

Report to: Cabinet

Date of Meeting 9 July 2026

Heading/Title: Recycling & Waste Fleet Replacement – Contract above £100k

Cabinet Member(s): Cllr Geoff Jung

Director/Assistant Director: Andy Wood / Andrew Hancock

Author and Directorate: Andrew Hancock – Place

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Key decision Yes

If a Key Decision has it appeared on Forward Plan Yes via General Exception
Procedure Notice

Document classification: Part A Public Document

Exemption applied: None

1. Background

- 1.1 The report seeks approval to delegate authority to award contracts for the supply of vehicles as part of the Council's fleet replacement and investment programme.
- 1.2 The procurement forms part of the approved capital programme, with a total allocation of £5,935,000 agreed through the 2026/27 budget setting process and subsequently endorsed by the Budget Setting and Capital Allocation Panel, Cabinet and Full Council meetings.
- 1.3 The project proposes the replacement of a proportion of the Council's refuse and recycling vehicle fleet, which are now currently 10 years old and are beyond their expected operational life. While the vehicles are currently serviceable, they are increasingly showing signs of age, with a growing risk that reliability will decline. This presents potential impacts on service standards, maintenance costs, and vehicle availability, which are critical to maintaining effective frontline environmental services.
- 1.4 Due to current manufacturer lead times of typically 12 to 16 months for refuse and recycling collection vehicles, early progression of procurement and contract award is essential to secure production slots and enable timely delivery. Delays at this stage could result in extended use of aging vehicles, increased operational risks, and potential disruption to service delivery.

- 1.5 A compliant procurement exercise is being undertaken in accordance with the Council's Contract Procedure Rules, utilising established frameworks to identify preferred suppliers capable of meeting the Council's operational, technical, and financial requirements.
- 1.6 Given the value of the contracts exceeds £100,000, formal Cabinet approval is required to delegate authority for the final award.
- 1.7 In developing this proposal, consideration has also been given to the anticipated Local Government Reorganisation (LGR), with a decision expected in mid-July 2026. This was reflected in the original business case and considered through the Budget Setting and Capital Allocation Panel (BSCAP). The fleet replacement proposal does not seek to pre-empt or constrain any future decisions by successor authorities. Rather, it addresses an immediate operational need for the continuation of a statutory frontline service which the Council must continue to provide until any future vesting date and which will need to continue without interruption beyond that point. The vehicles being procured are standard recycling and refuse collection vehicles used across the sector and remain relevant to the existing East Devon operating model, to EdenServ's day-one service delivery requirements, and to potential future successor authority arrangements.
- 1.8 The exception might be in a Greater Exeter model, if Exeter unitary decided to change its collection model away from kerbside sort and Romaquips. The existing Exeter model does not give the required recycling rates to meet government targets and a change of this magnitude would require significant investment and planning. It is likely therefore to be some years after vesting day if at all. RCVs remain relevant across any collection model, but if the model for the Exeter half of the district were to change for recycling, it is imagined this would be some years after, perhaps post 2031. At this point the Romaquips assigned to the Western half of East Devon would have 5 years depreciation remaining. They could be reassigned or sold to other authorities in Devon or nationally if this unlikely service model scenario were to materialise.
- 1.9 The need to progress the majority of this replacement now arises from the way the current service was mobilised following the major contract and service change in 2015/16. At that point, a substantial proportion of the current fleet was acquired at broadly the same time to support the new collection model. As a consequence, a large cohort of vehicles has now reached a similar age profile and is beyond normal depreciation and expected operational life. This differs from a rolling replacement programme where vehicles are renewed incrementally over several years. Deferring procurement or seeking to spread the replacement over a longer period would therefore leave the Council and EdenServ reliant on a significant number of ageing vehicles at the same time, increasing the risk of breakdown, hire costs, maintenance pressure, service disruption and reputational impact.

- 1.10 BSCAP discussions recognised that this is committed capital investment in operational assets required to maintain service continuity, rather than discretionary growth expenditure. The vehicles will remain assets with continuing operational use and residual value. They also support LGR resilience by maintaining a serviceable fleet that could be allocated, retained, integrated or redeployed by a successor authority depending on the eventual structural model. Because neighbouring authorities use broadly comparable refuse and recycling fleet types, the investment does not lock future authorities into a unique or inflexible operating specification. It may also support future geographic scaling of EdenServ or successor authority operations where compatible collection systems and fleet requirements exist.

2. Recommendations/Decision

- 2.1 That Cabinet grant delegated authority to the Assistant Director of Streetscene, in conjunction with the Portfolio Holder for Environment Operations and the Portfolio Holder for Finance, to award the contract(s) to the preferred supplier(s) following completion of the procurement process.
- 2.2 That Cabinet grant delegated authority to the Director of Governance/Assistant Director – Legal and Governance to prepare and execute all necessary legal documentation to complete the contract(s).

3. Reasons for Recommendations/Decision

- 3.1 The recommendation ensures that:
- The Council can progress the timely replacement and acquisition of vehicles, avoiding delays that could impact service delivery.
 - Appropriate governance and oversight is maintained through involvement of senior officers and relevant Portfolio Holders in the final decision.
 - The procurement exercise, undertaken via established frameworks, will ensure value for money and supplier suitability, making delegated authority the most efficient route to contract award.
 - The investment supports the Council's operational and environmental objectives, including improved fleet efficiency, reduced emissions, and reduced long-term maintenance costs.
 - Delegation allows flexibility to manage any final commercial clarifications without returning to Cabinet, while remaining within the approved budget envelope.

 - The majority of the replacement requirement has arisen at the same time because the current fleet was acquired as part of the major contract and service change in 2015/16. The vehicles are now past normal depreciation and expected operational duration, creating a concentrated replacement need rather than a discretionary acceleration of spend.
 - The proposal responds to operational imperatives including vehicle reliability, statutory service continuity, crew safety, availability of frontline collection capacity, management of maintenance costs, and avoidance of short-term hire dependence.

- Early procurement is required because specialist refuse and recycling vehicles have long manufacturer lead times. Delaying approval would not remove the need for replacement but would extend the period during which the Council and EdenServ must operate an ageing fleet.
- A phased procurement approach has been considered but is not recommended for the majority of the requirement because it would leave multiple end-of-life vehicles in service simultaneously, increasing operational and financial risk during the EdenServ transition and the LGR period, whilst risking increased cost through hire vehicle requirements. Hire Romaquips are not readily available, so failure of Romaquips would likely have direct service impacts.
- The fleet specification remains standard and transferable. It supports the existing operating model, does not prevent future service redesign, and preserves flexibility for successor authorities to retain, integrate, allocate or redeploy assets as part of any future LGR implementation.

3.2 To enable the legal completion of the contracts and ensure appropriate documentation is prepared and executed in accordance with statutory and governance requirements

4. Options

4.1 The following options have been considered:

Option 1: Grant delegated authority (Recommended)

- Enables efficient and timely award of contracts, supporting early ordering to secure manufacturing slots
- Maintains appropriate member oversight through Portfolio Holder involvement
- Aligns with the approved capital programme considered through BSCAP.
- Takes into account the anticipated Local Government Reorganisation (LGR), recognising that the Council will continue to deliver services up to and beyond the proposed transition in 2028, requiring a reliable and resilient fleet.
- Supports continuity of service both in advance of, and during, any future organisational changes.
- This option also provides the strongest response to the current age profile of the fleet. Because the current vehicles were largely mobilised as part of the 2015/16 contract and service change, a significant proportion now falls due for replacement within the same period. Progressing the majority of the procurement now reduces the risk of clustered vehicle failure, protects service continuity through the EdenServ mobilisation period, and avoids creating a backlog of replacement need for any successor authority.
- The recommended approach does not prevent future service redesign under LGR. The vehicles are standard frontline collection assets and would remain relevant to waste and recycling operations whether retained within EdenServ, transferred to a successor council, allocated geographically, or integrated into a wider fleet strategy.

Option 2: Profile the replacement of 35 vehicles (from fleet of 52) across multiple years, rather than altogether.

- Due to largescale fleet replacement in 2015/16 to support a significant collection model change, all vehicles have the same age profile and are over normal service life. This creates a substantial service failure risk.
- Profiling the replacement across multiple years or tranches would hold and escalate the risk of vehicle failure, increasing maintenance costs substantially, with the only mitigation being hire fleet.
- Hire fleet is expensive at £1000 per vehicle, per week, and Romaquips are not readily available on hire.
- Risks missing manufacturer production slots, particularly given long lead-in times.
- While LGR is a relevant consideration, delaying decisions could increase operational risk to services that must continue uninterrupted through any transitional period.

Option 3: Do nothing / delay procurement

- Not recommended as it would result in continued reliance on an ageing fleet with increasing risk of breakdown, service disruption, and rising maintenance costs.
- Would undermine delivery of the approved capital programme.
- Fails to recognise that, notwithstanding LGR, the Council retains responsibility for service delivery and must ensure ongoing fleet reliability through and beyond the proposed transition period.
- Presents the highest operational and reputational risk
- A delay or extended phasing approach would not remove the underlying need to replace the vehicles. It would instead defer essential investment while the fleet continues to age beyond normal depreciation and expected operational life. This would increase the risk of breakdown, reliance on hired vehicles, higher maintenance expenditure, reduced operational resilience and potential disruption to statutory collection services.
- Delaying replacement could also create a more difficult position for successor authorities by transferring an ageing fleet risk into the LGR implementation period. In contrast, progressing replacement now provides operational resilience and leaves future authorities with usable assets rather than an avoidable backlog of urgent fleet decisions.

5. Relevance to Council Plan/priorities

Set out how report links to the Council Plan/priorities:

- A supported and engaged community that has the right homes in the right places, with appropriate infrastructure
- A sustainable environment that is moving towards carbon neutrality and which promotes ecological recovery.
- A vibrant and resilient economy that supports local business, provides local jobs and leads to a reduction in poverty and inequality.

- ☒ A well-managed, financially secure and continuously improving council that delivers quality services

Indicate how the recommendations/decision contributes to the delivery of the Council Plan and its priorities

6. Financial Comments/Implications

- 6.1 Budget approval has previously been given by Council for the required fleet replacement programme as part of the capital programme. Expenditure profile remains in line with that approved however this is difficult to manage due to lead-in time for ordering and delivery. (JS)
- 6.2 The profile of expenditure reflects the operational reality that a substantial proportion of the current fleet was acquired at broadly the same time following the 2015/16 contract and service change. As a result, the replacement need is concentrated rather than evenly spread. While a phased approach would usually be preferable from a capital planning perspective, in this case significant further phasing would increase operational risk and may create additional revenue pressure through rising maintenance costs, vehicle downtime and potential short-term hire requirements. Progressing procurement now also helps manage inflationary exposure and manufacturer lead times by securing production slots within the approved capital budget.

7. Legal Comments/Implications

- 7.1 The proposals in this report are to award contracts that are being procured in accordance with Procurement legislation . This is in compliance with the Council's contract procedure rules. (JD)

8. Risk Implications

- 8.1 If the proposed decision is not taken, the principal risk is that the Council and EdenServ would continue to rely on a fleet where a significant proportion of vehicles is already beyond normal depreciation and expected operational life. This increases the likelihood of vehicle breakdown, reduced service resilience, higher maintenance costs, and potential disruption to statutory recycling and waste collection services. Given the long lead times for specialist vehicles, a delay in approval would have a direct impact on the earliest achievable delivery dates.
- 8.2 If the decision is taken, the main risks relate to procurement delivery, supplier performance, manufacturer lead times, inflationary pressure and ensuring that the specification remains appropriate for service needs. These risks will be managed through use of established procurement frameworks, technical evaluation, budget monitoring, supplier engagement, and ongoing contract management. The proposal also mitigates LGR risk because the vehicles are standard operational assets which can continue to support service delivery

and can be allocated, retained, integrated or redeployed by future successor authorities.

8.3 The risk section should also include the risks for all the options considered.

Activity/ plant/ materials etc	List significant hazards	People at risk	Assessment of Risk			Existing controls e.g. Safety procedures	What further action Is required to control/mitigate the risk?
			*Impact 1-4	*Likelihood 1-4	Risk Score		
Aging refuse and recycling fleet	Vehicle breakdown, Service disruption	Residents, Staff	4	3	12	Planned replacement programme, maintenance regime	Progress procurement and vehicle replacement programme
Procurement process via frameworks	Supplier underperformance or unsuitable specification	Council, residents	3	2	6	Use of approved frameworks, defined specifications	Robust evaluation, contract management and monitoring
Manufacturing and delivery delays	Late delivery of vehicles leading to extended use of old fleet	Residents, operational teams	4	3	12	Procurement through frameworks	Early order placement, monitor supplier timelines
Cost increases / inflation	Budget overspend	Council finances	3	3	9	Approved capital budget, competitive framework pricing	On-going cost control, timely orders to reduce inflation impact
Governance / decision delays	Missed production slots	Council, residents	4	2	8	Cabinet approval route, clear governance	Delegated authority to enable timely decision-making

*Impact – Major = 4 Serious = 3 Significant = 2 Minor = 1

*Likelihood – Very Likely = 4 Likely = 3 Unlikely = 2 Remote = 1

9. Equality Implications (Public Sector Equality Duty)

9.1 N/A

10. HR and Workforce Implications

10.1 Set out any HR or Workforce implications. N/A

11. Community Safety Implications (Crime and Disorder)

11.1 Please confirm if there are any Community Safety Implications. N/A

12. Climate Change Implications

12.1 This procurement relates to like for like internal combustion engine fleet replacement. We don't currently have the infrastructure or network capacity to allow further charging at the depot. This is not possible without significant investment. As a result of the Depot project not being progressed, this investment is not currently planned.

The technology is also not mature enough to allow EV fleet coverage outside of the West end growth zone. We do have a separate capital bid in the programme for a refurbishment of an existing RCV to retrofit with an EV drive train.

13. Health & Safety and Health & Wellbeing Implications

13.1 Please confirm if there are any Health & Safety implications. N/A

13.2 Please confirm if there are any Health & Wellbeing Implications. N/A

14. Procurement and Social Value implications

14.1 N/A

Further guidance is provided at the end of the report.

15. Land and Buildings (non-housing)/Asset Management Implications

15.1 If there are any implications please check with Place, Asset & Commercialisation Team for advice and comments. N/A

16. Overview and Scrutiny Committees Comments/Recommendations

16.1 Demonstrate how scrutiny has contributed to inform the outcomes in the report. Comments from Scrutiny Committee, Overview Committee and Housing Review Board.

17. Digital and Data

17.1 Please set out any digital and data implications. N/A

18. Consultation and Engagement

18.1 Please set out any consultation/engagement carried out as part of the process. N/A

19. Communications

19.1 Please set out any PR/Comms implications likely to arise from the recommendations in the report. N/A

20. Next Steps

- 20.1 Following Cabinet approval, the procurement process will be progressed through established frameworks in accordance with the Council's Contract Procedure Rules. Evaluation of supplier submissions will be completed to confirm the preferred supplier(s).
- 20.2 Delegated authority will then be exercised by the Assistant Director of Streetscene, in consultation with the Portfolio Holder for Environment Operations and the Portfolio Holder for Finance, to formally award the contract(s).
- 20.3 Subject to contract award, orders will be placed to secure manufacturing slots and delivery timescales, with ongoing contract management arrangements put in place to monitor performance, delivery, and budget compliance.
- 20.4 The procurement and award process will include confirmation that the final specification remains appropriate for the existing East Devon recycling and waste operating model and for EdenServ's day-one operational requirements. Asset records, procurement documentation and delivery schedules will be maintained so that the fleet position is clear for any future LGR transition planning. This will support future successor authorities by providing a transparent record of asset age, specification, cost and operational allocation.

21. Appendices

21.1 N/A

22. Background Papers

22.1 N/A

Proposed Report Sign Off process

Please make sure you have obtained the relevant sign off and the date completed before submitting your report to Democratic Services.

	Officer Name	Date requested	Date Completed
Legal & Governance	Monitoring Officer or Deputy Monitoring Officer	09/06/2026	10/06/2026
Finance	Section 151 Officer or Deputy S151 Officer	09/06/2026	10/06/2026
Communications	communications@eastdevon.gov.uk		If applicable
Digital and Data	digital@eastdevon.gov.uk		If applicable
Engagement	engagement@eastdevon.gov.uk		If applicable
HR	HR Lead		If applicable

Chief Executive	Chief Executive		If applicable
Director	Relevant Director		Required
Assistant Director(s)	Relevant Assistant Director(s)	10/06/2026	10/06/2026
Cabinet Lead Member(s)	Relevant Lead Member (s)		Required
Executive Leadership Team	ELT	16/06/2026	Required
Strategic Leadership Team	SLT		If applicable