

To: Cabinet
Date: 17 June 2026
Report of: Alistair Rush Interim Group Finance Director
Title of Report: Delegation to purchase fleet vehicles 2026/2027

Summary and recommendations	
Decision being taken:	To delegate authority to the Interim Group Finance Director for the 2026/27 financial year to award any fleet contracts valued in excess of £750k following a compliant procurement process.
Key decision:	Yes
Cabinet Member:	Councillor Nigel Chapman, Cabinet Member for Citizen Focused Services and Council Companies
Corporate Priority:	A well-run Council
Policy Framework:	None

Recommendation(s): That Cabinet resolves to:
1. Delegate authority, to the Interim Group Finance Director for the duration of the 2026/27 financial year to award contracts with values over the Key Decision threshold for the purchase of fleet vehicles.

Information Exempt From Publication
N/A

Introduction and background

1. Fleet utilised by Oxford Direct Services Limited (“ODSL”) are purchased by the Council. The Council enter into the contracts for purchase and pay the suppliers, with ODSL working with the Council’s Procurement team carrying out the procurement. The vehicles are owned by the Council, depreciated over 7 years and 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 vehicles that are likely to be replaced in the financial year and 2026/27 are at multiple years in their life span and therefore with a number of them 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 use of a framework does not represent value for money or there are legal issues.
6. The Council’s procurement team and ODSL review quarterly the fleet tracker to identify vehicles that will need to be procured. For 2026/27 the following are known requirements, although this is not an exhaustive list and may increase or decrease.

Vehicle Type	Quantity	Draft price (excluding VAT)
Medium Van	9	£315,000
Large Van	14	£560,000
Luton Van	2	£90,000
7.5t Box Lorry	1	£55,000
Tippers	29	£1,218.00
Cars	3	£71,000
4x4 Double Pick Up Trucks	4	£120,000
Light Commercial Vans	27	£1,080.00

Contract Rules Compliance and Financial Assessment

7. All procurements will be undertaken in accordance with the Procurement Act 2023, the Council’s procurement policies and Constitution.

All vehicle procurement falls under the Vehicle Capital Replacement Programme. The budget for vehicle purchase is allocated as part of the Council's annual budget and monitored via Smartsheet by the City Council Capital Monitoring Board.

Alternative Options Considered

8. Not applicable

Financial Implications

9. All procurements will be undertaken in accordance with the Procurement Act 2023 and the Council's procurement policies and Constitution. All vehicle procurement falls under the Vehicle Capital Replacement Programme for which an amount of £4.2 million has been included in the 2026-27 capital programme
10. Vehicles are leased to ODSL inclusive of an appropriate rate of interest.

Legal Issues

11. Under Part 4.5 (11) and Rule 19 (17) of the Constitution Cabinet is responsible for the award of contracts valued over the Key Decision Threshold which is currently £750k. 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 over 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 to purchase vehicles under the proposed delegation 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 law and legal advice must be sought on the legal requirements and documentation needed before agreeing to lease any vehicle.

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Other implications

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. Each vehicle purchase will have an agreed specification where equality has been considered including, but not limited to assessment of access and egress, driver comfort and ergonomics, Environmental Health Impact, Safety and Training.

Carbon and Environmental Considerations

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

Implications of Local Government Reorganisation

19. Prior to award of any contract LGR consideration will be given and approval sought in-line with the agreement for contract award at that point in time.

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Background Papers:	
1	Councils Constitution
2	
3	
4	