

Email from CFO

From: Peter Stanbridge

To: Rowan French

Date: 5 June 2023

Subject: Feasibility of a joint fleet management function

Rowan,

The fleet manager, Simeon Khakata, made a presentation to the Priority Budgeting Panel (PBP) on the idea of combining our fleet management function with the Fire & Rescue Service's function. He was very enthusiastic about it in the presentation but didn't have many facts or figures to support the idea, and since the meeting he's not been able to pull it all together into something that PBP could consider. We would therefore like you to prepare a report looking at the feasibility of the idea for consideration by the PBP.

I think we need a net present value assessment of the employee expenses savings from the proposal over 10 years, using our standard discount rate of 3.5 per cent.

Please include an assessment of the possible options for financing the initial investment for setting up the merged function, and a proposal for how the two client organisations should pay for their respective use of the merged function.

Also we need an assessment of the benefits and risks that are associated with this venture.

I've attached a couple of useful documents that have come from Simeon:

- the proposed organisation structure for the combined team
- information from the Estates Manager about where the joint service could be located.

I look forward to reading your report and conclusions about this proposal.

Thanks,

Peter

Combined fleet management structure (Proposal)

	FTE	Salary (£)
Joint Transport Service Manager	1	54,532
Workshop Manager	1	40,206
Senior Support Officer	1	25,704
Workshop Supervisor	3	25,704
Mobile Vehicle Mechanic	4	23,945
Vehicle Technician	5	23,277
Ladder Technician	1	21,734
Operational Equipment Officer	1	21,734
Support Officer	2	18,525
Parts Person	1	18,525
Store Keeper	1	18,525
Orderly	1	16,968
Total	22	

HR have advised that severance pay has to be calculated on an individual basis but a reasonable rule of thumb is £10,000 per FTE.