

Report to	Resources & Performance Committee
Date	17 September 2013
By	Director of Corporate Services
Title of Report	South Downs National Park Authority purchase of new and replacement vehicles
Purpose of Report	To update the Committee on the progress of vehicle renewals

Recommendation: The Committee is recommended to;

- 1) note the additional capital expenditure to replace the pick-up written off in an accident;**
 - 2) note the progress on the purchase of Land Rovers and the display vehicle; and**
 - 3) note the deferred disposal of one pick-up truck for use in the ARC River Restoration Project**
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1. Introduction.

- 1.1 The report describes the progress made to date in updating the National Park Authority's fleet of Land Rovers and the further purchases planned for this financial year. An extension to the capital budget has been made to cover the replacement of a pick-up truck, damaged beyond repair in a collision.
- 1.2 The progress in purchasing a display vehicle for the National Park Authority is also described.
- 1.3 The report also covers the retention of one vehicle earmarked for disposal to meet the needs, and the SDNPA commitment to, the Arun and Rother Connections Project

2. Background

- 2.1 Authority was given for the purchase of three new Land Rovers at the Resources and Performance Committee meeting of 14 November 2012. This purchase was originally budgeted for in financial year 2012/13 but factory timescales at Jaguar Land Rover meant that delivery of the vehicles could not take place until financial year 2013/14. £82,000 of budget was carried forward to 2013/14 in consequence.
- 2.2 The purchase of two additional Land Rovers has been included in the capital programme for 2013/14 and £56,000 is included in the budget for this.
- 2.3 The purchase of a new display vehicle for the SDNPA was approved at the Resources and Performance Committee meeting of 9 April 2013 and £38,000 of capital funding was included in the 2013/14 capital programme.

3. Land Rovers

- 3.1 Orders were placed with Jaguar Land Rover early in the year for the purchase of three Land Rovers (one with a fitted winch) through the Government Procurement Service framework contract. It is now not legally possible for vehicle manufacturers to supply vehicles with side facing bench seats, although the fitting of those seats is still permissible as an after market addition.
- 3.2 In order to increase the carrying capacity of the Land Rovers to nine, additional bench seats were specified from a separate company and fitted to the Land Rovers. Those three vehicles have now been received by SDNPA.

- 3.3 Quotes are being sought from Jaguar Land Rover, again through the Government Procurement Service Contract, for a further two Land Rovers, to be purchased during 2013/14.
- 3.4 The three vehicles now in place will replace three vehicles that were first registered in 1999 (one) and 2004 (two). Those vehicles have given many years of service but are now becoming unreliable and expensive to run. The next two vehicles due for replacement are registered in 2005 and are in a similar condition. Most fleet managers would aim for an optimum light vehicle life of around seven years, although in the public sector particularly, capital constraints often make this difficult to achieve.
- 4. Display Vehicle**
- 4.1 The base vehicle for the display vehicle is a VW Transporter Chassis Cab and this is being purchased from Volkswagen, again through the Government Procurement Service contract. This vehicle has now been built and is awaiting shipment from Germany. Delivery is expected during September.
- 4.2 The Chassis Cab will be delivered to Marco Properties in Eastbourne, who will carry out the necessary coach building and fitting out of the display vehicle. It is planned that SDNPA will monitor this process closely and we expect to take final delivery of the display vehicle before the end of November
- 5. Replacement Pick-Up Truck**
- 5.1 In April 2013 the Nissan Navara operating out of Stanmer Park was involved in an accident which resulted in the vehicle being an insurance "write off."
- 5.2 The value of the insurance settlement for the two year old vehicle was £12,000.
- 5.3 A replacement vehicle for the Eastern Area, a Toyota Hilux, was procured through the Government Procurement Service contract, for £15,631.
- 5.4 Therefore the capital programme has been increased to reflect this purchase which will be funded from the insurance payment of £12,000 with the remaining £3,631 being funded from the vehicles earmarked reserve.
- 6. Toyota Prius**
- 6.1 The three Toyota Prius Hybrid vehicles leased over a two year period for staff and member work travel, arrived at the end of February and have now been in use for just over six months. All the vehicles have covered in excess of seven thousand miles and are expected therefore to cover an average of fifteen thousand miles each over the first year. This is ahead of expectations at this stage. The vehicles are based in Midhurst, Stanmer and Queen Elizabeth Country Park, can be booked through outlook and are available for business travel for Staff and Members.
- 6.2 It was originally intended that the Toyota Prius based in Queen Elizabeth Country Park would allow for the disposal of the Nissan Navara pick-up truck that is based there. This disposal has been deferred for the duration of the Arun and Rother Connections river restoration project and the vehicle will be made available to the RSPB project staff based in SDNPA, in fulfilment of the commitment for matched funding in kind given by SDNPA in 2011. When the project is complete the vehicle will be disposed of as planned.
- 7. Resources**
- 7.1 The capital programme has been increased to reflect the purchase of the Toyota Hilux which will be funded from the insurance payment of £12,000 with the remaining £3,631 being funded from the vehicles earmarked reserve. The vehicles earmarked reserve is used to fund the replacement of all vehicles and is reviewed on an annual basis to ensure there are sufficient funds available to fund future purchases. As a consequence of the annual review the 2013/14 revenue budget includes a £60,000 provision within transport costs to top up this reserve. In addition, the income from the disposal of the Land Rovers will also be transferred to the earmarked reserve.
- 7.2 The retention of one vehicle for the use on project working will mean that the disposal

income would be deferred and the vehicle held would be subject to further depreciation.

- 7.3 The use of the Government Procurement Services contract has given SDNPA access to discounts on retail price that are normally only available to high volume buyers. The discounts range from 12.5% to 27% and have delivered a saving against retail of over £16,000 on the purchases described above.

8. Risk management

- 8.1 The Procurement Risks in purchasing vehicles are largely managed through the use of Government Procurement Service framework contracts. The GPS framework utilises the buying power of the full UK public sector to achieve best available rates.
- 7.2 The coach build of the display vehicle is being carried out by a small and relatively local company, Marco Properties, based in Eastbourne. Payment for this work will be made in stages and additional clauses have been inserted in the contract to ensure that ownership of the build transfers to SDNPA at each stage, to mitigate against the risks associated with a company entering administration.

9. Human Rights, Equalities, Health and Safety

There are no implications arising from this

10. External Consultees

- 10.1 None

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Appendices	None
SDNPA Consultees	Chief Executive Officer, Director of Corporate Services, Director of Planning, Director of Strategy and Partnerships, Director of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Legal Services.

Background Documents	R&P Report 14 November 2012 entitled SDNPA Vehicle Fleet – Report No RPC25/12 (Agenda Item 15) http://www.southdowns.gov.uk/_data/assets/pdf_file/0007/283372/Agenda-Item-15.pdf R&P Report 9 April 2013 entitled New Display Vehicle – Report No RPC13/13 (Agenda Item 12) http://www.southdowns.gov.uk/_data/assets/pdf_file/0009/322587/Agenda-item-12.pdf
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