



INDIVIDUAL CABINET MEMBER AND OFFICER DELEGATED DECISIONS

THURSDAY, 17 APRIL 2025

Please find enclosed Decision Notice in connection with the following:

**ICMD30 PROCUREMENT OF A NEW SUPPLIER OF LIQUID FUEL FOR FLEET VEHICLES
(Pages 2 - 6)**

Please note that this is subject to call-in.

Queries regarding these documents

Please contact Liz Bateson, Democratic Support - email ebateson@lancaster.gov.uk.

Democratic Support,
Town Hall,
Dalton Square,
Lancaster,
LA1 1PJ

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EXECUTIVE DECISIONS TAKEN BY CABINET PORTFOLIO HOLDER NOTICE OF DECISION

TITLE OF DECISION:			
PROCUREMENT OF A NEW SUPPLIER OF LIQUID FUEL FOR FLEET VEHICLES			
NAME OF DECISION TAKER:	COUNCILLOR PAUL HART		
POSITION AND RESPONSIBILITY HELD:	CABINET MEMBER WITH PARTICULAR RESPONSIBILITY FOR ENVIRONMENTAL AND PLACE		
CONTACT OFFICER:	SCOTT CUNNINGHAM		
TELEPHONE:	07920379031		
E-MAIL:	scunningham@lancaster.gov.uk		
Details of Decision: For the Council carry out a competition under the YPO Framework (1173) Liquid Fuels and Associated Products Lot 25 for the provision of liquid fuel for the Councils Fleet Vehicles. Following the approval and the completion of the successful procurement exercise to then delegate the award of the contract to the to the Chief Executive in consultation with the s151 officer.			
Reasons for the decision: The current Liquid fuel contact has now elapsed, going out to tender for a new fuel supplier is essential to ensure that Lancaster City Council can secure the best possible terms and conditions for it's fuel needs. This process not only identifies cost effective solutions but also ensures we maximize value from its fuel procurement.			
IS THE DECISION URGENT No			
I confirm that I have taken account of the options proposed by officers, the various implications set out in the report and the comments of the Monitoring and Section 151 Officers and am authorising the decision as set out above.			
SIGNATURE OF DECISION TAKER:	Councillor Paul B. Hart		
DATE:	17 th April 2025		
THIS SECTION TO BE COMPLETED BY DEMOCRATIC SERVICES			REF NO.
			ICMD30
DATE DECISION TAKEN:	17.4.25	DATE RECEIVED BY DEMOCRATIC SERVICES:	17.4.25
DATE DECISION PUBLISHED:	17.4.25	IMPLEMENTATION DATE (publication day + 5 working days):	29.4.25



Procurement of Liquid Fuel

Report of Chief Officer Environment & Place

PURPOSE OF REPORT				
The current Liquid fuel contract has now elapsed, going out to tender for a new fuel supplier is essential to ensure that Lancaster City Council can secure the best possible terms and conditions for its fuel needs. This process not only identifies cost effective solutions but also ensures we maximize value from its fuel procurement.				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date of notice of forthcoming key decision		26 th February 2025		

RECOMMENDATIONS

- (1) The Council to carry out a procurement competition under the YPO Framework (1173) Liquid Fuels and Associated Products Lot 25 for the provision of liquid fuel for the Council's Fleet Vehicles
- (2) Following the approval and the completion of the successful procurement exercise in recommendation 1 to delegate the award of the contract to the Chief Executive in consultation with the s151 officer.

1.0 Introduction

- 1.1 The current Liquid fuel contract has now elapsed. Going out to tender for a new fuel supplier is essential to ensure that the Council can secure the best possible terms and conditions for its fuel needs. This process not only identifies cost effective solutions but also ensures we maximize value from its fuel procurement.

2.0 Proposal Details

- 2.1 The procurement of the Liquid Fuels can be done via the YPO further competition framework under the framework (1173) Liquid Fuels and

Associated Products Lot 25. Use of a framework is a widely recognised and compliant procurement process utilised by public bodies to obtain best value for money for the local authority. This process will indicate the best liquid fuel provider that can provide the best service at the best possible operational cost.

3.0 Cost

Until further competition is carried out under the framework, the final costings will not be known. However, it is anticipated that the annual costs will be £0.518M per year under the new fuel contract. This is subject to increasing/decreasing fuels prices.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: Go to tender for a new fuel supplier	Option 2: Do nothing	Option 3: Purchase all fuel on a fuel card
Advantages	Purchasing the liquid fuel at the best operational cost while receiving the best possible service. Always having a back up of fuel on site.	None identified	Flexibility on refuelling locations and suppliers.
Disadvantages	On site fuel tank required	This would be against our procurement principles.	Increased time of refuelling therefore removing operational time away from the front-line services. Increased forecourt fuel prices.
Risks	None identified	Not achieving best value for the Council.	Risk of fuel cards being misused.

5.0 Officer Preferred Option (and comments)

Option 1 is the officers preferred option as this will give the Council the best chance of delivering the statutory services to the local residents across the district with the lowest overall cost. This option also benefits from not incurring increased forecourt costs and will also insure we have the fuel need for the vehicles to cover all services at all times enabling the statutory services to be delivered at the best possible operational cost.

6.0 Conclusion

Going out for tender for our Liquid offers significant advantages in terms of control, efficiency and operational cost. By purchasing the fuel in bulk =the Council can benefit form a lower cost per unit, leading to substantial savings over time. This approach also streamlines the refuelling process, reducing

downtime and improving productivity.

This will also mean the Council having on-site refuelling and ensures a consistent supply, safeguarding operations against market fluctuations and potential supply disruptions. In turn it will eliminate unnecessary travel throughout the district and will assist not only in improving the deployment of the operational teams to other, priority work required within the services but also assist with the delivery of the Council's Climate Emergency goals, such as reducing fleet fuel consumption, but also reduce CO2 emissions.

RELATIONSHIP TO POLICY FRAMEWORK

This report contributes to the council's principals most notably those associated with the Climate Emergency (Low Carbon and Active Transport(1.6))

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

N/A

LEGAL IMPLICATIONS

Legal Services have been consulted and have confirmed that the use of the YPO framework for the procurement of fuel is compliant with Public Contracts Regulations 2015. Legal Services have approved the form of contract for use with any award of contract following the procurement and will provide any necessary assistance and advice in respect of this matter.

FINANCIAL IMPLICATIONS

The revenue budget for 2025/26 includes budgetary provision for the award of this contract. Should this amount not be sufficient (or conversely in excess) then it will be highlighted as part of the corporate monitoring process as appropriate.

By tendering this contract, we position ourselves to secure more advantageous agreements, which in turn leads to increased value for money and ultimately a better service.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None directly arising from this report

Information Services:

None directly arising from this report

Property:

None directly arising from this report

Open Spaces:

None directly arising from this report

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments to add.

MONITORING OFFICER'S COMMENTS

The deputy Monitoring Officer has been consulted and has no further comments to make.

BACKGROUND PAPERS

None

Contact Officer: **Contact Officer:** Scott
Cunningham

Telephone: 07320379031

E-mail: Scunningham@lancaster.gov.uk

Ref: Liquid Fuel