Fleet Management Strategy

1. Introduction

1.1. This strategy provides a framework for the procurement and management of vehicles (and similar equipment) required by the Council to deliver services on a daily basis. Operation and maintenance of the fleet costs approximately £1.3 million pounds and it is a critical corporate asset. Vehicles must be fit for purpose, offer good value for money and need to be managed effectively to protect the health and safety of both staff and the wider community. The Council is committed to reducing carbon emissions from its operations and the impact from the vehicle fleet is an important factor in future procurement choices. Each year the fleet travels approximately 1.4 million miles on business.

1.2. The following sections are covered in detail:

- Vehicle Procurement
- Vehicle Livery
- Economic Life by Type
- Fuel Type and Provision
- Vehicle Maintenance and driver competence
- Record Keeping
- Vehicle Disposal
- Driver Training
- Accident Monitoring
- Service user involvement and satisfaction

2. Vehicle procurement

2.1. The Council has published a Corporate Procurement Strategy (2007-2009) which provides a framework for the Council to obtain best value in all its procurement activities. The Strategy incorporates Contract Procedure Rules and a Code of Practice which provides more detailed guidance and support for all officers of the Council who procure goods, services and works.

2.2. The number of vehicles in the Council's current fleet, including ownership is shown in Appendix 1.

2.3. Of the total fleet, 117 vehicles are owned by the Council, and 26 vehicles are leased from the private sector under various lease arrangements. In addition a number of vehicles are spot hired on a regular basis to cover operational necessities.

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2.4. It is not generally permissible under procurement legislation to specify a particular make of vehicle and whilst standardisation offers potential advantages in relation to training of fitters and simplification of stores, it is not always practical to do if the Council wishes to acquire the best value vehicles at any one time.

2.5. Outright purchase is normally the most economic way of procuring vehicles, and unless there are overwhelming reasons to vary this, outright purchase will be the normal method of acquisition. Financial provision is made available for vehicle purchase through the Capital Programme and the HRA Capital Programme.

2.6. The Council's expenditure pattern for replacement of the fleet is detailed in Appendix 2. This expenditure model is based on the economic lifespan of the existing vehicles taking into account known service demands. A summary of the economic lifespan of various types of vehicles are set out in section 4.

2.7. The options for procurement will be reviewed on a regular basis in conjunction with the S151 Officer to ensure that the most appropriate and cost effective means are used to finance future acquisitions. It may be possible to lever in external funding from national and regional sources for purchase of vehicles utilising emerging, low carbon technologies. These opportunities will be fully explored when they arise.

3. Vehicle Livery

3.1. Many organisations recognise the importance of corporate image and reflect this throughout their daily business, including vehicle livery.

3.2. The Council currently operates vehicles in a range of vehicle colours however, in the interests brand recognition, the colour of future vehicles will be more limited. The Council crest is a key feature on most vehicles however pool cars have previously remained anonymous. It is accepted that a number of pool cars should remain this way due to operational requirements however the remainder of the fleet will, when they are replaced, display appropriate signage. Indeed it is essential, from an emergency planning perspective, that as many vehicles as possible are clearly identified as being owned and operated by South Kesteven District Council.

3.3. The colour of the fleet will be :

- Brunswick Green (recycling and waste)
- White (tenancy services and miscellaneous vehicles)
- Black, silver, (pool cars)

3.4. Maximum use will also be made of the opportunity to communicate key messages to the community via vehicles as they travel around the district through the use of flexible signage systems where possible. The size, style and content of signage will be developed in conjunction with the Communications team.

4. Economic Life and Fuel type

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4.1. The current make-up of the fleet by vehicle type is show at Appendix 3. In the past pool cars have been replaced every 3 years and vans generally at 5 years. Large refuse vehicles are planned to be replaced at about 7 years. The cost effectiveness of this approach has been reviewed and revised as detailed below:

Type of Vehicle	Allocated Life (Years)
Cars	5
Car-Derived Vans	5
Panel Vans	5
Vehicles 3.5 -7.5 tonne	5
Vehicles over 7.5 tonne	7 to 10
Refuse Collection Compaction Vehicles	7 to 10
Mechanical Sweepers	7 to 8
Mechanical Loading Shovels	10
Tractors	15
Misc. Plant	15

4.2. Council vehicles currently run on petrol or diesel although the petrol cars are being replaced as part of an upgrade program. The vehicle fleet has been assessed as emitting 2,046 tonnes of carbon on average each year. The Council has set itself a carbon reduction target of 20% by 2013 based on a baseline collated throughout 2008/09, which forms part of the Authorities Carbon Action Plan. At this point in time it is estimated that 24% of the Council's total emissions are from transport and 79% of those are from lorries and heavy vehicles.

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4.3. Over the longer term it is likely that hydrogen based fuels will become available and there are increasing numbers of small hybrid (electric/petrol vehicles) available now, albeit at a higher comparative cost. This relative cost position is likely to change over the medium term as the Government have recently announced significant levels of investment in "green " technologies to encourage the mass production of low-carbon vans and cars.

4.4. Major manufacturers are now showcasing a wide range of commercial hybrid vehicles which are likely to be available from 2009, although it is too early in their development to consider their use in the short term for wholesale replacement of the fleet. Hybrid technology is becoming more firmly embedded in the car market and it is likely that more cost effective options will become available from 2009.

4.5. Modern diesel-engine vehicles are very efficient, generally clean (with lower emissions than petrol engines[1]) and are capable of running on more eco-friendly bio-fuels, which will become increasingly available over time and may in the future offer tax advantages with reduced fuel duties. They are generally more economical than their equivalent petrol-engine alternative, particularly over long distances.

4.6. It is intended to standardised the fleet as far as possible on diesel over the short term whilst keeping hybrid development under review particularly for heavier vehicles which currently operate at very low levels of fuel efficiency. If opportunities arise to pilot such technology at reasonable comparable cost these will be explored and decisions made on a case by case basis.

4.7. Pool cars will be selected based on whole of life costs taking into account fuel efficiency and carbon dioxide emission levels. Sufficient choice now exists to enable a CO2 upper limit to be imposed for cars (120 g/km) and small vans (120g/km). Use of this type of vehicle together with advice on environmentally friendly driving techniques should reduce carbon emissions from the fleet by at least the 20% target by 2013.

4.8. At present fuel is obtained via an Agency card arrangement with 3 local garages (one in Grantham, one in Stamford and one in Colsterworth) from domestic car pumps. Access to the pumps in Grantham is difficult for larger vehicles, and presents a risk of collision, and obtaining fuel can be a lengthy process.

4.9. There is a diesel tank at the Alexandra Rd depot and significant savings could be achieved through bulk buying if this were re-commissioned. Modern self-serve systems eliminate the need for providing labour to fuel vehicles and offer a high level of security, and the implications of bringing fuel issues back in-house. Recently there have been dramatic fluctuations in fuel prices which have made analysis of the business case on fuel purchase options more complex. The advantages for bringing fuel provision back in–house will be kept under review.

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5. Vehicle Disposal

5.1. Vehicles will be disposed of via part-exchange or auction whichever offers the likelihood of best return when taking into account trade pricing guides.

6. Driver training

6.1. There is currently a formal driver training system in that new starters have to go through an induction process. As part of this, new drivers are shown all different types of vehicle and how they are operated and a record is made of the information passed on. A programme of driver training is in place which covers key areas of training and re-training needs such as manual handling, general safety practices, and specific vehicle and operational training.

7. Accident Monitoring

7.1. A system of accident/incident reporting exists for all vehicles. On reporting an accident the supervisors/line manager log the details and start the paperwork. Once the paper is complete all documentation is scanned and emailed to the Council's Insurance Officer and from January 2009 the Council's Health and Safety Advisor. A copy is also placed on the server in the Transport folder where it is kept for 10 years.

7.2. All HGV drivers involved in a accident will, from 1 February 2009, be taken out by one of the Council's driving assessor and corrective training instructors.

7.3. Such monitoring is used to enable the identification of "problem" drivers to assist in assessing training or re-training needs and to identify specific types of accident to assist in their elimination via vehicle or method changes.

8. Service Standards

8.1. When work is carried out by the private sector, there is normally some form of contract in place, sometimes an informal contract or contract conditions that the service user inadvertently accepts in using the service, which defines the parameters of the work being carried out, together with a number of other "conditions".

8.2. There is no such arrangement when work is carried out in-house, although potential problems and conflicts can be minimised if there is a clearly defined set of rules between the service user and service provider. A set of service delivery standards will be developed to enable service users to understand:

- The nature of the service to be provided
- The actual tasks/responsibilities of each party

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- Frequencies, quantities and standards of performance
- The agreed charges or unit rates
- Information that will be provided to each client service
- Procedures for reviewing charges (inflation, etc.)

9. Vehicles maintenance and driver competence

9.1. The Vehicle & Operator Standards Authority (VOSA) issues general guidance about fleet maintenance, in respect of both individual driver's responsibilities, and operator's responsibilities. All service users must be aware of and discharge their responsibilities when using the Council's vehicle fleet.

9.2. The maintenance and servicing of refuse collection vehicles is currently carried out in-house by suitably qualified vehicle fitters. Vehicle maintenance for pool cars and vans will be carried out in-house for all vehicles once their warranty has expired

9.3. Staff competence will be measured by systematic checks on driving licences to check continuing qualification for driving and staff will be asked to report changes in their driving circumstances (such as convictions for criminal driving offences and loss of licence) immediately.

9.4. Servicing schedules are prepared in advance and scheduled Safety Inspections/Servicing is currently carried out on a 6-weekly cycle for refuse collection vehicles. Service records are placed on the Roadbase system.

9.5. There is an annual service/MOT test programmed into the schedules and records are kept for a minimum of 15 months. All records relating to vehicles are kept on the Council's Roadbase management system

10. Service user involvement and satisfaction

10.1. The fleet is provided to enable staff to deliver operational services on a day to day basis and make essential journeys. It is important that the vehicles selected are fit for purpose and that an effective maintenance service is provided. Vehicle users will be required to identify their operational needs prior to vehicles being procured on their behalf. Satisfaction levels with the service and support offered by the vehicle workshop will be assessed on a regular basis to ensure that user needs are being met as effectively as possible.

11. Monitoring and Review

11.1. The approach to vehicle provision and management set out in this strategy will be monitored to ensure that it remains cost effective and meets the operational needs of service users.

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11.2. A range of measures will be monitored annually by the Operations and Transport Manager and the overall strategy will be reviewed in 2012.

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APPENDIX 1

Fleet by Service User

Service	Total	Petrol	Diesel	Dual fuel
Healthy Environment				
Street Scene	**55**		**54**	**1**
Cultural Services	**2**	**1**	**1**	
Environmental Protection	**1**	**1**		
Sub – total	**57**			
Tenancy Services				
Repairs & Improvements	**44**		**43**	
Tenancy & Neighbourhood Services	**3**	**2**	**2**	
Supported Housing	**13**		**11**	
Sub - total	**54**			
Resources and Organizational Development	**21**	**10**	**11**	
Sub - total	**21**			
Sustainable Communities				
Economic Development & TCM	**2**		**2**	
Sub - total	**2**			
Partnerships & Organisational Improvement				
Partnerships & Safety	2	1	1	
Sub - total	**1**			
Total for Council	**143**			

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Appendix 2

PROPOSED VEHICLE REPLACEMENT SCHEDULE

	Pool Vehicles	Street Scene	Tenancy Services
08/09	9 (Citroen C1) x £6,500 = £58,500	2 (32 Ton RCV) x £150,000 = £300,000 1 (Van) x £6,300 = £6,300 1 (Land Rover 90) x £17,400 = £17,400	7 (C2 Enterprises) x £6,500 = £46,500
09/10	7 (Citroen C1) x £6,500 = £31,600 1 (Pick Up Tipper) x £15,000 = £15,000	None	7 (Pick Up Tipper) x £15,000 = £106,000 14 (Vans) x £12,500 = £190,000 3 (C2 Enterprises) x £6,500 = £19,500 8 (Citroen C1) x £6,500 = £46,400
10/11	5 (Citroen C1) x £6,500 = £32,500	Purchase Leased Fleet (161,000) See note(1) below 2 (7.5 Tonne Tipper) x £30,000 = £60,000 2 (3500 Pick Ups) x £20,000 = £40,000 1 (Replace RCV Body) X £80,000 = £80,000 3 (26 Ton TCV) x £140,000 = £420,000 1 (Compact Sweeper) x £80,000 = £80,000 2 (C2 Enterprises) x £7,000 = £14,000 2 (Land Rover 110) x £20,000 = £40,000	4 (Citroen C1) x £6,500 = £26,000
11/12	None	2 (7.5 Tonne Tipper) x £30,000 = £60,000 3 (26 Ton TCV) x £140,000 = £420,000 1 (Compact Sweeper) x £80,000 = £80,000 1 (Large Sweeper) x £100,000 = £100,000 2 (C2 Enterprises) x £7,000 = £14,000 3 (Nemo Vans) x £8,000 = £24,000	11 (Vans) x £12,500 = £137,500 1 (Pick Up Tipper) x £15,000 = £15,000 2 (Citroen C1) x £6,500 = £13,000
12/13	None	1 (7.5 Tonne Tipper) x £30,000 = £30,000 2 (small RCV) x £140,000 = £280,000 2 (26 Ton TCV) x £140,000 = £280,000 1 (Large Sweeper) x £100,000 = £100,000	6 (Vans) x £12,500 = £75,000

(1) The purchase of the leased fleet in 10/11 at a cost of £161,000 will allow the Council to maintain an operational fleet level of (18) RCV's, (5) 7.5 Tonne cage tippers, (2) Large Road Sweepers, (5) Small Sweepers, (7) Vans, (2) Land Rovers, (2) Toyota Hi-Lux's, (1) Crane Grabber a total of 42 vehicles at a greatly reduced purchase cost. We will purchase the fleet that consists of (11) Refuse Collection Freighters, (7) 7.5 Tonne Cage Tippers, (2) Large Road Sweepers, (2) Small Road Sweepers, (3) Vans and (2) Land Rovers a total of 27 vehicles. These vehicles are then scheduled to be replaced over the remaining time frame.

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Appendix 3

Breakdown of mileage by vehicle type 2007/8

Type of Vehicle	No. in Use	Average Annual Mileage	Approx. Annual Mileage Travelled
Refuse Collection Vehicles	22	15,414	339,111
Large Mechanical Sweepers	2	14,104	28,208
Compact Sweepers	2	2,113	4,226
Small Sweepers	4	Measured in Hours	Measured in Hours
Panel Vans	40	10,831	433,240
Pickups	9	8,926	80,334
7.5 tonne tippers	4	20,025	80,100
4 x 4	4	16,103	64,410
Utility Tipper	1	7,764	7,764
Car	35	9,590	335,650
Car-derived Vans	3	10,836	32,507
JCB	1	0	0
Leaf Collector	1	0	0
Tractor	1	0	0
Mobile Unit	1	0	0

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Fleet Management Strategy Action Plan

Improvement Target	Action Required	Resources & Source	Timescale	Lead Officer
Driving competency	Review service procedures for checking drivers licences and update where required	Staff time	May 2009	Transport Manager/HR Manager/ All service managers
Improve data quality and use as management control & performance information.	Vehicle availability statistics (Downtime) Labour, material and transport costs Costs of Hired Vehicles Overall Workshop costs (inc. overheads) Workshop Hourly rates Material/Stores costs Cost of Utilities Tool and Equipment costs Workshop sickness rates Data on MOT failures. User satisfaction	Finance and Roadbase	Data input from April 2009	Business Support Team Leader
Train Supervisors	Waste Management Law	External assistance from Training Budget	By September 2009	Transport & Operations Manager
Review Service costs to ensure VFM and compare	Development of Roadbase and workshop performance management systems. Benchmark with LA and private sector Monitor efficiency savings arising from vehicle fleet	Staff time	By September 2009 and every 2 years Annually	Transport & Operations Manager
Improve customer consultation	Design customer consultation process	In-house	By June 2009	Transport & Operations Manager/Foreman
Carbon management	Review carbon emissions for vehicle fleet and identify changes.	Roadbase staff time	Annually /quarterly	Transport & Operations Manager / Climate Change Co-ordinator

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