

DISTRICT COUNCIL OF KAROONDA EAST MURRAY
Plant Hire/Private Works Policy

Policy No	46
Date of Policy Adoption	11.5.2011
Minute Reference	4273
Review Date	
Next Review	2011

Introduction

Council operates major plant on a day to day basis for its various services to the ratepayers. This includes road construction and maintenance, street kerbing and footpaths, driveways, maintenance of street trees, buildings, parks and reserves, cemeteries, public conveniences etc etc.

Council sets an internal plant hire rate for its major plant that covers the costs of operating the major plant. Costs taken into consideration include registration and insurance, fuels and oils, repairs and maintenance, depreciation and administration costs. Council computer system records the cost of operation on a fortnightly basis for each item of major plant. A plant hire rate is set based on kilometres or hours of usage to recover the operating costs against the job.

The plant hire rate is reviewed regularly to ensure Council is recovering those operating costs and this rate is reviewed and adopted in the normal budget process. Similarly an external plant hire rate is set when Council is requested to undertake private works for its residents or ratepayers. Council recovers the full cost of the private works provided.

2. Private Works Policy – Residents and Ratepayers

Council's core business activity does not include private works. Due to minimal resources private works is not an area that Council seeks additional work in. Council may for the benefit of ratepayers choose to carry out private works.

When Council staff is carrying out general work in an area and local residents or ratepayers request private works that are within the scope of Council's expertise, staff time and availability, then these private works will be done.

This work is charged out at the external plant hire rate and this includes the plant hire rate set by Council plus labour and overhead costs.

The external plant hire rate is reviewed and is included in the normal budget process.

3. Private Works Policy – Government Departments

From time to time Council will approve requests from Government Departments for Council to carry out of work on roads controlled by the State Government.

Rates charged for this work by Council will be based on a combination of factors including the external plant hire rate, rates set by the Civil Contractors Federation and hire rates as determined by Transport SA.

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4. Competition Policy

Council has regard to the National Competition Policy and must ensure that the plant hire rates Council charges are not lower than a reasonable charge that a private contractor would charge.

Reference to the Plant Contractors Association schedule of charges is therefore important to comply with this legislation.