

## **Environmental Services Business Case 2009**

### **Vehicle Workshop MOT Facilities at**

#### **Windsor Bridge**

Because of the potential relocation of the workshops from Windsor Bridge we have delayed looking into this. Now in the absence of any firm plans and because we have equipment that is wearing out and needs replacing we have to act. The provision of MOT facilities is an innovative way to solve this problem and at the same time improve service efficiency.

90% of the equipment required for the MOT facilities is the same as the equipment we need to replace which is now worn out or obsolete. All of the equipment required to be purchased can be transferred to another site at low cost as and when we are relocated.

It seems appropriate to look into the possibility of having MOT class IV (Cars/Light vans), VII (Vans/Tippers 3000 – 3500Kg) and Restricted Class V (16 seat Minibuses up to 4.5tonne) facilities installed into the workshops.

#### **MOT facilities**

Currently there are no MOT facilities at Windsor Bridge this means that all of the Authorities vehicles have to be sent to either a local garage in Bath for Class IV or Class VII test and all of the Class V vehicles taken to Bristol.

MOT fees currently cost (As at 24 December 09) Class IVs (cars and small vans) £54.00, Class V (Minibuses 13 – 16 Passenger seats) £58.65, Class VII (Goods Vehicles 3000 - 3500Kg) £57.70

The fleet currently has 61 Class IV vehicles, 22 Class VII vehicles and 12 restricted Class V vehicles that currently require annual MOT Tests, the numbers of the class IV vehicles will increase as the vehicles get older then decrease as vehicles are replaced but the average will remain at 61. This means **£5267** is currently being paid out to an external supplier

The workshop also maintains a further 20 minibuses for schools and local charities 13 of which are Class IV and the remainder being Class V. This would give an additional income of **£1112**

The workshops on behalf on the Authorities Licensing Office, currently carries approximately 160 Hackney Carriage & Private Hire Vehicle Licence Inspections. (Not MOTs)

For every Class IV or VII test two fitters have to be used to deliver the vehicle for test then to go back later to collect it. This results in a minimum of one hour's fitters time lost. The vehicles taken to Class V test in Bristol means a fitters time is lost for at least three hours.

The reality is that if we had the MOT facilities while the fitter would still be involved with the vehicle whilst undergoing its MOT we would still save a genuine 132 man hours that is currently lost in travelling time. This time alone would allow the workshop to carry out the MOT tests on the 160 Hackney Carriage and Private Hire vehicles that currently use our facilities this would give an additional income of **£8640** on Class IV MOT tests

If there were MOT facilities at Windsor Bridge it would have to be opened to the general Public on a strict Booking system. From previous enquiries this would be very welcome as it is felt that Local Authority MOT departments give a fairer service, they do not carry out repairs on vehicles tested, therefore they do not try to fail vehicles to earn extra income. 50 Class IV MOT/yr (Cars) this would give an additional income of **£2,700**

The equipment being proposed will include both Heavy Goods Vehicle and Public Service Vehicle (VOSA approved) brake tester and headlight beam setter. These facilities could be advertised with the potential income of £8 per axle brake tested and £6 for a headlight beam test. Potential additional income could be **£800** plus.

The expenditure currently leaving the Authority is **£5267** and the additional income of **£1112 + £8640 + £2700 + £800** equates to £18519.  
The cost of capital borrowing assuming a cost of £60, 000 over fifteen years is £5,600/annum

If MOT Facilities were incorporated into the Windsor Bridge Transport Centre apart from the monies staying within the authority, vehicles would not have to be taken to and from external test stations which in turn will reduce both fuel consumption and our carbon footprint. There would also be the added benefits of less vehicle down time = a more efficient servicing and greater flexibility to our customers needs.

### **Endorsements:**

Martin Lewis the well known "Money Saving Expert" has advised the general public that when their car is due for its MOT that if at all possible they should have it done by their local authority.

This recommendation is made as local authorities do not carry out repairs and therefore have no incentives to fail vehicles in order to gain additional work. (News of the World article 18/10/09 attached)

### **VOSA (Vehicle & Operator Services Agency) Approval**

VOSA have been approached regarding Windsor Bridge being granted MOT facilities for class IV, VII & Restricted Class V (Minibuses up to 4.5tonne) and

they have told us that once we send it the full application they see no reason for us not being given permission

The current planning permission on the Windsor Bridge site has currently expired however Property Services are already looking into its renewal including the permission to have MOTs. Property Services have already indicated that the required planning permissions should not cause any concerns.

An application is being made to VOSA including full plan drawings of the proposed site and operation details the Authority would like to adopt. VOSA would then make a site visit to assess for themselves as to whether or not permission would be granted to open a MOT facility and to what classes would be acceptable. Once the letter of approval in principle has been granted it will be valid for 6 months

### **Capital costs:**

#### **£60,000**

Facilities obtained through capital purchasing over a Fifteen year period.  
£60.000 = £5600 per annum as at 18/01/2010

### **1 off costs**

Training of workshop personnel to MOT Testers  
Training £1000  
Ground works £3950

### **Expenditure**

Six monthly testing & calibration of equipment brake tester & beam setter and annual load testing of ramps £2,750.  
Annual stationary cost of MOT equipment £750.  
Annual Capital repayment £5,600

### **Revenue**

Current fleet MOTs	£5267
External Charities	£1112
MOT s on Taxis etc	£8640
General Public	£2700
Brake & Head lamp tests	£800
Sub Total	£18519
Annual expenditure	£9100
Total	£9419

<b>Capital Borrowing over 15 years</b>	<b>Asset Value</b>	<b>Annual Rental</b>	<b>Residual Value</b>	
MOT Class 4, 5 & 7 Bay including Brake tester	£60,000		10%	I
Total Asset value	£60,000	£5,600		Prices obtained from Steve Brain 18/01/2010

### **Equipment to be Purchased**

Commercial Vehicle brake tester VOSA approved c/w printer (replacement of existing tester)

5 Tonne four post lift (replacement of obsolete 3tonne lift)

2.8 tonne manual rolling jack (replacement of old rolling jack)

MOT radius plates (replacement of old radius plates)

Headlamp Beam Setter VOSA approved (replacement of obsolete beam setter)

Combined DIX Emission tester (replacement of obsolete diesel & petrol emissions testers)

4 Post Mobile column lift (replacement for 40 year old 4 post mobile column lift)

VOSA linked computer and printer

The thought behind the equipment to be purchased is that it will be all of one make which will standardise all of the large repair equipment which should in turn reduce the annual testing and servicing costs over the coming years.

### **Summary**

To summarize we are asking to borrow from Capital £60,000 over a fifteen year period with an annual repayment of £5,600.

In doing this we would be able to replace our existing ageing and mainly circumstances obsolete equipment.

The workshops will have the ability to move forward improving both the service and efficiency we currently give to our customers, it will allow us to complete one of our business plans actions of improved workshop performance, and also the ability to bring some income into the Authority.

We will pay for this by utilising monies we will no longer have to pay out to external agencies and the income we will create by carrying out additional work in the man hours we have saved