

PLANT RENEWAL POLICY

Adopted Date: 22 March 2017

Policy Number: GRC0085

Policy Type: Strategic

Responsible Officer: Director Engineering

Department: Engineering

Version	Decision Number or CEO Approval	Decision Date	Status / History
1	OM-062/17	22 March 2017	Reviewed & Adopted
2	OM-055/18	24 April 2018	Review April 2020
3	OM-062/20	22 April 2020	Review April 2023
4	OM-071/23	24 May 2023	Review May 2026

1. BACKGROUND & PURPOSE

Council owns, controls, manages and maintains an extensive range of plant and vehicles. The purpose of the policy is to:

- Provide the desired level of service from Council's plant & vehicles in the most effective and efficient manner for present and future needs;
- Provide equipment to enable affordable services;
- Manage and maintain a modern, efficient and safe fleet;
- Ensure long term planning for future plant and vehicle requirements;
- To manage the assets of the fleet to ensure the appropriate asset value is maintained;
- To optimise plant and vehicle replacement to ensure value for money while maintaining appropriate asset value; and
- To manage plant and vehicle replacement in such a manner as to not place unreasonable burden on Council's budget in any one financial year.

2. POLICY STATEMENT

(a) The following plant replacement schedule has been created using information from various sources, including the current resale values, past trade trends, whole of life costs, maintenance costs and dealer information. This information has been collated to provide an optimal replacement timeframe for plant and fleet vehicles to give the best economic turnover result for Council while satisfying its operational requirements.

Plant / Vehicle Type	Replacement Time
Petrol Sedans, Wagons, Utes	Up to 120,000 km / 4 years
Petrol High Clearance SUV Type Wagons	Up to 150,000 km / 4 years
Diesel 2WD Utes & Dual Cabs	Up to 150,000 km / 5 years
Diesel Wagons, 4WD Utes & Dual Cabs	Up to 180,000 km / 5 years
Backhoes	5,000hrs / 8 years
Dozers	10,000 hrs / 10 years

Excavators	10,000 hrs / 10 years
Graders	10,000 hrs / 8 years
Loaders	7,000 hrs / 10 years
Miscellaneous Plant (store/lunch vans, other trailers, crushing plants, motorbikes – ATV's, small ride-on mower, etc)	Assessed and investigated on an as needs basis
Mowers – Large Ride-On	2,000 hrs / 4 years
Rollers	10,000 hrs / 10 years
Tractors	6,000 hrs / 8 years
Trailers – Semi	20 - 30 years
Trucks – Heavy (GVM>8 tonne)	8,000 hrs / 8 years
Trucks – Medium (4.5<GVM>8 tonne)	8,000 hrs / 8 years
Trucks – Light(GVM<4.5 tonne)	5,000 hrs / 8 years
Trucks - Prime Movers	8,000 hrs / 8 years
Trucks – Road Patching	8,000 hrs / 8 years
Trucks – Street sweepers	8,000 hrs / 6 Years

Exceptions to the above schedule may occur on a case by case basis under the following circumstances:-

- Changes to operational requirements;
- Excessive wear/exceptional circumstances and favourable marketing conditions;
- Budget requirements;
- Condition of auxiliary systems on truck mounted units etc.

- (b) Certain items of plant with low utilisation rates (when compared to accepted industry standards) required in areas for daily operational use. (e.g. Backhoe required for water supply repairs in small towns). In these cases, such items of plant scheduled for replacement may be transferred to those locations that leave the oldest items of plant in the lower utilisation areas whilst always keeping the newest item of plant in higher utilisation areas.
- (c) The Fleet Coordinator and Director Engineering shall investigate all such exceptions and assess prior to budget preparation to ensure optimum fleet utilisation and best value for money, and where necessary, reported to Council.
- (d) A ten (10) year Capital Plant Program is to be maintained for all of Council's plant and reviewed on an annual basis.
- (e) When determining the most suitable replacement item of plant, consideration shall be given to the resale value, suitability for purpose, performance/profitability, backup parts and service, maintenance and operator preference.

3. POLICY PURPOSE

This policy has been developed to provide guidelines for the consistent management of Council's plant and vehicles.

4. SCOPE

This policy generally applies to Council's plant and vehicles.

5. PLANT AND VEHICLE PROCUREMENT

All plant and vehicles shall be purchased in accordance with the provisions of Council's Procurement Policy.

6. ROLES AND RESPONSIBILITIES

- (a) **Plant Committee** is responsible for the assessing additions to the plant fleet, exceptions to policy schedule and quotations.
- (b) **Councillors** adopt the policy providing leadership and stewardship of asset management principles and long term planning.
- (c) **Department Managers** are responsible for ongoing review of department plant requirements and forwarding requests for new or upgraded items to the Director Engineering for approval.
- (d) **Fleet Coordinator** is responsible for developing and maintaining a ten (10) year capital plant replacement program in accordance with this policy, and for the procurement of budget approved plant items up to \$110,000.
- (e) **Director Engineering** has overall responsibility for plant renewal and associated procurement, monitoring the expenditure of Capital Plant fund and has delegated procurement authority for budget approved items up to \$275,000.
- (f) **Chief Executive Officer** has delegated procurement authority for budget approved items above \$275,000

7. REVIEW DATE

May 2026

8. ATTACHMENTS

Nil