



## **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

### **Environment, Regeneration & Streetscene Services Cabinet Board**

9<sup>th</sup> February 2024

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

#### **Matter for Decision**

**Ward Affected:** All

#### **Vehicle and Heavy Plant Fleet Procurement Programme 2024/25**

#### **Purpose of Report**

1. To seek approval to procure new and replacement vehicles and heavy plant in 2024/25 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, 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 2024-25 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 2024/25 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 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 however due to significant price increase this will be minimal.
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 24<sup>th</sup> 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 22<sup>nd</sup> 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 some 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 capital cost increases there will also be significant pressures in particular the streetcare services budgets where the most vehicles are located which will be costed and reported accordingly.

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**

25. Having due regard to the Integrated Impact Assessment it is recommended that;
26. That Members approve the proposed Vehicle/Plant Procurement Programme for 2024/25 set out at appendix a.
27. 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**

28. 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.
29. 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**

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

## **Appendices**

31. Appendix A – Fleet Procurement Programme 2024/25.
32. Appendix B – IIA

## **List of Background Papers**

33. 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**

**2024/25**

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

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
60	WX67 EOP	RECYCLING VEHICLE	LIKE FOR LIKE POSSIBLE EV
61	VX18 KCJ	REFUSE FREIGHTER	LIKE FOR LIKE
64	VX18 KCN	REFUSE FREIGHTER	LIKE FOR LIKE
62	VX18 KCU	REFUSE FREIGHTER	LIKE FOR LIKE
63	VX18 KCK	REFUSE FREIGHTER	LIKE FOR LIKE
60	VX18 KCO	REFUSE FREIGHTER	LIKE FOR LIKE
59	VX17 KGJ	REFUSE FREIGHTER	LIKE FOR LIKE
58	VX17 KGK	REFUSE FREIGHTER	LIKE FOR LIKE
2967	CU15 TKX	HEAVY VAN	LIKE FOR LIKE
4896	CK15 JOA	LIGHT VAN	ELECTRIC LIGHT VAN
2961	WR15 VTT	HEAVY VAN	LIKE FOR LIKE
2969	WR15 VWA	HEAVY VAN	LIKE FOR LIKE
2970	WR15 VWF	HEAVY VAN	LIKE FOR LIKE
2977	CU15 TLV	HEAVY VAN	LIKE FOR LIKE



2979	CP15 PDZ	HEAVY VAN	LIKE FOR LIKE
2980	CP15 PEO	HEAVY VAN	LIKE FOR LIKE
2985	CV16 MWX	HEAVY VAN	LIKE FOR LIKE
5644	CV17 HHT	RIDE ON MOWER	LIKE FOR LIKE
5643	CV17 HHU	RIDE ON MOWER	LIKE FOR LIKE
4923	CJ19 EJK	LIGHT VAN	ELECTRIC LIGHT VAN
5699	5699	BEACH CLEANER	LIKE FOR LIKE
5655	CR19 FOC	RIDE ON MOWER	LIKE FOR LIKE
5654	CR19 FOD	RIDE ON MOWER	LIKE FOR LIKE
5653	CR19 FOF	RIDE ON MOWER	LIKE FOR LIKE
5652	CR19 FOH	RIDE ON MOWER	LIKE FOR LIKE
2983	WO65 DSU	HEAVY VAN	LIKE FOR LIKE
4901	CV15 DXS	LIGHT VAN	ELECTRIC LIGHT VAN
4906	WM65 GKJ	LIGHT VAN	ELECTRIC LIGHT VAN

**User: Environment Directorate – Streetcare Division – Public Lighting**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
4900	CV15 DXP	LIGHT VAN	ELECTRIC LIGHT VAN

**User: – Environment Directorate – Engineering and Transport Division - Parking Services**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
4904	CV65 TFJ	LIGHT VAN	ELECTRIC LIGHT VAN
4905	CV65 TFK	LIGHT VAN	ELECTRIC LIGHT VAN

**User: Environment Directorate – Streetcare Division – Building Services**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
4899	CK15 CLU	LIGHT VAN	ELECTRIC LIGHT VAN
4895	CK15 JNO	LIGHT VAN	ELECTRIC LIGHT VAN
4898	CN15 UEB	LIGHT VAN	ELECTRIC LIGHT VAN
4897	CK15 JNL	LIGHT VAN	ELECTRIC LIGHT VAN
3811	CE15 LVU	MEDIUM PANEL VAN	LIKE FOR LIKE
3814	CE15 LVV	MEDIUM PANEL VAN	LIKE FOR LIKE
3816	CE15 LVW	MEDIUM PANEL VAN	LIKE FOR LIKE

3815	CE15 LVX	MEDIUM PANEL VAN	LIKE FOR LIKE
3812	CE15 XBC	MEDIUM PANEL VAN	LIKE FOR LIKE
3813	CN15 LKU	MEDIUM PANEL VAN	LIKE FOR LIKE
3818	CN15 LKV	MEDIUM PANEL VAN	LIKE FOR LIKE
4903	CV15 SXX	LIGHT VAN	ELECTRIC LIGHT VAN
4902	CV15 DXR	LIGHT VAN	ELECTRIC LIGHT VAN
2973	CN15 BXP	HEAVY VAN	LIKE FOR LIKE
2981	CU65 LLW	HEAVY VAN	LIKE FOR LIKE
2982	CU65 LLX	HEAVY VAN	LIKE FOR LIKE
3827	CA65 VUD	MEDIUM PANEL VAN	LIKE FOR LIKE
3824	CA65 VUE	MEDIUM PANEL VAN	LIKE FOR LIKE
3826	CA65 VUF	MEDIUM PANEL VAN	LIKE FOR LIKE
3825	CA65 VUG	MEDIUM PANEL VAN	LIKE FOR LIKE

**User: Environment Directorate – Countryside**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
3822	CN65 YSX	4X4 PICK UP	LIKE FOR LIKE

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

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
FC22	CA19 FOF	Car	Electric Car
FC23	CA19 FOD	Car	Electric Car
4910	CU16 SYV	LIGHT VAN	ELECTRIC LIGHT VAN

**User: Environment Directorate – Streetcare Division – Highway  
Maintenance Drainage and Street works**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
2966	CU15 TKJ	HEAVY VAN	LIKE FOR LIKE
2963	CU15 TTK	HEAVY VAN	LIKE FOR LIKE
2965	CU15 TKT	HEAVY VAN	LIKE FOR LIKE
2964	CU15 TKF	HEAVY VAN	LIKE FOR LIKE
4884	CV15 DMF	LIGHT VAN	ELECTRIC LIGHT VAN
4888	CV15 DLZ	LIGHT VAN	ELECTRIC LIGHT VAN
4885	CV15 DME	LIGHT VAN	ELECTRIC LIGHT VAN
4887	CV15 DMO	LIGHT VAN	ELECTRIC LIGHT VAN
4886	CV15 DMU	LIGHT VAN	ELECTRIC LIGHT VAN
2968	CU15 TKY	HEAVY VAN	LIKE FOR LIKE

1285	CU15 TNE	HGV LLORRY	LIKE FOR LIKE
2976	CU15 TKZ	HEAVY VAN	LIKE FOR LIKE
2975	CU15 TLO	HEAVY VAN	LIKE FOR LIKE
3820	CV15 SXG	4X4 PICK UP	LIKE FOR LIKE
3819	CV15 SXF	4X4 PICK UP	LIKE FOR LIKE
2978	CU15 TLX	HEAVY VAN	LIKE FOR LIKE
2974	CP15 PFA	HEAVY VAN	LIKE FOR LIKE
99	CF15 LCZ	SPECIALIST HGV GRITTER	LIKE FOR LIKE
ST3	ST3	PALLET LIFTER STORES	LIKE FOR LIKE

**User: Environment Directorate – Trading Standards**

<b>Fleet No.</b>	<b>Reg No.</b>	<b>Existing Item</b>	<b>Replacement Type</b>
3821	CK15 UPF	MEDIUM PANEL VAN	LIKE FOR LIKE