QFleet
Utilisation Standard

for the Queensland Government
motor vehicle fleet

Contents

Introduction

This document – *the QFleet Utilisation Standard for the Queensland Government motor vehicle fleet* (the Standard) – informs the strategic and operational management of Queensland's fleet of government vehicles.

It is a companion document to:

- the *QFleet Environmental Strategy for the Queensland Government motor vehicle fleet* [1]

- the *QFleet Electric Vehicle Strategy for the Queensland Government motor vehicle fleet* [2]

- the *QFleet Emissions Reduction Guide for the Queensland Government motor vehicle fleet.* [3]

The Standard replaces the *QFleet Fleet Efficiency and Utilisation Policy for the Queensland Government motor vehicle fleet* (published in 2010).

The Queensland Government fleet is complex, dynamic and valuable. Its vehicles are used by government agencies to deliver services to the people of Queensland. The fleet's composition and operation are influenced by safety, cost, operational need and environmental impact.

The Standard provides an easy to follow, five-step model to support agencies' fleet management. By using the Standard, agencies can make informed decisions about the size and composition of their fleets to optimise efficiency and whole-of-government value-for-money.

The Standard encourages regular, thorough, agency-level fleet reviews to assist in preparing robust replacement decisions.

Agencies should **review** their vehicle requirements at least **once a year** and assess their requirements using the *Agency Whole-of-Fleet Performance Guideline* **(Step 4).** This may reveal opportunities to rotate or redeploy vehicles to better manage vehicle utilisation. It will also help agencies to evaluate the need for vehicles and consider opportunities to reduce their fleet size.

The Standard supports agencies to meet government and community expectations for accountability, transparency and integrity.

The Standard is relevant for all staff involved in the management of their agency's vehicles. Agencies that acquire and manage their own vehicles are encouraged to apply the Standard principles to their fleet utilisation and replacement programs.

---

1. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetEnvironmentalStrategy.pdf
2. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetElectricVehicleTransitionStrategy.pdf
3. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetEmissionsReductionGuide.pdf

Overview of the QFleet Utilisation Standard

The Standard is designed to support the efficient utilisation of each vehicle in the Queensland Government fleet in a way that contributes to overall productivity and cost effectiveness.

Effective fleet utilisation starts with fit-for-purpose vehicle selection, supported by lease parameters based on realistic estimates of the annual distance (kilometres) to be travelled.

It involves regular monitoring against lease parameters, with adjustments made if necessary. Effective fleet utilisation results in the return of the vehicle at the end of the specified lease duration (months) having achieved within 90 per cent of the specified lease distance.

Effective fleet utilisation helps to ensure a stable fleet replacement program and avoids additional costs related to excess kilometres, early lease termination or lease extension.

This Standard promotes continuous improvement and fleet management best-practice.
It outlines five steps in effective fleet utilisation:

Step 1	Recognise the fleet as a valuable asset
Step 2	Conduct a strategic fleet-management review
Step 3	Ensure agency fleet policy and processes align with government policy and fleet best-practice
Step 4	Assess the fleet using the *Agency Whole-of-Fleet Performance Guideline*
Step 5	Make informed decisions about replacement and additional vehicles

> Efficient vehicle utilisation delivers value for the government's multi-million dollar investment in the fleet.

Purpose of the Standard

The Standard guides the effective utilisation of the government fleet for the benefit of the government, its agencies and the communities they serve.

It is designed to be consistent with government priorities and to integrate with agency functions and activities.

Its application should enhance fleet management at both agency and whole-of-government levels.

Scope of the Standard

The Standard provides the basis for agencies to make consistent and coordinated decisions that meet their vehicle and fleet utilisation obligations. It applies to all levels of fleet management, including individual vehicles and large fleets.

Successful implementation of the Standard requires support from CEOs, agency senior fleet managers and those who supervise vehicle pooling and allocation.

The Standard is primarily designed for use by government agencies and entities that lease vehicles through QFleet. However, agencies and entities that own and operate their own fleets are encouraged to adopt the principles of the Standard.

Agencies may identify exempted vehicles which cannot conform to all aspects of the Standard due to their service delivery role, commercial contribution or special operational deployment (such as emergency response vehicles).

Accountability for fleet management

Fleet management involves significant financial and performance aspects.

This has implications for CEOs, who are responsible and accountable for managing their fleets in accordance with the *Financial and Performance Management Standard 2009.*[4]

CEOs are also responsible for certain matters that influence vehicle utilisation, such as compliance with the Public Service Commission policy – *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises.*[5]

Agencies are responsible for the operational management of their fleets.

Fleet management and accountability are supported by data collection and analysis. Agencies must ensure that all journeys are suitably recorded through either hard-copy logbooks, QFleet's Betasphere system, Utilisation Management System (UMS), QFleet Car Share reporting or the agencies' own electronic recording systems.

Suitable recording is essential for effective fleet management because it provides information about daily, monthly and seasonal vehicle use. It is also required by the Public Service Commission policy and is necessary for FBT reporting.

QFleet is responsible for the government's centralised arrangements for vehicle aggregation, financing, acquisition, ownership, in-service management, reporting and disposal. QFleet is also responsible for providing advice, reports and tools to assist agencies in optimising their fleet efficiency and utilisation.

---

4. https://www.legislation.qld.gov.au/view/pdf/2011-08-18/sl-2009-0104
5. https://www.forgov.qld.gov.au/documents/policy/use-government-owned-motor-vehicles-and-parking-private-vehicles-official-premises

Step 1:

Recognise the fleet as a valuable asset

1.1 Effective fleet use

The Queensland Government vehicle fleet is a valuable resource, essential to the daily work of government agencies right across the state. The vehicle fleet must be used efficiently and effectively.

Effective fleet use that avoids vehicle over-and under-utilisation prevents avoidable cost. Effective fleet management and fleet use delivers value for the government's multi-million-dollar investment in the fleet.

1.2 Principles of effective fleet use

Effective fleet use is influenced by:

- service delivery to fleet users
- fleet size
- fleet composition
- individual vehicle deployment and operation
- adherence to relevant government policy.

The Standard is designed to support optimal use of the fleet across government.

The Standard:

- encourages a utilisation-management focus where agencies consider vehicle selection, deployment and operation
- proposes a fleet-wide approach to fleet composition and deployment
- promotes evidence-based decisions about lease parameters
- provides guidelines for the time and kilometre use of each vehicle
- recommends periodic review and adjustment to vehicle allocation and deployment
- encourages agencies to consider alternative transport methods and reduce use of government vehicles where appropriate
- encourages agencies to carpool to optimise efficiency
- encourages agencies to use QFleet Car Share (where available) to expand transport solutions
- avoids the unnecessary leasing and use of government vehicles
- highlights the environmental impact of vehicle use and supports the Queensland Government's commitment to mitigate climate change.[6]

Step 2:
Conduct a strategic fleet management review

The Standard is designed to help agencies conduct a rigorous, strategic review of their fleet, and to use the review's outcomes for fleet decision making. QFleet recommends that agencies should review their fleet management at least annually, or more frequently if required. QFleet's client services team is available to support agencies in conducting their review.

2.1 Purpose of the review

A strategic fleet management review is designed to:

- define the agency's fleet requirements in the light of safety, financial and environmental factors

- evaluate the current performance and effectiveness of the fleet according to the measures outlined in the *Agency Whole-of-Fleet Performance Guideline* (see **Step 4.1**)

- consider whether the total operational distance of the fleet can be reduced or delivered with fewer vehicles, based on the measures in the *Agency Whole-of-Fleet Performance Guideline* (see **Step 4.1**).

- adjust fleet management practices for vehicles that fall outside the optimum performance utilisation range (see **Table 3**)

- consider and implement, where applicable, actions to manage the fleet more efficiently and cost effectively, such as QFleet Car Share, carpooling, alternative transport choices, telecommuting and avoiding unnecessary home garaging (see **Step 3**)

- assess the fleet's suitability to meet genuine, current and anticipated operational requirements, in terms of its size, composition and lease packages

- identify and eliminate avoidable fleet costs.

2.2 Forward planning

Forward planning should be based on the strategic fleet management review alongside a more detailed best-practice review (**Step 3**) and a performance review (**Step 4**). Together, these reviews will provide insight into the short- and medium-term evolution of the agency's fleet.

During November, December and January each year, QFleet's client services team meets with agencies to prepare forward-commitment projections for the coming 12-months and outer years. These are based on the agencies' strategic fleet management reviews and influenced by decisions about vehicle replacement and additional vehicle needs (**Step 5**).

Agencies' forward-commitment projections are critical for QFleet's negotiations with vehicle manufacturers. The accuracy of forward planning directly influences vehicle procurement processes and can lead to substantial cost savings for government through volume discounts.

In preparation for the process, QFleet's customer services team produces a review matrix showing the key elements for each vehicle according to lease-end dates.

An example of the matrix is shown in **Table 1.**

A QFleet fleet consultant works with the customer to plan the forward replacement program, considering fit-for-purpose requirements, safety, whole-of-life costs, value-for-money, and emissions.

Table 1: Strategic fleet management review matrix

Fleet vehicle selection policy
1. Has a five-star ANCAP rating.
2. Meets the minimum fit-for-purpose requirements.
3. Provides value-for-money.
4. Addresses environmental considerations.

Department	Rego	Vehicle	Utilisation %	CO_2 grams/km	Vehicle age months	Odometer	Lease end date	Reallocate to pool	Replace	Do not replace	Battery electric vehicle	Hybrid vehicle	Low emissions vehicle	Like-for-like replacement
Agency name Year 2019	QGAA99	Landcruiser Prado GX 150 4WD	83.88	225	58	39735	14/06/2019	✓	✓				✓	✓
	QGBB99	Landcruiser Prad0 GX 150 4WD	92.95	208	32	86295	21/06/2019		✓					✓
	QGCC99	Pajero GLX NW 4X4	71.95	239	49	75896	22/06/2019		✓					✓
	QGDD99	I30 Tourer Active GD	60.03	151	56	25831	1/08/2019	✓	✓		✓	✓		
	QGEE99	Sportage SLI SL	78.90	189	56	25229	31/08/2019	✓	✓				✓	✓
Agency name Year 2020	QGFF99	I30 Tourer Active GD	56.50	160	50	36482	1/03/2020		✓		✓	✓		✓
	QGGG99	Corolla Ascent ZRE182R	101.10	152	50	63146	8/03/2020		✓		✓	✓		
	QGHH99	Focus Ambiente LW MKII	66.24	154	48	32187	30/04/2020			✓		✓	✓	
	QGII99	Camry Altise ASV50R	57.61	183	47	14173	31/05/2020	✓	✓					
	QGJJ99	Landcruiser Prado GX 150 4WD	85.44	211	23	43398	13/06/2020			✓				✓

Agency review decisions columns: Action (Reallocate to pool, Replace, Do not replace) and Replacement guide (Battery electric vehicle, Hybrid vehicle, Low emissions vehicle, Like-for-like replacement).

Step 3:
Ensure agency fleet policy and processes align with government policy and fleet best-practice

Agencies should ensure their internal fleet utilisation policies, procedures and practices are consistent with relevant whole-of-government policies. As a minimum, agencies should consider the *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises*[5] and the *Queensland Procurement Policy 2019.*[7]

Agencies should be mindful of government commitments that are affected by the management and operation of a vehicle fleet. For example, fleet management is influenced by the government's target to reach zero net greenhouse gas emissions by 2050 and the interim target of at least a 30 per cent reduction on 2005 levels by 2030. These commitments are published in *Pathways to a clean growth economy – Queensland Climate Transition Strategy*[8]. In addition, the government is committed to transition the fleet to electric vehicles, as outlined in *The Future is Electric – Queensland Electric Vehicle Strategy*.[9]

3.1 Best-practice utilisation

Every vehicle leased by Queensland Government agencies should be used as efficiently as possible. Best-practice utilisation is based on the vehicle's known and projected business use and will be detailed as the distance (kilometres) and time (months) in the lease parameters. All decisions about vehicle selection and retention should be based on a review of vehicle utilisation.

To ensure best-practice utilisation, agencies should review the operational history of existing vehicles. Examining the logbooks, Betasphere or UMS records will usually provide a good understanding of a vehicle's average use and reveal any seasonal fluctuations. In reviewing vehicle utilisation, agencies should consider any known future changes to the vehicle's deployment, possible environmental impacts and financial factors.

Best-practice utilisation involves tracking the performance of each vehicle against its lease parameters. Any over-and under-utilisation should be identified and proactively addressed through reallocation, redeployment, early return or lease extension (see **Step 4**).

QFleet's customer services team supports best-practice utilisation by providing agencies with monthly fleet-performance reports. The reports show:

- fuel consumption
- maintenance and repair
- vehicles due or overdue for scheduled servicing
- lease charges
- vehicles showing under- and over-utilisation against the lease package
- vehicles approaching end-of-lease.

QFleet's customer services team helps agencies take appropriate action to address under-or over-utilisation of vehicles. Options include adjusting lease packages, early termination, relocating or redeploying vehicles or diverting vehicles to QFleet's Car Share fleet.

Managing demand and consumption

Best-practice utilisation is directly linked to avoiding unnecessary vehicle leasing and to managing the demand for vehicles. It is particularly important that vehicle use is determined by agency requirements and business needs.

Vehicles must not be used unnecessarily or arbitrarily to achieve lease parameters. Vehicles must not be used primarily to establish a case for vehicle retention or replacement.

---

7. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QLDProcurementPolicy.pdf
8. https://www.qld.gov.au/__data/assets/pdf_file/0026/67283/qld-climate-transition-strategy.pdf
9. https://www.publications.qld.gov.au/dataset/the-future-is-electric-queensland-s-electric-vehicle-strategy/resource/7e352dc9-9afa-47ed-acce-2052cecfec8a

Agency Whole-of-Fleet Performance Guideline

Best-practice utilisation is supported by the *Agency Whole-of-Fleet Performance Guideline*, using the agency's utilisation data and trends. The Guideline helps agencies identify and manage over and under-utilised vehicles to ensure optimal vehicle utilisation and whole-of-government value-for-money. The Guideline is discussed in detail in **Step 4.**

3.2 Environment and climate change

Effective fleet management requires a balance across three areas: 1) the agency's responsibility to deliver services to the community, 2) optimal use of resources, and 3) proactive support for the government's environmental priorities.

The Queensland Government has committed to reduce the causes of climate change, minimise the risks to our economy, and minimise the risks to infrastructure and communities[7]. This commitment is the foundation of three documents relevant to fleet management:

- *QFleet Environmental Strategy for the Queensland Government motor vehicle fleet* [10]

- *QFleet Electric Vehicle Transition Strategy for the Queensland Government motor vehicle fleet* [11]

- *QFleet Emissions Reduction Guide for the Queensland Government motor vehicle fleet* [12].

The principles of the Standard as outlined in this document, contribute to desirable climate change outcomes for the government fleet.

Is a government vehicle the best choice?

For each intended journey, agencies should consider whether using a government vehicle is the best or only choice. Appropriate alternatives might include:

- using the QFleet Car Share service (where available) to supplement the leased fleet or meet infrequent periods of high demand, and to take advantage of low-emission vehicles

- implementing carpooling to reduce fleet size and maximise overall productivity

- eliminating or reducing non-business use of agency vehicles

- using alternative methods of transport (walking, public transport, teleconferencing or web-based solutions).

Other ways to enhance environmental outcomes

Agencies can enhance environmental outcomes by considering greenhouse gas emissions:

- when selecting a replacement or new leased vehicle (see **Step 5**)

- when choosing a QFleet Car Share or agency carpool vehicle for a journey or task.

In the *QFleet Emissions Reduction Guide for the Queensland Government motor vehicle fleet*, QFleet outlines practical ways that agencies can enhance fleet utilisation and yield environmental benefits without compromising safety or operational efficiency. QFleet recommends that agencies use the emissions reduction guide in conjunction with the Standard.

---

10. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetEnvironmentalStrategy.pdf
11. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetElectricVehicleTransitionStrategy.pdf
12. http://www.hpw.qld.gov.au/SiteCollectionDocuments/QFleetEmissionsReductionGuide.pdf

3.3 Carpooling and QFleet Car Share

Best-practice in fleet management includes effective use of carpooling and vehicle sharing. Agencies should investigate whether carpooling and/or vehicle sharing are an appropriate part of their fleet utilisation.

Carpooling

A carpool can include vehicles identified for multiple-user access within an office, a tenancy or across multiple agencies. Carpooling is the agreed sharing of vehicles, not a sub-lease arrangement (sub-leasing of vehicles is not permitted under the *Leasing Vehicles from QFleet – Terms and Conditions*).

Carpooling maximises deployment flexibility, helping to manage overall fleet use and achieve optimal utilisation.

In most cases, carpooling should be supported by locating fleet vehicles at an office or central location. Agency vehicles should not be permanently allocated to one officer unless there are demonstrable operational reasons for doing so. Central location helps to avoid a culture of perceived 'ownership' of particular vehicles, which can have negative impacts on utilisation efficiency.

The online UMS tool can assist agencies in the effective allocation and management of pooled vehicles. It captures vehicle use data to assist in fleet reporting and management. Agencies with multi-driver QFleet vehicles are encouraged to use the UMS tool. QFleet offers free access and instruction.

QFleet Car Share

QFleet Car Share was launched on 11 March 2019, following a successful proof-of-concept exercise in 2017-18. The service opened with three Brisbane CBD locations (42 Albert Street, 33 Charlotte Street and 41 George Street). The service is expanding across the CBD and into major regional locations.

QFleet Car Share offers centralised vehicles for short-duration hire. The vehicles are fully managed by QFleet, and participation by agencies is voluntary.

> Choosing a vehicle from a carpool should be based on fit-for-purpose need rather than personal preference.

QFleet Car Share uses fully automated systems for vehicle booking, key access and use recording. In-vehicle technology captures accurate and reliable data about time used and distance travelled. The fleet includes a mix of vehicles, including lower-emission options (such as petrol/electric hybrid, plug-in hybrid electric and battery-only electric models).

QFleet Car Share enables participating agencies to maintain a core fleet of optimally utilised leased vehicles, supplemented by car share when needed.

When considered appropriate, an agency may seek to have one or more of its current fleet (and the associated parking space) transferred to QFleet Car Share.

Vehicle allocation

A central tenet of both QFleet Car Share and agency carpooling is that each journey should be made in the most suitable, lowest-emission, fit-for-purpose vehicle. Vehicle bookings should always be based on operational needs, not on personal preference.

Vehicle decisions should be based on the number of people travelling, any equipment or luggage to be carried, the nature and distance of the journey, safety, cost and emissions.

Table 2 demonstrates how the key aspects of a planned journey can be brought together to determine the choice of vehicle, from either QFleet Car Share or a general carpool.

Used together with a review of the typical tasks undertaken by staff, the allocation matrix can also inform the optimal makeup of the pooled agency fleet.

Table 2: Indicative vehicle-to-task allocation matrix

Requirement	0–50 km	50–100km	100–200km	›200km
(1 person)	Micro vehicle Light vehicle Small vehicle	Micro vehicle Light vehicle Small vehicle	Light vehicle Small vehicle	Light vehicle Small vehicle
(2 people)	Light vehicle Small vehicle	Light vehicle Small vehicle	Light vehicle Small vehicle	Light vehicle Small vehicle
(2 people + 2 bags)	Light vehicle Small vehicle	Light vehicle Small vehicle	Small vehicle Medium vehicle	Small vehicle Medium vehicle
(3 people)	Small vehicle Medium vehicle Small SUV	Small vehicle Medium vehicle Small SUV	Small vehicle Medium vehicle Small SUV	Small vehicle Medium vehicle Small SUV
(3 people + 3 bags)	Small vehicle Medium vehicle Medium SUV	Small vehicle Medium vehicle Medium SUV	Small SUV Medium vehicle Medium SUV	Small SUV Medium Vehicle Medium SUV
(4 people)	Medium vehicle Medium SUV	Medium vehicle Medium SUV	Medium vehicle Medium SUV	Medium vehicle Medium SUV
(4 people + 3 bags)	Medium vehicle Large SUV People mover	Medium vehicle Large SUV People mover	Medium vehicle Large SUV People mover	Medium vehicle Large SUV People mover
(5 people)	Large SUV People mover	Large SUV People mover	Large SUV People mover	Large SUV People mover
(5 people + 3 bags)	Large SUV People mover Light bus	Large SUV People mover Light bus	Large SUV People mover Light bus	Large SUV People mover Light bus

Select the vehicle best suited to the particular needs of the task at hand (such as an off-road journey or transporting goods/equipment). Whenever possible, do not to select a vehicle with a size or capability greater than required.

Plug-in electric vehicles should be considered for inclusion in the fleet and for selection when the journey is within the vehicle's range. They are available in the small, medium and light commercial segments.

Utilisation and environmental outcomes can be further enhanced by journey planning and ride sharing to minimise overall vehicle use and distances driven.

3.4 Procurement and value-for-money

Queensland Procurement Policy

The *Queensland Procurement Policy 2019*[14] identifies that value-for-money is the primary principle of government purchasing decisions and emphasises that value-for-money is about more than price. Measuring value-for-money includes advancing the government's economic, environmental and social objectives for the long-term wellbeing of our community. Decisions about an agency's fleet must consider value-for-money as outlined in the procurement policy.

Economic objectives

Economic objectives include value-for-money assessments that look beyond the up-front cost. In some situations, the most appropriate goods and/ or services might be more expensive to purchase. However, they may, for example, generate savings throughout their service life because of reduced service/repair costs, running costs or energy costs (such as the cost of a vehicle's fuel).

Whole-of-government economic objectives must take precedence over a single agency's preferences, to ensure that optimal value-for-money is achieved. In addition, economic objectives include paying attention to resource management, as incidences of over- and under-utilisation (discussed in **Step 3.1**) may have negative financial impacts for agencies and government. It is possible that savings could be achieved by eliminating a leased vehicle from an agency's fleet following a best-practice review and subsequent fleet realignment.

Environmental objectives

Under the procurement policy, measuring value-for-money includes 'factoring in the achievement of targets set by government'. For the vehicle fleet, this is particularly relevant to environmental targets such as:

*   zero net emissions by 2050

*   at least a 30 per cent reduction on 2005 levels by 2030.

Environmental procurement objectives feature in the government's *Queensland Climate Transition Strategy*[15], where the government commits to 'use its funding, policy and purchasing levers to deliver emissions reductions, as well as social and economic outcomes in Queensland'.

Environmental objectives must be considered as part of a value-for-money when making any decisions about an agency's fleet.

Social objectives

Efficient fleet utilisation contributes to the government's social objectives by:

*   ensuring the availability of vehicle resources to support the delivery of quality services to Queenslanders

*   minimising the cost to taxpayers of owning and operating the government's fleet

*   minimising harmful vehicle exhaust pollution.

14. https://www.forgov.qld.gov.au/sites/default/files/documents/procurement/qldprocurementpolicy.pdf?v=1574136292
15. https://www.qld.gov.au/__data/assets/pdf_file/0026/67283/qld-climate-transition-strategy.pdf

Step 4:

Assess the fleet using the *Agency Whole-of-Fleet Performance Guideline*

Each agency should assess its fleet utilisation and allocation efficiency using the *Agency Whole-of-Fleet Performance Guideline* (summarised in **Table 3**).

QFleet developed the Guideline to help agencies make decisions about the use and allocation of leased vehicles. The Guideline identifies a target, optimal range for vehicle utilisation. Key benchmarks for assessment using the Guideline include:

- a target usage for each vehicle of 90–100 per cent of the contracted lease package in terms of time (months) and distance (kilometres)

- identification of each vehicle travelling fewer than 15,000 kilometres in 12 months

- identification of each vehicle used for less than 80 per cent of business hours (for business purposes) – that is, a vehicle that is idle for more than 20 per cent of the business day.

Exceptions for vehicle distance and usage may apply to special-build or exempted vehicles. These are identified and assessed by agencies on a case-by-case basis. Any projected low-kilometre use should be reflected in the distance component of lease packages.

Agencies should use the Guideline to assess their fleet at least annually. Vehicles that fall outside the optimal performance parameters identified in the Guideline should be reviewed both during the lease and at its end.

4.1 Applying the *Agency Whole-of-Fleet Performance Guideline*

Agencies need to understand a vehicle's present and expected future use when determining the lease parameters for its replacement. The months and kilometres identified in the lease are used by QFleet to calculate the monthly lease rate. They also influence factors like routine servicing and residual/resale value.

If a vehicle's use does not fit its lease package, the agency may incur additional lease charges, early termination or lease overrun. It is therefore important for agencies to monitor fleet use closely, and to take timely corrective action when appropriate. QFleet's customer services team can support agencies to make decisions about lease package administration and provide options to optimise value-for-money and avoid additional fees.

A vehicle's utilisation should inform replacement decisions, including whether the vehicle should be replaced, and what lease parameters are most appropriate (see **Step 5.2**).

General principles that underpin the *Agency Whole-of-Fleet Performance Guideline* include:

- **Optimal range:** Vehicle use is **90–100 per cent** of its lease package parameters (months and kilometres). The agency is deriving maximum value from the lease. Subsequent vehicle replacement is valid, under a similar lease package.

- **Sub-optimal range:** Vehicle use is **75–89 per cent** of the lease package. Several options can improve the situation during the lease, such as re-tasking the vehicle within the agency or rotating the vehicle into the carpool.

- **Sub-optimal range:** Vehicle use is **51–74 per cent** of the lease package. In this case, the need for remedial action is pressing. The agency may reassign the vehicle to another part of the agency, particularly if it can be swapped for another vehicle that is exceeding its lease package kilometres.

- **Adverse range:** Vehicle use is **50 per cent** of the lease package or lower. The agency should consider whether the vehicle needs to be retained. QFleet can guide agencies about the best option, including early lease termination if required.

- **Sub-optimal range:** Vehicle use is **101–125 per cent** of the lease package. A vehicle that is exceeding its lease package kilometres requires attention. Re-assignment may be required to avoid additional lease costs.

- **Adverse range:** Vehicle use is exceeding **125 per cent** of the lease package. In this situation, corrective action should be prioritised. It may be possible to rotate the vehicle with an under-utilised vehicle to address issues for both vehicles. If kilometres continue to run well ahead of the package, early termination may be warranted.

Agency carpool vehicles

Vehicles that are part of an agency carpool can have their kilometres managed through day-to-day vehicle allocations. For example, agencies should assign low-odometer vehicles for higher-kilometre tasks.

Low-kilometre and little-used vehicles in a carpool may be a strong indicator that the carpool contains too many vehicles. For example, if one or more carpool vehicles are consistently idle for more than 20 per cent of the business day, it may be appropriate to reduce the carpool.
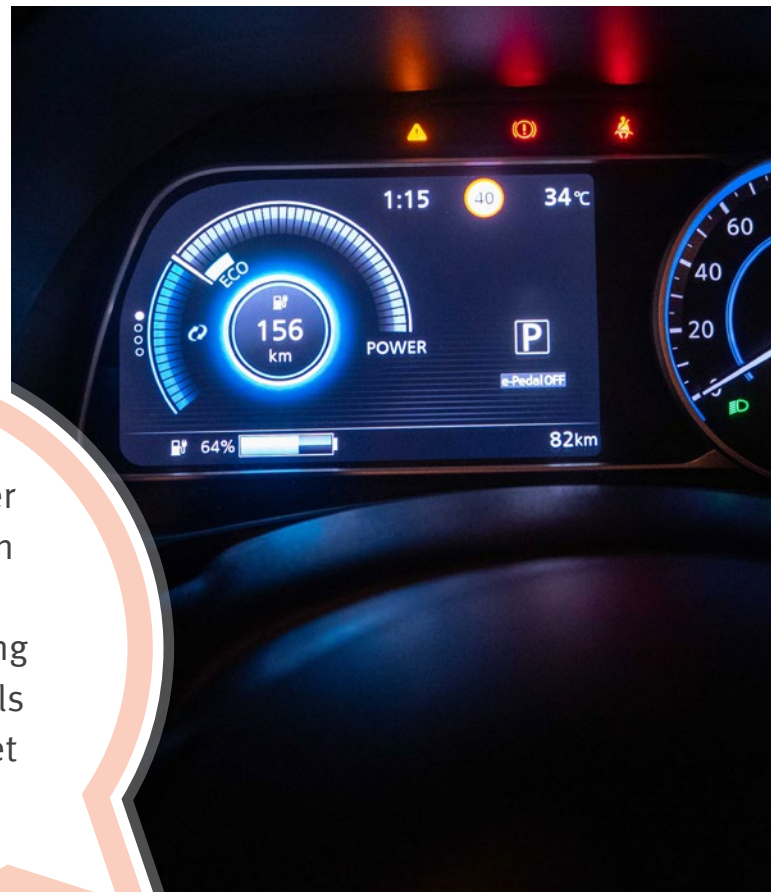
QFleet's customer services team can provide advice, guidance, reporting and access to tools to assist with fleet utilisation.

Table 3: *Agency Whole-of-Fleet Performance Guideline*: Performance utilisation range

An efficiently managed vehicle should achieve between **90 and 100 per cent** utilisation. Agencies should monitor vehicle use against the lease package and take action during the vehicle's service life to maintain optimal utilisation.

Performance Utilisation Range Categories

ADVERSE	SUB-OPTIMAL	OPTIMAL	SUB-OPTIMAL	ADVERSE

0%	50%	75%	90%	100%	125%
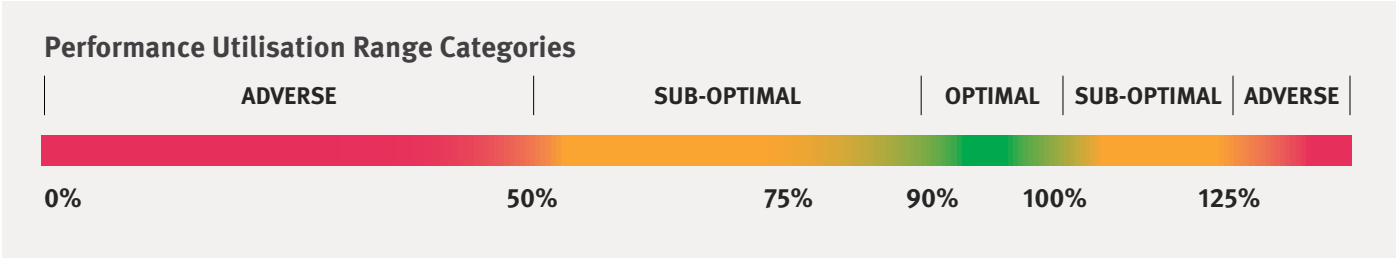
**KILOMETRE USAGE
50% or lower**

**CATEGORY
ADVERSE RANGE**

RECOMMENDATION
Do not replace

OPTIONS / ACTIONS

- Reallocate vehicle into agency carpool and monitor (if not already part of a carpool)
- Redeploy or exchange vehicle with whole-of-fleet, in lieu of replacing another existing vehicle at end-of-lease
- If the above are not possible and utilisation does not improve above 50 per cent, return vehicle before end-of-lease and do not replace.

**KILOMETRE USAGE
51 – 74%**

**CATEGORY
SUB-OPTIMAL RANGE**

RECOMMENDATION
Reconsider replacement

OPTIONS / ACTIONS

- Reallocate vehicle into the agency carpool and monitor (if not already part of a pool)
- Rotate vehicle within the whole-of-fleet with an over-utilised vehicle with similar service-delivery capability
- Discuss mid-term adjustment with QFleet to realign lease terms and rate with actual usage
- Prior to end-of-lease, evaluate the operational need for replacement
- Where replacement is authorised, negotiate new lease parameters for the replacement vehicle based on actual past and anticipated usage.

**KILOMETRE USAGE
75 – 89%**

**CATEGORY
SUB-OPTIMAL RANGE**

RECOMMENDATION
Improve and replace

OPTIONS / ACTIONS

- Reallocate vehicle into agency carpool and monitor (if not already part of a carpool)
- Discuss a mid-term adjustment with QFleet to realign the lease terms and rate with vehicle's actual usage
- Replace vehicle at end-of-lease, with new lease parameters based on actual past and anticipated usage.

KILOMETRE USAGE **90 – 100%**
CATEGORY **OPTIMAL RANGE**
RECOMMENDATION Maintain and replace

OPTIONS / ACTIONS

- Actively manage vehicle as part of agency carpool to maintain optimal range
- If appropriate, rotate vehicle with an under-utilised agency vehicle with similar service delivery capability
- Replace vehicle at end-of-lease.

KILOMETRE USAGE **101– 125%**
CATEGORY **SUB-OPTIMAL RANGE**
RECOMMENDATION Maintain and replace

OPTIONS / ACTIONS

- Actively manage vehicle as part of agency carpool to return to optimal range
- Where possible, rotate vehicle with an under-utilised whole-of-fleet vehicle with similar service delivery capability
- Replace vehicle at end-of-lease with new lease parameters based on actual past and anticipated usage.

KILOMETRE USAGE **›125%**
CATEGORY **ADVERSE RANGE**
RECOMMENDATION Do not replace

OPTIONS / ACTIONS

- Actively manage vehicle as part of agency fleet and return to optimal range
- Rotate with an under-utilised vehicle within the whole-of-fleet with similar service delivery capability
- Consider early return of vehicle when the lease package kilometres are reached
- At end-of-lease, ensure the replacement vehicle's new lease parameters are based on actual past and anticipated usage
- Before vehicle replacement, identify the causes of over-utilisation and consider other strategies to reduce annual kilometre use (such as scheduled vehicle rotation).

4.2 Utilisation technology

Some agencies manage fleet performance through utilisation technology such as in-vehicle monitoring systems (IVMS) or fleet optimisation services (FOS). Decisions to use IVMS and/or FOS rest with each agency, based on their own requirements and value assessments.

IVMS (often called telematics) involves hardware placed in the vehicle to track and monitor use, a communication device in the vehicle to send and receive information, and a system that allows fleet administrators to view and interact with the data.

FOS is provided by fleet analytical specialists who review the data gathered by the agency and report on utilisation and trends on a fleet, sub-fleet or individual vehicle basis.

QFleet's customer services team can support agencies in deciding whether IVMS and FOS are appropriate for their fleet management.

QFleet has established a whole-of-government panel of IVMS and FOS providers under a standing offer arrangement (**QF0716**). The providers are listed on the Queensland Contracts Directory, together with a buyer's guide, factsheet and panel user guide to help agencies consider whether IVMS/FOS is a worthwhile investment. Agencies may source providers not listed on the whole-of-government panel.

Technology such as in-vehicle monitoring systems can enhance safety and utilisation.
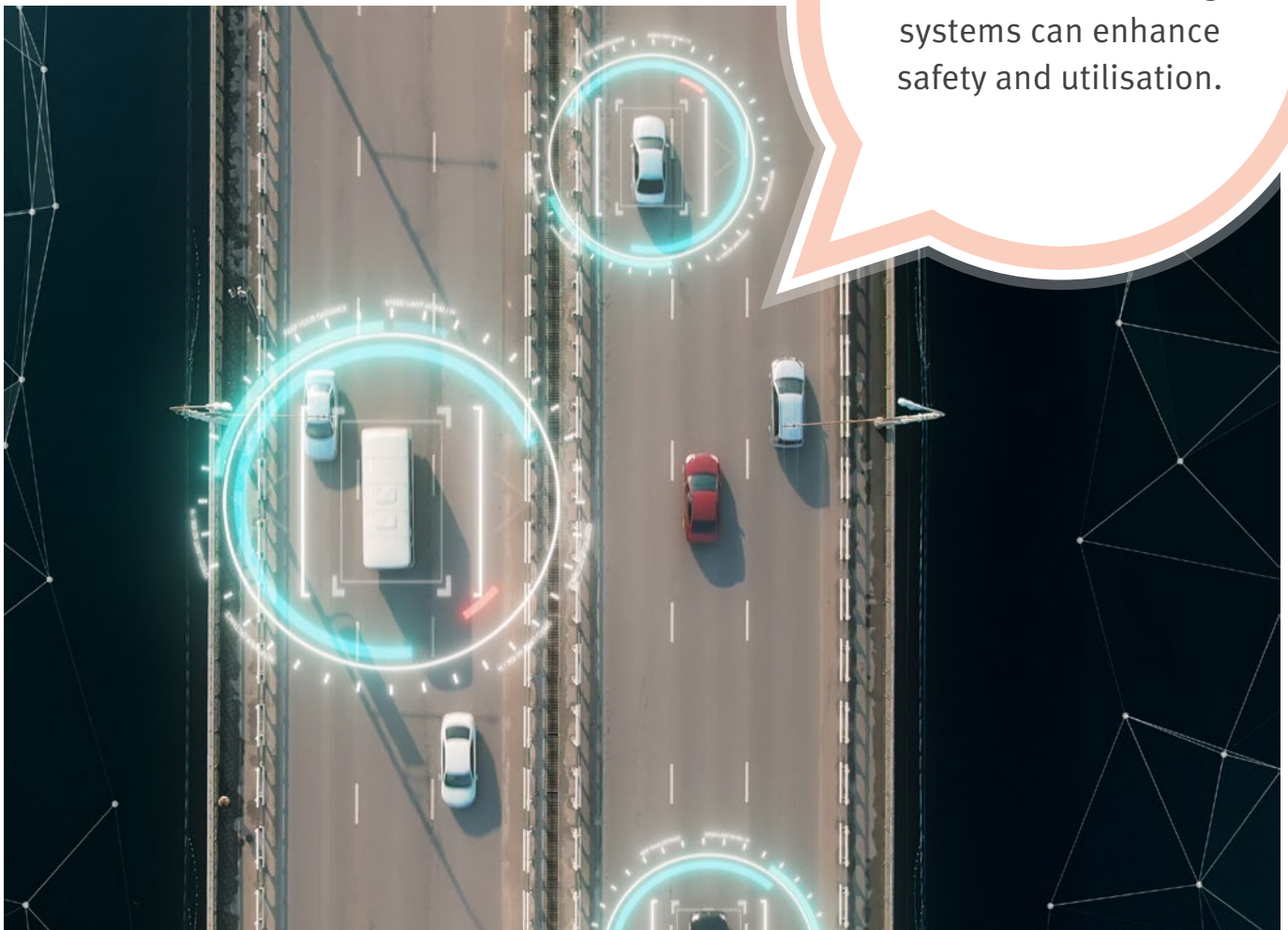
Step 5:
Make informed decisions about replacement and additional vehicles

5.1 Justify each vehicle

Each new vehicle is a high-cost asset and each lease involves a multi-year financial commitment. This means each vehicle must be fully justified, with operational necessity as the primary consideration.

All vehicle decisions should be informed by the *Agency Whole-of-Fleet Performance Guideline* (**Step 4**) and possible alternatives to vehicle leasing (**Steps 3.2** and **3.3**).

Decisions about replacement or additional vehicles should be made within the context of the entire local fleet and the available QFleet Car Share and carpooling facilities. For example, simple adjustments to vehicle deployment or the judicious use of QFleet Car Share facilities might eliminate the need for a vehicle. Decision makers should be mindful of any vehicles already ordered and not yet delivered.

Vehicle decision making must be consistent with the Public Service Commission policy – *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises*[16], which requires that government-owned vehicles:

- are to be purchased or leased by agencies based on the demonstrated need for that vehicle to pursue normal government business
- are to be used only where integral to the effective delivery of government services.

As such, a vehicle must not be acquired, retained or replaced to make vehicles available for personal commuting or home garaging.

5.2 Create the new lease

If a replacement or additional vehicle is justified, its lease parameters should be based on:

- utilisation assessment (as described in **Step 4**)
- any known or anticipated future changes to the vehicle's use.

In the case of an additional vehicle, the lease parameters should be carefully assessed and based on its intended deployment and anticipated use. Where possible, a vehicle must be reallocated to meet this demand.

5.3 Selecting the vehicle

Vehicles must be selected for their safety, fit-for-purpose need, environmental performance (emissions) and whole-of-life cost (including fuel cost). Personal preference should not be a factor in selecting a vehicle for an agency fleet.

Customer assistance and advice

QFleet's customer service team can help agencies to make informed decisions about all aspects of fleet management, including:

- programming fleet replacement
- selecting fit-for-purpose vehicles
- determining optimal lease parameters
- reducing fleet emissions
- reviewing utilisation mid-lease
- redeploying vehicles.

---

16. https://www.forgov.qld.gov.au/documents/policy/use-government-owned-motor-vehicles-and-parking-private-vehicles-official-premises

Roles and responsibilities under the Standard

QFleet

To help agencies achieve sustained, efficient and optimal fleet usage, QFleet will:

- monitor and seek to optimise whole-of-government fleet use

- publish and maintain the Standard

- enable authorised officers to view and create tailored reports from QFleet's online fleet management systems

- include information and data about fleet utilisation in regular agency fleet reports (at both executive and operational levels)

- provide agencies with technical advice, operational guidelines and practical support

- maintain an online carpool management system (the UMS) at no cost to leasing customers

- provide UMS training

- help QFleet customers with the ongoing strategic and operational management of their fleets by:
  - providing 150-day lease-end replacement reports
  - leading the development of new vehicle forward-commitment projections (12-months)
  - holding monthly meetings with agencies
  - convening customer forums involving all agencies.

- maintain and expand QFleet Car Share in the Brisbane CBD

- roll out QFleet Car Share to selected regional centres.

Queensland Government agencies

Agencies leasing vehicles from QFleet should:

- follow the guidelines provided by the Standard

- endeavour to optimise fleet utilisation

- ensure drivers report accurate odometer readings to service station attendants with every refuelling to assist in utilisation management

- consider using the UMS provided by QFleet to manage bookings of the agency's pooled vehicles

- use QFleet Car Share (where available) to supplement the leased fleet or meet infrequent periods of high demand

- carpool local agency leased vehicles to maximise their flexibility and productivity

- eliminate unnecessary vehicle use

- identify under-utilised vehicles for action (for return, re-allocation or redeployment)

- place new vehicle orders in a timely manner, based on 150-day lease-end replacement reports

- participate in developing new vehicle forward-commitment projections (12-months)

- consider the Queensland Government's commitment to reduce greenhouse gas emissions

- ensure that agency-specific fleet management processes are developed, documented and communicated across the agency to all users of government-owned vehicles, in accordance with:
  - the Standard (this document)
  - relevant government policies including *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises*[17]
  - the requirements laid out in *Leasing Vehicles from QFleet – Terms and Conditions*
  - any relevant internal (agency) policies.

Fleet Utilisation Standard Summary

Recognise the fleet as a valuable asset

- Manage and use the fleet effectively
- Adopt a utilisation-management approach
- Adopt a fleet-wide approach to decision making
- Improve internal fleet utilisation policies, procedures and practices
- Consider alternative transport solutions including car share
- Avoid unnecessary/arbitrarily use to justify retention/replacement.

Step 1

Conduct a strategic fleet-management review

- Ensure fleet management review informs forward planning
- Evaluate fleet performance
- Seek best-practice approaches to fleet utilisation
- Consider and implement actions to improve fleet performance
- Be mindful of whole-of-government priorities, policies and targets.

Step 2

Ensure agency fleet policy aligns with government policy and fleet best practice

- Ensure fleet policy is consistent with government commitments
- Ensure fleet vehicles are used effectively and efficiently
- Avoid unnecessary (e.g. non business) vehicle use
- Consider environmental and climate change impacts
- Make effective use of carpooling and QFleet Car Share
- Consider alternatives to vehicle use
- Ensure the fleet is fit-for-purpose.

Step 3

Assess fleet vehicles using the *Agency Whole-of-Fleet Performace Guideline*

- Evaluate current performance and effectiveness
- Identify vehicles' performance utilisation range
- Take action to address vehicles outside the optimal range
- Implement utilisation technology if appropriate.

Step 4

Make informed decisions about replacement and additional vehicles

- Base fleet decisions on sound data
- Replace vehicles only when there is genuine, demonstrable business need
- Determine best possible distance and time lease parameters
- Select appropriate vehicles, based on anticipated use
- Do not allow selection decisions to be influenced by personal preference
- Seek assistance from QFleet's client services team.

Step 5

Glossary of terms

Agency	QFleet uses the term 'agency' to refer to government entities eligible to lease QFleet vehicles. As defined in Division 4 of the *Public Service Act 2008* (Queensland), a government entity is one of the following:
	a. a department or part of a department
	b. a public service office or part of a public service office
	c. an agency, authority, commission, corporation, instrumentality, office, or other entity established under an Act or under State authorisation for a public or State purpose
	d. part of an entity mentioned in paragraph (c)
	e. another entity, or part of another entity, declared under a regulation to be a government entity
	f. a registry or other administrative office of a court of the State of any jurisdiction.
Agency fleet	The mix of vehicles required to meet the business needs of the agency, including vehicles leased from QFleet and agency-owned vehicles.
Annualised kilometre usage	The calculated distance a vehicle is expected to travel in a 12-month period, based on its current utilisation rate (for example, a vehicle that has travelled 14,000 kilometres in seven months has an annualised kilometre usage of 24,000kms (14,000 ÷ 7 x 12).
Business use	The authorised use of a vehicle for official business purposes.
Chief Executive Officer (CEO)	As defined under Part 2, Division 1 of the *Public Service Act 2008* (Queensland).
Department	As defined under Part 2, Division 1 of the *Public Service Act 2008* (Queensland).
Government (motor) vehicle	Any vehicle purchased or leased by the Queensland Government to pursue normal day-to-day government business.
Home garaging	Authorised garaging of government-owned vehicles at private residences, usually involving limited personal commuting privileges, as prescribed in the Public Service Commission policy – *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises*.
Lease (Agreement)	A contractual agreement between QFleet and the customer as described in *Leasing Vehicles from QFleet – Terms and Conditions*.
Lease parameters/package	The distance (in kilometres) and the term (in months) specified in the lease agreement.
Personal use	The use of a government vehicle for non-business purposes. Personal use must be authorised at an appropriate level and conform with the Public Service Commission policy – *Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises*.
Carpooling	Leased vehicles identified by an agency for multi-user allocation on a task-by-task basis.

QFleet Car Share	Non-leased QFleet vehicles available for short-term hire by participating agencies via a fully automated booking and key-access system. Hire fees based on hire time and distance travelled.
Utilisation Management System (UMS)	An online system offered by QFleet that helps agencies with booking, allocation and reporting of carpooled vehicles.
Value-for-money	A decision based partly on price, but also based on advancing the government's economic, environmental and social objectives for the long-term wellbeing of our community. Underpinning value-for-money is the need for probity as an integral component of procurement (*Queensland Procurement Policy 2019*).
Vehicle utilisation	A measure of the use of vehicles. Through the Standard, QFleet considers utilisation in three ways: 1. the distance a vehicle travels in a year (or annualised for any other period of utilisation management and reporting) 2. the use of a vehicle in comparison to its lease package 3. the actual time a vehicle is used for business purposes as a proportion of the time the vehicle is available for use. These measures influence vehicle deployment, allocation, redeployment and reallocation. They also inform decisions about future vehicle replacement and lease parameters.
Whole-of-fleet	Vehicles tied to QFleet fleet leasing arrangements.

Referenced documents

QFleet Environmental Strategy for the Queensland Government motor vehicle fleet

QFleet Electric Vehicle Strategy for the Queensland Government motor vehicle fleet

QFleet Emissions Reduction Guide for the Queensland Government motor vehicle fleet

Leasing Vehicles from QFleet – Terms and Conditions

Pathways to a clean growth economy – Queensland Climate Transition Strategy

Queensland Procurement Policy 2019

Use of Government Owned Motor Vehicles and Parking of Private Vehicles on Official Premises

Public Service Act 2008 (Queensland)

Financial Accountability Act 2009 (Queensland)

Financial and Performance Management Standard 2009 (Queensland)

For more information

✉ qfleet@hpw.qld.gov.au

📞 (07) 3008 2633

📍 GPO Box 293, Brisbane Qld 4001

➤ qfleet.qld.gov.au

Queensland Government