### **CABINET**

### 24 JULY 2012

Title: Urgent Action - Procurement of Automotive Fuel and Fuel Oil

Report of the Acting Chief Executive

Open Report

Wards Affected: None

Report Author: Alan Dawson, Democratic Services
Manager

Tel: 020 8227 2348

E-mail: alan.dawson@lbbd.gov.uk

Accountable Divisional Director: Tasnim Shawkat, Divisional Director of Legal and

**Democratic Services** 

Accountable Director: Anne Bristow, Acting Chief Executive

## **Summary:**

Attached at Appendix A is a report by the Corporate Director of Finance and Resources in respect of the Council's arrangements for the purchase of automotive fuel and fuel oil.

As the attached report explains, the Council's supplies are currently provided through Kent County Council's Utilities Division, LASER via a framework contract. The Council's participation in the framework commenced on 1 April 2010 for two years and this was extended (under Chief Officer delegated powers) to 31 July 2012 to allow the Council to review its procurement options and benchmark the current service.

The review of options and benchmarking exercise identified an alternative EU compliant framework procured by the Government Procurement Service (GPS) which would achieve efficiencies for the Council of approximately £20,000 per annum based on current usage levels.

This change of approach requires Cabinet approval under the Council's Contract Rules within the Constitution. However, as the process for entering the new contract would take approximately two weeks from the "effective" date and if the matter was to be presented to the Cabinet on 24 July the "effective" date would be 1 August (the deadline for the call-in period), the Chief Executive considered it to be in the best interests of the Council to deal with the matter under the Urgent Action provisions within the Council's Constitution in order for the Council to avoid the key risks identified in the report. The Leader of the Council and the Lead Member of the Public Accounts and Audit Select Committee were consulted prior to the Chief Executive agreeing the recommendations on 16 July 2012.

# Recommendation(s)

The Cabinet is asked to note the following action taken by the Chief Executive under the urgency procedures contained within paragraph 17 of Article 1, Part B of the Council's Constitution:

- (i) That the Council enters into an agreement with the Government Procurement Service (GPS) for the provision of automotive fuel and fuel oil through Framework RM683 for a period of two years commencing 1 August 2012 (option 2), as detailed in the report attached at Appendix A; and
- (ii) To authorise the Corporate Director of Finance and Resources, in consultation with the Divisional Director of Legal and Democratic Services, to enter into the contract on behalf of the Council.

## **Background Papers Used in the Preparation of the Report:**

 Letter and enclosures from the Chief Executive of 16 July 2012 entitled "Urgent Action under paragraph 17, Article 1, Part B of the Constitution - Procurement of Automotive Fuel and Fuel Oil".

# List of appendices:

• Appendix A - Report re "Procurement of Automotive Fuel and Fuel Oil"