

POLICY ARENA

Profit drives life-cycle fleet management

by Patrick Doyle

In the darkness of the night, the police radio crackles to life under the dashboard of the Ford Crown Victoria cruiser hurling down the highway. “One-Adam-twelve, two-eleven in progress. See the woman at 859 Cypress Lane.”

The grim-faced patrolman flips a switch, turning on the siren and flashing lights before he swings the specially equipped police car into the fast lane and steps on the accelerator, pumping gas to the throbbing 4.6 litre V-8 engine. He doesn’t have time for fear. That’s why he chose this life. That’s why he’s driving down a dark, deserted road at night in a police car...

Ever since James Thurber blew their cover in *The Secret Life of Walter Mitty*, men have been more comfortable revealing their most secret fantasies. And like Mitty, who daydreamed of commanding a warship in heroic circumstances, many wile away the countless commuting hours in reverie dreaming of being behind the wheels of fire trucks, ambulances and police cars, speeding on the way to adventure instead of lurching to humdrum office jobs.

Come on, admit it! Who hasn’t sat in a traffic jam and fantasized about flipping on the siren and speeding up the inside lane?

And who hasn’t seen the newspaper ads for auctions of police vehicles without thinking “Maybe...” But reality clicks in and you pass up the opportunity because who wants to risk buying a burned-out wreck with about a zillion miles on it. Well, think again!

The quality of vehicles being auctioned off by the RCMP and other federal government departments just got better. And they are going to be an increasingly better buy in the future because of new fleet management policies adopted by the federal government, which will be completely phased in by this fall.

The new policies, which give fleet managers more control over running and disposing of the vehicles in their departments, should result in better maintenance during the life cycle of the vehicle in government service and a higher quality vehicle at the end of that life cycle.

“We’re still fairly new at a lot of this and we are still learning but managers are very enthusiastic about the policy,” says Serge Joannis, the Treasury Board official responsible for the Motor Vehicle Policy.

Formerly, the Crown Assets Disposal Centre auctioned off government vehicles for the departments at the end of their useful life and the departments poured the money back into general revenues.

“A fleet manager didn’t have much incentive to get rid of a vehicle. And even if he got credit for the vehicle, Crown Assets used to charge 30 per cent commission for the sale,” Joannis said. “What happened was managers would often hang onto vehicles until the last possible moment. And then there was a lot of cannibalization of vehicles, with good parts and tires being stripped before the vehicles were shipped for sale – likely all you would get would be the price of scrap metal.”

Fleet managers get to decide when it is time to sell the vehicle. When they do, they get to sell through a private sector auction company **and** they get to keep the money the vehicle earns in their budgets. And there is more money too. Instead of a commission, private auctioneers generally charge a flat fee between \$100 and \$250 per vehicle.

Managers will now have to calculate the value a vehicle will fetch at auction into the decision of when it is best to replace it. And, the feeling is many will decide it is better to sell sooner rather than later.

“One view is, ‘get rid of it as soon as the warranty expires,’ ” says Joannis, noting that the policy will probably result in a reduction of the current 4.7 year average life cycle of vehicles in the federal fleet. “But it is almost impossible to generalize.”

There are 22,796 cars, small trucks and vans in the federal fleet. About a quarter of them will be replaced annually, making the reselling big business for the Ontario-based companies, Canadian Auction Group in Brampton and Manheim Auto Auction Ltd of Milton, both of whom have standing offers with Public Works and Government Services Canada available for exercise by individual federal departments.

And your chance of getting a police car for that Walter Mitty dream is pretty good. The RCMP owns about half of the federal fleet.

How old will your police car be?

“There is a tremendous range in the amount of mileage put on police vehicles. Some cruisers are ready for resale after 2 to 3 years, while some of the undercover vehicles, which are not used as much, may have a life span of 4 to 5 years,” says Joannis.

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