

# North Yorkshire Council

## Environment Executive Members

24 November 2023

### Vehicle Replacement 2023-2024 for former District and Borough Services

#### Report of the Assistant Director – Integrated Passenger Transport, Licensing, Public Rights of Way and Harbours

##### **1.0 PURPOSE OF REPORT**

- 1.1 To seek approval from the Corporate Director of Environment, in consultation with the Executive Member for Highways and Transportation to proceed with the replacement programme for vehicles used by former District and Borough Services and to procure additional vehicles as required for additional commitments from April 2023 - March 2024 including short term hire.
- 1.2 To note the decision taken 28 July 2023 for the Vehicle Replacement for former NYCC services 2023-2024.

##### **2.0 BACKGROUND**

- 2.1 The Fleet and Operations team provides a fleet management function to all Council services. This service includes the procurement, taxation, and maintenance of vehicles.
- 2.2 The current North Yorkshire Council vehicle fleet consists of 960 cars, vans, refuse collection vehicles, truck, tippers, minibuses, and other agricultural vehicles.
- 2.3 The fleet team have implemented a single fleet management system to capture fleet data and vehicles that require replacement have been identified using that data.
- 2.4 This report relates only to vehicle requirements for former District and Borough Services in 2023-2024. A report setting out recommendations for the replacement of vehicles for former NYCC services in 2023-2024 was approved July 2023.
- 2.5 The vehicles requiring replacement for former NYCC services are funded from revenue budgets and the budget was identified sooner allowing a report to be submitted for a decision earlier in the financial year. Former district and borough vehicles are mainly funded by capital allocation and the team had to identify the capital budget. Capital allocation has now been identified as available for vehicle replacement in 2023-2024.
- 2.6 There is work underway to plan a 10-year vehicle replacement programme in line with an underlying fleet strategy to deliver financially sustainable replacements that facilitates a move to alternative fuels. However, due to the lead times of vehicles it is necessary to start procurements now.
- 2.7 Vehicles are procured using a mix of methods including contract hire, lease, purchase, and spot hire. The most economically advantageous method is chosen in most cases. Vehicles are replaced in “rounds” that are batches of vehicles.

2.8 The priorities for vehicle replacement are: -

- To enable services,
- To maintain safety and compliance,
- To reduce fleet emissions,
- To focus on customer,
- To achieve best value.

2.9 Additional vehicles - there may be the requirement for additional vehicles in the period 2023-2024 not included in the financial section. Any additional in-year vehicle requirements will be authorised by the relevant Head of Service and Fleet Management will confirm that sufficient budget or other income is in place to meet this cost.

### 3.0 REPLACEMENTS

3.1 The fleet team have identified vehicles used by former district and borough vehicles that require replacement considering: -

- Condition of vehicle
- Mileage of vehicle
- Requirement of the user department
- Age of vehicle
- Whole life costs incurred to date
- Projected maintenance occurrences and costs
- Existing fleet utilisation
- Type of fuel of existing vehicle
- Alternative fuels available and viable

3.2 Vehicles used in key services such as Waste Collection Service have been prioritised in this replacement round. The proposal is to replace up to 18 refuse collection vehicles and up to 10 vehicles used by the Parks Service.

### 4.0 REPLACEMENT PROCEDURE

4.1 For new additional vehicles directorates must provide a clear indication that funding is in place and there is a clear need for the vehicle. For replacement of existing vehicles, the directorate is required to identify a continuing need for the asset as well as proof of budget funding.

4.2 The fleet section and user departments will discuss and agree suitable replacement vehicles considering corporate priorities and changing business need.

4.3 The central Government buying standards for vehicles are as follows and the fleet team use these as guidelines: -

4.3.1 For cars:

- The default is zero or ultra-low emission at tailpipe with alternatives considered only in exceptional circumstances: any diesel car alternative must be certified as meeting Real Driving Emissions (RDE) standards (Euro 6d-TEMP or Euro 6d) where possible Euro 6d. Only compliant vehicles are now procured. Procurement decisions contribute towards meeting the Government Fleet Commitment 1 to electrify 25% of cars in central government department fleets by 2022.
- Fleet average of no more than 130 grams/kilometre of carbon dioxide (CO<sub>2</sub>) emissions aiming for no more than 95 grams/kilometre from 2020 reflecting Regulation (EC) No 443/2009 setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO<sub>2</sub> emissions from light-duty vehicles.

- New cars must have a minimum Euro NCAP safety rating and a minimum 'Pedestrian Protection' score (to be defined).

#### 4.3.2 For category N1 vans ('light commercial vehicles'):

- The default is zero or ultra-low emission at tailpipe with alternatives considered only in exceptional circumstances: any diesel light commercial vehicle alternative must be certified as meeting Real Driving Emissions (RDE) standards (Euro 6d-TEMP or Euro 6d) where possible Euro 6d.
- Fleet average of no more than 175 grams/kilometre of CO<sub>2</sub> emissions aiming for no more than 147 grams/kilometre from 2020 reflecting Regulation (EU) No. 510/2011 setting emission performance standards for new light commercial vehicles as part of the Union's integrated approach to reduce CO<sub>2</sub> emissions from light-duty vehicles.

#### 4.3.3 For all vehicles:

- The default is zero or ultra-low emission at tailpipe with all vehicles certified as meeting a minimum of Euro 6 / Euro VI emission standard.

4.4 North Yorkshire Council plans to reach carbon neutrality by 2030 and the fleet management section will always consider the use of ultra-low emission alternatives that are practicable and available.

4.5 In any event, vehicles will be procured that meet the latest emission standards with low CO<sub>2</sub> roadside emissions with the aim of ensuring the entire fleet meets Euro 6 standards where applicable.

4.6 The Fleet team will work in collaboration with the Procurement and Contract Management Team in researching market options and costs to develop replacement options. All subsequent procurement activity will be progressed in line with the Public Contracts Regulations 2015 (as amended) and the Council's own Financial and Contracts and Procurement Rules. It is likely that there will be a range of procurement strategies required dependent on the varying vehicle types.

4.7 Vehicle utilisation will be discussed with the requesting service prior to procurement. Telematics information will be used to review the justification for new and replacement vehicle(s).

4.8 The specification of general vehicles will be agreed with the service in advance of the tender process. Usually, the assessment will include the cost of the vehicle and the fuel efficiency for the estimated mileage and will include a decision on best value regarding hire, lease, or purchase options.

4.9 The specification for high value or specialist vehicles will be agreed with the service in advance of the tender process. Usually, the assessment will include a quality assessment in conjunction with an assessment of the cost of the vehicle and the fuel efficiency for the estimated mileage and the assessment will include a decision on best value regarding hire, lease, or purchase options.

4.10 The procurement of vehicles for short term spot hire will usually be undertaken using an open process. The assessment will be based on fitness for purpose and then price only.

4.11 Prior to an order being placed confirmation will be sought from the budget holder that there is sufficient budget available to fund the vehicles.

4.12 All individual orders will be approved by the relevant signatory in line with the agreed delegation scheme.

## 5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 We could continue to operate the existing vehicles, but this may lead to issues due to the age of the vehicles leading to service disruption. The age of the vehicles also leads to additional maintenance costs.

## 6.0 FINANCIAL IMPLICATIONS

6.1 The vehicle replacement for former district and borough services for the period April 2023 - March 2024 is estimated to have a purchase cost of £4.580m. Capital budget to fund this expenditure was carried over from ex-districts and is included within the capital plan.

6.2 Current estimated vehicles to be sourced for former district and borough services in 2023-2024:

Vehicle Type	Total
RCVs	Up to 18
Parks' vehicles	Up to 10

Table 1 – estimated vehicle numbers to be sourced

6.3 Estimated directorate values:

Area of spend	Total Cost per area of spend
Environment	£4.580m
<b>TOTAL</b>	<b>£4.580m</b>

Table 2 – Directorate spend

6.4 The funding method for these replacement vehicles is agreed capital allocation from the former districts and boroughs.

6.5 Short-term hire of vehicles may be necessary to cover protracted maintenance downtime or urgent operational requirements. Short term hire may also be used if there is no long-term security of funding. The fleet team will seek confirmation of revenue budget prior to short term hire award with the relevant service.

6.6 The following table sets out the estimated total spend for 2023-2024 on vehicle replacement from the July 2023 report for former NYCC services and this November report for former district and borough services.

Area of spend	Possible future lease costs from revenue	Possible future Invest to Save requirement	Possible future District and Borough Capital	Total Cost per area of spend
Environment	£718k	£138k	£4.580m	£5.436m
Central Services	£184k			£184k
CYPS	£58k	£32k		£90k
HAS	£96k			£96k
Outdoor Education Team		£360k		£360k
<b>TOTAL</b>	<b>£1.056m</b>	<b>£530k</b>	<b>4.580m</b>	<b>£6.166m</b>

Table 3 Estimated total spend 2023-2024 for all services.

6.7 There are different funding methods currently used to fund fleet items. Some vehicles are funded from capital allocation and some vehicles are funded from revenue budgets. There is work underway to plan a fleet replacement programme that aligns funding arrangements and facilitates the move to alternative fuels.

## **7.0 LEGAL IMPLICATIONS**

7.1 Procurements will be undertaken for vehicles in accordance with the Council's Procurement and Contract Procedure Rules, and where applicable, the Public Contracts Regulation 2015. The procurement method proposed will be agreed with Legal and Democratic Services.

## **8.0 EQUALITIES IMPLICATIONS**

8.1 Due to the large number of vehicles involved, along with the number of employees who will be using these vehicles there may be a requirement to apply appropriate reasonable adjustments for the use of vehicles and this will be identified and addressed by the service upon order and receipt of the vehicle on a vehicle-by-vehicle basis.

8.2 An Equality Impact Screening Form is attached as Appendix A.

## **9.0 CLIMATE CHANGE IMPLICATIONS**

9.1 A Climate Change Impact Assessment is attached as Appendix B.

9.2 A trial battery electric vehicle will be considered if deemed practicable.

## **10.0 REASONS FOR RECOMMENDATION**

10.1 The procurement of new vehicles will allow the Council to maintain an interim vehicle replacement programme to ensure services have access to reliable, safe, and sustainable vehicles.

## **11.0 RECOMMENDATION**

10.1 It is recommended that the Corporate Director for Environment, in consultation with the Executive Member for Highways and Transportation, authorises the commencement of a procurement process for requirements for former district and borough services for 2023-2024 including short term hire and to note the estimated total agreed spend on vehicle replacements.

### **APPENDICES:**

Appendix A - EIA Screening Form

Appendix B - Climate Change Impact Assessment

**PAUL THOMPSON**

Assistant Director – Integrated Passenger Transport, Licensing, Public Rights of Way and Harbours

Report Authors:

Steve Hood, Fleet Manager - East

Kelly Baxter, Fleet Management Officer, Development

Presenter of Report – Paul Thompson, Assistant Director – Integrated Passenger Transport, Licensing, Harbours, Fleet and Countryside Access

<b>Initial equality impact assessment screening form</b>			
<b>This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</b>			
<b>Directorate</b>	Environment		
<b>Service area</b>	IPT Fleet		
<b>Proposal being screened</b>	Fleet Procurement – Gateway Report		
<b>Officer(s) carrying out screening</b>	Steve Hood, Area Fleet Manager [East]		
<b>What are you proposing to do?</b>	Vehicle Replacement 2023-2024 for former District and Borough Services.		
<b>Why are you proposing this? What are the desired outcomes?</b>	Approval for the VRP District and Borough 2023/24		
<b>Does the proposal involve a significant commitment or removal of resources? Please give details.</b>	Yes - £4.580M of cost (total for whole council £6.166M)		
<b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC’s additional agreed characteristics</b>			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> <li>To what extent is this service used by particular groups of people with protected characteristics?</li> <li>Does the proposal relate to functions that previous consultation has identified as important?</li> <li>Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul>			
<b>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked ‘Don’t know/no info available’, then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.</b>			
Protected characteristic	Potential for adverse impact		Don’t know/No info available
	Yes	No	
Age		No	
Disability		No	
Sex		No	
Race		No	
Sexual orientation		No	
Gender reassignment		No	
Religion or belief		No	
Pregnancy or maternity		No	
Marriage or civil partnership		No	
People in rural areas		No	
People on a low income		No	
Carer (unpaid family or friend)		No	
<b>Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people’s access to public transport)? Please give details.</b>	<b>Yes - NYC Accessible Minibuses are being purchased as part of this plan, so will <u>benefit</u> the disabled.</b>		
<b>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria,</b>	<b>No – the vehicles in the plan, are replacing current vehicles already in use.</b>		

<p>etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.</p>				
<p><b>Decision (Please tick one option)</b></p>	<p>EIA not relevant or proportionate:</p>	<p>✓?</p>	<p>Continue to full EIA:</p>	<p>✓?</p>
<p><b>Reason for decision</b></p>				
<p><b>Signed (Assistant Director or equivalent)</b></p>	<p>Paul Thompson</p>			
<p><b>Date</b></p>	<p>13.11.23</p>			

## CLIMATE CHANGE IMPLICATIONS ASSESSMENT

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision-making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk)

**Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:**

Planning Permission  
Environmental Impact Assessment  
Strategic Environmental Assessment

However, you will still need to summarise your findings in the summary section of the form below.

Please contact [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk) for advice.

Title of proposal	Vehicle Replacement 2023-2024 for former District and Borough services.
Brief description of proposal	To procure vehicles for former District and Borough services
Directorate	Environment
Service area	Fleet
Lead officer	Andrew Sharpin
Names and roles of other people involved in carrying out the impact assessment	Steve Hood, Area Fleet Manager [East]
Date impact assessment started	23/10/2023

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**Options appraisal**

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

Services are encouraged to maximise the utilisation of their vehicles to reduce the number of vehicles required but a certain number of vehicles are required to discharge their functions. The default choice of vehicle will be battery electric where practicable and possible and offers good value.

**What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?**

The cost will be approximately £6.166M for vehicle provision for the former NYCC services for 2023 – 24. There may be budget strain due to the inflation that has applied to the motor industry.

Former District purchases are excluded from this.

The longer plan 10 Year Plan, for the entire fleet is to follow, and will likely need investment.

<p><b>How will this proposal impact on the environment?</b></p> <p><b>N.B.</b> There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p><b>Explain why will it have this effect and over what timescale?</b></p> <p><b>Where possible/relevant please include:</b></p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p><b>Explain how you plan to mitigate any negative impacts.</b></p>	<p><b>Explain how you plan to improve any positive outcomes as far as possible.</b></p>	
<p>Minimise <b>greenhouse gas emissions</b> e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	Emissions from travel	x			Potential decrease due to new more efficient vehicles		Choose battery electric or alternative fuel where possible
	Emissions from construction		x		N/A		
	Emissions from running of buildings		x		N/A		
	Emissions from data storage		x		N/A		
	Other			x	Purchase of new internal combustion vehicles ties us into fossil fuel usage.	Improve utilisation and encourage safe and fuel-efficient driving.	

<p><b>How will this proposal impact on the environment?</b></p> <p><b>N.B.</b> There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p><b>Explain why will it have this effect and over what timescale?</b></p> <p><b>Where possible/relevant please include:</b></p> <ul style="list-style-type: none"> <li>• <b>Changes over and above business as usual</b></li> <li>• <b>Evidence or measurement of effect</b></li> <li>• <b>Figures for CO<sub>2</sub>e</b></li> <li>• <b>Links to relevant documents</b></li> </ul>	<p><b>Explain how you plan to mitigate any negative impacts.</b></p>	<p><b>Explain how you plan to improve any positive outcomes as far as possible.</b></p>
<p>Minimise <b>waste</b>: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>		X		<p>Current vehicles are not end of life and will be resold and reused</p>		
<p>Reduce <b>water</b> consumption</p>		X				
<p>Minimise <b>pollution</b> (including air, land, water, light and noise)</p>	X			<p>New vehicles have tendency to reduce particulates and NOx</p>		
<p>Ensure <b>resilience</b> to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>		X				
<p>Enhance <b>conservation</b> and wildlife</p>		X				

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Safeguard the distinctive characteristics, features and special qualities of <b>North Yorkshire's landscape</b></p>		<p>x</p>				
<p>Other (please state below)</p>		<p>x</p>				

**Are there any recognised good practice environmental standards in relation to this proposal?** If so, please detail how this proposal meets those standards.

The Government buying standards will be used as a guide to procurement standards.

**Summary** Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The fuel type will be battery electric or alternative fuel where this option exists and is practicable in terms of use. The option must also offer good value. Where a battery electric or alternative fuel vehicle option does not exist or is not practicable or does not offer good value then an internal combustion engine (ICE) vehicle will be chosen. If an ICE vehicle is chosen, then it will meet published buying standards.

**Sign off section**

This climate change impact assessment was completed by:

<b>Name</b>	<b>Steve Hood</b>
<b>Job title</b>	<b>Area Fleet Manager</b>
<b>Service area</b>	<b>Fleet</b>
<b>Directorate</b>	<b>Environment</b>
<b>Signature</b>	<b>Steve Hood</b>
<b>Completion date</b>	<b>23/10/2023</b>

**Authorised by relevant Assistant Director (signature): Paul Thompson**

**Date: 13.11.23**

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