

18.2 Benchmarking Kerb and Gutter Costs (Report No: 225/09)

Council officers remaining: Mr Lynch, Mr Walker, Mr Hodge, Ms Thomas, Ms Aukett and Mr Sanford

C260509/315

Councillor Lonie moved and Councillor Huckstepp seconded that, pursuant to Section 90(2) and 90(3)(b) of the Local Government Act 1999 the Council order that the public be excluded from attendance at the meeting, with the exception of Council officers and any other visitors permitted to remain, after taking into account the relevant considerations under Section 90(3)(b), on the basis that it will receive, discuss or consider the following:

- information or matter the disclosure of which –
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
 - (ii) would, on balance, be contrary to the public interest.

CARRIED**Benchmarking Kerb and Gutter Costs (Report No: 225/09)**

Council at its meeting of 14 October 2008, requested Administration prepare a report benchmarking the cost of installing kerb and watertable along with footpath paving in the City of Holdfast Bay against other metropolitan Councils.

C141008/437 "that Administration prepare a report benchmarking, the cost of installing kerbs and gutters and new footpaths in the City of Holdfast Bay against other metropolitan councils."

Administration gathered relevant information from the following Councils:

- City of West Torrens
- City of Marion
- City of Mitcham
- City of Charles Sturt

From this information a table was constructed showing City of Holdfast Bay's costs opposed to other Councils surveyed.

CONFIDENTIAL MINUTES
MEETING OF COUNCIL

26.05.2009

C260509/316 Councillor Clancy moved and Councillor Lonie seconded that the report be received and items of interest discussed.

CARRIED**ORDER TO RETAIN DOCUMENTS IN CONFIDENCE**

C260509/317 Councillor Lonie moved and Councillor Looker seconded that pursuant to Section 90(2), 90(3)(b) and 91(7) of the Local Government Act 1999:

1. The Council orders that the documents and minutes relating to Report No: 225/09 with the exception of Resolution No: C260509/315 for going into confidence be kept confidential and not available for public inspection on the basis that they deal with information the disclosure of which:
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
 - (ii) would, on balance, be contrary to the public interest under Section 90(2) and 90(3)(b) of the Act
2. This resolution will be reviewed on or before 30 June 2010 by the Council.

CARRIED

ITEM NUMBER: 18.2

CONFIDENTIAL REPORT NO: 225/09

26 MAY 2009

Pursuant to Section 83 (5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- commercial information of a confidential nature (not being a trade secret) the disclosure of which:
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party, and
 - (ii) would, on balance, be contrary to the public interest.

Confidentiality of this document will remain until the resolution is reviewed on or before 30 June 2009 by the Council.

Confidential Reports may be handed back to Administration at the close of the Council meeting for confidential disposal.

If Members choose not to return them, it is their responsibility to ensure the items are secured or disposed of in a confidential manner.

CONFIDENTIAL

REPORT TO **COUNCIL**

DATE **26 MAY 2009**

SUBJECT **BENCHMARKING KERB AND WATERTABLE COSTS**

STRATEGIC PLAN/
CORPORATE PLAN
OBJECTIVE/S **STRATEGIC PLAN: OBJECTIVE 4.4 – ASSET MANAGEMENT**

WRITTEN BY **MARK SCHUPPAN**
 TRANSPORT AND STORMWATER ASSETS MANAGER

EXECUTIVE SUMMARY

Council at its meeting of 14 October 2008, requested Administration prepare a report benchmarking the cost of installing kerb and watertable along with footpath paving in the City of Holdfast Bay against other metropolitan Councils.

C141008/437 *“that Administration prepare a report benchmarking, the cost of installing kerbs and gutters and new footpaths in the City of Holdfast Bay against other metropolitan councils.”*

Administration gathered relevant information from the following Councils:

- City of West Torrens
- City of Marion
- City of Mitcham
- City of Charles Sturt

From this information a table was constructed showing City of Holdfast Bay's costs opposed to other Councils surveyed. This table is attached as Attachment 1.

Refer Attachment 1

RECOMMENDATION

That the report be received and items of interest discussed.

REPORT DETAILS**Background**

Council allocates a significant budget to the replacement of kerb and watertable and footpaths.

Many Councils contract major construction works to private enterprise on the basis that quantities of scale and competitive tendering, in the main, generate better outcomes than can be realised using in house labour, materials and machinery.

Also noted was that private enterprise and contractors are able to make a profit on works such as these carried out on Council's behalf. With this in mind the question was raised if Council could undertake these works themselves generating a cost saving which would in turn be passed onto Council. Whilst on the surface this could be seen as sound reasoning, extra thought would need to be given to the extra staffing and machinery and equipment required to undertake all Council's yearly kerbing and footpath project works.

Previous reports and decisions

Council has not considered this issue before.

Key issues discussion

For many years Council has undertaken major construction works utilising contractors engaged through a public tender process. Normally under a three year contract.

Whilst Council doesn't routinely bench mark with other like entities, good governance would dictate that from time to time we should compare our service providers with others in the industry. On this basis we have enlisted the support (on a confidential basis) of some of our peers in local government.

In the past financial year Council has constructed approximately 4,500 lineal metres of kerb and watertable and 15,000 square metres of footpath brick paving.

To undertake this work "in house" would require a significant increase in employee numbers plus Administration support, staff and machinery.

Financial sustainability impact***Budget***

There are no implications on Council's budget generated by this report.

Full life cycle costs

There are no full life cycle costs emanating from this report.

Conclusion

With the information gathered from other Metropolitan Councils it can be seen that the City of Holdfast Bay footpath construction along with kerb and watertable replacement costs are very competitive when compared to other metropolitan Councils. More research would need to be conducted into labour and machinery requirements should Council ever consider undertaking these construction projects using "in house" resources in the future.



**S G HODGE
GENERAL MANAGER
CITY ASSETS**

Administration Trim Reference : B138

