



**Central
Tablelands
Water**

Plant and Vehicle Purchase and Disposal Policy

DOCUMENT CONTROL

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PART 1 : INTRODUCTION

1.1 Policy Objective

The purpose of this policy is to ensure that:

- (a) plant and vehicles purchased by Council are best suited for the intended purpose
- (b) there is accountability and transparency in the selection, purchase and disposal of items of plant; and
- (c) Council obtains value for money for plant purchases.

1.2 Scope of Policy

This policy applies to all plant and vehicles owned by Council

Definitions

The Act- Refers to the Local Government Act 1993.

Light Vehicles- All sedans, wagons, utilities and light trucks under 4.5 tonne.

Trucks- All trucks over 4.5 tonne.

Tender- As defined in the Local Government Act. May take the form of Open or Selective Tenders.

Invitation- Request for Tender, Quote or Offer for the purchase or sale of plant or vehicles.

Open Invitation- The invitation to Tender, Quote or offer is advertised appropriately in relation to the value of the contract.

Selective Invitation- Preparation of a short list of Invitees following a call for Expressions of Interest advertised appropriately in relation to the contract.

Heavy Plant- Includes but not limited to trailers, skid steer loaders and excavators.

Small Plant- Included but not limited to mowers, brush cutters pumps and chainsaws.

1.3 Related Documents

Local Government Act 1993

Local Government (General) Regulation 2005

Asset Management Policy

Code of Conduct

Fraud and Corruption Policy

Independent Commission Against Corruption Act 1998

Statement of Business Ethics

PART 2 : POLICY CONTENT

2.1 General Principles

Central Tablelands Water operates a range of plant and vehicles to enable it to best serve the customers in the provision and distribution of water.

This Policy is intended to ensure that the most suitable plant is purchased, balanced with best value principles. It is also provided to ensure that plant and vehicles are replaced in a transparent manner and in accordance with legislative provisions and guidelines issued by the Office of Local Government and ICAC.

Council will maintain a plant replacement program to ensure effective management of all plant and vehicles. This program shall schedule all vehicles and plant to be replaced each year with estimated replacement value. The allocation required shall be included in the annual budget.

2.2 Policy Provisions

The provisions of this policy are set out below;

2.2.1 Criteria relating to purchase of plant and vehicles

Vehicles and plant are to be selected for purchase on the following factors;

- (a) Suitability for the intended purpose of the item, make or model
- (b) Reliability, service costs, operator preference, reputation and running costs
- (c) Purchase cost and resale potential

2.2.2 Replacement Frequency

Vehicles- changeover will be based on optimum replacement timing in order to achieve the lowest average annual cost during the life of the vehicle.

Plant- replacement of earthmoving plant and trucks will generally be between two years and twelve years following an individual assessment of deterioration, reliability, frequency of use, and improved technology.

This criteria recognises that some plant items need not be replaced due to age where an assessment of serviceability has been conducted and a determination made that the item of plant is serviceable.

2.2.3 Method of Purchase

Vehicles

Vehicles requiring replacement will be advertised locally and/or specification sheets will be given to local motor dealers.

Quotations received will be determined after consideration of criteria as set out in 2.2.1 of this policy.

As an alternative, this policy reserves the option to replace vehicles under the NSW Procurement Contract.

Minor Plant

The annual replacement program will provide an allocation for the purchase and replacement of minor plant such as pumps, mowers, chainsaws etc. Quotations in accordance with councils purchasing policy shall be obtained prior to the purchase of minor plant.

Heavy Plant

Major plant purchases are advertised under tender arrangements.

2.2.4 Method of Disposal

Vehicles and plant will be disposed of using the most financially advantageous method.

Acceptable methods include;

- (a) Auction. (Reserves set at market values)
- (b) Private sale (reserves set at market values)

VARIATION

Council reserves the right to vary the terms and conditions of this policy, subject to a report to Council.