

Options Proposal

- The Council has a fleet of 456 vans and cars, 50% of which are over 10 years old, and a further 27% is 5-10 years old.
- There are now frequent breakdowns, with reactive and planned costs rising resulting in expensive hire costs.
- In December 2015 finance colleagues recommended capitalising the procurement of fleet units.
- All options assume we revert back to white vehicles, resulting in capital/leasing being £171k cheaper than if vehicles were silver.
- In Scope – HRA, Parks and Green Spaces, Security Services, Parking Services, etc. Ongoing engagement with services to ascertain future service needs.
- Out of Scope – Non centralised budgets (Blaise Nursery, Landscapes, etc.), Hired in vehicles (BCL), no long term commitment to fleet vehicles, service under review
- Preferred option – Buy option for 8 year asset life replacement – provides for the best control over the fleet and capital receipts (Appendix 2 for further details)
- 75% of vehicles will be replaced in Yr 1 and 2 with the remaining vehicles kept, but will be withdrawn when uneconomic or no longer required (circa 100)
- Process followed - 3 day Hot House, 80% of fleet users directly engaged, fleet survey, detailed financial modelling and options appraisal
- Fleet engagement with FM, Accommodation and Building Users to evaluate impact of building closures and movement of workforce
- Unforeseen costs have been considered as part of the business case, areas where global changes can impact on costs i.e. fuel, tyres, etc. a contingency has been taken into account
- Strengthen communications through demand management to understand, anticipate, and influence user department requirements to deliver best value at the least cost. Vehicle purchases to match available capital funds