

OCTOBER 2024

Department of Health Fleet Summaries July 2023 to June 2024

Data is sourced from SG Fleet (external Fleet Management organisation), Smartfleet, and the DoH internal database (Open Fleet). Data used for this report is captured at a point in time. The Department's motor vehicle fleet trends have been identified with over twelve months of data. Recommendations to business units are made based on the data presented and analysis of trends.

The fleet management software agreement with Smartfleet will expire in April 2025. Tender documentation includes the requirement for the provision of data to assist enhance utilisation and spend interrogation and reporting. The Request for Tender is planned for **release in September 2024**.

Noting some vehicles when returned require repair and this is taking up to six months to complete. This results in vehicles remaining with Fleet Services for extended periods and they are unable to be utilised.

There continues to be lengthy delays in delivery times for Toyota LEV models - Corolla and RAV 4 (up to 18 months). These delays are forcing fleets, across all Tasmanian Government agencies, to order internal combustion engines (ICE) vehicles.

THS 2024-25 Service Plan Infrastructure KPIs:

KEY PERFORMANCE INDICATOR	TARGET	THIS QUARTER	LAST QUARTER
Proportion of fleet utilisation	Not less than 70 per cent	42.5 per cent	42.2 per cent
Proportion of fleet that are low emission vehicles	Not less than 30 per cent	25 per cent	24.6 per cent

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Utilisation Review

A detailed analysis of all pool and exempt vehicles not meeting recommended kilometrage utilisation, based on Telematics information, is being undertaken. Vehicles in each city area (Burnie, Launceston and Hobart) are being examined first, followed by exempt vehicles located close to already established car pools and then the remainder of the fleet.

The analysis will seek to identify why utilisation is low and what alternative arrangements can be made to minimise cost while maintaining service delivery obligations. It will also identify any vehicles predominantly used for regular private usage (to and from work and home), whether there is an operational need for home garaging and if a home garaging agreement is in place for that vehicle.

Where utilisation is found to be low, recommendations may include not replacing the vehicle at the end of the lease period, reallocating the vehicle to high utilisation locations, business units accessing a nearby pool rather than maintaining an exempt vehicle, creating new pools in close proximity to multiple business units or utilising the AVIS car hire arrangement more effectively.

Car pool utilisation is already being regularly monitored. Underutilised vehicles are being reallocated, often without business units realising there are fewer vehicles available. The rationalisation of underutilised fleet vehicles will commence during the October – December 2024 quarter.

Fleet Services will also review all requests for new vehicles or replacement vehicles at the end of the lease period and determine whether a new vehicle can be justified before providing a recommendation to the relevant Deputy Secretary or Chief Executive. Where a new or replacement vehicle cannot be justified, potential alternative solutions will be recommended to the delegate.

Cost Review

To reduce spend, limited, more cost-effective options (based on whole of life cost projections provided by Treasury) will be provided to business units when seeking new or replacement vehicles. The Fleet Services approved vehicle list will be monitored as new vehicles are made available by Treasury and risk managed to ensure vehicle availability.

July – September 2023

Vehicle Analysis

The number of vehicles across the Department has remained steady over the 12 months from October 2022 to September 2023. There are currently 909 vehicles in the fleet for Department of Health. This excludes vehicles assigned to Homes Tasmania.

Cost Analysis

Fuel costs have remained steady across the pool vehicle sector, there has been an increase in spend from September Quarter 2022 – September Quarter 2023 – up 2.07%.

Lease costs have increased each quarter for the twelve-month period from October 2022 to September 2023, up 16% in total. The increase in lease costs is due to changes in the receipt of any profit/loss on the disposal of vehicles. The Department previously paid lower lease costs if it received a profit on sale at lease end. These profits no longer come to the Department of Health as they are now retained by the Department of Treasury and Finance.

Internal Combustion Engine (ICE) vs Low Emission Vehicles (LEV)

The LEV total has continued to increase each quarter over the past 12 months. Forty-six per cent of new vehicles currently on order are classified as LEVs. This equates to 174 out of 381 vehicles.

Pool utilisation

Utilisation percentages continue to be low in some pools state-wide. Utilisation data provided by Smartfleet identifies trends where vehicles, in some locations, are only being used between one and four business days per month. Two vehicles (MCH and NWRH pools) have recently been removed from the pools and transferred to a business unit where vehicles are required five to seven days a week.

At certain sites vehicles are being booked daily for short trips or part days which results in a low usage rate, but this does not necessarily equate to low utilisation.

Fleet Services will continue to review utilisation rates and work with business units with low usage and high non-use days to identify strategies to optimise vehicle allocations. Consultation with relevant effected services would be undertaken to

understand operational implications prior to fleet rationalisation.

Summary data/order lead times/accidents

The total number of vehicles has decreased in the quarter July 2023 to September 2023. There continues to be approximately 20 vehicles that are unavailable for use awaiting repairs.

Lead times for deliveries have remained stagnant in the time period July 2023 to September 2023 – consistent across the past twelve months.

There were 71 vehicle accidents this quarter with the total cost per accident remaining consistent.

October – December 2023

Vehicle Analysis

The number of vehicles across the has remained steady over the previous 18 months. There are currently 937 vehicles in the fleet, a slight increase on previous quarterly period (909 vehicles). This excludes vehicles assigned to Homes Tasmania. Under ten percent of these vehicles are in smaller business units, they have been excluded from the graphs.

Cost Analysis

Fuel costs have remained steady across the pool vehicle sector, there has been a decrease in spend from Dec Quarter 2022 – Sep Quarter 2023 – down 4%.

Lease costs have increased each quarter for the last twelve-month period, up 11% in total. The increase in lease costs is due to changes in the receipt of any profit/loss on the disposal of vehicles. The Department previously paid lower lease costs if it received a profit on sale at lease end. These profits no longer come to the Department of Health as they are now retained by the Department of Treasury and Finance.

Internal Combustion Engine (ICE) vs Low Emission Vehicles (LEV)

The LEV total has continued to increase each quarter over the past 12 months.

Forty seven percent of new vehicles currently on order are classified as LEVs, an increase of 2% on previous quarter. This equates to out 157 of 332 vehicles that are currently on order (previous quarter was 174 out of 381)

Pool utilisation

Utilisation percentages continue to be low in some pools state-wide. Utilisation data provided by Smartfleet identify trends where vehicles, in some locations, are only being used between one and four business days per month.

At certain sites vehicles are being booked daily for short trips or part days which results in a low usage rate, but this does not necessarily equate to low utilisation.

Fleet Services continue providing recommendations to business units for low usage and high non-use day, sites.

Summary data/order lead times/accidents

Total number of vehicles has decreased this quarter, there remains approximately 18 vehicles that are unavailable for use awaiting repairs (previous quarter was 20).

Lead times for deliveries have remained stagnant this quarter – consistent across the past twelve months.

There were 92 vehicle accidents this quarter with the total cost per accident remaining consistent.

January – March 2024

Vehicle Analysis

Data shows that vehicle numbers have remained steady between January to March 2024 with small fluctuations a result of vehicles awaiting repairs.

Cost Analysis

Fuel costs remained steady across the pool vehicle sector and the Department saw a four per cent decrease in spend from the December 2023 to March 2024.

Lease costs have increased in the January to March 2024 quarter, up nine per cent in total. This is due to vehicle costs increasing and changes in the receipt of profit/loss funds. The Department previously paid lower lease costs if a profit was realised upon sale of a vehicle at the end of the lease. These profits are no longer realised by the Department with any sale profits now returned to the Department of Treasury and Finance.

Internal Combustion Engine (ICE) vs Low Emission Vehicles (LEV)

The Low Emission Vehicle (LEV) total has increased slightly between January and March 2024.

Fifty-one per cent of new vehicles on order in March 2024 were classified as LEVs, an increase of four per cent on the previous quarter. This equates to 160 out of 311 vehicles.

There continues to be lengthy delays (up to 18 months) in delivery times for Toyota LEV models (e.g. Corolla and Rav 4 Hybrid models). These delays are leading to fleet teams across all Tasmanian Government agencies ordering Internal Combustion Engine (ICE) vehicles.

Pool utilisation

Utilisation percentages continue to be low in some fleet pools across the State. Utilisation data provided by Smartfleet identifies trends where vehicles, in some locations, are only being used between one and four business days per month.

Fleet Services continue to provide recommendations to business units in relation to vehicles that are used infrequently. Fleet Services will consult with business units where utilisation can be improved, and savings can be made.

April – June 2024

Vehicle Analysis

The April to June 2024 Quarterly Fleet Dashboard data shows that vehicle numbers have remained steady between April to June 2024 with small fluctuations a result of vehicles awaiting repairs.

Cost Analysis

Fuel costs increased in the April to June period, with a thirteen percent increase. Fuel price increase was the major contributing factor.

Lease costs have increased in the April to June 2024 quarter, up six per cent in total. This is due to vehicle costs increasing and changes in the receipt of profit/loss funds. The Department previously paid lower lease costs if they received a profit on sale at the end of the lease. These profits no longer come to the Department and are now returned to the Department of Treasury and Finance.

Internal Combustion Engine (ICE) vs Low Emission Vehicles (LEV)

Fifty-four per cent of new vehicles on order were Low Emission Vehicles (LEV), an increase of three per cent from the previous quarter. Twenty-five per cent of the total fleet were LEVs, up from 24.6 per cent from the previous reporting period.

Whilst improving as an industry overall, there continues to be delays (up to 18 months) in delivery times for Toyota LEV models (eg Corolla and Rav 4 Hybrid models). These delays are leading to fleet teams across all Tasmanian Government agencies ordering Internal Combustion Engine (ICE) vehicles.

Pool utilisation

There was a strong improvement in utilisation at RHH, LGH, Burnie and Mersey Hospitals and St Johns Parks due to total number of vehicles in each pool reducing, therefore utilisation increasing. This was attributable to vehicles being relocated from these pools to expanding Mental Health teams requiring additional vehicles.