

Report of Head of Passenger Transport

Report to Chief Officer, Civic Enterprise Leeds

Date: 8th April 2014

Subject: Passenger Transport - Replacement Vehicles 2014/15.

Capital Scheme Number: 16945 / PTS / 000 PTS Vehicles

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Passenger Transport currently have a fleet of 150 vehicles which are used to transport young people with statements of special educational needs from home to school as well as older people and adults with learning difficulties so they can access day services.
2. Fleet Services have advised that the older vehicles should be considered for replacement as part of the 2014/15 Vehicle Replacement Programme. 36 Vehicles (all aged at least 7 years and older) have been identified as priority for replacement.
3. Following a tender exercise by Fleet services the cost of replacements has been confirmed at £1.772m.
4. This report seeks approval from the Chief Officer, Civic Enterprise Leeds, to award a contract for the purchase of 36 replacement vehicles from VW with Mellor coachbuilt bodies.

Recommendations

5. The Chief Officer, Civic Enterprise Leeds is requested to authorise the contract award for the purchase of 36 new replacement buses for Passenger Transport and authorise expenditure at a total estimated cost of £1.772m from VW

1 Purpose of this report

- 1.1 To seek approval to the proposal to purchase 36 new replacement Passenger Transport buses at an estimated total capital cost of £1.772m from VW
- 1.2 To seek authority to incur an estimated expenditure of up to £1.772m from capital scheme 16945/PST/000.

2 Background information

- 2.1 After a Government Spending Review from which Local Authorities had to react to the deficit reduction plan, Leeds City Council put on hold its Vehicle Replacement Programme. All Leeds City Council's fleet vehicles have had to be 'run on' beyond their usual planned service life.
- 2.2 Leeds City Council has now resumed the Vehicle Replacement Programme from 2013/14 onwards. Priority will be given to replace the older vehicles first, those with the highest mileage, those costing the most to maintain as well as any vehicles on 'external' lease.

3 Main issues

- 3.1 Passenger Transport operates 150 vehicles which are in daily use providing transport for vulnerable adults to access day services and young people with statements of special educational needs for home to school transport. All vehicles are essential to the operation and continued service level commitments of both Adult Social care and Children's services.
- 3.2 The age profile of Passenger Transport's fleet vehicles range from six months to eight years old. A significant amount of vehicles that Passenger Transport operates have now exceeded their usual planned service life. These older vehicles are now in greater need of maintenance which is costing the Council significant funds. Furthermore, the risks are ever increasing that these vehicles may suffer major component failure resulting in vehicle breakdowns, service failures, increased replacement hire vehicle requirements etc. – all further impacting on possible future unplanned expense.
- 3.3 36 of the oldest vehicles on Passenger Transport's fleet have been identified as a priority for replacement in 2014-15. (All 36 vehicles are over 7 years old).
- 3.4 It is proposed the 36 vehicles will be replaced on a 'like for like' basis in that they are all fully wheelchair accessible but can also be adapted to suit sitting passengers only. The vehicles have a low step height but we've also added a further aid of an external handrail which will enable passengers to board and alight easier.

Whilst the new vehicles comply with the latest European standard for exhaust emissions, alternative fuel type vehicles were considered but are not available for this vehicle configuration due to the specialist equipment fitted and the passenger carrying capacity.

- 3.5 The capital cost of these vehicles will be met from City Council resources identified within the corporate capital programme for the purchase of vehicles and equipment.

3.6 As the usual arrangements provide, Passenger Transport intend to acquire the use of these vehicles by means of a leasing agreement ('internal' lease / Prudential Borrowing) through Fleet Services.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The scheme proposals are the result of consultation with Fleet Services .

4.1.2 Fleet Services have been consulted with the technical requirements of the vehicles and have undertaken the procurement exercise.

4.1.3 The service has previously purchased vehicles which meet the proposed specification for these new replacements. All customer comments and feedback has been considered and the specification for the proposed new vehicles reflects this, for example the step height has been lowered to allow easier access.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality, Diversity, Cohesion and Integration screening report has been considered and a full Equality Impact Assessment was not required.

4.3 Council policies and City Priorities

4.3.1 The proposals within this report will contribute to the continued delivery of an effective Passenger Transport service for Leeds City Council.

4.4 Resources and value for money

4.4.1 These vehicles will be procured through the standard procedure in accordance with the Council's Contracts Procedure Rules to assure value for money.

4.4.2 Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2013 £000's	FORECAST				
			2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017 on £000's
VEHICLES (4)	25.0	0.0	25.0				
TOTALS	25.0	0.0	0.0	25.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2013 £000's	FORECAST				
			2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017 on £000's
VEHICLES (4)	1772.0	0.0	1772.0				
TOTALS	1772.0	0.0	0.0	1772.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2013 £000's	FORECAST				
			2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017 on £000's
USB 13/14 vehicle programme	100.0	0.0	100.0				
USB 14/15 vehicle programme	7548.2		7548.2				
Total Funding	7648.2	0.0	0.0	7648.2	0.0	0.0	0.0
Balance =	5851.2	0.0	0.0	5851.2	0.0	0.0	0.0

Parent Scheme : Vehicle Replacement Programme 2014/15 16945/000/000

Revenue Effects

- 4.4.3 The Passenger Transport service revenue budget 2014-15 has provision to pay for the revenue related costs. Overall the impact on leasing and vehicle maintenance charges is neutral, when compared to the costs of the vehicles going off-lease.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This is a significant operational decision and not available for call in.

4.6 Risk Management

- 4.6.1 No issues.

5 Conclusions

- 5.1 Passenger Transport has examined it's fleet requirements and deems it necessary to replace these vehicles.

6 Recommendations

- 6.1 The Chief Officer, Civic Enterprise Leeds is requested to authorise the contract award for the purchase of 36 new replacement Passenger Transport buses and authorise expenditure at a total estimated cost of £1.772m from VW.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.