

OFFICER DECISION RECORD (ODR2)

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ENTERING TO NEW LEASING ARRANGMENTS TO FINANCE NEW VEHICLES

Date of Decision	20/06/25
Decision Taker (including Job Title)	Ralph Kemp - Head of Environmental Services In consultation with Ashley Hughes, Executive Director of Resources and s151 Officer
Specific Delegation	<p>This record relates to an officer decision taken under:</p> <ul style="list-style-type: none">• The Constitution dated December 2024 which delegates at Chapter 2 part 5 paragraph 53 authority to the Executive Director of Place to take any decisions in relation to Environment and Neighbourhood Services and Green Space management in accordance with the Constitution.• The local scheme of delegation dated 2 December 2024 authorised the Executive Director of Place who in turn delegated authority to the Interim Director of Planning and Environment to make any decisions in relation to the area of responsibility for Environmental Services who in turn delegated on 3 January 2023 to the Head of Environmental Services responsibility for Green Space management, Waste Management and Bereavement Services. <p>In addition, under the Financial Procedure Rules at Chapter 3 part 4 paragraph 3.24 in that approval is needed from the Chief Finance Officer for lease arrangements.</p>
Brief Description of Decision	<p>To enter into leases to finance the purchase of vehicles procured by Ansa Environmental Services. The contracts for the purchase of the vehicles have now been novated to the Council and the vehicles are expected to be delivered in July.</p>

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Reasons for the Decision and alternatives considered

As part of the transitional arrangements between the Council and former Ansa Environmental Services, the Council is required to honour the procurement for these vehicles undertaken in accordance with Ansa's Procurement Rules and Scheme of Delegation and under the authority of Ansa's Managing Director.

The vehicles are expected to be delivered in July 2025 and were compliantly procured within existing budgets that have transferred to the Council.

Vehicle Purchase Costs:

Vehicle	Unit Cost (Each)	Total Cost
██████████	██████████	██████████
██████████	██████████	██████████

Estimated 7-year Finance costs based on quarterly rentals:

Vehicle	Rentals PA	Total Rentals (Total to be Repaid)	Cost of Borrowing
██████	██████████	██████████	██████████
██████	██████████	██████████	██████████

The lease agreements are fully amortising. This means that, subject to transaction fees, the Council can own the vehicles outright at the end of the lease period.

The lease arrangements enable the Council to fund the purchase of these high value assets through its existing revenue budgets. If the Council is unable to finance the vehicle purchases then this could lead to a breach of contract with the vehicle manufacturers. This

	would have service continuity, cost and reputational implications.
Member consultation and interests declared	N/A
Significant Decision	<p>YES</p> <p>The report contains a 'significant decision' as it requires approval to enter into lease agreements valued at approximately [REDACTED]</p>
Legal Implications	<p>Following the reorganisation of Ansa Environmental Services Ltd (Ansa) on 1 April 2025, Ansa transferred their services and relevant contracts to Cheshire East Council (CEC) to ensure service continuity.</p> <p>Governance</p> <p>The decision maker, in consultation with S151 officer, has the necessary authority to make the decision by way of a local scheme of delegation. The delegation is provided by way of Chapter 2 – Part 5 paragraph 53 of the Council's constitution and latterly by way of a local scheme of financial delegation (dated January 2023) to the Head of Service for Environmental Services.</p> <p>Contractual</p> <p>As the matter is deemed a significant decision based upon the value of the lease(s), in accordance with Chapter 3, Part 5, Section 1 the agreement(s) must be executed under seal.</p> <p>The contract was procured via a competitive process using a compliant framework. The contract was awarded to the most economically advantageous tenderer. The procurement is a compliant route for the contract award in terms of statutory regulation and accords with the Council's constitution. The financial arrangement involving the lease follows the award of the contract.</p> <p>Public interest test</p>

	<p>Due to the content of this ODR which specifies the financial arrangement of the lease(s), the public interest test has been applied. The interests of the Council outweigh the public's interest in having the information published. It is therefore necessary to redact this version of the ODR to remove the exempt information.</p> <p>Nick Wrigley – Senior lawyer (Contracts and Procurement Team) 09/06/2025</p>
Financial Implications	The costs are in line with the Fleet replacement programme, a growth budget of £86k was included within the MTFS 25/26 to ensure the budget envelope was sufficient to cover the financing costs over the life of the assets. Helen Green 30.4.25
Confidential/Exempt Information	No
Background Papers	N/A

Signed 

Ralph Kemp, Head of Environmental Services

Dated20/06/2025.....

In consultation with

Signed

Ashley Hughes, Executive Director of Resources and s151 Officer

Dated 11th July 2025

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