

Purchase or Hire for Fleet Vehicle Replacement

1. Purpose of the report

This report is intended to provide a summary of the officers' research to find a suitable replacement vehicle to tow the Authority's RIB *David Rowe*.

The report provides information to support the Authority's consideration on whether to purchase the next vehicle or to continue with leasing.

The report identifies two vehicles that officers believe are suitable for the required purpose.

2 Background

Members agreed at the Authority's meeting in June 2019, that officers should seek to purchase a second hand, not greater than 12 months hold, suitable vehicle to replace the current leased vehicle.

Annex A to this report sets out in detail the results from the testing of available vehicles and sets out the costs associated with purchasing or leasing the two vehicles that officers have identified as being fit for purpose.

3. Recommendations

The report reinforces the Authority's previous decision by identifying the cost of leasing either of the shortlisted vehicles over a four-year period compared to the estimated resale value of the vehicles after the leasing period. The report identifies that the Authority spent £7,125 more in leasing (£22,453) than the difference between purchase price and resale price of £15,295 of the current Ford Ranger.

Officers discussed with manufacturers what finance deals were available, including purchase of an ex-demo vehicle. All manufacturers support the Government Procurement scheme, Crown Commercial Services. The Authority has previously used the scheme to purchase the other four vehicles in its fleet.

Both manufacturers of the shortlisted vehicles confirmed that the discounts available under the scheme were greater than the purchase price of an ex- demo vehicle.

1. It is recommended that the Authority purchase a brand new vehicle using Crown Commercial Services.

From the officer's report, the Mercedes X- Class has been identified as the best vehicle. The current capital reserves stand at £79,197.34. Therefore, there is sufficient funding available in the reserves to purchase the vehicle, which the officers thought was most fit for the purpose of towing the FPV *David Rowe*.

2. It is recommended that the Authority purchase a brand new Mercedes X-Class 350D vehicle.