



Motor Vehicle Policy

As at 1 August 2006

POLICY NAME	Strathfield Council Motor Vehicle Policy
COUNCIL ADOPTION	1 August 2006
REF	Minute 191/06
RELEVANT LEGISLATION	<ul style="list-style-type: none">• Local Government Act (NSW) 1993• Occupational Health and Safety Act (NSW) 2000
RELATED POLICIES/DOCUMENTS	<ul style="list-style-type: none">• Strathfield Council Purchasing and Tendering Guidelines

Introduction

The Motor Vehicle Policy is intended to establish Council procedure and guidelines for the provision of motor vehicles as a job facility to service the needs of the community while acknowledging we are not isolated and the decisions we make impact the community beyond the Municipal boundaries. The Council constantly assesses the social, environmental and financial implications in maintaining a motor vehicle fleet and therefore the ongoing provision of motor vehicles may change depending upon the circumstances prevailing at the time and the overall cost-benefit to the Council.

Procurement

Council shall only purchase vehicles under contract with the NSW State Contracts Control Board (SCCB). Procurement shall be by public tender or request for quotation in accordance with Council's Purchasing Procedures.

Economic Considerations

In determining the cost to Council of operating a motor vehicle purchase price, whole of life costs and resale/ residuals must be considered. Whole of life costs remain constant over a model range, while retained value of optioned vehicles is greater than base models. Council shall purchase vehicles considering the operating costs and estimated trade in values so that over the life of the vehicle it provides the greater return to Council.

Environmental Considerations

Council recognises motor vehicles are a major contributor of Greenhouse gas emissions in Australia. Council shall reduce greenhouse gas emissions by 5% in 2005/06 through the introduction of alternate energy sources and employing the NSW Clean Car Benchmarks when evaluating the purchase of new vehicles.

While reducing greenhouse gases, Council realises we are unable to eliminate their production. To counter the detrimental effect of these gases Council shall participate in the Greenfleet program where 17 native trees are planted each year for each vehicle in Councils' fleet.

Social Considerations

Through the purchase of a cleaner fleet, the benefits to the community will be immediate in the reduction of pollution. The release of these vehicles into the second hand market will leave a legacy of cleaner cars on our roads benefiting the community in the future.

It is recognised that, in order to attract and retain quality staff, Council should offer vehicles of a particular standard and size. The type of vehicle purchased within this policy shall be at the discretion of the General Manager (see section on Makes and Models of Vehicles).

Occupational Health and Safety

Employers have a duty of care to provide and supervise a safe system of work under the *Occupational Health and Safety Act 2000*. This includes an obligation to maintain plant and systems of work that are safe and without risk to health. A vehicle used for business is considered a work place.

In recognising our duty of care Council shall only purchase vehicles with a minimum four star rating under the Australian New Car Assessment Program (ANCAP). Council will also include ABS brakes where such is not standard on the vehicle purchased.

Vehicles are to be maintained in accordance with the manufacturer's requirements and must at all times comply with relevant road transport legislation.

Where the need for a station wagon has been identified the vehicle shall be fitted with a cargo barrier at all times.

Entitlement

Motor vehicles may be provided to the General Manager and Directors in accordance with the agreed terms of their annual total remuneration package.

The General Manager may determine to allocate motor vehicles to Managers and other staff positions where it can be substantially and materially demonstrated that:

- (a) The occupant of the position requires the continual daily use of a vehicle during working hours as an integral part of the position. That is, the position cannot be effectively and efficiently performed without the permanent assignment of a vehicle.

Furthermore, in all cases, it **must** be demonstrated that:

- Demand for a vehicle cannot be substantially met from within the motor vehicle pool, in accordance with stated policies and procedures, and
- Non-allocation will compromise the integrity and efficiency of the position.

OR

- (a) A vehicle allocation will be required to attract an employee who has the level of knowledge, skills and experience to satisfactorily perform the duties of the position, i.e. market forces.

OR

- (b) An employee may agree to enter into a Leaseback arrangement as part of his/her remuneration package.

Council vehicles will be available as pool vehicles even though private use rights may be conferred. Council needs to have first priority. During each workday they will be regarded as available for pool use.

Makes and Models of Vehicles

The overriding requirement is to ensure that the vehicle purchased meets the **needs of the position** while minimising the total cost of the vehicle to Council. As a general guide, Council cars will be four door passenger sedans or, if approved, wagons. The exception to this general guide is where specialised work vehicles are required.

Council shall maintain a vehicle fleet comprised of at least 40% four cylinder vehicles. Where the need for a six cylinder vehicle is identified, the motor vehicle shall be dedicated LPG unless authorised by the General Manager. By July 2007 Council will aim to have 40% of its light vehicle fleet in Category A or B of the NSW Clean Air Benchmarks.

The model of vehicle will be at the discretion of the General Manager and will reflect the needs of Council in respect of economic cost, resale value and the need to attract or retain staff.

Vehicle Options and Accessories

Vehicle accessories are generally to be discouraged given that their capital and FBT cost is often not recouped at the time of disposal. Whilst it is to be discouraged, Directors may approve the fitting of certain accessories. However, employees must fund the initial cost of those private accessories. The cost of accessories will not be reimbursed to the employee and will generally remain fitted to the vehicle through to disposal. Directors may agree that selected vehicle accessories may be removed provided there is no affect to the vehicle's resale value this changeover would be at the employees cost.

If an employee chooses to have an accessory fitted at their expense, then at the time of vehicle replacement that same accessory will be provided at half the total cost incurred. This recognises that accessories may marginally increase the resale value of a vehicle but generally do not recoup their full cost.

Disposal

Vehicle change over cycles will be at the discretion of the General Manager and as recommended by the Purchasing Coordinator. The vehicle replacement cycle will depend on strategies and market conditions. However, "change overs" will generally occur after 24 months or after 40,000 km with a minimum requirement, in accordance with the State Government Contract, of holding the vehicle for 9 months or 15,000 km.

Disposal shall be public tender or auction through SCCB contract dependent on market forces at time of disposal.