

RMCC Arrangements for 2013/14

Background

The current RMCC Contract took effect in October 2008 and following a one year extension will expire on 30 June 2013.

Under the terms of the Contract, RMS is required to give 6 months notice to Councils of its intention to either extend the contract for a further 12 month period or introduce a different form of contract.

RMS is currently reviewing its responsibilities for road maintenance delivery across NSW in order to ensure it continues to provide:

- Value for money through cost effective delivery
- Quality outcomes
- Work practices which meet Work, Health and Safety requirements
- Compliance with environmental standards
- Customer expectations

The timing of the review will complement and build on a range of other local government reforms and reviews currently underway.

This newsletter advises Councils of proposed arrangements beyond 30 June 2013.

Progress to Date

RMS conducted a series of workshops during August and September involving both Council and RMS regional staff to

- review contract progress to date;
- provide training for improvements to the Contract reporting system (RMap and JPA processes) and
- engage Council representatives in discussion on the way forward beyond 30 June 2013.

The workshops reinforced that both councils and RMS seek a closer and more effective working relationship that fosters collaboration and delivers mutual benefit for all

parties. System improvements have gone some way to improving the administrative task and some cost efficiencies have been identified.

Next Steps

RMS will present options for a new contract form to Council groups for discussion and consideration in early 2013. In parallel RMS needs to ensure that Councils have the appropriate capability and can provide value for money in any proposed new arrangements.

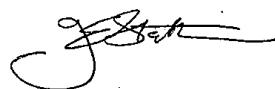
Financial audits of some Councils commenced in late 2012. In 2013 RMS will also conduct performance audits on broader service provision under RMCCs from Councils.

These audit reports will be provided to Councils in order to identify areas of concern and any necessary business adjustments which will be included in a performance improvement plan. Councils performance against these improvement plans and RMCC prerequisite requirements will be a condition of ongoing engagement of Councils beyond July 2014.

To provide sufficient time to develop a new Council contract form and to implement a performance framework, RMS will be extending the current contract arrangements for a further 12 months from 1 July 2013.

These steps will enable RMS to improve road maintenance outcomes in regional areas in the future utilising improved contract arrangements with Councils.

The current project examining options for contestable road maintenance is restricted to the Sydney area only.



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