

To receive a report on the Town Council working vehicles and consider any actions and associated expenditure

Service Delivery Department

To provide a service to the town that is efficient and effective the department requires reliable vehicles:

1. Medium van – to accommodate small/medium projects.
2. Standard Transit van (as an example) - to accommodate large projects.

The department continues to use:

1. **STC 2 Ford Transit – EA14 ZCZ – to accommodate large projects.
2. STC 3 Peugeot Cage – BX15 HWJ - to accommodate ground work and carrying equipment.

**Members may wish to consider trading STC 2 in the near future to avoid too much depreciation or continue to run until it has very little value?

The above four vehicles will allow for better working arrangements in terms of staff into teams to service the town.

Currently, Saltash Town Council hires a Citroen Berlingo from DBS Autos at a cost of £33.33 per day. Hire commenced on 03.01.24. Total cost to date is £3,319.67.

Associated cost are allocated to budget code 6578 EMF equipment and Vehicles (Capital Works). Available balance £14,939. The hire cost is depleting the EMF budget that is there to purchase vans.

The hire van has been useful however it is that little bit too small for medium work. It would be helpful to have a slightly bigger van for that reason (as an example, similar size to the expert vehicle).

Trailer

The department operates a trailer to move equipment from the depot to site, such as, the Kirsten ride on mower, chipper, mowers and a generator.

The Town Council trailer weighs 258kg, equipment max load 492kg, total of £750kg. The heaviest piece of equipment is the Kirsten ride on mower weighing 450kg.

Vans need to have sufficient towing capacity to accommodate, the weight of the trailer and equipment in the trailer.

Vans need to have sufficient payload to accommodate staff, fuel/battery and equipment.

Vans need to have sufficient torque when it comes to towing because the vehicle needs to be able to start moving from a still position while carrying a heavy load.

Mileage

Table below shows the departments minimal mileage records:

<u>Vehicle</u>	<u>Date 12/2020</u>	<u>Date 12/2021</u>	<u>Date 01/2023</u>	<u>Date 01/2024</u>
EA14 ZCZ	75,956	77,775	79,693	81,992
<u>Vehicle</u>	<u>Date 08/2020</u>	<u>Date 02/2021</u>	<u>Date 02/2022</u>	<u>Date 02/2023</u>
BX15 HWJ	40,821	47,185	49,180	51,136

Town Council Vehicle Cost:

<u>Vehicle</u>	<u>Registration</u>	<u>Purchase cost</u>	<u>Purchase date</u>	<u>Sold</u>
STC 1 - Ford Transit	YA11 SVY	£12,275.52	09/09/201	Yes (£1,200)
STC 2 - Ford Transit	EA14 ZCZ	£11,994.00	17/12/2020	Active
STC 3 - Peugeot cage	BX15 HWJ	18,931.68	11/02/2021	Active

STC 1 and STC 2 running cost over the last 7 years has cost £46,200 – this does not include insurance cover.

Budgets 2024-25

Budget code: 6524 Vehicle Maintenance and Repair Cost
Available budget: £13,520

Budge code: EMF 6578 Equipment and Vehicles (Capital Works)
Available budget: £14,939

Combined total budget of £28,459

Please be mindful some funds will be required for breakdown/maintenance for STC 2 and 3.

Research

1. Plymouth City Council:

Just before Christmas we arranged a meeting with the fleet manager at Plymouth Council to look at the type of fleet they are using and if any options were open to us to work with them. They have a variety of vans from small to extra-large and a mixture of electric and diesel. They are moving slowly over to electric but only with the small vans as the larger ones are far more expensive to buy at the moment. The cheaper option is mid-size diesel similar to the Expert van shown above. However they have an external purchasing set-up due to the number of vehicles they purchase and are not able to externally supply us with any vans under a lease arrangement. Overall this was a good experience to understand options.

2. CORMAC:

On the 5th Feb we had a meeting with the Fleet manager who deals with the acquisitions of all the Cornwall vans. The benefit to be working with them is they are happy to purchase the vans and then lease direct to us. They already work with a number of Town Councils across Cornwall in the same manor. For the type of work we carry out, he recommended we stay with diesel as this will be a better option rather than electric. His reason is due to the battery life, mileage use, not able to tow trailers and fitting the charging unit (extra cost) and the fact that technology is changing. His suggestion would be to look at electric when we would be ready to change at the end of the lease. Having seen this in operation I would agree with him to go with diesel vans. With this outcome, they have given us a guide to leasing through CORMAC.

Attached is a copy of Cormac's order and lease form, which is straight forward.



Guide to lease option for a (Similar as previous example).

20,000 miles per year, lease can be over 5, 6 or 7 years which can reduce the payments.

There would be no deposit payment, just the agreed monthly fee. The only additional charges would be for any damage as that isn't covered under the maintenance agreement. Also to note the price will include breakdown cover, road fund licence, mot and a courtesy vehicle. You will need to organise your own insurance for the vehicle.

Please see below estimated monthly costs, these are only an estimate as Cormac's new procurement framework won't go live until early March. I have priced for a Ford Custom, as I believe Ford will be offering the best terms at present to ourselves. This price includes ply lining, livery, chapter 8 markings, beacon, reverse bleeper, racking, non-slip floor, tow bar, fire extinguisher, first aid kit, mud flaps and floor mats.

5 Year term £683.94 per month.

7 Year term £549.24 per month.

Inclusive Total cost over 7 years £46,200



FORD TRANSIT

Similar to the Boxer size above.

The larger Ford Transit style will be a bit more expensive but would be great to have the flexibility with a larger van.

5 Year term £770.84 per month.

7 Year term £637.38 per month.

Inclusive Total cost over 7 years £53,760

Electric Vans

Electric vehicles deliver on three of the Town Council Strategic Priorities:

- Travel and Transport
- Climate Emergency
- Health and Wellbeing

There is an option for the Town Council to consider purchasing an electric medium size Peugeot E-Expert van for smaller projects and a large size Ford E-Transit for bigger projects, both direct from Vospers Van Centre Plymouth.

The advise from Vospers is that the torque is sufficient on both vehicles when loaded. It is advised that both vehicles are test driven prior to any commitment.

Vospers have a E-Transit as a demonstrator that has done approx. 800 miles (originally priced at £50k). The range on this is circa 160 miles and the battery has a 8 year warranty. Towing capacity is 1500kg and payload is 1.2 tonne. Priced at £29,995+VAT (Government grant applied £2,500).

Accessories for the E-Transit are priced as follows:

Light Bar is £148.00+VAT

Chapter 8 (full rear door and reflective strip on both sides) – £584.00+VAT

Led front lights £56.00+VAT per pair

Ply lining is £340.00+VAT

Rear Camera integrated into main screen £565.00 (the E-Transit already has this!)

Tow Bar £475+VAT

They also have a Vauxhall Combo at £21,995.00+VAT but this is possibly a little small for what the department requires, as an alternative they have a Peugeot E-Expert, towing capacity 900kg, 1 tonne carrying capacity and a range of 180-200 miles. This is priced at £26,495+VAT (Government grant applied £2,500).

Accessories for the E-Expert are priced as follows:

Light Bar is £148.00+VAT

Chapter 8 (full rear door and reflective strip on both sides) – £488.00+VAT

Led front lights £56.00+VAT per pair

Ply lining is £248.00+VAT

Rear Camera integrated into main screen £565.00+VAT

Tow Bar £475+VAT

Road Tax is free of charge for both vehicles. The 1st MOT would be at three years old.

Due to the lack of mileage both vehicles would potentially be charged fortnightly, however, this will depend on a number of things – weather, how it is being driven, load etc. Both vehicles are supplied with a cable to connect the vehicle to the mains electric.

There is a short term option to use the depot 13amp plug ensuing health and safety matting is in situ. Long term, it is advised that the Town Council invests in one 7.4kW wall box. The cost ranges from £350 to £1,000, potential funding available.

Vospers also offer a signwriting service. Town Council would need to send their graphics for a quote to be provided.

Please note; the colour on the E-Transit may not compliment Town Council livery.

Should Members wish to proceed with the electric option, due to the purchase value further liaison with other commercial garages should be considered in line with Financial Regulations.

Below are pictures of both vehicles.

For E-Transit:



Peugeot E-Expert





The electric option would be great publicity for Saltash Town Council and ticks all the right environmental benefits for our town.

External Leasing

Example of the standard basic van leasing for Peugeot Expert & Boxer panel vans.

Total price including maintenance £675.60 inc vat p/m.

20,000 miles, over 5 years,

6 months Deposit £3,334

Peugeot Expert Standard
1400 2.0 BlueHDi 145 Professional Prem + Van EAT8

4.4 (5-6 months delivery)

Vehicle Highlights

- Transmission: Automatic
- Load Length: 2512 MM
- Load Height: 1397 MM
- Payload: 1412 KG

Key Information

- Bluetooth: Yes
- Air Conditioning: Yes
- Rear Parking Sensors: Yes
- Cruise Control: Yes

Customise Your Lease

Select Colour & Trim

Is this for you, or for your business?
 Personal Business

How many miles will you be driving a year?
 20000 Miles

How long do you want your vehicle for?
 60 Months - 5 Years

How much do you want to pay upfront?
 6 Months - £3334.82 inc. VAT

Vehicle Options: 5-6 Month Delivery

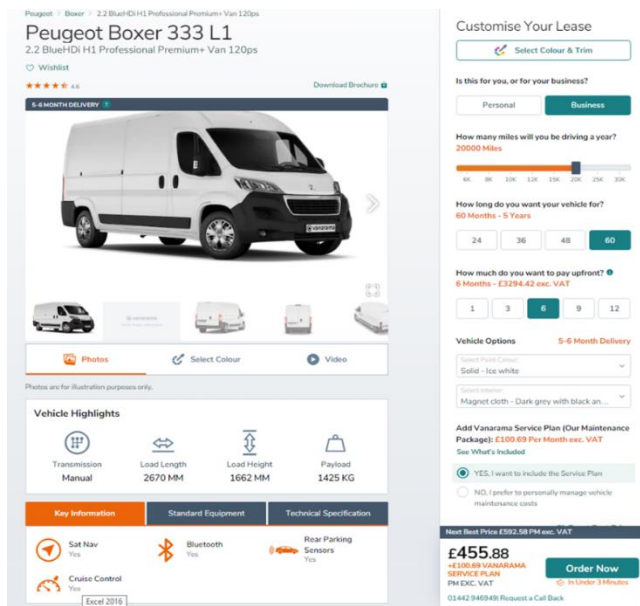
Order Now

£486.93
+£76.24 VANARAMA SERVICE PLAN PM EXC. VAT

Total price for larger Boxer van including maintenance £667.88 inc vat p/m

20,000 miles, over 5 years,

6 months Deposit £3,294



The external leasing options do not come with any fitted extras. This is the same with other lease companies approached such as Global van solutions, Vospers leasing, Vans direct and vanleasing.com. The cost of fitting shelving, Flashing Beacons, Tow Bar, roof rack, and full livery is approx. £2,850.00+vat. When the van goes back the livery needs to be removed at the Town Council expense.

Question and answer section relating to Cormac Leasing:

Q. Is there an option to upgrade or change the vehicles during the 7 year lease?

A, You can change the vehicle earlier, this does run the risk of an early termination fee. That fee will effectively be calculated by the value received at auction taken from the outstanding value owed to ourselves.

If the vehicle covers the value, there is no cost. If it should short by x amount that is the cost. We can advise of the likely value of the asset at the time should you wish to alter.

Q, If not, does this mean the Town Council is committed to the 7 years?

A, The term is set at the start, whether that is five, six or seven years. Should you wish to end early, as above there is the risk of an early termination fee should it not cover the outstanding value owed to ourselves.

Q, Are the vans ordered direct from the manufactory?

A, No from dealer on Cormac's purchasing framework.

Q, Is the Lease in the Town Council name or Cormac?

A, The lease will be in the Town Council's name.

Q, Who is the Lease with, appreciate via Cormac but with whom?

A, The lease will be with Corserv Solutions our parent company unless otherwise stated.

Q, What happens if Saltash TC exceed the mileage range of 20,000?

A, The mileage allowance can be altered at the start of the agreement. Excess mileage above the agreed figure will currently be charged a 7p per mile. Our average mileage is around 13,000 to 15,000.

Q, What do the repairs look like when returning the vehicle after the 7 year period, at what cost, and is there a garage that the repairs must take place at?

A, If the repairs required are cosmetic these can be carried out a garage of your choice as it will be under your insurance/cost. The costs will depend on if/what damage has been incurred.

Q, Is a courtesy vehicle available when the vehicle is in for servicing?.

A, Yes

Q, What dates are we working to if Saltash TC agree to sign up to the Cormac offer?

A, The term will be from date of vehicle delivery to yourselves.

Q, Who undertakes the service?

A, Servicing is carried by our workshops at Bodmin / Tolpetherwin / Scorrier. They also have support for smaller issues.

Q, What are the negatives to the leasing via Cormac?

A, None that we can see at this point.

End of report

Service Delivery Manager