

5.4 Resourcing for fleet management (budget, procurement, HR)

5.4.1 Budgeting for fleet

Fleet management budgets should include the full costs associated with running fleet, including:

- Cost of vehicle acquisition (buying, rental costs)
- Cost of fuel, service and maintenance
- Shipping costs associated with the acquisition or return of vehicle (including import tax, if applicable)
- Disposal costs (at the end of the programme)
- Insurance costs
- Registration and licensing costs
- Drivers' costs (include per diems for field trips)
- Other staff costs associated with managing the fleet (e.g. dispatchers, mechanics)
- Costs of additional equipment associated with the fleet, including vehicle radios, first aid kits, fire extinguishers, alarm systems and tracking systems

Fleet management typically includes fixed costs and running costs:

BUDGETING FOR FLEET - COSTS	
Fixed costs: One-off costs to make fleet available to the operation	Running costs: recurring costs to maintain availability of fleet for use
Vehicle / generator	Driver costs
Import costs (if applicable)	Maintenance
In-country registration cost	Spare parts
End-of-life sale income	Fuel
	Insurance
	Depreciation
	Parking fees and tolls
	Revision costs and renewal of roadworthiness certificate (where applicable)

When budgeting for fleet, both cost types must be included in the budget (preferably separately), and expenses against each must be tracked, reported and analysed in monthly reports.

Data for the **logistics monthly reports** should be provided by finance, but the logistics or fleet unit are responsible for checking the reported expenses against approved purchases, maintenance orders or fuel requests.

It is helpful to consult with HQ offices or the HNS regarding information about fixed costs, as they will have data from past operations. In some cases, standard fixed costs will apply (especially where fleet is procured against centrally managed framework agreements), and average running costs can be supplied (for insurance or depreciation, for example). Data should be as accurate as possible, so the HNS will usually be the most reliable source of information.

For vehicles supplied via the IFRC VRP scheme, monthly reports are required to be submitted to the IFRC fleet base (usually via their 'FleetWave' system) – the required data forms part of the VRP contract.

5.4.2 Procuring fleet: process, selection criteria, delivery ([Anchor link for procuring for transport - sourcing transport services](#))

In general, it is recommended to use existing framework agreements to purchase vehicles (FWAs can be held globally by the ICRC or IFRC, or locally by the Host National Society) as this allows centralised purchasing and management, and economies of scale.

Where there are no FWAs in place, the procurement of fleet will generally be done through a tender process, due to the high value of the acquisitions.

Refer to the procurement chapter for details on the tender process (Sections 1.6.1.3 and 1.6.3).

Fleet-specific considerations when tendering for vehicles:

TENDERING FOR VEHICLES		
Ensure that a registered Movement partner in country (IFRC/HNS) agrees to be the buyer and legal owner of the vehicles, and include them in the tender process	The tender response document must specify the origin of the vehicles, their year of manufacture, current mileage, service history and warranty details (if purchasing second-hand)	Specifications* must be developed per RCRC standards, preferably with input from expected users and logistics experts. It is strongly recommended to consult BRC UKO team.
The committee on contract should include representatives from the legal buyers (IFRC/HNS) and the funding partners.	Specify in the tender document whether the purchasing organisation is exempted from paying import taxes and duties	Specifications must be as detailed as possible.
Technical experts and end users should be represented on the Coc too (ask UKO logistics coordinators if necessary)	The tender response document should include a breakdown of costs: vehicle, options, import fees and registration fees	Submissions to the tender must include an ownership certificate from the current owner of the vehicles.

**For specifications, see 5.2.3*

Options to avoid, if possible:

- Electronic systems that are too sophisticated
- Automatic transmission is to be considered only if there are competency restrictions with manual transmission
- Specifications with risk of adverse perceptions, such as tinted windows or leather seats
- Non-compliant with local and national emission regulations

Buying second-hand vehicles is not permitted by all donors – check with your programme team which procurement rules apply under the funding used.

5.4.3 HR resources for fleet

The staff required to run the operational fleet depends on the size of the fleet, the number of daily vehicle movements and the operational context of the project.

RESOURCING FOR FLEET – HR		
Fleet size	Nb of vehicles	Recommended HR structure
Small	1 - 5	Admin delegate with senior driver
Medium	6 - 29	Fleet manager and vehicle dispatcher
Large	> 30	Fleet delegate with full team

The operation should align budgets to activity levels to determine the fleet department's resourcing structure. The following are roles to consider in a fleet team:

- Vehicle drivers
- Dispatchers
- Fleet supervisors (or head driver)
- Fleet managers
- Fleet assistants
- Radio room staff
- Mechanics

Standard role descriptions, with detailed competency and tier requirements, are available from the UK-based Logs team.

Resourcing for Fleet

- Consider fixed and running costs when budgeting for fleet
- Monitor fleet costs with support from finance department
- Use Movement framework agreements where possible, and otherwise run tenders
- BRC is unlikely to be able to own vehicles outside of UK, so consult with IFRC or HNS to agree terms of procurement and ownership
- Ensure HR resources are aligned with the size of fleet