

5.5

PLANT, FLEET, WORKSHOPS & DEPOTS - PLANT, FLEET, WORKSHOPS & DEPOTS

We manage our plant, fleet, workshops and depots, including purchase and maintenance of plant, disposal of plant as required through trade or auction, and operations of our workshops and depots.



What we do

We provide plant and equipment management services for a large and varied fleet, and equipment assets:

Plant and equipment	Number	Value \$
Managed by the plant team	665	20,551,958
Managed as part of specific services	122	5,428,078
Total (30 June 2020)	787	\$25,980,036

Plant includes:

- Heavy trucks and trailers
- Yellow plant (graders, loaders, rollers etc.)
- Light fleet (utilities, wagons, trailers etc.)
- Small plant (mowers, chainsaws, brushcutters etc.)
- Fixed plant (generators)
- Quarry plant (crushers, screens etc.)
- Specialised plant (community train, parenting van, Cobb & Co Coach)
- State Emergency Services (SES) and rural fire services plant.

We provide plant that operates across many functions of Council, including roads, water, sewerage, gas, waste, airports and quarry and quarry pits. Our activities support the provision of Council and community facilities such as showgrounds, swimming pools and service centres just to name a few.

Plant and fleet maintenance

We maintain plant and fleet including scheduled (planned) and unscheduled (reactive) work activities. Maintenance work includes inspections, servicing, assessing plant and fleet conditions, prioritising, scheduling and recording what was done to develop and maintain service delivery. There are currently four operational Council workshops across the region providing in house, field service and breakdown support.

Depots

We perform regular inspections of sites and service infrastructure i.e. fuel storage equipment at each Depot, and proactively seek to meet all Workplace Health and Safety Guidelines and recommendations.

Why we do it

We support the services provided by Council by helping to ensure the plant and fleet are fit for purpose, replaced and maintained and able to meet desired operational requirements.

In relation to plant and fleet, there are relevant Australian and International standards, legislative requirements, codes of practice, design rules, manufacturers' recommendations, industry practice, environmental considerations and safety requirements that need to be managed.

For replacement of plant we consider:

- Age;
- Hours;
- Kilometres;
- Condition;
- Operational requirements.

What we must do

Motor Vehicle Policy
Procurement Policy
No Smoking Policy
Mining and Quarrying Safety and Health Act 1999
Mining and Quarrying Safety and Health Regulation 2017
Transport and Main Roads guidelines
Heavy Vehicle National Law Act 2012
National Heavy Vehicle Accreditation Scheme (NHVAS)
NHVAS Manual
Transport Operations (Road Use Management—Road Rules) Regulation 2009
Vehicle Standard (Australian Design Rule – Definitions and Vehicle Categories) 2005
Work Health and Safety Regulation 2011 (Pressure Vessels)
Queensland Government Smoking Policy (November 2016)
Workplace Health and Safety Act 2011
Tobacco and Other Smoking Products Act 1998
Australasian New Car Assessment Program (ANCAP) Safety Ratings
Environmental Protection Act 1994
Local Government Act 2009
Local Government Regulation 2012

Did you know?

Council operates a fleet of 70 trucks including 12 prime movers, 12 heavy rigids, 10 medium rigids and 36 light rigids.



Corporate Plan 2018-2023 and Operational Plan 2021/22

Corporate Plan (What we aim to do)	Operational Plan 2021/22
5.5.1 Provide fit for purpose fleet assets (determined with input from operators) that continue to be well maintained and safe for use.	<p>Plant Investment Program 2021/22 (Estimate \$3.4 million).</p> <p>Introduce a fit for purpose review process (specification through to recommendation) including plant operator / end user, finance and manager.</p>
5.5.2 Maximise productivity for people and plant through: <ul style="list-style-type: none"> • Timely attention to scheduled & unscheduled maintenance in accordance with legislation and manufacturers' requirements. • Optimum replacement of fleet assets. • Availability of critical parts and consumables. • Modernisation of Council's bulk and mobile fuel supply equipment. • Efficient collection of data critical to supporting the effective management and safety of fleet assets. 	<p>Finalisation of the installation of IVMS across the fleet.</p> <p>Investigation of opportunities to streamline data capture in relation to pre-start checks, defect reporting, service scheduling, plant hire and service outcomes using the IVMS.</p> <p>Review of scheduling of fleet replacements to incorporate longer lead times (stock unavailability issues) due to pandemic impacts.</p> <p>Review of current bulk fuel management system.</p>
5.5.3 Promote asset life through standardisation of the fleet (where possible) to support the rotation of assets to maximise warranty coverage and minimise whole of life cost to Council.	<p>Review of plant and vehicle utilisation and rotation of uniform fleet assets to improve asset management outcomes.</p>
5.5.4 Provide financially sustainable fleet assets that meet business requirements: <ul style="list-style-type: none"> • Fleet/plant hire rates that reflect whole of life costs and future replacement costs. • Bulk purchasing for potential savings • Gaining maximum returns on disposal • Monitoring and reporting on fleet utilisation, inactivity and cost • Appropriate registrations and insurance coverage • Business case development (including options analysis and whole of life cost) for acquisition, retention and replacement of fleet assets. 	<p>Implementation of stand down rates for fixed-cost recovery and operational rates for variable cost recovery in conjunction with plant utilisation data from the IVMS.</p> <p>Implementation of a new process for the charging of plant hire linked directly to use.</p> <p>Finalisation and adoption of the Asset Management Plan.</p>
5.5.5 Provide a skilled and competent maintenance team supported by resourced workshops and field servicing equipment to 'keep the wheels turning'.	<p>Mitchell Workshop Upgrade (workshop access and washdown facility improvements).</p> <p>Four poster hoist for Mitchell Workshop.</p>
5.5.6 Maintain and renew Council's accreditation in accordance with the National Heavy Vehicle Accreditation Scheme.	<p>Biannual external audit and renewal of NHVAS accreditation.</p>

Annual services

What we do	Corporate plan reference	Target service levels
Scheduled servicing: <ul style="list-style-type: none"> • Light trailers • Generators (fixed) • Light and heavy vehicles and heavy trailers • Plant servicing • Small plant • Miscellaneous plant. 	5.5.2	Annually Quarterly 10,000 kms 250 hours Based on condition.
Reactive maintenance	5.5.2	As required.
National Heavy Vehicle Accreditation Scheme (NHVAS)	5.5.6	Compliance with national requirements.
National Heavy Vehicle Accreditation Scheme (NHVAS) internal compliance audits	5.5.6	Quarterly
Calibration of fuel dispensing meters	5.5.4	Annually
Insurance policies	5.5.4	Annually
Roadside assistance membership	5.5.2	
Associations and registrations (e.g. workshop licences, pressure vessels' compliance)	5.5.5	
Motor vehicle registrations	5.5.2	Bi-annually
Third party plant assessments		Annually
Plant hire charges and review	5.5.4	Fortnightly processing of standard charges; Manual charges as required; Minimum annual review of plant hire.
Management of maintenance records	5.5.2	Daily
Procurement and disposal of plant and equipment	5.5.1, 5.5.2 5.5.4	Approved plant investment program completed.
Pool vehicle fleet, workshops, depots, community and tourism plant, wash down facilities, fuel and state emergency service vehicles operations.	5.5.1	Consistent with approved services.

Our business partners, stakeholders and customers

Council plant operators
National Heavy Vehicle Regulator



How we are managing the key operational risks

Risk	Actions underway / planned
<ul style="list-style-type: none"> Loss of key (qualified and experienced) staff 	<ul style="list-style-type: none"> Seek 'free' training opportunities from suppliers. Attend to staff issues and concerns promptly. Succession planning through apprentices and trainees. Provide resourced workshops and field servicing equipment. Invest in modern diagnostic equipment to support increasingly complex technologies.
<ul style="list-style-type: none"> Reliability of fleet assets 	<ul style="list-style-type: none"> Timely replacement of fleet assets at the optimal time to avoid breakdowns and failing / non-compliant plant and vehicles. Maintaining adequate levels of servicing packs, critical parts and consumables. Investing in field servicing equipment so our maintenance team can undertake scheduled servicing and reactive maintenance in the field. Use of local service technicians to carry-out overflow work.
<ul style="list-style-type: none"> Operator safety and security of Council assets 	<ul style="list-style-type: none"> Continue to install In Vehicle Monitoring Systems (IVMS) across the fleet to support the health and safety of our people, security of Council assets and increased productivity. Specifications for new and replacement fleet assets include safety features to support operator safety and comfort.
<ul style="list-style-type: none"> Geographic and environmental conditions 	<ul style="list-style-type: none"> New and replacement assets are fit for purpose with the ability to handle conditions e.g. terrain, extreme heat, dust.

Our finances - Plant, fleet, workshops and depots

Operations and maintenance	2018/19 \$	2019/20 \$	2020/21 Quarter 4 review \$	2021/22 Cost and funding estimates \$	2021/22 Reduced budget \$
Operating revenue	\$10,285,864	\$9,124,562	\$10,226,665	\$9,062,700	\$9,062,700
Contribution from general revenue	211,867	147,495	1,368,000	160,700	160,700
Grants subsidies and contributions	1,589,677	660,146	600,000	600,000	600,000
Other revenue	7,445	18,119	-	-	-
Sales of contract and recoverable works	8,155	22,612	-	-	-
Internal revenue	8,468,720	8,276,190	8,258,665	8,302,000	8,302,000
Operating expenses	\$5,450,043	\$5,448,205	\$5,670,910	\$6,088,270	\$5,536,501
Employee costs	1,049,349	1,004,267	1,337,600	1,377,912	1,377,912
Finance costs	14,713	-	-	-	-
Indirect expenses - corporate	-	323,906	323,906	712,658	712,658
Materials and services	4,385,981	4,120,032	4,009,404	3,997,700	3,445,931
Depreciation expense	\$1,989,622	\$1,994,110	\$2,145,073	\$2,015,447	\$2,015,447
Operating result / revenue for capital purposes	\$2,846,199	\$1,682,247	\$2,410,682	\$958,983	\$1,510,752

Capital funding and expenditure (Renewal, new, upgrade works)	2018/19 \$	2019/20 \$	2020/21 Quarter 4 review \$	2021/22 Cost and funding estimates \$	2021/22 Reduced budget \$
Capital funding					
Operating result / revenue for capital purposes	2,846,199	1,682,247	2,410,682	958,983	1,510,752
Sale proceeds - trade ins/auctions	615,616	1,508,176	1,531,000	620,364	620,364
Estimated opening balance	3,847,926	6,994,312	6,731,304	1,454,817	1,454,817
Contribution from general revenue				70,000	70,000
Loan proceeds	-	-	-	-	-
Cash reserve for asset renewal	1,989,622	1,994,110	2,145,073	2,015,447	2,015,447
Total capital funding	\$9,299,363	\$12,178,845	\$12,818,059	\$5,119,611	\$5,671,380
Capital expenditure					
Depot capital works				70,000	66,500
Plant purchases					
- New			1,207,500	777,500	738,625
- Replacement	1,845,053	5,447,541	10,155,742	2,641,000	2,508,950
Loan repayments	459,998	-	-	-	-
Total capital expenditure	\$2,305,051	\$5,447,541	\$11,363,242	\$3,488,500	\$3,314,075
Projected closing funds for future years	\$6,994,312	\$6,731,304	\$1,454,817	\$1,631,111	\$2,357,305

Financial sustainability ratios					
Operating surplus ratio	28%	18%	24%	11%	17%
Interest coverage ratio	-	-	-	-	-
Asset sustainability ratio	93%	273%	473%	131%	124%

5.5 PLANT, FLEET, WORKSHOPS & DEPOTS

Our projects 2021/22

Project ID	Asset work type	Project name	Local area	Cost estimates (\$)
5.5a	Plant purchases	<p>Draft Plant Program 2021/22 - Consultation will occur with the teams (regionally and locally) for composition of the final program.</p> <ul style="list-style-type: none"> • 24 x light vehicles • 2 x HR trucks • 2 x LR trucks • 1 x > 4.5T truck • 1 x trailer • 1 x Tractor • 2 x Skid steers • 1 x Excavator • 1 x Medium Rigid Tipper with Crane • 1 x Tri-axle float • 1 x Side-tipper trailer • 1 x Small tractor and slasher with cab • Workshop hoist 	Regional	\$3,418,500
5.5b	Upgrade	Mitchell Depot upgrades	Mitchell	\$70,000



New John Deere 670GP Grader