

## Case study Transport Mater Health Services (Australia)

### GGHH Agenda Goals

- Transport

### Mater's Goal

- Transport is a major theme of the *Sustainability at Mater* program and a review of fuel use and carbon emissions of the corporate fleet have identified initiatives to reduce total vehicles, fuel costs and emissions from the remaining fleet.

### Achievements

- To December 2014 – reduction of 41 vehicles.
- 78% of fleet now in lower emission more fuel efficient category (<180g CO<sub>2</sub> per KM).
- Financial savings of over \$500,000 based on reduction in fuel / lease / Insurance / repairs and maintenance costs since 2009/2010.

### The Issue

Within the Transport theme, the Mater fleet was seen as an area for review given the number of vehicles that were in the fleet in 2010 (168). 20 vehicles were owned by Mater and the rest were under a leasing arrangement through an external provider. Average fuel use per vehicle per year was 1898.3 litres. Vehicles were required for a number of different business services and senior medical staff were also provided with a fully maintained vehicle as part of their employment.

### Sustainability Strategy Implemented

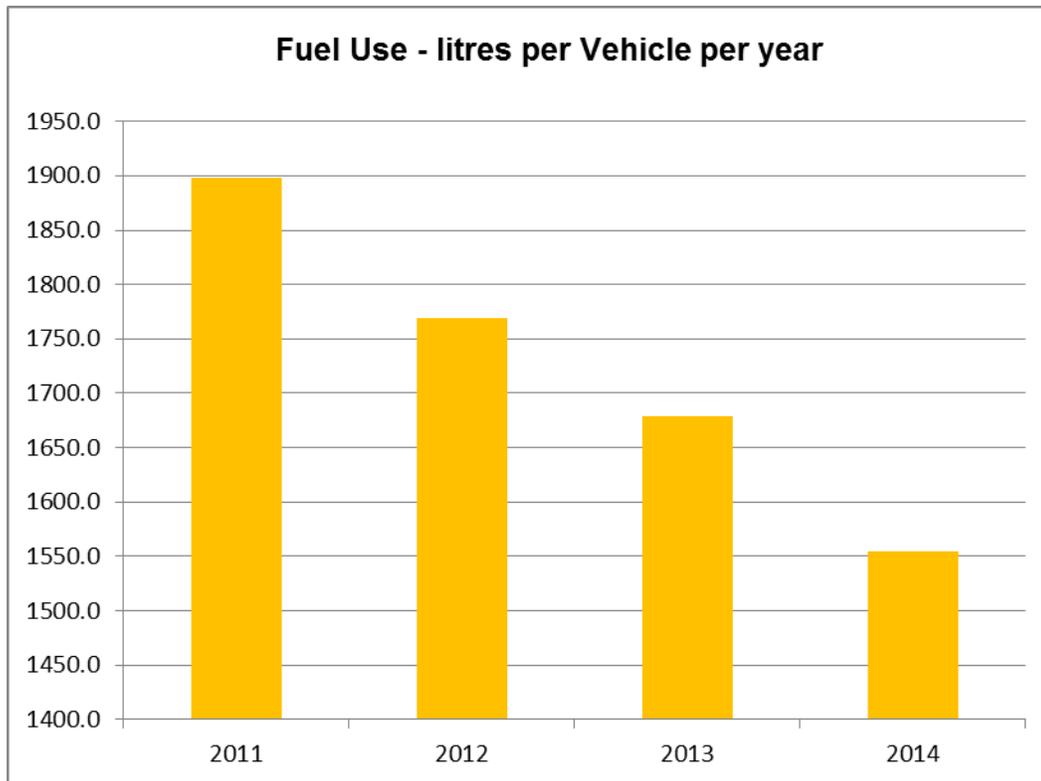
A review of fleet fuel use commenced in 2010 and a decision to move the majority of fleet vehicles to lower emissions / fuel intensive vehicles commenced. This involved the Mater supply services team working with the external fleet management provider to replace end of lease vehicles with Hyundai i30 diesel vehicles. Not all vehicles will move to the more fuel efficient and less emission intensive fleet as there are specific requirements that are outside the scope of this initiative. E.g. Delivery Vans and Utility vehicles

In a separate project, the HR division changed vehicle eligibility criteria for Mater senior staff and medical staff and paid a cash equivalent in place of a vehicle. This initiative along with further fleet rationalization reduced the total number of vehicles by 20. The closure of the Mater Children's Hospital in November 2014 as part of its move into the new

Queensland Health Lady Cilento Children’s Hospital transferred a further 21 cars to the new facility so the total fleet has now decreased by 41 since 2010.

**Tracking Progress**

In relation to the transition of vehicles to a more fuel efficient model, the below graph shown shows how Mater has experienced a decrease in fuel use per vehicle of 18.1% (343 litres per year).



With the reduction in vehicles within the Mater fleet and the reduced fuel costs associated with the more fuel efficient option, Mater has made significant financial savings across fuel / lease / Insurance / repairs and maintenance has saved \$566,000 since 2009/2010.

The total fleet numbers have also been recorded and in July 2010 there were 168, July 2011 - 159, July 2012 - 148, July 2013 - 148, July 2014 - 147 and in December 2014 following the removal of 21 Mater Children’s Hospital vehicles there are now 127.

Tonnes of CO2 equivalent have also been measured and in 2010/2011 Mater recorded its emissions of CO2 at 767.7. This has been reduced to 635.1 in 2013/2014.

### **Challenges and lessons learned**

There was a general perception that diesel vehicles were not environmentally friendly and more clarity was required. Mater addressed this challenge through a number of trial vehicles.

Electric vehicles have also been reviewed with one area that utilises a large fleet as part of their service but the trial proved that they were not fit for purpose in regards to the size required and the range of the vehicle before recharge was required. This is still on the agenda for another review in the future.

Leased vehicles are charged to individual cost centers across a wide variety of departments, and the ability to share vehicles outside of the paying cost centers has been identified as a barrier to sharing fleet vehicles across all of Mater's business functions.

### **Next Steps**

Work will continue to move existing lease vehicle to the new arrangement as they are renewed. Collaboration with the external fleet company will review the utilization of individual vehicles to investigate if more effective rationalisation and sharing of vehicles can occur across departments.

### **Demographic information**

Mater Health Services comprises of several hospitals, health centres, a world-class medical research institute and pathology and pharmacy businesses—all with one aim—to provide exceptional care. Our concerted pursuit of innovation—to discover, improve, adopt and adapt—differentiates Mater as a leader in the areas of health, education and research. By integrating these fields into the delivery of exceptional healthcare services, Mater is committed to the development and maintenance of healthy communities.

Mater is dedicated to providing healthcare services through a sincere commitment to our core values of Mercy, Dignity, Care, Commitment and Quality. A Catholic not-for-profit ministry, we are committed to an holistic approach to healthcare in response to ever-changing community needs. We continually strive to improve how we deliver patient care, keep our knowledge and skills relevant, advance our understanding of illness and health and manage resources effectively.

### **Main contact person information**

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### **Key Words / topics**

Vehicles, fleet, fuel, emissions