

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE – 17TH SEPTEMBER 2003

CLEANSING – VEHICLE REPLACEMENT

Report by Director of Community 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 2004/2005 seeking approval for the acquisition of three refuse collection vehicles, one box van and three pick-ups.
- 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 specialized 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 vehicles R834 BJW and R835 BJW have a total lease value of £39,000 per annum terminating in September 2004. It is proposed to replace these vehicles in September 2004 at the conclusion of the lease.
- 2.3 Refuse Collection vehicle P942 LVP has a lease value of £21,000 per annum terminating in June 2004. It is proposed to replace this vehicle in June 2004 at the conclusion of the lease.
- 2.4 Refuse Collection vehicle N949 TOV is currently an extended lease at a modified lease value of £7050. It is proposed to replace this vehicle with a 13 tonne box van with taillift.
- 2.5 The two 3.5 tonne pick-ups V543 GCS AND V542 GCS have a total lease value of £4,000 terminating in December 2004. It is proposed to replace these vehicles in December 2004 at the conclusion of the lease.

- 2.6 The 1.5 tonne pick-up V127 FSJ has a total lease value of £3000 terminating in October 2004. It is proposed to replace this vehicle in October 2004 at the conclusion of the lease.

3. CONSIDERATIONS

- 3.1 The replacement of the above old and deteriorating vehicles represents a further upgrading of the quality of the Cleansing fleet significantly improving 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 now 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 2004/2005. 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 2004/2005.

5. VEHICLES PROPOSED FOR REPLACEMENT

REGISTRATION NO.	EXISTING VEHICLE	REPLACEMENT VEHICLE	ANNUAL LEASE COST ESTIMATE
R834 BJW	26 tonne R.C.V.	26 tonne R.C.V	£19,500
R835 BJW	26 tonne R.C.V.	26 tonne R.C.V.	£19,500
P942 LVP	26 tonne R.C.V.	26 tonne R.C.V.	£19,500
N949 TOV	21 tonne R.C.V.	13 tonne box van	£6,000
V543 GCS	3.5 tonne pick-up	3.5 tonne pick-up	£4,000
V542 GCS	3.5 tonne pick-up	3.5 tonne pick-up	£4,000
V127 FSJ	1.5 tonne pick-up	1.5 tonne pick-up	£3,000
7 VEHICLES		TOTAL	£75,500

5.2 Vehicles R834 BJW, R835 BJW, P942 LVP and N949 TOV are employed in Refuse Collection service; V127 FSJ, V543 GCS and V542 GCS are 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 to appropriate budget provision having been made of three Refuse Collection vehicles estimated at capital costs of £345,000, one box van at £42,000, two 3.5 tonne pick-ups at £40,000 and one tonne pick-up at £17,000. The estimated total lease cost is £75,500 per annum;
- ii) instruct the Director of Finance to secure the appropriate operating leases for the above in due course; and
- iii) otherwise note the contents of the report.

William Stafford
Director of Community Services

WS/RJP

22nd August 2003

LIST OF BACKGROUND PAPERS

Nil.

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