

## BARNSLEY METROPOLITAN BOROUGH COUNCIL

**REPORT OF:** Service Director, Environment and Transport

**TITLE:** Vehicle Replacements 2022/23

<b>REPORT TO:</b>	<b>Cabinet</b>
<b>Date of Meeting</b>	<b>18 May 2022</b>
<b>Cabinet Member Portfolio</b>	<b>Place (Environment and Transportation)</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Public or Private</b>	<b>Public</b>

### **Purpose of report**

To request approval for the 2022/23 Fleet Vehicle Replacement programme which proposes the procurement of 125 vehicles, plant items and equipment in line with the Vehicle Replacement Strategy 2019 to 2025, previously approved by Cabinet (Cab.20.2.2019/10 refers).

### **Council Plan priority**

- Sustainable Barnsley
- Healthy Barnsley
- Enabling Barnsley

### **Recommendations**

That Cabinet:-

1. Authorise the procurement of 125 vehicles, in the 2022/23 financial year, to be used by council departments and partner organisations, with a total value of up to £6.104M, by way of purchase followed by a sale and lease back arrangement or whichever method of funding is deemed appropriate following full financial appraisal.
2. Approve the procurement of an Electric Refuse Collection Vehicle (eRCV) (included in the figures provided above) – this will be used primarily to collect Commercial Waste but also be used by Domestic Waste to assess the suitability on various routes to aid with future Refuse Collection Vehicle procurement decisions.

## 1. INTRODUCTION

- 1.1 This report sets out intentions to further transform the fleet in line with the Council's 2030 sustainable and enabling Barnsley objectives. The Council Fleet of 443 vehicles, plant and equipment has a capital value of over £15m and is essential to deliver statutory services to Barnsley residents, it is therefore imperative that its impact on the environment is reduced as much as possible to help create a healthier and more sustainable Barnsley.



- 1.2 Already contributing towards the 2030 Sustainable Barnsley objective, the Council operates 33 zero tailpipe emission pure electric vehicles, this amounts to 15% of the Council operated fleet. For our new vehicles, Electric is our preference, however those that cannot be electric will always meet the latest emissions standards. It is estimated that the vehicles procured since 2019 produce around 75% less CO2 per km travelled than the older vehicles they have replaced.
- 1.3 Where electric vehicles are not available on the market, other types of low emission vehicles are researched and considered. Currently the council's ambition is ahead of the market availability meaning the percentage of Electric Vehicles and number of Ultra Low Emission Vehicles (ULEVs) in the fleet is not advancing as quickly as desired due to:
- The specialist nature of vehicles operated by the council.
  - Development of ULEVs in the commercial vehicle market being lot slower than the passenger car market.
  - Manufacturers of commercial vehicles are focusing research and development on Electric Vehicles – therefore, the steppingstone created by hybrids has not been available for a large portion of our fleet.
  - Covid 19 has also had an impact on the industry, meaning that product development has stagnated, and releases of new products has been delayed.
- The Council continues to monitor the market, as products are developed and released opportunities will be sought to trial innovative technology so that when it is readily available the council is able to adopt it.
- 1.4 As a result of these delays, in March 2022, the council has begun exploring different interim ways to reduce the emissions from the fleet, these including the trialling of Hydrotreated Vegetable Oil (HVO) as an alternative to Diesel fuel, this is due to begin in April 2022. It is expected the use of HVO will reduce the CO2 emissions from 120g/km to 12g/km, dramatically reducing harmful exhaust around our town. The higher cetane level of HVO, 76.3 compared to 56.5 ensures a faster, leaner and hotter burn giving rise to a more efficient running

of the engine while the lower sulphur levels, <5 compared to 9.1, further reducing harmful emissions being produced. Overall, HVO will reduce harmful emissions while keeping the engine cleaner, which will consequently reduce the maintenance burden, saving money, improving health and the environment. Upon the completion of the trial, findings will be shared to the Cabinet Spokesperson for Environment and Transport.

- 1.5 Further to the trialling of HVO mentioned in paragraph 1.4, this report requests support to procure an electric Refuse Collection Vehicle (eRCV). Recently the Council has had a demonstration of an eRCV in service which was very successful. This vehicle will primarily be used to collect Commercial Waste – however having it will allow domestic waste operatives to try it on each route to assess the suitability for future procurements and where an eRCV can be best deployed. Prior to procurement, the council will seek to arrange a more thorough test to ensure that the vehicle will be completely suitable for its primary role. The council will also work closely with other local authorities that have implemented eRCVs already, this will give more in depth lessons learned than case studies and trials alone.
- 1.6 This report seeks approval to implement a replacement programme for 2022/23 which will allow the department to contribute to the 2030 Sustainable Barnsley objective. It plans to procure a total of 125 vehicles, 4 of which have been identified as definite candidates for EVs. 72 of these vehicles are replacing existing vehicles, with 32 of these for use by Berneslai Homes. The remaining 55 vehicles are not replacements and are additional to the existing fleet, 31 of these additional vehicles are for use by Berneslai Homes. These additional vehicles are to accommodate the growth of the services and in the case of Home to School Transport to support the business case of bringing routes (where it is economical to do so) in house to reduce cost and relieve pressures on service delivery caused by market pressure.
- 1.7 From previous replacement reports there are a total of 26 vehicles on order awaiting delivery. These have a value of £2.121M. The council has experienced delays in delivery of new vehicles, suppliers are informing us this is due to shortages in parts and materials resulting from Covid 19 and Brexit. This is adding a financial pressure to the fleet budget because of additional maintenance on older vehicles, lease extension costs for existing vehicles, and a reduction in availability of vehicles which requires additional short term hire vehicles to meet service delivery requirements.
- 1.8 Every vehicle has a lifespan based on the type of vehicle, the role it carries out and its usage profile. Once a vehicle reaches the end of this lifespan there is an increase in maintenance cost and vehicle downtime. Therefore, it is imperative that vehicles are replaced once they reach this point to ensure that excess downtime doesn't adversely affect the department's ability to deliver their services and the council does not incur additional costs associated with maintenance. A decision on whether the vehicles will be replaced at the end of their scheduled life will be made towards the end of the initial lease period. Appendix B shows vehicles that are considerably over their initial lease period. With such a diverse fleet with varied uses we cannot determine the exact life of a vehicle; it is dealt with on a case-by-case basis after the initial review period.

- 1.9 Tables 1a and 1b below shows a breakdown of the capital request by department.

Table 1a – Replacement Vehicles

User/ Department/ Customer	Number of vehicles (ULEV)	Average age (years)	Capital cost	Extra cost for ULEV	Total capital cost
Bereavement Services	3	7.2	£100,000	£0	£100,000
Berneslai Homes	32	5.69	£846,000	£0	£846,000
Depot	1	14.6	£40,000	£0	£40,000
Highways	7	11.4	£510,000	£0	£510,000
Mayoral Support	1 (1)	8.6	£40,000	£35,000	£75,000
Neighbourhood Services	22	8.5	£956,000	£0	£956,000
Safer Neighbourhoods	1	9.1	£35,000	£0	£35,000
Waste Management	5	7.4	£855,000	£0	£855,000
<b>Sub-Total</b>	<b>72 (1)</b>	<b>8.99</b>	<b>£3,382,000</b>	<b>£35,000</b>	<b>£3,417,000</b>

Table 1b – Additional Vehicles

User/ Department/ Customer	Number of vehicles (ULEV)	Average age (years)	Capital cost	Extra cost for ULEV	Total capital cost
Berneslai Homes	31	N/A	£837,000	£0	£837,000
Commercial Waste	1(1)	N/A	£180,000	£270,000	£450,000
Highways	2	N/A	£305,000	£0	£305,000
Travel Assistance	15	N/A	£975,000	£0	£975,000
Independent Living at Home	2 (2)	N/A	£40,000	£20,000	£60,000
Safer Neighbourhoods	2	N/A	£60,000	£0	£60,000
<b>Sub-Total</b>	<b>53 (3)</b>	<b>N/A</b>	<b>£2,397,000</b>	<b>£290,000</b>	<b>£2,687,000</b>

<b>Total</b>	<b>125 (4)</b>	<b>8.99</b>	<b>£5,779,000</b>	<b>£325,000</b>	<b>£6,104,000</b>
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## 2. PROPOSAL

- 2.1 A total of 72 vehicles will be procured to replace existing vehicles and an additional 53 procured to meet operational needs as detailed in Appendix B and Tables 1a and 1b. Funding for the additional vehicles will be moved to the fleet budget from existing budgets currently held by the departments that have requested the vehicles.
- 2.2 The council vehicles that are planned for replacement in this batch have been in service for on average 8.99 years and are on average 3.2 years over their initial predicted lifespan.
- 2.3 Four of the procured vehicles will be EVs; the certainty on the number of ULEVs is restricted by the current market however prior to any procurement the market will be assessed and ULEVs will always be preferred to Diesel or Petrol vehicles. Where possible, procurement may be delayed allowing the market to catch up with our ambition.
- 2.4 Replacing vehicles at the end of their life is beneficial to the council for the following reasons:

- **Reduction in carbon emissions** – replacing vehicles enables us to move onto innovative technology such as ULEVs, however even if a diesel or petrol vehicle is replaced with another, new engines are much cleaner, and it will still result in a reduction in emissions. Studies show that the emissions of an electric vehicle are up to 2 tonnes less than a Diesel when travelling 10,000 miles in a year. New emissions standards have dramatically decreased the emissions of vehicles, for example, a medium sized panel van in 2014 emitted 0.359 grams of CO<sub>2</sub> per km a new one would emit 0.192g/km, a reduction of almost 50%.
- **New safety technology** – new vehicles have features to make them safer to the occupants and public, reducing the risk of accidents. Some examples are detailed at 19.2.
- **Reduction in maintenance** - as vehicles age their maintenance requirements increase, meaning that they spend more time off the road and potentially incur extra costs.
- **Reduction in running costs** – new vehicles are much more efficient, meaning that fuel and other associated running costs would be lower.
- **Increase in vehicle availability** – due to the additional maintenance requirements of older vehicles, they inevitably spend more time off road, which potentially increases the requirement on hire vehicles in order to maintain service delivery.
- **More efficient working** – new vehicles can be tailored to suit operational requirements, meaning that operatives can use them in a more efficient manner than the ones they are replacing.

- 2.6 Vehicle replacements will be scrutinised before any procurement takes place to ensure that the fleet is utilised as much as possible and unnecessary vehicles are not replaced
- 2.7 Procurement of replacement vehicles will consider the predicted whole life cost of vehicles – purchases will not be made based solely on the initial price. As well as our own calculations we will utilise external research that is freely available to us as an aid.
- 2.8 A final decision will be made on whether to replace the vehicles we have identified with EVs or ULEVs during the procurement process. The usage profile will be scrutinised, and estimated fuel and maintenance cost reduction will be evaluated against the additional purchase price and leasing cost. The infrastructure available to charge the vehicles will also be a determining factor. E.g., Fitting additional EV Charging points.
- 2.9 Based on industry data, a benefit of EVs, as well as zero tailpipe emissions, is that the day to day running costs are typically much lower than their diesel- or petrol-powered counterparts so it is likely that the whole life costs of them will be lower. The council is compiling data from its own fleet to determine the optimum usage profile for EVs in Barnsley. The procurement of the eRCV and consultation with other local authority users of eRCV's will help generate this data.
- 2.10 We estimate that the fuel cost of using Full Electric Vehicles is around 30% of the price of Diesel equivalent vehicles – this gives a saving of 70% on fuel costs.

The maintenance requirements of electric vehicles are also less than diesel vehicles meaning that servicing and maintenance costs are lower over the lifetime of the vehicle.

## Future Funding Requirements

2.11 The Vehicle Replacement Strategy 2019 - 2025 stated that the capital expenditure forecast and the revenue impact of this for the following five years would be presented as part of the annual capital requirement report to provide a longer-term view of the capital funding requirement. These projections are generated from a spreadsheet model designed for this purpose. The requirements for years 2022/23 to 2026/27 are set out in Table 2. Unless there is a change in financing policy, resulting from changes in accounting standards (see section 7) or otherwise, future purchases will also be followed by sale and leaseback arrangements following the initial purchase.

Table 2

Financial Year	2022/23	2023/24	2024/25	2025/26	2026/27	Total
<b>Number of vehicle to procure</b>						
BMBC services	62	22	6	33	92	215
Partners	63	22	0	55	93	233
<b>Total number</b>	<b>125</b>	<b>44</b>	<b>6</b>	<b>88</b>	<b>185</b>	<b>448</b>
<b>Projected Capital Expenditure</b>						
BMBC Replacement Vehicles	£ 2,571,000	£ 651,404	£ 155,656	£ 3,005,601	£ 4,073,189	£ 10,456,849
BMBC New Requirements	£ 1,850,000	£ -	£ -	£ -	£ -	£ -
Partners Vehicles	£ 1,683,000	£ 455,223	£ -	£ 1,303,523	£ 2,137,220	£ 5,578,966
<b>Total spend</b>	<b>£ 6,104,000</b>	<b>£ 1,106,627</b>	<b>£ 155,656</b>	<b>£ 4,309,124</b>	<b>£ 6,210,408</b>	<b>£ 16,035,815</b>
<b>Impact on revenue (leasing cost budget)</b>						
Opening leasing cost	£ 1,860,000	£ 2,447,260	£ 2,460,732	£ 2,453,759	£ 2,521,888	£ 2,537,864
<b>Increases</b>						
Est Increase due to new vehicles	£ 1,289,269	£ 173,464	£ 24,399	£ 675,455	£ 973,482	£ 3,136,068
Est Cost of lease extensions	£ -	£ -	£ -	£ -	£ -	£ -
<b>Reductions</b>						
Decrease from vehicles returned	-£ 484,741	-£ 140,788	-£ 25,427	-£ 541,447	-£ 804,000	-£ 1,996,403
Reduction in maintenance costs	-£ 55,530	-£ 8,319	-£ 5,945	-£ 56,357	-£ 84,876	-£ 211,028
Increase in partner fees	-£ 135,541	-£ 10,884	£ -	-£ 9,521	-£ 68,630	-£ 224,577
Savings from ULEVs	£ -	£ -	£ -	£ -	£ -	£ -
Income (short term hire charges)	-£ 26,197	£ -	£ -	£ -	£ -	-£ 26,197
<b>Closing leasing cost</b>	<b>£ 2,447,260</b>	<b>£ 2,460,732</b>	<b>£ 2,453,759</b>	<b>£ 2,521,888</b>	<b>£ 2,537,864</b>	<b>£ 12,421,502</b>
<b>Leasing cost budget</b>	<b>£ 2,376,831</b>	<b>£ 2,512,372</b>	<b>£ 2,523,257</b>	<b>£ 2,523,257</b>	<b>£ 2,570,569</b>	<b>£ 12,506,286</b>
<b>Under/ -overspend</b>	<b>-£ 70,429</b>	<b>£ 51,641</b>	<b>£ 69,498</b>	<b>£ 1,368</b>	<b>£ 32,706</b>	<b>£ 84,784</b>

2.12 The figures in Table 2 include a replacement cost for the purchase of replacement vehicles procured within the time shown that also reach the end of their life within the period shown. For instance, if the life of the vehicle is 5 years, it will be included in 2022/23 and in 2026/27.

2.13 The figures also assume that vehicles will be replaced when they come to the end of their existing initial lease period/life of the vehicle. However, this may not be the case. The need for the replacement will be evaluated towards the end of the lease period. If replacement is not deemed necessary at that point, then the lease will be extended, and this profile amended.

2.14 Table 2 shows that if the additional income from partners to reflect the increased value of the replacement vehicles is included in the calculations and there is sufficient headroom in the Fleet revenue budget for the next five years (2021/22 to 2025/26) to pay the higher leasing costs of the vehicles in the proposed

vehicle replacement programme. Savings in other areas will need to be found if the costs of vehicles are more than currently projected. There are several risks (e.g., change in accounting treatment following the implementation of a new accounting standard for leasing (see section 7 below), the actual cost of vehicles post, Brexit, borrowing rates, the effect of residuals on leased vehicles) and opportunities (e.g., lower repairs and maintenance costs when running a newer fleet) which will impact on the capital and revenue budgets going forward. Therefore, the programme should be refreshed each year.

2.15 The projections in Table 2 (except those for 2022/23) do not include the additional capital cost that will be required for ULEV upgrades to the fleet for the following reasons:

- Due to the fast development of ULEVs we are unable to predict what suitable vehicles will be available to us in years to come.
- It is predicted that the cost of ULEVs will drop in the coming years – meaning that additional funding may not be required.

2.15 If we continue with the strategy adopted in 2019/20 to buy 25% of replacement vehicles as ULEVs and make the same assumptions about the incremental cost of ULEVs (the price difference is dependent on the type of vehicle, however based on the predicted costs in appendix B, they are an average of £11,050 more expensive than the equivalent petrol or diesel versions), then £986,212.50 of additional capital expenditure will be required in the next 5 years as shown in Table 3, not including 2022/23. This will result in an increase in the annual leasing charge of £201,187.35 per year by 2026/27. The table also shows the additional funding requirement should 50% of the replacements be ULEVs.

Table 3

Financial Year	2023/24	2024/25	2025/26	2026/27	Total
Total Vehicles to be Replaced	44	6	88	185	<b>357</b>
25% ULEVS	11	2	22	46	<b>89</b>
Additional Capital Requirement	£121,550.00	£16,575.00	£243,100.00	£511,062.50	<b>£986,212.50</b>
Additional Leasing Cost	£24,796.20	£3,381.30	£49,592.40	£104,256.75	<b>£201,187.35</b>
<b>50% ULEVS</b>	<b>22</b>	<b>3</b>	<b>44</b>	<b>93</b>	<b>178.5</b>
Additional Capital Requirement	£243,100.00	£33,150.00	£486,200.00	£1,022,125.00	<b>£1,972,425.00</b>
Additional Leasing Cost	£38,896.00	£5,304.00	£77,792.00	£163,540.00	<b>£315,588.00</b>

2.16 Additional capital expenditure will also be required for more charging points to support these additional vehicles. A separate piece of work is ongoing looking at the redevelopment of Smithies Lane Depot, where the majority of the Council's vehicles operate from, this will consider the requirement for additional charging points and be presented in a separate report.

- 2.17 The leasing charge figures in Table 3 assume that we will be able to secure similar lease terms for ULEVs to those for petrol and diesel vehicles. If funders assume that ULEVs to be higher risk (e.g., uncertainty about demand and battery life) then the leasing charge could be higher.
- 2.18 The introduction of Electric Vehicles to the council's fleet may bring the requirement for investment to be made into the vehicle maintenance workshop and the upskilling of Technicians. The requirement is currently under assessment and any funding identified will be brought forward in a separate report
- 2.19 To further facilitate the sea change towards Electric Vehicles the charging infrastructure at Smithies Lane Depot will also need to be increased – to allow this to happen a review of the depot is required to ensure that it is future proofed and able to accommodate a modern fleet.

### **3. IMPLICATIONS OF THE DECISION**

#### **Financial and potential Risks**

- 3.1.1 This report outlines the proposal to purchase 125 vehicles and items of equipment during 2022/23. The total capital cost is estimated to be in the region of £6.104M (Table 1a and 1b).
- 3.1.2 In previous years, the approach adopted has been to purchase the vehicles and following physical delivery, to finance them over a period of 4 to 8 years reflecting the useful life of the vehicle. The finance or leasing costs are charged to the revenue account. Therefore, in respect of affordability and funding implications, the revenue budget is where that assessment is made.
- 3.1.3 It is estimated that the annual revenue leasing cost of financing the £6.104m expenditure above will be £0.957m. The leasing costs of the £2.121m vehicles ordered as part of the 2021/22 approved programme and scheduled for delivery in 2022/23 is £0.332m resulting in a total increase of £1.289m.
- 3.1.4 The £1.289m additional cost will be reduced by £0.484m for annual leasing commitments released when the leases for the replaced vehicles are terminated, £0.135m increase in fees from partners for the additional and more expensive vehicles, £0.026m reduction in short term hire and £0.055m lower maintenance costs for the newer vehicles. So the net revenue leasing cost will increase by £0.587m. £0.466m of this will be funded by a permanent transfer of budget from user departments who have requested additional vehicles. The remaining £0.121m will be funded from the existing leasing budget.
- 3.1.5 Table 2 shows that the leasing budget will be overspent by £0.070m in 2022/23 but the position corrects itself in following years. The overspend will only arise if all vehicles in the programme are received in 2022/23. Given the lead times for some of the vehicles this is highly unlikely. In the unlikely event that they are all received in 2022/23 then the service will need to identify £70k savings from other areas.



- 3.1.6 The programme also includes an electric RCV at an estimated capital cost of £450k (annual lease cost of £74k). The Domestic and Commercial Waste Services are currently testing a demonstration vehicle. It will only be purchased if the whole life cost business case demonstrates that buying this represents value for money.
- 3.1.7 Brexit, Covid-19 and the Ukraine crisis have resulted in considerable upward pressure on prices and interest rates. These may result in the actual leasing charges being higher than estimated in the projections in Table 2. Any amounts that cannot be passed on to user departments and partners will result in additional pressure on the Fleet budget and/or other areas within the service.
- 3.1.8 Full details are set out in Appendix A.
- 3.1.9 Table 2 above shows the impact on the revenue budget of the projected capital expenditure for the next five years. This shows that there is sufficient revenue budget up to 2025/26.
- 3.1.10 Table 3 shows the additional capital and revenue cost if 25% of the replacement vehicles in future years are ULEVs. The figures assume that ULEVs will cost, on average, £11,050 more than the equivalent petrol or diesel versions. The projections show that £986k of additional capital and £201k additional revenue expenditure (to the figures in Table 2) will be required in the next 4 years. This will be offset by savings in operating costs or additional income from partners so there should be no additional pressure on the leasing budget.
- 3.1.11 Additional capital expenditure may also be needed in future years to increase the number of charging points for electric vehicles to support the increasing size of the electric fleet.

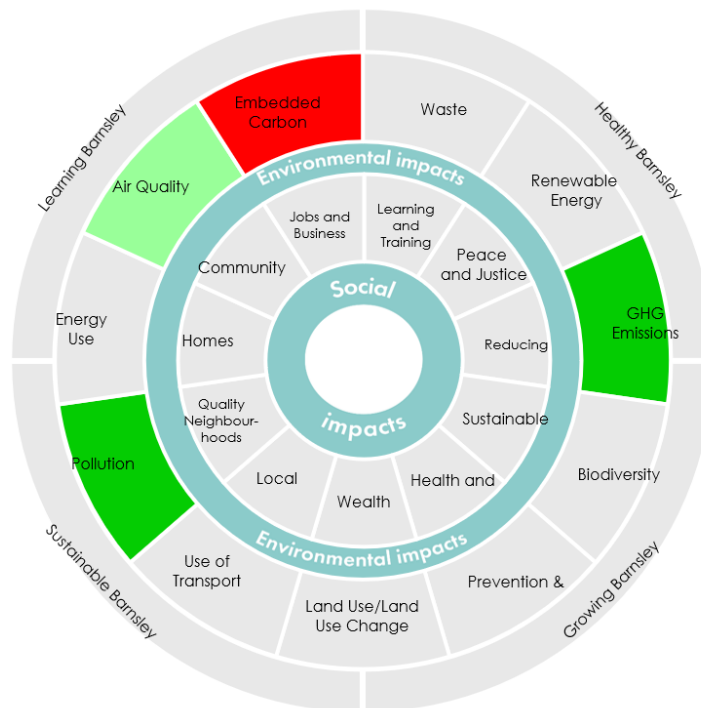
## **3.2 Legal**

- 3.2.1 Operating older vehicles could have an adverse effect on the Council's Operators Risk Compliance Score (O CRS) due to the higher risk of them developing defects on the road and increased maintenance requirements. Barnsley Council could see action against the Operator Licence up to total revocation, meaning that the council would not be able to operate a large quantity of its fleet, impacting on the services that can be delivered.
- 3.2.2 If drivers are found to be using a defective vehicle, they could also face personal liability including fines, penalty points and loss of license.

## **3.3 Equality**

Not applicable – there will be no changes to the services the council provides as a result of vehicle procurement or replacement.

## 3.4 Sustainability



- 3.4.1 The Carbon wheel shows that replacing existing vehicles will have a high positive impact on GHG emissions and pollution. This is as a direct result of new vehicles meeting a higher emissions standard than the ones they are replacing, or diesel vehicles being replaced with electric. From the experience of vehicles, we have already replaced recently, based on the emissions declared on the vehicles V5C document there has been an overall 75% reduction in CO<sub>2</sub> exhaust emissions.
- 3.4.2 The reduction in GHG emissions and pollution also has a low positive impact on the air quality of Barnsley – this is because of lower or no exhaust emissions from the Council’s fleet as it carries out its work across the borough. Transport currently accounts for 12% of total BMBC carbon emissions and contributes to the overall Borough’s transport carbon emissions of 27%. It is estimated that replacing diesel and petrol vehicles with electric vehicles will reduce emissions from transport by around 40%.
- 3.4.3 Facilitating the take-up of EVs is an important action within the Council’s Air Quality Action Plan (<https://www.barnsley.gov.uk/media/5738/barnsley-mbc-air-quality-action-plan-2017.pdf>), along with a commitment to improving the Council’s fleet. Procurement of EVs will demonstrate commitment to the Air Quality Action Plan and can act as an exemplar to other private and public fleet operators in the Borough of the environmental and operational benefits of such vehicles.
- 3.4.4 In 2019, the Council declared a Climate Emergency with a commitment for the Council to be zero carbon in its operations by 2040 (Zero40), and for the wider Borough to be zero carbon by 2045 (Zero45). The transformation of the fleet works towards achieving the commitments set out.

3.4.5 There is high negative impact on Embodied Carbon – to gain the benefits detailed above, new vehicles must be procured of which there is an element of embodied carbon.

### **3.5 Employee**

3.5.1 Employees from user departments will be consulted along with management throughout the procurement process to assist in drawing up new vehicle specifications and assessing the suitability of vehicles. Demonstrator vehicles will be sourced to assist them in their decision making where possible.

3.5.2 Training for new vehicles will be requested as part of the procurement process for operators and technicians. The new vehicles will have significantly different technology to those they are replacing and to ensure that employees can use and maintain them safely and efficiently sufficient familiarisation and training will be provided.

3.5.3 Older vehicles increase the pressure on drivers as there have less driver safety aids and they are more difficult to drive; this increases the chance of a collision. Collisions in council vehicles not only have an adverse effect on the driver's mental health as they are potentially subject to investigation and disciplinary action but also affects their personal vehicle insurance premiums as they must, by law be declared. The risk of injury in collisions also has an impact on the absence rate of our employees, in turn impacting on service delivery.

3.5.4 Newer vehicles and ULEVs produce less carbon and particulate emissions – meaning that there is a reduction in risk to the operative's health.

### **3.6 Communications**

3.6.1 The council's livery is very distinctive in Barnsley and the vehicles are visible all over the borough, some of these vehicles drive down every street in the borough at least once a week. Greater consideration should be afforded to using vehicle sides to market the council's key messages and priorities. It will be recommended that council departments routinely use this opportunity to promote the wider work of the council. The space could also be used to promote electric vehicles.

3.6.2 Communications are aware of the Vehicle Replacement Strategy and this report and will communicate as required. The further increase in ULEVs could be used as a positive marketing message for the council.

## **4. CONSULTATION**

Name	Position	Section(s) contributed to
Paul Castle	Service Director – Environment and Transport	All
Andrew Simpson	Head of Commercial & Operations Support	All

David Paterson	Group Leader – Depot Services	1.4
Maq Ahmed	Strategic Finance Manager	Financials
Hannah Cornish	Strategy Manager	Carbon Wheel
Luke Wilson	Berneslai Homes – Transport and Depot Manager	App B

## 5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Option 1: Do Nothing. Retain the vehicles detailed in Appendix B and extend them beyond their planned lifespan. This option is not recommended as it would lead to increases in maintenance costs, vehicle downtime and supplementary hire vehicles due to more complex repairs becoming necessary. This would adversely affect user departments' ability to provide front-line services and prevent the council benefiting from newer safety technology, the number of ULEVs in the fleet will not increase and the council will be operating vehicles with older Euro rated engines that do not meet the same emission standards as newer equivalent vehicles. It will also not demonstrate commitments in the Councils Air Quality Action Plan and the Governments 'Road to Zero' strategy.
- 5.2 Option 2: Replace the vehicles detailed in Appendix B but not procure ULEVs and not procure electric charging points. This option is not recommended as the borough would not benefit from the increase in air quality that lower/zero emission vehicles bring, the council would also fail to show a good public image in helping to encourage others to take up this technology. It will also not show support to the commitments given in the Council's Air Quality Action Plan and the Government's 'Road to Zero' strategy.

## 6. REASONS FOR RECOMMENDATIONS

- 6.1 Procuring vehicles will allow the council to continue to deliver essential and statutory services in a safe and efficient way.
- 6.2 Replacing existing vehicles will allow the council to benefit from either the latest emissions standard vehicles or zero emission electric vehicles. Reducing the carbon emissions of the council's fleet and improving air quality in the borough.
- 6.3 New vehicles will also reduce the maintenance cost of the fleet – as vehicles age their maintenance requirement increases. The new vehicles will also come with a warranty, meaning the cost of any breakdowns will not be incurred by the Council.

## 7. GLOSSARY

- ULEV** a vehicle that emits less than 75g of Carbon Dioxide (CO<sub>2</sub>) per kilometer travelled and is capable of at least 10 miles of zero emission driving between recharging. They include:
- Fully Electric Vehicles (EVs) (this is currently the council's preference).
  - Plug-in Hybrid Electric Vehicles (PHEVs).
  - Extended-Range Electric Vehicles (E-REVs).

**8. LIST OF APPENDICES**

Appendix A: Financial Implications  
Appendix B: List of Vehicle Replacements

**9. BACKGROUND PAPERS**

[Details of background papers **MUST** be included]

If you would like to inspect background papers for this report, please email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk) so that appropriate arrangements can be made

**10. REPORT SIGN OFF**

<b>Financial consultation &amp; sign off</b>	See Appendix A
<b>Legal consultation &amp; sign off</b>	Jason Field <i>07/04/22</i>

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**Date:** 1/3/22