



NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet Board

19th March 2025

Report of the Head of Engineering & Transport D. W. Griffiths

Matter for Decision

Ward Affected: All

Vehicle and Heavy Plant Fleet Procurement Programme 2025/26

Purpose of Report

1. To seek approval to procure new and replacement vehicles and heavy plant in 2025/26 as outlined in the attached programme.
2. To delegate authority for the Head of Service to replace vehicles from future years 26/27 should Grants become available to assist with the purchase of vehicles.

Executive Summary

3. A report has been prepared (appendix a) which identifies Vehicles and Plant which has reached the end of their economic life cycle and require replacement in line with the Authority's Fleet renewals schedule.
4. If agreed, vehicles and plant will be procured either by outright purchase, prudential loans or Contract Hire lease and repaid by departments over the life of the vehicles/plant or hire period.

Background

5. The preparation of the Vehicle and Plant Fleet Replacement Programme for 2025-26 has been undertaken by the Council's Fleet section in consultation with user Directorates and Sections, including a

review of current vehicle condition, serviceability and environmental position.

6. Members are advised that running in parallel with this year's procurement programme 2025/26 that a fleet cost and service efficiency exercise is being undertaken to ensure the forward investment plan for renewals reflects current and future service requirements and operational demands of the fleet. This exercise will be driven by the data analytics of the vehicle tracking system, a whole life costing approach, vehicle transition to net zero and vehicle utilisation with a view to reducing costs.
7. Vehicles acquired by contract hire such as vans and certain pool vehicles, are dealt with separately and are not included in this report as there are low numbers of these type vehicles and low costs.
8. Further, members are reminded of the targets to reach net carbon zero on all light vehicles and cars by 2025. Fleet services will undertake a review to ensure that the vehicles are fully utilised by services and supported with the necessary EV charging infrastructure required.
9. The proposed renewal programme is shown on the attached (appendix a). The Fleet Manager, in conjunction with the user Directorates, may decide to extend the working life of individual vehicles or plant once tenders are received and where there are economic advantages to be gained. Going forward the Council will have to give careful consideration to the environmental impact of high emitting carbon vehicles, and to the global supply issues of new vehicles.
10. The means of financing the acquisition of each of the items listed will be either by outright purchase, prudential loan or fixed term contract hire lease.
11. Outright purchase – Can be used to acquire new or preowned vehicles or items of plant. Items acquired by this means will involve monthly contributions to the Renewals Fund for a predetermined period of time prior to the section purchasing the required items.
12. Vehicles purchased from Grant funding or with the help of Grant funding will need to be budgeted for by the service area when a replacement vehicle is required. Vehicles and plant purchased via grant funding especially in the case of transitioning to zero emission vehicles may be brought forward from future years if identified as a financial benefit to the Authority.

13. Prudential loans – These loans can be used to acquire new or preowned vehicles or items of plant. Items required by this means will involve loan repayments for a predetermined period of time. Due to recent global events the annual percentage rate for borrowing has significantly increased which has added revenue pressures to departmental operating costs, in some cases the fleet manager along with finance officers are looking at alternative options for replacements such as contract leasing.
14. The financing costs of the vehicle acquisitions will be a charge on the relevant Directorate's operating account and the means of acquisition will be agreed between the Fleet Manager and user Directorate in each case. In the case of uplifted costs to any new purchases especially with vehicles been transitioned to low emissions the fleet manager will closely liaise with the budget holder and finance section to ensure vehicles are costed and any shortfalls or pressure to departments accounts are identified and reported.
15. Any vehicles purchased out of the Renewals Fund will get the residual value deducted from the total cost of the vehicle. The Fleet Manager will seek an estimated residual value which he expects to achieve at the end of the vehicles economical life or term. The Fleet Manager will expect the vehicles to be returned at the end of the term in a reasonable condition to ensure the vehicle recovers the committed up front residual values. Any additional monies achieved at sale will help off-set some of the uplift in costs of new vehicle purchases out of the renewals fund however due to significant price increase this will be minimal. Sections will have to carefully review all options when considering any pressures to the renewals fund. New Electric vehicles have very low residual values and the Electric vehicle aftermarket sales are currently very poor due to battery life and low or no battery warranty. These are expected to remain very low in terms of second-hand value in the short to medium term.
16. Vehicles purchased via prudential loans do not follow the above commitment for the residual values. Any monies achieved at auction will be given back to sections minus a disposal arrangement fee.
17. Members will recall the Zero Emission Fleet Transition report which was presented on the 24th September 2021. At that meeting Members approved the Zero Emissions Fleet Transition Plan and the subsequent submission of the plan to the Welsh Government Energy Service on 22nd October 2021, in line with the requirements set out in

Welsh Governments Prosperity for All Document 2019, a Low Carbon Wales. The Fleet Transition Plan provides a definitive timeline of when vehicles are to be renewed and what they are to be replaced with. The Transition Plan is a management tool which will help the Council budget for the increased costs that will be incurred with E.V's. The plan is currently being reviewed and updated to reflect new market conditions as well as information on where the fleet is currently aligned with transition of vehicles and the installation of EV charge points.

Financial Impact

18. Like for like replacements for existing vehicles already has a budget in place to fund the costs of replacement, however due to recent events vehicle costs have significantly increased on ALL vehicles and plant types. A review is currently taking place looking at vehicle utilisation and transport related costs to further improve efficiencies to try and offset some financial impacts. Finance, fleet and key environment operational users of the fleet have been reviewing and estimating future pressures as set out below for vehicles/plant due to be renewed in 2025/26 that also include vehicles deferred from 24/25. Further pressures will occur in future years, but these are difficult to estimate due to the continual fluctuation in vehicle prices which will be reported back to this committee when considering future renewals of the fleet.

Highways and Drainage – One-off renewals shortfall £285k
– Ongoing annual revenue pressure £32k

Parks and Neighbourhood – One-off renewals shortfall £351k
– Ongoing annual revenue pressure £36k

Building Services have a large number of vehicles due to be renewed in 2025/26 work is currently on-going to reduce the additional costs and to avoid the hourly rates having to be increased significantly over and above standard inflation.

Members should note that at present these pressures are unfunded and no renewals can take place until a budget or alternative funding is identified and approved for inclusion in the capital programme for vehicle renewals.

Waste pressures were identified however these pressures are intended to be covered by the Extender Producer Responsibility funding which is expected next year.

19. Where vehicles and plant are replaced with zero emission equivalents there will be an increased in purchase price. The extra cost is mostly funded by some grants, however going forward the transition cost is expected to increase, each purchase will be reviewed for affordability prior to purchase. As well as capital cost increases there will also be significant pressures in particular the environment services budgets where the most vehicles are located.
20. It can be noted that some renewals approved last year are still ongoing electric recycling vehicles have been delayed and the tender is due to be re-run in March this year for delivery quarter 3-4.
21. As well as looking at the cost increase to the vehicle fleet the fleet section in partnership accountable managers will need to critically review all transport related costs and to maximise vehicle efficiencies. It will be essential that managers demonstrate that vehicles are fully utilised before a decision is made to renew or replace. This is essential to manage the council's budget pressures in the future.

Integrated Impact Assessment

22. A first stage Impact Assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment, attached at Appendix B, has indicated that a more in-depth assessment is not required.

Workforce Impacts

23. There will be no workforce impacts.

Legal Impacts

24. There is no legal risk to the Authority although it is noted that the council are required to meet the Welsh Governments net zero targets.

Risk Management

25. The vehicles and plant listed in this report are reaching the end of their economic life and their replacement will have a beneficial effect on both the environment and the productivity of the Council.

Consultation

26. There is no requirement for external consultation on this item.

Recommendations

Having due regard to the Integrated Impact Assessment it is recommended.

27. Subject to funding being identified and included within the councils approved capital programme that Members approve the proposed Vehicle/Plant Procurement Programme for 2025/26 set out at appendix A.

28. That Delegated Authority be granted to the Head of Service in consultation with the Cabinet Member for Strategic Planning, Transport and Connectivity to purchase any vehicles in order to maximise the availability of Grant funding that may become available to assist with the purchase cost of the vehicles.

Reason for Proposed Decision

29. The replacement vehicles and plant will either be zero emission, hybrid electric or have a higher euro standard which will enable the fleet to be more fuel efficient by producing significantly less MPG's and reducing the carbon footprint of the Council by lower emissions.

30. The Fleet Service in conjunction with the Welsh Government Energy Service have undertaken a review of the Councils Fleet of vehicles to establish usage within sections and where there are opportunities for introducing full electric and other zero emission vehicles and plant to further reduce the Councils carbon emissions in line with the Councils Fleet Transition Plan.

Implementation of Decision

31. The decision is proposed for implementation after the three-day call-in period.

Appendices

32. Appendix A – Fleet Procurement Programme 2025/26.

33. Appendix B – IIA

List of Background Papers

34. Vehicle Transition Plan

Officer Contact

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Appendix A

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL
Cyngor Bwrdeistref Sirol Castell-Nedd Port Talbot**

ENVIRONMENT DIRECTORATE

FLEET SERVICES SECTION

**VEHICLE FLEET PROCUREMENT PROGRAMME
2025/26**

User: Environment Directorate – Streetcare Division – Waste & Neighbourhood Services

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
066	VN68 RUJ	23.5t REFUSE FREIGHTER DIESEL	Like for Like	Service requires the same replacement vehicle other options have been considered however no alternative are available to suit the service.
065	VN68 RUO	23.5t REFUSE FREIGHTER DIESEL	Like for Like	Service requires the same replacement vehicle other options have been considered however no alternative are available to suit the service.
1311	CU18 EPX	DAFF 3.5M ROMAQUIP DAF LF180 KERBSORT RECYCLING VEHICLE	Electric if replaced	Run On cover EV then dispose, if possible, to achieve savings
1314	CU68 EET	DAFF 3.5M ROMAQUIP DAF LF180 KERBSORT RECYCLING VEHICLE	Electric if replaced	Run On cover EV then dispose, if possible, to achieve savings
100A	AF20 BNJ	SCHMIDT PADESTRIAN SWEEPER SWINGO 200+	Like For Like	Service trialled EV alternative and decide range is an issue and reliability is not sufficient to justify the increased costs to convert to EV
101A	AF20 BNK	SCHMIDT PADESTRIAN SWEEPER SWINGO 200+	Like For Like	Service trialled EV alternative and decide range is an issue and reliability is not sufficient to justify the increased costs to convert to EV
2989	CU17 LZO	HEAVY VAN CITROEN BEAVERTAIL	Like For Like	Service trialled EV alternative and decide range is an issue
2991	CU17 LZP	HEAVY VAN CITROEN BEAVERTAIL	Like For Like	Service trialled EV alternative and decide range is an issue

2990	CU17 LZR	HEAVY VAN CITROEN BEAVERTAIL	Like For Like	Service trialled EV alternative and decide range is an issue
2984	CU16 FFX	HEAVY VAN IVECO CREW CAB TIPPER DAILY 35C13	Like for Like	EV alternatives have very limited towing capacity and are not capable of towing plant trailers
2987	CV16 MWW	HEAVY VAN CITROEN	Like For Like	Service trialled EV alternative and decide range is an issue as well as carrying capacity
1304	CU17 OBK	HEAVY VANS IVECO DAILY COMMERCIAL	Like For Like	EV alternatives have very limited towing capacity and are not capable of towing plant trailers and wood chipper
2986	WO16 PFK	HEAVY VAN VAUXHALL	Like For Like	EV alternatives have very limited towing capacity and are not capable of towing plant trailers
4926	CK20 OSU	LIGHT VAN EV	Like For Like	Already EV replacing for better battery technology and range from first generation electric vans. Battery Warranty Expired
4924	CK20 OSX	LIGHT VAN EV	Like For Like	Already EV replacing for better battery technology and range from first generation electric vans. Battery Warranty Expired
4925	CK20 FVC	LIGHT VAN EV	Like For Like	Already EV replacing for better battery technology and range from first generation electric vans. Battery Warranty Expired
4917	CU17 UYB	LIGHT VAN DIESEL	Like For Like	EV vans available with good range
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option

N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
N/A	ADDITIONAL	N/A	Heavy Van Tipper	Additional Vehicle to deliver hygiene waste services for waste Explore EV option
5659	CU21 Y TJ	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5743	CU21 Y TK	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5744	CU21 Y TL	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5741	CU21 Y TM	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5742	CU21 Y TN	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5658	CU21 Y TO	RIDE ON MOWER	Like For Like	Operational mowers no electric alternative available
5740	N/A	ROAD ROLLER WITH TRAILER	Like For Like	Ride on road roller for tarmac no EV alternatives available
5745	N/A	TRAILER MOUNTED TAR HOTBOX	Like For Like	Trailer mounted tar hotbox for road mending highway's part exchange option available
5738	N/A	TRAILER MOUNTED TREE SHREDDER	Like For Like	Trailer Mounted Tree Shredder No Electric available
9244	N/A	POWERED MOWER	Like for Like	Heavy duty mower with drive
9245	N/A	POWERED MOWER	Like for Like	Heavy duty mower with drive
9246	N/A	POWERED MOWER	Like for Like	Heavy duty mower with drive

User: Environment Directorate – Facilities Section – Office Cleaning

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
4915	CA16 EUX	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4914	CK16 ZTC	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4908	WR16 UVZ	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4907	WR16 UZA	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4911	CA16 HYO	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4912	CA16 HYN	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4913	CA16 HYM	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
4930	CP18 WGJ	LIGHT VAN DIESEL	LIGHT VAN EV	EV vans available with good range
2988	CV16 MKO	HEAVY LUTON VAN	Like For Like	Service trialled EV alternative and decide range is an issue

User: – Environment Directorate – Engineering and Transport Division – Community Service Transport

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
275	KN66 BXJ	17-SEATER ADAPTED BUS	Like For Like	Explored EV but not available in Larger Bus only minibus
277	KU17 HTK	17-SEATER ADAPTED BUS	Like For Like	Explored EV but not available in Larger Bus only minibus

User: – Environment Directorate – Engineering and Transport Division – Fleet Services

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
3823	CV16 DDN	HEAVY VAN 4x4 BREAKDOWN VEHICLE	Like For Like	NO available EV alternatives with 4x4 for winter breakdown recovery

**User: Environment Directorate – Engineering and Transport
Division – Technical Services General Office**

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
FC24	WV20 HBC	SMALL CAR EV	MEDIUM CAR EV	The pool has multiple small EV cars on the fleet and is in need due to hire usage of a medium type EV to reduce hire costs. Battery warranty has expired

User: Environment Directorate – Access Managed Services

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
4927	CK20 OUN	LIGHT VAN RENAULT EV	Like for Like	Already EV replacing for better battery technology and range from first generation electric vans. Battery Warranty Expires

User: Education Directorate - Leisure – Gnoll Park

Fleet No.	Reg No.	Existing Item	Replacement Type	Reason for Replacement Type
5657	N/A	ELECTRIC ALL TERRAIN VEHICLE	Like for Like	Already EV replacing for better battery technology and range from first generation electric ATV. Battery Warranty Expires