

Meeting	Finance & Policy Committee
Date	18 th July 2023
Report Title	Parks & Open Spaces Expenditure Review
Agenda Reference	11 A&B
Author	Jodie Smart, Finance Officer and Deputy RFO

Officer's Recommendation:

1. To approve a virement of £6,308.19 from budget 4633/307 Street Sweeper Hire, to budget 4634/307 Street Sweeper maintenance.
2. To note the installation of 3 new trackers on the electric vehicles will result in an overspend of approximately £32.00 (4511/307).
3. To approve that the 'lost tracker' contract be cancelled at a cost of £175.00 (4509/307).

Street Sweeper - Background

At the Full Council meeting held on 25th October 2022 the following resolution was made:

FC 129 PARKS & OPEN SPACES COMMITTEE: 11TH OCTOBER 2022 RECOMMENDATION

Members received a report regarding the future provision of the mini compact sweeper. After discussion Members agreed the contingency costs of £9,000.00 were too large and suggested that £5,000.00 is allocated, allowing 20% of the contract hire costs in place in case of any unplanned maintenance or expenditure. Proposed: Councillor R Hailstone Seconded: Councillor J Jackson Vote: Agreed unanimously. RESOLVED:

- 1) A 5-year lease (including maintenance package) at a cost of £24,700 ex VAT per year.
- 2) Allocating £5,000.00 contingency funds per year for unplanned maintenance fees.
- 3) Increasing the Mini Compact Sweeper Hire budget aspiration for the next five years (23/24, 24/25, 25/26, 26/27, 27/28) to £29,700 per year.
- 4) To note the £5,000.00 contingency funds will be used as an accrual per annum for repairs, funds for potential lease buy outs and/or replacement machinery

Between the quotation before the meeting and placing the order the interest rates rose on the financing costs. This was reflected in the budget setting for 2023/24. The maintenance budget (4634/370) was reduced to £4,324 to compensate for the increase in lease charges (4633/307) of £25,376 (as quoted at the time, including maintenance) The full budget set for sweeper hire, maintenance and contingency for 2023/24 was £29,700.00.



The vehicle was delivered in April and the full invoice for year one was received in May (11 months in 2023/24 and 1 month in 2024/25).

The Finance Officer and Deputy RFO allocated payments due in 2024/25 to prepayments. Therefore, the full current year costs are now showing in the income and expenditure.

The current year hire costs amount to £18,390.22 and maintenance costs are £5,001.59. Total annual cost of £23,391.81 (including one off facility fee). Whilst this remains under the £24,700 total allocated (Min ref 129), the split between the maintenance and lease hire is slightly off within the budgets.

Street Sweeper - Financial Implications

It is recommended that the balance of the sweeper hire budget (4633/307) £6,985.78 be vired to the sweeper maintenance budget (4634/307). This will leave a contingency balance of £6,308.19 to cover any future unplanned maintenance in 2023/24 with any remaining balance being moved to an EMR at financial year-end as per FC129.4.

Vehicle Trackers - Background

The Council vehicles are fitted with trackers as a security measure, to aid with grounds maintenance accidents and potential insurance claims and for monitoring the schedules.

There is currently a contract for four vehicles, charged at £7 per month per vehicle and a newer contract for three vehicles, charged at £9 per month per vehicle.

One vehicle on the original contract was a hire vehicle which has been returned with the tracker. This will incur a £175.00 fee to cancel the contract without returning the device. The tracker from the other hire vehicle has been installed on the street sweeper.

The mower trackers have been moved onto the newer machines and a cost of £178.00, currently attributed to the vehicle tracking budget (4511/307).

Vehicle Trackers – Financial Implications

At budget setting for 2023/24 an additional £128.00 was added to the existing £660.00pa budget for two additional vehicles. Cancelling the above contract will save £56.00 for the remainder of the financial year.

Council then needs to take out three additional contracts for the three new electric vehicles. At £9 per vehicle per month. Totalling £216.00 (assuming contract start 1st August 2023).

There is a fee to install the trackers of £267.00 (£89.00 per vehicle).

Total expenditure for tracking approximately £820.00 (dependent on precise contract end/start dates). This results in a £32 overspend for 2023/24.

The expenditure for moving the trackers on the mowers, cancelling the 'lost tracker' contract and installing the new trackers (£569.00 total) can be attributed to the vehicle servicing and maintenance budget (4509/307), £9,735.43 available.