

Asset Management and other Procurement for Infrastructure and Environmental Services

Infrastructure & Environmental Services

- Operational Department of Council
- 3 Delivery Units – stormwater, solid waste, environmental services
- Asset owners of vested assets

Procurement

- Consolidating procurement around a number of legacy Council approaches and a new single system
- Establishing objectives and priorities within our Asset Management Planning

Our objectives

- Improve value to the ratepayer
- Be able to demonstrate that value
- Develop supplier relationships with people who understand our needs

Progress Report

- SW Operations
- Landfills services
- RMA Services
- Where next

SW Operations

- At amalgamation we had 30 suppliers and 2 clients
- Seeking to standardise level of service
- Achieve operational savings
- Align with ward and local boundaries
- Seek a full and robust emergency response
- Procure and encourage value

SW Operations

Sector	Year to Market	Number of Current Contracts & Parcels of work	Future Sector Contracts
North	2014	5	1
Central	2013	10	1
West	2013	5	1
South	2012	10	1
Total		30	4

- Procurement staged to deliver value

SW Operations – outcomes so far

- Staff workloads and timeframes challenging
- Developing a single contract and process
- Benchmarking process
- Managing contractor expectations
- Developing a job management system

SW Operations – outcomes so far

- Harmonised levels of service
- Ability to benchmark across contracts
- Collaboration and knowledge sharing built into contracts
- Ability to reward good performance through award of minor capital projects
- Innovative equipment offered
- Council saving of over \$500k per year.

Landfills Services

- Aftercare responsibilities for 200 closed landfill sites
- Various monitoring and aftercare contracts with legacy councils
- Seeking consistency, quality and compliance with consent requirements
- Optimise contract management and administration

Landfills Services - outcomes

- 3 geographic areas selected
- 2 suppliers chosen – 1 consortium
- Price quality methodology used
- Benchmarking component
- Compliance achieved
- Estimated savings of \$250k over a 2 year contract

RMA Consent Planning

- 150 resource consent applications across stormwater per year
- Seeking to increase consistency across suppliers
- Seeking to streamline procurement processes

RMA Consent Planning

- 3 area geographic split
- Also a panel of specialist suppliers
- Incentivised by 1+1 contract
- Benchmarking process
- Encouraging and sharing innovation
- Reduced delivery risk
- Relationships will be built across Council

Where next

- Geographic focus likely to remain
- Seeking effective procurement:
 - H+S prequalification process
 - SW projects contractor prequalification
 - Responding to industry feedback