

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Individual Cabinet Member Decision	<b>Date</b>	06.10.2021
<b>Title</b>	Release of Capital to proceed with the implementation of the City Councils Fleet Replacement Programme for 2021-2022		
<b>Report of</b>	Director for Communities and the Environment		
<b>Purpose of Report</b>			
To seek authorisation to replace fleet vehicles in accord with the 'Covid-19 Pandemic- Policy for decision making and spending delegations within the Budget and Police Framework'			
<b>Key Decision (Y/N)</b>	<b>Y</b>	<b>Date of Notice</b>	<b>27.09.2021</b>
		<b>Exempt (Y/N)</b>	<b>N</b>

### Report Summary

That officers are given the authority to proceed with the approved Fleet Replacement Programme for 2021/2022

### Recommendations of Councillors

That Cabinet authorises officers to complete the award of contracts for all vehicles replacements due in the 2021/2022 financial year.

### Relationship to Policy Framework

The Council has a target to become carbon neutral by 2030. The Council's is continuing to look for electric vehicle alternatives as we work towards achieving this corporate target.

This year 7 vehicles (small box vans) will be replaced with electric. The remaining vehicles (sweepers, tippers) will be diesel, with a view to move towards electric prior 2030, as technology improves, and costs reduce.

The funding for this was approved in the Council's budget for 2020/21

### Conclusion of Impact Assessment(s) where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

### Details of Consultation

The principle of purchasing vehicles through the capital programme were considered extensively during the formulation of the Council's 21/22 budget. Funding for their purchase was approved by Full Council on 24<sup>th</sup> February 2021 (minute 115(1) refers).

### Legal Implications

### Financial Implications

The total budgetary provision contained within the general fund capital programme for vehicle replacement is £3.084m.

Any further delays will add pressure onto the revenue account. Current operational vehicles are experiencing high repair costs, and in some circumstances, a hire vehicle is required to ensure high operational standards are still achieved.

#### **Other Resource or Risk Implications**

#### **Section 151 Officer's Comments**

Supported. As detailed in the comments above, delays to delivering the current fleet are adding financial pressure to the revenue account through additional repairs being required and increased hire costs. Due to the pandemic, delivery lead-in times for vehicle procurement are currently stretched within the private sector. Subsequently, further delays will occur which may possibly lead to capital slippage into 2022/23 being required. This will be monitored and highlighted as part of the forthcoming budget process.

#### **Monitoring Officer's Comments**

The Monitoring Officer has been consulted and has no further comments to add

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#### **Links to Background Papers**

General Fund Capital Programme as approved by Council on the 24th February 2021

## **1.0 Introduction**

1.1 1.1 The fleet replacement programme is reviewed annually to ensure we are on target to achieve the corporate ambitions around Climate Change.

1.2 The Council's approved capital budget for 2021/22 included provision for the replacement of seven electric vehicle replacements within this year.

1.3 By continuing to replace our vehicles with ever-advancing technology, ensures we can continue to deliver our high service levels with minimum disruption.

1.4 The procurement exercise has now taken place and the costs are within approved budgets.

1.5 The 'Covid-19 Pandemic- Policy for decision making and spending delegations within the Budget and Police Framework' require items of spend over £150K to be authorised by Cabinet (with some defined exceptions).

## **2.0 Proposal**

2.1 To delegate officers to spend in line with the capital replacement programme and to award the contracts in line with procurement procedures.

### **3.0 Options**

3.1 The options are to either authorise completion of the give authorisation.

3.2 Not authorising this will still mean that replacement vehicles need to be procured in order to ensure continuity of service delivery. Delay in procurement would incur some costs in the repairs and maintenance of vehicles being operated beyond their expected lifespan. It would also conflict with the Council's climate change aspirations.

#### 4.0 Options and Options Analysis (including risk assessment)

<b>Option 1:</b> <b>Continue with current fleet of vehicles (do nothing)</b>
<b>Advantages:</b> Current fleet is fit for purpose.
<b>Disadvantages:</b> Takes no action to tackle climate emergency and the goal of being net zero carbon by 2030. Increased repair costs on to the revenue account Increase of hire vehicle costs on to the revenue account Impact on service levels as vehicles become less reliable Capital slippage into 2022/2023
<b>Risks:</b> None
<b>Option 2:</b> <b>Replace current fleet</b>
<b>Advantages:</b> Helps to achieve the Councils zero carbon priorities Operational adjustments can be implemented Service levels will not be affected as new fleet are more reliable Revenue account is not high risk of being affected
<b>Disadvantages:</b> None
<b>Risks:</b> None

#### 4. Officer Preferred Option (and comments)

4.1 The officer preferred option is to authorise officers to spend against the current financial programme and award the contracts in line with procurement rules.