



Saskatchewan  
Ministry of  
Government  
Services

# Guide to Vehicle Replacement and Right Sizing

Central Vehicle Agency



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# Introduction

This guide has been prepared to provide support to the Central Vehicle Agency's (CVA) clients and staff in making vehicle replacement, redeployment and right-sizing decisions.

There are four general circumstances under which a vehicle should be considered for return or replacement.

- The vehicle satisfies the government's replacement criteria
- The vehicle is not the right one for the job
- The vehicle is no longer reliable or cost effective to operate
- The vehicle is no longer needed by the program or ministry

Should you have any questions regarding your vehicle or would like to discuss your vehicle and fleet needs, please contact CVA's Manager of Fleet Service at 787-2066. CVA staff would be very pleased to review your situation with you and help assess your vehicles/ fleet status or options for evaluating if you have the right vehicle(s) for the job.

# Vehicle Replacement and Life Cycle

In institutional fleets, vehicles are replaced when they reach a certain age, mileage, or become unserviceable. Presently, the province has set its replacement threshold and lifecycle for the replacement of vehicles at 300,000 kilometers or 14 years of service.

As a best practice, many government fleets are now taking the position that the smallest, lowest cost vehicle, that meets work requirements, will be selected and that fuel efficient vehicles that minimize the environmental footprint will be favored where possible. CVA is committed to these principles. CVA will work with clients to clarify the operational requirements for a vehicle and to identify the right vehicle, of the right size, for the job.

CVA has developed the following review criteria to assist clients and CVA staff to conduct a preliminary assessment of vehicles to determine whether they are demonstrating the age, mileage and deterioration of operating performance to warrant consideration for replacement.

If you believe your vehicle is close to satisfying the government's replacement standard, you can use the following tables to carry out a preliminary evaluation. Based on the outcome of that assessment, you are then encouraged to contact CVA to discuss the specifics of your vehicle, work application, operating circumstances and other factors. Based on the review with the fleet professionals within CVA, a determination will be made regarding the replacement, redeployment and right-sizing status of the vehicle or vehicles in question.

# Light, Medium and Heavy Vehicle Replacement Assessment Guideline

| Variable                                       | Point allocation  |
|--|---|
| Age  | One point for each year of age.   |
| Kilometers                                     | One point for each 25,000 kms of use.   |
| Type of Service (duties or driving conditions) | One, three, or five points based on the type of service assignment that vehicle is given. For instance, a northern or off-road vehicle may be assigned a five because it is subject to harsh road conditions or daily use, whereas a sedan driving on paved roads could be assigned a one.  |
| Reliability                                    | One, three, or five points depending on the frequency that a vehicle is in the shop for repair. A five would be assigned to a vehicle that is in the shop two or more times per month on average, while a rating of one would be assigned to a vehicle in the shop an average of once every three months or less.                               |
| Maintenance and Repair Costs                   | One, three, or five points based on total life costs (not including accident damage repairs).<br><br>A five may be assigned to a vehicle with lifetime costs equal or greater to the vehicle's original purchase price, while a one could be given to a vehicle with life M&R costs equal to 20 per cent or less of its original purchase cost. |
| Condition                                      | This category takes into consideration body condition, rust, interior condition, accident history, anticipated repairs, etc. A scale of one, three or five points is used with five being poor condition.   |

### Evaluation Ranges for Light Vehicle

- Under 20 points: Excellent to Very Good condition
- 20 to 24 points: Good condition
- 24 to 29 points: May qualify for replacement planning
- 30 points and above: Consider for replacement

### Evaluation Ranges for Medium and Heavy Vehicles

- Under 18 points: Excellent to Very Good condition
- 18 to 22 points: Good condition
- 23 to 28 points: May qualify for replacement planning
- 29 points and above: Consider for replacement

# Vehicle Selection and Fleet Right-Sizing

## Selecting the Right-Sized Vehicles for the job

Matching a program's service duty requirements to the best available vehicle is an effective investment, operational and environmental strategy. To help in the selection and right-sizing process, client organizations requesting vehicles or right-sizing are required to submit the following information with their requests:

- Explanation of usage
- Functional description of need
- Estimated number of kilometres the vehicle will travel annually (including whether its highway or city driving)
- Requested vehicle type and basic specification

CVA assesses the requests from client organizations and then recommends the most appropriate vehicle for the job. The goals are to maximize vehicle efficiency, to reduce the governmental footprint and effective management of individual client's fleets.

CVA has conducted (March 2011) a right-sizing pilot, involving the approximately 90 vehicles operated by Government Services. The lessons learned from the initiative will be applied when the right-sizing pilot is extended to all CVA clients.

## Optimizing the Fleet

Optimizing the fleet refers to both CVA's management of the entire fleet and managing the vehicles used by each of its client organizations. (Optimizing the fleet involves managing several variables to achieve a more efficient fleet size, with the right mix of vehicles to reduce unnecessary trips and encourage better use of the vehicles). In moving toward these efficiencies, CVA will consider the following criteria when assigning and re-deploying vehicles:

- The vehicle's useful remaining life
- The vehicle's duty requirements
- The fleet size and distribution
- Exceptional costs
- Amount of downtime

## Right-Sizing and New Vehicle Assessments

The objective of conducting right-sizing and new vehicle assessments is to maximize the efficiency of the government's fleet by reducing operational costs and the impact on the environment in the most economically feasible manner, while meeting the travel needs of Government of Saskatchewan.

CVA is offering to work with its clients to review individual vehicles and entire fleets to make sure they are the right ones and the right number to carry out the duties of the client.

Since picking the right new vehicle and evaluating the fit of an existing one is essentially the same exercise, CVA and the client will need to explore the following general kinds of questions when doing a needs assessment.

These questions are intended to solicit the information required to assist CVA in advising you regarding the appropriate type and class of vehicle to best meet your needs and to jointly develop the most appropriate strategy for making a change.

- Is this a new or replacement vehicle?
- What is the program and general profile of the service duty?
- What is the unit number, year, make, model, odometer, etc. of the existing unit?
- If a replacement, does current vehicle meet your needs?
- Reason for replacement – due for replacement, accident/write-off, no longer meets functional requirements, unsafe or economically prohibitive to maintain
- Type of work used for (administrative, field work, trades, inspection, enforcement, other)
- Location of service
- Kilometers driven annually
- Per cent of urban driving (10 per cent, 20 per cent, 30 per cent, etc.)
- Per cent of highway driving (10 per cent, 20 per cent, 30 per cent, etc.)
- Per cent of secondary road driving (10 per cent, 20 per cent, 30 per cent, etc.)
- Time used off road or on very rough roads – (10 per cent, 20 per cent, 30 per cent, etc.)
- Number of people carried including driver (1-2, 3-4, 5-7, 8+)
- How often do you carry more than two passengers, including the driver (daily, weekly, monthly)?

- Type, size, and weight of cargo carried (luggage, construction materials, meeting materials, presentation materials, tools)
- How often do you carry cargo (daily, weekly, monthly)?
- Detailed description of any trailers/equipment this vehicle may have to tow including size and weight
- Required vehicle accessories or service features

**Notes:**

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