

ITEM NO:	4.10 CONFIDENTIAL REPORT
MEETING TYPE	Finance & Risk Audit Committee
MEETING DATE:	7 February 2019
SUBJECT:	Drought Communities Program – Funding – Successful Projects
FILE NUMBER	F16/1458 - Finance & Risk Audit Committee Report
RECORD NUMBER:	R19/2197
AUTHOR:	Penny Williams
ATTACHMENT (S):	<ol style="list-style-type: none"> 1. January 2019 – Copy of Council Report (R19/923) 2. Council Procurement Policy (R17/1108)

LINKS TO STRATEGIC MANAGEMENT PLAN 2016-2026

KEY RESULT AREA:	1. Governance
STRATEGY:	1.2. Maintain financial viability and accountability in budgeting and administration.
ACTION:	1.2.5 Key projects documented and implementation plans prepared.

BACKGROUND:

On Friday, 26 October 2018, the Federal Government announced the extension of the Drought Communities Program (DCP) under which eligible Councils in drought affected areas could apply for up to \$1 million to spend on locally identified projects aimed at *stimulating the local economy and maintaining jobs*, the District Council of Streaky Bay was fortunate in being included in the latest round of declarations.

Council were presented with a report at the November 2018 ordinary meeting of Council where they selected 6 projects for submission. Council resolved at that meeting;

That Council, having considered Report No 11.46, Drought Communities Program, 29 November 2018 and its role under Section 6, 7 and 8 of the Local Government Act 1999 – The following projects from the Community Drought Fund18/19 register of ideas have been selected as follows:

- *Wirrulla Camp Ground Upgrade*
- *Poochera Oval – Irrigation Project*
- *Streaky Bay Hall – Floor and Air-conditioning*
- *Museum Upgrades*
- *Streaky Bay Racecourse*
- *Little Islands Road Coastal Trail*
- *Project Officer to deliver projects under this program*

A further information report was presented at the January 2019 ordinary meeting of Council that provided a brief for Council on projects that have been submitted (refer to Attachment 1 for details).

Council has now been notified that they have been successful for the following projects;

1. Little Islands Road Coastal Trail – Grant Agreement Executed
2. Museum Upgrades – Grant Agreement Executed
3. Poochera Oval Irrigation Project – Notification Received Awaiting Grant Agreement
4. Streaky Bay Hall Upgrade – Notification Received Awaiting Grant Agreement

5. Wirrulla Campground Development – Notification Received Awaiting Grant Agreement
6. Streaky Bay Race Track Upgrade - Notification Received Awaiting Grant Agreement

These projects are required to be delivered by June 30, 2019, which leaves staff and contractors with very limited time frames.

Expressions of Interest are currently being advertised for both casual staff and contractors in accordance with the grant conditions and guidelines to provide employment opportunities for local contractors, farm workers and those currently seeking employment.

Council additionally has in place a Procurement Policy (see attached) that provides terms of engagement and requirements for multiple quotes. In order for Council to achieve the desired outcomes of the funding and June 30 deadlines the time to undertake many of these requirements would not enable those timelines to be met. Therefore in accordance with Clause 7;

A request for waiver of competitive process should not be viewed as a mechanism to speed processes in a way that will not stand up to rigorous scrutiny nor as a mechanism to obviate the need for careful forward planning. The granting of waiver of competitive process must be appropriately documented and approved in accordance with Council Policy. The request for waiver shall only be approved by the Chief Executive Officer.

It should be noted that an exemption will be sought from the Acting Chief Executive Officer for the purposes of staff meeting the required deadlines of the funding agreements.

In addition to this the Wirrulla Campground as outlined in the report to Council (January 2019 – Attachment 1) provided a table (see below) where revised cost estimates required the Wirrulla Campground to be co-funded by Council.

DROUGHT COMMUNITIES PROGRAM			
FUNDING BREAKDOWN SUMMARY			
Streaky Bay Race Track Upgrade	\$ 27,871.88		
Poochera Oval	\$ 387,562.50		
Museum Upgrades	\$ 96,764.63		
Little Islands Coastal Trail	\$ 262,422.50		
Hall Airconditioner	\$ 152,951.00		
Wirrulla Campground Upgrade	\$ 139,203.00	\$ 72,427.49	
	\$ 1,066,775.51	Total Project Cost	
	\$ 927,572.51	Total Funding (Ex Wirrulla)	
	\$ 66,775.51	Council Co-funding required for Wirrulla	

The purpose of this report is to seek Council's authorisation to execute the Grant Agreements for all projects and authorise the co-funding of the Wirrulla Campground project. The Manager, District Services put forward in a report to the December 2018 meeting of Council a report whereby Council in the 2019/2020 would allocate funding for the Wirrulla Campground Development, therefore this co-funding would be bringing forward that allocation.

An information report detailing the scope of each of the projects will be presented to the February 2019 Ordinary Meeting of Council.

The 2018/2019 Budget will require amendment to include all of the projects.

CONSIDERATIONS:**Local Government Act 1999 Section 8 - Principles to be observed by a Council**

A council must act to uphold and promote observance of the following principles in the performance of its roles and functions –

(a) provide open, responsive and accountable government;	<input checked="" type="checkbox"/>
(b) be responsive to the needs, interests and aspirations of individuals and groups within its community;	<input checked="" type="checkbox"/>
(c) participate with other councils, and with state and national governments, in setting public policy and achieving regional, State and national objectives;	<input type="checkbox"/>
(d) give due weight, in all its plans, policies and activities, to regional, state and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community;	<input checked="" type="checkbox"/>
(e) seek to co-ordinate with state and national government in the planning and delivery of services in which those governments have an interest;	<input checked="" type="checkbox"/>
(f) seek to facilitate sustainable development and the protection of the environment and to ensure a proper balance within its community between economic, social, environmental and cultural considerations;	<input checked="" type="checkbox"/>
(g) manage its operations and affairs in a manner that emphasises the importance of service to the community;	<input checked="" type="checkbox"/>
(h) seek to ensure that council resources are used fairly, effectively and efficiently;	<input checked="" type="checkbox"/>
(i) seek to provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs;	<input checked="" type="checkbox"/>
(j) achieve and maintain standards of good public administration;	<input checked="" type="checkbox"/>
(k) ensure the sustainability of the council's long-term financial performance and position.	<input checked="" type="checkbox"/>

OPTIONS:

1. Council's authorisation to execute the Grant Agreements for all projects (including future projects) and authorise the co-funding of approximately \$ 66,775 for the Wirrulla Campground project. Note the waiving of appropriate sections within Council's Procurement Policy. Projects are included in the 2018/2019 Budget/Annual Business Plan.

Recommendation

That the Committee:

- (a) Pursuant to Section 90(2) of the Local Government Act 1999 orders that all members of the public be excluded from attendance at the meeting for Report 4.10, relating to “Drought Communities Program – Funding – Successful Projects” KD Ewer (Acting Chief Executive Officer), SK Brice (Acting Manager Corporate Services), RC Nottle (Manager, District Services), PJ Williams (Manager, Community and Economic Development), JL (Manager, Regulatory Services), JA Childs (Executive Assistant & Governance Officer/Minute Taker).
- (b) The Committee is satisfied pursuant to Sections 90 (3)(d) of the Act, the information to be received, discussed or considered in relation to this agenda item is related to “commercial information of a confidential nature (not being a trade secret) the disclosure of which:
 - a. 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
 - b. Would, on balance, be contrary to the public interest.
- (c) The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances.

Recommendation

That the Committee, having considered Report No 4.10, “Drought Communities Program – Funding – Successful Projects”, 7 February 2019 and its role under Section 6, 7 and 8 of the Local Government Act 1999 recommend to Council the following:

- Execute the Grant Agreements for all projects under the Commonwealth Governments Drought Communities Program.
- Provide an additional amount of approximately \$ 66,775 of Council funding for the Wirrulla Campground Development.
- Notes the requirement and delegation of the Chief Executive Officer to waive sections of Council's Procurement Policy to ensure appropriate project deadlines are met.
- Successful projects under the Commonwealth Governments Drought Communities Program, upon signing of the Grant Agreements be included in the 2018/2019 Annual Business Plan.

Recommendation

That Council, having considered Report No 4.10, “Drought Communities Program – Funding – Successful Projects” remain in confidence under Section 90(2) and 90(3)(b)(i) of the *Local Government Act 1999* pursuant to Section 91(7) of the Act orders that the Minutes and Reports be retained in confidence until Staff are officially notified by the State Government.

ITEM NO:	14.1 Late Report
MEETING TYPE	Ordinary Council
MEETING DATE:	17 January 2019
SUBJECT:	Drought Communities Program – Update – Information Only
FILE NUMBER	F19/25 - Manager, Community and Economic Development
RECORD NUMBER:	R19/923
AUTHOR:	Penny Williams
ATTACHMENT (S):	Nil

LINKS TO STRATEGIC MANAGEMENT PLAN 2016-2026

KEY RESULT AREA:	6. Business Undertakings and Economic Development
STRATEGY:	6.4. Develop initiatives to attract people to live, work and invest in the Council area.
ACTION:	N/A

BACKGROUND:

On Friday, 26 October 2018, the Federal Government announced the extension of the Drought Communities Program (DCP) under which eligible council's in drought affected areas can apply for up to \$1 million to spend on locally identified projects aimed at *stimulating the local economy and maintaining jobs*, the District Council of Streaky Bay was fortunate in being included in the latest round of declarations.

The desired outcomes of the program are;

- Increased employment by providing work for locals and/or farmers and farm labourers/staff/contractors whose employment opportunities have been affected by drought
- Improved levels of economic activities
- Increased productivity and
- Better retention of businesses, services and facilities

Council were presented with a report at the November ordinary meeting of Council where they selected 6 projects for submission. Council resolved at that meeting;

That Council, having considered Report No 11.46, Drought Communities Program, 29 November 2018 and its role under Section 6, 7 and 8 of the Local Government Act 1999 – The following projects from the Community Drought Fund18/19 register of ideas have been selected as follows:

- *Wirrulla Camp Ground Upgrade*
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Subsequently following that meeting the projects were further costed as accurate as possible within the short time frames available. It was identified that some of these projects were more than originally estimated.

Therefore it is noted that a project officer was not submitted (some project management costs have been included in individual projects) and staff agreed they thought they could be delivered within current resourcing arrangements with the assistance of community groups and head contractors where required.

The six key projects identified also costed in excess of \$1m therefore *if* all six projects are successful then Council will need to contribute \$66,775 as per the table below.

A report was presented to Council at the last meeting outlining projects for 19/20 with Wirrulla Campground flagged as a project, therefore it would be simply bringing this allocation forward whilst achieving a higher project scope.

Council will be notified when projects have been assessed.

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CONSIDERATIONS:

Local Government Act 1999 Section 8 - Principles to be observed by a Council

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(c) participate with other councils, and with state and national governments, in setting public policy and achieving regional, State and national objectives;	<input type="checkbox"/>
(d) give due weight, in all its plans, policies and activities, to regional, state and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community;	<input checked="" type="checkbox"/>
(e) seek to co-ordinate with state and national government in the planning and delivery of services in which those governments have an interest;	<input checked="" type="checkbox"/>
(f) seek to facilitate sustainable development and the protection of the environment and to ensure a proper balance within its community between economic, social, environmental and cultural considerations;	<input checked="" type="checkbox"/>
(g) manage its operations and affairs in a manner that emphasises the importance of service to the community;	<input checked="" type="checkbox"/>
(h) seek to ensure that council resources are used fairly, effectively and efficiently;	<input checked="" type="checkbox"/>

(i) seek to provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs;	<input checked="" type="checkbox"/>
(j) achieve and maintain standards of good public administration;	<input checked="" type="checkbox"/>
(k) ensure the sustainability of the council's long-term financial performance and position.	<input checked="" type="checkbox"/>

Risk Management – Framework and Policy Provisions

- (a) Risk Consequences must be considered as per Appendix B of the Risk Framework;
 (b) The likelihood of the recognised risk occurring must be considered as per Appendix C of the Risk Framework;
 (c) Where risks are identified as Extreme or High (Appendix D), Council must ensure its decision reduces the recognised risk to Medium or Low (residual risk) depending on the agreed tolerance level (Appendix E).

Risk Matrix

Likelihood/Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	Medium	High	High	Extreme	Extreme
Likely	Low	Medium	High	Extreme	Extreme
Possible	Low	Low	Medium	High	Extreme
Unlikely	Low	Low	Low	High	Extreme
Rare	Low	Low	Low	Medium	High

Comment: (Optional)

Recommendation

That Council, having considered Report No 14.1, Title Drought Communities Program, dated 17 January 2019 and its role under Section 6, 7 and 8 of the Local Government Act 1999 that Council receives and notes the report.

Policy Document

PROCUREMENT POLICY

Policy No: DCSB-FM-07.05	Version No: 2.0	Administered by: Manager, Corporate Services
Approved by: Council	Approved on: 2 February 2017	Agenda Item/Minute Book No or Approval Ref: 26/17
Last Reviewed: 2010	Review Date 2019	File No: F16/351
Classification: Governance		
Strategic Plan link: Strategy 1.1.7 Section 90(8a) & (8b) of the Local Government Act 1999 Strategy 6.2.2 of DCSB Strategic Plan Review and update Council Procurement Policy, reflect preference to buy locally		
References and related Policies & Procedures: DCSB-FM-07.10 Disposal of Land and Assets Policy DCSB-HS-12.04 Consultation and Communication Policy DCSB-FM-07.12 Credit Card Policy LGA procurement policy - templates Local government act 1999 (section 49)		

1. INTRODUCTION

- 1.1 In compliance with Section 49 of the Local Government Act 1999, Council should refer to this policy when acquiring goods and services.
- 1.2 Section 49 of the Act requires Council to prepare and adopt policies on contracts and tenders on:
- 1.2.1 the contracting out of services; and
 - 1.2.2 competitive tendering and the use of other measures to ensure that services are delivered cost-effectively; and
 - 1.2.3 the use of local goods and services.
- 1.3 Furthermore, Section 49 (a1) of the Act requires Council to develop and maintain policies, practices and procedures directed towards:
- 1.3.1 obtaining value in the expenditure of public money; and

- 1.3.2 providing for ethical and fair treatment of participants; and
- 1.3.3 ensuring probity, accountability and transparency in all operations.
- 1.4 This Policy seeks to:
 - 1.4.1 define the methods by which Council can acquire goods and services;
 - 1.4.2 demonstrate accountability and responsibility of Council to ratepayers;
 - 1.4.3 be fair and equitable to all parties involved;
 - 1.4.4 enable all processes to be monitored and recorded; and
 - 1.4.5 ensure that the best possible outcome is achieved for the Council.
- 1.5 However, this Policy does not cover:
 - 1.5.1 non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts; or
 - 1.5.2 the disposal of land and other assets owned by the Council; or
 - 1.5.3 the purchase of land by the Council.

2. **POLICY OBJECTIVE**

Council aims to achieve advantageous procurement outcomes by:

- 2.1 enhancing value for money through fair, competitive, non-discriminatory procurement;
- 2.2 promoting the use of resources in an efficient, effective and ethical manner;
- 2.3 making decisions with probity, accountability and transparency;
- 2.4 advancing and/or working within Council's economic, social and environmental policies;
- 2.5 providing reasonable opportunity for competitive local businesses to supply to Council;
- 2.6 appropriately managing risk; and
- 2.7 ensuring compliance with all relevant legislation.

3. **PROCUREMENT PRINCIPLES**

Council must have regard to the following principles in its acquisition of goods and services:

- 3.1 *Encouragement of open and effective competition*

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Version 2.0

3.2 *Obtaining Value for Money*

3.2.1 This is not restricted to price alone.

3.2.2 An assessment of value for money must include, where possible, consideration of:

3.2.2.1 the contribution to Council's long term plan and strategic direction;

3.2.2.2 any relevant direct and indirect benefits to Council, both tangible and intangible;

3.2.2.3 efficiency and effectiveness of the proposed procurement activity;

3.2.2.4 the performance history, and quality, scope of services and support of each prospective supplier;

3.2.2.5 fitness for purpose of the proposed goods or service;

3.2.2.6 whole of life costs;

3.2.2.7 Council's internal administration costs;

3.2.2.8 technical compliance issues;

3.2.2.9 risk exposure; and

3.2.2.10 the value of any associated environmental benefits.

3.3 *Probity, Ethical Behaviour and Fair Dealing*

Council is to behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations.

3.4 *Accountability, Transparency and Reporting*

3.5 *Ensuring compliance with all relevant legislation*

3.6 *Encouragement of the development of competitive local business and industry*

Where the evaluation criteria are comparable, Council may consider the following:

3.6.1 the creation of local employment opportunities;

3.6.2 increased availability of local servicing support;

3.6.3 increased convenience with communications with the supplier for contract management;

3.6.4 economic growth within the local area;

3.6.5 benefit to Council of associated local commercial transaction; and/or

3.6.6 the short and long term impact of the procurement on local business.

3.7 *Environmental protection*

Council will seek to:

- 3.7.1 adopt purchasing practices which conserve natural resources;
- 3.7.2 align the Council's procurement activities with principles of ecological sustainability;
- 3.7.3 purchase recycled and environmentally preferred products where possible;
- 3.7.4 integrate relevant principles of waste minimisation and energy;
- 3.7.5 foster the development of products and services which have a low environmental impact;
- 3.7.6 provide leadership to business, industry and the community in promoting the use of environmentally sensitive goods and services.

3.8 Work, Health & Safety

Council will only engage suppliers and/or contractors who are able to maintain a level of WHS that is acceptable in accordance with Council's WHS Policies and Procedures and any additional requirements specified in terms and conditions of contractual arrangements.

3.8.1 Pre Purchase Risk Assessment

Formal pre purchase risk assessments must be undertaken for purchase of all plant and vehicles in accordance with Council's Plant Procedure.

Consideration of risk must be undertaken pre-purchase for all other purchases. The level of the pre purchase risk assessment shall be determined by the value of the purchase, type of purchase and perceived level of risk.

3.8.2 (b) WHS Contractor Management

Council has an obligation to ensure that Contractors engaged by Council have an understanding and a commitment to WHS as competent providers of the good or services they are contracted to provide.

Council officers must ensure when engaging contractors they administer Council's OHS Contractor Policy and Procedure, including components upon selection, monitoring and induction.

4. PROCUREMENT METHODS

Generally, open and fair competition is best achieved by undertaking a tender process so that all interested parties have an opportunity to bid. However, there may be procurements in which a tender process will not necessarily deliver the most advantageous outcome for the Council – in such instances, other market approaches may be more appropriate.

The Council may, having regard to its Procurement Principles and any other factors considered relevant by the Council, in its absolute discretion determine to utilise one or more of the following procurement methods:

4.1 *Direct Purchasing*

4.1.1 This is where Council purchases from a single source, without first obtaining competing bids.

4.1.2 This method may be suitable for low value, low risk goods and services, and where the supplier already has a successful service history with the Council.

4.2 *Quotations (Informal)*

4.2.1 This is where Council obtains quotations from prospective suppliers.

4.2.2 Generally, a minimum of three quotations are sought.

4.2.3 Where possible, the Council must insist on written quotes.

4.2.3.1 If a written quote cannot be obtained, the Council **must** keep detailed written records of the oral quote obtained, including details of the commercial terms of the quote.

4.2.4 This method may be suitable for low value, low risk goods and services.

4.3 *Purchase Orders*

4.3.1 This is where Council is purchasing routine, low value and low risk goods and services.

4.3.2 Generally, Purchase Orders have limited terms and conditions and should not be used for non-routine, high value and high risk goods and services.

4.4 *Request for Quotations (RFQ)*

4.4.1 This is where Council obtains written quotations from prospective suppliers.

4.4.2 Generally, a minimum of three written quotations are sought.

4.4.3 This method may be suitable for simple, largely price-based purchases.

- 4.4.4 A “Short Form Request for Quotation” can be used for purchases with minimal specifications.
- 4.4.5 A “Long Form Request for Quotation” can be used for purchases with detailed specifications.
- 4.5 *Requests for Expressions of Interest (REOI)*
 - 4.5.1 This is where Council issues an open invitation for a proposed goods and/or service.
 - 4.5.2 This method may be used where there is potentially a large market for the proposed goods and/or service, and the Council would like to be able to prepare a short list of suppliers to then invite to participate in a tender process.
- 4.6 *Request for Tenders (RFT)*
 - 4.6.1 This is where the Council issues a tender for a proposed goods and/or service.
 - 4.6.2 Council may issue a “Select” Request for Tender where it has already issued a REOI, or where it has reasonable grounds for only dealing with a select group of potential suppliers.
 - 4.6.3 Otherwise, Council may issue an “Open” Request for Tender.
- 4.7 *Panel contracts*
 - 4.7.1 This is where the Council establishes panel arrangements with a select group of suppliers – generally, this occurs once the Council has completed its appointment of such suppliers in accordance with this Policy, and can include either:
 - 4.7.1.1 a standing offer from a pool of suppliers for the provision of goods and services on agreed terms; or
 - 4.7.1.2 the prequalification of certain suppliers who may or may not be engaged on terms to be agreed.
 - 4.7.2 Once a panel has been established, the Council may purchase the particular goods and/or service through such panel arrangements.
- 4.8 *Strategic alliances*
 - 4.8.1 This is where the Council undertakes procurement through contract arrangements already established and administered by other organisations, including:
 - 4.8.1.1 LGA Procurement;
 - 4.8.1.2 a purchasing group of which the Council is a member;
 - 4.8.1.3 G6 Procurement Group;

4.8.1.4 Procurement Australia;

4.8.1.5 State Government contracts.

5. CONSIDERATIONS FOR THE COUNCIL

The appropriate method of procurement will be determined by reference to a number of factors, including:

5.1 Value of the Purchase

Value of Purchase exclusive of GST (\$)	Possible Method of Procurement
<i>Purchases under \$4,999</i>	Only one (1) verbal quotation is required
<i>Purchases from \$5,000 to \$19,999</i>	Two (2) written quotations are required.
<i>Purchases from \$20,000 to \$49,999</i>	Council must invite written quotations. The invitation must be given to at least two (2) persons/organisations who Council considers can meet its requirements. Quotations must be sought using the Request for Quotation Short Form.
<i>Purchases from \$50,000 to \$99,999</i>	<p>Council Policy requires that Council invite written quotations before making a contract for the carrying out of work or the supply of goods or services involving a cost of between \$50,000.00 and \$99,999.00. The invitation must be given to at least three (3) persons/organisations who Council considers can meet its requirements. The request must be made using the Request for Quotation Long or Short Form.</p> <p>These processes are put in place as a “minimum” guide and should Council officers assess the purchase to be of high risk or other applicable reason an alternative purchasing method may be used, however this must be approved by the Chief Executive Officer. This may include the use of a formal contract if multiple purchases are required from the same supplier.</p>

Purchases above \$100,000	<p>Council Policy requires that Council invite tenders before making a contract for the carrying out of work, or the supply of goods or services involving a cost of more than \$100,000</p> <p>Council recognises there are a number of tendering processes and the appropriate tendering process to be used shall be at the discretion of the Chief Executive Officer.</p> <p>The invitation must be advertised in at least one (1) newspaper including one (1) local newspaper allowing at least 21 days from the day of the advertisement for the submission of tenders.</p>
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The value of the purchase will be calculated as follows:

- *single one-off purchase* – the total amount, or estimated amount, of the purchase (excluding GST) per project;

Splitting of amounts to bring expenditure within lower limits is not permitted.

- 5.2 *cost of an open market approach versus the value of the acquisition and the potential benefits;*
- 5.3 *the particular circumstances of the procurement activity;*
- 5.4 *the objectives of the procurement;*
- 5.5 *the size of the market and the number of competent suppliers;*
- 5.6 *the Council's leverage in the marketplace;*
- 5.7 *time constraints;*
- 5.8 *a global assessment of the risks associated with the relevant activity and /or project, including the risk profile of the procurement and any risks associated with the preferred procurement method.*

6. RECORDS

For all methods of procurement, appropriate records must be kept on the procurement and decision making process.

It is the responsibility of all employees involved in purchasing to ensure that records are kept in accordance with Council's Records Management Policy, requirements of the Local Government Act 1999 and regulations and State Records GDS 20 Schedule.

7. EXEMPTIONS FROM THIS POLICY

Council may be exempt from the requirement to seek tenders or quotations, if:

- a) there may be significant public risk if the procurement is delayed by process requirements, such as emergency situations threatening life and property, or
- b) to ensure that residents or occupants of Council owned buildings are not subject to undue discomfort or hardship due to breakdown of building facilities or equipment; or
- c) to ensure the security of Council's assets; or
- d) a small, stable and well documented supply market exists such that the council can ensure that all potential suppliers are invited to participate; or
- e) the pressures of time are such that an open call is not feasible, such as where there has been an unanticipated Council or Government policy decision; or
- (f) Council purchases goods at an auction; or
- (g) Council purchases second-hand goods; or
- (h) the contract is made with, or under an arrangement with or made by:
 - (i) the State, a government entity, a local government owned corporation, another local government, Local Government Corporate Services (LGCS Pty Ltd) or Strategic Purchasing (MAPS Group); or
 - (ii) another Australian Government, an entity of another Australian Government or a local government of another State or a Territory; or
- (i) Council resolves to enter into a contract using a significant purchasing activity plan which must state:
 - (i) the objectives of the purchase and how they will be achieved; and
 - (ii) any alternative ways of achieving the objectives, and why the alternative ways were not adopted; and
 - (iii) a risk analysis of the market from which the goods or services are to be procured.
- j) Officers may deem that there is only one (1) supplier to provide or supply goods, services or goods and services to Council. In this instance officers must demonstrate and document their market research and process in order to ascertain sole supplier status.
- k) Unsolicited offers – LGA draft; or
- l) A neighbouring, regionally based council, is able to provide shared services that meet Councils needs

When assessing the most effective method of obtaining goods and/or services, Council officers should consider the administrative costs to Council of seeking tenders or quotations independently, and the reduction of these costs which can be achieved by use of approved alternative arrangements outlined above.

A request for waiver of competitive process should not be viewed as a mechanism to speed processes in a way that will not stand up to rigorous scrutiny nor as a mechanism to obviate the need for careful forward planning. The granting of waiver of competitive process must be appropriately documented and approved in accordance with Council Policy. The request for waiver shall only be approved by the Chief Executive Officer.

Where a Funding Agreement specifies that Council must follow a prescribed tendering process which differs from the process outlined in this Procurement Policy, the project funded under that Agreement is exempted from the Policy.

Where a purchase is made in the event of any emergency the expenditure must be within the officer's delegated authority, limited to that required to alleviate the emergency situation only; and officers must ensure that appropriate methods of purchase are resumed as soon as practicable.

8. DELEGATIONS

Council delegates to the Chief Executive Officer the authorisation to approve expenditure and enter in to contracts valued at less than \$200,000 (exclusive of GST). The Chief Executive Officer may sub delegate expenditure authorisations commensurable with officer roles and responsibilities.

Council delegates to the Chief Executive Officer the authorization to approve, amend and review any procedures that shall be consistent with this Policy.

9. CONFIDENTIALITY

All information provided between Contractor and the Principal shall be treated as confidential only to the extent provided by the law, including Freedom of Information Act 1991 (FOI) provisions.

10. REVIEW

It is the responsibility of the Manager, District Services and Corporate Services Manager jointly to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed by Council triennially.

11. PUBLIC CONSULTATION

Where a purchase requires public consultation, then such consultation must be in accordance with Council's Public Consultation Policy.

12. PRUDENTIAL REQUIREMENTS

Consideration should also be given to DCSB-FM-07.13 Prudential Management Policy when considering Council projects.

13. FURTHER INFORMATION

13.1 This Policy will be kept on the Council's website for the public to view.

13.2 This policy will next be reviewed in 2019.

13.3 However, Council may revise or review this Policy at any time (but not so as to affect any process that has already commenced).