

BARCOO SHIRE COUNCIL POLICY PLANT AND FLEET REPLACEMENT

Policy Number: WSWO-003	Version: 3a
Classification: Works and Services	Section: Works and Services
Date Adopted by Council: 16 November 2022	Resolution Number: 2022.11.006
Responsible Officer:	<p>Review: Note: This Policy is reviewed when any of the following occur:</p> <ol style="list-style-type: none"> 1. The related information is amended or replaced. 2. Other circumstances as determined from time to time by the Chief Executive Officer. <p>Notwithstanding the above, this Policy is to be reviewed at intervals of no more than two years.</p>
Legislation:	

OBJECTIVE

The purpose of this policy is to provide guidance and consistency in the purchase and replacement of Barcoo Shire items of plant and fleet.

POLICY STATEMENT

Barcoo Shire Council will maintain plant and fleet sufficient to carry out its operations efficiently and effectively and to ensure such plant and fleet items are fit for purpose.

All purchase, replacement and disposal of plant and fleet will be in accordance with Council's *Procurement Policy* and the guidelines for replacement.

Council will maintain a ten-year replacement program to manage the replacement of major plant items. This program will be based on the optimal replacement periods for specific plant categories as shown in the below table. The program will assist Council in understanding what funds are required for the future replacement of plant. Council will set its' plant hire rates with the aim of making the ongoing fleet operation self-funding.

PROCEDURE

Annual budget allocations will be made consistent with the optimal replacement period for plant and fleet types:

Plant Category	Replacement Usage	Hrs/Km	Life (Years)
Attachment			8
Backhoe	5,000	Hours	10
Buggy	80,000	Km	5
Bus	150,000	Km	8
Camp			15
Dolly			20

Forklift	5,000	Hours	10
Genset	15,000	Hours	10
Grader	8,000	Hours	5
Loader	8,000	Hours	10
Medium Truck	200,000	Km	6
Motorbike	80,000	Km	5
Mower	2,000	Hours	5
Roller	5,000	Hours	9
Skidsteer	8,000	Hours	10
Tractor	5,000	Hours	10
Trailer	5,000	Hours	15
Truck	8,000	Hours	8
Utility	80,000	Km	3
Wagon	80,000	Km	3

Procurement will be carried out according to annual budget allocations, based on identification of those items which it is estimated will reach the optimal replacement period within the budget year.

Any alterations to the stipulated timeframes will require a written **condition assessment**, provided to the CEO, which will include:

- The reason for seeking to retain or dispose of the plant or fleet item outside of scheduled timeframes
- Any change to council's operational needs and works planning,
- The continued safe, effective, and efficient operation of each item,
- The mechanical condition of the plant or fleet item,
- Ongoing and/or unexpected maintenance costs of an item.
- Changes in industry and commercial priorities which may alter trade-in benefits or provide unexpected opportunities for purchase, replacement, or disposal,
- The recommend alternative disposal date
- When the cumulative maintenance cost exceeds the written down value

Upon receipt of a condition assessment and the recommendation of a Group Manager, the CEO may elect to retain the asset for longer or dispose of the asset at an earlier time.

Common criteria for determining that goods may be suitable for disposal include:

- No longer required.
- Unserviceable or beyond economic repair.
- Technologically obsolete.
- Operationally inefficient.
- Surplus to current or immediately foreseeable needs.
- Part of an asset replacement plan.
- Unsustainable costs associated with the retaining of fleet assets such as storage, insurance, security, condition, and management.

Common Criteria for determining that goods may be suitable for retention beyond schedule:

- Supply Chain Issues.
- Yearly budget considerations.
- Vehicle or plant condition does not warrant disposal within the specified timeframe.
- No suitable plant or vehicle replacement available.
- Other reasonable matters at the discretion of the CEO.

ASSOCIATED DOCUMENTS AND POLICIES

Procurement Policy