

CDC and SNC Fleet & Vehicle
Replacement Strategy
2018

October 2017

Overview

The aim is to provide all Council departments who may require vehicles with up to date fit for purpose vehicles which provide the lowest whole life cost and minimise their impact on the environment.

This strategy sets out the general principals and processes regarding vehicles. The key principals are that vehicles must:

- Be fit for purpose. Vehicles must be fully capable of carrying out the demands placed upon them
- Deliver the lowest whole life cost. Vehicles may not always be acquired for the lowest initial cost but they must deliver the lowest whole life cost over the life of the vehicle
- Minimise the impact on the environment. Consideration must be given to minimise the impact on the environment through fuel consumption, exhaust emissions and other factors such as end of the life of the vehicle
- Safety of the driver, crew & the public. The vehicle must present the minimum H&S risk to our staff and members of the public.
- Present the Council in a positive & professional manner

The Councils fleet of vehicles is asset managed from purchase through to disposal. To do this a vehicle replacement programme exists. As soon as a vehicle is acquired it is given an estimated life and listed for replacement often some seven – ten years later. This plan is reviewed throughout the year and by November each year the replacement plan for the followed year is put forward with outline plans for all the following financial years.

The maintenance costs of the fleet are closely monitored throughout the life of the vehicles. They are split into parts and labour costs; benchmarked against similar vehicles in the fleet and against other organisations that use vehicles of a similar type for comparisons. A fleet management system called Key2 captures all maintenance information including costs

As the vehicles come to the end of their estimated life, they are inspected on an individual basis to assess whether the vehicle will last longer without incurring heavy maintenance costs. If so, the vehicle will be kept and the replacement programme adjusted accordingly.

Since 2004 Cherwell District Council (CDC) has purchased vehicles outright as opposed to leasing. This same decision was made for South Northamptonshire Council (SNC) in 2013. Purchasing offers much more flexibility than leasing as well as offering a lower cost of ownership. However this acquisition route of outright purchase will be reviewed when changes in the financial climate occur.

Appendix 1

An asset register exists for both Councils and is updated by the Fleet manager.

The vehicle fleet operates using two operating licences (O licence), one covers South Northamptonshire Council & one covers Cherwell District Council. The licence plays a range of requirements so that large commercial vehicles are operated in a safe manner. This includes maintenance inspections, records, driving hours, not overloading vehicles etc. Breaches of these requirements can result in the removal of the O licence.

Vehicles can have a big impact on the environment through fuel consumption, carbon dioxide and other exhaust emissions. In addition other elements of the vehicle such as tyres can impact adversely on the environment unless actively managed. The aim is to reduce the impact on the environment by purchase high specification vehicles, maintaining them to a high standard and encouraging our drivers to operate them in a responsible manner.

The waste industry is one of the most dangerous industries and unfortunately each year, across the country, a number of deaths and serious injuries occur. Many of these relate to members of the public or staff being struck by vehicles. Consequently safety systems to minimise this risk are a high priority. Other H&S risks such as slips, trips & falls are addressed by actions such as low level cabs in RCVs and level floors within the cabs.

One of the most visible signs of the two Councils are operational vehicles delivering services. Consequently it is important that the vehicles are presented & operated in a safe, professional manner

Fit for purpose & lowest whole life cost

Vehicle Replacement Programme

Vehicles are the essential tools for the operational departments. The selection of the right vehicle for the right job is critical. Since vehicles are expensive and expected to last many years careful consideration with the users on specifications and other requirements are vital. If the wrong vehicle were to be selected it will impact on the efficiency of operations for the whole life of the vehicle.

The vehicle replacement programme exists for 7-10 years and forecasts the vehicles required along with estimated purchase costs. This is reviewed constantly. In the autumn of each year the programme is reviewed with the vehicle users, the required operational need considered and the specification and likely cost looked at in detail.

The fleet management team are constantly looking at the market, looking at technological developments which can lower cost, improve productivity and increase safety.

Developments in recent years have included

- Improvements in emissions
- Reductions in fuel consumption
- Increased environmental & safety standards
- Vehicle weighing systems
- In cab technology
- New systems
- Camera systems

Vehicle Procurement

A specification is written after consulting with the users that require vehicles to ensure that fit for purpose vehicles are purchased with the correct equipment, systems and storage facilities.

This specification is then sent with procurement team input to the most advantageous purchasing routes. Usually this is either through the Council's own framework agreements (often jointly produced with Oxford City) or through National Framework agreements (ESPO, Procurement Partnership etc.)

All vehicles are procured to comply with public procurement regulations and the Council's own financial regulations to obtain best value for the Council. Other factors to consider when acquiring vehicles include environmental performance, health and safety, after sales service and potential final disposal income is also taken in to account when evaluating manufacturers tenders.

Roles and Responsibilities

Once vehicles are purchased; the individual departments have responsibilities to make sure that the users of the vehicles are appropriately briefed and more importantly trained on the operation of equipment. The treatment of a vehicle by its operators can have a major impact on its maintenance costs.

The training involves manufacturers demonstrating their equipment to a level that the operators understand and are comfortable with. Once this has been achieved; the operators are sent certificates stating familiarity with the equipment.

Other training involves drivers receiving a half day defensive driving course with a qualified instructor giving one to one tuition where theoretic knowledge and driving skills are assessed. A score and certificate is given to the driver and a report is given to the line manager.

Vehicle Disposal

Vehicles once they are beyond their economic life are disposed of at vehicle auctions. Some vehicles such as large mechanical sweepers have a strong market and have a good resale value. Others such as RCVs have a value of only £6-9k dependent on condition.

In the case of small vans the value is so low local sale via a sealed bid basis is often the most cost effective process.

All is in accordance with achieving best value for the asset, with the gained price forming the final part of the vehicles whole life costs.

Asset Register

An asset register is kept and updated by the fleet manager. This register gives a complete list of the fleet details to include make, registration, purchase date, purchase price, estimated replacement date, the service using the vehicle and the age of vehicle at the 1st of April each year. There is also a comments box for any additions and disposals for that year. The sheet is copied each year, updated to the current status (any disposals from previous year deleted from the current sheet) with the previous years being archived.

The asset register is easily maintained and is very effective.

Impact on the environment & safety of staff & the public

Vehicle Maintenance

The Council operates an in house maintenance team with workshops based at Thorpe Lane in Banbury with the emphasis on keeping vehicles legal, safe, and on the road as much as possible. The team of technicians are highly skilled in maintaining specialist vehicles with a diverse range of specialist equipment.

Besides having general maintenance skills many of the team have specialist knowledge on Dennis Eagle and Daf trucks, Johnston mechanical sweepers and Terberg bin lifting equipment. This specialist knowledge has led to less need to bring in specialist external service engineers.

Large Goods Vehicles (LGVs) must have a comprehensive safety mechanical inspection (6 weekly) which meets legal requirements for organisations that use such vehicles. Again this is completed at Thorpe Lane along with any other work.

In 2017 a maintenance facility opened at Tove depot in Towcester. Minor repairs and some inspections can now be carried out at Towcester rather than the need to bring the vehicle to the technician in Banbury

Increasingly the aim is to bring the technician to the vehicle rather than always bringing the vehicle to Thorpe Lane depot. If a new depot facility can be secured in Bicester the intention is to carry out increased maintenance in Bicester.

Breakdowns are catered for at roadside and some minor work will be carried out at the Bicester Depot. There are two fully equipped service vehicles to assist in this area.

All work is recorded and collated on a Fleet Management System (Key 2) from which reports of what costs have been spent on vehicle maintenance can be produced.

Environmental Impact

The Councils' vehicle fleet can have a big impact on the environment through exhaust emissions and carbon dioxide emissions.

The whole fleet at CDC use around 400,000 litres of fuel each year. The whole fleet at SNC use around 250,000 litres per year.

Fuel usage can be minimised by

- Designing collection routes efficiently
- Maintaining vehicles to a high standard
- Driver training
- Driver performance
- Purchasing fuel efficient vehicles
- Considering alternatively fuelled vehicles

Possible developments to reduce fuel consumption thereby saving cost, reducing carbon dioxide emissions and also reducing lower emissions of nitrogen dioxides include

Telematics – System which monitors driving performance and continually nudges the driver to drive in an economical manner with league tables of driver performance. This should produce a saving of around 8%

Night heater – Heating the cab & windows on cold mornings without having to have the main engine running. This will be for a low cost per vehicle and should save up to 4 litres/hour on winter mornings.

Moving to alternatively fuelled vehicles- Where technologically possible and financial viable moving away from diesel fuelled vehicles can be beneficial. Some car derived vans could be electric vans in the near future if the appropriate charging network is in place. Other options such as hybrid or hydrogen are also being monitored as new technologies enter the market. Moving up to 10 small car derived vans away from diesel engines could save each year more than 6000 litres of diesel, 15 tonnes of CO₂ and significant amounts of nitrogen dioxides

Health & Safety

The waste industry has a poor record for H&S. Across the country a number of fatalities or serious injuries occur. Many of these serious incidents are as a result of vehicles striking members of the public or crew members working around the vehicles. Often this is when large RCVs are reversing.

To reduce the risk camera systems, reversing warnings and procedures are used.

In addition to add H&S systems on RCVs include air conditioning to ensure the driver stays alert & comfortable to ensure high levels of concentration and awareness and cabs are low level to reduce the risk of slips, trips & falls

Present the Council in a positive & professional manner

The vehicles operated by the operational units are often the most visible sign of the Councils to members of the public.

Consequently vehicles must present the Councils in a positive and professional manner. Hence vehicles are kept clean and in a good condition. This has added benefits on ensuring the life of the vehicle is kept to a maximum and maintenance costs are kept low by crew taking ownership and responsibility for the vehicles.

The vehicles also present opportunities for promoting positive measures through panels which are on the side of the RCVs. These panels are removable and interchangeable and messages beyond recycling and environmental services can be promoted.