

APPENDIX B

Business Case for Replacement EMT Front line Mowers

B 1 - General

To provide 2 replacement ride-on mowers as detailed within the EMT Vehicle and Front-Line Mower Renewal and Replacement Programme agreed by REEA committee on 12/8/14 and identified within the approved capital programme for 2016/17.

B 2 –Service / Service / Function

The Councils Environmental Maintenance Team (EMT) is a section of the Neighbourhood & Communities service area that maintains all the green open spaces and external areas of council properties and premises for which the authority is responsible. This involves the management of all those sites green infrastructure, grass, shrubs, trees, borders etc. along with minor hard scape infrastructure, paths, benches, bins, signage etc. Maintaining all associated grassed areas is one of the councils EMT's core duties. Fully functional and efficient front line mowers are essential to the satisfactory delivery of this most important aspect of the service. Both machines are to be replaced by appropriate models which have proven ability and have performed satisfactorily within expectations and their expected working life. The old machines have now reached the end of that optimum working life and are increasingly incurring costly and frequent repairs.

B 3 – Strategic fit

The old mowers in question are key frontline machines, one designed to cut and collect, this particular model, now updated has proven itself to be a good all round machine with strengths in regards to cutting and collecting wet grass. The second machine that needs replacing is used primarily to flail cut grass verges where a robust cutting head is essential to tackle minor hidden obstacles frequently found along roadside verges.

These machine are an essential part of the mower fleet due to their dimensions (access through limited gateways / entrances etc.) , cutting widths , collect ability, high lift abilities and high performance even in wet conditions

One of the machines to be replaced (the Isiki) is several years beyond its optimum performance but had been retained to date as a last resort back up machine and most recently as a source of spare parts, the other machine to be replaced (the Matra) is also several years beyond its economic & performance best and is no longer in full working order, this machine has interchangeable cutting heads, increasing versatility and making it appropriate for a wide range of conditions and sites but unfortunately this particular make and model generates excessive vibration levels that HSE regulations (which have a greatly reduced acceptable vibration levels significantly over the past few years) , has resulted in its use becoming extremely limited in terms of the length of time operatives can safely use it.

These renewals will allow for the good standards achieved annually to be retained

The expectation is that the public perception of the service will remain high and

any service requests will remain at a very low level as is the case currently

B 4 - Options appraisal

Hire – this is not the optimum method for sustainable resource acquisition for a grounds maintenance service , Machines are very difficult to obtain during the cutting season and are invariably a compromise in terms of being Efficient , Economic and Effective (the 3E's)

Lease- of these vehicles is not the optimum method of obtaining the machine needs for this service, machines deteriorate quickly with high levels of use, return condition penalties are extremely onerous and generally for a long term provision leases are not cost effective.

Purchase outright- is on balance the closest method of adhering to the 3EEE's

Project Scoring Matrix $1+1+3+1+3+1= 10$

The continues good standards all round of the EMT service are benefiting the residents who are increasingly taking ownership and demonstrating increased pride in line with the general environmental improvements being consistently provided

The service has built up good working relationships with a number of suppliers and dealers and is aware of the latest developments prices and offers

The service already uses the local specialists known to provide the best value , it will ensure a purchase from one of these suppliers that is the best in value achievable at the time of purchase

B 5 - Achievability

There are a number of relevant suppliers to choose from and there are not expected to be any achievability issues

B 6 - Legal Issues (if applicable)

There are few legal issues, the service frontline machines are all road capable and legal, the new purchases will be to a similar specification to meet the standards required for such machines.

B 7 Specification

Machine 1 **Iseki SXG326** - to replace an Iseki SXG19, this old model has been discontinued and replaced by Iseki SXG326 the machine intended to be purchased. This is a very popular ride on mower used by many councils and organisations who are looking for large scale high quality work / minimum 39" cut / cut & collect capability with high lift / work efficiently in wet conditions / configured and designed for significant amount of semi-skilled maintenance and servicing. This machine is particularly suited to the extended sports pitch maintenance works which has been added into the EMT core programme in regards to the maintenance of the councils

new former K7 , now Sports Village site.

Machine 2 **Shibura CM 374 Muthing MU FM 140 Flail** - to be replaced is an aging Kilworth 'Matra'. That machine is now deemed to have a HAVS (Hand Arm Vibration's) rating way above the latest safe recommended vibration levels making it of extremely limited use despite its versatility. This machine is to be replaced with a second Shibura CM 374 Muthing MU FM 140. Shibura CM 374's are used extensively by Leicester city council and have proven overwhelmingly to be one of the best, most versatile and most robust machines available. We have operated one such machine for over 4 years and are completely satisfied with its performance and reliability. It is ideal for highway verge work, rougher areas, undulating and variable site conditions and we already own an interchangeable rotary cutting deck for this machine increasing the Shibura's versatility then capable of higher quality work if required.

B 8 - Financial Implications

Capital – There is currently £39k set aside monies allocated within the 2016/17 Capital programme for replacement front line machines , this business case is seeking the release of £28k as that figure is sufficient to provide suitable replacements whilst maintaining the spectrum of mowers for the quantity range and types of work required of them .

The front line machine renewal programme seeks suitable replacements when existing machines in the fleet, due to their age and condition resulting from the heavy wear and tear they incur together with associated increasingly high maintenance cost start to seriously reduce their effectiveness / efficiency. Members may wish to note that the current rolling front line renewal programme providing replacement machines does appear to be reducing the overall service maintenance costs and it is intended to reduce the maintenance budget (Environmental Maintenance Repairs and Maintenance 507 2015) by £5000 for 2017/18 and keep the budget under review with a view to offer up further maintenance budget reduction in 2018/19 in consideration of the 2017/18 maintenance budget outturn.

	£	Comment
Initial Costs	£11,046.00	For purchase of Iseki SXG326
	£17,288	For purchase of Shibura CM 374 Muthing MU FM 140 Flail
	All prices exclude VAT but are offered at a trade discounted rate of around 20%	The capital funds required are made up of :
	Total cost £28,334	£26,934 from the EMT vehicle Renewal and Repair fund
		£1,400 from part exchange payment
		Making a total of £28,334

External Funding	£1,400 (Part exchange)	<i>This figure is made up of £200 for the old ISIKI unit only suitable for scrap or spares and £1,200 for the old Matra Kilworth unit , which is way beyond its economical best and of extremely limited use anywhere that HSE regulations are followed</i>
Net Cost	£26,934	<i>There is £39k set aside in the capital programme for replacement front line machines. However the requested £28k is sufficient to cover the cost of equipment currently requiring replacement and the capital budget can therefore be reduced</i>
On-going Savings	£5000	Revenue budget saving from 2017/18 as above
Phasing	N/A	

B 9 – Project Scoring Matrix

Scoring – for your project – calculate the points.			
Criteria	1 Point	2 Points	3 Points
Cost £ (budget, time and human resource)	<£10k	£10k - £50K	>£50K
Timescale	< 6 months	6 – 12 months	> 12 months
Impact if project failed on the organisation	Minor disruption	Moderate	Major
Melton's Track Record	Done Successfully Many Times Before	Done Successfully Once or Twice Before	New Area of Working
Stakeholder Interest (internal and external)	Minimal	Moderate	Major
Project Complexity	Straight-forward	Moderately Complex	Highly Complex
TOTAL	4	0	6
OVERALL SCORE	1+1+3+1+3+1= 10		