

**DESIGNING BETTER SERVICES PROGRAMME
TRANSPORT, VEHICLE & PLANT PROJECT
POOL CARS - EXECUTIVE SUMMARY**

The Transport, Vehicles and Plant full business case was submitted to the Policy & Resources Committee for approval on 2 March 2010. The Committee approved the business case and authorised the implementation phase but requested a follow up report detailing the preferred procurement option for pool cars, confirming the value case and updating the processes to be implemented by the scheme.

Progress

- The Energy Saving Trust conducted a Moray Council Green Fleet Review which confirmed that the Council's carbon footprint is currently significantly higher than it would be if low emission pool cars were introduced.
- A Procurement Scotland Quick Quote facility was used to determine whether there was an interest, in the private sector, to manage the provision of a pool car system for the Council and to ensure that current procurement option costs were being used during the whole life costing evaluation. No expression of interest was received to manage an outsourced pool car service. The costs received from this exercise were used to confirm the costs and benefits, calculated on a whole life basis, benefits are very slightly higher than initially calculated with a saving of £508,475 from years one to five assuming all cars are utilised for 12,000 miles per annum and all staff are included in the project. The annual saving from year 2 onwards will be £105,000.
- A survey was conducted of managers down to fourth tier the results of the survey were as expected with the exception that a high number of staff reported starting work from home.
- A list of answers to frequently asked questions likely to be raised by staff has been developed and will be made available to managers and staff through the communications manager

Proposal

It is proposed to implement the first phase of 30 pool cars in early September 2010. The needs analysis identified that one vehicle type would not suit all users. It is therefore proposed that phase one will comprise a mix of small vans, two and five seat cars including one fully electric vehicle. It is proposed that these vehicles be purchased.

The current Fleet Services computerised fleet management system, Tranman, will be used to book pool cars. It is not planned to use this system for Phase I. Locations of pool cars have been carefully chosen, to place them with small teams which will allow easier management via a manual booking system. It may be possible to adapt the Council Intranet bicycle booking system for use in this first phase.

The Moray Council payroll system keeps a detailed record of staff mileage claims. This, combined with the Tranman system, which will record pool car mileages will be used to provide management information to determine whether the targeted savings are being achieved.

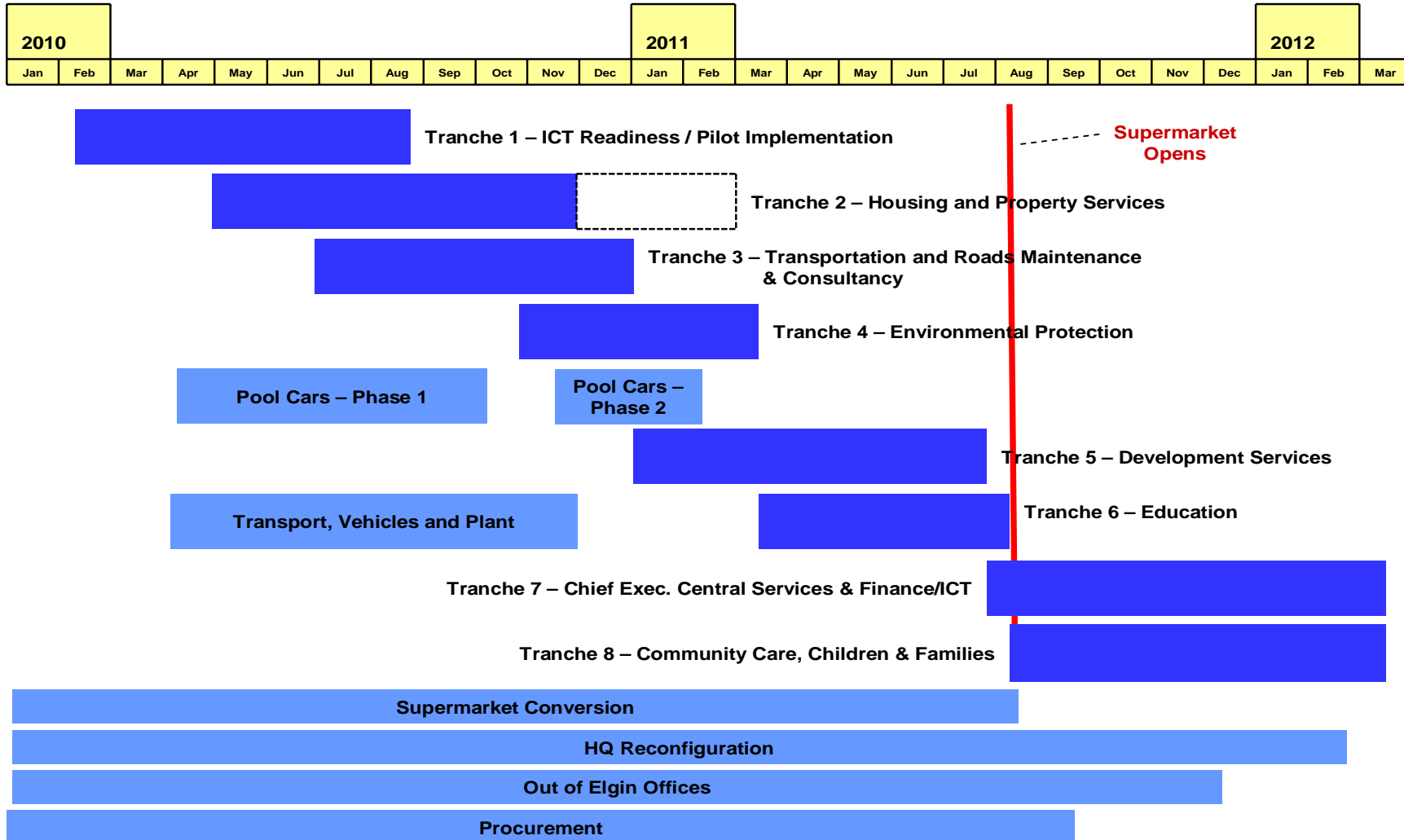
Consultations

- The Principal Accountant, has been consulted in the preparation of the committee report and is in agreement with the financial implications.
- Managers from all departments have been consulted by survey.
- The Procurement Team have been consulted regarding the use of current vehicle procurement contracts.
- The acting Senior Personnel Adviser has been consulted throughout the implementation process on staffing issues.

Report Recommendation

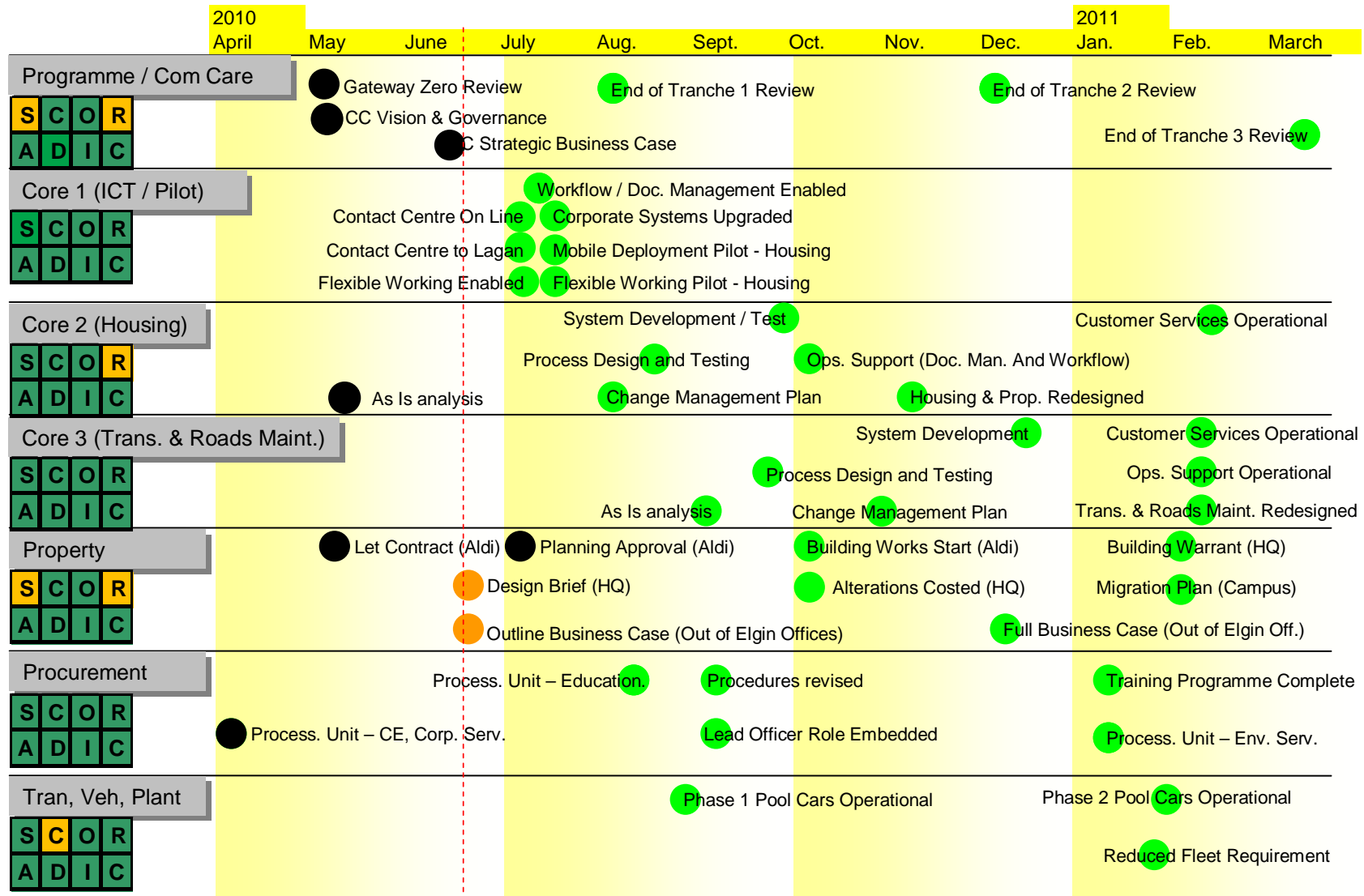
It is recommended that the Committee approve the implementation of Phase I of the pool car project and the procurement of 30 pool cars and vans.

DBS Programme Schedule - Appendix 2



Appendix 3 - DBS Implementation Plan Milestone Chart

15 June 2010



BENEFIT REALISATION DBS FINANCIAL PROGRESS REPORT

Revisions to target savings profile

- The target savings profile has been amended to reflect the revised profile for Elgin Office Accommodation and the implementation of tranches 2, 3, 4 and 5.
- The effect of these amendments is that the expected savings in 2010/11 are reduced by £400,000 staffing savings and £400,000 property savings.
- These are offset by a £200,000 reduction in anticipated loans charges arising from capital expenditure on office accommodation and ICT equipment, and by £500,000 increased savings from procurement (largely due to the insurance contract).
- Consequently, the target savings for the year is reduced to £600,000.

Revenue Budget movements

Theme	Original Cumulative Target to 31/05/10 £000s	Cumulative Actual to 31/05/10 £000s	Revised Cumulative Target to 31 July 2010 £000s
Procurement			
<u>Savings</u>			
Staff	9	7	8
Contracts	20	26	589
<u>Costs</u>			
Staff	33	16	25
Supplies & Services	37	7	32
Core Programme			
<u>Savings</u>			
Staff	0	0	0
Supplies & Services			0
Transport			0
<u>Costs</u>			
Staff	30	0	10
Supplies & Services	43	0	54
Property			
<u>Savings</u>			
Repairs & maintenance	22	0	0
Running costs	58	0	0
Total Net Savings / (Costs)	(34)	10	476

The revised procurement target includes £400,000 savings on the insurance contract and £120,00 on street lighting (national contract).

Capital Expenditure

Theme	Original Cumulative Target to 31/05/10 £000s	Cumulative Actual to 31/05/10 £000s	Revised Cumulative Target for next quarter £000s
Procurement	0	0	0
Core Programme			
CRM system	416	230	250
Mobile ICT	200	0	
Flexible working	12	0	
DM	195	1	
Property	4,887	2,908	2,960
Total Expenditure	5,710	3,139	3,210

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