

Appendix 1

Fleet Asset Management Plan 2013

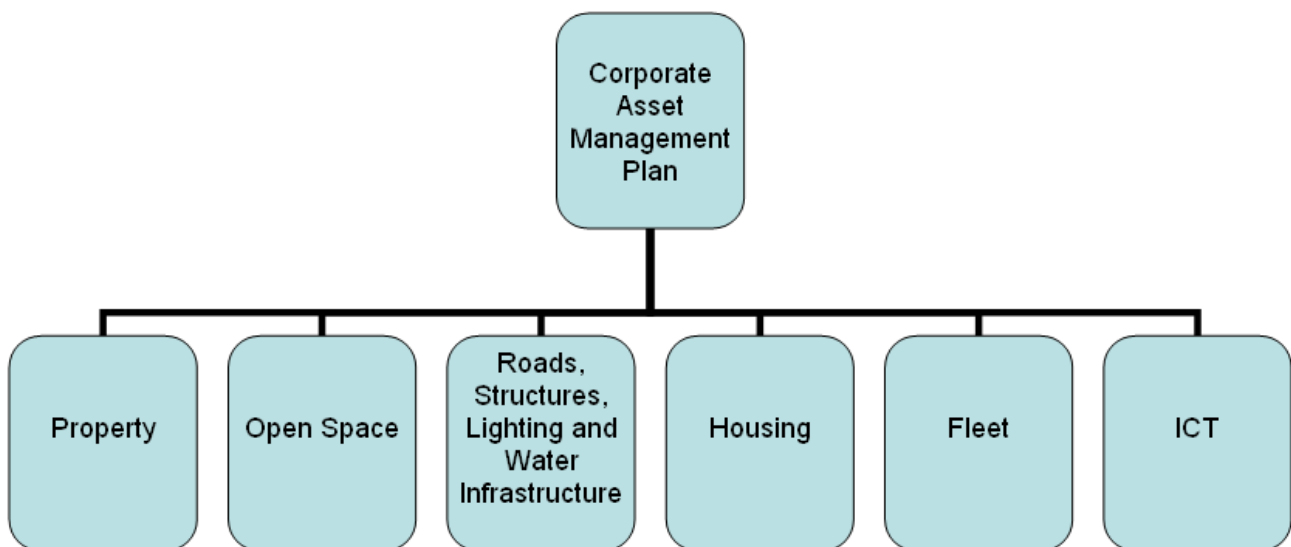
Contents

1. Background
2. Councils Vision and Objectives
3. Key Challenges and Achievements
4. Delivery Arrangements
5. Investment Planning
6. Performance Management
7. Key Priorities 2012 - 2015

1. Background

1.1 Role of Asset Management

- 1.1.1 The Council recognises that its assets are a significant and valuable resource to delivering efficient and effective services and in achieving the vision, aims and objectives of the Council. In order to maximise the potential from its assets they must be aligned with the organisations corporate goals and objectives and managed in an active, effective and efficient manner.
- 1.1.2 This is the Council's first Fleet Asset Management Plan and will be updated on annual basis to reflect changes in structures, systems and processes. This Fleet AMP along with the Council's other AMP's will feed into the Corporate AMP.



1.2 Fleet Background

- 1.2.1 Meeting the requirements of our Fleet Operators License is of vital importance to the delivery of services across the Council. Fleet Management is therefore encompassed within the asset management team to ensure the principles of sound asset management are adopted within this service area.
- 1.2.2 The Council, as a Fleet Operator, manages and maintains a wide range of vehicles and plant to enable a number of services to operate efficiently. The operation has a legislative basis and failure to meet the requirements of the Traffic Commissioner could lead to a suspension of the license and added costs for the Council to deliver services.
- 1.2.3 Financial restraint has meant that there has been limited investment in replacing/updating both fleet and plant in the recent past. The inevitable consequence is a backlog of older vehicles requiring replacement. For the Council this meant that costs for fleet increased due to more lost time for repairs and having to carry more spare vehicles to cover for breakdowns etc. More vehicles requiring cyclic inspections, MOTs and maintenance puts increased workload through the workshops, leading to increased pressure to turn around vehicles quickly. Using

service providers out with the Council has been ongoing, however the capacity of the local network of garages has been patchy with performance in some cases being well below expectations.

1.2.4 In the longer term the future delivery of the service has a number of options available. Managers have worked with staff groups to identify how the service delivery can be adapted to reflect the demands for availability of vehicles and plant to correspond to their day to day needs (mostly day-time services). In addition with some services possibly moving to external delivery the service may find its customer base diminishing. Recent changes have seen the removal of internal recharging (effectively removing a split between Client and Contractor) with Fleet now responsible for all vehicles and plant with Service Level Agreements in place with all Services. It is important that all options are considered in order to be able to adopt an effective, efficient and economic solution to service delivery in the future.

1.3 Fleet Current Position

1.3.1 The Fleet AMP covers vehicles, plant and the Vehicle Workshop. The table below provides a summary of the types and numbers of the vehicle and plant assets. In addition the condition and suitability ratings for the depot are detailed in the following table.

Vehicle	Number
Cars	22
Vans - Small	174
Vans - Large	37
Mini Buses	58
Buses - Welfare	19
HGV - 7.5-18 Tonne	26
HGV - 18-26 Tonne	32
Refuse Collection	65
Small Plant	693
Large Plant	517
3.5 Tonne Pick Up	157
Total	1800

Kittybrewster Vehicle Workshop	
Condition: B – Satisfactory	Suitability: B- Satisfactory

2. Corporate Objectives and Priorities

2.1 Council's Vision and Asset Objectives

2.1.1 The key to ensuring that our assets deliver what is required for Aberdeen, both now and in the future, is ensuring that our use and management of assets is aligned to our strategic objectives and priorities.

2.1.2 The Council's approved vision for our assets is:-

“The Council will provide assets, working with partners, where appropriate, which support the Council in the delivery of quality services by being fit for purpose, accessible, efficient, suitable and sustainable.”

2.2 Fleet Objectives

2.2.1 The aims and objectives in providing a Fleet Maintenance Service is to ensure that the Council continues to operate vehicles which are fit for purpose for delivering services, meet all of the requirements of our operators license and satisfies all Health & Safety, Legislative and Statutory requirements.

2.2.2 Ongoing improvement of these services will ensure that the Council services that are supported continue to provide high quality, best value services in a way that is convenient and seamless to customers.

2.3 Goals

- Ensuring Council Services have the appropriate vehicles to carry out their responsibilities and duties
- Maintaining vehicles to VOSA (Vehicle Operator Services Agency) standard
- Ensuring Fleet Asset Management information and data is collected and stored effectively
- Demonstrating Best Value
- Considering the needs of Stakeholders
- Ensuring vehicles are environmentally sustainable
- Maintaining the City Council's Operator's Licence

We will ensure Council Services have the appropriate vehicles to carry out their responsibilities and duties by:-

- Having a five-year vehicle replacement plan in place.
- Holding regular meetings with Service users
- Providing an in-house vehicle hire pool
- Offering workshop facilities that are cost effective, meeting the requirements of the Service users
- Providing demonstrator vehicles as requested and when available

We will ensure vehicles are maintained to VOSA (Vehicle Operator Services Agency) standard by:-

- Undertaking safety inspections (currently annual for vehicles under 3500kg and every eight weeks for vehicles over 3500kg as defined by the terms and conditions applicable to our Operators Licence OM11821) to ensure vehicles are fit for purpose, kept roadworthy and comply with Construction & Use Regulations.
- Providing in-house Class IV, V & VII MOT facility by VOSA trained mechanics.
- Using approved and calibrated inspection equipment.

We will ensure Fleet Asset Management information and data is collected and stored effectively by:-

- Maintaining our Fleet Management System (Tranman) as and when new vehicles arrive and are disposed.
- Updating of individual files.

We will demonstrate Best Value by:-

- Benchmarking with other authorities.
- Benchmarking with the Private Sector.

We will consider the needs of Stakeholders by:-

- Holding regular meetings with service users.
- Advising on legislation and new technology.
- Arranging vehicle demonstrations.

We will ensure vehicles are environmentally sustainable by:-

- Using the latest engine technology available in our procurement of replacement vehicles and plant.
- Electronically limiting vehicles to 60 M.P.H to reduce both emissions and fuel consumption by up to 10%.
- Carrying out a Green Fleet review with assistance from the Energy Savings Trust
- Evaluating alternative fuels, including the use of Bio-diesel and Hydrogen fuels.

3. Key Challenges and Achievements

3.1 Service Level Agreement

- 3.1.1 During 2012/13 significant changes have been implemented in the overall management of the Council's fleet. All fleet and plant is now the responsibility of the Head of Asset Management & Operations, with Service Level Agreements established with all Services who use fleet to assist in the delivery of Services. **Appendix 1** details the Service Level Agreement which will become operational from 1 April 2013.
- 3.1.2 The implementation these Agreements will have a fundamental change on how fleet is managed and delivered, clarifying responsibility for all aspects of the use of fleet, ensuring that the cost of both delivering and using fleet is clearly managed and controlled between the service provider and users.

3.2 Efficiency of Fleet Maintenance

- 3.2.1 During the last year, with the assistance/agreement of the fleet staff, the nature of service delivery at the workshops at Kittybrewster has been revised. This was to ensure that the service delivered was as efficient as possible, reflected service needs, in preparation for the implementation of the Service Level Agreement and allowed for more efficient operations. This has resulted in the garage now running a double shift, being opened from 6:00am to 10:00pm, five days a week.

3.3 Staff

- 3.3.1 A significant challenge the Service faces is the retention and recruitment of mechanics, to ensure that the service standards detailed in the Service Level Agreements are achieved.
- 3.3.2 At the present time discussions are ongoing with the Head of Human Resources and Organisational Development to identify innovative recruitment methods. The current shortage of trained staff is not unique to the City Council but is being experienced by all our public sector partners and all other fleet garages in the North-east as the Oil and Gas sector provides alternative employment opportunities for trained staff at higher rates of pay.

3.4 Technology

- 3.4.1 The City Council has agreed to acquire, in partnership with private sector partners, to acquire and manage a number of Hydrogen powered buses. It has been agreed that these will be maintained at the Council's Kittybrewster Garage. At the current time, staff are being trained in all aspects of the maintenance of hydrogen powered vehicles. Furthermore research is being undertaken to determine if there are significant benefits for the Council to consider the future replacement of appropriate vehicles fuelled by hydrogen.

3.5 Training

3.5.1 In order that the City Council is fully compliant with its Operators Licence it is essential that all vehicles are correctly operated. All staff must continue to be trained, with management ensuring that all legislation and good practice is enforced at all times. This also means that there must continue to be good channels of communication between the Fleet Manager and the Service Managers with responsibility for its utilisation.

3.6 Replacement of Fleet

3.6.1 Due to financial restraint over the last few years there has been a lack of investment in the replacement of the Council's fleet, with the result that much of the fleet is close to the end of its useful life. This has an impact on the delivery of services (due to the number of breakdowns) and the efficiency of the workshops.

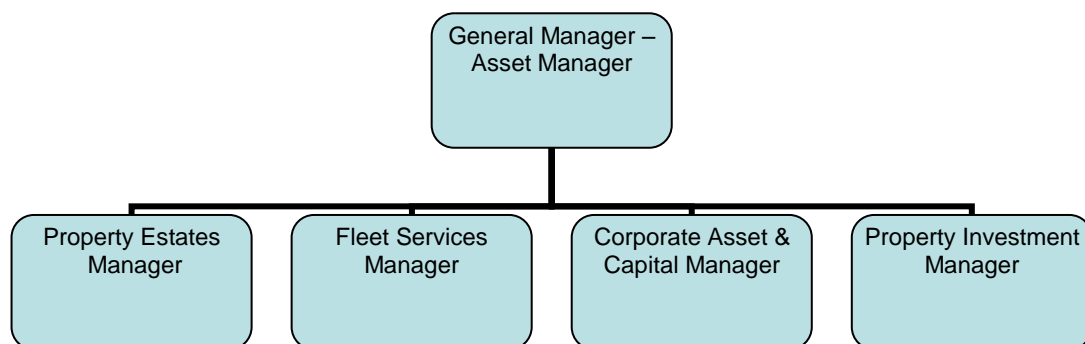
3.6.2 A replacement programme is in place for 2013/14 onwards. Along with the implementation of the Service Level Agreement, this should ensure that the efficiency of the fleet improves over the next few years and mechanisms are in place to monitor performance.

4. Delivery Arrangements

4.1 Asset Management

4.1.1 A new structure for the future delivery of Asset Management was approved in April 2011 and is fully operational. The structure is shown in **below**. The approved revised structure identifies Asset Management is split across four managerial areas. These are:-

- Estates Service
- Fleet Services
- Asset and Capital Management
- Property Investment Portfolio



4.2 Partnership & Collaboration

4.2.1 The City Council work closely with its counterparts particularly Aberdeenshire Council to determine whether or not there are benefits from closer collaboration. In the recent past joint work was undertaken to investigate the possible benefits of joint procurement.

4.2.2 In partnership with the members of the Grampian Public Sector Strategic Asset Management Group and Scottish Futures Trust research is underway to investigate if, in the longer term, the management of public sector fleet (and in particular the location of maintenance garages) can be improved. This work has been identified as a medium term project, and is unlikely to make significant changes during the next five years.

4.3 Communication

4.3.1 In the short term, improved communication will be delivered through the monitoring of service delivery and performance through monthly meetings with services as set out in the SLA.

4.3.2 Communication with all users is essential in terms of compliance with the Council's Operator's Licence and legislation. Accordingly management will ensure that appropriate training is provided and that there is full compliance at all times.

5. Investment Planning

5.1 Capital Investment Requirements

- 5.1.1 Appendix 2 details the draft five year replacement programme for the Council's Fleet.
- 5.1.2 At the present time, it is envisaged that this will be funded from identified revenue savings.
- 5.1.3 The Service Level Agreement ensures that Enterprise Planning & Infrastructure are fully responsible for the majority of the costs in maintaining the fleet, with services only responsible for costs arriving from "unfair wear and tear". The management of this Agreement should ensure that in future all the costs associated with the utilisation of a vehicle can be monitored and assessed.

6. Performance Management

6.1 Performance Management

6.1.1 With the implementation of the new management software Tranman, it will be possible to provide monthly detailed information to the service users in relation to the cost and utilisation of all fleet.

6.1.2 The current Key Performance Indicators (KPI's) are:-

- First time pass (MOT) Large goods Vehicles
- Services completed within 7 days of schedule
- % running repairs finished in 24 hrs
- Number of hires required to cover vehicles of road
- First time pass (MOT) light commercial vehicles

6.1.3 It is proposed that during the next year a further suite of Performance Indicators are developed, in agreement with Service Users, and that these, along with the above KPI's, are reported as part of the development of the Asset Management Plan. Furthermore these will be reported with a Service Breakdown to allow comparisons between the Services.

7. Key Priorities 2012 – 2015

7.1 Key Priorities

7.1.1 The main priority in the short term must be the full implementation in April 2013 of the Service Level Agreements. From this much of the detailed management of the operation of the fleet can be monitored.

Priority Area	Start Date	Completion Date
Implementation of the Service Level Agreements	Feb 2013	April 2013
Development of Service Performance Management indicators	Feb 2013	May 2013
Implementation of rolling Fleet Replacement Programme	April 2013	March 2018
Development of Tranman Software	Ongoing	Ongoing
Research into energy saving fuels	Ongoing	Ongoing
Review Fleet Utilisation	Feb 2013	Dec 2013

Appendix 1

**SPECIMEN SERVICE LEVEL AGREEMENT
(Abridged)**

BETWEEN

**ENTERPRISE, PLANNING and INFRASTRUCTURE
FLEET MANAGEMENT**

AND

To identify and define the Operational, Budgetary and Reporting Functions to be provided by Fleet Management in respect of Fleet Management and Maintenance Services for Aberdeen City Council.

1. Document Administration

1.1 Document Location

Hard copies of this document will be provided to all of the undernoted. An electronic copy will be located on the Enterprise, Planning and Infrastructure section of the Zone.

1.2 Revision History

Version	Date	Author	Summary of Changes
1		NB	First Draft
1a		HM	Final Draft

1.3 Approvals

This document requires approval from the following personnel ...

Name	Title
Hugh Murdoch	Head of Asset Management & Operations
	Head of

1.4 Distribution

Name	Title	Distribution Date
Hugh Murdoch	Head of Asset Management and Operations	
Mike Duncan	General Manager Asset Management	
Nigel Buchan	Fleet Manager	
	Head of Service - ???	
	??? Manager - ???????	
	??? Manager - ??????	

2. Purpose

To identify and define the Operational, Budgetary and Reporting Functions to be provided by Fleet Services in respect of Fleet Management and Maintenance Services for Aberdeen City Council

3. Parties

The parties to this Service Level Agreement are:

- Asset Management and Operations - Fleet Management (Supplier)
- (Customer)

4. Scope

This Service Level Agreement relates to the following:

Responsibilities of Supplier
Responsibilities of Customer
Budgets and Charges
Problem Reporting
Communication
Dispute Resolution
Review of Service Level Agreement

The principles of this SLA are based on service levels prior to transfer of budgets to Fleet Services as of 31 March 2012.

5. Responsibilities of Supplier

5.1 General

The aims and objectives in providing a Fleet Maintenance Service is to ensure that the Council continues to operate vehicles which are fit for purpose for delivering services, meet all of the requirements of our operators license and satisfies all Health & Safety, Legislative and Statutory requirements.

Ongoing improvement of these services will ensure that the Council services that are supported continue to provide high quality, best value services in a way that is convenient and seamless to customers

For ???? Service the number of vehicles required by the customer on a daily basis is included in Appendix 1.

The Supplier undertakes to provide the said vehicles given in Appendix 1, or similar replacements to maintain the operational numbers of vehicles required by the customer to operate their service. This is to include any additional vehicles as agreed between the Supplier and Customer as a variation to this SLA. The Supplier undertakes to maximise

their availability and to maintain them in a road-worthy condition, in accordance with recommended maintenance schedules and inspection frequencies. The Supplier will do so by undertaking the following:-

- Provide all safety inspections, routine servicing and repairs; including breakdown recovery but not accident damage or un-fair wear and tear, these will be recharged to the customer. See section 7.
- Carry out the rectification of warranty repairs.
- Provide vehicle excise licences and where appropriate the Operators Licence Discs to the nominated customer personnel
- Provide Vehicle Insurance.
- Provide all MOT/LGV/PCV tests as appropriate.
- Provide all auxiliary equipment tests to meet manufacturer and Health and Safety requirements.
- Vehicle financing charges/leasing payments for existing vehicles as of 01/04/2012
- Tyre replacements for normal fair wear and tear. Including wheel maintenance and provision of wheel-nut indicators.
- Training will be given to drivers by Fleet Services on identifying wheel-nut movement and wheel / tyre damage.
- Return vehicle for operational use within a the following timescale:
 - MOT – 3 working days
 - Inspection – 4 hours
 - Service – 1 working day

When notified of a priority the Supplier will take measures to complete the work within an agreed accelerated time-scale.

In the event of a breakdown or damage the Supplier will identify within 1 working day the likely timescale for the vehicle to be available for use and will inform customer of the actions to be taken to maintain the core resource level in the interim.

- Provide a maintenance history including details of downtime, (from report of defect to confirmation that repair is complete).
- Monitor downtime and any trends or problems identified will be investigated and appropriate action agreed.

- Produce vehicle statistics to aid safe and legal driving and operational control.
- Produce vehicle cost analysis statistics to aid budgeting and development of unit / service cost and charges where required.
- Produce detail vehicle specifications for replacement vehicles, following discussions with customers, including whole life costs
- Vehicles will be procured to ensure that they are fit for purpose in relation to Noise, HAVS and full body vibration Health and Safety requirements
- Provide advice on any aspect of road transport, legislation both UK and EU Regulations.
- Provide and maintain Fleet Compliance Procedures Manual in discussion with customers.
- Provide defect books, tachograph charts, tachograph roles (digital tachos), tachograph cards, driver's hours and records books, and driver's handbooks to agreed locations.
- Provide analysis of digital tachograph cards where fitted.
- Establish LGV and PCV driver training to meet national vocational driving requirements.
- Liaise with external bodies including VOSA and the FTA and advise the Customer of legislative changes.
- Liaise with Police and other enforcement agencies on behalf of the Customer. Where the Customer's operative is in breach of any legislation, regulation, etc. then the cost of any time spent by the Supplier will be recharged to the Customer at daywork rates (See Appendix 7).
- Provide information and advise on fuel efficiency and usage issues; and take the appropriate action on improving fuel consumption, including establishing operator training and/or advice.
- Arrange for planned routine services and safety checks to be carried out at times that minimise the disruption to the users operations.
- Provide sufficiently detailed information to ensure routine checks and servicing to be carried out as required as part of the drivers' responsibilities. This will include information on lubricating oil type, tyre pressures etc.
- Provide an appropriate "drive through" vehicle wash facility that cleans under the vehicle and chassis's, and the vehicles roof without operatives having to

work in confined spaces or at heights (subject to a suitable vehicle wash being available for use).

- Clean thoroughly vehicles engines when appropriate to vehicle manufacturer's recommendations.
- Clean thoroughly vehicles bodies, and behind and around moving parts to vehicle manufacturers recommendations. This will only apply to specific vehicle types as listed in Appendix 6.

On occasions it may be necessary for the Supplier to appoint approved sub-contractors to carry out some or all of the work, either because they provide a specialist service not available in-house, or to ensure that work is completed within timescales agreed with the Customer. On such occasions the Supplier will ensure that:-

- The sub-contractors have the necessary experience and qualifications for the work that they are asked to carry out.
- All appropriate Council procedures and regulations for the appointment of sub-contractors are followed.
- Work carried out by the sub-contractors is effectively managed to ensure completion to required standard within the agreed timescales.
- The cost of delivering vehicles to sub-contractors will be borne by the Supplier unless the charges are associated with an unfair wear and tear/ accident recharge, then the cost will be borne by the Customer.

5.2 Additional Fittings

Where appropriate newly commissioned vehicles will be fitted with hot and cold hand wash units prior to release to the customer. Interior lining kits are fitted in all vans. Radios and beacons will be fitted on request. All subsequent replenishments are the responsibility of the Customer.

Any additional fittings required will be agreed with the Customer prior to commissioning or alterations requested by the Customer will be considered on its merits. No unauthorised alterations or personalisation to vehicles and plant are permitted. Note that this includes fitment of radios (including music) and additional decals. When alterations or additions are approved the work will be carried out and recharged to the Customer:-

Because of the manufacturers' weight restrictions and warranty conditions, it is Council Policy to prohibit the fitting of roof racks on car-derived vans, mini-buses and tow bars on car-derived vans. Exemptions to the Policy are granted on an individual basis when requested.

5.3 Replacement and Additional Items

The Council has a recognised standardisation Policy that is applied to the purchase of all-new vehicle. This Policy benefits all users as it maintains driver and fitter confidence and knowledge of the product, and provides favourable purchasing terms, which keep the hire rates at the most competitive level. The specification for replacement vehicles will be agreed with the customer before orders are placed subject to best value being part of the evaluation.

Replacement of existing vehicles will be undertaken in accordance with approved replacement cycles where possible. Where a Customer wishes to introduce additional vehicles/plant above the establishment dated 01/04/2012 they will require providing the finances to support this purchase. The Supplier will identify whether the preferred option for purchase is by way of outright purchase, lease or contract hire, with this depending on a number of factors. The Customer will be advised of the financial implication in each case.

The Supplier will provide all new vehicles with the appropriate Council approved livery following consultation with the Customer.

Vehicles may carry third party advertising as determined by the corporate "Sponsorship Opportunities for Council Owned Assets" as agreed with the Customer.

All new vehicles and items for re-issue, are kept at the Kittybrewster Repair Depot, Powis Terrace, Aberdeen and must be collected from there other than in exceptional circumstances where previously arranged. Copy of vehicle handbook to be provided to the Customer (driver/operator) on collection

Customers are consulted prior to orders being placed for new items and due consideration is given to changes in operating conditions which can prevail.

When new items are ordered a commissioning sheet is completed, listing all known details and options requested by the Customer. A copy of this commissioning sheet will be supplied at the time of collection of the item.

It is the intention that the Supplier will maintain a fleet age profile that will give the optimum running costs of the vehicles that are supplied. Details of the optimum vehicle fleet age profiles will be added to this SLA at a future date.

5.4 MOT's, Routine and Cyclic Maintenance, and Safety Inspections

MOT's, servicing and inspections are carried out at prearranged intervals and to meet the requirements of the Council's Operators License. Service schedules will be made available to customer's 12 months in advance. All work carried out on vehicles are recorded in the Fleet Management System as a permanent record of availability, history and whole life costs.

Except in cases where specialist vehicles (i.e. a vehicle which cannot be replaced by hiring in a replacement within 1 working day) are required e.g. Jetpatcher, the agreed daily Customer requirement will be provided.

Routine servicing and repairs does not include the repair of any damage sustained due to unfair wear and tear, accident damage, negligence or misuse on the part of the Customer. In such cases the Customer will be notified. Subject to review, the cost of rectification will be borne by the Customer. The Supplier will be under no obligation to provide a replacement vehicle although a replacement may be arranged if requested and re-charged to the Customer. (See 7. Budgets and Charges).

Puncture and tyre defects should be reported to the Supplier as directed. The Supplier will arrange for the Council's nominated tyre contractor to carry out the necessary work. All punctures and tyre damage due to a puncture or a tyre that has been run flat will be charged directly to the Customer. Any associated vehicle damage caused by running a vehicle with a tyre that has been run flat will be charged directly to the Customer. The Customer will not be charged the full cost of the tyre but only on the remaining available tread depth left on the tyre. A tyre that has reached its legal limit by fair wear and tear will be replaced as part of the contract.

All costs associated with Windscreen or glass replacement will be borne by the Supplier.

5.5 Emergency Response

The Supplier will ensure that as far as possible vehicles will be maintained and repaired with minimal delay during extended periods of Emergency. The most common example is during Roads Winter Service Plan (Mid November to March each year) when gritters take priority for ice/snow treatment operations.

During these periods vehicles are prioritised as to costs of replacement/hires i.e. with more expensive attended to as higher priority.

The Supplier will provide details of standby personnel and contact numbers for inclusion in emergency response plans.

6 Responsibilities of Customer

6.1 General

The Customer shall:

- present their vehicle to the workshop for pre-planned maintenance by the date specified on maintenance schedule:
- Ensure all vehicles and plant is kept in a clean and tidy condition. Customers are responsible for the internal and external cleanliness of each item and maintaining a good public image as required by the Council. Should the Supplier have to carry out abnormal cleaning (other than that determined to be the responsibility of the Supplier) in order to undertake work of any description, then the Customer will be charged for this service after inspection and agreement.
- Ensure their drivers complete defect sheets and submit them to the Supplier for relevant action in accordance with an agreed procedure.
- Ensure their drivers complete defect sheets and report immediately any foreign object, found to be caught in or around moving parts, to Supplier. Damage to the vehicle caused by failure to report will result in the Customer being charged for repair to the damage after inspection and agreement.
- Be responsible for employing drivers/operators, ensuring they hold current driving licences of the appropriate category, and for arranging any driving assessment as necessary. Licence details and advice on appropriate driving licences for various vehicles, plant, equipment and trailer combinations must be sought from and approved by Supplier. The Customer is also responsible for the conduct of their drivers including compliance with all statutory requirements relating to speed limits, loading, driver's hours and other relevant regulations as advised by the Supplier.
- Ensure that Drivers/Operators carry out lubrication at intervals recommended by the manufacturer and confirmed by the Supplier (drivers / operators on Vehicles and Plant will be issued with Grease Guns, Grease cartridges etc on request to the repair depot stores at no cost).
- Ensure that start of work inspections are undertaken by all drivers in line with approved inspection procedures.
- Ensure that passengers are not carried in Council vehicles with the following exceptions:-
 - a) Bona-fide employees of the Council carrying out duties on behalf of the Council.

b) Passengers in mini-buses and welfare buses who are clients of the vehicle Customer and are being carried on a journey and authorised by that Customer

c) Other passengers on official Council business with prior authorisation

Authorised passengers as above shall not exceed the limit of the number of seats for carrying of passengers.

- In the event of an accident/incident/breakdown involving a member of staff of the Customer the list of actions set out in Appendix 2

6.2 Collection and Return of Vehicles

All new vehicles are to be collected from the Supplier at Kittybrewster Repair Depot, Powis Terrace, Aberdeen, unless other arrangements have been made.

Familiarisation training will be provided by the Supplier on all new equipment with certification, including competence assessments, being issued and recorded by the Supplier.

At the end of any lease or hire period, all vehicles are to be returned to the Supplier at the Kittybrewster Repair Depot, Powis Terrace, Aberdeen.

When an item, surplus to the Customer requirements, is returned to the Supplier its return should be notified in writing. It is essential that all equipment and fittings be returned with the item whether it is for re-issue or disposal.

6.3 Display of Operators and Excise Licence Information

All registered vehicles (with the exception of road rollers) must display a current Excise Licence Disc. Customers are responsible for ensuring that a current licence disc is displayed on the vehicle. The Supplier is to be informed of any discs, which have expired, are lost, are defaced or illegible.

N.B Failure to display can attract a penalty of £100.00 which would be recharged to the Customer.

Any vehicle that does not have a current Licence must be withdrawn from service immediately.

All large goods and passenger vehicles must display a current Operators Licence Disc. Customers are responsible for ensuring that a current licence disc is displayed on the vehicle.

The Supplier is to be informed of any discs, which have expired, are lost, and are defaced or illegible.

N.B Failure to display can attract a penalty of £XXX which would be recharged to the Customer.

Any vehicle that does not have a current Licence must be withdrawn from service immediately.

Replacement costs for lost or defaced operators and excise licence discs will be charged to the customer.

Licence discs lost or stolen must be reported to Fleet Manager who will notify the Police. If the missing licence disc is recovered the Supplier must be notified and they will pass the information to the Police.

6.4 Consumables

Responsibility for replacement/replenishment of consumables e.g. fire extinguishers, first aid kits refills, flymo blades, strimmer cords, power saw blades, replacement or sharpening of jackhammer steels, rests with the Customer. A full list of consumables is provided in Appendix 3.

Fuel cards are provided for use in Council vehicles. Fuel cards are the responsibility of the Customer who must ensure that the fuel card usage policy is adhered to.

6.5 Unfair Wear and Tear / Accident Damage

The Customer has an obligation to minimise unfair wear and tear/ accident damage as much as possible. It is important from safety and/or legal reasons. Also for lease or contract hire vehicles the condition of the vehicle is taken into account at the end of the lease period and the Council would be liable for surcharge by the Leasing Company. The Supplier will include an allowance to cover the end of lease costs of normal wear and tear however abnormal costs will be charged to the Customer. The Supplier will also provide sufficient information to enable the Customer to take action necessary to minimise the likely costs of controllable charge issues e.g. excess mileage charge.

For the definition of 'fair wear and tear' see Appendix 4. A detailed list of chargeable damage is included in Appendix 5.

6.6 Tyre, nuts and wheel checks

The Customer will be required to ensure that a visual daily inspection of tyres, wheel-nuts and wheels is undertaken. Where any tyre / wheel damage is seen or that there is evidence that wheel nuts are loose then this must be reported to Supplier. The vehicle must not be used until Supplier has rectified any fault or assured the customer that the vehicle is safe to use.

7 Budgets and Charges

All rechargeable works will be in agreement with the Customer who will be notified in writing and who must respond in writing his acceptance within 3 working days (e-mail acceptable). Failure of the Customer to respond within the time specified will be

taken as their agreement for Supplier to continue with the works. If agreement cannot be reached then the matter will be taken as a dispute.

All rechargeable works will be undertaken at day works rates (Given in Appendix 7). Parts and consumables supplied will be chargeable at cost plus 10%.

Replacement vehicles for vehicles off the road undergoing rechargeable works will be recharged to the customer.

As all vehicles have a planned life there may be a termination charge for early return by the Customer.

Work on other vehicles (not provided by the Supplier) will be undertaken at day works rates (Given in Appendix 7). Spares may also be supplied for operations fitment and will be chargeable at cost plus 20%.

All charges will be reviewed annually for implementation on 1st April to take account of inflation and planned life of vehicle or plant

It is the responsibility of the Customer to obtain additional budget provision for vehicles additional to those given in Appendix 1 or their replacements.

The Supplier will notify the Customer of estimated costs of any recharge prior to carrying out the work and the works will be recharged within one calendar month of completion of the works.

8 Problem Reporting

It is the responsibility of both parties to ensure that a consistent, efficient and effective service is provided to Customers at all times. One of the key ways in which this is to be achieved is by the prompt reporting, discussion and resolution of issues that may arise.

It is therefore important that the Supplier informs the Customer as soon as possible of any problems identified. Initial communication is to be made to the designated manager as considered appropriate.

The Supplier is to provide the Customer with details of a suitable reporting mechanism detailing procedure and contact details.

9. Communication

9.1 Performance Review Meetings

In addition to the reporting of problems as outlined above, there will be a programme of bi-monthly Performance Review Meetings between the parties (monthly for first three months of the term of this SLA). The Supplier and Customer will agree dates, times and locations of the meetings. These meetings will be chaired and minuted alternately by the Customer and Supplier representatives with copies of the minute provided to all relevant officers.

Prior to the meetings a set of KPI's (Key Performance Indicators) and CII's (Continuous Improvement Indicators) are to be agreed between the parties.

Initial list of KPI's proposed by Supplier and the Customer are as follows:

To insert KPI's here.

Initial list of CII's proposed by Supplier and the Customer are as follows:

To insert CII's here.

- Number of times all of the above reports are produced in time for quarterly review meeting
- Number of complaints received from customer staff and follow up responses

The Supplier will be required to produce reports, from electronic or other records, of these statistics for all regular Performance Review Meetings with the Customer. Satisfactory KPI and CII levels will be agreed by the parties and consistent failure to achieve the agreed levels may result in the SLA being terminated.

In the event of two successive meetings where KPI's have not been met monthly meetings will be held until three successive months performance is back to acceptable levels, thereafter meetings will revert to bi-monthly.

9.2 Points of Contact

All communications between the parties, electronic or otherwise, will be between members of staff nominated from time to time. Current relevant members of staff are as follows:

Supplier:

Customer:

9.3 Ownership of Information

The Supplier is the owners of all financial, historic and other information relating to this SLA. In the event of the Customer requiring information for service delivery purposes or to respond to an enquiry the Supplier will supply all relevant information held at that time.

10 Dispute Resolution

In the event of a dispute between the Supplier and Customer which cannot be resolved satisfactorily, an independent Chief Officer will be asked to review the position of both parties and to come to a decision.

Dispute resolution may require independent specialist advice. The cost of this advice will be paid for by the party whom the decision has found against.

11 Review of Service Level Agreement

The SLA is in place indefinitely, but will be reviewed on an annual basis.

This Service Level Agreement will be reviewed annually. However, should a review or revision of any parts of the Service Level Agreement be required in the time between formal reviews, either of the parties can request this at any time.

In addition to the annual review, at the Performance Review Meetings there will be the opportunity to discuss any issues that have arisen that require resolution which will lead to improved or more efficient service provision.

12 Definitions

SLA means Service Level Agreement

Vehicle/s means all vehicles, plant, machinery and associated auxiliary equipment (including bodies and chassis's) identified in the addendum/s to the Service Level Agreement.

13. Signatures

I hereby give my approval to this agreement and the standards detailed herein:

Head of Asset Management and Operations

Signature: _____

Date: _____

Head of ????

Signature: _____

Date: _____