



Procurement

# NSW Government Fleet

2017 Public Sector Fleet Managers Conference

18th – 20th October 2017

NSW Procurement

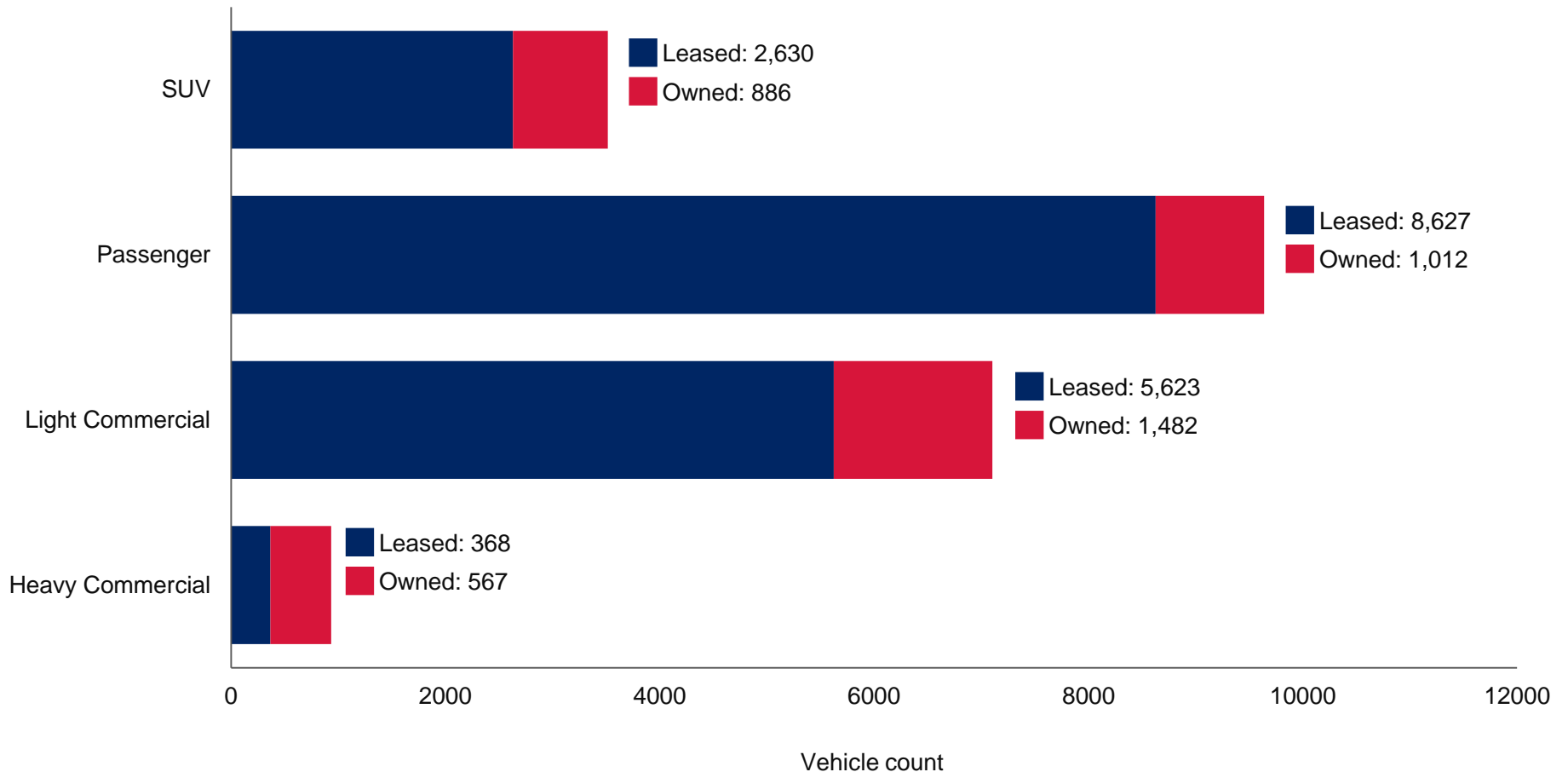
[www.procurepoint.nsw.gov.au](http://www.procurepoint.nsw.gov.au)

# Agenda

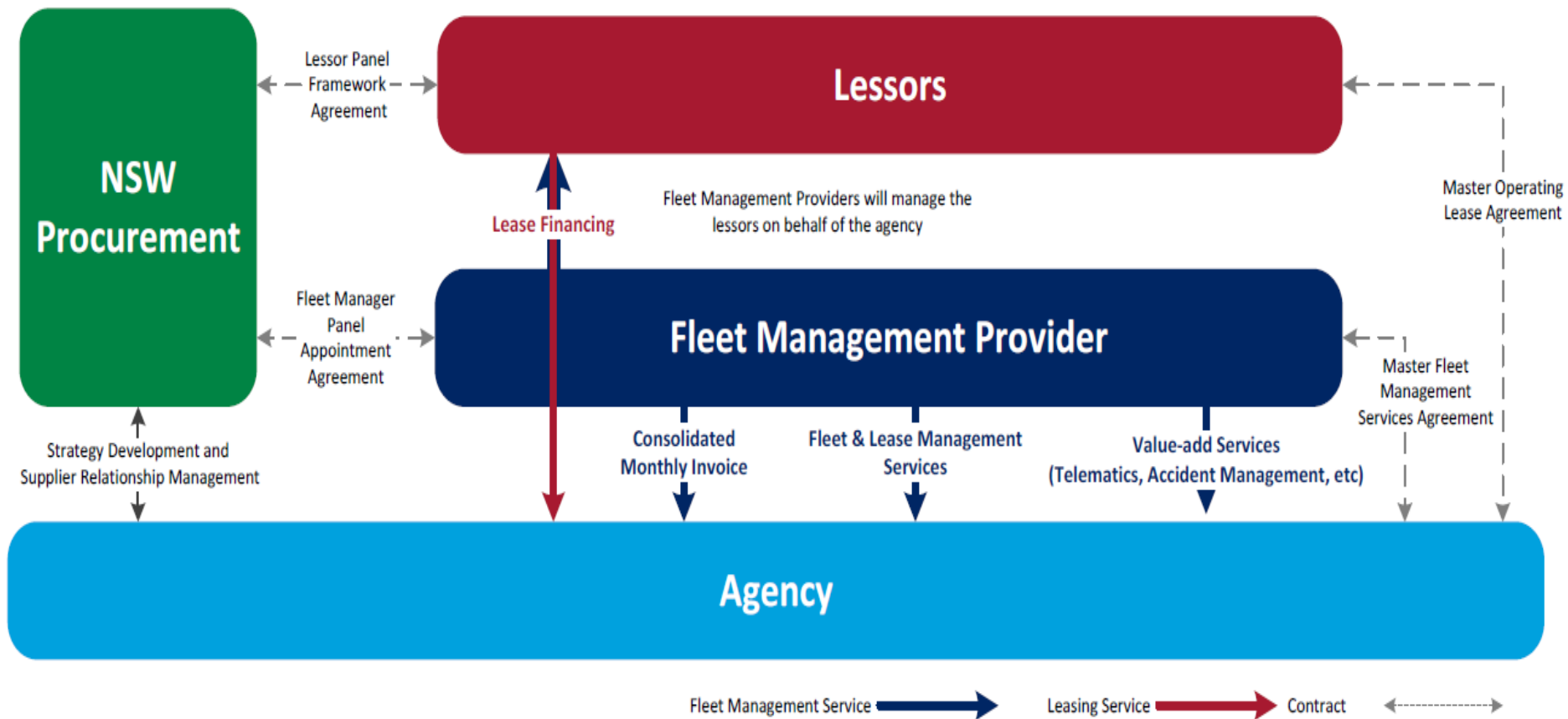
1. NSW Government Fleet Model
2. The Changing Fleet Landscape
  - Integrated Mobility Solution
  - 'Multi-modal' approach
3. NSW Government Policy Developments
  - NSW Government Prequalification Scheme
  - Emissions
  - Telematics
4. Future Consideration
  - Hybrid / Electric / Petrol Vehicles

# NSW Government Fleet

## Fleet Ownership Status 21,195 vehicles



# NSW Government Fleet Model



# NSW Government Fleet Model

## Key Outcomes



### \$250m Funding Outsourced

- Funding managed through the RFQ bidding process
- Average \$200 per month per vehicle reduction



### Consolidated Planning

- Modulated lease periods for agencies
- Consolidated fleet planning
- Inclusion of heavy commercial fleet
- Profit share program



### Improved Supplier Satisfaction

- Fortnightly bidding cycle
- Averaging 500 vehicles per month
- Proactive engagement: tailored solutions / process mapping

# NSW Government Fleet Model

## Key Outcomes



### Centralised data capture

- Identification of NSWG core spend and model performance metrics
- Portfolio analytics
- Reporting transparency and sharing of data across NSWG
- Cluster benefits reporting scorecards from competitive supply



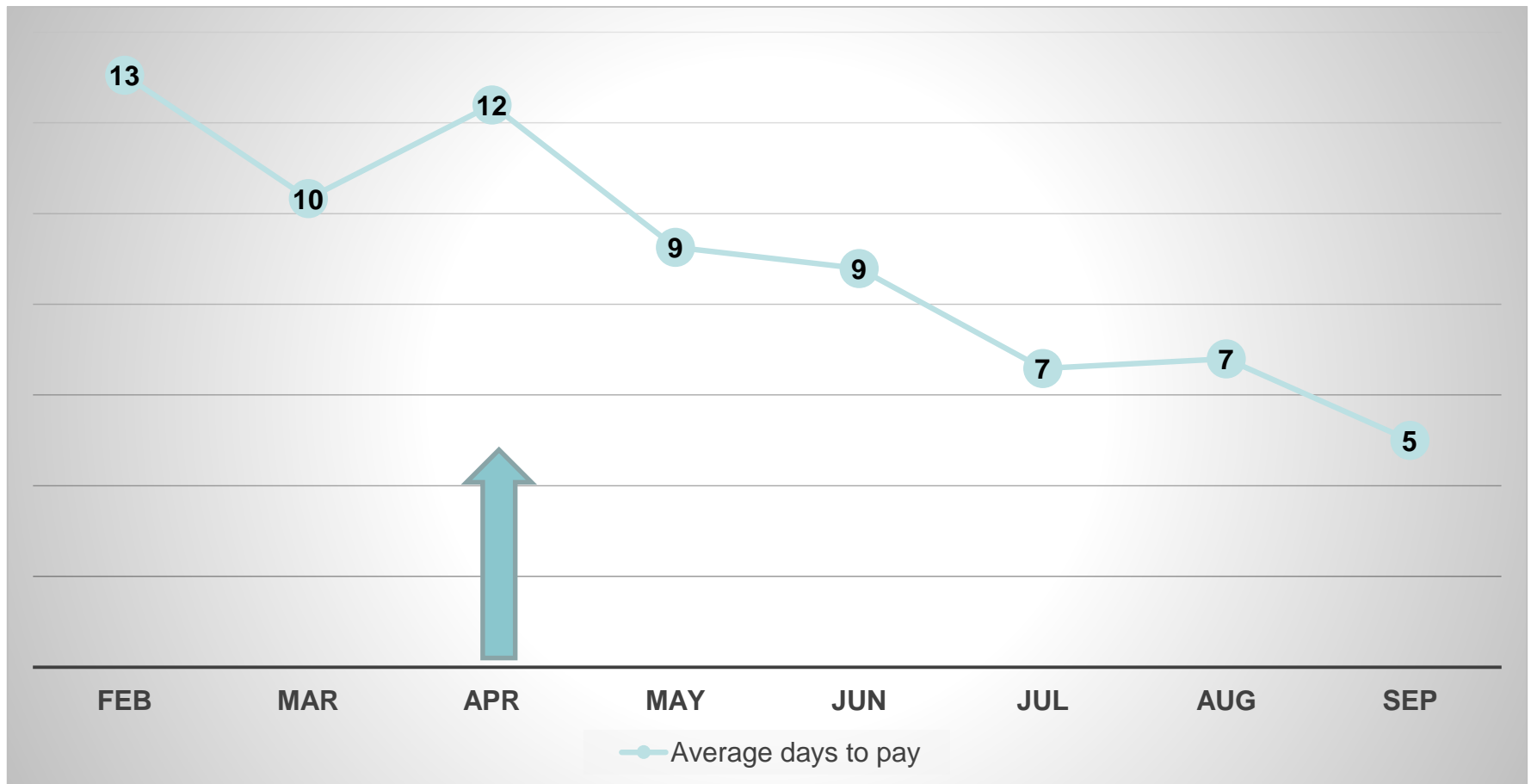
### Innovation: transforming the way government operates

- Simplify/improve supplier engagement with Government (JIRA)
- Supplier Performance Scorecards

# NSW Government Fleet Model

## Key Outcomes

### Lessor Panel Drawdown – average days to pay by month



# The Changing Fleet Landscape



Mobility solutions to positively impact Total Cost of Ownership (TCO) and reduce environmental impact

Vehicle manufacturers driving technological progress

- Autonomous vehicles
- Telematics devices
- 'Smartphones on Wheels'

Shift in Agency policy development

- 'Car-Centric' to 'People-Centric'



# NSW Pre-Qualification Scheme (SCM0653)

## Scheme Overview

- Twice a year manufacturer tender
- Approved Vehicle List (AVL) published on NSWBuy

## Rationalising the AVL

- Scaled down from >700 vehicle models to <250
- Reflects best value fit-for-purpose
- reflects the public perception

## Benefit

- 14%-18% reduction compared to government published discounts on some vehicles

# ANCAP and Safety

- Fleet Overview

Asset Class	5 Star ANCAP Rating
Passenger	95.09%
SUV	94.66%
Light Commercial	87.84%

*Source: NSW Procurement 2017*

- ANCAP alignment with Euro NCAP testing (2018)

Speed Assist Systems

Electronic Stability Control (ESC)

Autonomous Emergency Braking

Lane Keep Assist

# NSW Government Fleet Emissions

- Prequalification Scheme (SCM0653)
- GHG emission limits are specified in the scheme

## Average CO<sub>2</sub> emissions data of NSW Government fleet

Average CO <sub>2</sub> emissions (g/km)	NSW State Fleet					Australian Average		US Average		European Average	
	2014	2015	2016	2017	Percentage difference from 2014 to 2017	2015	2016	2015	2022	2015	2022
Passenger	185	181	177	169	-9%	175	173	147	102	120	95
Light Commercial	245	242	220	210	-14%	229	222	194	147	168	147
Combined	203	200	185	180	-11%	184	182	164	-	126	-

Source: NSW Procurement Emissions Review 2017

# NSW Department of Industry - Telematics

## Challenge/Solution

- Reduce motor vehicle accidents and net costs
- Install telematics in 76 vehicles under 6-month trial

## Outcomes/Benefits

- One reported accident during the trial
- Reduction in cost of claims; 74% improvement
- Reduction in private use for Fringe Benefit Tax
- Reduction in worker's compensation costs
- Improved fleet optimisation to 'de-fleet' by 30 June 2018
- Replaced manual log sheets with electronic log sheets.

# NSW Shared Mobility Trial



## Challenge

- Investigate improvement opportunities for general purpose pool vehicles

## Trial Objectives

- Examine the benefits of using in-car technology solution
- Understand the benefits of sharing across Clusters
- Feasibility of partially replacing general purpose pools with car-sharing services

The trial is expected to deliver outcomes in late 2018

# Future Consideration: Hybrid / Electric Vehicles

## Current Fleet Mix

- Toyota Camry Altise & Toyota Corolla Hybrid in the fleet

## Challenges

- Purchase prices
- Limited model range in market
- Charging infrastructure

## Future Strategy

- Proactively explore future opportunities as part of the fleet mix



Thank you