

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

5th July 2022

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REPORT TITLE: Clean Me – Case for Domiciliary Care Agencies to use electric vehicles

REPORT FOR: Decision

1. Purpose

1.1 The Minister for Finance and Local Government has outlined in a letter to Council Leaders (15 March 2022), the availability of £400,000 “unhypothecated” [sic] funding to Powys County Council, which is intended to enable local authorities to increase their domiciliary support service capacity through funding driving lessons and providing access to electric vehicles for domiciliary care workers. It is expected that this would largely be through the purchase of electric fleet vehicles for use by staff in the local authority and commissioned services, see appendix 1 and link to the Welsh Government’s press release below.

[£10 million funding boost for domiciliary care in Wales | GOV.WALES](#)

1.2 The purpose of this report is to seek approval to use this unhypothecated funding as described appendix 2 and discussed below in 2.1., which has been transferred into a specific reserve at 31st March 2022.

1.3 It is also worth noting that the current lead in time for electric vehicles is estimated to be 18 months. Therefore, this funding will need to be utilised over two financial years - 2022/23 and 2023/24.

1.4 The intention is for the electric vehicles to be given to external providers who express interest in the scheme on the basis that existing contractual financial commitment will reduce, thus allowing ongoing funding to be reinvested to purchase new electric vehicles in the future, rather than

reverting to petrol or diesel vehicles. The Council's existing in-house domiciliary care service depreciation budget for two vehicles will also be diverted into this replacement reserve. The purchase and replacement of the electric vehicles will be managed by the Council's corporate Fleet Transport section. The newly established working group will develop the detail around this proposal.

2. Background

2.1 The following extracts are taken from the 'Suggested Grant Opportunity' section of the report in appendix 2. All costs and numbers are approximate, and a fully costed proposal will be developed by the working group in due course.

2.2 The Welsh Government's £400,000 to Powys County Council provides a unique opportunity for the Authority to deliver upon its strategic promise to "provide opportunities for the electrification of transport" by providing domiciliary care provider agencies access to electric vehicles:

- Powys County Council purchase 10 electric vehicles for private agency care staff usage. There are currently 15 private agencies working in Powys, three of these agencies deliver in excess of 1000 hours per week of care and support, with a further three agencies delivering around 650 hours per week. It is envisaged that car(s) will be allocated according to market share, if the provider wishes to explore this option. Small internal combustion engine vehicle purchase of the type often obtained by care agencies cost approximately £17,000. The cheapest small electric vehicles range from £20,000 to £30,000 (after including the £2,500 UK Government's plug-in car grant). **Total cost = £250,000.**
- Purchase electric vehicles for in-house care staff usage. Offering £50,000 to the in-house domiciliary care service towards the purchase of 2 electric vehicles would enable their procurement and use. This will be a replacement for two current in-house vehicles, so that running costs and replacement schedule will be cost neutral. **Total cost = £50,000.**

- Servicing costs for 10 cars over 5 years. **Total cost £30,000** (£600 per vehicle although this is dependent on make and model). Whether funding will be used to pay for servicing costs will be ascertained by the working group.
- Support installation of charge points. Installing charge points costs approximately £750. Offering £500 towards the installation of charge points at Care Agencies' premises would support greater uptake and usage of electric vehicles. It is suggested that the Council could offer grant funding for 50 charge points for domiciliary care agencies. The provider would own and be responsible for the charging unit. **Total cost = £25,000.**
- Purchase e-bikes for use in towns, offering up to £1000 grant to purchase a minimum of 15 e-bikes, which will be offered to each agency. Adequate insurance will need to be purchased by the provider if external or the Local Authority if in-house. **Total cost = £15,000.**
- Offer a grant of £1000 towards driving lessons to care staff both for the in-house domiciliary care service and for external providers would enable more flexibility and effective working routes and patterns. Driving lessons cost approximately £50 per hour, with the average number of hours needed to pass a driving test being 35. To offer 20 lessons to 20 learner drivers would cost. **Total cost = £20,000.**

2.3 The funding would come with Terms and Conditions that the private agencies and in-house care staff would need to sign up to. For example, electric vehicles would remain the property of the council and be written off over five years or longer depending on the make and model. If a private agency stopped providing care through a commissioned service within the agreed period, all vehicles would be returned. 10 driving lessons would be paid in advance and up to a further 10 lessons paid on passing a driving test and probationary period with the domiciliary care provider. Adequate insurance and electricity charges would be paid for by the domiciliary care provider agency.

2.4 The total cost of the elements discussed above is £390,000. The final **£10,000** would fund the administration of the grant funding within the Social Services Commissioning Team. **Total = £400,000.**

2.5 Powys County Council's climate strategy "A strategy for Climate change - Net positive Powys 2021-2030" commits to "*provide opportunities for the electrification of transport*" [pp.13]. Encouraging use of electric fleet vehicles is part of the Council's wider ambitions around reducing direct and indirect carbon emissions to net zero.

2.6 Opportunities will be explored to link with the Mobility and Transport workstream of the Climate Action Strategy to deliver a co-ordinated approach.

2.7 Electric vehicles support significantly reduced emissions (compared to internal combustion engine vehicles) over their lifecycle when accounting for production, use, and recycling. They are three to five times more efficient and eliminate particulate pollution, so improving air quality. For organisations that wish to be recognised for reducing overall energy consumption, this will be an important consideration and will positively impact upon the environment and meet current and expected future regulations relating to carbon emissions and reporting.

2.8 Electric cars are more sustainable than petrol and diesel internal combustion engine vehicles, generating around half the emissions.

2.9 Polluted air has been shown to cause or worsen a range of lung and heart conditions including asthma, chronic bronchitis, chronic heart disease (CHD), and stroke. In 2018, a committee of health experts brought together by the Government estimated that at least 28,000 people die prematurely in the UK every year because of poor air quality.

2.10 Electric vehicles reduce noise pollution also. Electric vehicles moving at low speeds are noticeably quieter than those powered by internal combustion engines. For those living close to busy roads the change could

be significant with research suggesting that noise levels reduced by 3dB can also lower reports of public annoyance by 30%.

2.11 Please see the report in appendix 2 for further information.

3. Advice

3.1 A working group have been established which includes representation from Corporate Fleet and Transport, Finance and Adult Social Care Commissioning

3.2 The working group will develop the 'Suggested Grant Opportunity' section of the report in appendix 2 and as discussed in section 2, to produce a final set of recommendations. This will include:

- The feasibility of domiciliary care providers agreeing to reduce their existing contractual financial commitment.
- Whether this funding should be used to pay for servicing costs.
- The feasibility of members of the public using charging points.

3.3 The intention is for the electric vehicles to be given to external providers who express interest in the scheme on the basis that existing contractual financial commitment will reduce.

3.4 Governance and sign off of the final set of recommendations, or any subsequent changes, will be via the Head of Service for Highways, Transport and Recycling and Head of Commissioning & Partnerships (Social Services).

4. Resource Implications

4.1 As discussed under 2.4, £10,000 of the funding would be used for the administration of the project within the Social Services Commissioning Team.

4.2 As with all vehicle purchases to ensure best value for money a Lease v Buy comparison will be carried out and most appropriate option used to fund these vehicles.

4.3 The additional funding provided by Welsh Government was unhypothecated but came with the intention that it would be utilised in this way. The funding was received at the end of the last financial year, and has been set aside in a specific reserve to support this project. The reserve can be drawn down over the 2 financial years as the costs are incurred. If any costs exceed the estimates set out in this report, spend on the project will need to be realigned to the funding available. Replacement costs are catered for in the proposal with a revenue transfer to the vehicle replacement reserve, this will need to be reviewed to ensure that contributions cover the future costs of replacing the vehicles.

4.4 The Head of Finance (Section 151 Officer) notes the content of the report and that the proposals are fully funded. A further assessment will be needed to establish if the actual cost reductions in the existing contractual arrangement are sufficient to meet the future replacement costs of the vehicles. The options appraisal prior to procuring the vehicles will provide assurance on value for money.

5. Legal implications

5.1 Legal: the recommendations can be accepted from a legal point of view

5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Data Protection

6.1 The proposal does not involve the processing of personal data.

7. Comment from local member(s)

The scheme will run across the county and therefore will not impact on any specific local members.

8. Impact Assessment

8.1 All impacts are considered to be very positive and an Impact Assessment is not required.

9. Recommendation

9.1 For Cabinet to approve the proposed spend and governance arrangements of the unhypothecated Welsh Government funding for the purposes identified in this report.

9.2 That a virement is approved to draw down the £400,000 funding from the specific reserve.

9.3 That a report is brought back to Cabinet to review the outcome of the project and if it has achieved the intended outcomes.

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