

LIGHT VEHICLE REPLACEMENT

STATUS: **City Policy** - *A policy that is developed for administrative and operational imperatives and has an internal focus.*

Developed by the Policy Committee and/or the administration and adopted by Council.

**RESPONSIBLE
DIRECTORATE:** Infrastructure Services

OBJECTIVE: To minimise fleet whole of life costs to the City.

STATEMENT:

The City of Joondalup delivers a variety of services to the community and in doing so, must ensure that the assets supporting these services are managed in a way that promotes maximum performance for the lowest 'whole of life' cost. These include the City's fleet, which should be replaced at the optimum changeover period to minimise 'whole of life costs'.

The City's fleet includes passenger vehicles, light commercial vehicles, trucks and various earthmoving and parks maintenance equipment. The replacement value of the total fleet is approximately \$11 million with an annual operating cost of approximately \$1.2 million. The replacement value of the Light Fleet component is \$2.8 million.

KEY PRINCIPLES:

This Policy reflects the City's Vision, Mission and Objectives as enshrined in the Strategic Plan and the City's Asset Management Vision: ***"To provide the desired level of service in the most cost effective manner for present and future customers"*** and sets the following key principle of service delivery:

- Understand and minimise whole of life costs for the City's fleet

Fleet life cycle costs vary regularly due to a variety of factors including fuel costs, used fleet prices and market and industry trends. The City will review these costs, and replacement periods, on a regular basis to ensure the most cost effective outcome at all times.

For the heavy vehicles and specialised plant, flexibility will be retained to ensure whole of life costs are minimised. These will be determined by staff on a regular basis.

For the light vehicle fleet (passenger and light commercial vehicles), regular advice will be sought from external Fleet Management consultants on both the optimum changeover period and fleet composition required to minimise whole of life costs to the City. This information will provide the basis of decision making as to when

optimum replacement / changeover of Light Vehicles is deemed appropriate as market industry trends vary.

Protocol HR0007 titled 'City Owned Motor Vehicle Allocation and Usage' shall be followed at all times when determining vehicle allocations and vehicle use category.

This Policy will be reviewed every 2 years.

Amendments:	CJ052-04/08
Related Documentation:	Strategic Plan Strategic Financial Plan Protocol HR0007
Issued:	April 2008