



## CABINET PROCUREMENT & INSOURCING COMMITTEE CONTRACT AWARD REPORT

Contract Details		
<b>Title of Report</b>	Fleet Vehicle Replacement - Waste, Parks & Enforcement	
<b>Key Decision No.</b>	CHE S637	
<b>For Consideration By</b>	Cabinet Procurement Insourcing Committee	
<b>Meeting Date</b>	5 January 2026	
<b>Cabinet Member</b>	Cllr Sarah Young, Cabinet Member for Climate Change, Environment and Transport	
<b>Classification</b>	Open with Exempt Appendices	
<b>Ward(s) Affected</b>	All Wards	
<b>Key Decision</b>	Yes	Result in the Council incurring expenditure or savings which are significant having regard to the Council's budget for the service / function
<b>Implementation Date if Not Called In</b>	14 January 2026	
<b>Group Director</b>	Rickardo Hyatt, Group Director Housing, Climate and Economy	
<b>Report Author</b>	Norman Harding Corporate Fleet Manager <a href="mailto:norman.harding@hackney.gov.uk">norman.harding@hackney.gov.uk</a>	
<b>Contract value (both)</b> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)	£5,136,454.90 including VAT £4,280,379.08 excluding VAT	
<b>Contract duration</b> (including extensions e.g. 2 yrs + 1 yr + 1 yr)	The contract concerns asset delivery. When the vehicles are delivered, the contract is fulfilled  Asset life is 5 to 7 years depending on specific vehicle type.	

## **1. Cabinet Member's Introduction**

- 1.1 This report details the requirement to replace a number of Housing, Climate, & Economy vehicles as part of a scheduled fleet replacement programme. The vehicles support provision of essential and highly visible services by the Council.
- 1.2 Although the Council would like to increase the number of electric vehicles operated it recognises that considerable work and investment is required beforehand to ensure the necessary infrastructure and service reliability can be guaranteed.
- 1.3 Most of the proposed new vehicles will continue with the existing environmental strategy of using renewable biofuel Hydro-treated Vegetable Oil (HVO) but for a small number of vehicles, electric technology can be utilised using existing charging infrastructure but at a higher initial purchase price than the ICE equivalent.

## **2. Group Director's Introduction**

### **Subject matter of the contract**

- 2.1 The Council's fleet vehicles are integral to the effective delivery of many front line services. All vehicles identified within this report were sourced from a framework that offered suppliers that could meet our requirements, agility and compliance. This report recommends making direct awards to multiple suppliers for various departments across the Housing, Climate, & Economy Directorate.
- 2.2 The Council acknowledges growing concern regarding air quality from vehicles. The report notes the environmental measures taken to ensure the vehicles not only meet London's emissions criteria but further improve the environmental benefits by using electric vehicle technology where possible or renewable biofuel HVO as a very effective alternative to standard road diesel.
- 2.3 The report notes that 19 fully electric vehicles were purchased via a single tender action in advance to this award due to a significant, but time limited financial opportunity.

## **3. Recommendation**

- 3.1 **Cabinet Procurement & Insourcing Committee is recommended to award the purchase of:**

**Twelve (12) 7.5 tonne caged tipper vehicles from Supplier A through the TPPL framework - lot identification 'Lot 1 Framework Ref – NEPO224'**

**Seven (7) truck mount sweepers from Supplier B through the TPPL framework - lot identification 'Lot 4 Framework Ref – TPPLHCCOP03'**

**Twelve (12) compact sweepers from Supplier B through the TPPL framework - lot identification 'Lot 4 Framework Ref – TPPLHCCOP03'**

**One (1) sub-compact sweeper from Supplier B through the TPPL framework - lot identification 'Lot 4 Framework Ref – TPPLHCCOP03'**

**One (1) small van from Supplier C through the TPPL framework - lot identification 'Lot 1 Framework Ref – TPPLHCCOP03'**

**One (1) dog warden van from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

**One (1) clinical waste van from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

**Two (2) large vans from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

**Four (4) graffiti vans from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

**Three (3) crew cab cage tippers from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

**Five (5) day cab cage tippers from Supplier C through the TPPL framework - lot identification 'Lot 2 Framework Ref – TPPLHCCOP03'**

#### **4. Reason(s) For Decision**

- 4.1 This report details the requirement to replace a number of Housing, Climate & Economy vehicles as part of a scheduled fleet replacement programme. The vehicles support provision of essential and highly visible services by the Council.
- 4.2 Applying procurement efficiencies we utilised existing frameworks to source vehicles and suppliers that met our requirements rather than conducting a full open procedure. The business case presented in June 2025 approved the use of The Procurement Partnership Ltd frameworks (HCC Lots 1, 2 & 4 and NEPO Lot1) which facilitates 'direct awards' for the wide range of CHE vehicles required.

#### **5. Background**

- 5.1 The Council operates a large number of fleet assets which have a limited operating life and therefore each fleet asset has a schedule for replacement according to its optimum operating life.
- 5.2 The business case presented earlier this year identified the fleet assets scheduled for replacement this financial year and the procurement route. [https://docs.google.com/document/d/1R1o1rjZKIXOL4PGuDJ416lOzBrr\\_nTas6jBJqDQtw84/edit?usp=sharing](https://docs.google.com/document/d/1R1o1rjZKIXOL4PGuDJ416lOzBrr_nTas6jBJqDQtw84/edit?usp=sharing)

5.3 The Council's fleet environmental strategy seeks to procure the most environmentally friendly vehicles available, with electric technology being the first choice where the vehicle meets the service requirements and the service has the facility to charge electric vehicles.

5.4 19 fully electric vans that were originally scheduled to be part of this fleet replacement were brought forward and replaced in June 2025 due to substantial but time limited discounts available to those vans at that time. Those 19 vans were delivered in August 2025 and are now in regular daily operation. The 'single tender action' paper can be seen at exempt appendix 3.

5.5 Although our operating depots are already at a saturation point for electric vehicles making it challenging to increase our BEV numbers we did identify a small number of areas where it may have been possible to procure additional electric vehicles had the technology met the service requirements.

5.6 Of all the vehicles being procured only one additional van can be fully electric. Others had to be discounted because the electric vehicle technology could not meet the operating requirements. For example the new dog warden van had the potential to be electric but the technology could not provide the power requirements to run the dog welfare equipment in the load area. Additionally, five vehicles for Parks could not be electric because the electric vehicles offered as part of our tender will not facilitate towing trailers. Towing trailers is a prerequisite for the Parks in order to transport large agricultural equipment between various parks and open spaces.

5.7 All internal combustion vehicles procured will run on hydro-treated vegetable oil (HVO).

5.8 One of the advantages of using a framework that allows direct award is the efficiency of officer time and resources. All vehicles to be procured have met the requirements of direct award. As a result there is no assessment for quality or social value. Quality and social value being assessed by the framework providers at the time they tendered the framework contract.

5.9 Furthermore, because this procurement is for the purchase of assets rather than a service there would have been little scope for social value contributions directly to Hackney but the suppliers have offered social value statements largely for what they do for the community where they are located.

### Strategic Policy Context

5.10 The new vehicles will contribute to the Mayor's sustainability priorities especially those for Investing in a Safe, Green and Clean Hackney, Modernising the Borough and Sustainability. The vehicles contribute to manifesto commitments on air quality and vulnerable road users / cycle safety.

## Consultation/engagement

5.11 The stakeholders are Environmental Operations, Parks and Enforcement who have been fully consulted on all aspects of this procurement from vehicle specification, funding issues and operational terms.

## **6. Alternative Options (Considered and Rejected)**

6.1 This is a simple asset purchase so there is no option of 'insourcing'. The options for this procurement are related to whether to replace vehicles or try to extend their operating life and to the procurement route.

6.2 To maintain services with the existing vehicles is proving to be problematic as they have reached an age where they are unreliable and expensive to maintain. There comes a point with any asset whereby it is no longer fit for purpose.

6.3 Framework agreement was the chosen route to market as they can be more efficient if the frameworks have supply options that meet our specific requirements. Furthermore, market testing of existing frameworks demonstrated scope for 'direct award' where the primary supplier met all our specification requirements thereby proving even more effective.

## **7. Project Progress**

### **Developments since the Business Case approval**

7.1 19 fully electric vans that were originally scheduled to be part of this fleet replacement were brought forward and replaced in June 2025 due to substantial but short term discounts available to those vans at that time. Those 19 vans were delivered in August 2025 and are now in regular daily operation.

7.2 One of the original categories for Environmental Operations was to replace five 'Graffiti Vans'. The service has informed Fleet that it can now run with four vans. The value saved will be used to replace an additional tipper vehicle which was recently written off in a road traffic accident.

7.2 The written off tipper as noted above and a minibus which was to be part of this tender and also written off by fire has been brought forward via a 'Single Tender Action' approval to enable these two vehicles to be ordered in November 2025. Ordering the written off vehicles in November 2025 does not increase the overall capital spend but reduces the interim rental cost for covering the vehicles no longer available to use. None of the risks identified in the business case has changed.

### **Conflicts of Interest Assessments**

7.3 All Hackney officers involved with the tender assessment have completed a 'Declaration of Interests' form.

## Whole Life Costing and Budgets

- 7.4 Forward planning of fleet replacements and associated procurement costs are discussed with the Council's finance officers and sufficient funding from capital reserves is available. Operating and maintenance costs will be met from the service revenue budgets which are already in place for the outgoing vehicles.
- 7.5 The vehicles are expected to operate for between 5 and 7 years according to specific vehicle type. At the end of their operating life the vehicles will be sold at auction and all sale proceeds returned to the capital reserves.
- 7.6 Once the vehicles have been ordered the supplier will schedule 'build slots' to their production line and it is this that will determine the timeline for actual delivery. As of October 2025 suppliers are offering delivery schedules of approximately 20 weeks from point of order. Assuming this report is approved in January 2026 and orders placed mid-January then we can expect deliveries to commence around May 2026 unless there is stock available through cancelled orders or lower than expected market demand.

## Risk Assessment

Risk	Likelihood	Impact	Overall	Action to avoid/mitigate risk
High market demand for vehicles creating lengthy lead times.	High	Medium	Medium	Utilise existing frameworks where 'direct award' is available to save time and resources. Place orders ASAP to ensure build slots are allocated to Hackney.
Local operating regulations may change during the operating life of the vehicles.	Low	Low	Low	By specifying the highest standards now mitigates impact of potential future changes.
Tendered price may change from point of order.	Low	Low	Low	Proof of reason required to justify any price uplift.

## 8. Savings

- 8.1 Savings against current expenditure will be associated with vehicle maintenance, particularly in the early years and we sought the best warranty terms available as part of the procurement process. However,

savings should be accrued to offset higher maintenance costs as vehicles age.

8.2 Sweepers in particular are very expensive to purchase and therefore maximising the asset life is important. With advances in vehicle technology the optimum operating life for sweepers is usually about 5 years for compacts and between 5 to 7 years for truck mounts. The 7.5 tonne caged tippers will be operated for 7 years and their condition and reliability reviewed thereafter. This acknowledges that maintenance costs rise steeply through each year of operation, particularly after year five.

## **9. Sustainability and climate change**

### **Procuring Green**

9.1 This procurement is for vehicle assets only and therefore the environmental benefits are associated with the vehicle driveline technology.

9.2 The vehicle specifications meet the requirements of London's 'Ultra Low Emission Zone' and are specified to the highest safety and emission standards available at this time. The van ordered for 'clinical waste' will be a 'battery electric vehicle' (BEV). BEV technology does not meet the operational requirements of the other vehicles being procured or the Council does not have the depot capacity to charge additional BEV's at this moment in time. All internal combustion engine (ICE) vehicles will be fitted with anti-idling technology and will operate on renewable biofuel HVO which is up to 92% CO2 efficient.

### **Procuring For A Better Society**

9.3 The vehicles are used to support various community services such as street cleansing, recycled waste collection services, maintenance of parks and open spaces and enforcement.

### **Procuring Fair Delivery**

9.4 The vehicle specifications meet the requirements of London's 'Ultra Low Emission Zone' and are specified to the highest safety and emission standards available at this time. The van ordered for 'clinical waste' will be a 'battery electric vehicle' (BEV). BEV technology does not meet the operational requirements of the other vehicles being procured or the Council does not have the depot capacity to charge additional BEV's at this moment in time. All internal combustion engine (ICE) vehicles will be fitted with anti-idling technology and will operate on renewable biofuel HVO which is up to 92% CO2 efficient.

### **Social Value Benefits**

9.5 A detailed SocialValue offer from each is available at exempt appendix 4.

## **SUPPLIER A**

### Local sourcing

- **Local Sourcing:** Prioritise working with local suppliers for parts, services, and other business needs to support the local economy and build supply chain resilience. As an example, the vehicle bodies we propose to supply to Hackney Council are manufactured and installed by A BODY BUILDER whose facility is located just off the Lea Bridge Road.

### Community engagement

- **Community Engagement:** Partner with local educational institutions (eg schools, colleges) through sponsorship, mentorship, or work placement programs. The supplier is committed to community engagement and is available to provide school visits along with relevant educational resources within the Hackney area. We remain committed to developing future talent via our apprenticeship schemes and invite any child with true enthusiasm for trucks to arrange a visit to one of our depots.

### Local Skills and development

- **Local Employment and Skill Development:** Create job opportunities for local residents, including disadvantaged groups, and offer apprenticeships, work experience, and training programs (eg, in mechanics, sales, or logistics) in the Hackney Area.

## **SUPPLIER B**

### Community engagement

- **The suppliers conference room facility provided for 4 hours/year** to community groups and voluntary organisations to enhance engagement and provide access to resources associated with Reigate and Banstead.
- **16 hours/year of employee volunteering** for community work supports civic initiatives and strengthens local relationships, echoing the suppliers CSR emphasis on social responsibility and community involvement.
- **£1000 contribution** to Hackney's food bank scheme.

### Local Skills and development

- **Creation of 1 new job** ahead of the contract starting which will contribute to local employment. This will be a new Service Engineer to support

customers in the South East of England, including the Hackney Council contract.

- **Commitment to the Real Living Wage** ensures fair compensation and supports economic wellbeing, aligning with the suppliers CSR focus on ethical labour practices and human rights. As of September 2025, the supplier has accreditation from the Living Wage Foundation.
- **Two visits to local schools and colleges** per year will support student development, offering insights into engineering, sustainability, and career pathways. This reflects the suppliers CSR goal of fostering future talent and promoting education.
- A visit each year of the contract, to our Kent based facility to provide insight into careers options within organisations to schools and colleges

#### Environment

- **2 hours/year of voluntary time for tree planting** contributes to biodiversity and cleaner green spaces. One tree to be planted in Hackneys parks and green open spaces, per vehicle purchased. Total 20 trees. To be looked after thereafter by Hackney. This is in conjunction with our larger project incorporating the forestry commission, This supports Hackney Council environmental goals and reflects the suppliers CSR focus on sustainability and ecological responsibility.
- Online webinar hosted by the suppliers marketing team to educate on our impact on delivering a cleaner greener society.

## **SUPPLIER C**

#### Community engagement

- Supplier C will donate £1100 to a charity or food bank of Hackney's choice along with the body builder local to Hackney matching this giving a total of £2200.00. Supplier C can also offer an educational school or college trip to one of the van manufacturers factories where the student can see the vehicle's builds and processes first hand.

#### Local sourcing

- We will source locally where it is financially and ethically viable to do so. For this particular tender, the majority of Hackney's orders through this supplier will have the body conversions sourced through a manufacturer local to London Borough of Hackney.

## Local Skills and development

- The supplier provides direct employment opportunities across their local dealerships and support functions, empowering teams to engage with and support their communities.
- Developing future talent is a priority:
  - Since 2017, they have recruited 1,411 apprentices, with 270 currently on live programmes and 85 new apprentices in 2025 alone.
  - They also run a structured Graduate Programme, offering rotations across all business functions to build future leaders.
- Education & Work Experience. The supplier takes responsibility for developing future talent seriously, offering apprenticeships, graduate programmes, and trainee roles. We also engage with schools and early careers initiatives, sponsoring programmes such as This Girl is Me and hosting workshops to inspire the next generation.

### **Equality, inclusion, diversity and belonging (including statutory equality impact assessment)**

9.6 There are no equality issues with this procurement.

## **10. Tender Assessment**

### **Tender Assessment and Moderation**

10.1 The tender was conducted by the Fleet Management Unit via The Procurement Partnership Ltd (TPPL) Fleet Framework. The tender assessment officers were the Corporate Fleet Manager, Fleet Engineer and the Environmental Operations Transport Manager.

10.2 The council utilised TPPL's existing framework that has completed a PCR2015 compliant open tender on behalf of Hertfordshire County Council (HCC). Lots 1, 2 & 4 and North Eastern Procurement Organisation (NEPO) Lot 1 meeting the specification requirements of the CHE vehicles.

10.3 Being a direct award tender the assessment is based on price only and therefore there are limited quality or social value aspects to consider.

## **11. Reason for Recommendation**

11.1 The vehicles meet the specification requirements for the respective services and are below the pre-tender anticipated purchase price. Details of the suppliers are available at exempt appendix 1 and the purchase price and framework lot identification can be seen at exempt appendix 2.

11.2 This is a simple asset purchase procurement and therefore TUPE, London Living Wage etc do not apply.

## **12. Contract Management Arrangements (and Mandatory Use of the Contract Management System)**

12.1 The Fleet Management Unit, (FMU), will contract manage the supplier and vehicles throughout their operating life. KPIs will initially be focused on the supplier meeting the agreed delivery schedule. Thereafter FMU will ensure that warranty benefit is maximised by monitoring costs recharged to the supplier under warranty. Although this will be monitored and maximised it is impossible to set a target figure as warranty, by its very nature is a form of insurance to cover something that may or may not happen.

12.2 TUPE does not apply to this contract.

### **Key Performance Indicators**

<b>Main KPI Targets Set</b>	<b>Monitoring</b>
1. 100% of the vehicles delivered to the agreed schedule.	By the Fleet Management Unit.
2. Warranty work completed to agreed time windows.	By the Fleet Management Unit.

## **13. Financial implications**

13.1 This contract award report seeks approval for the purchase of vehicles for Environmental Operations, Parks and Enforcement services within the Housing, Climate and Economy Directorate. The total proposed spend is £4,280,379.08 excluding any applicable VAT. The funding for this purchase is within the approved capital budget for 2025/26 (W8809) for Housing, Climate and Economy and is consistent with planned purchases as detailed in the business case.

13.2 The replacement of vehicles should mitigate some of the current revenue costs of maintenance of the existing fleet vehicles.

Financial Implications prepared on behalf of the Group Director Finance & Corporate Resources by John Holden, Assistant Director of Finance - Sustainability, Public Realm and Special Projects,  
john.holden@hackney.gov.uk, 19 November 2025

#### **14. VAT Implications On Land & Property Transactions**

14.1 VAT will be charged at 20% on the purchase, since the Council will use the vehicles directly the VAT will relate to the use they are put to and the VAT will be recoverable in full.

VAT implications prepared on behalf of the Group Director Finance & Resources by Orlene Wallen, Taxation & Compliance Advisor, [orlene.wallen@hackney.gov.uk](mailto:orlene.wallen@hackney.gov.uk), 17 November 2025.

#### **15. HR/OD implications**

15.1 There are no HR & OD implications

HR/OD implications prepared on behalf of the Director of HR/OD by: Tina Dempsey, AD HR & OD ,[tina.dempsey@hackney.gov.uk](mailto:tina.dempsey@hackney.gov.uk), 8 December 2025

#### **16 Legal implications**

16.1 This matter was classified as Low Risk at Business Case, however the value of the contract to be awarded in this Report is more than £2.5m (including VAT) and therefore this Report is being presented to Cabinet Procurement and Insourcing Committee for approval in accordance with paragraph 2.20 of Contract Standing Orders.

16.2 Contract Standing Order 5.6 states that Officers may use a Framework or an Open Framework set up by other Central or Local Government organisations and/or Centralised Procurement Authority ("External Framework") as instructed or agreed by the Group Director of Finance, or designated deputy and so the proposed use of the Procurement Partnership Fleet Framework is permitted.

16.3 Details of the direct award procurement process undertaken to make the award of the contracts, as permitted under the terms of the Procurement Partnership Fleet Framework, are set out in this Report.

Legal implications prepared on behalf of the Director of Legal, Democratic & Electoral Services by: Andrew Solomon, Contracts and Procurement Lawyer, [andrew.solomon@hackney.gov.uk](mailto:andrew.solomon@hackney.gov.uk), 21 November 2025

#### **17. Comments Of The Procurement Category Lead**

17.1 NEPO and The Procurement Partnership Ltd have completed an PCR2015 compliant tendering exercise for the Procurement of HGV and Specialist Vehicles Framework Agreement live until February 2029 with an option to extend for up to 24 months. This framework is available for local authorities

and leading suppliers have been appointed to the framework for their professional capability, experience and competitiveness. The framework is divided into different lots which we are accessing Lots 1,2 and 4.

17.2 A Procurement Manager from Corporate Procurement Services has supported the Fleet Team in ensuring the compliance of these awards. The suppliers selected for direct award are the highest-ranked providers based on the price/quality ratios established at the framework. This approach provides assurance that we are achieving optimum value for money while accelerating the vehicle procurement process.

17.3 The report author collaborated with the Employment, Skills, and Sustainability team, who provided guidance on incorporating meaningful Social Value requirements. The resulting commitments are detailed in Appendix 4.

Comments of Procurement Category Lead prepared by: Leila Gillespie,  
Procurement Category Lead, Corporate Services  
leila.gillespie@hackney.gov.uk 21/11/2025

### **Exempt Appendices**

Appendix 1 - Supplier List (Exempt)

Appendix 2 - Bid Prices (Exempt)

Appendix 3 - STA for 19 Electric Vans (Exempt)

Appendix 4 - Supplier Social Value Statement (Exempt)

### **Reason(s) for exemption**

By Virtue of Paragraph(s) 3, Part 1 of schedule 12A of the Local Government Act 1972 these appendices are exempt because they contain information which is likely to reveal the identity of an individual and information relating to the financial or business affairs of suppliers (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Background Documents**

None