

7.4.4 2024167 - SUPPLY OF MOTOR VEHICLES AND RELATED SERVICES (VIC FLEET)

Responsible Manager:	David Richardson, Manager Facilities and Infrastructure Maintenance
Responsible Director:	Jarrod Doake, Director City Services

RECOMMENDATION

That Council:

- 1. Approves access to the Victorian Government Department of Treasury and Finance Contract Supply of Motor Vehicles and Related Services (Vic Fleet) SS-01-2018 for provision of Supply of Motor Vehicles and Related Services, under Council Contract No. 2024167 for a schedule of rates based contract with an annual estimated contract value of \$2,000,000 and an estimated six year total contract value of \$12,000,000;**
- 2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement;**
- 3. Notes that the Council contract term ends on 31 March 2030.**

***all dollar figures are GST Inclusive unless stated otherwise.**

INTRODUCTION

Council Officers seek to access a panel contract established through the Victorian Government Department of Treasury and Finance for the provision of Motor Vehicles and Related Services.

COUNCIL PLAN STRATEGIC OBJECTIVES

Sustainable City

Ensure an economically, socially, and environmentally sustainable municipality.

BACKGROUND

Councils fleet and plant renewal program calls for the replacement of vehicles and equipment when they reach the end of their economic life. The program is developed and managed around recognised asset management principles. A large proportion of the assets replaced are motor vehicles.

DISCUSSION

The Victorian Government Department of Treasury and Finance established a panel contract for the provision of motor vehicles and related services accessible to Local Government authorities so that they may access suppliers in an efficient and cost-effective manner by aggregating demand.

The Department of Treasury and Finance contract has no set end date and Council has approved the utilisation of this contract during the period of May 2018 to May 2024. During this time the contract has been an efficient and cost-effective way to procure vehicles under a discounted schedule of rates.

Approval is now sought to continue to access the same Department of Treasury and Finance contract for a further 6 years, with a new end date of 30 May 2030. It should be noted that there is no minimum spend requirements under this panel contract and it is also not exclusive.

The Department of Treasury contract for the provision of Motor Vehicles and Related Services allows Council to purchase from all the major vehicle and light truck suppliers without having to tender and negotiate discounts on every occasion. There is a broad range of manufacturers represented under the panel contract making the procurement to proceed extremely efficiently, removing a large administrative burden. The contract also has manufacturer discounts that are generally unachievable to obtain by Council under separate procurement events.

Further, the Department of Treasury contract meets the expectations of Council's Procurement Policy to ensure a competitive process is followed to achieve best value outcomes for Council.

FINANCIAL IMPLICATIONS

The estimated annual expenditure of \$2,000,000 (GST inclusive) is allowed for within the annual fleet renewal capital budget.

Please also note that Council does not pay any rebates or fees to access the Department of Treasury contract.

POLICY IMPLICATIONS

There are no policy implications to this report.

CONSULTATION

Community consultation was not required.

SOCIAL IMPLICATIONS

There are no social implications to this report.

HUMAN RIGHTS CONSIDERATIONS

There are no human rights implications to this report.

GENDER IMPACT ASSESSMENT

A GIA was not completed because this policy/program/service does not have a 'direct' and 'significant' impact on the community.



CONCLUSION

To meet the objectives of Councils Asset Management Plan and replace assets at the end of their planned life, Council grant access to suppliers under Victorian Government Department of Treasury and Finance Contract for Supply of Motor Vehicles and Related Services (Vic Fleet) SS-01-2018.

ATTACHMENT LIST

Nil