

 Adelaide Plains Council	Light Fleet, Plant and Heavy Vehicles Change Replacement Policy	
	Version Adoption by Council:	28 June 2021
	Resolution Number:	2021/225
	Current Version:	1
	Administered by: General Manager Infrastructure and Environment	Last Review Date: 2021 Next Review Date: 2023
Document No: D21/25000	Strategic Outcome: 1 Strategic and sustainable financial management;	

1. Introduction

The management of Light Fleet, Plant and Heavy Vehicles Replacement Policy for same is critical to ensure operational requirements are met and best value is provided for the Adelaide Plains Council.

The decision regarding when to change over the light fleet, plant and heavy vehicles should be based on optimum replacement timing. The optimum replacement point in the life of the vehicle is when the decreasing line of depreciation intersects with the increasing cost of repairs and maintenance. Optimum replacement timing for a vehicle or an item of plant is calculated to best estimate the optimum time, either in kilometres or engine hours, and time, to achieve the lowest average annual costs during the life of the vehicle/machine.

Delaying replacement beyond optimum replacement without a risk analysis exposes Council to high maintenance and downtime cost. The age of the fleet also has a flow on effect on utilisation because of reduced plant availability.

Downtime brings with it additional costs associated with hire of external plant, lost time on the job, inefficient redeployment of staff to other works.

Consideration will be given when there is a shortage of capital funds, a potential to save costs or to reduce very high risk levels, to investigate leasing options of heavy fleet items with known and consistent levels of utilisation through a fully maintained operating lease.

2. Objective

The purpose of this Policy is to:

- Manage Council's vehicle and plant to ensure the appropriate asset value is maintained.
- To optimise vehicle and plant replacement to ensure Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents.

- To manage vehicle and plant replacement in a manner that does not place an unreasonable burden on the Council Budget in any one financial year.

3. Scope

This Policy should be observed by all employees impacted by Council's Light Fleet, Plant and Heavy Vehicles scheduled replacement program.

4. Policy Statement (Summary)

The intent of this policy is to ensure that Council's Light Fleet, Plant and Heavy Vehicles scheduled replacement program is conducted in a manner which represents best value for Council's procurement activities and in compliance to Council's Procurement Policy.

5. Legislation and Compliance

Local Government Act 1999

- **Section 99** – Role of the Chief Executive Officer – to ensure that the assets and resources of the Council are properly managed and maintained.
- **Section 49** – A council must develop and maintain procurement policies, practices and procedures directed towards obtaining value in the expenditure of public money and ensuring probity, accountability and transparency in procurement operations.
- **Section 125** – A Council must ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to safeguard the Council's assets.
 - Work Health and Safety Act 2012
 - Work Health and Safety Regulations 2012
 - Key Elements impacting on the maintenance and operation of plant, vehicles and equipment:
 - A primary duty of care requiring persons conducting a business or undertaking to, so far as is reasonably practicable, ensure the health and safety of workers and others who may be affected by the carrying out of work.
 - Duties of care for persons who influence the way work is carried out, as well as the integrity of products used for work.
 - A requirement that 'officers' exercise 'due diligence' to ensure compliance.
 - Reporting requirements for 'notifiable incidents' such as the serious illness, injury or death of persons and dangerous incidents arising out of the conduct of a business or undertaking.

- A framework to establish a general scheme for authorisations such as licenses, permits and registrations (e.g. users of certain plant).

6. Definitions

Council means Adelaide Plains Council.

Light Fleet/Vehicle definition - cars, utilities, four (4) wheel drives, vans and buses.

Plant & Heavy definition - truck, grader, backhoe, forklift, loader, skid steer, rollers, wood chipper, ride-on-mower, and truck trailers.

Changeover Cycle definition - timeline.

7. Policy

The importance of replacing plant before resale values dramatically decrease and repairs and maintenance costs increase. The policy provides optimum replacement times to reduce annual plant replacement costs in the long term, reduce maintenance costs and most importantly reduce downtime in the field operations.

Vehicle/Plant Replacement Cycle Guideline

The following guideline shall apply for all vehicle/plant replacement.

Light Fleet, Plant and Heavy Vehicles Items	Changeover Cycle
Sedans	5 years or 100,000 kms
Four (4) Wheel Drives	5 years or 100,000 kms
Utilities	5 years or 120,000 kms
Vans	5 years or 120,000 kms
Grader	10 years or 8,000 hrs
Wood chippers	8 years or 5,000 hrs
Backhoe Loaders	7 years or 5,000 hrs
Low-loaders	20 years
Semi - Trailer Tippers (tandem)	8 years or 500,000 kms
Prime Movers	8 years or 500,000 kms
Forklifts	10 years or 5,000 hrs
Wheeled Loaders	8 years or 8,000 hrs
Excavators	8 years or 8,000 hrs
Mowers - Front / Rear Deck	5 years or 3,000 hrs
Slashers / Flail Mowers	8 years or 5,000 hrs
Skidsteer Loaders	5 years or 5,000 hrs
Combination Rollers	8 years or 5,000 hrs
Roller Vibrations	8 years or 5,000 hrs
Dog / Pig Trailers	15 years
Trucks Medium	8 years or 150,000 kms
8 Tonne Truck/Tipplers	8 years or 500,000 kms
Medium Tipplers	8 years or 200,000 kms
Large Tipplers	10 years or 700,000 kms
Tractors	8 years or 8,000 hrs

3-3.5 Tonne Truck/Tippers	6 years or 150,000 kms
Jet Patchers (drawn)	15 years or 200,000 kms
(VMS) Variable Message Signage, Mobile	15 years
Trailers – General Use	20 years
Mobile Diesel Generator	20 years
Mobile Fuel Tanks	20 years
Mobile Chemical Toilets	20 years
Water Tank	20 years

8. Risk Management

The approach adopted in this policy is based on industry best practice for vehicle, plant and fleet management. Adhering to this Policy Council's light fleet, plant and heavy equipment will be replaced at their optimum replacement time and cause minimal impact on the ten (10) year replacement program.

9. Implementation/Delegations

The Chief Executive Officer and Council Officers who hold necessary delegation of authority to replace Light Fleet, Plant and Heavy vehicles in accordance with this Policy and Council's Procurement Policy, Tender and Evaluation Procedures.

10. Related Documents

This policy shall operate in conjunction with the Adelaide Plains Council Procurement Policy, Asset Management Policy and Disposal of Land and Other Assets Policy.

11. Record Management

All documents relating to this Policy will be registered in Council's Record Management System and remain confidential where identified.

12. Document Review

This Policy will be reviewed every two (2) years to ensure legislative compliance and that it continues to meet the requirements of Council and its activities and programs.

13. References

Local Government Act 1999 (SA)

Institute of Public Works Engineering Australasia (IPEWA) – Plant and Vehicle Management Manual.

Work Health and Safety Act 2012

14. Further Information

Members of the public may inspect this Policy free of charge on Council's website at www.apc.sa.gov.au or at Council's Principal Office at:

2a Wasleys Road, Mallala SA 5502

A copy of this Policy may be obtained on payment of a fee.

Any queries in relation to this Policy must be made in writing to info@apc.sa.gov.au to the attention of General Manager – Infrastructure and Environment.