

Fleet Management Policy

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Responsible Division	Infrastructure - Asset
Related Documents	Asset Management Policy Climate Change Policy Procurement Policy Risk Management Policy Disposal of Council Assets Policy Environmental Action Plan 2030
Applicable Legislation	<i>Local Government Act, 1999</i> <i>Local Government (Financial Management) Regulations 2011</i>

1. Purpose

This Policy provides a framework that guides the procurement, management and maintenance of all fleet vehicles used in Council business.

2. Scope

This Policy covers all Council fleet vehicles and ensures the long-term sustainability and suitability of fleet vehicles within Council operations by monitoring, comparing and adapting to industry and market indicators and changes in technology. This includes continually reviewing, updating and adopting leading governance, risk management and administrative processes.

3. Definitions

ANCAP	Australian New Car Assessment Program provides a one to five star rating for the level of occupant protection provided by vehicles in serious front and side crashes.
Battery EV	Cars or other vehicles with electric motors that run solely on externally chargeable battery power.
Commuter Use	When a staff member has access to a marked, fully maintained, comprehensively insured and registered fleet vehicle for specific business use and which permits limited work-to-home travel.
Driver	An employee, trainee, casual worker, contractor or volunteer undertaking work on behalf of the Council.
Hybrid EV	A traditional vehicle that runs an internal combustion engine which internally charges a battery which drives an electric drivetrain and cannot be plugged in.
Fleet Manager	General Manager Infrastructure.

- Fleet Vehicle** A vehicle or plant owned and/or operated by the Council and used for the operation of its business.
- Green Vehicle Guide** The Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government maintains an interactive website called the Green Vehicle Guide (GVG) which is available at www.greenvehicleguide.gov.au.
- Plug-in Hybrid EV** A traditional vehicle that runs an internal combustion engine which charges a battery which drives an electric drivetrain and can be plugged in to externally charge the battery.
- Private Use Vehicle** A fully maintained, comprehensively insured and registered passenger vehicle including fuel, for use at the discretion of the staff member.

Policy Statement

4. Management and acquisition

- 4.1 The management of fleet vehicles will be undertaken as per Council's Asset Management, Procurement, Finance and WHS policies and procedures.
- 4.2 Under Asset Management principles any proposals to renew, replace, add, upgrade or remove assets not included in endorsed Asset Management Plans or the Long-Term Financial Plan will be considered in accordance with the prioritisation factors outlined within the Asset Management Plans and, with consideration given to the ensuing social, economic and environmental impacts (including climate change).
- 4.3 There should be sufficient, modern and safe vehicles available for Council operations to provide an efficient, effective and responsive service to the Alexandrina community.
- 4.4 In the acquisition of fleet vehicles, Council utilises various methods, which are outlined at a high level below;
- i. Own and use outright
 - ii. Own for shared use
 - iii. Lease
- 4.4.1 Own and use outright
- This style of vehicle acquisition and use is where Council purchases a fleet vehicle outright and retains all rights and privileges of the vehicle after the price of the acquisition has been settled with the vendor.
 - It is the most common way in which a fleet vehicle is acquired and managed by Council for use at its discretion.
- 4.4.2 Own for shared use
- Generally, the principles of shared fleet vehicle use pertain to efficiency and utilisation of fleet vehicles.
 - Whilst uncommon this approach has been utilised by Council.
 - Any such arrangements must be approved by the Fleet Manager.

5. Lease

- 5.1 Leased vehicles provided by third party operators for Council use is another form of fleet vehicle management available to Council.
- 5.2 The operators provide prescribed use rights to Council in exchange for a periodic payment over a fixed period, for the use of the fleet vehicle in that time.
- 5.3 At the expiration of the agreed fixed period the vehicle is returned to the third-party operator, thereby reducing the administrative burden of disposing of the vehicle under outright ownership arrangements, once changeover benchmarks are triggered.
- 5.4 This type of arrangement can be utilised for example in short term cover of off-line fleet vehicles to maintain service delivery and in instances of high service demand.
- 5.5 Any such arrangements must be approved by the Fleet Manager.

6. Minimum Standards

- 6.1 Council will select and use fleet vehicles with the following minimum standards ensuring they are fit for purpose and promote, where reasonably practicable, environmentally friendly outcomes.
- 6.2 In purchasing fleet vehicles, a balanced assessment is used including but not limited to;
 - i. Annual Whole of Life Costs (including taxation and fuel consumption)
 - ii. Safety (including vehicle ANCAP Safety Rating and risk assessment)
 - iii. Environmental Benefits (including CO2 emissions and fossil fuel reduction)
- 6.2.1 Annual Whole of Life Costs
 - In balancing whole-of-life vehicle costs with their effective use, Council will change over fleet vehicles on a regular basis.
 - Vehicles will be changed over based on their usage (number of hours, years or kilometres).
 - Fleet vehicles will be changed over with consideration to the following;
 - a) Organisational demand or need
 - b) The lowest life cycle cost (including taxation considerations, minimisation of maintenance costs and maximisation of resale value)
 - c) The lowest environmental impact
 - Vehicles may, however, be replaced at any time in accordance with fleet requirements, market conditions, usage and employment contract conditions with the approval of the Fleet Manager and appropriate officer under financial delegations.
- 6.2.2 Safety
 - Where applicable any fleet vehicle purchased by Council shall have a minimum five (5) star vehicle safety rating, as prescribed by the Australian New Car Assessment Program (ANCAP).
 - All fleet purchases will be risk assessed and fit for purpose as per the Council's work, health and safety system.

6.2.3 Environmental Benefits

- A per Council's strategies and policies Council will purchase and operate fleet vehicles that, as much as practicable, reduces its carbon footprint.
- The Commonwealth government portfolio responsible for local government at a federal level maintains an electronic register via the internet, which provides details on vehicle greenhouse ratings, carbon dioxide emissions, air pollution for most new vehicles released in the Australian market.
- The procurement governance principles underpin all Council purchases. In Council's Procurement Policy, it details our philosophy for social sustainability, including local economic benefit and environmental considerations.
- Where practical and available hybrid EV, plug in hybrid EV or battery EV fleet vehicles should be considered in the first instance. If other fuel alternatives become available and demonstrate whole of life cost and environmental benefit, these will be considered.

7. General Conditions of Use

- 7.1 Drivers will hold an appropriate and current Australian drivers/operators licence for the vehicle being operated.
- 7.2 Drivers must ensure that fleet vehicles are appropriately used and maintained.
- 7.3 Use of the vehicle means adhering to Australian Road rules, work, health and safety requirements, relevant procedures and being a competent operator.

8. Strategic Incentive for Staff Attraction and Retention

- 8.1 Strategic and policy principles include the imperative to attract and retain high-quality staff. This includes the provision of adequate fleet vehicles to support operations and service delivery.
- 8.2 As such private or commuter use of a fleet vehicle may be provided, by agreement, to a staff member.
- 8.3 This may be achieved through agreed contribution arrangements between Council and selected staff.
- 8.4 A contribution arrangement is one where an element of private use by a staff member is implicit in the purchase, running and maintenance of that particular vehicle, expressly reinforced in Council's employment contract conditions with the staff member.

9. Availability of Policy

This Policy will be available for inspection on the Council's website www.alexandrina.sa.gov.au. Copies can also be provided upon payment of a fee in accordance with Council's Schedule of Fees and Charges.