

WINCHESTER CITY COUNCIL DECISION RECORD

VERSION 6. MAY 2024

Reference Number (taken from Sharepoint entry) **162**

Officer Completing the Form: Campbell Williams

Lead Director: Simon Hendey

Subject: Replacement of Special maintenance fleet

Details of Decision: *Please provide a brief explanation as to what decision was made, including any financial implications. This should be done in easy to understand, non-technical language - as this wording will appear on the website for the public to read. Also please remember all staff will be able to see this document.*

To approve a capital budget of £96,809 to purchase a Ford Transit Panel Van to replace the existing vehicle, the lease on which has expired.

Type of Decision: (please tick. see reverse for definitions)

- | |
|---|
| <input type="checkbox"/> Key Decision (Executive) & Subject to Call-In (see section 2A on reverse of this form) Note, these decisions are published on winchester.gov.uk |
| <input checked="" type="checkbox"/> Significant Operational Decision (see section 2B (1) on reverse of this form). Note, these decisions are published on winchester.gov.uk |
| <input type="checkbox"/> Other Decisions to be Published (see section 2B (2) on reverse of this form) Note, these decisions are published on winchester.gov.uk |
| <input type="checkbox"/> Administrative Decision (see section 3 on reverse of this form) |

Reason for the Decision: *A brief overview of your reasons for taking this course of action.*

The lease for the existing special maintenance fleet came to an end in 2024 and this vehicle needs replacing to prevent the ongoing extra lease/maintenance costs and enable to Council to continue delivering its special maintenance obligations.

Given the specialty nature of this vehicle, the market options for off-the-shelf purchase are limited, particularly as a dual fuel vehicle as standard was required to decarbonise the fleet when possible. There are three fuel options for replacing this vehicle but only really two vehicle options because the diesel/HVO vehicle is dual fuel and can utilize either:

- HVO – a HVO model meets the Council’s decarbonisation requirements as certified HVO is a sustainable fuel and cuts CO2 emissions by 90% when compared to the diesel, so this vehicle would be emitting only 0.2 tonnes of CO2 (based on mileage of 7,000 miles per annum). HVO is not readily available so it would have to initially run on diesel until a suitable certified HVO supplier can be secured. This significantly reduces the options available as it needs to be a dual fuel vehicle from standard to reduce further conversion costs and be a suitable base vehicle that also meets the working requirements for the SM team. There is only one range that meets this requirement: the Ford Transit range. The subsequent conversion costs are the same as for the base diesel vehicle.

- Diesel – using a dual fuel diesel model would not comply with the Council’s target to de-carbonise its vehicle fleet, so is not really a genuine consideration. Conversion costs to equip the vehicle for SM use are difficult to estimate given the lack of providers and the need to have a specific vehicle to quote against, but, from office experience and past transactions, it is likely to cost in the region of £10,000 (the Council has previously used locally based <https://vfs.co.uk/> for its vehicle conversions). This model emits 181gr of CO2 per km which, at an average 7,000 miles per annum (which is the historically based expected mileage), equates to carbon emissions of c.2.04 tonnes* This option requires no additional infrastructure cost.

- EV use cuts emissions by 100% and is the option that best suits the Council’s aim of becoming a carbon neutral local authority. The infrastructure for EV already largely exists with charging units at the park and ride sites (managed by Hampshire County Council) and a further 71 spread across the Council’s car parks. There are also two fast chargers at the Winnall depot where the vehicles will be based and will be the primary source for charging. The Council is also continuing to expand its EV charging provision so an EV special maintenance fleet would be aligned with the growth of EV use.

In conclusion, this is not just a financial appraisal and, whilst the diesel/HVO dual fuel model is potentially the cheapest, it would not comply at all with the Council's Carbon Neutrality Action Plan (the special maintenance fleet is currently adversely affecting the CN Board's CO2 performance target reporting). As such, the replacement decision becomes a choice between a dual fuel diesel/HVO vehicle or an EV, with EV being the most logical given the Council's overall emissions policies and limited need for new charging infrastructure.

Financial consequences: buy or lease?

These two vehicles can be leased in their fully converted form but due to commercial sensitivities the lease company is unwilling to release the constituent cost elements of the conversion, which will obviously include an element of profit margin. As at February 2025, the financial comparison (factored over a 5 year period, which is the lease lifetime) is as follows:

- EV buy = £74,054 (see supporting Excel for calculation)
- EV lease = £75,710

Conclusion: Outright purchase works out £1,656 cheaper than leasing over a 5 year period.

*Michelin CO2 calculator

<https://connectedfleet.michelin.com/blog/calculate-co2-emissions/>

Alternative Options Considered & Rejected: *All alternative options considered need to be outlined here. Please include detail of any representations received. This will include your response to any alternatives suggested by those making representation and the reasons why these alternatives were rejected.*

Given the specialist nature of these vehicles the options are limited, as described above.

Supporting Information: *If your decision relates to delegated authority derived from a specific Committee resolution, please confirm the name of the Committee, the date of the meeting and paste the resolution into this box.*

None

Declared Officer and/or Member interests: *List any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision and, in respect of any declared conflict of interest, any note of dispensation granted by the Monitoring Officer.*

None

Departmental Review			
Legal review:	<i>Tick this box to confirm legal team have reviewed proposed decision</i>	<input checked="" type="checkbox"/>	Karen Murphy
Finance review:	<i>Tick this box to confirm finance team have reviewed proposed decision</i>	<input checked="" type="checkbox"/>	Neil Aitkin
Other review:	<i>Tick this box to confirm any other departmental review of proposed decision (and specify department)</i>	<input checked="" type="checkbox"/>	Jamie Butt - Procurement
Public Sector Equality Duty:	<i>Tick this box to confirm you have considered the PSED requirements (see section 4 on reverse of this form)</i>	<input checked="" type="checkbox"/>	

Are the details of the decision open or exempt?

Open

Part Exempt. Please expand

Exempt. Please expand

Decision Taker (name): *This needs to be the specific Officer or Cabinet Member who holds the delegation within the constitution/or referred to by a committee*

Decision Taker (Signature):

Date: Click or tap to enter a date.

Liz Keys Director – Finance

Call In dates (key decisions only) and Implementation date:

Commencement of call in: (date)

Click here to enter a date. *(Please refer to Dem Services for this)*

Last date for call in: (date)

Click here to enter a date. *(Please refer to Dem Services for this)*

Planned Implementation Date:

Click here to enter a date.