



**Glasgow City Council**

**Contracts and Property Committee**

**Report by George Gillespie, Executive  
Director of Neighbourhoods, Regeneration & Sustainability**

**Contact: Alex Colquhoun**

## **Item 6**

**10th October 2024**

### **Purchase of Electric Cars**

#### **Purpose of Report:**

To submit details for the recommendation of a direct award for the purchase of electric cars that demonstrate best value to the Council, enabling business resilience by providing greater reassurance to vehicle users and removing the need to constantly re-charge vehicles, increasing availability of the Council's Fleet EV charging infrastructure.

#### **Recommendations:**

Committee is requested to approve the award of a contract for the purchase of electric cars to Nissan Motor (GB) Ltd (02514418).

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

## **1 Background**

- 1.1 Glasgow City Council operates a fleet of approximately 1,600 vehicles, which is a vital resource in the Council's delivery of frontline services and health care to the residents of Glasgow.
- 1.2 The Council's adopted Fleet Strategy was approved by City Administration Committee on 12th September 2019 and set out the commitment to develop a zero-emission fleet by 2030. Since approval of this strategy, 325 electric vehicles (EVs), have been procured.
- 1.3 As part of the fleet life cycle, 180 Nissan Leaf EVs, that were initially leased with financial support from Transport Scotland have reached the end of their contract period and will require to be replaced in 2025.
- 1.4 Any new electric cars procured are required to fulfil the same transportation criteria for service delivery but are required to have larger batteries compared to the existing fleet of Nissan Leaf cars to provide a greater range. This increase in range will provide greater reassurance to vehicle users, and remove the need to constantly re-charge vehicles, increasing availability capacity of the Council's Fleet EV charging network.

## **2 Fleet Procurement**

- 2.1 To review and progress fleet replacement, a commodity team has been established that includes stakeholders from NRS and the Corporate Procurement Team (CPU) to form appropriate sourcing strategies. Due to the size and scale of the replacement requirement, with the need to sustain current business performance along with the EV lease returns being on a phased basis, it is considered necessary to procure replacements through a similar phased approach.
- 2.2 Discussions with suppliers to identify viable replacement options highlighted an opportunity with Nissan Motor (GB) Ltd, to procure a number of Nissan Leaf cars with the same specification as the current fleet, but with a larger 59kW battery providing a range of approximately 210 miles at a discounted rate due to Nissan Leaf cars being discontinued. Despite this vehicle being discontinued from manufacture, support and parts supply will continue for at least 20 years as part of Nissan's aftermarket sales requirement.
- 2.3 To benchmark EV costs, a Request for Information was undertaken by CPU with suppliers to identify costs for equivalent vehicles that met the Council's requirements. This returned 28 vehicle options, with only 12 meeting the specification requirements and Nissan returning the lowest price by a significant value.
- 2.4 This exercise identified that the total cost of procuring these electric vehicles would cost £1,348,152 versus compared with the next cheapest vehicle that met the specification requirements, costing a total of £2,255,736 for the same number of cars.

- 2.5 The Council's Corporate Sustainable Procurement Strategy 2023 – 2027 promotes the delivery of services in an innovative and efficient way. In line with this strategy and through use of Standing Order 8.4 of the Council's Standing Orders Relating to Contracts 2022, it was agreed that a Direct Award should be undertaken with Nissan Motor (GB) Ltd for the supply of electric cars following approval by CPU, Legal and Audit based on the best value being provided to the Council.
- 2.6 Standing Order 8.4 states that a written report demonstrating the legal basis for the direct award and how it represents best value must be prepared (in consultation with the Head of Corporate Procurement) and submitted by the Executive Director of the Relevant Service to the Executive Director of Financial Services and the Director of Legal and Administration for their prior written approval. This has been undertaken and approved with a file to be held on record.

### **3 Direct Award**

- 3.1 The direct award will be undertaken directly with Nissan Motor (GB) Ltd and has been based on the vehicle make and model that meets the requirements of the Council's technical specification in line with Standing Order 8.4.
- 3.2 Benefits realised from pursuing a direct award with Nissan Motor (GB) Ltd, are as follows:
- Financial best value
  - Council drivers are already trained in the safe use/charging requirements of Nissan Leaf cars and will require no further training
  - Council mechanics have undertaken specialist Nissan Leaf EV training for existing fleet of Nissan Leaf cars and will require no further training.
- 3.3 Nissan Motor (GB) Ltd will be responsible for managing the supply and delivery of vehicles to the Council.
- 3.4 The award value for the purchase of electric vehicles from Nissan Motor (GB) Ltd is £1,348,152 and will be procured using allocated capital budget with the contract awarded on a sole supplier basis.

### **4 Policy and Resource Implications**

#### **Resource Implications:**

<i>Financial:</i>	The contract award of £1,348,152 will be covered from Fleet Capital Budget.
<i>Legal:</i>	The direct award to Nissan Motor (GB) Ltd is to be awarded on a sole supplier basis in line with

Standing Order 8.4 of the Council's Standing Orders Relating to Contracts 2022

*Personnel:* The Council's workshop staff have undertaken formal training in managing and maintaining Nissan Leaf electric cars and Council staff are trained on the use of Nissan Leaf cars.

*Procurement:* Sole Supplier award directly with Nissan Motor (GB) Ltd.

**Council Strategic Plan:** This procurement supports the Council's Strategic Plan (2022-2027) under:

**Grand Challenge 3 Mission 1**

Deliver sustainable transport and travel aligned with the city region

**Grand Challenge 3 Mission 2**

Become a net zero carbon city by 2030

**Grand Challenge 4 Mission 3**

Enable staff to deliver a sustainable and innovative council that delivers value for money.

**Equality and Socio-Economic Impacts:**

*Does the proposal support the Council's Equality Outcomes 2017-22:*

N/A

*What are the potential equality impacts as a result of this report?*

There are no significant impacts identified at this point.

*Please highlight if the policy/proposal will help address*

N/A

*socio economic  
disadvantage:*

**Sustainability  
Impacts:**

*Environmental:* Replacement of electric vehicles will continue to reduce carbon emissions and improve air quality which benefits all in Glasgow.

**Privacy and Data  
Protection  
impacts:** No data protection impacts identified.

**5 Recommendations**

- 5.1 Committee is requested to approve the award of a contract for the Purchase of Electric Cars.