

All minutes are draft until ratified by the Committee at the next meeting

Marchwood Parish Council

Minutes of the meeting of the Policy & Resources Committee in the Pine Room at Marchwood Village Hall on Monday 18 November 2024 at 7.30pm.

Present: Councillors: N Buckett, D Hindle (Chairman), J Leath, P Mballa, K Petty, M Proctor, M Saxby and L Shelley.

In attendance: T Dudley - Clerk to the Parish Council, Angela Woodward, Responsible Finance Officer.

Apologies

PR/24/015 – Apologies for absence were received from Cllr Case (annual leave) and Cllr Petty (health).

Resolved – to accept apologies for absence from Cllr Case and Cllr Petty.

Declarations of Interest

PR/24/016 – There were no declarations pecuniary interest for this meeting.

Public Participation

PR/24/017– No members of the public attended this meeting.

Minutes

PR/24/018 - RESOLVED: to accept the minutes of the Council meeting held on Monday 30 September 2024 as a true and accurate record. The minutes were duly signed by the Chairman.

Financial reports

PR/24/019 –

a) **Income and Expenditure up to 31 October 2024**

Resolved – to approve the income and expenditure up to 31 October 2024.

b) **Orders for payment to 31 October 2024**

Resolved – to approve the Orders for payment to 31 October 2024.

c) **Cash and Investment reconciliation to 31 October 2024**

Resolved – to approve the bank reconciliation to 31 October 2024.

d) **Earmarked Reserves**

PR/24/020 – The earmarked reserves were noted.

e) **Vehicle Replacement**

PR/24/021 – Cllr Buckett presented the business case for replacing the existing diesel vehicles used by the ground staff for one electric vehicle and one hybrid vehicle.

This business case showed the cost advantages of changing the council's vehicles from diesel to a fully electric Ford Transit drop side flatbed truck and a hybrid Ford Transit connect van, and leasing. They are both financial and ecological advantages for doing this.

The figures provided were the current running costs for the diesel pickups, the maintenance was high due to the filters blocking regularly because most trips are short, just around the village. The total cost of running these for a further 4 years is £70.3K, based on inflation averaging 8% and maintenance costs remaining the same, despite the vehicles aging. This did not include anything for replacing the pickups, which at today's prices would cost around £70K.

If the council change to electric vehicles and lease, then the financial picture changes as follows:

First year lease and running costs will be £17.6K as opposed to £15.6K for the pickups, and over 4 years the total new vehicle running costs would be £73.9K against £70.3K for the pickups, £3.6K more for the electric leased vehicles, where for the pickups the total would be £94.7K allowing for the lease of new vehicles or an extra £70K approximately to buy new now. The pickup costs include for £3,350 currently allocated annually for replacements in the EMR, which would not be required if the vehicles are leased as below.

Currently the pickups are worth around £30K, so by trading these in the council would be able to put this into a Vehicle EMR, and then take the one off costs of a charging point, boarding the van out and sign writing out of this, leaving £14.8K in the EMR, and with the reserves in the EMR there would be sufficient to pay the startup fees in 4 years' time, so money would not have to be allocated to the EMR for 8 years, the equivalent saving in the budget of £26.8K

The vans have been selected by the ground staff as the best vehicles to match their day-to-day requirements.

If the council wish to move forward on this basis, then we would need to act quickly, as the costs will rise, and the value of the current pickups will depreciate.

Resolved – to approve the purchase of lease vehicles in principle subject to an update being provided to full Council in December.

All minutes are draft until ratified by the Committee at the next meeting

Budget Review

PR/24/022 – Committee reviewed the budget including the electric/hybrid vehicles proposal in detail. It was agreed that the cost for an EV charger for the proposed vehicles would be funded from the Motor Vehicle replacement EMR.

The increase of National Insurance contributions imposed by the Chancellor in the November budget had like all other Tier 1 Councils impact the upcoming budget. Budget however, changes in staff had allowed for less of an impact.

Following a query from a Councillor the Clerk explained that although Unitary and District Councils were protected from the increase parish and town councils were not as the funding for parishes did not come directly from central government.

It was proposed by Cllr Proctor and seconded by Cllr Buckett and agreed by all to recommend the budget for approval to Council subject to further information on the change of ground staff vehicles being provided to Council at its next December meeting.

Resolved – to approve the budget subject to further information being provided to Council regarding the electric vehicle proposal.

The EV Charge Point for the Lloyd Recreation Ground for Council vehicles be funded from the EMR Vehicle Replacement.

The meeting closed at 8.34pm. Date of next meeting 20 January 2024.