

Part B – Business Case, Project Background / technical issues

B 1 - General

An EMT vehicle and front line mower renewal and replacement programme was agreed by MEEA committee on 12/8/14. This programme allowed for capital set aside monies to be used to create a replacement fund for the purchase of the services front line ride on mowers and crew carrying vehicles. This business case is seeking the release of set-aside funds, to carry forward this years allocation and to utilise a further portion of set aside monies no longer required

B 2 –Service / Service / Function

The Environmental Maintenance Team maintains all the councils open space and relevant land ,carry out maintenance to grass, trees shrubs hedges borders beds maintains the sports pitches, the annual Town flower displays in tubs and baskets and provides a small building works provision dealing with bins signs benches barriers paths fencing . It fully participates with sandbags and winter gritting , many Town Centre events , a number of cemetery specific services and links up and provides occasional manpower for other council sections including improvements within priority areas .It also assists with land drainage problems keeping trash screens clear and associated bank sides well maintained

Crew Carrying Vehicles:

Two of the current frontline operative carrying vehicle are nearly six years old and are approaching the end of their optimum efficient and economic operational life. This business case seeks approval to replace them with monies set aside in line with the previously agreed renewal and replacement programme. That programme and a policy that supported it looked to bring about consistency with the vehicle fleet and this proposal to replace the older crew vehicles (currently Mercedes Sprinters) with two Ford Transits, will achieve this by establishing all four front line crew carrying vehicles as Ford Transits.

Front line Ride on Mower:

The ride on mower replacement request is to replace one of the main cutting machines used by the councils Environmental Maintenance Team – a triple cylinder hydraulic powered ‘Ransomes Parkway 2250 plus’. The current machine in use has exceeded its expected longevity and has now reached the end of its optimal working life as a front line high usage tool . This machine is particularly efficient and effective in regards to cutting a number of the councils large open spaces

B 3 – Strategic fit**Crew Carrying Vehicles:**

- *The Councils Environmental Maintenance Team are key to ensuring a high standard of all round ground maintenance is provided to all the council responsible open spaces, green sites, external areas to a number of council owned properties, and in particular the Boroughs PNA's In addition the team provide both manpower and horticultural expertise to support Town centre events , Melton in Bloom, the cemetery service , sports pitch preparation and maintenance Tree maintenance , hedge maintenance , trash screen and watercourse bank side maintenance , drainage works , a wide range of street scene activities, play area maintenance / inspections .*
- *This work helps raise pride and ownership in local areas, discourages antisocial behaviour and crime and demonstrates a caring council focussed on those most in need of support and ensures clean and green environments.*
- *This business case is seeking members support to replace 2 failing and increasingly costly to keep in service frontline vehicles, purchased almost 6 years ago.*
- *The service will have efficient well presented frontline vehicles that will greatly reduce the ever increasing maintenance requirements of the older vehicles and have been selected as suitable replacements which fit the needs and demands required by the service*
- *The 2 new Ford vehicles being sought have proven to be reliable and cost effective and are a frequent choice for many ground maintenance organisations.*

Front line Ride on Mower:

- *The mower to be purchased will benefit the service well being designed to work on and keep grass short and to a high finish ,this particular model has proven to provide a high output in terms of the large areas it can cover with minimal residual cuttings*
- *The machine has the highest output of the councils mower fleet due to its triple cylinders with the flexibility to cut with 1,2 or 3 cylinder cutting sections.*
- *The current machine in service has passed its optimum life but has proven to be a key front line machine which most suitably compliments other types of ride on mowers which together are able to tackle grass cutting under most environmental conditions This renewal will allow for the good standards achieved annually to be retained*
- *The expectation is that standards will be maintained and as a result complaints will remain at a very low level as is the case currently*

B 4 - Options appraisal**Crew Carrying Vehicles:****Methods of acquisition**

- *Lease options although ideal for some organizations do incur significant annual charges, millage limitations, and all include strict return condition penalties.
Vehicles we have previously acquired under lease arrangements have invariably ended up at the end of the lease term costing considerably in excess of the purchase price and have incurred considerable return condition surrender charges. The vehicles consumables tires brakes etc. are not covered under commercial lease agreements.*
- *Hire Option, the need to replace vehicles which are in service daily all year long, makes the annual cost of the hire option excessively and un realistically high. This option is best suited to short term requirements, intermittent and limited use requirements and contingency / unplanned requirements and not long term.*
- *Used vehicles .Commercial used vehicles are available at times in a range of conditions and age but many are sold as seen, and nearly all have either no or at best minimal warranties. The specific requirements of the vehicles required cannot be guaranteed and resale value is highly likely to be very low and the rate of depreciation for set aside monies purposes are extremely difficult to estimate accurately.*
- *Purchase outright – This appears to be the best option to replace the remaining 2 frontline vehicles. Advantages of outright purchase include – 3 year unlimited millage warranty, a significant dealer purchase price discount the acquisition of vehicles to the exact specification and requirements of the service essentially like for like replacement vehicles to the existing fleet .*
- *The council commitment to the service and the councils reputation are both enhanced with appropriate quality vehicles*

Front line Ride on Mower:

- *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 3 EEE'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*
- *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**Crew Carrying Vehicles:**

There has been lengthy consideration to ensure the vehicles identified are the most suitable, effective and economically advantageous for Melton's EMT fleet. The Ford Transits proposed to be purchased are to be obtained through Ford Direct and our local commercial Ford dealership Sandiccliffe in Leicester. Vehicles obtained through Ford Direct (essentially ordered from the factory) have a lengthy lead time which allows for modifications and customisations as required with the expected delivery date to be met with a high level of certainty

Front line Ride on Mower:

There are a number of relevant suppliers and stocks in the market place and therefore no achievability issues are expected

B 6 - Legal Issues (if applicable)**Crew Carrying Vehicles:**

The vehicles have been selected as ones that replace like for like and which strike a balance between (by virtue of their type and nature): the legal restrictions on Drivers (age of driver / groups of vehicles able to be driven) legal restrictions on the vehicles load bearing capacity, (the weight of the vehicle and what it leaves as carrying capacity) its legal towing limitations regarding both weight and the age of driver.

Front line Ride on Mower

There are few legal issues, the services frontline machines are all road capable and legal, The new purchase will greatly assist achieving the ground maintenance standards expected

B 7 Specification***Crew Carrying Vehicles:***

2 x Ford Transit Single Chassis Cab One Way Tipper 350 L2 H1 2.0L 130ps RWD SRW Diesel 6 speed manual (A984)- plus extras - beacons , lock boxes, side step , rear floor lining.

Front line Ride on Mower:

1x Ransomes Parkway 2250 plus

This mower to be purchased through this business case is of a type that has proven to be a key component of the service mower fleet. It potentially has the highest output of all the front line machines. Its triple cylinder configuration gives a high quality finish as well as offering a large precise cut, mostly limited by the land form it is working on, this machine is ideal for the large open grass areas that are maintained to the highest standards, its high output allows it to cover vast areas, cutting to very short length with the generation of minimal cuttings. This type of machine is ideal and performs its best on well-maintained dry grass sites.

B 8 - Financial Implications

This business case proposal requests carrying £15k of capital monies already set aside and allocated for mower purchases in 17/18 forward to 18/19. The capital programme for 18/19 already has £64k set aside for replacing two EMT crew carrying vehicles and a caretakers van (for which accounts for £11.5k of the £64K) The proposal is to use the £15k carry forward plus the £11,500 still within the in the 18/19 capital programme no longer needed for the caretakers van as that van was purchased outside of the capital programme in 2016/17 (being below the £10k threshold for capital purchases), Together with the remaining £52k within the programme for the replacement crew EMT vehicles giving a total capital sum of monies available for 18/19 of £79k.

This business case is for the purchase of the 2 replacement EMT crew carrying vehicles are expected to cost in the region of £24k each (total £48k) and the proposed new front line mower a 'Ransomes Parkway triple' in the region of £33k giving a potential total of capital funds requested in 18/19 of £81k which is £2k more than the currently available funds.

Note that the capital expenditure will all be funded through the EMT vehicles R&R fund.

	£	Comment
Initial Costs	24,000	2 x Ford Transit -Single Chassis Cab One Way Tipper 350 L2 H1 2.0L 130ps RWD SRW Diesel 6 speed manual (A984)- plus extras - beacons , tail lift, lock boxes, side step , floor lining.
	24,000	
	33,300	1x Ransomes Parkway 2250 plus Parkway Triple Mower with lighting kit and beacon
External Funding	NIL	
Net Cost		
Ongoing Savings	NIL	
Phasing	No	

B 9 – Project Scoring Matrix***Crew Carrying Vehicles:***

<u>Criteria</u>	<u>1 Point</u>	<u>2 Points</u>	<u>3 Points</u>
Cost £ (budget, time and human resource)		£10k - £50K	
Timescale	< 6 months		
Impact if project failed on the organisation		Moderate	
Melton's Track Record	Done Successfully Many Times Before		
Stakeholder Interest (internal and external)	Minimal		
Project Complexity	Straight-forward		
Projects scoring <u>8</u> points - Formal methodology <u>not</u> necessary			

Front line Ride on Mower

<u>Criteria</u>	<u>1 Point</u>	<u>2 Points</u>	<u>3 Points</u>
Cost £ (budget, time and human resource)			>£50K
Timescale	< 6 months		
Impact if project failed on the organisation		Moderate	
Melton's Track Record	Done Successfully Many Times Before		
Stakeholder Interest (internal and external)		Moderate	
Project Complexity	Straight-forward		

Projects scoring 10 points - Formal methodology not necessary

