



EXECUTIVE BOARD DECISION

REPORT OF: Executive Member for Environmental Services

LEAD OFFICERS: Director of Environment and Operations

DATE: 12 September 2019

PORTFOLIO/S AFFECTED: Environmental Services

WARD/S AFFECTED: All

KEY DECISION: YES NO

SUBJECT: Replacement Refuse Collection Vehicles

1. EXECUTIVE SUMMARY

The Council's vehicle replacement programme has identified that two of the refuse collection vehicles are now almost eight years old and are ready for replacing with new vehicles.

2. RECOMMENDATIONS

It is recommended that Executive Board authorise the replacement of the two oldest refuse collection vehicles as part of the Council's vehicle replacement programme.

3. BACKGROUND

The Council has a fleet of 7 frontline refuse collection vehicles which are currently utilised for collecting household waste and trade waste throughout the Borough, with a pool provision of 3 spare vehicles. In addition, the council is maximising the use of the Refuse Collection fleet with 4 vehicles from the fleet being used each week on a Friday and Saturday to collect the garden waste generated within the borough. The vehicles are of varying ages. The oldest two vehicles are now eight years old and becoming increasingly unreliable with increased maintenance costs and by virtue, increased costs for overtime for service completion, to ensure that the work is completed and income generated from trade waste is not lost. By the time the new vehicles arrive, the two vehicles to be replaced would be 9 years old.

In April 2020 the Council's recycling contract comes back in house and will see the addition of 6 refuse collection vehicles added to the fleet. This means in effect that the 3 spares will have to cover 13 rounds. It is important that refuse collection and recycling vehicles are reliable because to hire a vehicle it costs over £1,000 per week, which is the minimum hire period, and currently availability is an issue, as hire companies do not carry a large number on their hire fleets, as they used to.

The two new vehicles would be utilised as front line vehicles with the pool provision being two at 7 years old and one at 6 years old, to service the 13 round fleet. Should the service need to reduce in the amount of refuse collection vehicles on the fleet at a later date, any of the pool vehicles could be returned to the relevant leasing company, as the primary lease period has elapsed and the vehicles are being used on secondary leases, and can be terminated at a much reduced rate.

4. KEY ISSUES & RISKS

The main cause for concern in not replacing these two vehicles would be reliability which could result in a shortage of vehicles to complete the refuse, recycling and trade waste rounds, thus affecting service delivery to customers and jeopardising the £1,000,000 per year trade waste income that the Council generates. The availability of hire vehicles around the country is limited and as such we are fully dependent on the availability of our own refuse collection vehicles.

The current lead time for these new vehicles is a minimum of 6 months. Progression of a tender as soon as possible, would help ensure that they are available for the 1st April 2020.

5. POLICY IMPLICATIONS

Priority 6 for the council identifies that the council will 'make your money go further', which this report aims to provide.

6. FINANCIAL IMPLICATIONS

The Council would seek to finance the purchase of the 2 new vehicles through a "sale and lease back" deal. Assuming this was the best option, the Council would lease the vehicles over a five year period, to be borne by the refuse collection revenue budget.

If leasing was not the most economic or a viable option, the Council would finance the vehicles through prudential borrowing. The refuse collection budget would then be adjusted to finance this cost.

7. LEGAL IMPLICATIONS

The Council as a Waste Collection Authority (WCA) and a Waste Disposal Authority (WDA) has a legal duty under the Environmental Protection Act 1990 to provide waste collection and disposal services in the borough. A procurement exercise will be undertaken in accordance with the Council's Contract Procurement Procedure Rules and Contracts shall be in a form approved by legal officers in the Contracts and Procurement Team.

8. RESOURCE IMPLICATIONS

The procurement of the two new vehicles can be accommodated within existing resources.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

Consultation with the Head of Environment has taken place to identify the best option going forward to deliver the service.

Consultation with the hire companies in the industry has identified the lack of availability of hire vehicles around the country.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

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CONTACT OFFICER:	Martin Eden, Director of Environment and Operations Neil Bolton, Fleet Transport Manager
DATE:	08/08/19
BACKGROUND PAPER:	Procurement guidelines for the Council.