

PURPOSE

The purpose of this Policy is to:

- Provide transparent and consistent guidelines for any circumstance where Council performs private works.
- Ensure that if private works are undertaken by Council this at market prices. This ensures an acceptable profit margin and full cost recovery to Glenorchy City Council that is consistent with the no advantage requirements of the Local Government Act 1993 and anti-competitive requirements.

SCOPE

This policy applies to:

- Private works undertaken by Council on behalf of individuals, private organisations and businesses. Works may include the supply of labour, materials, plant, services, and other resources.
- Works undertaken by Council on behalf of State Government Departments and other service authorities.

RELATED DOCUMENTS

- Glenorchy City Council Code for Tenders and Contracts
- Glenorchy Risk Management Policy
- Glenorchy Code of Conduct for Employees
- Glenorchy Safety Commitment
- Glenorchy Receipt of Gifts and Benefits Policy

STATUTORY REQUIREMENTS

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| Acts | <i>Local Government Act 1993</i> <i>Competition and Consumer Act 2010</i> |
| Regulations | N/A |
| Australian/International Standards | N/A |

DEFINITIONS

Applicant means the person or entity named in the Works Agreement

Council means Glenorchy City Council

Private works means the supply of Council's labour, materials, plant, services, and any other resources where the provision of those services are beyond the role and responsibility of Council.

Major private works means any private works valued above \$50,000 (excl GST).

Minor private works means any private works valued at or below \$50,000 (excl GST).

BACKGROUND

The organisation has considerable in-house skills and resources which at times can be made available for supply to parties outside the organisation.

On occasions that such private works are provided, all associated costs, at a minimum, need to be recouped.

POLICY STATEMENT

1. Council does not generally undertake private works except under special circumstances as approved by the relevant Manager, Director or General Manager.
2. Priority for use of Council's plant, equipment, labour and other resources is to be given to Council's own work program at all times, before entering into any private works arrangement.
3. It is Council's preference that all private works be undertaken by private contractors in the first instance.
4. Requests for private works must be made in writing to the General Manager.
5. Council reserves the right to refuse a request for private works, specifically if it is deemed to be outside of Council's capabilities or resource availability and with consideration to clause 11.

State Government and service authorities

6. Council occasionally undertakes works on behalf of State Government Departments or service authorities. Requests for these works will be evaluated on merit with consideration to community benefit and Council's capability and resource availability to undertake the works requested.
7. Works undertaken on behalf of State Government Departments and service authorities must include full cost recovery to Council.
8. Works undertaken on behalf of State Government and service authorities will require the consent of the General Manager.

Other private works

9. Other minor private works (valued at or below \$50,000) will require the consent of the General Manager, Director or relevant Department Manager.
10. Other major private works (valued above \$50,000) will require the consent of the General Manager.
11. Major private works will only be considered in the following circumstances:
 - a. There is no private contractor available to undertake the work;
 - b. The project would be of strategic economic, social, safety or environmental benefit to the community;
 - c. The Staff and Council have the capacity to undertake the project; and
 - d. It may provide a valuable training opportunity for the Staff.

Plant hire

12. Council will not hire out plant without an approved Council operator and in accordance with this Policy.
13. Council is responsible for the payment of Council operators engaged on private works. No other payment arrangements are permissible.

Works agreement

14. Council will only undertake private works following the execution of a works agreement for either a fixed price or a schedule of rates, with detailed scope of works, bill of quantities and terms of trade included.
15. For Major Private Works detailed design drawings, specifications and all required permits are to be provided to Council prior to commencement of works.
16. All private works will be authorised and costed according to Council's standard procedures and in strict alignment with this policy.
17. All private works are to be undertaken in accordance with Council's standard operating procedures and employee agreements and in compliance with Council's risk management and work health and safety procedures.
18. Where unforeseen circumstances require a change to the scope of works or will incur additional costs, the works agreement may be renegotiated or terminated.

Invoicing and Payment

19. For each private works, a separate job/project account will be created in the Councils finance system to capture all costs relating to that particular private works.

20. Upon completion of the private works, an invoice will be issued which will include all costs captured in the separate job/project account plus oncosts and any other costs permitted by the Works Agreement

Deposit, Progress Payment or Other Security

21. The applicant may be required to provide a deposit, progress payment or other form of security prior to the commencement or during the undertaking of the private works

Conflict of interest

22. Council employees, elected members, volunteers, consultants and contractors must not gain any advantage if any private works are undertaken by Council and all provisions contained in this policy and Council's Code of Conduct for Employees apply.

DOCUMENT CONTROL

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