



# Civil Construction Industry Alliance Meeting

Councils Reforming Business  
December 2010



## Councils Reforming Business Overview

- Integrate local government into the National Reform Agenda
- Address capacity issues for local government
- Reduce costs for council
- Drive economic development and productivity
  - Reduced cost for business
  - Opportunities for local economic growth



**CRB Focus Areas 2011**





# Infrastructure Development

- **Social Procurement – A Guide for Victorian Local Government**
  - o Workforce planning
  - o Address social disadvantage
  - o Sustainable local economies



# Infrastructure Development

- **Infrastructure Design Manual**
  - o Common set of engineering standards
  - o Council works and new developments
  - o Benefits for Councils and private sector
  - o Greater collaboration
  - o Greater engagement



# Infrastructure Development

- **Infrastructure Design Manual**
  - o Campaspe, Shepparton, Bendigo
  - o Spread to regional Councils, North Central part of the state
  - o [www.designmanual.com.au](http://www.designmanual.com.au)

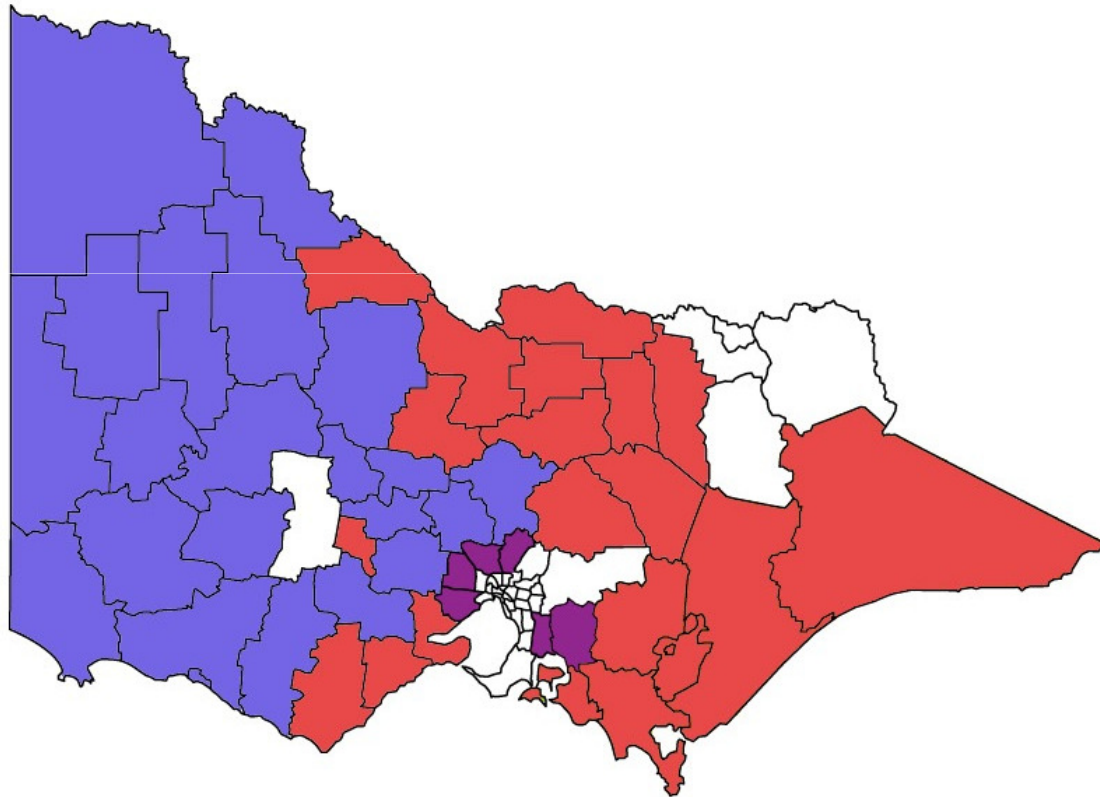


# Infrastructure Development

- **Infrastructure Design Manual**
  - o Gippsland Councils
  - o Working with the western part of the state
  - o Regional workshops/ implementation
  - o Similar project happening with Growth Area councils



# Infrastructure Development







## Infrastructure Development

- **Priorities**
  - o Governance
  - o Increased engagement
  - o Capability development
  - o Green infrastructure standards
  - o National engagement



## Why Focus on Procurement?

- **Represents a large component of council activity and expenditure**
  - o Victorian local governments spend over \$3 billion each year
  - o More than half of councils' overall expenditure
- **Vital role in delivering council and community objectives**
  - o Maintaining probity
  - o Reducing risk
  - o Reducing costs
  - o Achieving broader council goals
- o **Broader enabler of commercial and business development**
  - o Increasing complex procurement world e.g.
    - Shared use community infrastructure
    - Multi-stakeholder civil construction works



## Procurement Excellence Program (PEP)

- **Procurement Roadmaps**
  - o Underway in regional Victoria
  - o Metro roll-out in early 2011
- **Support for implementation:**
  - o Regional Reform Coordinator
  - o Guidance from Technical Advisory Group
  - o Local Government Procurement eHub
  - o Training and networking events
  - o Sustainable Procurement Working Group





# Roadmap Process



1. Introductory Workshop
2. Data Capture
3. Consultant Analysis
4. Roadmap Workshop
5. Roadmap Review
6. Senior Management Presentation
7. Regional Presentation
8. Implementation



## Most of the early Roadmap actions relate to core foundation elements

Procurement Dimension	# of Actions/Dimension		
	0-6 mths	6-12 mths	12-24 mths
Process and Governance	37	45	12
Leadership & Influence	36	16	4
Procurement Strategy and Organisation	32	23	11
People and Skills	22	20	7
Sourcing and Collaboration	11	13	5
Sustainability	10	9	5
Supplier Management	6	12	9
Use of Technology	3	11	7
Grand Total	157	149	60



# Procurement Excellence Program (PEP)

- **Priorities**
  - o e- tendering
  - o Contract security deposits/ retention amounts
  - o Fair payment
  - o Standardisation of documents and processes
  - o Support for supplier development/ awareness