

4 July 2013

Agenda Item:

**REPORT OF THE SERVICE DIRECTOR OF TRANSPORT, PROPERTY AND
ENVIRONMENT**

FLEET MANAGEMENT SERVICES: MANAGEMENT STRUCTURE

Purpose of the Report

1. To seek Committee approval to introduce a new Management Structure for an integrated Fleet Management Service.

Background

2. Until 6th May 2013 fleet management and maintenance services for the County Councils' vehicles and plant/equipment were provided by two service teams:

- I. Transport and Travel Services (TTS): Fleet Management and Compliance

This team provides fleet management services for the corporate fleet, including purchase/disposal of vehicles and plant, licensing, tax, insurance, compliance, fuel cards, permits to drive and training. This team is based at Rushcliffe Borough Council's (RBC) Abbey Road Depot. The team also manages the operational bus/minibus fleet which at present mainly provides journeys to and from adult day centres.

- II. Highway Operations: Fleet Management and Maintenance

This team provides fleet management services on a trading basis for Highway Operations and a full maintenance service for all County Council vehicles and plant. The team and maintenance services are based at the Bilsthorpe Highways Depot with an additional maintenance facility at the Retford depot.

3. From 6th May the Fleet Management and Maintenance Team was transferred from Highways to TTS (phase 1). The rationale for this change was its underlying synergies, opportunities for service integration and resultant cost savings and improvements that will help to improve viability of these services going forward. A project review of the total service provision has commenced which will merge the management structure, processes and operations. The split of roles and responsibilities under these arrangements has led to duplication, poor customer service and lost opportunities for improving efficiency.

4. The County Council owns and operates 538 vehicles ranging from small vans to winter gritters and 1242 items of plant and equipment.

Proposals

5. The current position provides an opportunity to improve service delivery and reduce costs by merging the two teams into a single Countywide Service thus making optimum use of all the available resources.
6. The project has begun with initial discussions with staff who have shown their support for the merger, Fleet Management staff from TTS will relocate from the RBC, Abbey Road depot to Bilsthorpe by July this year. Work on the review of the overall service has commenced which includes business operations, strategic positioning, a new service delivery model to develop the services in order to improve both service delivery and value for money to client departments.
7. In order to achieve the changes it is considered necessary to implement a new management structure for Fleet Management services (phase 2). The other changes will be reported back to the Committee for approval towards the latter part of this calendar year once the service review has been completed in full consultation with front line staff and trade unions (phase 3).
8. Copies of the existing structures are appended 1 and 2. A proposed management structure is appended at 3 which can be in place by August 2013. To accommodate this change the fleet operations service (shadowed grey in appendices 1 and 4) currently provided by the Fleet Management and Compliance team will be transferred to TTS Passenger Operations Team (North), see Appendix 4.
9. Members are aware of the future budget pressures facing the County Council. The review of this service area will result in a lean single service and reduce costs through the introduction of a more effective operating model which will improve service efficiency and customer satisfaction.

Reasons for Recommendation

10. To ensure that an efficient and effective Fleet Management Service is provided across the County Council and to any external customers.

Statutory and Policy Implications

11. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

12. The new arrangements will provide a high quality efficient and reliable service increasing customer satisfaction levels.

Human Resource Implications

13. The proposed structure will reduce the number of management posts by two (Team Manager, Band E and Assistant Fleet Maintenance Manager, Band A), a summary of these changes is shown at Appendix 5. Staff and trade unions have been informed of the rationale for change and will be appropriately consulted on the proposed new structure. Feedback from staff and trade unions on the consultation process will be presented in the Committee.
14. The HR implications will be considered through the consultation process in drawing up the new structure and job descriptions. Appointments to the posts in the new structure will progress in line with the corporate enabling process. Confirmation of grades within the structure will be confirmed through the job evaluation process.

Financial Implications

15. The new management structure (phase 2) will generate efficiency savings of approximately £97K per year. It is anticipated that phase 3 will identify further significant efficiencies within the Fleet Maintenance and Operations services.

RECOMMENDATIONS

It is recommended that:

- 1) The proposed new structure for Fleet Management Services be approved;
- 2) The Fleet operations transfer to the Team Manager, Transport Operations (North) be approved.

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Constitutional Comments (KK 12/06/13)

16. The proposals in this report are within the remit of the Transport and Highways Committee.

Financial Comments (DJK 17/06/13)

17. The financial implications are contained within the report.

HR Comments (AN 12/06/13)

18. HR comments are contained in the body of the report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Fleet management Service Project Plan

Electoral Divisions Affected

All