

REPORT

SUBJECT: Approval of a Capital Budget for the provision of Waste and Recycling Vehicles

MEETING: Council

DATE: 21st September 2017

DIVISION/WARDS AFFECTED: Countywide

1. PURPOSE

To gain Council approval to create a capital budget of £3.9m for the provision of waste and recycling vehicles necessary to introduce the waste and recycling strategy approved by Council on 9th March 2017.

2. RECOMMENDATIONS

- 2.1 That Council approve the creation of a budget of £3.9m for the acquisition of waste and recycling vehicles to be added to the Council Capital Budget for 2017/18.

3. KEY ISSUES

- 3.1 On the 9th March 2017 Council approved a strategy for the provision of waste and recycling services in Monmouthshire.
- 3.2 The new service configuration requires a new fleet of vehicles. Tenders have been received for the vehicles but the capital budget included within the Council's approved capital budget for the replacement of vehicles is insufficient to cover the cost of the new fleet.
- 3.3 To ensure that the replacement of the fleet does not conflict with the condition and age of the existing fleet (primarily that we are not replacing vehicles recently purchased) the current service has increasingly been supported using hire vehicles (members may have noticed an increasing number of hire vehicles operating around the county).
- 3.4 The industry now often 'builds to order' so delivery time for some of the larger specialist vehicles can be up to 11 months. To facilitate the roll out of the new service in October 2018 requires orders to be placed no later than October to ensure delivery. The new service cannot be introduced without the new fleet so placing orders in good time is essential.

4. REASONS

- 4.1 When the Council's capital budget is approved in February or March of each year a figure is included within the budget for the replacement of vehicles.

This is based upon a schedule of vehicle replacements and whilst the schedule might be reviewed during the year the approval of the budget provides officers with authority to spend.

- 4.2 Although the configuration of the service was approved in March the capital budget for this year did not allow for the acquisition of the new fleet (£3.9m) as full tendered costs were then unknown. . This report seeks approval of Council to create the capital budget.

5. RESOURCE IMPLICATIONS:

Following specification and tendering the cost of the fleet has been calculated as £3.9m.

This funding of this expenditure was provided for in the business plan presented to Council in March 2017. Whether purchased by lease or funded by prudential borrowing will be decided by accountancy colleagues however the business plan assumes an annual payment of £500,000 included within the waste and recycling revenue budget.

Although this report seeks approval of the creation of the capital budget the business plan continues to be refined so the final decision to spend will seek approval from the Head of Finance.

6. FUTURE GENERATIONS and EQUALITY ASSESSMENT

This report seeks the creation of a budget so a FGE assessment is not considered necessary. A FGE assessment was provided with the report submitted to Council on the 9th March 2017.

SAFEGUARDING ASSESSMENT:

There are no safeguarding implications associated with the recommendations within this report.

7. **CONSULTEES:** None

8. **BACKGROUND PAPERS:** Report to Cabinet on 9th March 2017 titled:

‘Recycling Review – Final Proposals for Collections 2018-2025’

9. **AUTHOR**

Roger Hoggins, Head of Operations

CONTACT DETAILS: rogerhoggins@monmouthshire.gov.uk