

Report to the Cabinet

Meeting to be held on Thursday, 7 March 2019

Report of the Head of Service - Public and Integrated Transport

Part I

Electoral Division affected:
(All Divisions);

Community Asset Transfer of Lancashire County Council Minibuses

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Executive Summary

Public Health is reducing the service's requirement for minibuses from the current twelve to two. The service had previously made these available to charitable organisations for use in connection with their activities and this will no longer be possible following the reduction in vehicle numbers. A request has been received to gift these vehicles to the previous charitable users.

Recommendation

Cabinet is asked to:

- (i) Approve the gift of surplus minibuses to those charitable organisations that have previously made use of them, as a one off exercise.
- (ii) To authorise the Executive Director for Growth, Environment and Transport, in consultation with the Leader of the County Council, to approve which charities the minibuses are allocated to, following the exercise to evaluate and prioritise the requests.

Background and Advice

Following operational changes, Public Health's current fleet of twelve minibuses will be reduced to two. This is expected to be completed by April 2019.

As is standard practice, the authority will evaluate the condition and age of each of the minibuses with a view to retaining the two in best condition for Adult Services. The requirements of other services will also be considered such that any minibuses that may be older or in worse condition than the ten surplus will be cascaded. The Authority will also consider if any service has a requirement for any additional minibuses that may make use of those surplus to the requirements of Adult Services.

The County Council outdoor activity centres have indicated to Public Health that they would like to take on four or five minibuses from the Wellbeing stock. The vehicles have an expected disposal value to the Authority of between £2,500 and £5,000 each. Given the operational appropriateness to retain the best vehicles for the Authority, the ones finally disposed of may be nearer the lower end of the expected range.

Public Health has previously made available their minibuses for use by a number of charitable organisations, but will no longer be able to offer this facility following reduction of their fleet.

Representation has been received from one of the charitable organisations in relation to the potential loss of the facility to use the Public Health vehicles and the Authority has been asked to consider gifting the vehicles to the previous charitable users. A question has also been raised as to whether a legacy payment would accompany each vehicle but the Authority would not make any legacy payments to the eventual beneficiaries; once gifted, all costs and liability for the vehicles will sit with the recipient.

Following the reallocation of minibuses to other services, up to six may be available for disposal. These are all 16 seat minibuses but the ages of the vehicles range from 11 to 13 years old and mileages from around 40,000 to 80,000 which means there will be variation in both monetary and remaining useful life between the vehicles.

Twenty two charitable organisations made use of the minibuses during 2018. As requests for a gifted vehicle may exceed the number available for disposal, these organisations will be contacted to determine which may be interested in receiving a surplus minibus. A mechanism will be required to determine a priority order for gifted minibuses to these organisations and how the vehicles would be allocated.

Consultations

A consultation will not be required but an application process will be put in place for interested groups to declare their interest.

Implications:

There would be a loss of income to the Authority from the disposal of the vehicles via a commercial auction. The authority would also need to determine how to allocate the minibuses should the number of requests exceed the number available for disposal.

Risk management

A form of agreement would need to be entered into with any organisation to whom the minibuses are gifted to ensure there is no liability on the Authority for any subsequent repair and maintenance of the minibuses. The organisation in receipt of the vehicle would need to ensure that it understands the potential costs.

Legal

To avoid criticism and potential challenges consideration should be given as to how equal opportunity be granted to groups which might be interested in taking ownership of a vehicle(s).

Vehicles will be gifted as seen and a form of agreement would be needed with all organisations to whom a vehicle is gifted to ensure there is no liability for any future maintenance or costs to the Authority.

Financial

Normal practice would be to sell the vehicles and any income received would go into the Fleet Services revenue budget. Should this report be approved the estimated income that the council would forego from the sale of these vehicles would be approximately c£20,000 which will be managed within the fleet management budget.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A