

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</p> <p>25 January 2017</p>
<p style="text-align: right;">Title</p>	<p>Reactive Vehicle Repair at Harrow</p>
<p style="text-align: right;">Report of</p>	<p>Interim Chief Operating Officer</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>None</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Gareth Griffiths, Programme Lead for the Depot Relocation Programme. gareth.griffiths@capita.co.uk 07920 594 367</p>

Summary

This report seeks approval to enter into a Service Level Agreement to provide reactive vehicle repair to support the fleet of vehicles operating from the new Satellite Depot, Harrow.

Decisions

Enter into a Service Level Agreement with The Mayor and Burgesses of The London Borough of Harrow to provide reactive vehicle repair to support the fleet of vehicles operating from the new Satellite Depot, Harrow.

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required in order that The London Borough of Barnet (LB Barnet) may enter into a Service Level Agreement (SLA) with The Mayor and Burgesses of The London Borough of Harrow (LB Harrow) to provide reactive vehicle repair to support the fleet of vehicles operating from the new Satellite Depot, Harrow.

2. REASONS FOR DECISIONS

- 2.1 By entering into the reactive vehicle repair SLA with LB Harrow, LB Barnet's vehicles operating from the new Satellite Depot, Harrow, will continue to receive the necessary service cover required for effective service delivery.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 The alternative solution considered was based on procuring a mobile mechanic. However, the cost of this solution was in excess of £175,000 per annum and would not have been able to provide the same level of service due to a lack of workshop facilities.

4. POST DECISION IMPLEMENTATION

- 4.1 An SLA will be entered into with LB Harrow for the provision of reactive vehicle repair for the fleet of LB Barnet Vehicles relocating to Harrow.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This programme supports the Council's priorities to:

- Promote responsible growth, development and success across the borough.
- Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The annual value of the SLA is estimated to be around £90,000 covering parts and labour. This is based on a projected requirement of between 2 and 4 hours of labour a day and an equivalent value for spares.

- 5.2.2 The length of the SLA will be 1 year with an option for Barnet to extend for a further 2 years.

- 5.2.3 During the first year of the SLA there is likely to be an impact of circa £45,000 (labour costs) on the Service's operational budget. This is because it is unlikely that the vehicle repair work being undertaken by Harrow will directly reduce the labour required at Barnet's main vehicle maintenance facility. However, as part of the relocation to the new main depot at Oakleigh Road, the Service will be able to review labour requirements and budget accordingly for future years. This additional labour cost will result in a budget pressure for service users at Harrow as no additional budget will be provided to meet these costs. In terms of parts costs (circa £45,000), there should be no impact on budgets since the Service will merely be purchasing the same required parts from a different supplier.

5.2.4 The contract has been single-sourced through Harrow on the basis that they are best placed (both geographically and technically) to provide the required services, given that:

1. The vehicles are key to the delivery of primary council services (waste collection, street cleansing, winter gritting and highway repairs). It is therefore essential the service provider can respond quickly and efficiently to Barnet's demands.
2. The vehicles covered by this contract are all commercial vehicles, many of which are HGV, thus requiring specialist resources to provide the required services.

5.2.5 Subject to the operational success of this contract during the initial period (1 year), Barnet will then seek to explore options with Harrow and/or Harrow's supplier to negotiate a future contract and, maximise Barnet's leverage to secure the best commercial terms.

5.3 Legal and Constitutional References

5.3.1 Single Tender action are permitted under Regulation 32 of the Public Contracts Regulations 2015

5.3.2 Section 9.1 (Single Tender Action) of the London Borough of Barnet Contract Procedure Rules, states the grounds on which the Council may allow a single tender action commitment.

5.3.3 9.1 (sub-clause ii) Single Tender Action is permitted where competition is absent for technical reasons, which is applicable here. This is clarified further under 5.2.4 of this document.

5.3.4 Council Constitution, Responsibility for Functions, Annex B – provides that Chief Officers can take decisions "...in all matters where they have managerial or professional responsibility" and "...to authorise and accept quotations for contracts to the limits placed on Chief Officers by Contract Procedure Rules for approved schemes with sufficient estimate provision."

5.4 Risk Management

5.4.1 If the decision is not approved, Barnet will not have a suitable reactive vehicle repair service, which presents a significant risk to the Services operating out of the Satellite Depot in Harrow.

5.4.2 If there is a delay in authorising this decision, Barnet will not have a suitable reactive vehicle repair service in place prior to commencing operations out of the Satellite Depot in Harrow. This presents a significant risk to the Services operating out of the Satellite Depot in Harrow.

5.5 Equalities and Diversity

5.5.1 Pursuant to the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristics and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

5.5.2 At this stage the proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.

5.6 Consultation and Engagement

5.6.1 The management of the Service covered by this contract have been fully engaged throughout the scoping and planning stages and the provisions of the contract fully agreed in conjunction with them.

6. BACKGROUND PAPERS

6.1 DPR for Satellite Depot for Street Scene at Forward Drive, Harrow
<http://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=6441>

7. DECISION TAKER'S STATEMENT

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8. OFFICER'S DECISION

I authorise the following action

8.1 **Enter into a Service Level Agreement with The Mayor and Burgesses of The London Borough of Harrow to provide reactive vehicle repair to support the fleet of vehicles operating from the new Satellite Depot, Harrow.**

Signed Stephen Evans
Interim Chief Operating Officer
Date 25 January 2017
