

Light Vehicle Fleet Policy

Responsible Directorate:	Corporate Strategy & Performance
Responsible Service Unit:	Contracts & Procurement
Contact Person:	Manager Contracts & Procurement
Date of Approval:	18 June 2024
Council Resolution No:	CS04-06/24

1. POLICY STATEMENT

This policy ensures that Light Vehicle fleet assets are provided to meet the operational business needs of the City in delivering services to current and future communities in the most economical manner, optimising their return on investment.

This will be achieved by ensuring that Light Vehicle fleet assets are safe, fit for business purpose and managed effectively and efficiently over their lifecycle. As a growth Council, the City will balance the need to provide for any new Light Vehicle requirements to meet demands while maintaining and optimising the use of its existing Light Vehicle fleet.

2. OBJECTIVE AND PURPOSE

Objective

This policy seeks to ensure optimal Light Vehicle fleet utilisation, minimise overall vehicle Whole of Life Cost and reduce vehicle emissions consistent with industry best practice. The Policy therefore provides the framework for service units to:

- Optimise use of Light Vehicles to meet specific business needs;
- Satisfy operational safety and business requirements; and
- Reduce overall Whole of Life fleet costs (including initial purchase cost, operational cost and associated supporting infrastructure cost where applicable).

Purpose

This policy guides the Light Vehicle fleet Asset management planning process and provides for specifics around the planning, acquisition, operation, maintenance, replacement, and disposal of such assets.

3. KEY DEFINITIONS

AMSG	Asset Management Steering Group
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Ancap	Australasian New Car Assessment Program – used to determine the performance of a vehicle in several independent crash tests and safety assessments.
Asset management	The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.
Asset management information	Meaningful data relating to assets and asset management. NOTE: Examples of asset management information include asset registers, drawings, contracts, licences, legal, regulatory and statutory documents, policies, standards, guidance notes, technical instructions, procedures, operating criteria, asset performance and condition data, or all asset management records.
Asset management plan	A “whole of life” plan for the appropriate acquisition, maintenance, renewal, replacement and disposal of assets that balances aspirations with affordability. A document specifying activities and resources, responsibilities and timescales for implementing the asset management strategy and delivering the asset management objectives. Applicable as either a network wide plan (referred to as Asset Class Plans) or a facility specific management plan referred to as a Facility Asset Management Plan.
FPMSC	Fleet and Plant Management Steering Committee
Full Private Use Vehicles	Directors and Managers’ City owned vehicles as provided under an employment contract or as otherwise approved by the CEO and which provide for full private use.
GHG	Greenhouse Gas
Light Commercial Vehicle	Any low axle rigid vehicle with cab chassis or van construction and a gross vehicle mass greater than 1.5 tonnes but less than 4.5 tonnes GVM (Gross Vehicle Mass); typically, these are supervisory vehicles.
Light Vehicle	A motor vehicle with a gross vehicle mass (GVM) not greater than 4.5 tonnes and constructed or equipped to seat no more than 12 adults (including the driver) requiring a “C” class Western Australian drivers’ licence to drive.
Lifecycle of an asset	The cycle of activities that an asset (or facility) goes through commencing with the identification of the need for an asset and terminates with the decommissioning of the asset or any associated liabilities. This will include planning, design, construction, acquisition, operation, maintenance, renewal, upgrade and disposal of assets.
Whole of Life Cost	The total cost of an asset throughout its life cycle inclusive of costs associated with planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal.

4. SCOPE & POLICY DETAILS

This policy supports the Long-Term Financial Planning process and provides direction to the acquisition, utilisation and disposal of Light Vehicles intended for City use and applies to all

employees (and contract staff) who may have the need to operate a City owned vehicle to conduct the business of the City and that such vehicle use is optimised.

The requirements of this Policy include the provision of Full Private Use Vehicles to Directors and Managers as determined by their respective contract of employment conditions. The Policy also provides for the provision of a Full Private Use vehicle to the CEO commensurate with their employment contract as determined by Council and to the Mayor in accordance with provisions of the Council Members Fees, Allowance and Reimbursement Policy.

The Policy is to be applied consistently with the requirements of all relevant legislation, policies, and employment contractual arrangements.

Vehicle Type, Model and Specification

The selection of vehicle type, model and specification shall consider operational need and utilisation, safety, ergonomic, environmental factors, and overall Whole of Life cost to the City.

Light Vehicles must be fit-for-purpose to the operational requirements. However, a like-for-like replacement is not necessarily appropriate. Both vehicle capabilities and operational needs change over time, making it necessary to carefully assess new vehicle selections. A formal internal business case will therefore determine such requirements.

Purchase and Disposal

The acquisition and disposal of Light Vehicles is undertaken in accordance with the City's Purchasing Policy, Long Term Financial Plan and Accounting Policy.

Replacement intervals will consider kilometers travelled, type of operational use, and vehicle condition but will be primarily based on the following intervals:

- Light Passenger Vehicles / Wagons – Five Years
- Executive Vehicles – Three Years (*or as determined by employment contract provisions*)
- Commercial Vehicles – Five Years
- Ranger Service Patrol Vehicles – Two years

Early or deferred replacement of vehicles will be at the discretion of the FPMSC.

Light Vehicles will be disposed at appropriate intervals to minimise whole of life costs. Timing to the disposal of Light Vehicles will consider the class of vehicle, operational needs, and the second-hand vehicle market. Light Vehicles will be disposed of by public auction, trade-in, or public tender.

Operational Safety

The City shall seek to purchase passenger Light Vehicles with a 5-star ANCAP rating. For Light Commercial Vehicles including vans and utilities, the City will preferentially select vehicles with a minimum 5-star ANCAP rating. Where the rating is unavailable and given the required operational use, procure vehicles fit for purpose with safety features similar to 4-star ANCAP rating.

The selection of safer vehicles and the fitting of vehicle accessories that promote occupant safety and the safe operation of fleet vehicles should be considered in conjunction with operational requirements.

A GPS may also be installed to Light Vehicles to improve coordination of usage, operational safety and to better manage the City's fringe benefit tax implications.

Environmental

The City will determine the most appropriate Light Vehicle for its intended operational use. Options for Full Private Use Vehicles and Pool Car vehicles include a preference for either full electric or hybrid vehicles. Internal combustion (unleaded fuel) vehicles for full private use will only be purchased with prior CEO approval. The selection of Light (Commercial) Vehicles shall consider appropriate fit for purpose application and use of alternate non fossil fuels where readily available.

The City is committed to achieving its reduction targets in greenhouse gas (GHG) emissions associated with the use of its Light Vehicle fleet, as outlined in the City's Climate Change Adaptation and Mitigation Strategy for the period 2020/21-2025/26.

Aligned with the State government's reporting standards on GHG emissions for fleet vehicles, which encompass CO₂ emissions calculated in g/km assigned to each vehicle category, specific benchmarks have been set. Passenger vehicles are held to a CO₂ benchmark of 148g/km, while SUVs are set at 189.7g/km, unless there exists a clear operational necessity for a vehicle surpassing these limits, subject to CEO approval. Light commercial vehicles do not have a specific benchmark due to the diverse array of vehicle categories within this classification.

The City shall therefore seek to implement its commitment to a reduction in fleet emissions through a considered approach to the optimisation of current fleet needs and through the adoption of electric and/or other non-fossil fuel sources to Light Vehicles guided by the following principles:

- A clear operational requirement for the vehicle (based on formal business case justification);
- Availability of suitable EV infrastructure relevant to the City's operations and service delivery; and
- Competitive pricing against hybrid and/or fossil fuel vehicles based on Total Cost of Ownership (TCO).

5. IMPLICATIONS

The Policy aligns to the City's 2021-2031 Strategic Community Plan under:

Goal 7, 'A well governed and managed City that makes informed decisions and provides valued customer focused services', Priority 7.2 Responsibly and Ethically managed'

6. IMPLEMENTATION

The Manager Contracts and Procurement, under direction from the FPMSC will implement and apply the Policy.

The FPMSC (through the AMSG) shall provide corporate oversight and governance to the management of the City's Light Vehicle fleet and in accordance with the City's Asset Management Policy and other relevant documents as referenced herein.

7. AUTHORITIES AND ACCOUNTABILITIES

The Executive Leadership Team through the FPMSC and AMSG is responsible and accountable for the management of the Light Vehicle Fleet as described within this Policy.

The FPMSC ensures proper authority and access to relevant information and advice, as well as providing the Executive Leadership Team with relevant overview through its Terms of Reference. The FPMSC is also responsible for authorising business cases for the acquisition of any new Light Vehicles to manage fleet composition, fleet size and total cost.

8. ROLES AND RESPONSIBILITIES

The implementation, interpretation, application, and compliance to this Policy is the responsibility of the Manager Contracts and Procurement under direction from the FPMSC and AMSG.

The Chief Executive Officer (CEO) and the Executive Leadership Team shall have overall responsibility for developing the asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the City ensuring that outcomes support the Strategic Community Plan and Corporate Business Plan and are achieved.

9. DISPUTE RESOLUTION (if applicable)

All disputes regarding this policy will be referred to the Director Corporate Strategy & Performance in the first instance. In the event that an agreement cannot be reached, the matter will be submitted to the CEO for a ruling.

10. EVALUATION AND REVIEW

This policy will be evaluated and reviewed every three years to determine its effectiveness in achieving its objectives. The FPMSC shall review Light Vehicle costs (including purchase, disposal, and operational costs), vehicle utilisation and overall emissions on at least a six-monthly basis.

11. DOCUMENTS

- Accounting Policy
- Asset Management Policy
- Council Members Fees, Allowances and Reimbursement Policy
- Enterprise Risk Management Policy

- Environment Policy
- Purchasing Policy
- Workplace Health and Safety Policy
- Long Term Financial Plan

12. REFERENCES

- Climate Change Adaptation and Mitigation Strategy 2020/21-2025/26
- WA State Fleet Policy and Guidelines December 2022

13. RESPONSIBILITY FOR IMPLEMENTATION

Manager Contracts and Procurement

REVISION HISTORY

Version	Next Review	Record No.
1 September 2004	July 2007	
1 September 2007 – (IN07- 07/07)	May 2011	
3 May 2001 – (IN02 - 05/11)	May 2013	11/48542
May 2012 – (IN03 – 05/12)	May 2014	11/48542[v2]
May 2019 – (CS07 – 06/19)	May 2021	11/48542[v3]
July 2021 – (CP04-07/21)	July 2023	11/48542[V4]
June 2024 – (CS04-06/24)	June 2027	11/48542[V5]