



NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Streetscene and Engineering Cabinet Board

2nd March 2023

Report of the Head of Engineering & Transport

D. W. Griffiths

Matter for Decision

Ward Affected: All

Vehicle and Heavy Plant Fleet Procurement Programme 2023/24

Purpose of Report

1. To seek approval to procure new and replacement vehicles and heavy plant in 2023/24 as outlined in the attached programme.
2. To further approve delegated authority for Head of Service to replace vehicles from future years 25/26 if any 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 policy.
4. If agreed, vehicles and plant will be procured either by outright purchase or prudential loans and repaid by departments over the life of the vehicles/plant.

Background

5. The preparation of the Vehicle and Plant Fleet Replacement Programme for 2023-24 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 2023/24 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 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 or prudential loan.
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 bought forward from future years if identified as a financial benefit to the Authority.

13. Prudential loan – 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.
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 any uplift costs of new vehicle purchases out of the renewals fund.
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.

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 and offset any financial impacts.

19. Where vehicles and plant are replaced with zero emission equivalents there will be an increased in purchase price. The extra cost are currently 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 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

20. 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

21. There will be no workforce impacts.

Legal Impacts

22. 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

23. 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

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

Recommendations

Having due regard to the Integrated Impact Assessment it is recommended that;

25. That Members approve the proposed Vehicle/Plant Procurement Programme for 2023/24 set out at appendix a.
26. 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

27. 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.
28. 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

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

Appendices

30. Appendix A – Fleet Procurement Programme 2023/24.
31. Appendix B – IIA

List of Background Papers

32. 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

2023/24

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

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|--------------------------|--|
| 1279 | CF63 AZD | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1277 | CF63 AZO | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1278 | CF63 CPO | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1283 | WF63 MWK | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1281 | WF63 MXL | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1282 | WF63 MXO | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1299 | CU66 AXC | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1298 | CU66 AXD | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1300 | CU66 AXF | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1301 | CU66 AXG | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1302 | CU66 AXH | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1303 | CU66 AXJ | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1287 | CU65 DZF | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1288 | CU65 DZG | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1292 | CU65 DZH | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1293 | CU65 DZJ | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1291 | CU65 DZK | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1290 | CU65 DZD | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1296 | CE16 LZL | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1297 | CU17 COA | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |
| 1284 | CF63 BGX | Recycling Kerbside Lorry | Possible Electric Recycling Kerbside Lorry |

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|------|----------|---------------------------------|---|
| 4876 | CU14 LWA | Light Van | Electric Light Van |
| 4892 | CU15 PXY | Light Van | Electric Light Van |
| 4893 | CV15 DLX | Light Van | Electric Light Van |
| 2972 | CU15 TKC | Heavy Panel Van | Electric Heavy Panel Van |
| 4891 | CU15 PYA | Light Van | Electric Light Van |
| 4890 | CV15 DLY | Light Van | Electric Light Van |
| 4894 | CU15 PXG | Light Van | Electric Light Van |
| 2960 | CA64 KNM | Heavy Van Tipper | Electric Heavy Van If Available and suitable for workload |
| 4878 | CP64 EZM | Light Van | Electric Light Van |
| 4879 | CE64 FSD | Light Van | Electric Light Van |
| 174 | CK66 PZM | Specialist Vehicle Road Sweeper | Electric Equivalent |
| 4875 | CU14 LVZ | Light Van | Electric Light Van |
| 4876 | CU14 LWA | Light Van | Electric Light Van |
| 5641 | CU16 WUY | Ride On Mower (Plant) | Like for Like |
| 5649 | CU68 KHG | Ride On Mower (Plant) | Like for Like |
| 5335 | WU16 EVG | JCB (Plant) | Like for Like |
| 5689 | 5689 | Seeder Machine (Plant) | Like for Like |
| 5334 | WV64 EWR | JCB (Plant) | Like for Like |
| 5698 | 5698 | Wood Chipper (Plant) | Like for Like |
| 5736 | 5736 | Flail deck Mower (Plant) | Like for Like |
| 5737 | 5737 | Gang Mower (Plant) | Like for Like |

User: Environment Directorate – Streetcare Division – Public Lighting

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| 4877 | CP64 EZL | Light Van | Electric Light Van |

User: SSHS – Pest Control and Environmental Health

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| 4881 | CV64 UZD | Light Van | Electric Light Van |
| 4880 | CV64 UZT | Light Van | Electric Light Van |
| 4882 | CV64 UZU | Light Van | Electric Light Van |
| 3808 | CV14 KJU | Medium Van | Electric Medium Van |

User: Environment Directorate – Streetcare Division – Building Services

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|--------------------------|
| 4883 | CV64 UZC | Light Van | Electric Light Van |
| 3809 | CV14 KJX | Medium Van | Electric Medium Van |
| 3808 | CV14 SPU | Medium Van | Electric Medium Van |
| 2971 | CV64 YHH | Heavy Panel Van | Electric Heavy Panel Van |
| 3807 | CV14 KKD | Medium Van | Electric Medium Van |

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

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|--------------------------|
| 268 | GN15 CFP | Adapted Minibus | Electric Adapted Minibus |
| 355 | CP64 EUA | Minibus | Electric Minibus |

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

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| FC15 | CV66 RNZ | Car | Electric Car |
| FC16 | CV66 RRU | Car | Electric Car |

**User: Environment Directorate – Streetcare Division – Highway
Maintenance**

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| 1286 | CU15 TKD | Lorry Road Mender | Like for Like |
| FC14 | CU66 XUF | Car ATV 4x4 | Possible EV |

User: Education Directorate – Library Services

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| 3803 | CV14 KJO | Medium Van | Electric Medium Van |

**User: Environment Directorate – Engineering and Transport
Division – Road Safety Unit**

| Fleet No. | Reg No. | Existing Item | Replacement Type |
|------------------|----------------|----------------------|-------------------------|
| 353 | CV14 YZJ | Minibus | Like for Like |