

# FAREHAM

BOROUGH COUNCIL

## Report to Streetscene Policy Development and Review Panel

**Date**                    **28 January 2016**

**Report of:**            **Director of Operations**

**Subject:**              **ANNUAL FLEET MANAGEMENT REPORT**

### **SUMMARY**

The purpose of this report is to inform members of the arrangements currently in place to manage the Council's operational vehicle fleet.

### **RECOMMENDATION**

That members note the contents of the report.

## INTRODUCTION

1. Fareham Borough Council has a fleet of 127 vehicles which are managed by Streetscene Services. The Refuse, Recycling and Transport Manager is directly responsible for the day to day operation of the fleet, including vehicle servicing, maintenance, Ministry of Transport (M.O.T.) testing and vehicle safety checks.
2. In July 2015, the structure of the Transport Repair Unit (TRU) changed with the combining of the manager roles for transport and refuse, along with the introduction of a supervisor to oversee the daily operation of the workshop. The TRU is made up of 5 vehicle fitters and 1 apprentice vehicle fitter.
3. The service procures and maintains vehicles for use in the following services:
  - Refuse and Recycling
  - Grounds Maintenance
  - Street Cleansing
  - Building Services
  - Car Parking Enforcement
  - Corporate Services (Mayoral car)
  - Environmental Health
  - Countryside Management
  - Daedalus Airfield Management

## WORKLOAD

4. Planned maintenance and repairs makes up the majority of the workload with all HGV's receiving a safety inspection and service once every 5 weeks, with vans and cars receiving inspections once every 6 months.
5. Every day, each driver carries out a daily vehicle check before use which is part of the preventative maintenance plan. On average the TRU receives 30 vehicle defect reports from drivers reporting issues with their vehicles each week. These include issues with lights not working, door lock mechanisms, plant servicing requests for new blades on mowers, and checking the tread on tyres.
6. Over 14,000 hours are clocked up by the TRU every year to maintain the vehicle fleet. This includes replacing 1,027 tyres as part of routine maintenance and defect reporting from drivers.

## ANNUAL RUNNING COSTS

7. The 2014-15 revenue cost of maintaining the fleet of 127 vehicles and 50 items of plant was £1,030,305. The main items of expenditure were:

• Fuel	£317,883
• TRU recharge	£318,800
• Routine repairs and servicing	£185,611
8. Fuel is the largest single item of expenditure. The table below outlines a breakdown of usage (in litres) for the past three years.

	Diesel	Petrol	Gas Oil	Total
2012-13	278,811	2,821	53,507	335,139
2013-14	282,444	3,106	46,721	332,471
2014-15	283,135	4,515	46,172	333,822

9. It is not possible to do a direct annual comparison of fuel usage and vehicle efficiency because service delivery is subject to a wide range of variables such as changes in establishment, changes in rounds (rescheduling to accommodate new development), the impact of the weather on the growing season and frequency of grass cutting and changes in the number and type of vehicles and plant.

### **VEHICLE OPERATORS LICENSE**

10. In order to run the Council's fleet of vehicles, an operating licence is required. The licence is granted by the Driving Vehicle Standards Agency (DVSA) formerly the Vehicle Operating Standards Agency (VOSA). The Council's current licence expires in August 2018. Loss of this licence would mean that the provision of vehicles to support some of the Council's key services would have to be contracted out, with significant financial and reputational consequences for the Council.

11. There are control measures in place to reduce the risk of this happening:

- Vehicle inspection and maintenance schedules which meet the agreement of the DVSA. This is to ensure the vehicles are kept in a fit and serviceable condition
- Regular pre - use vehicle safety checks that are recorded, logged and subject to a 10% sample check by management.

12. DVSA assesses the records of all fleet operators and places them in an Operators Compliance Risk Score (OCRS) category, using a traffic light system (red would incur a DVSA intervention). The Council is currently in the lowest risk category (green). In 2014-15 the Council's fleet had a first time MOT pass rate of 98%. This significantly exceeds the national average of 75%. The MOT pass rate is a key risk indicator within the OCRS.

### **VEHICLE REPLACEMENT PROGRAMME**

13. The department has a vehicle replacement programme with capital expenditure averaging £345,000 each year. This funding is in place until at least 2019-20 and it is anticipated that this fund will allow for all vehicle replacements as required.
14. During the past year 9 vehicles have been purchased, including a new large road sweeper, a grave digging tractor, a grass cutting tractor and 2 ride-on mowers.
15. The replacement programme is on target at present to deliver vehicles of the required specification and performance within the agreed budget. There will be budget pressures going forward, mainly due to Euro VI emissions regulations that will affect future purchases of RCV's. These are anticipated to add approximately £20,000 to the

cost of each vehicle.

## **RISK ASSESSMENT**

16. There are no significant risk considerations in relation to this report.

## **CONCLUSION**

17. Streetscene is currently providing a resilient and reliable operational vehicle fleet to a number of key Council departments. Examples of failure to deliver front line services to customers due to vehicle failure are extremely rare. Revenue and capital costs are being managed within agreed budgets. Appropriate measures are being taken to protect the Council's operating licence and the health and safety of employees.

### **Background Papers:**

None

### **Reference Papers:**

None

### **Enquiries:**

For further information on this report please contact Kitty Rose. (Ext 4747)