

## **EAST AYRSHIRE COUNCIL**

### **PERSONNEL AND PROPERTY SUB-COMMITTEE OF THE POLICY AND RESOURCES COMMITTEE- 2 APRIL 2001**

#### **CAR LEASING SCHEME**

##### **Report by the Depute Chief Executive/Director of Corporate Resources**

#### **1. PURPOSE OF REPORT**

- 1.1** To advise the Sub-Committee that the current Car Leasing Scheme contract is due to terminate on 30 September 2001 and to seek approval for the extension of one further year to the current contract.

#### **2. BACKGROUND**

- 2.1** The Policy and Resources Committee at their meeting on 22 October 1998 approved the appointment of Ogilvie fleet as the new contractor for the Car Leasing Scheme.
- 2.2** The current contract expires on 30 September 2001 with an option for the Council to award an extension to the contractor for a further period of one year up to 30 September 2002.

#### **3. PRESENT ARRANGEMENTS**

- 3.1** The Car Leasing Scheme is based on an agreement between the Council and the Contract Hire Company that enables the Council to provide authorised car users with cars, fully maintained, taxed and covered by membership of a motoring organisation to be used by employees in connection with the Council's business and also for the employees personal use.
- 3.2** An agreed fixed payment is deducted from the salary/wage of each participating employee in respect of their private use of the vehicle. The Council's contribution to the cost of leasing is based on a proportion of the average cost of leasing a vehicle together with a 'premium' contribution based on the total mileage that the vehicle is estimated to travel each year of the three year leasing period.
- 3.3** Each department is responsible for arranging leasing contracts for their own employees. Personnel Services issue standard documentation to departments to assist with the implementation and administration of the scheme.
- 3.4** There are currently 144 employees who have car leases with the Council.

#### **4. PROPOSAL**

- 4.1** As members will be aware, the Council will be reviewing the conditions of service for former APT & C employees and former Manual Workers as part of the harmonisation issues arising from the Single Status Agreement.

- 4.2 To enable the Car Leasing Scheme to be reviewed as part of the harmonisation process, it is recommended that the Council agree to extend the current contract for a further period of one year.
- 4.3 The extension will enable the Council to continue to provide a Car Lease Scheme whilst reviewing the current Scheme and determine its suitability in the revised East Ayrshire Conditions of Service which will be established as a result of the Single Status Agreement.
- 4.4. The Trade Unions have been consulted and have agreed to the proposal to extend the current contract for a further period of one year.

## 5. POLICY IMPLICATIONS

- 5.1 Employees will continue to have vehicles supplied by the current contractor for a further period of one year.

## 6. LEGAL IMPLICATIONS

- 6.1 The current contract was the subject of a tendering exercise and was awarded on the basis of the most economically advantageous tender.

## 7. FINANCIAL IMPLICATIONS

- 7.1 There are no additional costs arising from extending the current contract for a further period of one year.

## 8. RECOMMENDATIONS

- 8.1 The Sub Committee is asked to:-

- (a) agree to extend the current Car Leasing Scheme contract for a further period of one year up to 30 September 2002 and
- (b) otherwise note the contents of the report.

Fiona Lees  
Depute Chief Executive/Director of Corporate Resources  
GP/SB  
8 March 2001

## LIST OF BACKGROUND PAPERS

1. Report on Car Leasing Scheme to Policy and Resources Committee meeting dated 22 October 1998.

Anyone wishing further information should contact George Park, Employee Relations Manager (Telephone 01563 576095).

**AGENDA**