



Reviewing Fleet Transport – including vehicle maintenance

Chris Frake, BVC Associate

PRIMARY TRANSPORT MANAGEMENT FUNCTIONS



- COMPLIANCE WITH LEGAL REQUIREMENTS
- FLEET PROCUREMENT
- ESTABLISHING SERVICE LEVEL AGREEMENT WITH FLEET USER
- FLEET UTILIZATION MANAGEMENT
- FLEET COSTING / RECHARGING
- FLEET MAINTENANCE
- DRIVER / OPERATOR TRAINING AND MANAGEMENT
- EXTERNAL HIRE
- FUEL MANAGEMENT

APPORTIONMENT OF TRANSPORT COSTS ACROSS SERVICES



- HIGHWAYS MAINTENANCE - 20%-23%
- GROUNDS MAINTENANCE - 21%-23%
- REFUSE COLLECTION - 33%-37%
- STREET CLEANSING - 18%-22%
- BUILDING MAINTENANCE - 8%-10%

FLEET PROCURMENT TRENDS



- FINANCE LEASE
- OPERATING LEASE
- REVENUE FUNDING
- CONTRACT HIRE
- CAPITAL FUNDING
- EXTERNAL FUNDING

FLEET REPLACEMENT STRATEGY



- DO YOU HAVE ONE?
- IMPORTANT FLEET ITEMS REPLACED AT ECONOMIC LIFE EXPECTANCY

SERVICE LEVEL AGREEMENT KEY AREAS



VEHICLE MAINTENANCE

- SERVICE ARRANGEMENTS / PROCEDURES
- PENALTY CLAUSES, i.e.:
 - Vehicles not being presented for maintenance
 - Excessive maintenance downtime
 - Defective maintenance
- OUT OF HOURS / BREAKDOWN COVER
- VEHICLE AVAILABILITY

SERVICE LEVEL AGREEMENT KEY AREAS



FLEET MANAGEMENT

- ACCIDENT REPORTING PROCEDURE
- RECHARGING OF FLEET COSTS
- MANAGEMENT INFORMATION
- USE OF VEHICLES
-
- CHECKING OF DRIVING LICENCES

FLEET REPLACEMENT CRITERIA



TRANSPORT GROUP

- Cars and car derived vans 6 years
- Vans up to 3.5 tonne GVW 6 years
- Trucks & tippers up to 3.5 GVW 6 years
- Vans trucks & tippers between 3.5 - 7.5 tonne GVW 6 years
- Minibuses 6 years
- PSV Bus 7 years
- Sweepers over 12 tonne GVW 6 years
- Compact Sweepers 4 years
- Precinct Sweepers 3 years
- Refuse collection vehicles - 2 axle 7 years

FLEET REPLACEMENT CRITERIA



TRANSPORT GROUP

- | | |
|--|----------|
| • Glass recycling vehicles | 7 years |
| • Library and community vehicles | 7 years |
| • Tractors, shovels & light loaders | 10 years |
| • Ride-on grass cutting machinery | 5 years |
| • Compact Tractors | 6 years |
| • Trailers | 8 years |
| • Miscellaneous including motorcycles, trailers
and de-mountable gritters | 10 years |

FLEET UTILISATION MANAGEMENT



KEY COST SAVING AREA OF FLEET PROVISION

- WHO IS RESPONSIBLE FOR FLEET UTILIZATION?
- TRANSPORT SECTION OR USER
-

MONITORING FLEET UTILIZATION

- - Mileage recordings for vehicles
- - Mobile plant – engine hour meter recordings
- - Vehicle tracking
- - Log sheets

MAXIMISING FLEET UTILISATION



- Operational reviews, e.g. identify activities which incur low utilization of high cost vehicles/machinery, i.e. outsource, provide car allowance
- Introduction of split shift vehicle maintenance facility
- Vehicle maintenance location reduces excessive travelling to and from workshop, e.g. make use of local private garages, use of satellite depots, on-site maintenance
- Establish effective vehicle replacement policy and avoid ageing fleet

MAXIMISING FLEET UTILISATION



FLEET COSTING / RECHARGING

- Establish central transport budget / holding account
- All costs i.e. finance, maintenance, insurance charged to holding
- Transport section recharges fleet users electronically
- Separate fleet management costs from vehicle maintenance costs

MAXIMISING FLEET UTILISATION



FLEET MAINTENANCE COSTS

- Establish annual lump sum costs per fleet user for routine maintenance
- Non routine maintenance charged direct to fleet user
- Competitive market charge out rate for vehicle maintenance work currently £30 - £32 per hour excluding spare parts
- Cost of spare parts store recovered through an on cost charge e.g.:
 - 16% stock items
 - 12% non-stock items

MAXIMISING FLEET UTILISATION



FLEET MANAGEMENT

- FLEET MANAGEMENT COST RECOVERED THROUGH AN ANNUAL LUMP SUM COST PER FLEET ITEM

INSURANCE PREMIUMS

- IF BLOCK INSURANCE CHARGE FOR THE FLEET ESTABLISH INDIVIDUAL PREMIUMS FOR EACH ITEM

FLEET MAINTENANCE



RESOURCE ASSESSMENT

- Use industry standard vehicle / plant weighting factors to determine resource requirements, e.g.
 - 65 weighted vehicles per fitter is regarded to be very efficient (Audit Commission recommendation is 55)

SPLIT SHIFT WORKING

- Increases utilization potential of equipment.
- Reduces vehicle downtime and spare vehicle requirements.

INSPECTION / SERVICING FREQUENCIES



VEHICLES

- Vary considerably
- Non-“O” Licence - from four times per annum to once per annum
- “O” Licence - from four monthly occasions per annum to monthly

PLANT

- Balanced time / engine hour criteria

VEHICLE WEIGHTING FACTORS



• Minibuses	Up to 15 seats	1.1
	Over 15 seats (with tail lift)	2.8
• Cars, Vans, Pick ups	Up to 1.5 tonnes	1.0
	1.5 - 3.5 tonnes	1.4
	With tipping bodies	Up to 3.5 tonnes
• Lorries & Tippers	3.6 - 7.5 tonnes	2.8
	7.6 - 16.5 tonnes	3.4
• Refuse Collection	Compaction	
	3 axle	6.4
	2 axle	5.8
	with bin hoist	7.5

VEHICLE WEIGHTING FACTORS



Mechanical Sweepers

- | | | |
|---|-----------------|-----|
| • Small Sweepers | Hand Controlled | 1.2 |
| | HGV | 3.4 |
| | Non HGV | 3.4 |
| • Gully Emptiers | | 4.2 |
| • Recycling Vehicles 26 tonne | 6.4 | |
| • Coaches | | 3.4 |
| • Mobile Libraries / Community Vehicles | 3.0 | |

VEHICLE WEIGHTING FACTORS



- Gritters, Body and Vehicle 4.2
- Tower Platform Hoist 2.8
- Tractors, Normal Agricultural 1.2
- Loading Shovels and Excavators 3.8
- Fork Lift 1.2
- Dumpers 0.9
- J.C.B. 180° Excavators 2.4
- Other Large Plant 3.8
- For other plant items, following weighting factors have been applied:
- Pump / Sprayers 0.1
- Concrete Mixers / Generators 0.2
- Ride-on Grass Cutting Machinery 0.5

VEHICLE WEIGHTING FACTORS



• Pedestrian Grass Cutting Machinery	0.2	
• Tractor Mounted Mowers		0.3
• Tractor Ancillary Equipment	0.2	
• Pedestrian Highways Power Tools		0.1
• Trailers / Water Bowser		0.2
• Chain Saws		0.2
• Other Plant		0.2