

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE - 8 NOVEMBER 2006

CLEANSING SERVICES – VEHICLE REPLACEMENT

Report by Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the vehicle replacement requirements of Cleansing Services in financial year 2007/2008 seeking approval for the replacement of six Refuse Collection vehicles, two mechanical sweepers, one box van, two pick-ups and nine applied sweepers.
- 1.2 The report is presented at this time to enable the 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. Appendix 1 lists the vehicles proposed for replacement. 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 W415 RFS has a lease value of £17,000 per annum terminating in July 2007. It is proposed to replace this vehicle in July 2007 at the conclusion of the lease.
- 2.3 Refuse Collection vehicle W417 RFS has a lease value of £17,000 per annum terminating in July 2007. It is proposed to replace this vehicle in July 2007 at the conclusion of the lease.
- 2.4 Refuse Collection vehicle X461 USX has a lease value of £17,000 per annum terminating in September 2007. It is proposed to replace this vehicle in September 2007 at the conclusion of the lease.
- 2.5 Refuse Collection vehicle X381 JDS has a lease value of £18,500 per annum terminating in November 2007. It is proposed to replace this vehicle in November 2007 at the conclusion of the lease.
- 2.6 Refuse Collection vehicle X358 JDS has a lease value of £18,000 per annum terminating in September 2007. It is proposed to replace this vehicle in September 2007 at the conclusion of the lease.

- 2.7 Refuse Collection vehicle X357 JDS has a lease value of £18,000 per annum terminating in November 2007. This vehicle operates on a wide spread rural round throughout East Ayrshire which has resulted in its mileage now estimated at 250,000, contributing to a more rapid deterioration. The vehicle is no longer cost effective or reliable.

The vehicle has a lease value of £18,000 per annum terminating in November 2007 but it is proposed to replace this vehicle as soon as possible ahead of its scheduled replacement date. This approach will ensure the continuing effectiveness of this part of a rural collection service.

As the normal lead time between ordering and delivery is around 6 months, there is unlikely to be any effect on the 2006/07 budget but the placement of the order at this time will allow the new vehicle to be in place at the start of the 2007/08 financial year and will minimise the probably excessive costs which would be incurred if the vehicle was retained.

- 2.8 The 13 tonne street sweeping vehicle W189 ECS has a lease value of £12,000 per annum terminating in September 2007. It is proposed to replace this vehicle in September 2007 at the conclusion of the lease.
- 2.9 The 13 tonne box van X924 JHS has a lease value of £6,500 per annum terminating in October 2007. It is proposed to replace this vehicle in October 2007 at the conclusion of the lease.
- 2.10 The 3.5 tonne street sweeping vehicle SA02 UZS has a lease value of £8,000 per annum terminating in May 2007. It is proposed to replace this vehicle in May 2007 at the conclusion of the lease.
- 2.11 The two 3.5 tonne pick-ups SE02 NPY and SE02 NPZ have a total lease value of £10,000 per annum terminating in August 2007. It is proposed to replace these vehicles in August 2007 at the conclusion of the lease.
- 2.12 The applied sweeper SK52 PCX was acquired by a capital purchase. It is proposed to replace this vehicle with a larger Precinct sweeper in August 2007 when it will be 4 ½ years old.
- 2.13 The eight applied sweepers SN53 LFG, SN53 LFH, SN53 LFJ, SN53 LFK, SN53 LFO, SN53 LFF, SN53 LFM and SN53 LFL have a total lease value of £28,000 per annum terminating in November 2007. It is proposed to replace these vehicles in November 2007 at the conclusion of the lease. Three of the vehicles to be replaced with similar vehicles and the other five with three upgraded Precinct sweepers when they will be 4 years old.

3. DISCUSSION

- 3.1 The replacement of the above old and deteriorating vehicles sustains the quality of the Cleansing fleet maintaining its 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 Services estimates for 2007/2008. 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 2007/2008.

5. LEGAL IMPLICATIONS

- 5.1 EU Procurement legislation.

6. POLICY IMPLICATIONS

- 6.1 Provision of a cost effective waste management service is consistent with the Community Plan: Improving the Environment.

7. CONCLUSIONS

- 7.1 Refuse Collection vehicle X357 JDS needs to be replaced ahead of its projected replacement due date as a result of its excess mileage and deteriorating condition.
- 7.2 The Cleansing Service requires to replace another five Refuse Collection vehicles, two Mechanical Sweepers, one box van, two pick-ups and nine applied sweepers.

8. RECOMMENDATIONS

- 7.1 The Committee are recommended to:-
- (i) approve the acquisition of a suitable replacement vehicle for X357 JDS which immediate effect;
 - (ii) approve the acquisition subject to appropriate budget provision having been made of five Refuse Collection vehicles estimated at a capital cost of £660,000, two 3.5 tonne pick-ups at £40,000, one box van at £40,000, two Street Sweeping vehicles at £130,000 and six precinct sweepers at £174,000;

- (iii) instruct the Director of Finance to secure an appropriate fiscal means of acquisition;
- (iv) otherwise note the contents of the report.

William Stafford
Director of Neighbourhood Services

WS/RJP/LH
16 October 2006

LIST OF BACKGROUND PAPERS

1. Cleansing Service Vehicle Assets/Replacement Programme

Any person wishing to inspect the background paper listed above should telephone 01563 576111 and ask for John Crawford.

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APPENDIX 1

1.

REGISTRATION NO.	EXISTING VEHICLE	REPLACEMENT VEHICLE	ANNUAL LEASE COST ESTIMATE
W415 RFS	26 tonne R.C.V.	26 tonne R.C.V	£17,000
W417 RFS	26 tonne R.C.V.	26 tonne R.C.V.	£17,000
X461 USX	26 tonne R.C.V.	26 tonne R.C.V.	£17,000
X381 JDS	21 tonne R.C.V.	26 tonne R.C.V.	£18,500
X358 JDS	21 tonne R.C.V.	26 tonne R.C.V.	£18,000
X357 JDS	21 tonne R.C.V.	26 tonne R.C.V.	£18,000
W189 ECS	13 tonne Sweeper	13 tonne Sweeper	£12,000
X924 JHS	13 tonne Box Van	13 tonne Box Van	£6,500
SA02 UZS	3.5 tonne Sweeper	3.5 tonne Sweeper	£8,000
SE02 NPY	3.5 tonne Pick-up	3.5 tonne Pick-up	£5,000
SE02 NPZ	3.5 tonne Pick-up	3.5 tonne Pick-up	£5,000
SK52 PCX	Precinct 525	Precinct 636 *	£14,000
SN53 LFG	Precinct 424	Precinct 424 *	£3,500
SN53 LFH	Precinct 424	Precinct 424 *	£3,500
SN53 LFJ	Precinct 424	Precinct 636 *	£14,000
SN53 LFK	Precinct 424]		
SN53 LFO	Precinct 424		
SN53 LFF	Precinct 424	Precinct 424 *	£3,500
SN53 LFM	Precinct 424 }	Precinct 636 *	£14,000
SN53 LFL	Precinct 424		

* (or equivalent)

2 Vehicles W415 RFS, W417 RFS, X461 USX, X381 JDS, X358 JDS, X357 JDS, X924 JHS and SE02 NPZ are employed in the Refuse Collection Service and W189 ECS, SA02 UZS and SE02 NPY are employed in the Street Cleansing Service.