

# ~~COUNCIL VEHICLE FLEET & PLANT~~

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## 1. OBJECTIVE

~~To The objective of this policy is to~~ outline the principles by which ~~the City~~the Council's Fleet & Plant is procured to achieve compliance, optimum operational utilisation and replacement cost effectiveness. ~~The objective of this policy is to ensure that Council maintains a suitable fleet of vehicles that contributes positively and effectively to the work performance of the City of Karratha (the City).~~

## 2. PRINCIPLES~~POLICY STATEMENT~~

This Policy is underpinned by the Objectives and Principles of the ~~Council's~~ Council's CG-12 Purchasing Policy and details the specific requirements for the procurement, selection and disposal of ~~the City~~the Council's Fleet & Plant. ~~e~~ Chief Executive Officer shall determine vehicle allocations and vehicle use status applicable to employees and/or positions taking into consideration industry and market trends and whole of life costing.

~~In determining vehicle allocations and vehicle use, a flexible approach to the changeover of Council's vehicle fleet will be observed with due consideration being given to the make and model of vehicles and the kilometres travelled to ensure the most cost effective outcome for the City.~~

## 3. LIGHT VEHICLES

### ~~3.~~ VALUE OF VEHICLES

~~The average annual whole of life cost shall be used to determine the value of vehicles provided to City staff to:~~

- ~~• ensure the full economic impact of various vehicle types is evaluated;~~
- ~~• enable a comparison of costs between make/model of vehicles; and~~
- ~~• enable a comparison with other options for providing vehicles to staff such as novated leasing.~~

~~The average annual whole of life cost shall be calculated over the life of the vehicle (based on optimum changeover) and include; depreciation, fuel, repairs & maintenance, tyres and fringe benefits tax.~~

### ~~10.~~ 3.1 LIGHT VEHICLE SELECTION CONSIDERATIONSCRITERIA

Vehicle selection shall be based on ~~five (5)~~6 criteria:

Item	<del>Considerations</del> <u>Criteria</u>	Description
1	Fit for Purpose	The vehicle must firstly meet the functional requirements of the position for which the vehicle is being acquired. <del>Responsibility of the Fleet &amp; Plant Coordinator. This will be assessed as part of the Mechanical &amp; Operational Assessment criteria.</del>
2	Service Support	<del>It is preferred that the</del> The vehicle <del>must have</del> local warranty and service support available. <del>This will be assessed as part of the Mechanical &amp; Operational Assessment criteria.</del>
3	Economic	<del>Average annual whole of life costs (WOL) are based on 24,0,000km000km annual</del> <u>shall</u> be used to provide a cost comparison between vehicles that meet the functionality

		requirements for the position. <u>WOL will be calculated using Institute of Public Works Engineering Australasia (IPWEA) Whole of Life Cost Calculator and will take into account fixed and variable costs such as purchase price, resale value, repairs &amp; maintenance (R&amp;M), depreciation, fuel consumption, insurance and registration. These calculations will be assessed as part of the <b>Whole of Life Costs</b> criteria.</u>
4	Safety	The City has an obligation to provide a safe work place. <u>Vehicle safety ratings are Safety is</u> assessed by Australian New Car Assessment Program (ANCAP) <u>ratings</u> on a scale of 1 - 5. <u>Only vehicles with a 5 Star ANCAP Safety Rating will be considered for The selection.</u> Additional safety features such as lane departure assist, Electronic Stability Control (ESC), Anti-lock Braking Systems (ABS), Tyre Pressure Monitoring Systems (TPMS), reverse sensors / alarms will be assessed as part of the <b>Mechanical &amp; Operational Assessment</b> . <u>ratings are a guide of the potential injury risk if involved in an accident while in a vehicle. A minimum ANCAP 4 star rating shall apply for all passenger cars and utilities selected by the City.</u>
5	<b>Environmental Impact</b>	<u>The main greenhouse gas emitted by motor vehicles is carbon dioxide (CO2). The level of CO2 emissions is linked to the amount of fuel consumed by the car, and the type of fuel used. All new vehicle models sold in Australia are tested to determine both fuel consumption and the level of CO2 emissions. Emissions are measured by grams per kilometre, or (g/km). Only vehicles with a combined (g/km) of &lt; 240 g/km will be considered for selection. The Australian Government's Green Vehicle Guide (GVG) represents the industry standard for providing information on fuel consumption, noise and air pollution and will be consulted during the procurement process.</u> <u>Where applicable and fit for purpose, Council will consider hybrid, hydrogen, or electric or other alternative fuel options.</u> <u>This will be assessed as part of the <b>Environmental Impact</b> criteria.</u>

### 3.2 A WEIGHTED ANALYSIS FOR PURCHASING DECISIONS

A weighted assessment taking into account economic, safety, operational requirements and environmental criteria shall be conducted on a range of vehicles that meet fit for purpose and council image requirements.

The IPWEA National Light Fleet Selection Model shall be used to conduct the assessment on a range of suitable vehicles based on the following weightings:

#### Weighting Criteria~~Factors~~ in Light Vehicle Purchase Decisions

Criteria	Weighting (%)
Annual Whole of Life Costs (including <u>g</u> Purchase Price <u>ng</u> FBT & fuel consumption)	<u>5</u> 70
<u>Mechanical &amp; Operational Assessment (Scoresheet completed by panel members: scoring attributes related to Fit for Purpose, Safety, Service Support, Delivery Timeframe, out of 10)</u> CO2-Emissions	<u>3</u> 40
<u>Environmental Impact</u> Air Pollution Rating	<u>2</u> 40
<u>Safety</u>	<u>1</u> 0

The selection model provides a weighted evaluation score for each vehicle included in the assessment. The evaluation panel shall make a recommendation shall be made from the highest scoring vehicles that are fit for purpose, economically competitive, satisfy minimum safety & environmental standards and meet have local service support and meet the City's requirements.

### 3.3 OPTIMUM REPLACEMENT TIMING

The optimum replacement timing for light fleet changeover shall be reviewed annually. The current optimum

replacement timing for all passenger cars and utilities is 5 years/120,00km whichever occurs first. When identified for replacement vehicles may be subject to a Risk Assessment to determine if the useful life can be prolonged. Deferments shall not exceed 12 months at a time without a new Risk Assessment being conducted.

## ~~11. VEHICLE DISPOSAL~~

~~Options for disposal include:~~

- ~~• trade-in to the dealer supplying the new vehicle;~~
- ~~• disposal by public auction through a reputable auction facility; or~~
- ~~• by tender.~~

~~The most cost effective method of disposal for each vehicle shall be based on the trade offer and compared to the likely return at public auction.~~

## ~~3.4. OPTIONAL EXTRAS~~

Optional extras fitted to light-fleet vehicles can have a substantial effect on the resale value and capital purchase costs. Vehicle extras will be provided on a case by case basis to suit operational requirements and are to be approved by the Chief Executive Officer. ~~as follows, unless approved by the CEO or to suit operational requirements, there is to be no retrofit.~~

<del>Included in standard specification (for safety &amp; resale value)</del>	<del>Not included unless authorised by CEO (can detract from resale value)</del>	
Air Conditioning	Tow pack	
ONLY Light metallic paint	Dark colour duco (reduces resale value)	
Floor mats	Manual other than 4WD Utility	
Mud flaps front & rear		
Passenger air bag where if not available as standard	<del>Optional based on operational needs</del>	
Cruise control	Headlight and bonnet protector	
ABS braking (Essential)	Weather shield	
Stability Control (where available as standard)	Reverse warning sensors	
Cargo barriers for station wagons/vans	3 point seat belts in all passenger positions (standard in most vehicles)	
Central locking	Bull bars	
Auto adjustable rear mirrors	Tow Pack	
Installation of solar tint to windows post manufacture		

## CATEGORIES OF VEHICLES

~~When a vehicle is due for purchase or replacement a weighted assessment will be made of a range of vehicles from the WA State Government Vehicle Acquisition Contract (37804) that are fit for purpose and meet the City's requirements. A Master list of vehicles shall be reviewed annually and approved by the CEO. Preference shall be given to vehicles with the highest weighted score.~~

~~Vehicle categories and example of selection of vehicles~~

Category	Position	Example Type of Vehicle
1	CEO	SUV Upper Large Landcruiser GXL Diesel Auto

2	Directors	<b>SUV Large Diesel</b> Landeruiser GXL Prado Auto
3	Managers	<b>Passenger Vehicle Operational Medium</b> Hyundai i40 Toyota Camry Altise Holden Omega or Toyota Orion ATX, Captiva, Nissan X Trail <del>SUV Medium</del> Holden Captiva RAV 4 GX <del>Suzuki Grand Vitara Subaru Forester</del> <b>SUV Large</b> Colorado 7 LT
4	Coordinators	<b>Passenger Vehicle Operational Small</b> Toyota Corolla Holden Cruze Hyundai i30
5	Operational Staff	<b>Utility 4x2 &amp; 4x4 and Cab Chassis</b> Holden Colorado LX Toyota Hilux SR Bus Toyota Hiace <b>Van</b> Volkswagon Caddy Toyota Hiace Hyundai iLoad <b>Wagon - Passenger Vehicle Operational Small</b> Holden Cruze CD Hyundai i30 Tourer <b>Wagon - Passenger Vehicle Operational Medium</b> Hyundai i40 Tourer

## 4. ~~4.~~ HEAVY VEHICLES & PLANT

### 4.1 HEAVY VEHICLE & PLANT SELECTION CONSIDERATIONS

Heavy vehicle & plant selection shall be based on **five (5)** criteria:

Item	Considerations	Description
<u>1</u>	<u>Fit for Purpose</u>	The item must firstly meet the functional requirements of which the vehicle or machine is being acquired. Departmental consultation should be undertaken to ensure operational suitability. This will be assessed as part of the <b>Mechanical &amp; Operational Assessment</b> criteria.
<u>2</u>	<u>Service Support</u>	It is preferred that the vehicle has local warranty and service support available. This will be assessed as part of the <b>Mechanical &amp; Operational Assessment</b> criteria.
<u>3</u>	<u>Economic</u>	<b>Average annual whole of life costs (WOL)</b> are based on unit specific annual utilisation targets and shall be used to provide a cost comparison between trucks / machines that meet the functional requirements. The WOL costs will be calculated using the IPWEA Whole of Life Cost Calculator and will take into account fixed and variable costs such as

		<a href="#">purchase price, resale value, repairs &amp; maintenance (R&amp;M), depreciation, insurance and registration. These calculations will be assessed as part of the <b>Whole of Life Costs</b> criteria.</a>
<a href="#">4</a>	<a href="#">Safety</a>	<a href="#">Safety features to be considered with heavy vehicles &amp; machinery will include; machine ergonomics / operator comfort e.g. air suspension seat and machine controls, (VTCS) variable traction control system, Roll Over Protection Systems (ROPS), and Falling Object Protection Systems (FOPS), acceptable access &amp; egress from the vehicle and reverse sensors, cameras &amp; alarms. This will be assessed as part of the <b>Mechanical &amp; Operational Assessment</b>.</a>
<a href="#">5</a>	<a href="#">Environmental Impact</a>	<a href="#">When assessing heavy vehicles &amp; machinery, emission standards such as USA Environmental Protection Agency (e.g. Tier 4) or European Union (e.g. Euro 5) will be the reference for comparisons. Fuel and oil burn data will be reviewed as part of the Environmental Impact assessment. Type &amp; quality of fuel and oil filtration systems will also be considered in order to provide the most efficient, clean and quiet operation. This will be assessed as part of the <b>Environmental Impact</b> criteria.</a>

## [4.2 WEIGHTED ANALYSIS FOR PURCHASE DECISIONS](#)

[A weighted assessment taking into account economic, safety and environmental criteria shall be conducted on a range of vehicles and plant that meet fit for purpose requirements. The below weightings should be used in conjunction with the \[Council's Purchasing Policy CG-12\]\(#\).](#)

### [Weighting Factors in Heavy Vehicle and Plant Purchase Decisions](#)

<a href="#">Criteria</a>	<a href="#">Weighting (%)</a>
<a href="#">Whole of Life Costs (WOL). Includes Purchase Price</a>	<a href="#">50</a>
<a href="#">Mechanical &amp; Operational Assessment (Scoresheet completed by panel members; scoring attributes related to Fit for Purpose, Safety, Service Support, Delivery Timeframe, and Environmental Impact, out of 10)</a>	<a href="#">40</a>
<a href="#">Environmental Impact</a>	<a href="#">10</a>

The selection model provides a weighted evaluation score for each vehicle included in the assessment and the Evaluation Panel shall make a recommendation from the highest scoring vehicles that are fit for purpose, have local service support and meet [the City's public image requirements](#).

## [4.3 OPTIMUM REPLACEMENT TIMING](#)

[The current optimum replacement timing for heavy vehicles & plant varies depending on size and type as well as application. When identified for replacement, items may be subject to a Risk Assessment to determine if the useful life can be prolonged. As with light vehicles, deferrals shall not exceed 12 months at a time without a new Risk Assessment being conducted.](#)

[The below Optimum Replacement benchmarks are provided by the IPWEA Fleet Community in response to a national survey and should be considered as a guide only. Several factors are considered when recommending useful life and annual utilisation benchmarks: local operating conditions \(location & terrain\), availability of local hire plant, operational imperatives and emergency preparedness.](#)

<a href="#">Type</a>	<a href="#">Years</a>	<a href="#">Utilisation (hrs or kms)</a>
<a href="#">Grader</a>	<a href="#">10</a>	<a href="#">8,000 hr</a>

Type	Years	Utilisation (hrs or kms)
Backhoe Loader	7	5,000 hr
Front End Loader (FEL)	8	8,000 hr
Skid Steer Loader (Bobcat)	5	5,000 hr
Excavator > 15t	10	8,000 hr
Heavy Duty Truck (HR & HC)	8	500,000 km
Light Duty Truck (LR)	6	150,000 km
Medium Duty Truck (MR)	8	200,000 km
Ride On Mower (Front Deck 72")	5	2,000 hr
Tractor > 100hp	7	5,000 hr
Landfill Compactor	10	8,000 hr
Vibrating Drum roller (7t and over)	8	5,000 hr
Rubber Tyre Roller	10	5,000 hr

## **5. FLEET & PLANT DISPOSAL**~~VEHICLE DISPOSAL~~

Local Government Act 1995 and Council's CF-17 Disposal of Assets Policy informs fleet & plant disposal requirements.

Fleet & plant disposal is to be conducted as per legislative requirements with disposal methods restricted to:

- trade-in to the dealer supplying the new vehicle (dependent on changeover value)
- disposal by public auction
- Tender.

**Options for disposal include:**

**trade-in to the dealer supplying the new vehicle;**

**disposal by public auction through a reputable auction facility; or**  
**by tender.**

**The most cost effective method of disposal for each vehicle shall be based on the trade offer and compared to the likely return at public auction.**

## **13. CLASSIFICATION OF USE**

**An Operational Policy titled 'Motor Vehicle Use' shall be followed at all times when determining vehicle allocations and vehicle use status for City of Karratha employees.**

## **16.6.**

**7.**

## **CONSEQUENCES**

This policy represents the formal policy and expected standards of the Council. Appropriate approvals need to be obtained prior to any deviation from the policy. Elected Members and Employees are reminded of their obligations under the Council's Code of Conduct to give full effect to the lawful policies, decisions and practices of the Council.

## **7. ROLES AND RESPONSIBILITIES**

All fleet and plant procurement is in accordance with budget allocation.

Purchasing Thresholds and Requirements as per Purchasing Policy CG-12 shall be adhered to.

An Operational Policy titled OP-HR-10-Motor Vehicle Usage shall be followed at all times when determining vehicle allocations and vehicle use status for City of Karratha employees.

**17.8.**

**9.**

## **REFERENCES TO RELATED DOCUMENTS**

- OP-HR-10 Motor Vehicle Usage
- CG-12 Purchasing Policy
- CFG-17 Disposal of Asset Policy
- Local Government Act 1995
- Vehicle Usage Guidelines
- City of Karratha Enterprise Agreement 20195

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Responsible Officer:	<u>Manager City Services</u> <u>Manager Human Resources</u>

*This Policy takes effect from the date of adoption by Council and shall remain valid until it is amended or deleted.*