**Public Document Pack** 



# ADVANCE PUBLICATION OF REPORTS

This publication gives five clear working days' notice of the decisions listed below.

These decisions are due to be signed by individual Cabinet Members and operational key decision makers.

Once signed all decisions will be published on the Council's Publication of Decisions List.

- 1. SURPLUS PROPERTY DISPOSAL CHARLES BABBAGE HOUSE (Pages 1 - 24)
- 2. FLEET CAPITAL EXPENDITURE 2023/24 (Pages 25 32)

This page is intentionally left blank

Page 1

PART 1 Report



## London Borough of Enfield

Title:	Operational KD 3432		
	Surplus property disposal - Charles Babbage House		
Report to:	Sarah Cary – Executive Director Place		
Date of Report	12 April 2023		
briefing:			
Director:	James Wheeler		
Report Author:	James Hall james.hall@enfield.gov.uk		
Ward(s)	Southbury		
affected:			
Key Decision	KD 3432		
Number			
Implementation	20 April 2023		
date, if not			
called in:			
Classification:	Part I Public		
Reason for exemption	The Part II report contains information that is commercially sensitive and could be prejudicial to the interests of both the Council and potential buyers.		

## Purpose of Report

 To approve the disposal of Charles Babbage House, which has been declared surplus to operational requirements, following a period of open marketing, to preferred Bidder 'B' and on terms set out in the attached Part II report.

## Recommendations

- I. Agree the sale of Charles Babbage House to Bidder 'B' as preferred bidder in accordance with the Heads of Terms appended to the confidential Part II report.
- II. Authorise the Director of Property to finalise non-material changes to the Heads of Terms, including such variations that may be necessary to cover existing third-party rights affecting the property.
- III. To note that all agreements to be entered into as contemplated by this report are to be approved in advance of commencement by Legal Services on behalf of the Director of Law and Governance.

## **Background and Options**

- 2. Charles Babbage House had been occupied by the Childrens' Services department until late 2022, when the functions moved into the newly refurbished Thomas Hardy House in Enfield town centre.
- 3. In late 2020, around the time decisions were taken on future moves for operational services, a related Cabinet decision (KD 5189) approved the disposal of Charles Babbage House as part of a portfolio of property sales that would help fund the Council's Build the Change programmes.
- 4. Marketing of the subject property commenced shortly before the building was vacated and this process has resulted in a number of bids that are described in more detail within Part II of this report.
- 5. Most of the interest generated by our marketing campaign has been among developers and investors, looking to convert the property for residential use (under Permitted Development rights for office-residential) but there has also been positive interest among owner-occupiers for uses that involve community facing activities and will maintain the building largely as-is.
- 6. Consideration was given to leasing the property out for office or other nonresidential uses (as rental income can be a good alternative to a capital receipt) but there was insufficient interest to make that a viable option.
- 7. Discussions have also taken place with colleagues in the HRA and Housing Gateway Ltd (HGL) about the possibility of retaining the property for conversion to temporary housing but that is not a financially viable option.
- 8. Therefore, following a 4-month marketing campaign (which included extensive publicity among a wide cross-section of commercial businesses and community groups) this paper reports on the various offers received and recommends sale to the preferred bidder. The marketing process culminated in a second round of best and final bids following some late expressions of interest and some close offers.

## **Preferred Option and Reasons for Preferred Option**

- 9. Analysis of the various proposals received was undertaken, based on the offer level and conditionality, consideration of social value and assessment of the bidders' credentials and deliverability.
- Bidder 'A' was initially the highest offer; however their bid was subject to several conditions. The Council also sought clarity on the proposed use. Bidder 'A' subsequently withdrew their bid, resulting that Bidder 'B' was the highest offer of the remaining bids.
- 11. Bidder 'B' had a strong proposal in terms of the other considerations, as detailed in Part 2 and therefore a recommendation to sell to Bidder 'B' is being made.
- 12. The reasons for recommending Bidder 'B' are therefore the level of the offer, the deliverability of the bid and credibility of the preferred bidder, supported by a use that retains an element of social value benefit and one that is compatible with the locality.
- 13. Further details of the assessment of the bids in contained in Part 2.

## **Relevance to Council Plans and Strategies**

14. The sale of the property will deliver a much-needed significant capital receipt to the Council and thereby helping generally to fund Council services which contribute to a strong and healthy community.

## **Financial Implications**

- 15. This decision will result in a £3.85m capital receipt. It is expected to cost £214k to achieve this, mostly decommissioning costs, which will be funded from the capital receipt
- 16. If the remaining £3.6m is used to repay debt/ substitute borrowing, that would avoid circa £164k per annum in interest costs (assuming a marginal borrowing rate of 4.5%). There will be a loss of £20k per annum rental income currently received (majority from roof masts) (see para 34).
- 17. The Council's 2023/24 budget includes an assumption of £7.2m capital receipts in 2023/24 to offset borrowing and fund specific transformation programmes. If this is not achieved, there will be an additional pressure on the Council's revenue budget via interest costs and provisions to repay debt.
- 18. The bid satisfies requirements to generate best value, as stipulated by the Local Government Act 1972, due to competitive bidding process which generated the highest bid which was accepted.
- 19. There is £17k of existing borrowing related to the site, which will be funded from the capital receipt.

(Financial Implications provided by OB & MJ on 05.04.2023).

## Legal Implications

- 20. Section 123 of the Local Government Act 1972 gives a power of sale or leasing to Councils. Pursuant to this section, the Council has a statutory duty to achieve best consideration (save for tenancies of less than seven years), unless it has the benefit of an express or general consent of the Secretary of State. In entering into property transactions, the Council must also comply with the provisions of its Constitution, including but not limited to its Property Procedure Rules, which set out mandatory procedures regarding (amongst other things) the acquisition, management and disposal of property assets.
- 21. In this case, it is noted that an open marketing exercise was undertaken and that Bidder 'B' has made the highest remaining offer and has been selected as the preferred bidder on this basis, representing best consideration reasonably obtainable and compliance with the Council's Property Procedure Rules.
- 22. Public law principles will apply to the decisions made by the Council, including the Council's duty to take account of its fiduciary duty and to act prudently. The Council is also under a general duty to act reasonably and show that its decisions are made after having given due and proper consideration to all relevant factors. Furthermore, the Council is required as a best value authority under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. It is considered that this duty is fulfilled by the proposals described in this report as the adoption of the recommendations lies within the powers of the Council.
- 23. The Council is required to act in accordance with the Public Sector Equality Duty under section 149 of the Equality Act 2010 and have due regard to this when carrying out its functions. It is noted that corporate advice has been taken on this issue.
- 24. Any legal agreements arising from the matters described in this report must be approved by Legal Services on behalf of the Director of Law and Governance.

(Legal implications provided by EP on 04.04.2023).

## **Equalities Implications**

25. Corporate advice has been sought regarding equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report.

## HR and Workforce Implications

26. There are no workforce implications.

## **Environmental and Climate Change Implications**

- 27 The winning bidder's proposal is to retain and reuse the building for nondomestic purposes, this use type is not expected to dramatically increase the energy consumption of the site.
- 28. As the site has a high embodied carbon content due to the construction type, from a carbon emissions standpoint retaining the building in its current form may be preferable to proposals that involve major development or demolition of the site, unless these works were was done with careful consideration for minimising carbon.
- 29. The site has an EPC of E which, demonstrating the site would benefit from energy and decarbonisation upgrades, it is unknown if the bidder proposes to make energy or decarbonisation improvements to the site. Alternative options, such as PD change of use, may have had a negative energy cost impact for occupants without significant upgrades.
- 30. It should be noted that if the bidder retains the site for private use there may be limited planning or regulatory controls for improving the energy efficiency of the building, currently regulation primarily covers lettings.
- 31. For reference, the council invested in LED lighting at the site in 2016 through the Salix recycling loan (fully repaid in 2022) and PC Power Management improvement works in 2020 (repaid by 2022)

## Public Health Implications (if any)

32. There are no public health implications.

## **Property Implications**

- 33. Property implications are within the main body of this report and accompanying Part II (confidential) paper.
- 34. The freehold interest is being sold with Vacant Possession but subject to two utility tenancies detailed as follows:
  - T-Mobile (UK) Ltd & Hutchinson 3G UK Ltd (Roof Masts Telecommunications) Lease dated 11 May 2009 for a term of 10 years from 11 May 2009 (now holding over).
  - i) TXU Europe Group Plc (In administration) (ii) Alan Robert Bloom and others (iii) National Transcommunications Ltd Lease dated 6 February 2004 for a period of 93 years expiring 22 December 2097.

## Summary & Conclusions

- 35. The Charles Babbage House property recently became vacant and is surplus to the Council's operational needs.
- 36. Pursuant to a 2020 Cabinet decision, to sell the asset, a number of bids have been received following a 4-month marketing campaign.
- 37. Following the marketing process, this report seeks approval to proceed with Bidder 'B' based on analysis of all offers received and initial due-diligence on the preferred bidder's ability to complete the transaction in a timely way.

Report Author: James Hall Principal Development manager James.hall@enfield.gov.uk 0208 132 1720

## Appendices

Sales Particulars Part II Report - Confidential

## **Background Papers**

n/a



Page 7

Chartered Surveyors Commercial Property Consultants

# **FOR SALE OR TO LET** DETACHED PROMINENT OFFICE BUILDING Approx. 16,600 sq ft (1,542.12 sq m)







## Charles Babbage House 1 Orton Grove Carterhatch Lane Enfield EN1 4TU

- Detached office building
- Potential for further development of the site with PDR for residential
- Open plan and private offices
- 32 Car parking spaces

8367 5511

96 Silver Street, Enfield EN1 3TW

Also at: London WI & Stevenage

- Passenger lifts in central core
- □ Kitchen and cloakroom facilities

See important notice overleaf



#### Description

The total site extends to approximately 0.84 acres (0.34 ha). The site is triangular shaped with access points off Melling Drive and Orton Grove and comprising a purpose built part two, part five storey building built in circa the 1960's/1970's. The building is of concrete frame construction and has a flat roof and elevations which comprise concrete infill panels and metal frame, single glazed windows. To the front of the building there are 32 surface car parking spaces at a ratio of one space per 518 sq ft.

#### Location

This standout building is located on Orton Grove, Enfield and benefits from a prominent corner plot at the junction of Carterhatch Lane and Melling Drive. Enfield Town centre is circa 0.9 miles to the south west which benefits from a range of shops and amenities including the Palace Exchange shopping centre. The locality also enjoys access to a number of excellent local schools as well as open recreational spaces such as Forty Hall Country Park. The site lies equidistant between Enfield Town and Turkey Street Railway stations circa 1.0 miles to the south west and north east respectively. Both stations provide frequent access into central London via London Liverpool Street with an approximate journey of 35 minutes. The site also benefits from excellent road links as it is situated 0.2 miles to the north west of the A10 directly linking Enfield with central London, circa 9.6 miles to the south and junction 25 of the M25 motorway, circa 1.5 miles to the north.



**Energy Performance Certificate (EPC)** Rating: E113 The full EPC and recommendation report can be viewed and downloaded from our website www.bowyerbryce.co.uk

#### **Floor Areas**

Floor areas are net internal and approximate only

	(Sq m)	Sq ft
Ground floor offices	377.88	4,068
Ground floor store	9.88	106
1 <sup>st</sup> floor offices	343.51	3,698
2 <sup>nd</sup> floor offices	268	2,885
3 <sup>rd</sup> floor offices	268.24	2,887
4 <sup>th</sup> floor offices	274.61	2,956
Total Net Internal Area	1,542.12	16,600

#### Terms

To be let as a whole for a term to be agreed. Rent upon application.

#### Or

Freehold - offers invited on an unconditional basis only.

#### **Business Rates**

Rateable Value 2022/2023 £194,000 Rates payable £99,328. Interested parties should confirm the rateable value and rates payable with the Local Charging Authority.

#### Legal Costs

Each party will be responsible for their own legal costs incurred.

#### Viewing

Strictly by appointment through Bowyer Bryce

Property Ref



#### lan Harding

M: 07956 374326 D: 020 8370 2536 E: ian.harding@bowyerbryce.co.uk

#### Important Notice

Bowyer Bryce (Surveyors) Ltd for themselves, any joint agent and for the seller(s) or landlord(s) of this property whose agents they are, give notice that: (i) These particulars are set out as a general outline only for the guidance of intended buyers and tenants and do not constitute, nor constitute part of, any offer or contract. (ii) All descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given without responsibility and any intending buyers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them. (iii) No director or person in the employment of the agents has any authority to make or give any representation or warranty whatsoever in relation to the property. (iv) No tests have been carried out to any of the services which may serve the property such as hearing, power supplies, lighting, fire or security alarms etc, and therefore no warranty is given that they are in satisfactory working condition or comply with the appropriate regulations. (v) All rents and prices quoted are exclusive of VAT (if chargeable).

Bowyer Bryce (Surveyors) Ltd Registered office 96 Silver Street Enfield ENI 3TW Registered in England No 1456714

Chartered Surveyors Commercial Property Consultants bowyerbryce.co.uk By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



## London Borough of Enfield

Title of Report:	Fleet Capital Expenditure 2023/24
Report to:	Doug Wilkinson
Date of Report briefing:	14 March 2023
Cabinet Member:	Cllr Rick Jewell
Director:	Doug Wilkinson
Report Author:	Julian Minta
Ward(s) affected:	All
Key Decision	KD5586
Number	
Implementation	31 March 2023
date, if not called	
in:	
Classification:	Part I Public
Reason for	N/A
exemption	

## Purpose of Report

1. This report details the proposed expenditure of the Fleet Capital Budget for the financial year 2023/24. It identifies those vehicles, plant and equipment that are scheduled for replacement and/or new procurements and acquisitions for use by Council services. The report also details the proposed methods of procurement and authorises the procurement and purchase of identified vehicles, plant, and equipment once agreed.

## Recommendations

The Cabinet Member for Environment to:

- I. approve the replacement programme schedule and budget allocations of vehicles and plant as set out in this report.
- II. delegate authority to the Director of Environment and Street Scene to approve the purchases, procurements and award of the contracts within the approved budgets in the Confidential Appendix as necessary for operational reasons and to enter into the relevant contracts and any variations to the schedule within the allocated budget.

## Background and Options

- 2. Fleet services currently has a programme for the procurement, management and disposal of all council owned fleet vehicles, plant, and equipment. The Vehicle Replacement Program (VRP) holds details of all council owned vehicle assets and sets out when vehicles, plant, & equipment should be replaced in line with agreed vehicle economic life expectancies. The proposed £2.440m spend of the 2023/24 budget is in line with this program.
- 3. As part of this year's replacement program the continued introduction of new electric vehicles, where possible, will demonstrate the Council's commitment to vehicle decarbonisation targets in the climate change action plan.
- 4. Approval of this report will allow the Fleet Department to continue with its programme of replacing the Council's fleet of vehicles, ensuring it delivers where possible, electric vehicles and where not, providing a low emission fleet to all council services, by purchasing the cleanest fuel-efficient vehicles available where EV is not an option.
- 5. The continuation of the planned replacements as part of the Vehicle Replacement Program (VRP) will ensure the maintenance and expenditure on vehicles will be kept to a minimum, whilst allowing us to maximise re-sale values of assets to be disposed of. Renewal of the Fleet will ensure optimal service delivery for all council services by reducing the amount of downtime required for maintaining older vehicles.
- 6. The 2023/24 capital funding for fleet is contained within the 10-year Capital Programme approved by cabinet at the meeting of 23rd February 2023, under Key Decision 5502 and allocates £2.44m for the Fleet Vehicle Replacement Program, (see page 456 of the report).
- 7. Current requirements are set out in the table below with existing and new service requirements identified. The vehicles set out in the table are all part of the current vehicle replacement programme following on from the reprofiling of the fleet age in 2017, to bring it in line with industry standards.

Vehicle	Service	Existing fleet	New service	Number of vehicles	Procurement Method
Refuse Vehicles	Waste	У		3	Call off from a current framework
3.5t Crew Cab Cage tipper	Street Cleansing	У		19	Call off from a current framework
3.5t Single Cab Cage tipper	Street Cleansing	У		6	Call off from a current framework
3.5t Twin wheel Parks Cage Tipper	Parks & Open Spaces	у		12	Call off from a current framework
3.5t Panel Van	Highways Team	У		1	Call off from a current framework
3.5t Flat bed with Tail Lift	Trade Waste bin deliveries		У	1	Call off from a current framework
Trailers	Parks & Open Spaces	у		5	Quick Quote London Tenders Portal

3.5t Luton van	Clinical Waste	у	1	Call off from a current framework
Mayors Car	Mayors Service	у	1	Call off from a current framework
L4H3 Panel Van	Integrated Community Equipment	у	2	Call off from a current framework
L1H1 Panel Van Integrated Community y Equipment y		у	4	Call off from a current framework
18t Gulley Vehicle	Street Cleansing	У	2	Direct Purchase Via Waiver
	TOTAL VEHICLES		57	

- 8. As part of the vehicle replacement programme, vehicle utilisation and requirements are reviewed with service users to ensure that we run at an optimum level and provide vehicles and equipment that is suited to each user area to assist them in the best delivery of their services. To determine the number of vehicles and pieces of equipment needed, all heads of service have been contacted and asked to review their service and operational needs surrounding vehicles. Fleet Services have also checked vehicle usage to ensure good utilisation of vehicles. Consultation with service heads has also looked at future service developments, reductions or constraints which would affect future vehicle requirements. Where possible we have streamlined the fleet.
- 9. Of this procurement, Fleet Services will be procuring circa 52 vehicles and 5 items of plant trailers.
- 10. The key risk to the Council is an increase in maintenance cost and of vehicle down time by continuing to extend the current fleet life resulting in a reduction vehicle availability to the services and their operations. There will also be an increase in costs to fleet services who will need to hire additional vehicles to cover these vehicles as there will be increased downtime for repairs and maintenance.
- 11. By taking this decision there may be a risk that service requirements for vehicles change where vehicles are no longer required. This is mitigated by owning the vehicles as they can be sold without any penalties being incurred.

## Preferred Option and Reasons for Preferred Option

- 12. Agree the proposed fleet replacements, in order that fleet services are able to mitigate as best as is possible the increased cost exposure of operating older vehicles for the reasons set out as above.
- 13. The other option is to do nothing. This has been dismissed due to the cost implications of operating older vehicles.

## **Relevance to Council Plans and Strategies**

14. The Enfield Council fleet is a key part of the council's operational services and ensures they can deliver essential services to all areas. A well-managed, modern electric and/ or low emission fleet will support all three of the council priorities:

## Good homes in well-connected neighbourhoods

15. Our council fleet is a highly visible and recognisable asset to residents. Providing replacement vehicles for all council services will enable them to operate effectively for those people who live, work or travel in the Council area. Further, the provision of using modern reliable vehicles will enhance the delivery of service for residents.

## Safe, healthy and confident communities

16.By using proven vehicle convertors and suppliers, the vehicles and equipment will be available for duties for greater periods thus enabling the Council to provide these services on more regular and continued basis.

## An economy that works for everyone

17. Where possible Electric vehicles will be the first option that will be provided when it comes to replacements. Vehicles and equipment in this proposal that can't be electric will meet all current and future emission regulations giving us a fleet of the cleanest vehicles available. This will ensure our carbon footprint is kept to a minimum when it comes to vehicle operation. By providing for the needs of the services, teams will have an efficient fleet of modern vehicles meaning less downtime and more efficiency.

## **Financial Implications**

## <u>Summary</u>

- 18. Fifty-seven vehicles to be acquired from Council approved capital budget envelope £2.440m approved by Council 23 Feb 2023 KD5502 as part of the Ten-Year Capital Programme with delegated authority to Portfolio Holder to make decision in accordance with Financial Regulations.
- 19. Although the Council will be carrying out a review of the overall fleet this acquisition is required for supporting the Council's services.
- 20. Expenditure will result in no additional borrowing beyond that assumed in Capital Programme.
- 21. Maintenance and servicing costs will be incurred by Fleet Services and recharged to thew client departments some unknowns exist in the servicing costs of the five electric vehicles included and this is referenced in the Risks section.

## Budget impact - capital & debt

22.£2.440m envelope allocated in capital programme which requires approval to spend by approval of this report which is funded entirely through borrowing.

- 23. Debt will be on an annuity basis which will require Council to set aside repayment of the debt over ten years in addition to interest costs. Ten years has been used as the estimated life of vehicles in accordance with the Council's policy for calculating the Minimum Revenue Provision (MRP) which is the set aside used to repay the loan.
- 24. Table below shows total cost of borrowing the initial £2.440m is £3.160m over the next ten years.

Year	MRP	Interest at 5%	Total revenue cost	
2023/24	Borrowing £2.440m in 2023/24			
2024/25	£207,989	£122,000	£329,989	
2025/26	£215,269	£112,300	£327,569	
2026/27	£222,803	£102,116	£324,919	
2027/28	£230,601	£91,422	£322,023	
2028/29	£238,672	£80,194	£318,866	
2029/30	£247,026	£68,404	£315,429	
2030/31	£255,672	£56,024	£311,696	
2031/32	£264,620	£43,026	£307,646	
2032/33	£273,882	£29,378	£303,260	
2033/34	£283,468	£15,047	£298,515	
Total cost over 10 yrs	£2,440,000	£719,912	£3,159,912	

#### Cost of borrowing £2.440m over ten years

Budget impact – revenue

- 25. Total impact on revenue is £3.160m over the next ten years made up £2.440m debt repayment through MRP and £720k interest assumed at 5% on the loan taken out in 2023/24.
- 26. All routine maintenance costs will be carried out by the internal fleet workshop team and service departments will be charged an annual internal cost for transport). This will be funded from relevant department revenue budgets.
- 27. Service departments will be fully responsible for fuel, non-routine maintenance/damage costs; this will directly be charged to service department revenue cost centres.

## **Taxation**

28.VAT payable on commercial vehicles and can be reclaimed in full by the Council through monthly VAT return.

<u>Risks</u>

29. Costs of acquisition will be agreed in advance with the suppliers to ensure the total capital budget is not breached.

- 30. Costs of servicing and maintenance will be subject to market conditions with risks mitigated through monitoring of monthly revenue expenditure by the Fleets Services and client Departments.
- 31. Five of the Fifty-seven vehicles will be electric. Although estimates for maintenance and servicing have been made these are as yet untested and subject to variation.

## Legal Implications

- 32. The Council has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to public law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power as recommended in this report. Section 111 of the Local Government Act 1972 further gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The recommendations in this report are incidental to the functions of the Council.
- 33. The contracts for the purchase of vehicles will be public supply contracts under the Public Contracts Regulations 2015 (PCR 2015). Prior to the award of any contract with an estimated value above the threshold (currently £213,477 inclusive of VAT), the Council must comply with the Public Contracts Regulations 2015. Additionally, the Council must comply with its Constitution and Contract Procedure Rules (CPRs).
- 34. Use of a legally compliant framework agreement is permitted under Reg 33 of the PCR 2015. Additionally, the CPRs state that Frameworks, where they exist, should be used provided Best Value can be demonstrated and managers are required to retain sufficient evidence to demonstrate compliance. However, a due diligence exercise must be carried out by Procurement Services prior to calling off from a Framework and the Council must be clearly identified as a contracting authority able to use the Framework when the Framework was set up.
- 35. Any contract awarded under a framework must be in accordance with the process set out in the Framework agreement and the terms of the call off contract must be consistent with the Framework terms. Accordingly, a direct award via a Framework can only be made if (i) Best Value can be demonstrated; (ii) it is permitted by the rules of that Framework; and (iii) the rules of the Framework on direct award are complied with.
- 36. The contracts must be in a form approved by Legal Services for and on behalf of the Director of Law and Governance.
- 37. The Council must comply with its obligations relating to obtaining best value under the Local Government (Best Value Principles) Act 1999.
- 38. This decision is a Key Decision and the Council must comply with the Key Decision process under the Constitution.

## **Equalities Implications**

39. Corporate advice has been sought regarding equalities and following initial screening that was carried out which showed no impact, an agreement has been reached that equalities impact assessment is neither relevant nor proportionate for the approval of this report.

# Environmental and Climate Change Implications (if any, delete if not relevant)

- 40. The Climate Action Plan includes an action to switch the Council's vehicle fleet to electric with a target of 60% by 2026 and 100% by 2030.
- 41. The proposed use of Fleet Capital Budget to continue the move towards to electric vehicles (where possible) will be a significant first step towards achieving and is in accordance with the fleet related action and targets in the Climate Action Plan.
- 42. It should be noted that there will be residual carbon emissions from the use of electricity while the grid decarbonises, however these are significantly lower than for diesel or other alternatives and will reduce over time.
- 43. In addition to reduced carbon emissions, electric vehicles emit lower levels of pollutants which impact on air quality (NOx and PM10 in particular). They also have no discernible engine noise so are quieter in operation.
- 44. Purchases of diesel fuelled vehicles in this proposal will be due for renewal before the 2030 climate action plan deadline which will allow us to meet our commitments as set out regarding the decarbonisation of the fleet.

## **Public Health Implications**

- 45. The 2023/24 fleet replacement program has clear public health implications.
- 46. The change to electric zero emission vehicles (where possible) will provide cleaner air for residents and the workforce who are operating near the vehicles are part of their working duties.
- 47. All the new vehicles will be designed and procured to meet all health and safety and EU regulations. In addition, we will be fully compliant with the Construction Logistics and Cyclist Safety report and Work-Related Road Risk regulations. All drivers will have induction training as part of any purchases and all workshop technicians will have full training on maintenance and operation of the equipment.

## **Property Implications**

48. As the size of the fleet of electric vehicles grows, new charging points for the fleet will need to be procured and installed at all depots and places of fleet operation. This is being carried out as a separate project and as part of the implementation of the Borough-wide EV charging strategy, and the property implications of relating to that project will be addressed as part of that strategy's approval process.

## **Other Implications**

49. Procurement Services must be engaged to develop and agree an appropriate procurement strategy that is compliant with Enfield's CPR's and the Public Contract Regulations, provides value for money and supports sustainable and ethical procurement.

Julian Minta
Head of Fleet & Transport Operations
Julian.minta@enfield.gov.uk
07790 585086

## Appendices

Confidential Appendix 1 - Fleet Capital Expenditure - 23/24 Appendix 2- Capital Budget 2023/24 KD 5502

## **Background Papers**

None

## **#Departmental reference number:** PL2223\_15