

**TAVISTOCK TOWN COUNCIL
BUDGET AND POLICY COMMITTEE
TUESDAY 30th AUGUST, 2022**

VEHICLE REPLACEMENT & RELATED MATTERS

1. PURPOSE OF REPORT

To provide the Committee and Council with an opportunity to consider the basis upon which the Council might proceed in connection with near term vehicle replacements, alongside a strategy for future vehicle replacement more generally and related matters. Note – this report was not originally intended to come forward at this time but exigencies now require early consideration.

2. CORPORATE POLICY CONSIDERATIONS

The effective management of resources and forward planning underpin the delivery of the Town Council's Strategic Plan 2017-2023. The vehicle fleet provides a core supporting function to the delivery of Council services and the associated delivery of organisational goals and objectives. The replacement of vehicles also potentially raises matters appertaining to the consideration of lease/buy, new vs old, hybrid/electric/internal combustion options etc.

3. LEGAL AND RISK MANAGEMENT ISSUES

The Council is under an obligation to properly insure, manage and maintain property (including vehicles) in its custody. The current vehicle fleet is nearing the end of its life and the box truck and flat bed, in particular, are no longer considered economic to repair (see main body of the report). Failure to maintain the fleet could lead to risk to services or users.

4. RESOURCE ISSUES

The resource issues associated with this report are set out therein. The Committee will also be aware, in particular, that the Council maintains a vehicle replacement reserve (presently in the sum of iro £84,244) to facilitate the staged replacement of vehicles. More specifically (in addition to other disposals referenced in the report), the resource implications of the associated proposals are primarily the purchase of

two second hand replacement commercial vehicles (to replace the box truck and flatbed) from the vehicle replacement reserve in a sum not exceeding £25,000 each.

5. ENVIRONMENTAL ISSUES

The option of acquiring new electric or hybrid vehicles has been considered but is not recommended on the basis of affordability, carbon footprint (this is low mileage usage and so low impact, also because second hand the production part of the carbon footprint is already embedded). Additionally, the running cost in light of current energy prices and vehicle size/efficiency. It is anticipated that when smaller vehicles are replaced (such as the Ford Connect), and subject to affordability, hybrid &/or electric will become a stronger and more favourable option.

6. COMMUNICATIONS ISSUES

The content of this Report has been developed in association with trade partners to establish market options and viabilities.

7. RECOMMENDATIONS

That the Committee and Council:

- a) Agree to the disposal at any residual commercial (or scrap) value of the box truck and flatbed (any consideration arising being returned to the vehicle replacement reserve) – unless constituting part of a 'trade in'.
- b) Agree to the purchase of two equivalent second hand replacement vehicles in the sum of not more than £25,000 each, and funded from the vehicle replacement reserve.
- c) Agree to the disposal of a trailer, ride on mower, three street lights, woodchipper and push Hoover as referred to in the report for best consideration.
- d) Agree the consequential amendments to the fixed asset register.
- e) Endorse a review by the Works Department of vehicle replacement needs and related matters including for the remainder of the fleet as per P16 in the Commercial/Community Service Improvement Plan 2022-23.

1. BACKGROUND

- 1.1 Members will be aware that the Council Works Department has an ageing vehicle fleet and Project 16 in the Commercial/Community Service Improvement Plan 2022-23 has identified the need to carry out an audit of the existing vehicle fleet and maintenance equipment, e.g. ride-on mower/chipper, considering such aspects as age, condition, efficiency, life expectancy etc to plan effectively in the medium term specific to budgets, whilst taking into account such aspects as usability and environmental considerations. With that in mind a replacement strategy document will be compiled by the end of March 2023 for Council budgeting purposes.

2. REVIEW

- 2.1 In conjunction with this review, during the month of August 2022 there has been a significant exercise at the MOC to redesign the existing depot layout and to dispose of redundant material and arisings to make the day to day operations more efficient whilst freeing up space for additional storage and other uses. This exercise has effectively been completed expect for the disposal of some items which are beyond economical repair and/or surplus to requirements, which are identified on our asset register and therefore need formal ratification by Council for disposal, either by sale or scrap. These items include a trailer, ride on mower, three street lights, woodchipper and push hoover for street cleaning.
- 2.2 Unfortunately, over the last 9 to 12 months the Depot has experienced disproportionate challenges with our existing vehicle fleet. This has included significant investment on our vehicle mounted cherry-picker, Ford tipper (manufacture date 2016), Ford connect and Isuzu flatbed (manufacture date 2008). A decision was made early in 2022 to not spend any more money on the Isuzu box truck (manufacture date 2002) and this vehicle has effectively been out of commission for this calendar year. Due to these on-going challenges, for prolonged periods of time in 2022, to maintain 'business as usual', the Depot team have been using such assets as the vehicle mounted cherry picker, tractor and Ford Connect (purchased for site inspections) to travel

around sites to carry out such activities as litter collection and grass cutting which is impractical and inefficient, also meaning that activities such as working at heights are more difficult to schedule in.

- 2.3 With the above issues, compounded by the number of vehicles that have been impacted, it is felt that a short-term intervention is essential, recognising that there is a foreseeable challenging programme period around events and partnership activities (Christmas lights), where sensitivities regarding a reduced vehicle fleet are further heightened.
- 2.4 Equally it is worth noting for this year alone, acknowledging there is an increase in vehicle running costs specific to fuel, the allocated budget at the end of July is already 45% spent, which does not include some recently committed significant work to the Ford tipper which hopefully will rectify a regularly occurring failure around filters/emission which means the vehicle enters limp mode. With that in mind and due to the on-going intermittent faults and regular spend on the flatbed, taking into account its age, your Officers feel it is prudent to not spend anymore money on the flatbed either and therefore to dispose of both the flatbed and box truck, and to replace with an equivalent type, e.g. one enclosed high-top vehicle and one tipper (crew cap configuration not necessary).
- 2.5 Through liaison with trade partners who maintain our vehicle fleet and after discussing options with several vehicle suppliers in Plymouth (Monster Vans, Belgrave Commercials) the below criteria have been decided upon.
 - To look at purchasing either Ford or VW, due to the availability of parts and the fact that specialist diagnostic equipment is available in Tavistock for those models, especially pertaining to issues relating to diesel vehicles, which otherwise would require recovery and repair from most likely Plymouth.
 - That we should look at models that are no more than four years old with a mileage in or around 50,000.

- That due to budgetary challenges, and additional risk with further fleet failure, a highbred or electric vehicle is not appropriate at this stage.
- That due to the nature, type and diversity of activity that is undertaken, leasing would not be an appropriate option.

3. CONCLUSION

3.1 The Recommendations are therefore as set out above and the instructions of the Committee and Council are sought.

**WAYNE SOUTHALL
GENERAL MANAGER
TAVISTOCK TOWN COUNCIL
AUGUST 2022**