UPDATE ON COUNCIL'S FLEET

Committee name	Corporate Resources and Infrastructure Select Committee
Officer reporting	Steve Gunter, Fleet Manager
Papers with report	N/A
Ward	All

HEADLINES

This report provides details of the composition of the Council fleet, the key challenges within the fleet and future decision making around the fleet replacement programme.

RECOMMENDATIONS

That the Committee notes the content of the report.

SUPPORTING INFORMATION

FLEET COMPOSITION

The table below shows the present fleet including Council owned, hired vehicles and the means of propulsion.

Description	Owned	Hired	ICE Internal Combustion Engine. I.e Diesel	EV Electric Vehicles	Hybrid
26T RCV	31	1	32	0	0
18T RCV	1	1	2	0	0
12T RCV	5	2	7	0	0
Large Sweepers	6	0	6	0	0
Small Sweepers	10	0	10	0	0
Grab Lorries	3	0	3	0	0
Caged Tippers	33	0	33	0	0
Tippers	37	6	43	0	0
Highways Tippers	6	1	7	0	0
Large Vans	14	1	15	0	0
Medium Vans	32	16	48	0	0
Small Vans	30	10	40	0	0
Pool Cars	8	1	0	3	6
Large Machines	4	0	4	0	0
Minibuses	32	4	36	0	0
	252	**43**	**286**	**3**	6

The hired vehicles are used to support the core fleet for seasonal requirements, to cover for the remaining aged fleet caused by additional maintenance needs and for changes to service delivery.

FLEET IMPROVEMENT

The main focus for Fleet improvement relates to driver behaviour and accident damage. Driver Accident damage is costing the Council more than £800k per annum. Costs are incurred on all vehicles but the majority, c.80% relate to Waste & Street Cleansing operations. The 80% is broadly in line with expectations given the number, size and functions of those vehicles.

The cost of fleet damage has been under review by fleet management for some time and the reasons for the accident cost are wide and varied:

- Data & Management Oversight – Historically, the data has not been available to provide sufficient management oversight and enable the correct decisions to be taken. This has improved significant over the last 24 months with the purchase and installation of new 'tracker' devices and improved reporting. At present 65% of the fleet have trackers fitted with the remainder to get trackers fitted by the end of 2026.

- Ownership – Vehicles and associated budgets are managed by Fleet Team although vehicles are used by operational service areas thus creating a disconnect in ownership, especially related to costs, this is being addressed through regular fleet user meetings and direct allocation of accident damage to related service budgets.

- Nature of the Fleet - The nature of a municipal fleet and the range of vehicles being operated, and the tasks being undertaken mean this is very different from an average 'road' fleet undertaking the same function day in and day out. Hillingdon vehicles operate in challenging operational environments where damage is more likely to be incurred.

- External Factors – The cost of operating any vehicle continues to rise and specifically costs related to insurance, repair & maintenance. This has inevitably fed through into the cost incurred by LBH for repair of its own vehicles and those subject to insurance related claims.

- Driver performance - driver error and skill can contribute to increases in fleet damage. Driver testing, training and ongoing monitoring are all tools in use but like all front-line services we do rely to a degree on the use of agency drivers to cover established support crew where we cannot expect the same level of local knowledge and experience as our own staff. This can contribute to accident damage.

A regular Fleet Forum meeting comprising operational and senior managers is in place to help address the issues and drive down the costs being incurred.

The Fleet Team are also engaged with other boroughs with similar fleets and operating conditions to determine how Hillingdon's performance compares.

Driver behaviour is closely connected to fleet damage although offers a broader perspective on how driver performance can impact on fleet costs. The tracking devices offer a range of data including harsh breaking, fast cornering, excessive acceleration, speeding incidents etc. The system takes all this data to produce a EEDI (Eco Efficient Driver Index) score for the drivers that is used to monitor overall performance and specifically used in regular discussions with the poor performing individuals. Improvements have been seen from this action. The EEDI score is a leading indicator of fuel consumption and wear and tear on vehicles. Inevitably, vehicles driven with a higher EEDI score will have commensurately better fuel consumption. With an annual fuel spend of c.£1m per annum, any percentage reduction can have sizeable budget benefit.

With a fleet of 295 vehicles and the associated costs of acquisition, maintenance, repair and operation there is always a need to consider the utilisation of the fleet – i.e. Are we using the vehicles in a way that maximises its value? Much progress has been made on this over the past few years with decisions taken to hire Winter Gritters for 6 months of the year rather than own outright. Equally, the refuse vehicles are now supplemented in the summer using hire vehicles for green waste collection. Further work is going to be done on ensuring that each of the operational areas utilise their vehicle appropriately.

FLEET REPLACEMENT PROGRAMME

The Council has a cyclical vehicle replacement programme to ensure that the fleet maintains an optimum balance of cost and reliability. This involves replacement of vehicles on average after 7 years. The capital programme over the next 5 years is £21.7M.

There are currently 26 frontline service vehicles which have reached the end of their serviceable life and are now subject to daily ULEZ fees. All the vehicles are in their eleventh year of operation, reliability is falling, and the maintenance costs are growing beyond what is economic to maintain. The need to hire temporary vehicles whilst repairs take place further exacerbates the cost pressures of older vehicles.

In this phase of purchasing the working recommendation is to replace 32 vehicles with diesel vehicles. This decision is based on a number of factors including location and availability of charging facilities for operatives, speed of charging, charging infrastructure including grid capacity at council facilities, range and maintenance. The acquisition of 32 diesel vehicles will allow time to get the charging infrastructure in place at Harlington Road depot as part of a wider development programme.

It must be noted that major investment will be needed in electrical power supply to Harlington Road depot to support future growth in the electric vehicle fleet.

In terms of other heavier and non-standard vehicles, the electric market is less well developed in terms of options, but the Fleet Team continue to test options when they become available. Over the past few months, this has included trials of an electric powered 26T Refuse Collection Vehicle and a small sweeper. All trials have concluded with positive results and will be factored into future considerations when the existing fleet vehicles need replacement.

FLEET TEAM STRUCTURE CHANGES

As a result of staffing changes, structural changes will be implemented within the Fleet team. Under the interim arrangements, the Head of Waste and Green Spaces will act as the Operator Licence Holder, supported by a Transport Manager, a Fleet Coordinator and a Fleet Administrator. These arrangements form part of a wider service improvement programme.

PERFORMANCE DATA

None at this stage.

RESIDENT BENEFIT

The operation of a safe, effective and efficient fleet supports the delivery of front-line council services including, waste services, street cleansing, housing repairs and transportation.

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this report.

LEGAL IMPLICATIONS

None.

BACKGROUND PAPERS

NIL

APPENDICES

NIL