

## Budget Option 2019/20 – 2020/21

### Cumulative Net Savings

<b>Reference:</b>	RE 4
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2018/19 £'000	2019/20 £'000	2020/21 £'000
0	12	12

<b>Director Responsible for Delivery</b>	Strategic Director Regeneration and Environment
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<b>Cabinet Portfolio Holder</b>	Cllr Hoddinott
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<b>Finance Business Partner</b>	Jon Baggaley
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<b>Proposal Description</b>	Transport Fleet Extended Lease Years
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<b>Details of Proposal (including implications on service delivery)</b>	<p>A number of savings associated with converting lease arrangements to purchase and renegotiating lease arrangements have already delivered a number of savings in fleet management over the last two years. The refuse fleet has already been assessed and savings have already been implemented as part of this work.</p> <p>This further savings proposal considers extending the life of a number of vehicles, and therefore extending the repayment period of the capital, reducing the revenue costs. Vehicles are generally leased over a limited time period, usually five years, with a renewal and replacement of the vehicle when the lease ends. The vehicle provider therefore spreads the cost of the vehicle over a five year period.</p> <p>If the Council buys these vehicles, and finance them over an extended seven year period, as saving can be made. We estimate that there is approximately £212,000 of capital vehicle costs that could be extended in this way, yielding a saving of £12,000 per year.</p>
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<b>Implications on other Services (identify which services and possible impact)</b>	N/A
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<b>Support required from Corporate Services – Finance, HR, Legal, ICT (please specify)</b>	Finance
<b>Reduction in Staffing Posts (FTEs)</b>	N/A
<b>Reduction in Head Count</b>	N/A

<b>Decision Maker : Either Cabinet or Officer/Management Action</b>	
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