



YOUNG SHIRE COUNCIL

OPERATIONS PRIVATE WORKS POLICY

No 16

DATE ADOPTED: 20.5.2015

CONTENTS

1	INTRODUCTION	3
2	PURPOSE	3
3	SCOPE	3
4	DEFINITIONS	3
5	POLICY.....	4
6	RESPONSIBILITY	6
7	LEGISLATION AND RELATED POLICIES.....	6

1 INTRODUCTION

A council may, by agreement with the owner or occupier of any private land, carry out on the land any kind of work that may lawfully be carried out on the land. These works are defined under section 67 of the Local Government Act (1993) as 'Private Works'.

Examples of the kind of work that the Operations section of Council might carry out under the provisions of section 67 include:

- paving and roadmaking
- kerbing and guttering
- ditching / drainage
- tree planting and tree maintenance
- excavation

A council must not carry out work under section 67 unless it proposes to charge an approved fee for carrying out the work as determined by the council in accordance with Division 2 of Part 10 of Chapter 15 of the Local Government Act (1993).

2 PURPOSE

This policy establishes Council's position on:

- the types of private works that the Operations section of Council can provide;
- the process for determining whether the Operations section of Council will engage in private works; and
- the process for approving the commencement of private works; and

3 SCOPE

This policy applies to all works undertaken by the Operations section of Council on behalf of a private client within the Young Shire Council Area.

4 DEFINITIONS

Private Works	Work undertaken by Council on behalf of a private client.
Council	Young Shire Council
Applicant	The person/s or entity which request/s private works
Contestable Works	External Works offered on the open market for tender or quotation; generally advertised on forums such as Tenderlink or the Sydney Morning Herald tenders section.
Major Private Works	External Works generally more than \$25,000 in value.
Minor Private Works	External Works generally less than \$25,000 in value.
Minor Private Works: Plant Hire	External works using Council plant and plant operators; generally charged out on a per hour hire basis (eg grading rural driveways)

5 POLICY

5.1 Determination of whether Council will undertake Private Works

Council's first priority is the delivery of public services and completion of its scheduled capital works and maintenance activities in a timely manner.

Contestable Works

Generally Council will not seek out contestable works, or quote or tender for contestable works. Contestable works would only be considered to be quoted or tendered under the following circumstances:

- There is insufficient work available to keep the workforce fully engaged and extra work is required as a temporary measure; or
- The project would assist to train or build up a skill in Council's workforce or to challenge and professionally extend the workforce.

A recommendation will be made to Council prior to quoting or tendering for contestable works. A documented risk assessment will form an integral part of the decision making process and the principles of the National Competition Policy must be applied.

A margin will be applied to all contestable works. This margin will include corporate overheads and profit margin as determined in Council's Delivery and Operational Plan and applied to direct job costs. An additional margin may also be applied depending on the documented risk assessment.

Major Private Works

Generally, Council will not undertake Major Private Works and will, wherever possible, refer parties who approach Council to undertake such works to the private sector.

Major Private Works will only be considered in the following circumstances:

- There is a case of market failure and there is no private sector provider available to undertake the work; and
- The project would be of strategic economic, social or environmental benefit to the region; and
- There is insufficient work available to keep the workforce fully engaged and extra work is required as a temporary measure; or
- The project would assist to train or build up a skill in Council's workforce or to challenge and professionally extend the workforce.

The decision of whether to undertake Major Private Works will be made by the Director Operations should the estimated value of works be within their financial delegation. Beyond this limit, recommendation would be made to Council.

If reported to Council a documented risk assessment will form an integral part of the decision making process and the principles of the National Competition Policy must be applied.

A margin will be applied to all Major Private Works. This margin will include corporate overheads and profit margin as determined in Council's Delivery and Operational Plan and applied to direct job costs. An additional margin may also be applied depending on the documented risk assessment.

Minor Private Works

The decision of whether to undertake Minor Private Works will be made by the Director Operations.

A margin will be applied to all Minor Private Works. This margin will include corporate overheads and profit margin as determined in Council's Delivery and Operational Plan and applied to direct job costs. An additional margin may also be applied depending on the perceived risks associated with the work.

Minor Private Works: Plant Hire

- a) Small plant such as chainsaws, lawn mowers, brush cutters, wacker packers etc are not to be hired out.
- b) Council will not hire plant without a Council operator;
- c) Council employees will not hire Council plant;
- d) The margin to be applied to internal plant and operator hire rates to determine external plant and operator hire rates shall be in accordance with Council's Delivery and Operational Plan;
- e) Council reserves the right to refuse any application for the private hire of plant / equipment / labour.
- f) Where the works are not on private property, the hirer should have adequate public liability insurance to cover the activities of the hired plant and evidence of that insurance should be presented to Council;

5.2 Priority of Works

Council acknowledges that taking on extra works over and above its own works has the potential to create issues with completing some works within programs. Works will be completed in the following order of preference:

1. Emergency works
2. Grant funded works (generally grant funds will have a time constraint)
3. Council works
4. Works for government agencies (eg Rural Fire Service fire trail grading);
5. Private works

Plant hire private works will generally be carried out in conjunction with Council's grading and resheeting program when Council plant is operating in the area.

5.3 Payment for Private Works

Payments for Contestable Works and Major Private Works are to be included in the contract terms and conditions of the project and must be agreed to by the General Manager and Director Corporate Services.

Payments for Minor Private Works and Plant Hire will be pre-paid at the time that the quotation is accepted. The exception to this is for customers who are approved creditors and who have sufficient existing credit available and are authorised by the General Manager.

6 RESPONSIBILITY

Director Operations

7 LEGISLATION AND RELATED POLICIES

Local Government Act (1993)

Date Amended: 16.2.05
Date Amended: 14.05.09
Date Reviewed: 18.09.13
Date Amended: 20.5.15

Resolution No. 42/05
Resolution No. 122/09
Resolution No. 392/13
Resolution No. 141/15