

FALKIRK COUNCIL

Subject: GPS NATIONAL FRAMEWORK AGREEMENT FOR THE PROVISION OF LIQUID FUEL: OJEU 127585-2013
Meeting: EXECUTIVE
Date: 6 August 2013
Author: DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

1. BACKGROUND

- 1.1 A Framework Agreement for the Supply of Liquid Fuel is being established by Government Procurement Services (GPS). This Framework Agreement would provide the Council with access to suppliers for the bulk delivery of diesel and fuel oil by tankers to various Council depots which have fuel stores.
- 1.2 To maximise the opportunity to obtain the most competitive prices possible, GPS will use the Framework Agreement to establish call off contracts through a process of mini-competitions. These further competitions will be undertaken during August 2013 and shall be organised in lots to aggregate demand to maximise market interest. Should the Council participate, its requirement for liquid fuel would be included in a lot covering Central Scotland. In addition the mini-competition process will be by electronic auction and designed to deliver the best possible price and levels of service to the public sector.
- 1.3 Electronic auctions streamline the tendering process and, following the mini competition, participating public bodies will have two days to accept offers and establish call off contracts.
- 1.4 As the process requires offers to be accepted within a short timeframe the purpose of this report is to seek delegated powers for the Director of Corporate and Neighbourhood Services to enter into the GPS framework agreement and award call-off contracts to the best value providers on conclusion of the GPS mini-competition process.

2. FRAMEWORK AGREEMENT FOR THE PROVISION OF LIQUID FUEL

- 2.1 The current National Framework Agreement for the Supply of Liquid Fuel to the public sector will expire 30th September 2013. As noted above GPS will have a new framework and call off arrangement in place to cover the period 1st October 2013 to 30th September 2015.
- 2.2 Falkirk Council's current suppliers of liquid fuel are Scottish Fuels and Harvest Energy. These suppliers provide bulk deliveries of diesel and fuel oil to various depots which have fuel stores. The Council's requirement for petrol and some diesel is procured from a number of local garage forecourts and these local arrangements will not be affected by the GPS Framework Agreement.

- 2.3 Fuel storage sites support the efficient and effective fueling of the Council's fleet of vehicles and plant. In addition these fuel sites provide secure access to large volumes of stored fuel which is invaluable should there be any interruption to fuel supplies.
- 2.4 The cost to Falkirk Council for the bulk delivery of liquid fuel is estimated at approximately £2,000,000 per annum. Therefore the total estimated value of the call off contract over the 2 year period, 1st October 2013 to 30th September 2015, is approximately £4,000,000.
- 2.5 In order to meet the required timescales for the GPS mini-competitions it is recommended that the contracts for the supply of liquid fuel to Falkirk Council are accepted by the Director of Corporate and Neighbourhood Services under delegated powers. The outcome of the mini-competitions process would be reported in the next Information Bulletin.

3. RECOMMENDATION

It is recommended that Members:

- 3.1 **Grant to the Director of Corporate and Neighbourhood Services, delegated powers to (i) enter into the GPS framework agreement and (ii) award call-off contracts under that agreement for the provision of liquid Fuels to Falkirk Council at a cost of approximately £4,000,000 for the period 1st October 2013 to 30th September 2015; and**
- 3.2 **Note that the outcome of the call-off process will be reported in the next Information Bulletin.**

.....
DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

Date: 17th July 2013
Contact Name: Lesley Anderson

Ext: 0836