

**Policy Document**

**PRIVATE WORKS POLICY**

Policy No: <b>DCSB-FM-07.11</b>	Version No: <b>2.0</b>	Administered by: <b>Manager, Operations</b> <b>Manager, District Services</b> <b>Manager, Corporate Services</b>
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Classification: <b>Financial Management</b>		
Strategic Plan link: <b>Strategy 1.1.7</b> Ensure compliance of relevant Council policies and procedures with legislative requirements.		
<b>References and related Policies &amp; Procedures:</b> <b>Local Government Act 1999</b> <b>Local Government (Elections) Act 1999</b> <b>DCSB-G-09.01 Code of Conduct for Elected Members</b> <b>DCSB-HR-12.02 Code of Conduct for Council Employees</b>		

**1.0 INTRODUCTION**

Section 188 of the Local Government Act 1999 (Fees and Charges) allows Council to impose fees and charges for services supplied or carrying out for a person at his or her request (subsection 1a, 1b and 1c).

This Policy sets out Council's position on the undertaking of private works by Council (or by sub-contractor engaged by Council) to a person(s) or company at their request. These works herein shall be referred to as "Private Works".

This policy does not cover any arrangement that may be entered into between the District Council of Streaky Bay and any other Council's from time to time, this shall be at the discretion of the Chief Executive Officer.

**2.0 DEFINITION**

Private works includes any work of a nature which lies outside the core business function or responsibility of Council.

**3.0 POLICY OBJECTIVE**

The objectives of this policy are:

- To allow Council to undertake private works for the financial benefit of Council without prejudice to municipal works
- To ensure council's processes for the quotation and undertaking of private works is undertaken in a fair, prudent and transparent manner; and
- To ensure that a process and criteria are established for the recuperation of monies owed and/or monies required to be paid prior to the commencement of work.

#### **4.0 COMPETITION**

Private work is not a core function of council and is provided in circumstances where an alternative contractor and/or plant is unavailable.

All private work is "contestable" and applicants may seek alternative quotations or plant hire options through other organisations.

#### **5.0 DISCLAIMER**

In requesting and authorising the District Council of Streaky Bay to carry out private works the applicant shall indemnify the Council against any claim, action or process for damage or injury which might arise during the progress of such works and shall keep indemnified the Council against any claim, action or process for damage or injury which may arise the existence of such works unless such damage and/or injury is due or contributed to by an act or omission of the District Council of Streaky Bay, its employees or agents.

The Council will not be responsible for any insurance including public liability, personal injury insurance or home/content insurance associated with the operation or storage of machinery whilst borrowed

#### **6.0 UNDERTAKING OF PRIVATE WORKS**

Council reserves the right to refuse private works if it is deemed to be outside of Council's scope of works, timelines cannot be met, resource availability or for any other reason deeming the works unachievable by Council.

When undertaking private works Council shall ensure that all relevant approvals and/or information (e.g. building, native vegetation, and underground services) have been sought by the person(s) requesting the works and copies obtained by Council.

All works relating to new, upgraded or redevelopment of Council infrastructure shall be undertaken in accordance with Council's Standards and Requirements for the Design, Construction and Development of Infrastructure Assets and other relevant related policies.

No private works shall be undertaken until a formal written agreement is in place as prescribed below.

**7.0 APPROVAL OF UNDERTAKING OF PRIVATE WORKS**

The following delegation schedule shall apply;

Value of Works	Delegation
Greater than \$100,000 (ex GST)	Council Approval Required
\$50,000 - \$100,000	Chief Executive Officer
Up to \$50,000	Department Manager

**8.0 SCOPE OF AGREEMENT**

Works to the Value of \$20,000 (ex GST) and are deemed low risk shall be formalised by the signing of the basic Private Works Agreement

Works to the Value of \$20,000 - \$50,000 (ex GST) and are deemed low shall be formalised by the signing of the basic Private Works Agreement

Any works above the value of \$50,000 (exclusive of GST) and/or deemed to be high risk shall be subject to a formal written contract.

The cost of this contract shall be at the person(s) or company requesting works cost.

**9.0 FEES and CHARGES**

**All fees and charges are subject to GST**

**Labour Costs**

Labour costs shall be calculated at the individual employee internal rate, plus applied overheads

Any weekend/public holiday/overtime work with major plant where an operator is required will be subject to penalty rates.

**Plant Costs**

Plant costs shall be at the internal plant hire rate, plus 50%, and shall be titled “External Hire Rate”

Internal hire rates are determined by the appropriate internal staff based on best practice methods, and are reviewed on a periodic as required basis.

**Material/Subcontractor/Sundry Items**

Items shall be at cost plus 10%

**Administration Fee**

An overall administration fee of 10% shall be applied to total cost (less GST)

**10.0 GST**

All works are subject to GST

#### **11.0 QUOTATIONS**

Quotations shall be valid for a period of 30 days

#### **12.0 PAYMENT/DEPOSITS**

All works to the value of \$2,000 (exclusive of GST) may not require payment or deposit, this shall be at the discretion of the delegated officer.

All works between the value of \$2,001 - \$5,000 (exclusive of GST) shall be required to be paid to the Council prior to the commencement of works

All works between the value of \$5,001 - \$20,000 will require a \$5000 deposit or cost of materials (whichever is higher) prior to the commencement of works as a minimum unless an alternative payment arrangement is agreed.

All works between the value of \$20,001 - \$50,000 will require a \$10,000 deposit or cost of materials (whichever is higher) prior to the commencement of works as a minimum unless an alternative payment arrangement is agreed.

All works greater than the value of \$50,001 will require a formal written contract and that contract shall indicate a schedule of payment(s).

Prior to commencement of any works payment for monies due prior to work or deposits identified in any written contract or quotation must be received in full.

Council may refuse to continue with the undertaking of any works should any prescribed monies due not be paid in full or within required time frames.

A compliant Tax Invoice shall be issued for any monies due as per relevant contract details and in accordance with Council's debtor policy.

The recovery of any monies due shall be recovered in accordance with Council's Debt Collection Policy.

#### **13.0 DELEGATIONS**

Refer to table above

#### **14.0 REVIEW**

This policy shall be reviewed on a biennial basis. The initial review shall be undertaken by the Operations Manager or delegate of the Chief Executive Officer.

#### **15.0 RECORDS MANAGEMENT**

All records shall be kept and disposed of in accordance with councils Document Control Policy, Records Management Policy and Procedure and the Local Government General Disposal Schedule 20.

**16.0 AVAILABILITY OF POLICY**

This policy will be available for inspection at the Council's principal office during ordinary business hours at no charge. Copies of this policy may be obtained upon request. This policy shall be displayed on Councils website.

**17.0 REFERENCES**

[DCSB-FM-07.04 Debt Collection Policy](#)

[DCSB-IFM-13.01 Records Management Policy](#)

[DCSB-I-14.01 Standards and Requirements for the Design, Construction and Development of Infrastructure Assets](#)

[DCSN-ESP-06.01 Hire of Plant and Equipment](#)

[DCSB-07 Form 47 Private Works Quotation Acceptance](#)