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Precis: Work for Outside Bodies and Persons

Responsible Officer: Policy Coordinator

Document:

TITLE:	Work for Outside Bodies and Persons
AUTHORITY:	Council
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POSITION RESPONSIBLE:	Infrastructure Works Manager
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PREVIOUS POLICY NO:	
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PURPOSE OF THE POLICY

To state Council's policy with respect to undertaking work for outside bodies and persons, particularly in relation to Council's infrastructure assets.

POLICY STATEMENT

This policy will not apply to Council's ongoing relationships with Government agencies and authorities, in completing work funded by State or Commonwealth grants, funding agreements and specific contracts and work orders.

Council will consider carrying out work for outside bodies and persons on the following conditions:

- The body concerned is unable to arrange for the work to be done by any other means; alternately the work is within the boundaries or an adjunct to work that

- Council is in the process of undertaking currently or in the near future;
- The full cost of the work will be borne by the body or person requiring the work to be done;
- The execution of the work will not adversely affect Council's own operations;
- The work will be undertaken at a time convenient to Council; and
- Written agreement to the payment of the costs be provided to Council before the commencement of works.

Payment can be made in the form of cash or a bank guarantee in favour of Council for the full amount.

When all the above conditions are met, the Director Infrastructure & Services or their delegate shall:

- a. Provide the outside body or person with a detailed estimate of cost including Council's survey, design, pre-construction, on-cost and administrative charges, and a minimum contingency item of 10% (or higher based on a risk assessment of potential contingencies) of the total cost to account for possible contingencies arising after the agreement is made;
- b. Obtain payment for the whole of the work or a bank guarantee in favour of Council prior to the work being undertaken. If agreement is made to pay for the whole of the work in a series of progress payment, any bank guarantee can be progressively reduced by the amount of each progress payment.
- c. Review the detailed estimate immediately prior to the commencement of work and, if necessary, prepare a fresh estimate and obtain a new written agreement if the estimate is substantially altered.
- d. Obtain written agreement to the administration of the work to provide for "variations" and "extensions of time" during the course of the work.

It should be noted that the final cost of the work will be the quoted price, adjusted for any agreed variations up to a maximum of \$100,000. Therefore as the agreement does not equate to a "cost plus" contract, there is the potential for Council to lose money; if estimates are inaccurate, variations are not quantified and claimed and contingencies are not allowed for.

For works over \$100,000, in addition to the above conditions, the quotation be on the basis of an agreement being entered into by the party seeking the quote and Council for the party to bear the actual cost as determined upon completion.

Any agreement should be documented and administered in accordance with Council's current contract practices.

Councillors to be notified of any major works (greater than \$20,000) being undertaken for outside bodies

For unusual or complicated matters, advice should be sought from Council's Solicitors regarding any draft agreement or documentation.