

FLEET POLICY

Date 6 June 2017

Council Resolution Date 26 June 2017

Clause Number CCL17/74

Responsible Position Steven Colliver

Branch Fleet Management Services

Division Technical Services

Version 1.0

TRIM Reference Number ED18/110797

Review Period Two (2) years

Review Date June 2019

Consultation Not applicable

Document Revision History	
Description	Date
Prepared in Draft for Council Consideration.	June 2017
Notes	

POLICY

PURPOSE

- To provide sound management of the plant, vehicle and equipment resources of Council, meet statutory requirements, provide fleet management services and technical advice to the organisation as required, in a timely and cost effective manner,
- To provide fully maintained plant, vehicles and equipment from internal or external sources as necessary, to meet all Council's operational requirements,
- To be competitive against similar services provided by other statutory bodies or private enterprise, when compared using like criteria,
- To ensure that Council has a "base level" in its plant and vehicle fleet that is geared to the requirements foreseeable in future works programmes,
- To provide a plant and vehicle fleet that has the ability to allow Council to quickly respond to emergency situations or natural disasters and promptly restore community services,
- To continue to maintain the existing plant and vehicle fleet items in the best possible condition to ensure economic operation and a suitable level of reliability whilst complying with all statutory requirements,
- To recognise and minimise environmental damage caused during servicing and maintenance activities or because of fleet operations.

BACKGROUND AND RELATED LEGISLATION

Fleet Management Services Branch is responsible for the overall control, administration and asset management of the plant and vehicle fleet. This responsibility includes meeting all the regulatory, statutory, legal and operational requirements of the fleet, providing sound management of the plant, vehicle and equipment resources of Council and providing fleet management services and technical advice to the organisation in a timely and cost effective manner. In effect, Fleet Management Services Branch operates as a Plant, Vehicle and Equipment Hire Organisation to all Divisions of the Council.

SCOPE

This Document provides the relevant Policy that addresses the following items:

- Duties of Councils Committees associated with Fleet;
- Delegation of Authority to the Chief Executive Officer;
- Driving Licences and Permits;
- Light Vehicle Provision and Use;
- Replacement Policy;
- Allocation and Hand-Over Procedures;
- Condition of Use;

- Servicing and Maintenance;
- Purchasing Procedures;
- Hire of Plant from External Sources;

POLICY

Objectives

- To provide sound management of the plant, vehicle and equipment resources of Council, meet statutory requirements, provide fleet management services and technical advice to the organisation as required, in a timely and cost effective manner,
- To provide fully maintained plant, vehicles and equipment from internal or external sources as necessary, to meet all Council's operational requirements,
- To be competitive against similar services provided by other statutory bodies or private enterprise, when compared using like criteria,
- To ensure that Council has a "base level" in its plant and vehicle fleet that is geared to the requirements foreseeable in future works programmes,
- To provide a plant and vehicle fleet that has the ability to allow Council to quickly respond to emergency situations or natural disasters and promptly restore community services,
- To continue to maintain the existing plant and vehicle fleet items in the best possible condition to ensure economic operation and a suitable level of reliability whilst complying with all statutory requirements,
- To recognise and minimise environmental damage caused during servicing and maintenance activities or because of fleet operations.

Actions

- Standardisation of plant, vehicles and equipment wherever possible,
- Every item of plant should earn its keep,
- Purchase recognised quality plant and vehicles,
- Trucks over one tonne to be kept on average for a maximum of seven years or 200,000 kilometres,
- Major items of plant, such as backhoes, graders, loaders, etc to be kept for a maximum of seven years or 7,000 hours of operation,
- That the policy guidelines for the replacement of any plant, vehicles or equipment of seven years, 7,000 hours of operation or 200,000 kilometres travelled, may be varied to be either earlier or later than as required by the policy guidelines. Where in the opinion and on the recommendation of the Manager Fleet Services to the Chief Executive Officer subject plant, vehicles or equipment, has a level of utilisation, cost of operation, or is of a special construction to meet particular operational requirements which would or may justify a variation of the standard policy guidelines,

- The constant monitoring of running costs and hire charges to ensure full cost recovery,
- The constant monitoring of driver and operator efficiency,
- The lowest utilisation factor for plant to be retained to be 55 % of available hours, any plant not achieving the 55% utilisation will be subject to a business case review,
- Adoption of a purchasing policy, based on the following factors:
 - ✓ Is it compatible with Council's fleet that will exist at the time of acquisition?
 - ✓ What is the initial price and can Council afford it?
 - ✓ When it is sold, what would it be worth?
 - ✓ Is it economical to own and operate?
 - ✓ What is the quality of the after-sales service?
 - ✓ What are the risks associated with the item?
 - ✓ Provide appropriate asset management practices to the plant and vehicle fleet to achieve a balance of optimum availability and cost efficiency with a high level of return at time of sale.

POLICIES

1 Works Services Committee/Council

Matters that require determination by Council will be directed through the Works and Services Committee/Council as required.

1.1 Duties

- 1.1.1 To give due consideration to Council's light vehicle acquisition policies, taking into account the need for a commercial approach to the management of Council's light vehicle fleet,
- 1.1.2 To independently appraise the need and justification for new major plant acquisitions
- 1.1.3 To consider staff reports on tenders received for the purchase or replacement of major plant and to make recommendations in respect of such reports and tenders to the Works and Services Committee/Council,
- 1.1.4 To review the annual plant report prior to its submission to the Works and Services Committee/Council,
- 1.1.5 To review the Council's existing policies on the management, acquisition and use of plant and vehicles,
- 1.1.6 To approve, through the adoption of the Fleet Management Services Business Plan, the light vehicle specifications annually.

2 Delegation of Authority to the Chief Executive Officer

- 2.2 To approve the purchase and disposal of light vehicles, minor plant, small plant and sundry plant as required from time to time subject to the acquisition being in accordance with Council's policies and specifications for light vehicles and minor plant determined by the Council
- 2.3 To vary the light vehicle specifications, within the approved range of specifications to meet operational changes and or changes to vehicle technology during the course of the year,
- 2.4 To approve variations to the light vehicle retention periods when it is economically advantageous to Council,
- 2.5 To approve the purchase, subject to operational requirements, of any vehicle that is deemed by the Chief Executive Officer to be operationally suitable, cost effective and an appropriate vehicle for the day to day use of a Council employee.
- 2.6 To approve variations to the Leaseback Agreements as required from time to time.

3 Driving Licences and Permits

- 3.1 No plant or vehicle owned or hired by Dubbo Regional Council will be operated or driven by any person who is not the holder of a current Australian Driving Licence of the appropriate class. In addition where it is required by Workcover that an additional operator's permit is required, such permit must also be current and of the appropriate class.
- 3.2 Any loss or suspension of a driving licence or permit must be notified to the Manager Fleet Services immediately.
- 3.3 No person will be allowed or authorised to drive any plant or vehicle whilst serving a period of disqualification or suspension of their licence or permit.
- 3.4 Any Manager who has taken up the motor vehicle private use benefit under his/her employment agreement or any employee who has a leaseback arrangement for the private use of a Council vehicle, must arrange to return such vehicle to Fleet Management Services immediately a disqualification or suspension of their licence takes effect.
- 3.5 The continuation of the private use benefit or the leaseback arrangement will be the subject of determination between the employee concerned and the relevant Director and advised to the Manager Fleet Services.
- 3.6 Any person driving or operating Council plant or equipment must be subject to the internal licencing requirements.

4 Light Vehicle Provision and Use for the Former Dubbo Regional Council, the Former Wellington Council and Dubbo Regional Council

Harmonisation of the two former Council's Light Vehicle Provision and Use policies is not possible due to the general requirement that employee conditions will be protected from the merger date of 12 May 2016.

4.1 Definitions for the Former Dubbo Regional Council and Dubbo Regional Council

- 4.1.1 "Unrestricted Leaseback" - where full private use of a vehicle is permitted during the week, weekend and while on any form of approved paid leave eg. annual leave, long service leave or sick leave on the basis of a post-tax payment of an amount of \$105.36 per week from the 1st August 2017. This amount shall be adjusted annually on 1st August by the annual movement in the Sydney All Groups Consumer Price Index with the amount being rounded to the nearest ten cents.
- 4.1.2 Periods of extended leave: - Use of the vehicle for all periods of paid leave is capped at 13 weeks except in respect of Workers Compensation which will not be capped. After the 13 week period the full running cost applicable to the vehicle is to be paid by the employee should the employee request usage of the vehicle past 13 weeks. The employee will be invoiced accordingly. During any period of unpaid leave the vehicle must be returned to Fleet Services.
- 4.1.3 "Modified Leaseback" - where full private use of a vehicle is permitted during the week, weekend and while on any form of approved paid leave eg. annual leave, long service leave or sick leave within the Dubbo City Area only. With use not being permitted during any period of annual leave, long service leave or sick leave in excess of two (2) weeks. This will be on the basis of a post-tax payment that is equivalent to half of "unrestricted leaseback" payment and adjusted annually. This agreement will stay in place for incumbents only.
- 4.1.4 "Limited Leaseback" –where private use of the vehicle is permitted within the Dubbo City Area only. With use not being permitted during any period of annual leave, long service leave or sick leave, on the basis of a post-tax payment of an amount of \$39.66 per week, from the 1st August 2017. This amount shall be adjusted annually on 1st August by the annual movement in the Sydney All Groups Consumer Price Index with the amount being rounded to the nearest ten cents. This agreement will stay in place for incumbents only.
- 4.1.5 "To and From Work Only" - where vehicles are required to be housed at the place of residence of the employee overnight and at weekends, for Council's benefit and are therefore available to be driven to and from work and for

work purposes only, by such employee. Approval to grant “To and From Work Only” must be obtained by the Chief Executive Officer. “To and From Work Only” will be restricted to staff residing within the Council’s boundaries only, any variation to this must be authorised by the Chief Executive Officer.

4.2 Definitions for the Former Wellington Council

4.2.1 “Benefit Vehicle” - A Benefit Vehicle is a vehicle for which private use is available to the employee and for which the employee has an amount deducted from their salary in recognition of the private use component. Those persons allocated a benefit vehicle will be allowed to choose the class of vehicle desired.

4.2.2 Approval of a benefit vehicle can only be given by the Chief Executive Officer. To be considered the employee must:

- Complete the Private Leaseback Agreement
- Provide a copy of their current and valid Driver’s Licence, the expiry date, class and restrictions will be documented.

4.2.3 After approval has been provided the employee takes responsibility of:

- Advising the Workshop Team Leader and their Supervisor immediately of any damage to the motor vehicle or if it has been involved in a crash, stolen or other activity;
- Complying with the Private Use of Council Motor Vehicle Agreement.

4.2.4 Benefit vehicle costs will be deducted directly from an employees pay.

4.2.5 Fuel for the personal kilometres is at the employee’s expense. These expenses will be charged on a monthly basis to the employee’s debtor’s account held by Council.

4.2.6 Council use the applicable month average price of cost of fuel charged to Council to calculate an employee’s expense for personal kilometres.

4.2.7 If an employee changes position and a motor vehicle is not allocated in their new position, the leaseback agreement of the motor vehicle will be terminated.

4.3 Replacement Policy

4.3.1 That vehicles meeting the Council’s operational requirements as appropriate, be provided for use by staff as opposed to the payment of an allowance for use of private vehicles.

4.3.2 That light vehicles be generally purchased by Council, however, where economically advantageous, leasing arrangements be utilised.

- 4.3.3 That light vehicle replacement be as soon as practicable following the expiration of three years or 60,000 kilometres of travel, or four years or 80,000 kilometres for commercial vehicles, whichever occurs first. The Chief Executive Officer may approve variations to the replacement policy if economically advantageous to Council.
- 4.3.4 That utilities rather than passenger vehicles be purchased where operationally suitable.
- 4.3.5 That the NSW Government Supply Contract be utilised to allow Fleet Services the flexibility to determine an appropriate fleet mixture.
- 4.3.6 A list of motor vehicles which are identified as suitable replacement vehicles for relevant positions will be compiled and approved by the Chief Executive Officer in July annually.
- 4.3.7 The list of vehicles will be established having regard to; operational requirements, whole of life costs and overall suitability as a Dubbo Regional Council vehicle.
- 4.3.8 Where the placement of a hybrid and or full electric light vehicle, plant and or equipment is considered appropriate by the Chief Executive Officer, an additional 10% weighting shall be applied to the environmental consideration in the purchasing analysis. Any exception to this policy will be at the discretion of the Chief Executive Officer.
- 4.3.9 Staff members who leaseback Council's vehicles will be able to select a vehicle from the approved list.
- 4.3.10 Light vehicles be replaced in the following manner:-
- Vehicles will be purchased from local suppliers via the "NSW Government Prequalification Scheme: Motor vehicles" for the supply of motor vehicles to Council. Purchases outside this contract are to be approved by the Chief Executive Officer under delegation.
 - Disposal of replaced light vehicles shall be either by trade-in, public auction sale, public quotation or outright disposal via electronic medium (internet).

4.4 Provision of Light Vehicles

- 4.4.1 The philosophy of Council providing a suitable light vehicle and the use of that vehicle for private purposes, on some agreed basis, is endorsed as a necessary requisite to attract and retain suitable staff in selected positions in the Council. Light vehicles are provided as follows:
- The Chief Executive Officer, Director Economic Development and Business, Director Infrastructure and Operations, Director Planning

and Environment, Director Corporate Services and the Director Community and Recreation and the Director Macquarie Regional Library be granted unrestricted private use of a Council motor vehicle, in accordance with their employment contracts.

- Managers who have a requirement for a vehicle in order to appropriately undertake the duties of their position be offered unrestricted private use of such vehicles on the basis that if this benefit is taken up the payment of the current weekly unrestricted leaseback fee will be applicable and in accordance with their leaseback agreement.
- Various positions within the organisation be offered unrestricted private use of a Council vehicle (“unrestricted leaseback “or “benefit vehicle”) on the basis that if this benefit is taken up the payment of the current weekly unrestricted leaseback fee will be applicable and in accordance with their leaseback agreement.

4.5 Allocation and Hand-Over Procedures

- 4.5.1 Where a motor vehicle has been, or is intended to be, provided to a position and an employment offer is made to an applicant, the letter of offer prepared by the Manager People, Culture and Safety will include the details of the basis on which the motor vehicle is provided (i.e. private use benefit to a manager, private use under leaseback agreement, or “To and From Work Only”.)
- 4.5.2 Where an applicant has been offered use of a motor vehicle and accepts such an offer, Fleet Services Branch will arrange for the leaseback agreement to be completed if necessary and advise People, Culture and Safety. Fleet Services will also be advised of the conditions under which a motor vehicle will be provided to the employee.
- 4.5.3 On commencing employment and as part of the initial induction procedure, his/her Director/Manager/Supervisor will take an employee who has use of a motor vehicle to Fleet Services and the motor vehicle will be officially handed over. This official hand over will include advice to the employee on his/her responsibilities in relation to the motor vehicle including:
- Instruction on any operational features of the vehicle,
 - Issue and use of a fuel card and the fuelling system,
 - The requirement for keeping an FBT log book,
 - Maintenance requirements of the vehicle,
 - The conditions of any private use that may be permitted,

- Preparation and signing of leaseback papers if necessary.

Also, advice will be provided to the employee on the implications of using the vehicle including:

- FBT taxable value appearing on Group Certificates. (detailed information is obtained from Manager Financial Operations),
- Being responsible for any traffic infringements and fines.

As part of this hand over process, Fleet Services will record the date and odometer reading so that FBT records can be updated and also record the employees' current drivers licence details.

4.5.4 A Director/Manager/Supervisor is required to ensure that when an employee who has use of a motor vehicle terminates his/her employment, there is an official handing back of the vehicle to Fleet Services prior to the employee ceasing employment. This handing back process will include:

- An inspection of the vehicle,
- Hand over of all keys,
- Hand over of fuel card,
- Checking of any required FBT log book for completion,
- Recording date and speedometer reading.

4.5.5 All vehicles that are handed back are to be re-allocated for use by Fleet Services.

4.5.6 A Director can request that a motor vehicle that has been handed back, be allocated to an existing employee on an interim basis. This needs to be done by e-mail or memo to Fleet Services and must include the basis of the use being approved and the likely period the use will extend for. The employee who is to have use of motor vehicle must attend Fleet Services where an official hand over procedure will take place as defined in clause (iii).

4.5.7 As in the procedure for termination of employees, a vehicle allocated for an interim period is to be handed back to Fleet Services at the end of the interim period and the hand back procedure will take place.

4.5.8 Vehicles are not to be swapped amongst employees. If it is considered financially advantageous to swap a vehicle, Fleet Services will arrange this and the procedures for hand over and hand back of vehicles will be followed.

4.5.9 Where a motor vehicle is available for use by staff on an as required basis during or out of normal working hours Directors/Managers will establish a

formal system for recording who is driving the motor vehicle at any given time. The minimum records to be kept within the system are:-

- Vehicle Registration No/Plant No,
- Date and time out,
- Date and time returned,
- Name of driver,
- Signature of driver.

4.6 Conditions of Use

- 4.6.1 Where in any of the above situations, the use of a vehicle is permitted, the employee shall be responsible for the proper maintenance and care of the motor vehicle, including garaging, regular cleaning inside and out and ensuring that the normal maintenance items such as petrol, oil, battery, water and the like are checked and attended to daily and that the motor vehicle is driven, regularly serviced, maintained and cared for as required by Council policies or procedures or as directed from time to time. The penalty for any serious breach of this requirement will be termination by the Chief Executive Officer of the privilege of such use, without notice.
- 4.6.2 Wherein any of the above situations the use of a vehicle is permitted; Council considers that the employee is the person in charge of the vehicle. The law currently requires the owner of a vehicle (The Council) to identify the person in charge of the vehicle at the time of an offence; this person may not necessarily have actually been the driver. It is the responsibility of the person in charge of the vehicle to identify who was driving the vehicle at the time of any such offence.
- 4.6.3 Any infringement notices issued to Council have to be returned to the “Infringement Processing Bureau” before the due date. The notice is a statutory declaration which requires Council to nominate, “Who the person in charge of the vehicle was” or “Who the actual driver was” at the time of the infringement.
- 4.6.4 An offer of private use of a vehicle under the leaseback scheme remains open only for a period of 6 months.
- 4.6.5 In the event of any employee to whom the leaseback scheme or modified leaseback scheme applies wishes to terminate his/her participation in such a scheme, the Chief Executive Officer, in consultation with the relevant Director, shall determine the future conditions for use of the vehicle.
- 4.6.6 All fuel for normal business use will be obtained through the fuelling facilities at the Hawthorn Street Depot Dubbo and Amaroo Road Depot in Wellington.

- 4.6.7 All purchases of fuel in respect of private use are to be made by using the Fuel Card System, and should be recorded as a private fuel purchase at the time of signing for such purchase.
- 4.6.8 All fuel purchased for business use outside the local area must, where practicable, be obtained through the Fuel Card System.
- 4.6.9 All fuel purchases through the Fuel Card System will be invoiced to the appropriate staff member, unless the fuel docket for business fuel purchases are submitted to the Accounting Officer with supporting documentation to justify the claim (i.e. - details of business travel, plant number and signature)
- 4.6.10 All fuel purchased through the Fuel Card System, except fuel purchased for business use in accordance with clause (ix) above, will be invoiced on a monthly basis to the appropriate staff member and paid by that staff member each month.
- 4.6.11 For the convenience of Council, a number of vehicles are garaged at the residence of the appropriate employees under the "to and from work only" scheme.
- 4.6.12 Motor vehicle may only be driven by a licensed driver, being the employee, an authorised officer or servant of the Council. In the case of approved private use vehicles (leaseback or salary sacrifice) a husband or wife or immediate family member of the employee may drive the vehicle, with the exception that another licensed driver may drive the motor vehicle in an emergency.
- 4.6.13 The fitting of any optional equipment to a motor vehicle during any period of its life, shall be approved by the Chief Executive Officer and the cost thereof will be paid for by the employee prior to the purchase of the equipment.
- 4.6.14 The provision to the Mayor of a suitable and appropriate official vehicle, to the value of up to \$55,000 (excl GST), fully serviced and maintained, for both civic and private use, with such vehicle type to be at the discretion of the Mayor at the time of changeover, with changeover to occur at not less than 30,000km or 24 months, whichever occurs first.
- 4.6.15 The motor vehicles shall not be used under any circumstances, in any car rally or any other form of competition, for commercial purposes, or otherwise contrary to the terms of Council's insurance policy for the motor vehicle.
- 4.6.16 Employees who are provided with Council's vehicles are required to accurately complete fringe benefits tax logbooks as and when requested by Manager Fleet Services.

4.6.17 The vehicle shall be operated under normal operating conditions. Any damage to the undercarriage of the vehicle will be subject to an investigation to determine if the application was outside the normal operating conditions.

4.6.18 Employees shall be responsible for the security of loads carried in or by the vehicle. Station wagons shall be provided with cargo barriers or cargo nets (depending on the vehicle configuration or the driver's preference) to secure any loads carried in the luggage compartment.

5 Servicing and Maintenance

5.1 All divisions are to utilise the Hawthorn Street (Dubbo) and Amaroo Rd (Wellington) Workshop resources for servicing and maintenance of all plant, vehicles and equipment.

5.2 All warranty, maintenance or accident repairs and servicing which may be sourced external to either Workshop, shall only be organised and authorised by Fleet Services.

6 Purchasing Procedures

6.1 Definitions

6.1.1 "Major Plant" is defined as any wheeled or tracked machine or vehicle which has as a power source an internal combustion engine or is hydraulically, pneumatically or electrically powered, or is a trailer with a purchase value of \$150,000 or more.

6.1.2 "Minor Plant" is defined as any wheeled or tracked machine or vehicle which has as a power source an internal combustion engine or is hydraulically, pneumatically or electrically powered, or is a trailer with a purchase value of \$50,000 up to a purchase value of \$149,999.

6.1.3 "Small Plant" is defined as any item or tool, which has as a power source an internal combustion engine or is hydraulically, pneumatically or electrically powered, or is a trailer with a purchase value of \$10,000 up to a purchase value of \$49,999.

6.1.4 "Sundry Plant" is defined as any item or tool which is powered by an internal combustion engine or is hydraulically, pneumatically or electrically powered, with a purchase value in excess of \$250 and shall include chainsaws pumps, concrete mixers, edgers, mowers, single and tandem axle box trailers and all similar items up to the value of \$9,999.

6.1.5 "Light Vehicle" is defined as any motor vehicle, which has as a power source an internal combustion engine or is hydraulically, pneumatically or electrically powered, which is built as a Sedan, Station Wagon or Utility or light commercial vehicle with a load carrying capacity up to and including 1 tonne.

6.2 Procedure

6.2.1 Major Plant

- Specifications written by Fleet Services in consultation with appropriate operational staff with final approval by the Manager Fleet Services.
- Tenders are to be called as appropriate and in accordance with the Manual of Procedures.
- Purchases may be made through Local Government Procurement where they provide best value for money. A report is to be presented to Council noting any purchases that exceed the tendering limit, as specified under the Local Government (General) Regulation 2005.
- A report upon the purchase of the plant item is written by the Manager Fleet Services with a recommendation.
- The report is considered by the Works and Services Committee and a recommendation made to Works and Services Committee.
- The recommendation is considered by the Works and Services Committee and a recommendation made to Council.
- The purchase is approved by Council.

6.2.2 Minor Plant

- Specification written by Fleet Services in consultation with appropriate operational staff with final approval by the Manager Fleet Services.
- Quotations are called in accordance with the Manual of Procedures.
- A report and recommendation upon the purchase of the items is written by the Manager Fleet Services with supporting approval from the relevant Director.
- The purchase is approved by the Chief Executive Officer under delegated authority.

6.2.3 Small Plant

- The purchase of small plant and items of a similar nature, which may be suitably purchased through the NSW Government Contract System, shall only be purchased by Fleet Services Branch.
- Small plant purchases of a specialised nature or those that may not be appropriately purchased through the NSW Government Contract System shall only be purchased by Fleet Services Branch in accordance with the Manual of Procedures.

- Delivery to Council will be only accepted through the Fleet Services Branch to ensure identification of the item with an asset number prior to issue.
- All unserviceable, unrepairable or obsolete items should only be disposed of by return to Fleet Services Branch to ensure removal from the Asset Register prior to sale by auction.
- Quotations are called in accordance with the Manual of Procedures.
- A report and recommendation upon the purchase of the items is written by the Manager Fleet Services with written supporting approval from the relevant Director.
- The purchase is approved by the Chief Executive Officer under delegated authority.

6.2.4 Sundry Plant

- The purchase of chainsaws, edgers, small mowers and items of a similar nature which may be suitably purchased through the NSW Government Contract System, shall only be purchased and issued by Fleet Services Branch to ensure that at the time of issue the item is identified with an asset number. At the same time unserviceable, unrepairable or obsolete small plant items should be returned to Fleet Services Branch to ensure removal from the Asset Register prior to sale by auction.
- Sundry plant purchases of a specialised nature, or which may not be appropriately purchased through the NSW Government Contract system, shall only be purchased by Fleet Services Branch in accordance with the Manual of Procedures. Delivery to Council will be only accepted through the Fleet Services Branch to ensure identification of the item with an asset number prior to issue.
- All unserviceable, unrepairable or obsolete items should only be disposed of by return to Fleet Services Branch to ensure removal from the Asset Register prior to sale by auction.
- The purchase is approved by the Manager Fleet Services under delegated authority.

6.2.5 Light Vehicles

- Specifications and recommended list of appropriate vehicles approved annually as part of the Fleet Services Business Plan.

- The distance run and age of all light vehicles is monitored on a monthly basis by Fleet Services Branch to identify vehicles approaching the replacement criteria.
- Quotations called from licenced Motor Dealers within the state of NSW for the supply of replacement vehicles in accordance with the adopted replacement policy under clause 4 - Light Vehicle Provision and Use.
- A report in respect of the receipt of the quotation is written by the Manager Fleet Services with a recommendation and supporting approval from the relevant Director. This report is to include funding provision comments from the Manager Financial Operations.
- The purchase is approved by the Chief Executive Officer under delegated authority.
- A report on the disposal is written by the Manager Fleet Services with a recommendation to the Chief Executive Officer for approval. This includes trade-in to motor dealers, sale via auction and sale via the internet (eg. carsales.com.au)
- The disposal is approved by the Chief Executive Officer under delegated authority.

7 Hire of Plant from External Sources

7.1 Definitions

7.1.1 Under this policy the term “Plant” refers to items of earthmoving and construction machinery, trucks, backhoes, excavators, dozers, elevating work platforms, rollers of all sizes, trenches, excavators, compaction equipment including small plant equipment and the like, used in all areas of Local Government activity and hired either with or without an operator.

7.1.2 The term “Contractor” refers to an individual or company engaged by Council and in the business of hiring plant as so defined.

7.2 Policy Objectives

7.2.1 To provide fair competition between interested plant hire contractors in the provision of plant hire services to Council.

7.2.2 To provide a formalised system of selection, engagement and performance assessment of plant hire contractors which ensures Council gets optimum value from the money its spends.

7.2.3 To minimise Council’s legal liability with respect to the use of hired plant.

7.2.4 To establish levels of accountability for nominated Council officers through the establishment of formal procedures.

7.3 Policy Procedures

7.3.1 Selection and Engagement of Plant Hire Contractors:

- Tenders for the provision of external plant hire services to Council be called annually to align with the new financial year. The next tender shall be called for the period of September 2017 to June 2018, this will allow a realignment with the next full financial year.
- A notice calling for tenders shall be advertised in the Daily Liberal, Wellington Times and Western Magazine supplement unless the availability of plant items warrants a wider coverage
- Tenders shall be received up until three (3) weeks from the date of advertising.
- The Plant Hire Specification and Schedule shall include, but not be limited to the following:
 - A schedule of the plant categories required including an estimate and description of work to be performed by each category,
 - Description of terms of engagement,
 - Description of assessment criteria for inclusion of contractors on plant hire schedule,
 - Identification of selection criteria from those contractors placed on the schedule,
 - Title of Council Officer with whom the contractor may contact to express any concerns regarding plant hire arrangement or procedures,
 - Schedule of Prices form, with provision for a prescribed condition report on the items of plant for hire,
 - Statement of Council's Local Purchasing Policy and how it is applied.
- The tender procedure shall be that as set out under Tender Procedures in the Manual of Procedures No 10.008.4 with the exception that in respect of sub clauses ii) & iii) above, all invitations to submit prices shall be advertised for a minimum period for lodgement of offers.

- Upon closing, tenders shall be assessed in accordance with the selection criteria as previously advised to prospective contractors and a report submitted to Council for approval.
- Once approved for inclusion on the Schedule of Plant Hire contractors the “selection for engagement” criteria shall be made known to all contractors on the schedule.
- Upon engagement of a contractor, the Fleet Hire and Finance Officer shall verify that the plant supplied conforms to the Schedule and has appropriate licences, registrations and insurances.

7.3.2 Management of Hired Plant

- Where ever possible the execution of discretionary powers pertaining to the plant hire shall be separated as follows:
 - Specification of plant needed for job - Responsible Overseer/ Supervisor,
 - Selection of plant contractor to be engaged - Fleet Hire and Finance Officer,
 - Certification of satisfactory completion of hire - Overseer/ Supervisor,
 - Approval of payment for work done - Manager responsible for work performed.
- The Manager Fleet Services shall be the officer responsible for dealing with queries or disputes from contractors.
- The placement of orders for plant hire shall be in accordance with the Manual of Procedures pertaining to the purchasing of Goods and Services, Section 10.005.2.
- The Manager Fleet Services shall have the authority to negotiate an amended hire rate in the case where a short-term hire agreement is extended to a longer term.
- Written records shall be kept of any contractors approached, any additional prices verbally obtained and the reason for selection of a contractor engaged which is separate from and additional to the quotation process.

7.3.3 Contractor Assessment

- A checklist of contractor performance criteria shall be maintained and used for hire periods exceeding one (1) week, to monitor and assess contractor performance.

- Contractor performance records may be used for reference with regard to assessment of future quotations.
- Contractors shall be ranked in terms of performance assessment and may upon request be advised of their relative ranking.

7.3.4 Management Reporting

- The processes of selection, engagement and payment of plant hire contractors shall, where possible, be integrated within the Management Information System.
- The details relating to the hire of plant shall be incorporated within the annual plant report to Council.
- An analysis of the comparative costs between hired and owned plant shall be included in the annual plant report to Council.

8 Policy Implementation

The Manager Fleet Services will administer Fleet Services policy.

RESPONSIBILITIES

Manager Fleet Management Services