

SHEFFIELD CITY COUNCIL

EXECUTIVE DIRECTOR KEY DECISION RECORD

The following decision was taken on 22 April 2016 by the Executive Director, Resources.

Date notified to all members: Wednesday 27 April 2016

The end of the call-in period is 4:00 pm on Wednesday 4 May 2016

Unless called-in, the decision can be implemented from Thursday 5 May 2016

1. **TITLE**

Purchase of Liquid Fuels

2. **DECISION TAKEN**

That the Executive Director, Resources:-

(i) approves a call-off contract with the most economically advantageous contractor or contractors from the YPO Liquid Fuels framework for a period through to 31 October 2017; and

(ii) delegates authority to the Director of Commercial Services or her nominated representative to award call-off contracts for the Council's liquid fuel requirements.

3. **Reasons For Decision**

The YPO framework from which the Council's liquid fuels requirements have been met previously has been retendered by YPO and replaced with a new framework, competitively tendered on the open market in compliance with the Public Procurement Regulations.

Further independent benchmarking of the framework undertaken by the Council has concluded that the YPO framework offers a simple route to market and that the recommended supplier for Sheffield is competitive, has provided the most economically advantageous tender and offers best value overall. It is therefore recommended that the YPO framework is called-off against in order to meet the Council's liquid fuel requirements.

The framework will be further benchmarked by the Council at regular intervals to ensure continued best-value, in particular October 2017 when YPO will run a further competition between those contractors party to the framework to reassess quality and for contractors to refresh their pricing.

4. **Alternatives Considered And Rejected**

Sheffield City Council carries out its own procurement exercise. This may encourage other local suppliers to bid although for the most part contractors

bidding would be those that have just bid for the current YPO framework. Also, anything other than a local or sub-regional procurement exercise specifically with Sheffield (and possibly other local and city-region public bodies) in mind would simply replicate what YPO have undertaken. This option will remain on the table however (as there is no tie-in with YPO) should benchmarking indicate that further savings could be generated from this approach.

'Do nothing' is not an option as the amount of fuel the Council requires sees spend above the OJEU requirements of the Public Contracts Regulations ensuring a formal procurement process must be followed. Doing nothing would also mean the Council having no contract in place with a supplier and the fleet then having to be fuelled via fuel cards, reducing efficiencies and also meaning the storage tanks could not be restocked.

5. **Any Interest Declared or Dispensation Granted**

None

6. **Respective Director Responsible for Implementation**

Executive Director, Resources

7. **Relevant Scrutiny Committee If Decision Called In**

Overview and Scrutiny Management Committee