



Date Adopted: 22 August 2017

VERSION: 4.0

## POLICY OBJECTIVES

The objective of this policy is to ensure Council's plant, vehicles and other mechanical equipment is available in good working order so as to achieve the best cost benefits for Council and service to the Community

## POLICY SCOPE

To ensure Council's plant and equipment reflect Plant & Equipment Industry Standards and current Safety requirements in particular with the replacement periods of plant and equipment factoring in cost of life as well as maintenance of all Council plant and equipment,.

## POLICY STATEMENT

### 1. REPLACEMENT PERIODS

Replacement periods will be set to provide the best financial result for Council whilst also taking into account of Council's operational requirements and funding resources. In general, as a guide changeover periods for plant and equipment will be as follows:

Plant Item	Turnover Kilometres/hours	Turnover Period
Utilities, wagons, vans and light trucks (up to two tonne)	60,000-80,000 km	3 – 5 years
Purpose built vehicles (up to two tonne / 4,500GVM)	125,000-150,000 km	4 - 6 years
Truck (over two tonne / 4,500 GVM)	200,000-300,000 km	5 - 7 years
Garbage truck	8,000 hours -9,000 hours	5- 6 years
Road Grader	7,500 hours – 8,500 hours	8 - 10 years
Road Roller	7,000 hours – 8,000 hours	8 - 10 years
Backhoe	6,000 hours – 6,500 hours	5 – 7 years
Front End Loader/ Excavator	6,500 hours – 7,500 hours	6 – 8 years



Plant Item	Turnover Kilometres/hours	Turnover Period
Skid steer / Bobcat / Forklift	4,000 hours – 4,500hours	7 – 8 years
Tractor	6,000 hours – 6,500 hours	5 – 7 years
Water truck / Fuel truck	175,000- 200,000 km	10 -12 years
Asphalt Repair Truck	150,000 – 180,000km	6 – 7 years
Tree chipper	2,500 – 3,500 hours	8 – 10 years
Stump grinder	2,500 – 3,500 hours	8 – 10 years
Street sweeper	6,000- 6,500 hours	5 – 7 years
Slashers / Wing Mowers	N/A	6 – 7 years
Mulchers	N/A	5 – 6 years
Others	On an as needs basis	

If it is necessary to replace an item of plant or equipment outside the usual replacement period, this will be reported to Council.

## 2. PURCHASING & DISPOSAL

- The purchasing of major plant and equipment should take into account the following (but not limited to):
  - Demonstrated need for the item, taking into account the level of performance and levels of safety required.
  - Cost of life, depreciation, and maintenance costs. Purchase price and resale value.
  - Consideration of whether to purchase (by use of Council monies or loans), hire, lease or hire purchase.
  - Utilisation levels based on actual engine hours or kilometres worked, not days or hours booked.
- Purchases are to be undertaken in accordance with Council's Procurement Policy. In particular, purchases in excess of \$150,000 (inc GST) are to be conducted through a tender process in accordance with the Local Government Act (1993) and the Local Government (General) Regulation (2005). Purchases below \$150,000 (inc GST) are to be conducted through a quotation process, with the number of quotes sought to be in accordance with the Procurement Policy.
- Where an item of plant or equipment is no longer required, disposal can be by way of direct sale by tender or motor vehicle auction. Disposal of an item of plant or equipment is to be approved by the General Manager..

## 3. PLANT REPLACEMENT - GENERAL

- A Fifteen Year Plant Replacement Program is to be maintained and reviewed annually and is to be reported to Council on an annual basis.
- An Annual Plant Replacement Program is to be submitted to Council based on the Fifteen Year Plant Replacement Program.
- Delegation is provided to the General Manager, under Section 377 of the Local Government Act (1993), to approve the purchase and replacement of major plant and vehicles in accordance with Council's adopted



Annual Plant Replacement Program, subject to the changeover costs being within ten percent (10%) of the estimated changeover costs and within the total Council budget allocation for the program, and provided the purchase and replacement procedures are in accordance with Council's Procurement Policy.

- Tools and equipment of value less than \$10,000 are not to be funded as plant, but are to be purchased from the budget allocation of the Department concerned.
- Plant and equipment items valued at \$1,000 or greater are to be capitalised and be given a plant number.

## POLICY DEFINITIONS

Plant and equipment: See list of items in table.

## POLICY ADMINISTRATION

BUSINESS GROUP:	Infrastructure and Works
RESPONSIBLE OFFICER:	Group Manager Infrastructure and Works
COUNCIL REFERENCE:	Council Meeting 22/8/17 – Item 11.1
POLICY REVIEW DATE:	Three (3) years from date of adoption
FILE NUMBER:	12/6
RELEVANT LEGISLATION	<ul style="list-style-type: none"> <li>• Local Government Act 1993 (NSW)</li> <li>• Local Government (General) Regulation 2005 (NSW)</li> </ul>
RELATED POLICIES / PROCEDURES / PROTOCOLS	<ul style="list-style-type: none"> <li>• Procurement Policy</li> </ul>

## POLICY HISTORY

VERSION	DATE APPROVED	DESCRIPTION OF CHANGES
1.0	26 February 2008	New policy adopted
2.0	19 January 2010	Policy reviewed
3.0	25 November 2014	Policy reviewed
4.0	22 August 2017	Policy reviewed

