



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES
DATE:	17 MARCH 2022
REPORT OF THE:	PROGRAMME DIRECTOR PEOPLE AND RESOURCES MARGARET WALLACE
TITLE OF REPORT:	CONTRACT RENEWAL – SUPPLY OF LIQUID FUEL
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to seek retrospective approval of:-

- (i) expenditure for the supply of liquid fuel for the Council's vehicle fleet from existing budgets and
- (ii) a since completed contract and the continuation of an existing contract (together 'the Contracts') for the supply of liquid fuel which has been procured through a compliant framework via the Yorkshire Purchasing Organisation (YPO) in order to ensure compliance with the appropriate internal process and correct internal governance and procedure

1.2 As required under the Contract Procedure Rules authorisation is required from committee as the value of each of the Contracts over their respective term exceeded £50,000.

2.0 RECOMMENDATION

2.1 It is recommended that:

- (i) Retrospective approval of the annual spend ranging from £233,000 to £277,400 from existing budgets for a 4 year period covering from 27 November 2019 to 26 November 2023 is granted for the supply of fuel for the Council's vehicle fleet; and
- (ii) Retrospective approval of the Council entering into the Contracts is given

3.0 REASON FOR RECOMMENDATIONS

3.1 As required under Financial Regulation 13.9, authorisation is required from committee as the value of each of the Contracts over their respective term exceeds £50,000.

3.2 This is a retrospective approval for the Contracts from an existing compliant framework covering a 4 year period from 27 November 2019 to 26 November 2023. Due to staff changes prior approval of the budgetary spend detailed in 2.1 (i) and approval of the Contracts was not possible.

3.3 The recommendation to approve the funding for the Contracts for the supply of liquid fuel is within existing approved budgets. There is an element of tolerance built into the same Contracts due to potential fluctuations in pricing which is particularly pertinent currently and a 20% provision has been made in the 2022/23 budgets to reflect this.

4.0 SIGNIFICANT RISKS

4.1 Ensuring financial regulations are complied with reduces the risk of any challenge to the procurement process.

4.2 Retrospective approval of the Contracts ensures continued supply of liquid fuel via a compliant route which is critical to the delivery of essential services to the public.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The recommendations support the Council's priority as an innovative and enterprising Council securing value for money:

- Maintaining strong finances into the future by delivering customer-focussed and cost-effective core services
- Driving service improvements and monitoring the effectiveness of our contracts and commissioned services

6.0 REPORT DETAILS

6.1 The Council has historically procured liquid fuel for the vehicle fleet through the Yorkshire Purchasing Organisation (YPO).

6.2 A new call-off covering the remaining 2 year period of the framework from 27 November 2021 to 26 November 2023 has been made effectively continuing an existing contract which has been procured through a compliant framework.

6.3 It has recently come to light following staff changes at the Council that retrospective approval for the Contracts and confirmed budgetary spend is required to ensure the appropriate internal process and correct governance arrangements have been adhered to.

6.4 In accordance with the Council's financial regulations, financial standing orders and contract procedure rules committee approval is required to enter into new contract agreements where contract values exceed £50,000. No additional funding is required as the costs for the supply of liquid fuel are included in existing budgets.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

There is existing budget provision for liquid fuel. The 2021/22 annual budget for liquid fuel is £233,000 and the budget for 2022/23 has been increased to £277,400 to reflect forecast fuel price increases of 20%.

b) Legal

It is advised that the current call off contract is executed promptly and all necessary retrospective approvals are put in place as soon as possible to avoid any potential legal and/or compliance and governance implications.

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental and Climate Change, Crime & Disorder)

There are no other implications arising directly from this decision request. Health and safety, staffing and equalities implications are considered as part of the procurement process.

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