



Oversight and Governance

Chief Executive's Department

Plymouth City Council

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Delegated Decisions

Delegated Executive/Officer Decisions

Delegated Executive and Officer decisions are published every week and are available at the following link - <https://tinyurl.com/ms6umor>

Cabinet decisions subject to call-in are published at the following link - <http://tinyurl.com/yddrql16>

Notice of call-in for non-urgent decisions must be given to the Democratic Support Unit by 4.30 pm on Friday 31 March 2023. Please note – urgent decisions and non-key Council Officer decisions cannot be called in. Copies of the decisions together with background reports are available for viewing as follows:

- on the Council's Intranet Site at <https://modgov/mgDelegatedDecisions.aspx>
- on the Council's website at <https://tinyurl.com/jhnax4e>

Urgent decisions may be implemented immediately. Non-urgent decisions detailed below may be implemented from 4.30pm on Friday 31 March 2023 if it's not called-in.

Delegated Decisions

I. Councillor Richard Bingley, Leader of the Council:

- I.1. Urgent Decision - Walking, Wheeling and Cycling Funds **(Pages 1 - 22)**
- I.2. Fleet Replacement Programme Phase 2 & 3 **(Pages 23 - 42)**

EXECUTIVE DECISION

made by a Cabinet Member




REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – L39 22/23

Decision			
1	Title of decision: Walking, Wheeling and Cycling Funds		
2	Decision maker (Cabinet Member): Councillor Richard Bingley, Leader of the Council		
3	Report author and contact details: Richard Banner. Transport Strategy Co-ordinator. T: +441752304836. E: Richard.Banner@Plymouth.Gov.UK		
4	<p>Decision to be taken:</p> <ul style="list-style-type: none"> Accepts the external funding offer as referred to in the Business Case and allocates £2,367,868 of external funding to the capital programme: <ul style="list-style-type: none"> Project Development <ul style="list-style-type: none"> LCWIP Route 1: Ponsonby Road Crossing (Central Park) LCWIP Route 14: Pomphlett Road Crossing (Morrisons) LCWIP Route 11 – Elburton Road Cycle Lane Review Project Delivery <ul style="list-style-type: none"> Civic Square walking and cycling improvements Funding to deliver Plymbridge Road. Approves the business case Authorises the procurement process for the programme; Delegates the authority to authorise the procurement process to the Service Director for Strategic Planning and Infrastructure; Delegates the authority to award of the contract(s) and enter into any agreements in relation to the funding (including the funding agreement itself) to the Service Director for Strategic Planning and Infrastructure where they do not already have authority to do so. 		
5	<p>Reasons for decision:</p> <p>Provides authorisation to receive and spend the external funding awarded to Plymouth City Council.</p>		
6	<p>Alternative options considered and rejected:</p> <p>Alternative 1: Do not receive external funding awarded to Plymouth City Council.</p> <p>Rejected: We would not be able to enhance our network to support the uptake in sustainable transport activities.</p>		
7	<p>Financial implications:</p> <p>£2.480m to be added to the Capital Programme for the delivery of the programme.</p>		
8	Is the decision a Key Decision?	Yes	No
			Per the Constitution, a key decision is one which:

	(please contact Democratic Support for further advice)	X	in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total
		X	in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1million
		X	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.
	If yes, date of publication of the notice in the Forward Plan of Key Decisions		
9	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:	<p>Supports the policies of the Joint Local Plan (JLP), specifically:</p> <ul style="list-style-type: none"> - Policy SPT9, Strategic principles for transport planning and strategy <p>We will deliver an integrated approach to transport and planning, delivering a strategic approach to transport based upon the following key principles:</p> <ol style="list-style-type: none"> 1. Suitable growth as a key driver behind the transport strategy within Plymouth, whilst making sure that transport is delivered in the most health promoting and environmentally responsible manner; 4. Seeking to reduce the impact of severance caused by transport networks, enabling more journeys by walking, cycling and public transport and providing genuine alternative ways to travel from home to work and other facilities; 5. Providing realistic sustainable transport choices and increasing the integration of transport modes so that people have genuine alternative ways to travel. 8. Adopting a hierarchy of transport modes and routes based upon different spatial settings (regional, city, market town and neighbourhood / billage) <p>Supports the Climate Emergency declaration of March 2019 by promoting the uptake of low carbon modes of transport in the city.</p> <p>Supports the Corporate Plan: The package of sustainable transport measures supports the priorities of Britain's Ocean City to unlock the city's potential through the creation of a varied, efficient sustainable transport networks and supports the priority of caring for people and communities by helping create a friendly, welcoming city where people feel safe and reduces health inequalities.</p>	

10	Please specify any direct environmental implications of the decision (carbon impact)	The proposal delivers against Climate Emergency Action Plan 3.44 - Continue to bid for Department for Transport funds to deliver sustainable travel schemes. The scheme will be accessible to Council officers and will help make commuting and site visits more sustainable by providing a walk, cycle and scoot network.		
Urgent decisions				
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes	<input checked="" type="checkbox"/>	(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)
		No	<input type="checkbox"/>	(If no, go to section 13a)
12a	Reason for urgency: To accept the funding by 24 March 2023 as per the terms from the funder.			
12b	Scrutiny Chair Signature:		Date	24 March 2023
		Confirmed via email		
	Scrutiny Committee name:	Growth and Infrastructure Overview and Scrutiny Committee		
	Print Name:	Councillor John Riley		
Consultation				
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes	<input checked="" type="checkbox"/>	
		No	<input type="checkbox"/>	(If no go to section 14)
13b	Which other Cabinet member's portfolio is affected by the decision?	Councillor Jonathan Drear (Cabinet Member for Transport)		
13c	Date Cabinet member consulted	23 March 2023		
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes	<input type="checkbox"/>	If yes, please discuss with the Monitoring Officer
		No	<input checked="" type="checkbox"/>	
15	Which Corporate Management Team member has been consulted?	Name	Anthony Payne	
		Job title	Strategic Director for Place	
		Date consulted	22 March 2023	
Sign-off				
16	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS133 22/23	

	Finance (mandatory)	CH.22.23.436
	Legal (mandatory)	MS/00001389/23.03.23
	Human Resources (if applicable)	
	Corporate property (if applicable)	
	Procurement (if applicable)	SN/PS/676/ED/0323

Appendices

17	Ref.	Title of appendix
	A	Briefing report for publication
	B	Equalities Impact Assessment
	C	Business Case

Confidential/exempt information

18a	Do you need to include any confidential/exempt information?	Yes		If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below. (Keep as much information as possible in the briefing report that will be in the public domain)
		No	X	

Exemption Paragraph Number

	1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title:						


Background Papers

19 Please list all unpublished, background papers relevant to the decision in the table below.
Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.

Title of background paper(s)

Exemption Paragraph Number

	1	2	3	4	5	6	7

Cabinet Member Signature							
20	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act (2010) and those who do not. For further details please see the EIA attached.						
Signature		Date of decision	24 March 2023				
Print Name	Councillor Richard Bingley, Leader of the Council						

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WALKING, WHEELING & CYCLING FUNDS

Exec Decision Briefing Note



Background

The Government makes external funding available to local authorities to build priority walking, wheeling and cycling schemes. Councils are encouraged to bid for a mix of construction and development schemes to begin to build a pipeline of schemes, with a focus on construction-ready projects that can commence delivery over the next 12 months.

Funding Award

Plymouth City Council has successfully secured **£2,480,000** of external funding for the development and delivery of walking, wheeling and cycling schemes in 2023/24. £2,367,868 is capital and £112,132 is revenue.

Funding Package

The funding has been allocated to the following projects:

Project Development

- a) LCWIP Route 1: Ponsonby Crossing
- b) LCWIP Route 14: Morrisons Crossing
- c) LCWIP Route 11: Elburton Road

Project Delivery

- a) LCWIP Route 35: Civic Square
- a) LCWIP Route 16: Plymbridge Road

Delivery Timescales

The projects will need to be substantially committed before 31 March 2024 with delivery soon to follow.

Consultation with the public

The statutory consultation process for changes to the highway will be followed for projects prior to their delivery. Where funding has been secured for scheme development the designs will be developed to a point whereby statutory consultation can take place.

Procurement Approach

The projects will be procured in accordance with Plymouth's Contract Standing Orders. Where appropriate existing framework contracts such as the Term Maintenance Contract will be utilised.

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CAPITAL INVESTMENT BUSINESS CASE

Walking, Wheeling and Cycling Funds



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

key notes

This business case seeks the approval of adding funding to the capital programme. This is external funding that will enable PCC to improve the walking and cycling network of Plymouth. An offer of external funding has been made to the Council which requires acceptance on 24 March 2023.

key risks

1. If we do not add external funding to the capital programme Plymouth will need to fund all of the improvements required to grow the city, something that will be unaffordable.
2. By accepting the funding for these projects we are expected to have completed these projects by March 2024. In the event that this is not possible change control request can be made, but no guarantees are provided on the likely success. The projects have been picked as whilst they are ambitious we do believe we can deliver on these within a financial year.

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	£2,480,000 Capital £2,367,868 Revenue £112,132	Contingency (show as £ and % of project value)	£248,000 (10%)
Programme	Sustainable Transport	Directorate	Place - SP&I
Portfolio Holder	Councillor Jonathan Drean	Service Director	Paul Barnard
Senior Responsible Officer (client)	Richard Banner	Project Manager	Mike Jones, Catherine Arthurs, Jim Woffenden,
Address and Post Code	Citywide	Ward	Citywide

Current Situation: (Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)

At present there are locations in the city where the crossing facilities and footpaths can be improved if we are to provide options to encourage more residents to walk, cycle and scoot and lower the carbon emissions from transport.

External funding from central Government can be used to improve and enhance the infrastructure within Plymouth without calling upon PCC resources.

Proposal: (Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) **and** (What would happen if we didn't proceed with this scheme?)

The activities within this bid align with our strategic principle for transport planning Joint Local Plan Policy (SPT9) to get the most out of existing transport networks, through measures that improve efficiency and encourage behavioural change.

The delivery and development of the schemes directly support our cities growth ambitions for housing and employment sites set out in our 2019 adopted Joint Local Plan

(<https://new.plymouth.gov.uk/plymouth-and-south-west-devon-joint-local-plan>); aligns with investments near and on routes to our Enterprise Zone Oceans Gate (<https://www.oceansgateplymouth.com/>) and Freeport (<https://new.plymouth.gov.uk/plymouth-and-south-devon-freeport>); and aligns with our Investment Zone (<https://www.gov.uk/government/publications/the-growth-plan-2022-factsheet-on-investment-zones/the-growth-plan-2022-investment-zones-factsheet>).

Project Development

The funding will enable development of LTNI/20 compliant designs for crossings on LCWIP Routes 1 and 14 along with scheme design for LCWIP Route 11. The development of the schemes when delivered will encourage uptake of walking, wheeling and cycling as sustainable transport solutions for health, well-being and equality and promote a modal shift to low carbon transport options.

Project Delivery:

Civic Square walking and cycling improvements

The delivery of this cycling route will ensure cyclists in the city centre are protected from high volume motor traffic through the removal of traffic. It directly supports delivery of JLP policy PLY6 facilitating easier movement in and around the City Centre by high quality walking and cycling links and reconnecting neighbouring residential areas. It will be accessible to all regardless of age, gender, ethnicity or disability and as the works will include new lighting and CCTV will help to encourage behavioural change ensuring everyone feels safer and more confident cycling.

Plymbridge Road walking and cycling improvements

Delivery of this traffic free route and new toucan crossing as part of LCWIP route 16 will complete a traffic free network connecting some of Plymouth's most deprived neighbourhoods (bottom 20%) to schools and the Northern Corridor growth area which is projected to deliver 13,000 new jobs and 9350 houses by 2034 in line with S04 of the JLP - ADOPTED VERSION 2019 ([plymouth.gov.uk](https://www.plymouth.gov.uk)) This route links two existing cycle routes to provide a continuous route for commuting between residential and key employment areas.

If this funding was not received we would be reliant upon PCC funds and the Capital Programme to undertake these works, which would place additional financial pressures on PCC. This presents an opportunity to secure external funding from Central Government to improve the walking and cycling network of Plymouth.

Milestones and Date:			
Project	Contract Award Date	Start On Site Date	Completion Date
Project Development	14/07/23	01/09/23	31/03/24
Civic Square walking and cycling improvements	24/03/23	13/02/23	30/09/23
Plymbridge Road walking and cycling improvements	14/07/23	01/09/23	15/03/24

SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: *The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).*

Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	Lack of funding to deliver the whole programme	Low	Medium	Medium
Mitigation	Risks and contingency built into the bid. Experienced staff involved in estimating costs. Manage budget across programme Write to external funder seeking 'change control' if the schemes are unaffordable.	Low	Low	Low
Risk	Lack of time to deliver the whole programme.	Low	Medium	Medium
Mitigation	Float has been built into the programme. Experienced staff involved in estimating time. Monitor delivery as projects progress. Write to external funder seeking 'change control' if the schemes are undeliverable within 2023/24 timescales	Low	Low	Low
Risk	Lack of support for the schemes	Low	Medium	Medium
Mitigation	The types of schemes that are being introduced (crossings) are typically supported locally. Should this not be the case, write to external funder seeking 'Change Control'	Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£0			

Outcomes and Benefits

List the outcomes and benefits expected from this project.

*(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)*

*(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)*

Financial outcomes and benefits:

Non-financial outcomes and benefits:

External funding to improve the transport infrastructure within Plymouth. The schemes have been assessed with a Department for Transport approved method of measuring value for money and all are expected to provide 'high' returns.

Improved connectivity through the provision of crossings and footpaths to help reduce severance, encourage mobility through walking, cycling and scooting that will improve health and help improve the place element by providing the means to encourage and enable residents to walk and cycle in their local neighbourhoods.

Low Carbon

What is the anticipated impact of the proposal on carbon emissions

The transport sector is accountable for 30% of the city's total emissions and is an area which requires a major change in public behaviour if we are to achieve our 2030 target.

Increasing the sustainable travel options available for the city is a thread which links all the mobility actions in Plymouth's Climate Emergency Action Plan.

	Implementing schemes that encourages more residents to walk, scoot and cycle which increases the number of residents travelling sustainably and will reduce the city's transport carbon emissions.
How does it contribute to the Council becoming Carbon neutral by 2030	The proposal delivers against Climate Emergency Action Plan 3.44 - Continue to bid for Department for Transport funds to deliver sustainable travel schemes. The scheme will be accessible to Council officers and will help make commuting and site visits more sustainable by providing a walk, cycle and scoot network.
Have you engaged with Procurement Service?	Yes
Procurement route options considered for goods, services or works	All procurement routes considered will be in line with Plymouth City Council's Contract Standing Orders. The procurement routes that will be considered, but is not limited to, include undertaking an Invitation to Tender process inviting a minimum of 3 quotes; utilising a pre-determined framework agreement; or utilising our Term Maintenance Contract with South West Highways. Separate procurement process are likely to be undertaken for both the design and construction.
Procurements Recommended route.	Given the scale and types of construction, the preference would be to utilise the Term Maintenance Contract with South West Highways. The recommendation will be that a subsequent procurement route options analysis will be undertaken between the department and procurement to determine the route(s) which will represent best value for the Council. Formal sign off will be sought for the recommended route, which will be in accordance with Contract Standing Orders and Public Contract Regulations 2015.
Who is your Procurement Lead?	Kim Kingdom – Design Simone Newark – Construction
Is this business case a purchase of a commercial property	No
If yes then provide evidence to show that it is not 'primarily for yield'	
Which Members have you engaged with and how have they been consulted (<i>including the Leader, Portfolio Holders and Ward Members</i>)	

SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.*

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr.	22/23	23/24	24/25	25/26	26/27	Future Yrs.	Total
	£	£	£	£	£	£	£	£

Project Development								
LCWIP Route 1: Ponsonby Road Crossing (Central Park)			28,644					28,644
LCWIP Route 14: Pomphlett Road Crossing (Morrisons)			28,644					28,644
LCWIP Route 11 – Elburton Road Cycle Lane Review			19,096					19,096
Sub Total			76,384					76,384
Delivery of new shared use walking and cycling facilities								
Civic Square walking and cycling improvements			181,409					181,409
Sub Total			181,409					181,409
Delivery – LCWIP Route 16								
Plymbridge Road walking and cycling improvements			2,110,075					2,110,075
Sub Total			2,110,075					2,110,075
Total capital spend			2,367,868					2,367,868

Provide details of proposed funding: <i>Funding to match with Project Value</i>								
Breakdown of proposed funding	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £	Total £
As above			2,367,868					2,367,868
Total funding			2,367,868					2,367,868

Which external funding sources been explored	This is 100% external funded.
Are there any bidding constraints and/or any restrictions or conditions attached to your funding	Funding for construction projects will need to be committed before 31 March 2024 with delivery soon to follow. Feasibility and development funding will need to be spent by 31 March 2024. The schemes have been selected on the basis that they can meet these criteria.
Tax and VAT implications	The project will not directly generate any VAT-exempt income for the Council. Transport and highways infrastructure works are a non-business activity of local authorities and so any VAT incurred by the Council on costs

	relating to this project will be fully recoverable and there will be no adverse impact on the Council's partial exemption position.
Tax and VAT reviewed by	Ruth Didymus on behalf of Sarah Scott

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project	N/a
Revenue cost code for the development costs	N/a
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	N
Budget Managers Name	N/a

Ongoing Revenue Implications for Service Area

	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £
Service area revenue cost							
Other (eg: maintenance, utilities, etc)							
Loan repayment (terms agreed with Treasury Management)							
Total Revenue Cost (A)							
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)							
Total Revenue Income (B)							
Service area net (benefit) cost (B-A)							
Has the revenue cost been budgeted for or would this make a revenue pressure							
Which cost centre would the revenue pressure be shown						Has this been reviewed by the budget manager	Y/N
Name of budget manager							
Loan value £		Interest Rate	%	Term Years		Annual Repayment £	
Revenue code for annual repayments							
Service area or corporate borrowing							
Revenue implications reviewed by							

Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)

Author of Business Case	Date	Document Version	Reviewed By	Date
Richard Banner	01/03/2023	v 1.0		00/00/2022
Richard Banner	23/03/2023	v 1.4	Ruth Didymus	23/03/2023

SECTION 6: RECOMMENDATION AND ENDORSEMENT

Recommended Decision

- It is recommended that the Leader of the Council:
- Accepts the external funding offer as referred to in the Business Case and allocates £2,480m of external funding to the capital programme:

Project Development

- LCWIP Route 1: Ponsonby Road Crossing (Central Park)
- LCWIP Route 14: Pomphlett Road Crossing (Morrisons)
- LCWIP Route 11 – Elburton Road Cycle Lane Review

Project Delivery

- Civic Square walking and cycling improvements
- Funding to deliver Plymbridge Road.


- Approves the business case
- Authorises the procurement process for the programme;
- Delegates the authority to authorise the procurement process to the Service Director for Strategic Planning and Infrastructure;
- Delegates the authority to award of the contract(s) and enter into any agreements in relation to the funding (including the funding agreement itself) to the Service Director for Strategic Planning and Infrastructure where they do not already have authority to do so.

Councillor Richard Bingley, Leader of the Council		Paul Barnard, Service Director for Strategic Planning & Infrastructure	
Either email dated:	24 March 2023	Either email dated:	23 March 2023
Or signed:		Signed:	
Date:		Date:	

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EQUALITY IMPACT ASSESSMENT – WALKING, WHEELING AND CYCLING FUNDS

SECTION ONE: INFORMATION ABOUT THE PROPOSAL

Author(s): This is the person completing the EIA template.	Richard Banner	Department and service:	Strategic Planning & Infrastructure, Place	Date of assessment:	23/03
Lead Officer: Please note that a Head of Service, Service Director, or Strategic Director must approve the EIA.	Paul Barnard	Signature:		Approval date:	23/03/23
Overview:	<p>The Government has made funding available for local authorities to build priority walking, wheeling and cycling schemes. Plymouth's exciting package of measures includes:</p> <p>Project Development</p> <ul style="list-style-type: none"> - LCWIP Route 1: Ponsonby Road Crossing (Central Park) - LCWIP Route 14: Pomphlett Road Crossing (Morrisons) - LCWIP Route 11 – Elburton Road Cycle Lane Review <p>Project Delivery</p> <ul style="list-style-type: none"> - Civic Square walking and cycling improvements - Funding to deliver Plymbridge Road. 				
Decision required:	Agreement with the outcomes of the Equality Impact Assessment screening (Section Two) and approval for the schemes to proceed on the grounds that there are no negative equality impacts from these projects.				

SECTION TWO: EQUALITY IMPACT ASSESSMENT SCREENING TOOL

Potential external impacts:	Yes		No	<input checked="" type="checkbox"/>
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Does the proposal have the potential to negatively impact service users, communities or residents with protected characteristics?			
Potential internal impacts: Does the proposal have the potential to negatively impact Plymouth City Council employees?	Yes		No <input checked="" type="checkbox"/>
Is a full Equality Impact Assessment required? (if you have answered yes to either of the questions above then a full impact assessment is required and you must complete section three)	Yes		No <input checked="" type="checkbox"/>
If you do not agree that a full equality impact assessment is required, please set out your justification for why not.	The projects will not have a specific negative impact upon: Age; Disability; Faith, Religion or Belief; Gender; Gender Reassignment; Race; Sexual Orientation – including Civil Partnership; inequality gaps for health; good relations between different communities; or Human Rights.		

Protected characteristics (Equality Act, 2010)	Evidence and information (e.g. data and consultation feedback)	Adverse impact	Mitigation activities	Timescale and responsible department
Age	<p>Plymouth</p> <ul style="list-style-type: none"> 16.4 per cent of people in Plymouth are children aged under 15. 65.1 per cent are adults aged 15 to 64. 18.5 percent are adults aged 65 and over. 2.4 percent of the resident population are 85 and over. <p>South West</p> <ul style="list-style-type: none"> 15.9 per cent of people are aged 0 to 14, 61.8 per cent are aged 15 to 64. 	No Adverse Impact		

	<ul style="list-style-type: none"> • 22.3 per cent are aged 65 and over. <p>England</p> <ul style="list-style-type: none"> • 17.4 per cent of people are aged 0 to 14. • 64.2 per cent of people are aged 15 to 64. • 18.4 per cent of people are aged 65 and over. <p>(2021 Census)</p>			
Disability	<p>9.4 per cent of residents in Plymouth have their activities limited 'a lot' because of a physical or mental health problem.</p> <p>12.2 per cent of residents in Plymouth have their activities limited 'a little' because of a physical or mental health problem (2021 Census)</p>	No Adverse Impact		
Gender reassignment	<p>0.5 per cent of residents in Plymouth have a gender identity that is different from their sex registered at birth. 0.1 per cent of residents identify as a trans man, 0.1 per cent identify as non-binary and, 0.1 per cent identify as a trans women (2021 Census).</p>	No Adverse Impact		
Marriage and civil partnership	<p>40.1 per cent of residents have never married and never registered a civil partnership. 10 per cent are divorced, 6 percent are widowed, with 2.5 per cent are separated but still married.</p> <p>0.49 per cent of residents are, or were, married or in a civil partnerships of the same sex. 0.06 per cent of residents are in a civil partnerships with the opposite sex (2021 Census).</p>	No Adverse Impact		

Pregnancy and maternity	The total fertility rate (TFR) for England was 1.62 children per woman in 2021. The total fertility rate (TFR) for Plymouth in 2021 was 1.5.	No Adverse Impact		
Race	<p>In 2021, 94.9 per cent of Plymouth’s population identified their ethnicity as White, 2.3 per cent as Asian and 1.1 per cent as Black (2021 Census)</p> <p>People with a mixed ethnic background comprised 1.8 per cent of the population. 1 per cent of the population use a different term to describe their ethnicity (2021 Census)</p> <p>92.7 per cent of residents speak English as their main language. 2021 Census data shows that after English, Polish, Romanian, Chinese, Portuguese, and Arabic are the most spoken languages in Plymouth (2021 Census).</p>	No Adverse Impact		
Religion or belief	<p>48.9 per cent of the Plymouth population stated they had no religion. 42.5 per cent of the population identified as Christian (2021 Census).</p> <p>Those who identified as Muslim account for 1.3 per cent of Plymouth’s population while Hindu, Buddhist, Jewish or Sikh combined totalled less than 1 per cent (2021 Census).</p>	No Adverse Impact		
Sex	51 per cent of our population are women and 49 per cent are men (2021 Census).	No Adverse Impact		
Sexual orientation	88.95 per cent of residents aged 16 years and over in Plymouth describe their sexual orientation as straight or heterosexual. 2.06 per cent describe their sexuality as bisexual, 1.97 per cent of people describe their sexual orientation as gay or lesbian. 0.42 per cent of	No Adverse Impact		

	residents describe their sexual orientation using a different term (2021 Census).			
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SECTION FOUR: HUMAN RIGHTS IMPLICATIONS

Human Rights	Implications	Mitigation Actions	Timescale and responsible department
	No Adverse Impact		

SECTION FIVE: OUR EQUALITY OBJECTIVES

Equality objectives	Implications	Mitigation Actions	Timescale and responsible department
Celebrate diversity and ensure that Plymouth is a welcoming city.	No Adverse Impact		
Pay equality for women, and staff with disabilities in our workforce.	No Adverse Impact		
Supporting our workforce through the implementation of Our People Strategy 2020 – 2024	No Adverse Impact		
Supporting victims of hate crime so they feel confident to report incidents, and working with, and through our partner organisations to achieve positive outcomes.	No Adverse Impact		
Plymouth is a city where people from different backgrounds get along well.	No Adverse Impact		

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EXECUTIVE DECISION

made by a Cabinet Member




REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – L40 22/23

Decision				
1	Title of decision: Fleet Replacement Programme Phase 2 & 3			
2	Decision maker Councillor Richard Bingley Leader of Plymouth City Council			
3	Report author and contact details: Martin Hoar, Fleet Services Manager martin.hoar@plymouth.gov.uk			
4	Decision to be taken: <ul style="list-style-type: none"> • Approves the Business Case • Allocates £8,651,806 for the project into the Capital Programme funded by service borrowing • Authorises the procurement process • To authorise Service Director for Street Services to approve business cases and award contracts relating to this project where they would otherwise not have authority to do so. 			
5	Reasons for decision: Allocation of funding for the replacement of additional fleet vehicles within Phase 2 & 3 of the ongoing Fleet Replacement programme, with additional shortfall from Phase 1			
6	Alternative options considered and rejected: Continue to operate end of life vehicles with high maintenance costs and increased downtime. Replacement to Electric or alternative fuels, this option is not currently affordable by service borrowing, grant funding and future Capital programme needs to be considered. Alternative fuels are still in early stage for HGV and specialist vehicles, as technology improves they will be considered for replacement where funding is available.			
7	Financial implications and risks: The Scheme is funded by service borrowing. Inflation is a risk to the project cost.			
8	Is the decision a Key Decision? (please contact Democratic Support for further advice)	Yes	No	Per the Constitution, a key decision is one which: in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total
		√		

			√	in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million
			√	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.
	If yes, date of publication of the notice in the Forward Plan of Key Decisions			
9	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:	The project fully meet the corporate plan priorities below : <ul style="list-style-type: none"> • A green, sustainable city that cares about the environment; • Create and varied, efficient, sustainable transport 		
10	Please specify any direct environmental implications of the decision (carbon impact)	Replacement of end of life Diesel vehicles with improve the carbon emissions.		
Urgent decisions				
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes		(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)
		No	√	(If no, go to section 13a)
12a	Reason for urgency:			
12b	Scrutiny Chair Signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes		
		No	√	(If no go to section 14)
13b	Which other Cabinet member's portfolio is affected by the decision?			

I3c	Date Cabinet member consulted	13 October 2022						
I4	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer				
		No	√					
I5	Which Corporate Management Team member has been consulted?	Name	Anthony Payne					
		Job title	Strategic Director for Place					
		Date consulted	22/03/2023					
Sign-off								
I6	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS134 22/23					
		Finance (mandatory)	PI.22.23.405					
		Legal (mandatory)	MS0000126603.03.23					
		Human Resources (if applicable)	n/a					
		Corporate property (if applicable)	n/a					
		Procurement (if applicable)	PW/PS/671/ED/0323					
Appendices								
I7	Ref.	Title of appendix						
	A	Briefing report for publication (<i>mandatory</i>)						
	B	Business case						
Confidential/exempt information								
I8a	Do you need to include any confidential/exempt information?	Yes		If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in I8b below. (Keep as much information as possible in the briefing report that will be in the public domain)				
		No	√					
		Exemption Paragraph Number						
		1	2	3	4	5	6	7

18b	Confidential/exempt briefing report title:							
Background Papers								
19	<p>Please list all unpublished, background papers relevant to the decision in the table below.</p> <p>Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</p>							
Title of background paper(s)		Exemption Paragraph Number						
		1	2	3	4	5	6	7
Cabinet Member Signature								
20	<p>I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.</p>							
Signature				Date of decision	24 March 2023			
Print Name	Councillor Richard Bingley, Leader of Plymouth City Council							

CAPITAL INVESTMENT BUSINESS CASE

FLEET REPLACEMENT PROGRAMME PHASE 2 & 3



EXECUTIVE SUMMARY

In November 2019, a fleet replacement programme was approved into the Capital Programme, Phase 1 was split into 3 Business cases (total £5,508,761 of service borrowing).

Consisting of replacement of Hires, Street Scene and Waste Vehicles, and Electric Vehicles

These business cases are part of the proposed 6 year (2020 -2026) fleet replacement programme, over 3 phases. The programme manages replacement using business intelligence to inform which vehicles are to be included in each phase. The rolling programme included replacement of 177 vehicles of 210 with an overall cost of **£10,878,761** which was approved by the Leader in 2019.

This business cases is seeking the funding to be allocated into the Capital programme for Parts 2 and 3 of the original business cases that were approved, with additional funding to support the shortfall over the 3 phases.

Approval is sought for the capital allocation of £5,370,000 to start Part 2 & 3 of the replacement programme as detailed in the business case.

Part 2 of the rolling programme 43 vehicles £4,050,000

Part 3 of the rolling programme 21 vehicles £1,320,000

As with any ongoing fleet replacement programme, the ongoing requirements have been assessed which are service lead and amends are required to remove and add additional vehicles and equipment into the current replacement plan to ensure service requirements are delivered, with tracker and utilisation intelligence.

Due to the worldwide issues over the past 2 years, BREXIT, COVID, the war in Ukraine and manufacturing issues with microchips and steel production the replacement programme has been affected with a number of increased costs over and above the 5% contingency originally planned. With unprecedented delays in manufacturer from ordering vehicles to delivery.

There has been a need to review the current replacement plan and request additional funding to complete Phase 1, and continue with Part 2 & 3 to ensure vehicles can be ordered for delivery, which could take from 6 to 18 months from placing orders.

Approval is also sought for the capital allocation of an additional £2,791,138 to replace the shortfall from Phase 1 parts 1, 2 & 3 as detailed in the business case and proposed increased costs for both Phase 2 & 3.

Total capital allocation of £8,650,806 to include a 6% contingency for any future market influences.

Future funding will be required as we start to plan a decarbonisation programme of the fleet to meet the target of carbon neutral by 2030, with vehicles life being between 5 – 7 years. A future business case will be submitted with the plan required to achieve this.

key risks

Fluctuation costs in the market impacting on vehicle cost's and delivery lead times, this is a worldwide issue.

Need for Electric Vehicle or alternative fuelling/charging infrastructure to be delivered in areas that require it before vehicle delivery, dependant on available finances and future developments.

Not renewing the fleet with a staggered approach, reviewing constantly to ensure the fleet matches the service requirements.

Not renewing the fleet with a planned replacement programme to be carbon neutral by 2030.

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	£8,650,806 Capital	Contingency (show as £ and % of project value)	£489,668 – 6%
Programme	Fleet Replacement Phase 2 & 3	Directorate	Place - SS
Portfolio Holder	Councillor Bill Wakeham	Service Director	Philip Robinson
Senior Responsible Officer (client)	Anthony Payne Strategic Director for Place	Project Manager	Martin Hoar
Address and Post Code	N/A	Ward	Citywide

Current Situation: *(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)*

Fleet Replacement Programme**Background**

Phase	Business Case Title	Vehicle	Value	Date
1	Business Case [1] Replacement of Hire Vehicles	35	£1,801,000	2020/21
	Business Case [2] Street Scene & Waste	24	£2,562,000	2020/21
	Business Case [3] Electric Vehicles	54	£1,145,761	2020/21
2	Part 2 of the rolling programme	43	£4,050,000	2022/23
3	Part 3 of the rolling programme	21	£1,320,000	2024/25
Fleet Replacement Programme Total		177	£10,878,761	

In November 2019, a fleet replacement programme was approved into the Capital Programme Phase 1 was split into 3 Business cases (total £5,508,761 of service borrowing).

These business cases are part of the original proposed 6 year (2020 -2026) fleet replacement programme, over 3 phases. The majority of the PCC operational vehicles have an effective life of 5 - 8 years, beyond which they suffer from breakdowns and require increased reactive maintenance, which can impact on service delivery. Whilst out of service they typically need to be replaced by expensive short-time hires. The programme will manage replacement using business intelligence to inform which vehicles are to be included in each phase. The rolling programme includes replacement of [177] vehicles with an overall cost of £10,878,761.

Optimising vehicle renewal is an accepted part of effective fleet management, enabling costs to be minimised and service delivery to be enhanced.

For vehicles in excess of 3.5 tonnes it is recommended that PCC monitors the development of battery technologies and applies for suitable grants to investigate the use of Electric and or hydrogen fuel cell vehicles and the associated refuelling infrastructure. Over time, a combination of EV and hydrogen vehicles will help reduce running costs and achieve the carbon neutral target of 2030. The programme also provides an opportunity to incorporate further improvements to the fleet, including:

- Optimisation of operations to reduce the number of vehicles and therefore cut cost.
- Further embracing new technologies that reduce emissions and improved air quality
- Consistency and quality of service delivery which will improve customer satisfaction and lead to a reduction in both complaints and enquiries.
- Improvements in Health & Safety through the deployment of vehicles that support a safety first culture.

Current phased Programme update

The first phase (2020/21) of this programme provided a response for the replacement of hired vehicles and will remedy issues relating to the age profile of the current fleet. The renewal plan was based on a full assessment of each replacement, considering service need, lifespan for vehicle type based on usage and utilisation throughout lifecycle.

Phase 1 consists of 3 separate business cases. The values are exclusive of finance.

The vehicle requirement has been assessed at a point in time and confirmed with each service lead, though an ongoing assessment of need will continue throughout the procurement process.

REPLACEMENT OF HIRE VEHICLES (Business case 1)

There is a total of 35 vehicles proposed for purchase on Phase 1. They were scheduled for purchase in financial year 2019/20. The approved funding of £1,801,000 was allocated to this phase. The Hire phase has been most effected by the world crisis but is now back on track to be delivered in 2023 financial year.

[3] Vehicles have been delivered and are in service, an additional [28] are currently out for tender awaiting responses, [3] vehicles have been amended and [1] vehicle due to go to tender early 2023.

An additional ask of £606,217 is required to deliver this phase in full due to price increases.

Budget	Area	Vehicle Type	No	Previous Cost 2019	Estimated cost 2023	Expected delivery
SSWS	Chelson	Hook Loader	1	n/a	£180,000	2024
SSWS		Increased Costs	n/a	1,801,000	£2,227,217	2024
					£606,217	

Street Scene & Waste Vehicles (Business case 2)

Capital funding of £2,562,000 was approved to enable the purchase of [24] vehicles.

[24] Vehicles were due to be replaced on this phase, [20] are now in service with [4] vehicle currently out to tender.

Replacement RCVs were put into service in 2021/22 the vehicles were [6] x 12 Tonne RCV's and [9] x 26 Tonne RCVs, and to be replaced on a 'like for like' basis. An additional [15] x RCVs are due for replacement in later phases. An additional [5] RCV's were replaced for the Garden waste service as part of business case for Garden waste bin delivery.

Refuse collection is a statutory function, provided by the Street Scene and Waste service. It operates a household collection of brown and green waste as well as a non-statutory seasonal garden waste collection service.

This is a highly visible service that touches the life of every Plymouth resident where disruptions to collections can cause considerable customer dissatisfaction and impact on the cleanliness of Plymouth. The replacement vehicles are required to fulfil our statutory waste collection obligations and ensure that customer expectations are met.

Future Proofing - There are proposed changes to legislation from DEFRA's Resource & Waste Strategy (in consultation) and the current Environmental Bill that may affect how we deliver the waste collection services. As only a selection of refuse collection vehicles have been proposed for replacement during phase 1 of the program this will provide a natural protection. Early feedback on the consultation suggests that our current "TEEP" arrangements, that allows the co-mingled collection of waste materials, may be continued in some format post legislative change.

An additional ask of £148,645 is required to deliver this phase in full due to price increases.

Budget	Area	Vehicle Type	No	Previous Cost 2019	Estimated cost 2023	Expected delivery
SSWS		Various		2,562,000	2,710,645	2023
					£148,645	

Electric Vehicles (Business case 3)

Capital funding of £1,145,761 was approved to enable the purchase of [54] electric vehicles.

Total of [43] electric vehicles are now in service across the fleet with an additional [7] on order taking the total to [50].

[4] Additional vehicles will be purchased in 2023 to complete this phase of the initial replacement programme once suitable alternative are available, a number of manufacturers have stopped taking orders for certain vehicles and reduce the availability.

An additional ask of £25,866 is required to deliver this phase in full due to price increases.

Budget	Area	Vehicle Type	No	Previous Cost 2019	Estimated cost 2023	Expected delivery
SSWS	Fleet	Electric Car	n/a	£1,145,761	£1,171,627	2023
					£25,866	

Phase 2 of the rolling programme

Capital funding of £4,050,000 was originally proposed for the replacement of [43] vehicles, since 2019 the cost of vehicles have increased considerably, Phase 2 has been reviewed which has identified amendments that are required, [1] additional vehicle has been added.

Tranche	Budget	Area	Vehicle Type	No	Previous Cost 2019	Estimated cost 2023	Expected delivery
Phase 2	Other	Schools	Mini Bus 17 seats	10	£480,000	£890,000	2024
Phase 2	SSWS	Parks	Tractors	2	£112,000	£164,000	2024
Phase 2	SSWS	Garage	Telehandler	1	n/a	£50,000	2023
Phase 2	SSWS	Streets	3.5T Tipper	2	£58,000	£76,000	2023
Phase 2	SSWS	Streets	Large Broom	2	£250,000	£300,000	2023
Phase 2	SSWS	Streets	Small Sweeper	11	£770,000	£935,000	2023
Phase 2	SSWS	Streets	Tree Gang	2	£70,000	£140,000	2023
Phase 2	SSWS	Waste	26T Refuse Vehicle	14	£2,310,000	£2,678,410	2023
Total 43				44	£4,050,000	£5,233,410	£1,183,410

Phase 3 of the rolling programme

Capital funding of £1,320,000 was originally proposed for the replacement of [21] vehicles, since 2019 the cost of vehicles have increased considerably, Phase 3 has been reviewed which has identified amendments that are required, [4] additional vehicles are required.

Tranche	Budget	Area	Vehicle Type	No	Previous Cost 2019	Estimated cost 2023	Expected delivery
Phase 3	SSWS	Parks	Tractors	2	112,000	£170,000.00	2024/25
Phase 3	SSWS	Streets	Beavertail + Trailer	6	204,000	£390,000.00	2024/25
Phase 3	SSWS	Waste	12T Refuse Vehicle	1	120,000	£150,000.00	2024/25
Phase 3	SSWS	Waste	26T Refuse Vehicle	4	660,000	£780,000.00	2024/25
Phase 3	SSWS	Parks	Ride on mower	8	224,000	£272,000.00	2024/25
Phase 3	SSWS	Trade	Food Waste Vehicle	1	n/a	£150,000.00	2024/25
Phase 3	SSWS	Streets	7.5T Refuse Vehicle	1	n/a	£125,000.00	2024/25
Phase 3	Other	Crems	Digger	2	n/a	£110,000.00	2024/25
Total				25	1,320,000	2,147,000	£827,000

CEIF

£891,000 of Corporate funding from the Climate Emergency Investment Fund has been allocated to replace a further [24] small Diesel cars and vans for electric alternatives as part of the Councils commitment to be carbon neutral by 2030, these vehicles are not currently part of the fleet replacement programme but were identified as being suitable for replacement to EV.

Milestones and Date:

Contract Award Date	Start On Site Date	Completion Date
April 2023	N/A	March 2027

SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).

Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	Lead time of vehicles for delivery	Low	Low	Low
Mitigation	Project split of phases to allow procurement	Low	Low	Low
Risk	Fluctuation in interest rates and production costs	High	Medium	Medium
Mitigation	Follow market trends and try to secure vehicles at most beneficial times/dealer guarantees on prices.	High	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£0			

Outcomes and Benefits

List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)

Financial outcomes and benefits:

Non-financial outcomes and benefits:

--	--

Low Carbon

What is the anticipated impact of the proposal on carbon emissions

Replacing aged Diesel vehicles with newer Euro6 engines will reduce the carbon emissions from the fleet saving fuel and reducing the tailpipe emissions

How does it contribute to the Council becoming Carbon neutral by 2030

The fleet replacement plan takes into consideration that vehicle life and lead times, a plan is being produced to reduce the future vehicles to ensure we meet the carbon neutral plan.

Have you engaged with Procurement Service?

Yes

Procurement route options considered for goods, services or works

Procurement Options

In line with the Council's Contract Standing Orders, this requirement is classed as a High Value / High Risk Procurement, and as such, the estimated value exceeds the relevant Public Contract Regulations threshold and is subject to the full public procurement regime as set out in the Public Contract Regulations 2015 (PCR 2015) and Public Procurement (Amendment etc.) (EU Exit) Regulations 2020.

Of the six EU procurement procedures available, two procurement procedures are appropriate and have been considered for this particular requirement as follows:

Open Procedure

With the Open Procedure, any interested bidder may submit a bid. The Council is free to use this procedure, which can be applied to both contracts and framework agreements. However in some cases it can be beneficial to choose a procedure (such as the Restricted procedure) where the number of bidders can be reduced at the selection stage based on their capability and capacity, especially if the Council does not have enough resources (such as time) to conduct a full Open Procedure.

The Open Procedure is best used where the requirements are typically straight forward, with a relatively simple selection and award process, or it is anticipated that only a small number of suppliers will respond to the advertised Contract Notice.

The practicality of the Open Procedure will depend upon the potential number of bids received and the nature of the evaluation criteria. If the Council receives a large number of bids, the evaluation of all compliant bids is likely to be time consuming.

Restricted Procedure

This is a two-stage procedure. Stage 1 is a pre-selection stage (SQ) and its purpose is to select a shortlist of five (or more) suppliers which are likely to meet the tender requirements. Stage 2 is the tender stage where shortlisted suppliers which meet the SQ stage are then invited to tender, and is used to determine a successful supplier to whom a contract will be awarded. A minimum of five suppliers must be invited to tender (Stage 2) and in any event the number of suppliers invited shall be sufficient to ensure genuine competition. The Restricted Procedure should be used for procurements where market analysis has indicated a large number of bidders are likely to be interested in participating. In this case it is beneficial to use this procedure where the number of bidders can be reduced at the selection stage based on their capacity, capability and experience to perform the contract. Like the Open Procedure the Council are free to use this procedure, in any circumstances and for any type of contract. The contract will be awarded to the most economically advantageous tender (MEAT).

Timescales to Consider

Time limits for the receipt of tenders must take account of the complexity of the contract requirement and the time required for the market place to compile and submit tenders.

For the Open Procedure, the minimum time limit for the receipt of tenders is 35 days from the date on which the contract notice is sent for publication within the Find a Tender Service (FTS).

Time limits for receipt of tenders may be reduced by five days where submission by electronic means is allowed.

If requirements are urgent, and a longer time limit is impractical as a result then the tender period may be reduced to 15 days.

For the Restricted Procedure, the minimum time limit for Stage 1 – receipt of SQ is 30 days from the date on which the contract notice is sent for publication within the Find a Tender Service (FTS).

If requirements are urgent, and a longer time limit is impractical as a result then the tender period may be reduced to 15 days.

For Stage 2 – Tender Stage, the minimum time limit from Invitation to Tender to receipt of Tenders is 30 days.

Time limits for receipt of tenders may be reduced by five days where submission by electronic means is allowed.

If requirements are urgent, and a longer time limit is impractical as a result then the tender period may be reduced to 10 days.

Other Options

In line with the Regulation 33 of the Public Procurement Regulations, and the Council's Contract Standing Orders section 30 there is also the option to use Predetermined EU & UK compliant Framework Agreements.

Pre-existing Framework Agreements tend to be a favourable means of acquiring goods and services, as they lend themselves to collaborative procurement and enable the requirements of many organisations to be aggregated, thereby securing economies of scale, whilst at the same time eliminating the need for the Council to run separate competitive tendering exercises for each requirement, reducing the amount of time and effort required to procure the requirement.

	<p>Depending on the requirement of each Vehicle Type following frameworks will be considered:</p> <p>Crown Commercial Services Framework RM6244 – Purchase of Standard & Specialist Vehicles (Note this is a collaborative Framework with Eastern Shires Purchasing Organisation)</p> <p>Crown Commercial Services RM3814 – Vehicle Conversions Dynamic Purchasing System</p> <p>Eastern Shires Purchasing Organisation Framework 215_20 – Specialist Vehicles</p> <p>Halton Housing Fleet Procurement</p> <p>Any resulting contract through either of the above options will be awarded to the most economically advantageous tender (MEAT).</p> <p><u>Recommendation</u></p> <p>The recommended procurement route for the requirements within the Business Case is through National Frameworks.</p> <p>Running a procurement under national frameworks provides the Council with access to a list of market leading suppliers who have been pre-approved in terms of their economic & financial standing, technical ability, including environmental and social standing. By utilising these frameworks the Council can also benefit from lower pricing due to the considerable economies of scale used to set up the frameworks. These economies would generally not be available if the Council ran its own UK compliant procurement process.</p> <p>If there is, a change in circumstances and the recommended procurement route cannot be undertaken or no longer represents best value for the Council any subsequent procurement route undertaken will be in accordance with the Council's Contract Standing Orders and Procurement Law.</p>
Procurements Recommended route.	Pre-existing National Frameworks
Who is your Procurement Lead?	Paul Williams – Category Lead (Transport, Waste & Environment)
Is this business case a purchase of a commercial property	No
If yes then provide evidence to show that it is not 'primarily for yield'	
Which Members have you engaged with and how have they been consulted (<i>including the Leader, Portfolio Holders and Ward Members</i>)	Councillor Bill Wakeham Cabinet Member for Environment & Street Scene

SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.*

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr.	22/23	23/24	24/25	25/26	26/27	Future Yrs.	Total
	£	£	£	£	£	£	£	£
Phase 1 (BC 1) Hire Vehicles - Shortfall			606,217					606,217
Phase 1 (BC 2) Street Scene & Waste Vehicles - Shortfall		148,645						148,645
Phase 1 (BC 3) Electric Vehicles - Shortfall		25,866						25,866
Phase 2 Rolling Programme		1,522,480	3,710,930					5,233,410
Phase 3 Rolling Programme				2,147,000				2,147,000
Contingency 6%		101,820	259,028	128,820				489,668
Total capital spend		1,798,811	4,576,175	2,275,820				8,650,806

Provide details of proposed funding: Funding to match with Project Value								
Breakdown of proposed funding	Prev. Yr.	22/23	23/24	24/25	25/26	26/27	Future Yrs.	Total
	£	£	£	£	£	£	£	£
Service Borrowing		1,798,811	4,576,175	2,275,820				8,650,806
Total funding		1,798,811	4,576,175	2,275,820				8,650,806

Which external funding sources been explored	External funding sources are currently not available for this project future funding will be looked at by SP&I
Are there any bidding constraints and/or any restrictions or conditions attached to your funding	No
Tax and VAT implications	The vehicles will be used by the Council mostly in connection with the provision of taxable business, or statutory non-business services. The input tax incurred on the purchase of the vehicles will be fully recoverable therefore and there will be no adverse impact on the Council's partial exemption position.
Tax and VAT reviewed by	Sarah Scott

REVENUE COSTS AND IMPLICATIONS	
Cost of Developing the Capital Project (To be incurred at risk to Service area)	
Total Cost of developing the project	n/a
Revenue cost code for the development costs	n/a

Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	Y
Budget Managers Name	Philip Robinson

Ongoing Revenue Implications for Service Area							
	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £
Service area revenue cost							
Other (eg: maintenance, utilities, etc)							
Loan repayment (terms agreed with Treasury Management)							
• Phase 1 (BC 1) Hire Vehicles - Shortfall				119,055	119,055	119,055	446,413
• Phase 1 (BC 2) Street Scene & Waste Vehicles - Shortfall			27,324	27,324	27,324	27,324	89,991
• Phase 1 (BC 3) Electric Vehicles - Shortfall			4,415	4,415	4,415	4,415	17,661
• Phase 2 Rolling Programme			289,093	985,875	985,785	985,785	3,772,871
• Phase 3 Rolling Programme					411,623	411,623	2,035,591
Annual cost of maintenance			2,755	8,102	8,264	8,429	43,745
Total Revenue Cost (A)			323,587	1,144,771	1,556,556	1,556,721	6,406,272
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)							
Total Revenue Income (B)							
Service area net (benefit) cost (B-A)			232,587	1,144,771	1,556,556	1,556,721	6,406,272
Has the revenue cost been budgeted for or would this make a revenue pressure	The Revenue budget cost will be budgeted into future years						
Which cost centre would the revenue pressure be shown	Various		Has this been reviewed by the budget manager			Y	
Name of budget manager	Philip Robinson						
Loan value	£8,650,806 total	Interest Rate	6%	Term Years	Various 5 – 10 years	Annual Repayment	See - Revenue Implications above
Revenue code for annual repayments	Various						
Service area or corporate borrowing	Service Borrowing						
Revenue implications reviewed by	Charlie Green						

Version Control: *(The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)*


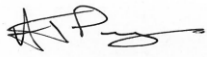
Author of Business Case	Date	Document Version	Reviewed By	Date
Martin Hoar	14/12/2022	v 1.0	Ruth Didymus	13/01/2023
Martin Hoar	16/01/2023	v 1.2	Martin Hoar	16/01/2023
Martin Hoar	23/02/23	v 1.3	Charlie Green	23/02/2023
Martin Hoar	24/02/23	v 1.4	Martin Hoar Ruth Didymus	24/02/2023 23/03/2023

SECTION 6: RECOMMENDATION AND ENDORSEMENT

Recommended Decision

It is recommended that the Leader of the Council:

- Approves the Business Case
- Allocates £8,650,806 for the project into the Capital Programme funded by Service Borrowing
- Authorises the procurement process
- Delegates the award of the contract to Service Director for Street Services

[Name, Portfolio]		Service Director – Anthony Payne	
Either email dated:	<i>Date</i>	Either email dated:	<i>date</i>
Or signed: 			
Date: 24/03/2023		Signed:	
		Date: 23.3.23	
		Service Director	
		<i>[Name, department]</i>	
		Either email dated:	<i>date</i>
		Signed:	
		Date:	

FLEET REPLACEMENT PROGRAMME

PHASE 2 & 3

Briefing Paper



INTRODUCTION

The Fleet Replacement Programme is a rolling programme currently (2020 – 2026) which includes the replacement of 177 vehicles out of the current 210 vehicles with an estimated replacement cost of **£10.879m**. The programme has a phased and blended approach aimed to stagger the replacement of vehicles so to further challenge business need and to spread the impact on service budgets. A Further business case will be submitted in the future with an aim to reduce the carbon emissions in line with the Council's commitment to be net zero by 2030

Phase 1 of the programme created a firm baseline for the fleet and support the development of a forward plan to allow accurate budget planning for future fleet replacement, there is a gap in finance to complete the purchase of remaining vehicles of **£780,728** this is due to the market pressures caused by a number of factors such as COVID, war in Ukraine, which has caused significant supply and demand issues, which has seen prices increase up to 20%.

Funding is now required to be allocated to Phase 2 & 3 of the rolling programme into the capital programme. Original estimate of **£5.370m**, this has now been reviewed and adjusted in line with fleet requirements and additional **£1,183,410** is required for phase 2 and **£827,000** required for Phase 3, updated with additional increases and vehicle requirements an additional **£2.791m** is needed to deliver the 3 phases in full.

Total funding required to be **£8,650,806** which includes a 6% contingency.

BACKGROUND

Why we need further investment

- Maintenance costs are high for aged vehicles - The majority of the PCC operational vehicles have an effective life of 5-8 years beyond which they suffer from breakdowns and require increased reactive maintenance. This results in vehicle downtime increasing unscheduled maintenance can impact on service delivery efficiency by increasing staff costs and adding further additional cost if expensive short-time hire is required, in addition.
- Build a more sustainable fleet – Optimisation of vehicle renewal is an accepted part of effective fleet management enabling costs to be minimised and service delivery to be enhanced. The programme provides an opportunity to incorporate further improvements to the fleet, including:
 - Optimisation of operations to reduce the number of vehicles and therefore cut cost.
 - Consistency and quality of service delivery which will improve customer satisfaction and lead to a reduction in both complaints and enquiries.
 - Improvements in Health & Safety through the deployment of vehicles that support a safety first culture.
- Many of the vehicles proposed for replacement support statutory service – domestic waste collections are provided to every resident; street cleaning and green space maintenance services are highly visible within the city. These services can be severely affected by vehicle downtime.
- Reduce our carbon footprint by embracing new technologies that reduce emissions and improve air quality.

A phased Programme

The programme manages the replacement of vehicles using business intelligence to inform which vehicles are included in each phase. An assessment has been completed on each replacement, considering service need, lifespan for vehicle type based on usage and utilisation throughout lifecycle, maximises any residual (re-sale) value and the escalation of maintenance costs as the vehicle ages.

Phase 2 & 3 of the programme (2022/26) proposes the replacement of [69] vehicles with a purchase cost of **£7.381m**. This proposal is documented in the business case which includes replacement of additional [5] vehicles within SSW, Garage, Trade, Cemeteries.

The vehicles identified for replacement in Phase 3 will not all be purchased immediately but further challenge on vehicle utilisation, ongoing need and specification to reflect changes to future service provision will be conducted prior to the procurement of vehicles, as with all vehicle purchase they will be challenged to ensure required.

Phase	Business Case Title	Vehicle Count	Value	Date
1	Shortfall from Phase 1 Business cases 1,2,3	N/A	£780,728	2022/23
2	Part 2 of the rolling programme	44	£5,233,410	2022/24
3	Part 3 of the rolling programme	25	£2,147,000	2024/26
4	Contingency 6%	N/A	£489,668	2023/26
Fleet Replacement Programme Total		182	£8,650,806	

Procurement

Vehicles are to be purchased through frameworks where available and the 'Invite to Tender' process will be used for specialist vehicles.

There is a lengthy procurement (build = 6 -12 months) lead time for many of the vehicles therefore delivery in the later part of following year.

Finance

The [3] phases recommend the allocation of funding into the capital programme funded from service borrowing and repaid by the businesses over the life of the asset (5-8 years).

Phase 1 – Shortfall for Replacement of hire vehicles, Street Scene & Waste Vehicles, Electric Vehicles recommends to allocate funding of **£780,728** into the capital programme.

Phase 2 – Street Scene & Waste Services, Parks & School Transport vehicles recommends to allocate **£5,233,410** to the capital programme.

Phase 3 – Street Scene & Waste vehicles, Crematorium vehicles recommends to allocate **£2,147,000** for the project within the capital programme.

The above figures do not include the 6% contingency for future market fluctuations, **£489,688**

Risks

- Health & safety risk to operatives from age and condition of some vehicles if not replaced at end of life, is mitigated by replacement of vehicles at high risk.
- DEFRA Waste and Resource Strategy (in consultation) proposes change to waste collection service delivery which may affect vehicle requirements, is mitigated by a staggered approach to

procurement of refuse collection vehicles.

- Purchase costs increased due to Brexit, COVID, War in Ukraine, mitigated with 6% value contingency factored in as above.
- EV charging structure is not delivered ahead of electric vehicles, mitigated by early decision on electric vehicle replacement to allow for delivery of existing grants.

CONCLUSION

It is recommended that the leader of the Council approves the Business case for Phase 2 & 3 (2022/26) for replacement of 69 vehicles at an estimated purchase cost **£8.651m** over vehicle asset life (5-8 years) and additional shortfall from Phase 1.

To be funded through revenue budgets as approved by respective Service Directors.

There are significant financial benefits in the cessation of costly hire costs and reduction in high maintenance costs for aged vehicles. The non-tangible benefits include improvement in efficiency and quality of service delivery, reduction in carbon footprint and a statement of intent and innovation to improve air quality in the city. Procurement to be a priority, vehicle purchases to commence in April 2023 to reduce the risk of further price increases.

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