

T-MSC2022-01 Register of Pre-Qualified Suppliers for the Supply of Occasional Plant 2022/23

FAQ: Rise & Fall – Diesel Fuel Only

Question 1: How do I know what to charge out on the day I work?

Answer 1: Council will advise all Contractors at time of review what the adjustment to their base charge rate will be. Contractors should continue to provide invoicing as normal, ie Hours Worked x Charge out rate (incl adjustment where appropriate).

Question 2: Can I opt out of the fuel adjustment process and only charge my base rate for the duration of the tender? ie no rise or fall.

Answer 2: To ensure all Plant is treated fairly and equally, where a review results in an adjustment occurring the adjustment will apply to future Plant engagements. Council will initiate the 6 month review, which will apply to all plant on the final approved register. Either you or Council can initiate a further review at the 3 or 9 month period.

Question 3: How much extra work is it going to be for me to raise an invoice?

Answer 3: The process for preparing your invoice should not change. The only change is in the different charge rate applied (ie base rate +/- adjustment).

Question 4: Is the charge rate the date of work or date of invoice?

Answer 4: The date of Work. Council will advise of any changes before the date any potential adjustments will take effect.

Question 5: Is the fuel levy only for this year 2022-2023?

Answer 5: The Rise & Fall arrangement has been introduced as a result of concerns raised by Plant Owners following the recent spikes in Fuel Price. Any consideration for continuation of a 'Rise & Fall' arrangement beyond the 2022-23 tender will need to be considered at a later date.

Question 6: How was the 25% number developed?

Answer 6: Council has sought advice from a number of industry bodies to arrive at the 25% rate. Although it is understood that every piece of plant will have a different consumption rate, the method selected should result in the fairest application of the 'Rise & Fall' option for all Plant Owners. If a base % rate was not used in the calculation, the responsibility would revert to Plant Owners to justify any potential increases being sought, it was considered that the method selected would best reduce the burden to Plant Owners.

Question 7: How was the 15 cent/litre number developed?

Answer 7: Council reviewed the historical change in fuel prices and considered the 15c/l as a fair value to apply.

Question 8: Does the change in price come off the rise and fall rate or the base rate each time there is a rate change.

Answer 9: The review will always commence with consideration to the Original Tendered Rate provided by the Plant Owners.

**The closing time for electronic lodgement of Tenders
is 11.00 am Tuesday 19 April 2022.**



Mareeba
SHIRE COUNCIL