations**

18. Investigations are being made by the fleet team and the Council's Sustainability team.

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<b>Background Papers:</b> None	
1	Councils Constitution
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3	
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