

Meeting of:	Cabinet
Date of Meeting:	Thursday, 06 February 2025
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Tender for the Supply of Fuel
Purpose of Report:	To advise Cabinet of the tendering process for the supply of fuel for the Council's fleet
Report Owner:	Cabinet Member for Neighbourhood and Building Services
Responsible Officer:	Miles Punter – Director of Environment and Housing
Elected Member and Officer Consultation:	No individual ward Member consultation as the report outcomes affects various wards Committee Reports Rachel Williams - Housing Accountant Kyle Philips – Operational Manager – Transport Services Colin Smith – Head of Service Neighbourhood Services
Policy Framework:	This is a matter for Executive decision by Cabinet
Executive Summary:	<ul style="list-style-type: none"> This report advises Cabinet of the tender process for the supply of fuel for the Council's vehicles, with a view to Cabinet accepting the successful tender and appointing a contractor via a Part II report later on this agenda.

Recommendation

1. That Cabinet note the contents of the report, with a view to taking decisions on the award of the contract detailed within the Part II report later on this agenda.

Reason for Recommendation

1. To advise of the current position with this particular contract.

1. Background

- 1.1 The Council holds a supply of diesel fuel at the Alps Depot which services the majority of the Council's fleet.
- 1.2 The Stores service at the Alps Depot is responsible for managing the fuel supply which includes ordering, distribution of supply, and recharging back to client departments.
- 1.3 A reliable supply of fuel is essential in keeping the Council's fleet operating and the value of fuel used each year is considerable.
- 1.4 There have been many fluctuations in fuel costs over recent years, and it is essential to purchase the fuel at the best cost for a responsive and best value supply.
- 1.5 To ensure the service can secure a continued supply at the best cost, the Vale of Glamorgan Council has partnered with Cardiff City Council for the supply of fuel to both Councils.

2. Key Issues for Consideration

- 2.1 In September and early October 2021, The UK experienced considerable disruption to fuel supplies. The primary cause of disruption to fuel supply was consumer behaviour (e.g. panic buying), prompted by media reports of a shortage of HGV drivers, rather than an actual shortage of fuel.
- 2.2 However, this disruption to supply saw the Council's fuel stock considerably depleted with the previous provider unable to meet the Council's demands. At one point there was only sufficient fuel to supply four waste collection vehicles. An alternative, more reliable, provider was therefore sought, and they have been able to provide a dedicated and reliable service since this event.

- 2.3** This fuel supply shortage highlighted the importance of guaranteeing a consistent supply in addition to achieving the lowest unit cost and consequently, this tender for supply of fuel has considered not only, the cost of fuel but also the customer service offered by suppliers and their commitment to keeping the Council's fleet running. The services provided by the Council are essential to public health and during emergency situations the public look towards the Council for support and assistance, so it is key that during these times the Council can provide that emergency response.
- 2.4** The move towards a zero-carbon fleet will take some time and considerable expense, so in the meantime it is essential the Council maintains a diesel supply whilst at the same time seeking to reduce carbon fuel use. The question of environmental impact was asked to all tenderers to enable aspects of carbon management to be considered as part of this tender process.
- 2.5** Working with officers from Cardiff Council, the tender for the supply of diesel fuel was placed on Sell2Wales, with the responses being evaluated by both Council's for the appointment of a single supplier to both. The results of this tender evaluation are provided in the Part II report.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 Looking to the long term** – this tender is for the short to medium term for the supply of diesel fuel to the current fleet. As new vehicles are supplied within the fleet, it is expected there will be less reliance of fossil fuels. However, there is potential for synthetic fuels to become commercially available, and this will be something which is considered as and when necessary.
- 3.2 Taking an integrated approach** – The supply of fuel has been considered in collaboration with Cardiff City Council to ensure continued, reliable supply of fuel across the two neighbouring organisations. This tender exercise has been conducted on a value for money basis to ensure consideration of several factors which are considered important to the overall service delivery.
- 3.3 Involving the population in decisions** – The reliable supply of fuel allows the Council's services to continue uninterrupted. Many of these services, such as waste and recycling collections, are essential for the health and well-being of our residents and service interruptions, due to any fuel shortages would not be acceptable to our residents.
- 3.4 Working in a collaborative way** - There has been collaboration between officers across Cardiff and the Vale to ensure a robust procurement of fuel supply. By working together, the service response has ensured priority supply from the preferred supplier.

3.5 Understanding the root causes of issues and preventing them – Ensuring a more reliable source of diesel fuel will help to reduce the risk of service interruptions due to national or local fuel shortages as the Council will receive certain priority in such cases.

3.6 This proposal will meet:

Objective 4: TO RESPECT, ENHANCE AND ENJOY OUR ENVIRONMENT

3.7 Corporate Plan Commitment:

- Provide effective waste management services and work with our residents, partners and businesses to minimise waste and its impact on the environment
- Minimise pollution recognising the detrimental impact it may have on the environment and people’s wellbeing

4. Climate Change and Nature Implications

4.1 Consideration has been given to the distribution miles in this supply contract. Also, the change in the use of fossil fuel vehicles to EV and other alternative fuels will reduce fossil fuel consumption over time.

5. Resources and Legal Considerations

Financial

5.1 Full financial details will be addressed in the Part II report included on the agenda.

Employment

5.2 There are no other resource issues to report.

Legal (Including Equalities)

5.3 There are no legal issues to consider. This contract will ensure the Council is able to continue to provide services for which it is mandated.

5.4 In terms of equalities, there will be limited training opportunities offered as part of this contract.

6. Background Papers

None.