



COTSWOLD DISTRICT COUNCIL

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET - 10 FEBRUARY 2020
Report Number	AGENDA ITEM 10
Subject	REDUCING CARBON AND FINANCIAL IMPACTS OF WASTE AND STREET CLEANSING VEHICLES
Wards affected	All
Accountable member	Cllr Andrew Doherty Cabinet Member for Waste, Flooding and Environmental Health Email: andrew.doherty@cotswold.gov.uk
Accountable officer	Claire Locke Group Manager - Commissioning Tel: 01285 623427 Email: Claire.locke@publicagroup.uk
Summary/Purpose	To provide a business case for investing in roller brake and light alignment testing equipment for the Environmental Services depot, in order to reduce the Council's carbon impact and deliver revenue savings.
Annex(es)	None
Recommendation/s	That Cabinet agrees the allocation of £52,100 from the revenue underspend on the Ubico Waste contract in 2019/20 to purchase roller brake and light alignment testing equipment, based on the business case set out in this report.
Corporate priorities	Respond to the challenges presented by the Climate Change Emergency
Key Decision	No, the implications of this report will be considered as part of the 2020/21 budget setting process.
Exempt	No
Consultees/ Consultation	Senior Officers Ubico Limited

1. BACKGROUND

- 1.1** In partnership with Ubico, the Council is seeking to identify efficiencies in the way the operational fleet for the Council's waste and street cleaning contracts is managed and to reduce the carbon impact of that fleet.
- 1.2** All vehicles owned by the Council and operated by Ubico are subject to a Safety Inspection process, which includes brake testing. This currently requires each vehicle to be driven to a testing facility in Swindon every six weeks, as Ubico do not have the equipment to do this testing in the Environmental Services depot workshop at Packers Leaze.
- 1.3** The light alignment of vehicles is conducted on major services of the vehicle and as required but does not form part of the current 6 weekly safety inspections. To operate and manage fleet in line with Fleet Transport Association (FTA) best practice, it is proposed that the testing of light alignment would be conducted along with the brake testing to form part of the safety inspection.
- 1.4** This requirement to travel for testing has a negative impact on the environment, on finance and is a drain on operational resource, reducing vehicle availability and increasing the wear and tear of vehicles.
- 1.5** This report sets out a financial business case for equipment to be purchased so that brake and light alignment testing may be undertaken in the Packers Leaze workshop.

2. FINANCIAL IMPLICATIONS

- 2.1** There are risks associated with this, for example if the equipment fails during the 10 year period and requires additional maintenance costs or wholesale replacement; and, therefore, any decision on this matter should be made based on it being cost neutral but with the potential to achieve savings. The primary benefit will be the quantifiable reduction in carbon emissions.
- 2.2** Brake testing is carried out every six weeks and current annual brake testing service cost is just under £24,500. These costs are expected to reduce by around £17,000 per annum.
- 2.3** The cost for purchasing and installing brake testing equipment is £50,281. The equipment will have a life of approximately 10 years. Taking into account the known costs for fuel used, payments to third parties and assumptions on labour, energy usage etc., this has a potential payback period of around 3 years.
- 2.4** The cost for two light testers is £1,760 and the current annual revenue cost for this testing is £660. Return on investment is therefore just over 2.5 years. Purchase of the light testers will also enable the fleet to be managed in line with FTA best practice.
- 2.5** Purchase of this equipment mitigates Ubico's financial risks by reducing contracted suppliers and should also allow for more accurate budget setting. The total cost for the purchase and installation of the equipment is therefore £52,041.
- 2.6** The Council would own the equipment once purchased, as it does other equipment and fixtures in the depot. The equipment would be placed on the asset register and Ubico will pay to the Council an asset rental charge (similar to that for the vehicles) which will then be recharged to the Council as part of the contract sum.

3. LEGAL IMPLICATIONS

3.1 The Council owns the vehicle fleet and commissions Ubico to deliver environmental services on its behalf. The Council must ensure that vehicles undergo suitable testing and satisfy the FTA requirements. A lease agreement will need to be put in place for the equipment between the Council and Ubico.

4. RISK ASSESSMENT

4.1. There is a risk that the equipment does not last as long as anticipated or requires more repair and maintenance during its life than has been projected in this business case.

4.2. Installing the equipment at the depot mitigates risks by reducing the time Ubico staff and vehicles are on the public highways by around 252 hours a year, which equates to almost 7 working weeks.

5. EQUALITIES IMPACT

5.1 Not applicable to this report.

6. CLIMATE CHANGE IMPLICATIONS

6.1 Operating vehicle brake and light alignment testing from the depot will have a positive impact on the environment. There are currently 33 vehicles, each of which makes a 28 mile round trip to the inspection facility once every six weeks, utilising over 15 litres of fuel. This equates to an annual mileage for each vehicle of 252 miles, which is over 8000 miles for the fleet. Approving the recommendation in this report would mean a reduction of 5000 litres of fuel used (savings included in figures above) and a reduction in the Council's carbon footprint of over 14 tonnes CO₂ per annum.

7. ALTERNATIVE OPTIONS

7.1 The Council could decide to continue with the existing arrangements.

8. BACKGROUND PAPERS

8.1 The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Council July 2019 – Climate Change Declaration (Minute CL.24 Notice of Motions refers)

These documents are available on the Councils website and will be available for inspection at the Council Offices at Trinity Road, Cirencester during normal office hours for a period of up to 4 years from the date of the meeting. Please contact the author of the report.

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