

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	13 July 2021
Title	Release of Capital Programme – Development Pool allocation for the purchase of an electric van for the Engineering Team within Property, Investment and Regeneration		
Report of	Director for Economic Growth & Regeneration		
Purpose of the Report:			
To request the release of allocated budget within the Capital Programme – Development Pool			
Key Decision (Y/N)	N	Date of Notice	N/A
Exempt (Y/N)			

Report Summary
Report to request release of the allocated budget of £15,000 from the Capital Programme – Development Pool.

Recommendations	
<p>(1) That Cabinet approves the release of £15,000 from the development pool section of the general fund capital programme for the purchase of an electric van for the Engineering team and notes that the purchase cost is likely to be in the region of £18,000</p> <p>(2) That the general fund revenue and capital budgets are updated as appropriate, as part of the forthcoming budget exercise</p>	
Relationship to Policy Framework	
Conclusion of Impact Assessment(s), where applicable	
Climate the switch from diesel to EV aligns with the Councils aim towards Carbon Zero	Wellbeing & Social Value n/a
Digital n/a	Health & Safety the van will help to ensure the coastal strip and other LCC flood/drainage assets are monitored and maintained.
Equality n/a	Community Safety the van will help to ensure the coastal strip and other LCC flood/drainage assets are monitored and maintained.
Details of Consultation	
Budget request made as part of 2021-25 budget process Q4 2020-21.	
Legal Implications	
There are no legal implications stemming from this report.	
Financial Implications	
The purchase of an electric vehicle for the engineers team was included in the development pool section of the general fund capital programme, as approved by Council on 24 th February 2021. An initial estimate of £15,000 was submitted however quotes have now been sought and it is likely that the purchase price will be in the region of £18,000. As detailed in the report, this will generate annual revenue	

savings of £3,000 so given a minimum life expectancy of six years the whole life cost should be minimal.

The general fund revenue and capital budgets will be updated as appropriate.

Other Resource or Risk Implications

Section 151 Officer's Comments

The releasing of capital expenditure items from the Council's development pool is rests with Cabinet.

Monitoring Officer's Comments

The Monitoring Officer has no further comments to add.

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Links to Background Papers

General Fund Capital Programme as approved by Council 24 Feb 2021 Appendix A [Capital Programme Appendix A.pdf](#)

1.0 Introduction

The engineering team currently have access to a Peugeot Partner diesel van on a long-term hire agreement. Transferring to its electric van equivalent on hire is not cost effective so an allocation was made in the GF Capital Programme Pool of £15,000 to purchase a van outright as part of the council's vehicle capital programme.

This will generate annual revenue savings within the coast protection budget area of approximately £3,000 per annum, subsequently leading to a minimal cost over the life expectancy of the vehicle.

The electric vehicle will require access to charge points at Morecambe Town Hall and occasionally White Lund Depot.

2.0 Options and Options Analysis (including risk assessment)

Options Analysis

Option 1 – Continue with current diesel van hire arrangement (do nothing)

Advantages:

Current van is fit for purpose for transportation, maintenance, and monitoring activities.

Disadvantages:

Takes no action to tackle climate emergency and the goal of being net zero carbon by 2030.

Risks:

The approach is different to that being applied to other fleet/hire vehicles and the Council is not seen to lead by example by switching to EV.

Options Analysis**Option 2 – Switch to a EV hire vehicle****Advantages:**

Helps to achieve the Councils zero carbon priorities

Disadvantages:

Hire of like for like EV vehicle would be a substantial increase in current annual hire costs for a diesel vehicle.

Risks:

The approach is different to that being applied to other fleet/hire vehicles and the Council is not seen to lead by example by switching to EV.

Options Analysis**Option 3 – Purchase a EV hire vehicle from the Council Capital Programme****Advantages:**

Helps to achieve the Councils zero carbon priorities
Utilises revenue savings on current contract hire budget within 5 years
Leaves residual value at the end so more cost effective than hiring

Disadvantages:

None

Risks:

n/a

3.0 Officer Preferred Option (and comments)

The officer preferred option is Option 3.