

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 9 NOVEMBER 2005

CLEANSING – VEHICLE REPLACEMENT

Report by the Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the vehicle replacement requirements of the Cleansing D.S.O. in financial year 2006/2007 seeking approval for the acquisition of three refuse collection vehicles, one mechanical sweeper and one pick-up.
- 1.2 The report is presented at this time to enable the European Community Procurement process to be initiated with a view to programming the arrival of the vehicles as required. The procurement process can take up to ten months.

2. BACKGROUND

- 2.1 The Cleansing vehicle fleet consists of a wide range of vehicle types and sizes. Many of the vehicles are of an extremely specialised nature. The vehicle replacements shown as Appendix 1 in this report gives an indication of the type of vehicles, the relative ages and the projected replacement date. Some vehicles may be retained beyond the stated replacement date if the Operations Manager deems that the condition of the vehicle merits an extension. In such cases a saving is enjoyed in the lease cost for the extended period. It must be borne in mind however that when the vehicle is ultimately replaced the lease cost will rise significantly.
- 2.2 Refuse Collection vehicle W425 WGD has a lease value of £26,000 P/A terminating in March 2007. It is proposed to replace this vehicle in March 2007 at the conclusion of the lease.
- 2.3 Refuse Collection vehicle V951 FGA has a lease value of £26,000 terminating in December 2006. It is proposed to replace this vehicle in December 2006 at the conclusion of the lease.
- 2.4 Refuse Collection vehicle T884 JGA has a lease value of £26,000 terminating in April 2006. It is proposed to replace this vehicle in April 2006 at the conclusion of the lease.
- 2.5 The 13 tonne Street Sweeping vehicle T840 LCS has a lease value of £12,000 terminating in April 2006. It is proposed to replace this vehicle in April 2006 at the conclusion of the lease.

- 2.6 The one 3.5 tonne pick-up SF51 MVC has a lease value of £4,500 terminating in September 2006. It is proposed to replace these vehicles in September 2006 at the conclusion of the lease.

3. MAIN CONSIDERATIONS

- 3.1 The replacement of the above old and deteriorating vehicles sustains the quality of the Cleansing fleet maintaining its operational efficiency and capacity in the light of the continuing demands of the service and in the pursuit of Best Value.
- 3.2 The Cleansing fleet has reached a sustainable standard with an optimum life cycle for large cleansing vehicles of seven years and five years for vans and pick-ups. These life cycles are projected and incorporated in the amended vehicle replacements programme featuring all Cleansing vehicles. The replacement programme is an aid towards effective financial planning and budgeting.

4. FINANCIAL IMPLICATIONS

- 4.1 The detailed financial implications of the acquisitions of the above vehicles will be presented at budget setting in the context of the Refuse Collection and Street Cleansing D.S.O. estimates for 2006/2007. There is no obligation placed on the Council to conclude any procurement process initiated at this time which is later abandoned, adjusted or changed at budget setting. It is hoped that the additional costs are containable within the existing global Refuse Collection and Street Cleansing budgets as projected for 2006/2007.

5. VEHICLES PROPOSED FOR REPLACEMENT

- 5.1

REGISTRATION NO.	EXISTING VEHICLE	REPLACEMENT VEHICLE	ANNUAL LEASE COST ESTIMATE
W425 WGD	26 tonne R.C.V.	26 tonne R.C.V.	£26,000
V951 FGA	26 tonne R.C.V.	26 tonne R.C.V.	£26,000
T884 JGA	26 tonne R.C.V.	26 tonne R.C.V.	£26,000
T840 LCS	13 tonne sweeper	13 tonne sweeper	£12,000
SF51 MVC	3.5 tonne pick-up	3.5 tonne pick-up	£4,500

5.2 Vehicles W425 WGD, V951 FGA, T884 JGA and SF51 MVC are employed in the Refuse Collection Service and T840 LCS is employed in the Street Cleansing Service.

6. POLICY/LEGAL IMPLICATIONS

6.1 European Union Procurement Legislation requires to be complied with.

7. RECOMMENDATION

7.1 It is recommended that the Committee:-

- (i) approve the acquisition subject to appropriate budget provision having been made of three Refuse Collection vehicle estimated at a capital cost of £126,000, one 3.5 tonne pick-ups at £34,000 and one Street Sweeping vehicle at £115,000.
- (ii) instruct the Director of Finance to secure the appropriate operating leases or other appropriate methods of acquisition for the above in due course.

William Stafford
Executive Director of Neighbourhood Services

24th October 2005