



Doncaster Council

Agenda

To all Members of the

CABINET

Notice is given that a Meeting of the Cabinet is to be held as follows:

Venue: Room 007a and b, Civic Office, Waterdale, Doncaster, DN1 3BU

Date: Tuesday, 4th December, 2018

Time: 10.00 am

Items for discussion

1. Apologies for Absence.
2. To consider the extent, if any, to which the public and press are to be excluded from the meeting.
3. Public Questions and Statements.

(A period not exceeding 20 minutes for questions and statements from members of the public and Elected Members to the Mayor of Doncaster, Ros Jones. Questions/Statements should relate specifically to an item of business on the agenda and be limited to a maximum of 100 words. As stated within Executive Procedure Rule 3.3 each person will be allowed to submit one question/statement per meeting. A question may only be asked if notice has been given by delivering it in writing or by e-mail to the Governance Team no later than 5.00 p.m. on Thursday, 29th November, 2018. Each question or statement must give the name and address of the person submitting it. Questions/Statements should be sent to the Governance Team, Floor 2, Civic Office, Waterdale, Doncaster, DN1 3BU, or by email to Democratic.Services@doncaster.gov.uk).

Jo Miller
Chief Executive

Issued on: Monday, 26 November 2018

Governance Services Officer for this meeting:

Amber Torrington
Tel. 01302 737462

Doncaster Metropolitan Borough Council

www.doncaster.gov.uk

4. Declarations of Interest, if any.
5. Decision Record Forms from the meeting held on 20th November, 2018 for noting (previously circulated).

A. Reports where the public and press may not be excluded

Key Decisions

- | | | |
|----|--|---------|
| 6. | SCR New Business Start-Up (Launchpad) Programme (Phase 2). | 1 - 14 |
| 7. | 2 Year Fleet Replacement Programme. | 15 - 30 |

Chair

Ros Jones, Mayor of Doncaster

Vice-Chair

Councillor Glyn Jones, Deputy Mayor

Portfolio Holder for:

Housing and Equalities

Councillor Nigel Ball

Public Health, Leisure and Culture

Councillor Joe Blackham

Highways, Street Scene and Trading Services

Councillor Rachael Blake

Adult Social Care

Councillor Nuala Fennelly

Children, Young People and Schools

Councillor Chris McGuinness

Communities, Voluntary Sector and the Environment

Councillor Bill Mordue

Business, Skills and Economic Development

Councillor Jane Nightingale

Customer and Corporate Services



Doncaster Council

Report

Date: 4th December 2018

To the Mayor and Members of Cabinet

SCR New Business Start-Up (Launchpad) Programme (Phase 2)

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr Bill Mordue	All	Yes

EXECUTIVE SUMMARY

1. New business start-up support in Doncaster is currently delivered via 'Sheffield City Region Launchpad' funded by the European Regional Development Fund (ERDF) until **31st March 2019** (referred to as Phase 1).
2. An Executive Decision was taken on 21st April 2016 in respect of Launchpad Phase 1 and we are now seeking a decision by Cabinet to accept the Phase 2 grant.
3. Barnsley MBC provides programme management for Launchpad and holds the contract with the Ministry for Housing, Communities & Local Government (MHCLG) then in turn contracts with SCR partners (LAs and the Princes Trust) to provide on the ground delivery.
4. They also contract with Doncaster Council to deliver the Launchpad mentoring programme, which is SCR wide and match funded by the SCR Growth Hub. This provides 3 members of staff and a marketing and events budget.
5. Doncaster currently organises its Launchpad delivery via Enterprise Coordination in house (1 member of staff) and has contracted services via OJEU for start-up delivery, for which Doncaster Chamber is the current delivery organisation.

6. This activity is embedded fully within Business Doncaster and utilises the Business Doncaster branding.
7. The new (Phase 2) Launchpad ERDF Full Business Plan is currently going through the appraisal process with MHCLG and delivery is expected to start on 1st April 2019.
8. The project in Doncaster will serve all wards and has a total value of £558,155 (which includes project management contribution), of which £310,409 is ERDF grant.
9. Existing contracts cannot be continued so any external works have to be re-tendered, therefore preparation and tendering will commence before Christmas 2018 / early in the New Year to enable contracts to be ready to start on 1st April 2019 - resulting in no gap in service.
 - a. If the appraisal and approval of the Full Business Plan is not within these timescales - these actions will have clear caveats that contracts cannot be awarded until the funds are approved.
10. For Phase 2 the Council will continue to contract out the business start-up services, but they will be on a reduced scale, which is under the OJEU threshold, to reflect the reduced size of the Phase 2 project.
11. The SCR wide mentoring programme is not included in Phase 2 due to the Growth Hub match coming to an end - and as a result the Council will embed mentoring into the local Doncaster delivery model to ensure that mentoring capacity is utilised and continued, to provide a more sustainable solution post EU funding.
12. The required Council match funding for Phase 2 was secured via an ODR to approve allocation of Council's Transformation Funds (Reference RE180130) signed on 29th September 2018.
13. In order to commence the signing of a partner agreement with Barnsley MBC (lead partner for Launchpad), appointment of delivery staff and procurement exercise for the contracted out business start-up services, approval is required to accept the ERDF grant and to commence delivery.

EXEMPT REPORT

14. This is not an exempt report.

RECOMMENDATIONS

15. For Cabinet to accept ERDF grant of £310,409 for delivery of New Business Support in Doncaster as part of the Sheffield City Region (SCR) Launchpad Programme (Phase 2) 1st April 2019 - 31st March 2022 to enable:
 - a) The signing of a partner agreement with Barnsley MBC (the lead partner for Launchpad)
 - b) Appointment of delivery staff
 - c) Procurement of Business Start-Up Services and contract award, and
 - d) Commencement of delivery
 - e) Delegation to Director of R&E and Chief Financial Officer should

MHCLG's appraisal of the bid not be completed prior to the Cabinet meeting taking place

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

16. SCR are reworking their Strategic Economic Plan (SEP) and developing a Local Industrial Strategy (LIS) which will establish revised ambitions around boosting inclusive economic growth and productivity in SCR.
17. The current SEP (2014-2024) identifies the creation of 70,000 net additional jobs, increase GVA by 10% (or £3bn) and create 6,000 additional start-up businesses beyond baseline growth rates, of which this project will contribute to the achievement of both aspirational targets.
18. The SCR Independent Economic Review (IER) (2013) highlighted an enterprise deficit within the SCR, which continues to this day. This gap is evidenced, not only by low business density, but the low propensity of our local population to start businesses.
19. In 2016 the number of new business starts was approximately 71% of the national figure taking account of the size of the population. Reducing this 'enterprise deficit' is crucially important to achieve the SCR economic aims of a stronger and bigger private sector.
20. Doncaster has ambitious plans to create 26,000 net new jobs over the next 15 years. Reducing the 'enterprise deficit' is also essential to achieving this, given that for example its business density (total businesses compared to the size of the population) is two thirds that of the equivalent national figure.
21. The Launchpad programme is fully embedded into the SCR Growth Hub and identified by as main route service for business start-up support and early stage business growth.
22. The acceptance of this grant for Phase 2 will enable the continued delivery of business start-up services, available to all areas in Doncaster from the 1st April 2019 until the 31st March 2022, aiming to increase economic growth the development of new and sustainable growth businesses in Doncaster.
23. The project will deliver accessible support to individuals to develop a new business or to become self-employed and businesses that have been trading up to 36 months (an increase of 12 months on Phase 1).
24. The project will provide tools and information, business mentoring, business start-up 1:1 advice and 1 to many events and workshops.
25. The Doncaster offer will be underpinned by the volunteer Business Mentoring, which we will further embed into the local delivery model and this continues the long legacy of Doncaster's business mentoring and retains and utilises the pro bono support and goodwill from our local businesses.
26. The Full Business Plan identifies the following output targets to be delivered in Doncaster:

DONCASTER OUTPUTS	2019	2020	2021	2022	TOTAL
C1 / C4 Number of Enterprises Supported (12hrs support)	5	25	30	10	70
C5 New enterprises supported (12hrs support)	1	11	10	8	30
C8 Employment increase in supported enterprises (36hr week job)	1	11	10	8	30
P11 Number of potential entrepreneurs assisted to be enterprise ready (12hrs support)	10	45	45	15	115

27. The current Phase 1 performance to date is shown below. Doncaster is showing positive performance and is projected to meet / exceed targets by the end of March 2019 with the exception for C1/ C4, which will be slightly behind - although stronger than the projections in other areas and the wider SCR performance.

SCR Launchpad Total to Date			
Output	Apr 16 - Sep 18		Variance
	Target	Claimed	
C1 / C4 Number of Enterprises Supported (12hrs support)	450	374	-76
C5 New enterprises supported (12hrs support)	165	270	105
C8 Employment increase in supported enterprises (36hr week job)	165	216	51
P11 Number of potential entrepreneurs assisted to be enterprise ready (12hrs support)	1230	1087	-143
Doncaster Total to Date			
Output	Apr 16 - Sep 18		Variance
	Target	Claimed	
C1 / C4 Number of Enterprises Supported (12hrs support)	72	67	-5
C5 New enterprises supported (12hrs support)	24	34	10
C8 Employment increase in supported enterprises (36hr week job)	24	34	10
P11 Number of potential entrepreneurs assisted to be enterprise ready (12hrs support)	122	126	4

BACKGROUND

28. Phase 1 Launchpad started in 2016 and comes to an end on the 31st March 2019.
29. The Ministry of Housing, Communities & Local Government (MHCLG) recently invited applications for ERDF resources to provide pre-start, start-up and post start support for the period April 2019 to March 2022. The consortium of partners across the SCR led by Barnsley MBC, submitted the 'Full' application in July 2018 for Launchpad Phase 2.

30. ERDF will fund 60% of the programme and the consortium will contribute the remaining 40%. For Doncaster, 40% equates to £206,938. The match funding for Doncaster was approved on 25th September 2018 via an ODR (Ref: RE18 0130) to access Service Transformation Funds.

Phase 1 Delivery

31. Launchpad Phase 1 has proven to be a very successful project with over 4,500 enquires and 40,000 hours of support provided so far since April 2016.
32. Doncaster's budget (not including Mentoring as that is SCR wide and separately funded) equates to **13% of the total programme cost**, and as you will see below the Doncaster performance equates to more than 13% of enquiries into the programme and hours supported.
33. Although Launchpad doesn't have a target with MHCLG for the number of businesses created (it is not a listed ERDF output), since the programme began they have recorded 1,250 businesses that started trading. These are a mixture of pre-starts that have started trading since engaging with Launchpad and also new business that have engaged with Launchpad.
34. With 279 / 22% of those businesses, Doncaster is demonstrating strong impact and good VFM from its 13% costs.

In summary

	No. of Enquiries	Hours of support	Business Trading Since April 2016
	Total	Total	
Launchpad Total	4,532	40,326	1,250
Doncaster Total	751	6,042	279
Doncaster %	17%	15%	22%

35. With regards to Mentoring, the Growth Hub will not be in a position to continue to provide match funding post March 2019. This being the case and as partners are not able to identify their own match funding - mentoring will no longer be included in the SCR wide Launchpad Programme.
36. Launchpad mentoring grew out of Doncaster's localised mentoring programme Doncaster 100 and Phase 1 funded the enhancement and roll out of this into the SCR to add value to localised start up delivery.
37. Mentoring had been a crucial and high impact element of our business support offer in Doncaster initiated in 2008 and contracted to Deloitte to start. It was later brought in house for sustainable coordination and delivery. Doncaster has previous procured ERDF evaluation reports, which demonstrated the success of the D100 delivery model.
38. As mentoring has been fully embedded, embraced and supported within the Doncaster model it has delivered positive numbers worked seamlessly and has delivered a number of positive outcomes as shown below;

a. Total number of mentors engaged = **178**

1. Doncaster = **89 (50%)**
2. Sheffield = 53 (29.8%)
3. Rotherham = 8 (4.5%)
4. Barnsley = 6 (3.4%)
5. Other = 22 (12.4%)

b. Total number of mentees engaged = **305**

1. Doncaster = **130 (42.6%)**
2. Sheffield = 101 (33.1%)
3. Rotherham = 33 (10.8%)
4. Barnsley = 11 (3.6%)
5. Other = 30 (9.8%)

c. Number of mentoring hours recorded:

Total Time recorded since April 2016 = **375.65 hours**, equal to **50 full days (7.5 hrs) of mentoring given by business mentors** at no cost to the client or the programme as follows:

(i) 1.1 support SCR = **248.65 hours**

1. Doncaster = **100.75 hours**
2. Sheffield = 74.5 hours
3. Rotherham = 25 hours
4. Barnsley = 14.1 hours
5. Other = 34.3 hours

(ii) 1: Many support = **127 hours**

(Area breakdown for attendees is not available for 1: Many)

39. Doncaster Council has been assessing Lessons Learnt from Launchpad Phase 1 and performance by contracted services alongside learning the partnership has brought forward and lessons from the Continuing Professional Development (CPD) contractor procured by Barnsley, 'innovate now'.
40. Phase 1 costs overall, taking the mentoring element into account were £852,950 and phase 2 is £517,000 (£558,155 including our contribution for project management to Barnsley MBC)
41. Taking into account the overall reduction in programme, contract and performance management from Phase 1 and reflecting on current provision and priorities in Doncaster has resulted in some changes to the current delivery model identified - and as a result the Phase 2 will include:
 - a. Procurement of less but more focussed work from an external provider.
 - i. The Council for phase 2 are looking to procure an enterprise delivery partner rather than procuring a transactional based approach to output delivery

- ii. This will mean the partner really working closely with the council to instigate, deliver, embed and sustain enterprise activities that will continue beyond the life of this programme
 - b. The current contract with Doncaster Chamber is for £330k but it is proposed that a new contract will be procured with a maximum budget of £165k. The development of the detailed specification is underway.
 - i. *NOTE: The external contract value for start-up has reduced programme to programme since 2008 and it is expected that beyond Launchpad Phase 2 there will be no large funding opportunities to enable procurement of any volume start up provision.*
 - c. 2 Council staff recruited and funded via Launchpad to deliver and align work with Doncaster Growing Together (DGT), Town Centre and inclusive growth priorities
 - i. Developing emerging enterprise networks, co working, incubation and acceleration are embedded particularly with a town centre focus
 - ii. They will also embed the business mentoring model within our offer for Doncaster providing a low cost but high impact service.
42. The changes outlined mean that the 2 posts created will be new posts and previous fixed term roles will be deleted. Due to the discontinuation of mentoring on an SCR scale, this has resulted in a reduction in posts overall in the Council from 4 to 2. (However one post is currently vacant).
43. In order to commence the signing of a partner agreement with Barnsley MBC (lead partner for Launchpad), appointment of delivery staff and procurement exercise for the contracted out business start-up service, approval is required to accept the ERDF grant and enter into a contract with Barnsley MBC to commence delivery.

OPTIONS CONSIDERED

44. Option 1: The Council does not join the SCR partnership to deliver Launchpad
- a. As a key lead Authority in the SCR recognising the aspirations for New Business in the SCR, Doncaster Council could put relationships with other LAs, Partners and the LEP at risk by not being an active part and collaborating to deliver its part of this SCR wide project.
 - b. Doncaster would not benefit from the 60% ERDF funding and Doncaster's match funding was secured on the basis of providing match to enable ERDF funds to be drawn down.
 - c. Business Start-Up support in Doncaster would be minimal and not comparable to the offer and scope available in other Local Authority areas.
45. Option 2: The Council invests its allocated match funding resource only, to deliver Business Start-Up activity in Doncaster
- a. By using the identified match funding only the Council and Doncaster would not draw down the ERDF external grant from to enhance the

scope, scale and impact on Doncaster's citizens and businesses therefore would not benefit from £300k in external grant.

- b. Doncaster's match funding was secured on the basis of providing match to enable ERDF funds to be drawn down therefore the approval and allocation may need to be re-assessed.

46. Option 3: Use all budget for procurement of external contractor

- a. The learning from previous procured activity shows that it requires strong performance management to ensure targets can be met and this requires resourcing.
- b. ERDF programmes have clawback clauses on output underperformance and therefore provides an increased risk of clawback.
- c. Without funding internal staff in Phase 2 there would be no resource to act as the contract manager.
- d. There would also be no resource to deliver development of priorities under DGT and embed mentoring and development of enterprise networks, accelerators and integration of enterprise activity.
- e. The contract would be large and would have to an OJEU exercise and fully compliant with the EU audit process.
- f. This contract could attract significant interest from bidders and therefore would require resourcing fully to ensure strong performance and contract management to obtain the best outcomes for Doncaster.

47. Option 4: use all budget to fund internal staffing delivery

- a. All other Launchpad partners except Derbyshire Dales deliver in house delivery of Business Start-Up Support- with business coaches and advisors forming their core delivery team.
- b. Doncaster has a long legacy from 2008 of funding in house support and contract management – but also procuring its enterprise start up activity externally and has performed well following this model and met funders obligations
- c. Phase 1 saw success with in house and external provision combined
- d. It is felt for Phase 2, which will be the last phase of European funding – the model should not be fundamentally changed as it brought success in Phase 1 and also should aim to bring about sustainability and longevity through mentoring, post European funding.

48. Option 6: Recommended Option

- a. Accept the grant and proceed with preparation and delivery of;
 - i. In house resource to provide support, embed mentoring, perform a performance management function of external provision and overall lead for new business start-up delivery in the town.
 - ii. Procure focussed external start up provision via a competitive procurement process.

REASONS FOR RECOMMENDED OPTION

- 49. The proposed model provides a 'best of both worlds' scenario with some in house delivery and embedding of mentoring - and a focussed and reduced contract available to an external provider.
- 50. This is an integrated and collaborative partnership approach to delivery of a key theme to impact positively on the Doncaster economy.

51. Ensures that demand from people with aspirations to start a business can access appropriate support to enable sound and sustainable businesses to be created.
52. Is aligned to the Inclusive Growth, DGT, and SCR priorities and will provide an efficient and fit for purpose model to proactively engage entrepreneurs as well as reacting to demand which currently averages around 15 enquiries for startup per month.
53. The model retaining in house delivery, embedding mentoring and procuring focused external support provides a low risk approach to the delivery of Launchpad and an approach that has demonstrated success in phase 1.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

54. The provision of business and enterprise support is a key objective in the DGT Programme and the Launchpad Programme specifically contributes to the DGT ambition to expand our existing work in business and enterprise support - to support new and existing businesses to set up and grow in the borough.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>Within the Corporate Plan for 2018/19 an 'Area for Action' is "Support for Doncaster businesses to flourish" and a key priority is "Support Doncaster residents to set up their own business". Launchpad is a significant factor in our ability to deliver this.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>Activity will be prioritised and centred around the town centres wherever possible and will help to provide a vibrant enterprising place.</p> <p>The handmade network, creative and food businesses will be a key priority and ensuring support for the development and expansion of the marketplace business tenants raising the quality of the town centre food and retail offer.</p> <p>Working on co-working and enterprising spaces within Launchpad will also provide positive benefits</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce 	<p>Enterprise is a key employment option for a number of residents and is a growth area for modern industries and</p>

	<ul style="list-style-type: none"> • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>therefore to enable a whole person whole life focus on the needs of our residents will require some level of enterprise development.</p> <p>The business mentors and staff and contractors will be expected to support social enterprise needs as well as the developing private sector enterprises – and so Launchpad will also support the efforts to build on community resilience and self-reliance by connecting community assets and strengths.</p>
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RISKS AND ASSUMPTIONS

55. By not delivering this ERDF call;
 - a. Business start-up levels could fall and the perceived barriers to start up would increase.
 - b. There would be no large scale locally targeted support to encourage entrepreneurship and business creation in Doncaster.
 - c. It would result in loss of delivery staff in the council and the loss of an externally contracted Business Start-Up provider.
56. This outline business case to MHCLG for the New Business call was the only bid to be invited to commence to submit a full business case and therefore if the project collapses, there would be no identified provider and European funds will not be drawn down for delivery of business start-up in the SCR at this time.
57. The lack of competitor bids demonstrates the difficulties and constraints of providing a service across the entire SCR (which this call is explicit must happen) and because of the difficulties in raising the required eligible match for a project of this size.
58. If an authority does not join the partnership, although the project needs to serve the SCR it would mean a very limited or non-existent service being delivered in those areas and citizens expected to travel to neighbouring authorities for support.
59. As a key authority in the SCR, to not support this partnership and project could be damaging to Doncaster's reputation within the SCR, and could risk its ability to collaborate on other economic development projects.
60. The Business Doncaster service in the Council receives on average 15 start-up enquiries each month and without Launchpad there would be no identified route to support those individuals to start in business.
61. With any external funds come risks and implications, in particular with European funding, however clear monitoring processes and collection of output evidence have been established for this project, to mitigate against and minimise any risks and implications. The external contract will be below

the OJEU threshold and therefore poses a reduced risk within the MHCLG audit process.

62. The successful contractor will be paid retrospectively for outputs and service delivery, with a robust process for validating claims, led by the Strategy and Performance Unit, to provide transparency and a degree of separation from the delivery team who are located in the Business Doncaster Service area in Development, R&E, and who are responsible for this project.

LEGAL IMPLICATIONS [Officer Initials: SRF Date: 29/10/18]

63. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the Council the power to purchase goods and services.
64. It is likely that the Council will be required to enter into a funding agreement with ERDF in respect of this project, the Council will need to comply with the terms of that funding agreement if it is to avoid claw-back and the report author should seek legal advice to assist with this. Included within the obligations will be the requirement to procure any goods or services bought using these funds in accordance with funder requirements.

FINANCIAL IMPLICATIONS [Officer Initials: BC Date: 31/10/18]

65. The value of the current Launchpad “Start-up” Programme across the City Region is £3,949k combined grant and match funding. Doncaster’s element of this is £472k comprised of £283k ESIF grant and £189k match which was provided from the earmarking of general reserves (70B00 7178). This programme is due to end 31st March 2019.
66. An application has been submitted to MHCLG for delivery of New Business Support in Doncaster as part of the Sheffield City Region (SCR) Launchpad Programme (Phase 2) to begin delivery 1st April 2019 for a three year period.
67. The total value of the application is £3,471k and the indicative amount required to deliver Doncaster’s element of the new programme is £517k, of which 60% (£310k) will be funded from the ESIF grant. There is a match funding requirement of £248k – 40% contribution to delivery costs, £207k, and a contribution to the Programme Management Team costs, £41k based on a percentage of the total grant figure for each partner. This was secured via approval of ODR RE180130 to allocate resources from the Council’s Service Transformation Fund.

Proposed allocation of the budget is as follows (over 3 years):-

	£k
Staffing costs	303
Running costs and events	49
Start Up Service (Procured)	165
	<hr/>
	517
	<hr/>

68. Up to £165k has been estimated for the procurement of a contract which will be subject to Council and ESIF procurement rules.
69. The proposed profile for Doncaster's phase 2 costs are:-

Year	2019/20	2020/21	2021/22
Delivery Cost	170k	172k	175k
PMT contribution	13k	14k	14k
Total Cost	183k	186k	189k
<i>Funded by:</i>			
ESIF grant	102k	103k	105k
STF	81k	83k	84k

70. All of the above is subject to approval of the application by MHCLG and the Council signing a Partnership/Funding Agreement between Barnsley Council, in their capacity as Lead Body, and the other partners delivering the project. This will set out the terms and conditions of the grant and cover issues such as eligibility, risks, claw back, exit strategies etc. No expenditure should be incurred and contracts should not be awarded until all of these requirements are in place. The approval of this decision at Cabinet will allow the signing of the agreement.
71. If any variations to the above expenditure occur that place a pressure on the individual budgets, it must be managed within the overall funds available to the project.
72. In order to claim grant, all of the expenditure incurred in relation to the project must be eligible and comply with the terms and conditions of the grant funder, including the match funding element. Failure to do so could lead to claw back up to the value of the grant. The project officer must also administer the grant in line with the Council's Contract and Financial Procedure Rules (particularly rule E for External Arrangements). However, as an EU grant the funder's terms and conditions are one of the most stringent and in certain cases exceed the provisions of the Council's minimum requirements. In the past, the Council has suffered claw back in relation to EU projects, particularly in respect of procurement and where interpretation of the terms and conditions differ from that of the auditor. The project officer should be aware of the issues surrounding compliance with both the internal and external requirements to reduce the risk of claw back happening.
73. FPR's also require that Directors are responsible for ensuring that action plans are in place (including exit strategies) for all external funding within the Directorate. This is particularly important where staff are concerned as those appointed will accrue employment rights and will be subject to the Council's redundancy and redeployment procedures. This includes any associated cost, which cannot be recovered from the project funding.

HUMAN RESOURCES IMPLICATIONS [Officer Initials: CR Date: 29/10/18]

74. There are no immediate HR implications arising from the approval of this report and the proposed ERDF / Launchpad 2 funding bid. However, any future changes to the proposal, that impact on the workforce will require HR engagement and would involve separate approval as appropriate.

TECHNOLOGY IMPLICATIONS [Officer Initials: PW Date: 26/10/18]

75. There are no anticipated technology implications in relation to this report.

HEALTH IMPLICATIONS [Officer Initials: RS Date: 02/11/18]

76. A vibrant economy contributes to good health and wellbeing. New businesses are a key contributor to the economy and this proposal should contribute to improved health and wellbeing.

EQUALITY IMPLICATIONS [Officer Initials: CB Date: 09/10/18]

77. Decision makers must consider the Council's duties under the Public Sector Equality Duty at s149 of the Equality Act 2010. The duty requires the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic.
78. Launchpad will be inclusive and is accessible to all. It is not targeted at any specific sector, age group or minority. It is open to any new or emerging business in Doncaster subject to ERDF displacement rules. As a result of these factors a full due regard statement has not been produced.

CONSULTATION

79. A collaborative approach with partners has been established in answer to demand and the call from MHCLG for New Business Support.
80. The partnership is well established and the Project Board and Local Delivery Group met regularly to develop the phase 2 bid, the content of the proposals and the approach to delivery. The Growth Hub is also represented at the Launchpad Project Board.
81. The Launchpad CPD contract has provided guidance, support and shared learning and lessons learned throughout which has helped to inform the approach and bid for phase 2.
82. The Launchpad project was included in DGT papers as a key project under the 'Working' strand and is aligned to the priorities in the emerging Inclusive Growth Strategy.
83. The full business plan is going through a competitive process for approval and full appraisal by MHCLG.

84. The ODR for match funding approval was drafted by the SPU team with input from Employment and Enterprise and HoS for Business Doncaster and received approval from Steve Mawson and Jo Miller.

BACKGROUND PAPERS

85. ODR reference RE180130
86. Subject Matter: MATCH FUNDING FOR EUROPEAN STRUCTURAL INVESTMENT FUND (ESIF) NEW BUSINESS ACTIVITY

REPORT AUTHOR & CONTRIBUTORS

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Doncaster Council

Date: 4th December 2018

To the Chair and Members of Cabinet

2 YEAR FLEET REPLACEMENT PROGRAMME

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Joe Blackham Cabinet Member for Highways, Street Scene and Trading Services	All	Yes

EXECUTIVE SUMMARY

1. The Council and St Leger Homes have an extensive fleet of vehicles, currently totalling circa 670 Vehicles, at least 230 of which have reached, or in some cases exceeded the point of their expected economic viability, resulting in excessive costs to the authority and an additional 38 on long term hire to compensate for vehicles already removed from fleet as uneconomic. Totalling some 268 vehicles which require funding and replacement, in addition some plant items have also reached the same economic condition and 28 medium to large items require funding and replacement. The reduction in investment in the fleet over the last 3 years has been beneficial in terms of maximising the use of vital assets, however this cannot be sustained. This report proposes a 2 year fleet replacement programme. The programme will be funded via an Investment & Modernisation Fund Board bid.

The current fleet size given our operational commitments and services delivered, is on par if not better than similar local authorities, and with better utilisation rates than most. It was foreseen with the onset of austerity measures, less budget and a general reduction in the size of the authority there would be a proportionate reduction in the fleet size. Although it has reduced in real terms, the addition of a dedicated pool car scheme, the start of seven day working in some front line delivery areas and initiatives like World of Work schemes has seen only a relatively small decrease in overall numbers. The initiatives above have benefited the authority financially, in service delivery and in statutory terms, but does place a burden on fleet levels.

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It is important to note that Doncaster as an authority has successfully protected its front line services to our citizens. These front line services are the main users of fleet using everything from the smallest of economic cars to the largest 26 tonne gritting vehicles, all of which form part of this proposal.

The Fleet Transport section will continue to robustly challenge every replacement request across vehicle type, specification, size and historic utilisation to further reduce the fleet as explained further into the document.

The current replacement policy of 10 years for all vehicles has proved not to be the optimum replacement age for all the fleet. Some will prove viable beyond this age whilst some will need replacing pre 10 years. It is therefore proposed to implement individual fleet replacements on the grounds of economic viability. The replacement plan follows this criterion to ensure that the optimum combination of age and mileage is reached, taking account of the cost of repair, maintenance and whole life vehicle costs to obtain best value. Vehicles that may have reached this point as a front line vehicle will also be assessed prior to disposal on suitability to fill in usage in a support or pool vehicle role. It is also proposed to support the economic viability as opposed to previous time based replacements that a calendar month fleet review supports this process. This will enable a continual timely flow of identified vehicle replacements and create a business as usual process.

2. The 268 vehicles identified within the 2 year replacement have already reached or passed the point of economic viability and therefore are generating excessive maintenance costs and negatively impacting on service delivery. The authority's workshops are feeling the impact of the extra work currently being experienced with the ageing fleet and associated repairs both cost and resource based. This includes excessive overtime and work being sent outside of the authority to ease workloads. This cannot be sustained without extra resources.
3. The fleet replacement in 2016/17/18 and now for the best part of 18/19 was not delivered due to various operational and financial issues. As a result, we now have vehicles that have exceeded the scope of economic viability, which significantly impacts on vehicle availability to service areas and hence service delivery. There is also the negative aesthetic impact associated with over retained vehicles. .
4. In addition to the standard fleet, the Council also operates approximately 1000 plant items. No major plant replacement has taken place for 5 years apart from those replaced under the Street Scene Improvement Plan. Due to pressures on budgets, the ageing fleet and low replacement investment, a significant number of plant items are now "overdue" for replacement totalling 28. As a consequence, labour and material costs required to keep plant items running are increasing and end user service efficiency is being negatively affected when the plant items are unavailable due to service or repair.
5. Doncaster unlike numerous other councils does not have DEFRA clean air zones identified within the borough which have regulatory and time pressured obligations for measurable, sustainable corrective solutions to improve air quality. The primarily cause is traffic and vehicle pollution with vehicle types, driver habits and highway management being identified as major contributors

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to poor air quality. As air quality is important, there are quick wins where some of the current diesel fleet can be replaced with petrol models. It is proposed that during the next few years the infrastructure to provide a platform to enable the Council to have the best possible options to satisfy future regulatory requirements are embedded.

The Council's Energy Manager has been tasked with ensuring the greatest benefit is made from both sourcing and obtaining grants, and match funding to support an installation programme for electric vehicle charging points. This will ensure electrical capacity, promoting and developing driver incentives along with networking and relationship building with similar minded local authorities to ensure continual improvement and development.

6. **Appendix 1** shows our current position in relation to the European Emissions Standards and also what we aspire in the context of LCRS (Logistics Carbon Reduction Scheme). It highlights a much improved position post the proposed fleet replacements.
7. Fleet Management have now also been challenged with both identifying and reporting on under-utilised vehicles within all directorates utilising fleet vehicles. Working with C-Track, the Council's vehicle telematics provider, there has been significant investment of time and resources to develop a monthly cyclical programme where all the approximate 670 fleet vehicles can be monitored individually to record how often they are in operational use. This robust process will be utilised to not only identify under usage, but to inform whether the vehicle does indeed need replacing as part of this or future replacement initiatives.
8. The report is used to both highlight not only poor utilisation but also to reduce the numbers of hired in vehicles and drive down the total fleet number ensuring a smaller but harder working resource. Utilisation rates are provided to Directors and the Council's Portfolio Holder for Transport on a monthly basis. Use of the report even within the short period of time has already seen vehicles returned as not required, thus achieving savings in the region of £54,000 from April 2018. Therefore, we expect future fleet numbers to decrease with pro rata savings.
9. The Fleet Transport team are committed to a reduction in fleet with associated cost benefits to the authority using areas noted in 9 & 10 and the implementation of robust vehicle requisition system via Heads of Service (or above) approval. In conjunction with requests we will evaluate new and alternative vehicles to identify the most suitable operational option. This will be matched with the financial case to provide objective data for the comparison of options available and ensure that Doncaster Council have the most economical and fit-for purpose vehicles.

EXEMPT REPORT

10. This is not an exempt report.

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RECOMMENDATIONS

11. Cabinet approves this report and specifically in relation to:-
 - Approve the 2 year Fleet Replacement and Plant programmes (totalling £8.21m) and add them to the Regeneration and Environment capital programme, noting the separate approvals required to access the funding allocation.
 - Approve the virement £7.77m from the Corporate Resources Capital Programme, which contains the Investment and Modernisation Fund allocation, into the Regeneration and Environment Capital Programme, where these schemes will be delivered and monitored. £0.44m will be generated from Capital receipts resulting in the £8.21m total.
 - Further reports on the fleet position will be generated by Transport Services throughout the 2 year programme and post this period, which will be indicative of its position, including future costing and budgetary requirements, in the hope of easing any future large financial requirements.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

12. This Fleet Replacement Programme will help to ensure that Doncaster Metropolitan Council has a fit for purpose, safe, reliable and cost effective vehicle fleet in the right place at the right time and at the right cost to support the strategic, corporate and service goals and objectives of the Council and to assist service delivery. Reliable, value for money and fit for purpose vehicles and plant will enable front line services to carry out their work more efficiently improving the roads, open spaces and cleanliness of the borough. Modern fuel efficient vehicles and plant produce less harmful emissions helping to improve the air quality of the borough.

BACKGROUND

13. The Council and St Leger Homes have an extensive fleet of vehicles currently totalling circa 670 which has a Fleet Replacement Policy of 10 years or 137,000 miles, which was agreed by Cabinet 16 July 2014. It is proposed to implement an “until Uneconomically Viable policy”. This is due to vehicles that have been kept for the previously agreed 10 years having to be removed from fleet due to being uneconomical to repair and ultimately leading to an increase in hired in vehicles being used at an additional cost to the authority. Vehicles that have remained on fleet are incurring increased repair and breakdown costs as evidenced below. This policy works both ways and gives the opportunity to keep vehicles longer if viable and also remove from front line and place in support or pool roles.
14. We will also support via the replacement programme any requests for extra vehicles where a business case is presented, and extra service funding is available (for example, due to statutory requirements).
15. The vehicles replaced will be more efficient, in line with European legislation, environmentally friendly and cheaper to maintain. An ageing fleet is more

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costly to maintain due to vehicles having increased breakdowns and the general wear and tear of an older vehicle leading to uneconomic viability. The extension of the economic life of a vehicle (more prevalent to the authorities commercial vehicles) inflates the whole life running costs, which are used as known Performance Indicators (KPI's) from which data we set is incorporated into budgetary models for our users.

16. The average estimated extra cost (over standard scheduled maintenance) over the 2 year period is approximately £1,865 per vehicle. From the executive summary, 268 vehicles fall into this category equalling approximately £455,060 which is unrecoverable and not sustainable. This means that current resources are stretched to capacity and with warranted periods of overtime and excessive parts spend.

Plant

17. No major plant replacement has taken place for 5 years apart from those replaced under the Street Scene Improvement Plan. The ageing fleet and low replacement investment means that a significant number of plant items are now "overdue" for replacement. The consequence of this is that labour and material costs required keeping the plant items running are increasing and end user service efficiency is being negatively affected when the plant items are unavailable due to service or repair. Plant items fall into various descriptive remits, and for the purpose of the report some have been pre funded and procured within a current ODR process to assist in critical areas of service delivery, (hence removed from this report) and some less critical items form part of the acquisition programme. These include small and medium street/precinct sweepers, and other medium to large items totalling 28.

Pool Cars

18. Note should be made that the current replacement and costing strategy for these vehicles differs from the standard fleet in that replacement should take place much sooner (currently 3 years). Pool cars being a relatively recent addition to the authority (2013) and it is vital that we now take stock of the data that has since been produced to set clear and affordable goals for our pool car fleet and whether indeed we can set the same "Economic Viability policy" as with general fleet vehicles.

As such pool cars for the purpose of this report will not be included for replacement. They will be reviewed under a different policy next financial year and introduced prior to any pool car reaching 5 years of age. The review will include areas where possible use of alternative fuels and power sources would be beneficial. It is envisaged that the pool car fleet will be an excellent starting point for future energy initiatives and not replacing at this moment will give more time for emerging technologies to mature, futureproofing our investments.

The use and introduction of pool cars has been widely beneficial to the authority financially, again within the period, it is imperative we take stock, build on future provisions and maximise financial returns for the authority.

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Future Fuels and Green Initiatives

19. Supplementary and integral to the proposed Fleet replacement there has been a significant piece of work conducted by the Fleet Transport led Future Transport Policy Group, the group made up from stakeholders across the Council has focused on current, proposed and delivered fleet initiatives across the leading local authorities nationally who have implemented policies either through regulatory need or good practice relating to Green Fleet. The intention and outcome being to utilise those best practices along with the most successful delivery models and to blend them with Doncaster Council's local needs to give a bespoke model to benefit the borough and ensure the maximisation of economic, environmental and futureproofing opportunities.

As technology and performance improves on vehicle output, manufacturers' options and charging times, more of the fleet will come into scope for alternative fuel consideration. Also to note is the current price for electric vehicles is expensive but as technology develops and the scale of manufacturing increases, costs are likely to come down.

Therefore, the current imbalance in cost between an electric and a traditionally fuelled vehicle along with residual values are expected to align quickly within the next number of years; the 2 year replacement period allows some breathing space for this to mature.

20. These levels of planned green fleet additions will form part of future fleet replacements post this period of 2 years, it's intended to utilise this period to investigate and introduce initiatives. The Council's Energy Manager has been tasked with ensuring the greatest benefit is made of both sourcing and obtaining grants, and match funding available to support an installation programme of electrical charging points. This will ensure electrical capacity, promoting and developing driver incentives along with networking and relationship building with similar minded local authorities to ensure continual improvement and development.

OPTIONS CONSIDERED

21. **Option 1** – Replace the Fleet vehicles within the scope of the updated policy **(This is the preferred option)**
22. **Option 2** – Do nothing. Do not replace any vehicle during 2018/19/20 by aiming to carry out maintenance and repair regardless of cost, or only replacing when vehicles become totally unserviceable, this option would result in significant additional costs for parts, short & long term hire costs, increased demand on vehicle workshop labour and vehicle downtime, which would be likely to result in an unacceptable reduction in front line service efficiency. The costs of this option are very difficult to estimate with any certainty but would lead to customer dissatisfaction.

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REASONS FOR RECOMMENDED OPTION

23. The recommendation to proceed with option 1 above is viewed as the most cost effective solution by operating a fleet that is efficient to maintain and provides reliable vehicles for the end users.
24. This will see the replacement of vehicles in scope that are increasingly inefficient and generating unacceptable levels of repair costs and are having a negative impact on front line efficiency downtime or breakdown.
25. Newer vehicles are also expected to be more environmentally friendly with a lower carbon footprint and with lower emissions overall (CO₂, CO, NO_x and particulates for example). They will also be more recyclable when it comes to the end of their working life. Environmental factors such as MPG and the latest Euro Emission Standards and the availability of alternative fuelled vehicles.

26. IMPACT ON THE COUNCIL'S KEY OUTCOMES

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>Some of the vehicles scheduled for replacements are involved in the delivery of vital services hence the importance of having a reliable, fit for purpose fleet available.</p> <p>Local suppliers and converters are utilised where possible, supporting local businesses.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>A cleaner more efficient fleet being utilised to deliver frontline services to the community of Doncaster.</p> <p>Newer, more efficient and environmentally friendly vehicles will contribute towards making the environment cleaner and Doncaster a better place to live.</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that</p>	<p>Essential services require reliable vehicles that are fit for purpose.</p>

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	<p>is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	<p>Transport support the Children's Trust and Adults and Communities to deliver their services</p>
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>Transport support the Children's Trust, Adults and Communities and St Leger Homes to deliver their services.</p> <p>Vehicles are used by SLH, the adaptation teams within Public Buildings Maintenance, STEPS and Home care teams allowing older people to remain in their own homes.</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>This replacement programme has identified the most cost effective solution for the provision of a fleet that is modern, flexible and environmentally friendly. It also takes into account forthcoming changes within the Council.</p>

RISKS AND ASSUMPTIONS

27. **Standard fleet** - Vehicles that are now coming to the end their effective, economic and efficient lifecycle will deteriorate still further and contribute towards an unacceptable level of front line service disruption. Attempting to maintain these vehicles will also increase the burden on the Transport Workshops including requirements for extra staffing levels, reducing their efficiency and taking resources away from regular maintenance tasks.

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28. Further delays in replacements will escalate maintenance costs, long term hire costs and increased costs associated with lost productivity and potentially damage customer relationships.
29. The financial model includes assumptions around residual values, lead times for delivery of vehicles and vehicle prices.

LEGAL IMPLICATIONS [Officer Initials...ND..... Date 29/10 2018.]

30. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the Council the power to purchase goods and services.
31. The 2 year fleet replacement programme must be procured in accordance with the Councils contract procedure rules and the Public Contracts Regulations 2015.
32. The virement from the Finance and Corporate Services Capital Programme must be in accordance with financial procedure rule B17 which states that virements in excess of £500, 000 must be approved by Cabinet.

FINANCIAL IMPLICATIONS [LS/MS Date 29/10/18]

33. The vehicle and plant replacement is estimated to cost £8.21m over the 2018/19, 2019/20 and 2020/21 financial years. This will be funded through Prudential Borrowing of £7.77m through the Investment and Modernisation Fund (IMF) and capital receipts of £0.44m. The scheme will be added to the Regeneration and Environment Capital Programme and the budget for Prudential Borrowing (£7.77m) will be moved from the IMF block allocation in the Corporate Resources Capital Programme.
34. This Key Decision will need to be approved by Cabinet, and the scheme cannot be implemented until after the Cabinet call-in period has expired. At this point a sub-cost centre can be created within the Council's ERP system and the replacement can commence. The Council's Financial Procedure Rules require that capital commitments over £1m be approved by the relevant Director and CFO in consultation with the Mayor, and that proposals for virement between Directorates above £500,000 must be approved by Cabinet.
35. The vehicles and plant have differing replacement ages depending upon the type of vehicle/plant (minimum 3 years to a maximum 10 years) and the cost of repaying the borrowing has been calculated using these differing ages. Different interest rates have been used for the different lengths of loans. In all cases a 0.50% risk premium has been added to the interest rates in line with IMF scheme guidance. Once vehicles and plant are replaced they are sold and the capital receipts are used to part fund the replacement programme. The receipts are therefore not available to the wider Capital Programme.

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36. The table below shows the borrowing costs associated with the 2018/19, 2019/20 and 2020/21 vehicle and plant replacements.

	2018/19 (£m)	2019/20 (£m)	2020/21 (£m)	2021/22 (£m)
Capital Cost	1.19	6.31	0.71	0.00
Funded by:-				
- Receipts	0.07	0.34	0.04	0.00
- Borrowing	1.12	5.97	0.67	0.00
Borrowing costs:-				
- Repayment (MRP)	0.00	0.15	1.06	1.12
- Interest	0.01	0.10	0.18	0.19
Total borrowing cost	0.01	0.25	1.24	1.31
Available budget	0.25	1.33	1.52	1.89

37. The MRP and interest costs shown in the table will continue at the same level assuming that the vehicles and plant purchased are replaced again as planned – i.e. as one debt is paid off a new debt is taken out.
38. The replacement of pool cars has not been modelled as they are subject to a different review but the available budget shown in the table above will include an element of borrowing relating to existing pool cars being released as it is paid off.
39. The loan will be funded by combining existing borrowing and leasing budgets within Transport, together with budgets already centralised within Treasury Management. These are shown in the table as the “available budget”. The available budget increases each year as older borrowing is paid off. In all years the total borrowing costs can be contained within the available budget. The impact of the decision to buy the vehicles needs to be factored into the Treasury Management modelling of borrowing and ultimately fed into the Council’s budget setting process.
40. This decision only approves the purchase of vehicles and plant deemed as requiring replacement, which due to lead times will be ordered in 2018/19 and 2019/20, but some purchases will not require funding until 2019/20 and 2020/21. The replacement of the whole fleet has been modelled and is currently shown not to be affordable within existing budgets. Further work needs to be done to bridge this funding gap (reviewing repairs costs, fleet reduction etc.).

HUMAN RESOURCES IMPLICATIONS [Officer Initials CLR Date 29/10/2018]

41. There are no immediate HR implications arising from the approval of this report, however, any future changes that impact on the workforce will require HR engagement and separate approval, as appropriate.

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TECHNOLOGY IMPLICATIONS [Officer Initials...PW Date...14/05/18]

42. No technology implications in relation to this report

HEALTH IMPLICATIONS [Officer Initials CEH Date 12.10.18]

43. The World Health Organisation (WHO), the Committee on the Medical Effects of Air Pollution (COMEAP) and Public Health England (PHE) have expressed increasing concerns about the full effects of vehicle emissions on health. Doncaster currently has 7 Air Quality Management Areas and it is estimated that 136 deaths in Doncaster are attributable to air pollution each year (Public Health England, 2017). It is recommended that Doncaster Council ensures that the fleet renewal capitalises on the ability to reduce emissions as much as possible to reduce the impact on resident's health.
44. Road vehicles, in particular diesel vehicles, as they age and the abatement equipment becomes less effective, contribute a greater amount to poor air quality and the associated health impacts. Council vehicles, due to the typically high mileage may degrade more rapidly and therefore replacement at an earlier rate should mean that our emissions will be kept to a minimum. While the ULEV are to be covered under a separate report it is worth noting that any replacement should factor in changes and prepare for these so that the replacement programme does not become a barrier to progress.
45. In addition, it is recommended that this is supplemented by promotion of active travel alternatives for short journeys, driver skill training and fuel monitoring which have been evidenced to seen even further reductions in emissions.
46. Cleaner and greener vehicles ultimately show the Council as an exemplar Authority and aid us when requiring other organisations to contribute to improving vehicle emissions across the Borough.

EQUALITY IMPLICATIONS- [RDS--- Date 15/10/2018]

47. The public sector equality duty run through the very heart of our service area core values, ensuring all customers are supported in their fleet management requirements.

CONSULTATION

48. All service managers/Heads of Service and user departments are consulted with prior to vehicle specification being prepared to identify if a smaller more efficient vehicle could be used and to ensure that the vehicles are still fit for purpose. This also includes an evidential based discussion on utilisation of their current vehicles.

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BACKGROUND PAPERS

As annex.

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APPENDIX 1

In the European Union emissions of nitrogen oxides (NO_x), total hydrocarbon (THC), non-methane hydrocarbons (NMHC), carbon monoxide (CO) and particulate matter (PM) are regulated for most vehicle types, in the authority's case: cars, trucks (lorries), tractors and similar plant machinery.

For each vehicle type, different standards apply. Compliance is determined by running the engine at a standardized test cycle. Non-compliant vehicles cannot be sold in the EU, but new standards do not apply to vehicles already on the roads. No use of specific technologies is mandated to meet the standards, though available technology is considered when setting the standards. New models introduced must meet current or planned standards.

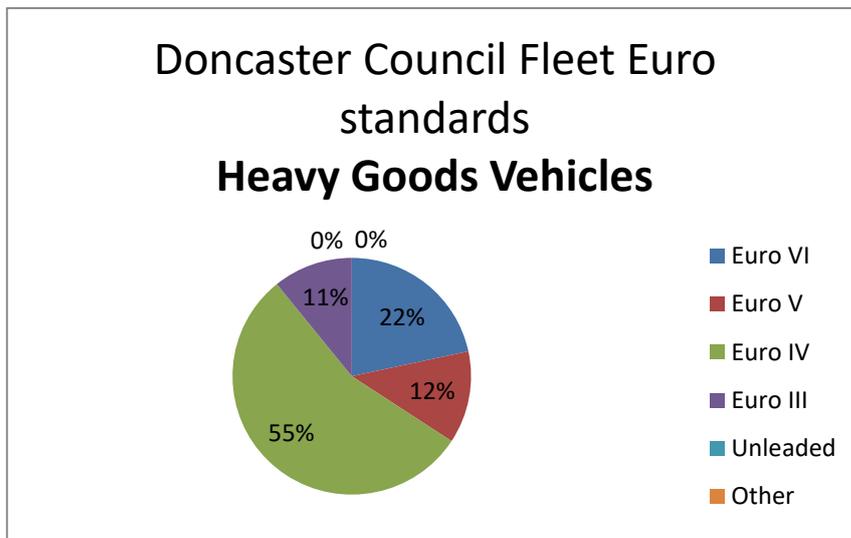
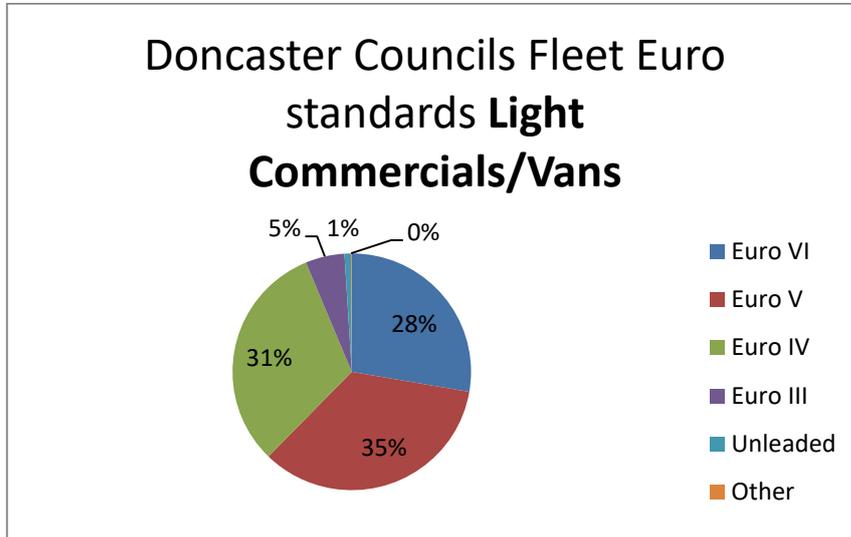
European Emissions standards were implemented in 1992 (Euro 1), we currently sit in Variant Euro 6, the most up to date from 2014 and for what all the new vehicles in the report will comply too.

Tier	Date	CO	THC	NMHC	NO _x	HC+NO _x	PM	P [# /km]
Diesel								
Euro 1	October 1994	2.72	-	-	-	0.97	0.14	-
Euro 2	January 1998	1.0	-	-	-	0.7	0.08	-
Euro 3	January 2000	0.64	-	-	0.50	0.56	0.05	-
Euro 4	January 2005	0.50	-	-	0.25	0.30	0.025	-
Euro 5a	September 2009	0.500	-	-	0.180	0.230	0.005	-
Euro 5b	September 2011	0.500	-	-	0.180	0.230	0.005	6×10 ¹¹
Euro 6	September 2014	0.500	-	-	0.080	0.170	0.005	6×10 ¹¹

Doncaster's current fleet profile is 93% Light Commercials and Large Goods Vehicles for which the following examples are shown pre this replacement program and then post (Heavy Goods Vehicles and Light Commercials)

The post position is a significant improvement and shows the authority on the right track, it also assists ourselves with complying with neighboring authority's clean air zones which are imminent.

Doncaster`s Current Position



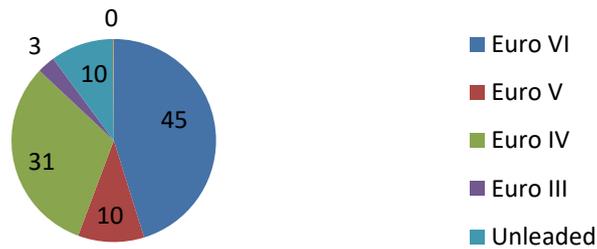
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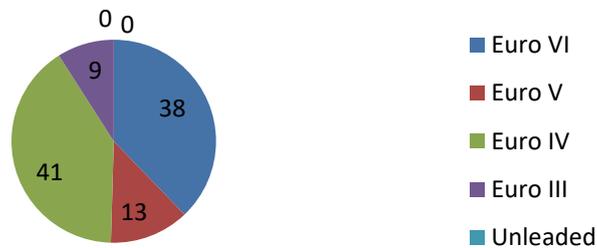
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Doncaster`s Post Replacement Position.

Doncaster Council Fleet Euro standards following fleet replacement-Light Commercial/Vans %



Doncaster Council Fleet Euro standards following fleet replacement Heavy Goods Vehicles %



Key:

Euro 3	January 2000>
Euro 4	January 2005>
Euro 5	September 2009>
Euro 6	September 2014>

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