



Tiwi Islands Regional Council

Title: Vehicle Acquisition and Disposal Policy
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Adopted By: Council
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Responsibility: Chief Executive Officer
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PURPOSE:

This policy provides guidelines for fair, equitable and transparent vehicle acquisition, allocation and vehicle disposal/replacement.

This policy covers all of Council's passenger or passenger and Light Vehicles assigned to employees and to the Mayor.

Light Vehicles are defined as vehicles up to a Gross Vehicle Mass (GVM) of 4.5t where GVM is the maximum allowable total mass of a fully loaded motor vehicle, consisting of the tare mass (mass of the vehicle) plus the load (including passengers).

OBJECTIVES:

The objectives of this policy are:

- to ensure all vehicles purchased are the most sustainable and efficient vehicle allowable under the budget, and
- to ensure all vehicles meet the needs of the position and the employee while providing the best value for money to Council, and
- to ensure compliance with Council's Procurement Policy and Accounting Policy and Manual.

POLICY:

All purchasing arrangements for Council will be based on the following procurement principles:

- open and effective competition;
- value for money;
- enhancement of the capabilities of local business and industry;
- safety and environmental protection;
- ethical behaviour and fair and equitable dealing; and



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- advancement of employment opportunities for Tiwi people.

Vehicle Acquisition

When purchasing new Council vehicles the Fleet Manager will either:

- obtain three (3) written quotations from suitable suppliers, provided that the total value of the intended purchase is <\$100,000; or
- where the total value of the intended purchase is >\$100,000 call for public tenders through public notices in the local newspaper, i.e. the NT News or through Local Buy.

Local Buy is a part of the National Procurement Network to which LGANT is a member. Therefore if Council purchases through Local Buy, it is not obligated to apply public tender requirements.

When written quotations are sought the Council must choose a supplier from amongst those submitting written quotations.

Where public tenders are called through advertisement in the local newspaper the notice must contain a statement to the effect that the successful tenderer will be published on the council's website.

A tender received in response to a public notice may only be opened in the presence of:

the council itself; or the Tender Panel being

a panel of 3 members of staff delegated by the Council to open and consider the tenders and report to Council on the preferred tenders.

If Council accepts a tender for the provision of supplies to the Council at a cost of more than \$100,000, it must:

- a) accept the tender by written notice to the person who submitted the successful tender; and
- b) give notice of the successful tenderer:
 - i. in writing to all other persons who submitted a tender; and
 - ii. by publishing the notice on the Council's website.

The tender period will only be extended if there is a late or complex addendum to the specifications or if the original period specified is insufficient for contractors to obtain prices from suppliers or subcontractors. When there is a late addendum, tenderers should note on their tenders that they have taken this addendum into account.

The report prepared for Council following the opening of tenders, especially when the proposed expenditure is outside the Chief Executive Officer's delegation, will outline the tenders received, a comparison of prices and performance reports, results of any interviews and reference checks, financial considerations and recommendation.



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All vehicle purchases shall be documented via proper completion of an Asset Registration Form which shall be prepared by the Fleet Manager and provided to the Finance team in order that the Asset Registers can be kept current.

Preferred Vehicles

The specification of vehicles will primarily be on the basis of the requirements of business and the vehicle's fitness for purpose, including safety. Luxury cars will not be purchased by Council under any circumstances.

The cost and availability of parts as well as the expected resale value of the vehicle shall inform the selection of vehicles.

No new petrol vehicles will be purchased by Council. All new vehicles are to be diesel fuelled.

Two wheel drive utility vehicles provide an economical solution for vehicles and are preferred where the vehicle will be used predominately within community i.e. not required for inter-Island travel or travel to outstations. Accessories provided with these vehicles will include canvas seat covers, rubber floor mats and tow kits.

Dual cab utilities are preferred over single cab utilities as they allow for the transport of groups of staff and they tend to hold their value better and provide a better return on resale.

Four wheel drive vehicles will be purchased for staff and roles that are required to undertake inter-island travel or to travel to outstations on a regular basis. High ground clearance shall also be a consideration for these vehicles. All 4WDs shall have an engine capacity of not less than 2.5 litres. Accessories provided with 4WDs will include canvas seat covers, rubber floor mats, tow kits, snorkels and bull bars. Winches may also be provided as an accessory on these vehicles.

Single or king cab utilities will be only purchased for staff and positions requiring a larger cargo area for e.g. tradespersons who require tool boxes and/or pipe/ladder racks.

In consideration of the capacity constraints of the current inter-island ferry, Light Vehicles shall not be purchased with a width of greater than 1850mm.

Vehicle Allocation

Vehicles are to be allocated by the Fleet Manager and may be re-allocated from time to time in accordance with changes to the business requirements or employees roles.

The allocation of vehicles will be strictly in accordance with the needs of the position and personal preference should be given the lowest priority in allocation.

The Fleet Manager shall keep the Finance team well informed of vehicle allocation and subsequent reallocation in order that the Asset Register and cost allocation information can be properly maintained.



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Vehicle Disposal / Replacement

All vehicle disposals shall be documented via proper completion of an Asset Disposal Form which shall be prepared by the Fleet Manager and provided to the Finance team in order that the Asset Registers can be kept current.

Council will aim to replace vehicles when they have been commissioned for 2 years or when they have reached 30,000 km (whichever occurs first).

Replacing vehicles whilst they are relatively new should ensure a decent resale value for Council vehicles and minimise the requirement for major repairs and maintenance on Council vehicles.

Council will normally sell vehicles through Pickles Auctions in Darwin as sale at auction which will ensure the transparency of these transactions.

In instances where an independent valuation has shown the value of a vehicle to be less than \$10,000 the Fleet Manager may determine to sell the vehicle on the Tiwi Islands by public tender which shall be conducted in accordance with Council's Procurement Policy and Accounting Policy and Manual.

Very old or vehicles assessed as unsaleable may be transported to Darwin for scrap/resource recovery, provided that the cost of transporting those vehicles to Darwin does not exceed the expected recovery.

The proceeds of vehicle sales shall be deposited into an account which is reserved for the replacement of assets.

END OF POLICY.