

Decision Note – Additional Capital Vehicle Funding



STAFFORDSHIRE COMMISSIONER
Police | Fire and Rescue | Crime

REQUEST FOR DECISION BY THE STAFFORDSHIRE COMMISSIONER

	Policing:	Crime:	Fire & Rescue:
This decision relates to:	✓	✓	

APPROVAL (for completion by Staffordshire Commissioner only)

Rationale for approval

STAFFORDSHIRE COMMISSIONER

Signature

Date

19/4/22

Date decision required by: March 2022

If an urgent approval is required, please state reasons:

For completion by Staffordshire Commissioner's Office only:-

Decision Number: SEP/D/202223/001

Date Received: 19 April 2022

	Yes	No
Has the required decision been considered under the guidance of the Staffordshire Commissioner's Decision Making Policy?	✓	
Has the required decision been deemed to be a Key Decision as defined within the Staffordshire Commissioner's Decision Making Policy?	✓	
Who is empowered to make the required decision? <u>Staffordshire Commissioner</u>		

Title	Additional Capital Vehicle Funding		
Recommendation:			
This decision is required to support the allocation of additional capital funds to maintain an effective and functional operational police vehicle fleet in the context of global supply chain issues limiting vehicle availability and driving price increases.			
Chief Executive			
I hereby approve the recommendation for consideration.			
Signature		Date	23.3.2022

REPORT AND ADVICE TO THE STAFFORDSHIRE COMMISSIONER

<p>2. Issues for consideration</p> <p>Additional capital funds needed to maintain an effective and working operational police fleet in light of vehicle supply issues and price increases.</p> <p>£570k for base vehicles and conversion costs.</p> <p>The core of our response fleet has been the intermediate response vehicle (Insignia) these are past the end of their planned replacement due to a number of factors including Hub Operating Model plus previous</p>

months with a likelihood of issues around H&S as well as the ability to deliver a robust local policing response service.

It is an aspiration to see a full refresh by the end of the 2022/23 financial year

It is my understanding that the current response fleet sees an off the road time in excess of 20% against a target rate of 10% resulting in challenges around availability for Officers and impact on service delivery. In addition, whilst not captured in this form, are the current cost challenges arising within Fleet for maintaining such an ageing fleet. Despite good work within fleet services to maintain service the point of no economic return has been reached. It is anticipated that once this refresh has rolled through that revenue budget savings can be made for 2023/24.

The commissioner should note the challenges in relation to securing vehicles with issues around component parts – current orders are taking in excess of 12 months to materialise with delivery dates constantly being slipped to the right as well as manufacturers withdrawing from the market (via closing order books). In addition, vehicle prices are increasing in excess of the rate of inflation within the general economy

This also supports the vision of the Chief Constable around giving our people the correct tools to do their jobs to deliver for the communities we serve.

Signature *J. Bleumer* Date 10/03/2022

	Yes	No
Has legal advice (outside of that provided by the Monitoring Officer) been sought on the content of this report?		✓

Legal Comments:

5. Equality Comments – please attach the completed EIA

The re-provision of existing vehicles with newer more reliable assets does not have a negative impact on any groups.

6. Background/supporting paper

The police fleet establishment is 604 vehicles we are current at 589, 15 below requirements due to delayed deliveries and vehicle write offs. The approved plan for this financial year was to replace 87 vehicles, 14% of the overall fleet, all vehicles are or will be in excess of the stated replacement criteria on either age, mileage or both at point of replacement.

Local Response Fleet = 101 Total

Insignia's make up circa 70% of this Fleet

Current on Road	Due for Replacement 21/22	To be replaced 22/23 on affordability	Remaining
71	35 (Octavia Orders)	17 (V60's)	19
Vehicle Costs	£925k	£510k	£570k

years capital funds being removed and repurposed within the business pushing available funds for these vehicles into later years.

The current issues being experience with vehicle downtime due to parts supply delays and high volume of breakdowns is compounded by the delayed arrival of 36 replacements due this year now scheduled to arrive in 22/23, which in turn places additional strain onto the remaining fleet vehicles.

This still leaves a further 19 vehicles which have in excess of 100k miles logged (average 134k) and 5+ years old (average 6yrs), on fleet without replacements in progress. It is for these vehicles that the additional budget is requested as an alternative supplier is available through the national contracts awarded by BLC.

3. What other options have been considered?

Reducing the fleet in volume – Early indication of the POM work do not provide any scope to reduce this capability.

Reducing vehicle capability – varied deployment of policing resources across Staffordshire’s road network by response officers preclude this as an option.

Purchasing alternative makes / models – Due to the nature of the vehicles role it must be suitable for purpose and the nationally awarded contracts offer the best value for money options to achieve this in the volumes required.

4. Consultation and Engagement undertaken

John Bloomer – T Director Enabling Services

Report Implications

Monitoring Officer comments:

There are no issues for the MO that arise from this proposal. EIA and DPIA not required due to nature of capital spend having no equalities impacts or connection to the management of personal information.

Signature



Date

23/3/2022

Section 151 Officer comments:

During the 2018/19 financial year an in-year reduction to the fleet budget was made as part of the financial recovery plan and a capital budget for 2019/20 set at a historic low of £1m. whilst financially necessary this caused significant backlogs in the replacement programme and the group is now in a position financially to catch up on this backlog replacement. Funding for these vehicles, to enable a full refresh of the response fleet, has been set aside within the capital reserve in 2021/22 This ensures no impact on the approved capital programme (by removing other items) nor ongoing revenue costs to the taxpayer to repay additional borrowing. The request covers the final 19 required for full refresh of the response fleet, putting it in a place where the replacement backlog has been removed. Whilst these could be replaced from 2023/24 instead of in 2022/23 the service impact seen now suggests this is not a viable option to extend life for at least a further 24

The impact of delayed Octavia orders on the response fleet is dramatic, all of the 52-vehicles planned for replacement will, by the implementation of the new POM have in excess of 100k miles logged (average 134k) and 5+ years old (average 6yrs).

Purchasing 17 x V60s from Volvo which should start to arrive at a rate of 4-6 per month from June, to go onto the fleet by September is only replacing 24% of the problem fleet, as the 36 Octavia's are at the moment an unknown, and whilst it will help, won't be the significant shift away from a problematic and aged asset that I believe is necessary.

7. Public access to information

Published on the commissioners website, reported as a decision to Police, Fire and Crime Panel

8. Data Protection Impact Assessment - please attach the completed DIA

Not applicable to this spend as per DIA questionnaire.

9. Is the publication of this form to be deferred?

No

10. If the report is for publication, is redaction required?

No

	Yes	No
Of the Decision Note?		✓
Of the Appendix?		✓

ORIGINATING OFFICER DECLARATION:

Author	Sarah Wood
Signed	S.Wood
Date	09/03/2022

