

2023-24 ANNUAL BUSINESS PLAN

DRAFT FOR CONSULTATION

Plant and Fleet Renewal



Identification

As a commitment towards delivery of the Council's Strategic Plan, the provision and renewal of the organisations Plant and Fleet plays a significant role towards the delivery of services and infrastructure to the Community.

In accordance with the requirements of the Plant and Fleet Asset Management Plan (2019-2024) the proposed expenditure in 2023-24 will be in the order of \$1,022,567.

The Purpose

To address the changing needs of the community, to address improvements in technology and maintenance methodologies and to support the requirements for increased work efficiencies, a 'Fit for Purpose' model is becoming a critical tool for the provision and renewal of all items of Plant and Fleet. A 'Fit for Purpose' model allows for agility and flexibility in the choice of future items rather than the previous 'Like for Like' replacement method.

Current Condition

Detailed condition assessments of all items of Plant and Fleet are undertaken regularly to formally record information such as mileage, wear and tear, unreported damage, unexpected deterioration etc.

This information is used to identify situations such as unexpected high utilisation of a particular vehicle which may trigger an alteration to its original changeover point, or other options such as rotation to another use where a similar item may be under utilised.

In accordance with the Plant and Fleet Asset Management Plan, Council has adopted a number of trigger points to guide the renewal of items of Plant and Fleet to achieve a balance between an Optimal Retention period and Optimal Disposal (which is measured in relation to the type of item - operational hours for Plant such as Graders/Mowers or kilometers travelled for Plant such as Trucks/Utes). Retention periods have been benchmarked based on general industry standards, anticipated servicing costs and resale market values.

For example, the optimal renewal for a Medium Rigid Truck (the most common commercial vehicle in our Fleet) is at 7 years or 250,000kms. For a Utility vehicle it is 7 years or 125,000kms. All other items are shown in Table 5, page 15 of the Plant and Fleet Asset Management Plan which is available to download on the Councils website.



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Plant and Fleet Renewal Program

It is important to note that the Plant and Fleet Asset Management Plan (2019-2024) is currently under review as it is approaching the end of its lifespan.

During the period of operation of the current Plan, there have been substantial increases in purchase price of all Plant and Fleet items driven by global increases in raw materials caused in many ways by the COVID-19 pandemic. Conversely there has generally been an increase in trade-in price which has helped to off-set the increased purchase price. There have also been large increases in expected delivery times across all items.

These factors, along with the required agility and flexibility in renewal have resulted in a number of deferrals to items that were due for renewal in previous years and next financial year.

The development of the proposed program for the 2023-24 financial year has taken this into account and is provided below:-

- **Stump Grinder**
- **K-9 Cube (Utility mounted animal carrier)**
- **Heavy Rigid Water Truck**
- **Skid-Steer Trailer**
- **Medium Rigid Tipper (to be replaced with Heavy Rigid Tipper to allow it to tow the Skid-Steer Trailer)**
- **Roller for Patrol Grader**
- **Medium Rigid Tipper (to be allocated to Riverglades Maintenance)**
- **Mower (to be allocated to Riverglades Maintenance)**
- **Trailer for Mower (to be allocated to Riverglades Maintenance)**



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Page 2 of 3



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Strategic Contribution

	Valued Environment	Great People and Lifestyle	Dynamic Economy	Connected Communities
Strategic Plan 2020-24 Actions Addressed		A modern city with country charm <ul style="list-style-type: none">Deliver contemporary Council services, taking advantage of technology advances and updated service provision methods		

Relevant Strategies

- Asset Management Plan - Civil and Transport Infrastructure 2019-2024

****Please Note*** Program may be subject to change during financial year due to external factors and resource availability*

Michael Sedgman
Chief Executive Officer