

Minutes Appendices

Ordinary Meeting

Thursday, 20 June 2024

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Minutes

Ordinary Meeting

Thursday, 30 May 2024

Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore





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Please Note: The resolutions as shown in italics throughout these minutes are the resolutions carried by the Council.

ORDINARY MEETING MINUTES

30 MAY 2024

1 DECLARATION OF OPENING

The Chair declared the meeting open at 9:00am.

2 WELCOME AND OPENING

Councillor M Suarez acknowledged the Traditional Custodians of the land on which the meeting took place.

Councillor C Dickson read a prayer.

3 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

COUNCILLORS

| | |
|---------------------------|-------------------------------|
| Councillor R Natoli | Mayor (Chair) |
| Councillor J Broderick | Division 1 |
| Councillor T Landsberg | Division 2 |
| Councillor T Burns | Division 3 |
| Councillor J Natoli | Division 4 |
| Councillor W Johnston OAM | Division 5 |
| Councillor C Dickson | Division 6 (Absent 8.11 – 13) |
| Councillor E Hungerford | Division 7 |
| Councillor T Bunnag | Division 8 |
| Councillor M Suarez | Division 9 (Deputy Mayor) |
| Councillor D Law | Division 10 |

COUNCIL OFFICERS

Chief Executive Officer
Group Executive Built Infrastructure
Group Executive Business Performance
Group Executive Civic Governance
Group Executive Customer and Planning Services
Group Executive Economic and Community Development
Group Executive Liveability and Natural Assets
Manager Governance and Executive Services
Manager Project Delivery
Chief Financial Officer
Manager Customer Response
Manager Development Services
Manager Leasing and Land Management
Property Development Officer
Coordinator Biodiversity & Waterways

ORDINARY MEETING MINUTES

30 MAY 2024

4 RECEIPT AND CONFIRMATION OF MINUTES

Council Resolution

Moved: Councillor J Natoli

Seconded: Councillor W Johnston

That the Minutes of the Ordinary Meeting held on 24 April 2024 be received and confirmed.

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

5 MAYORAL MINUTE

5.1 MAYORAL MINUTE

File No: Council Meetings

Author: Mayor Rosanna Natoli

Council Resolution (OM24/23)

Moved: Councillor R Natoli

Seconded: Councillor M Suarez

That Council:

- (a) *acknowledge the resignation of Chief Executive Officer, Emma Thomas with her last day being 14 June 2024, and thank Emma for her contribution and service on behalf of the Sunshine Coast Councillors, employees and the Sunshine Coast community;*
- (b) *in accordance with section 195 (a) of the Local Government Act 2009, appoint Ms Debra Robinson to act as Chief Executive Officer of the Sunshine Coast Regional Council during the vacancy in that position commencing on 15 June 2024;*
- (c) *note that Ms Robinson has informed Councillors that she does not intend to be a candidate for the position of Chief Executive Officer when the recruitment and selection process commences to fill the vacancy in that role; and*
- (d) *agree that Ms Robinson's appointment to act as Chief Executive Officer will continue until such time as the recruitment and selection process for the position has concluded, an appointment is made to the position by Council under section 194 (1) of the Local Government Act 2009 and that person commences their term of appointment.*

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

6 INFORMING OF CONFLICTS OF INTEREST

6.1 PRESCRIBED CONFLICTS OF INTEREST

Councillor R Natoli notified Council of a Prescribed Conflict of Interest in relation to Item 8.1 – Mooloolaba Foreshore Revitalisation - Stage Two Central Meeting Place and Southern Seawall.

Councillor J Natoli notified Council of a Prescribed Conflict of Interest in relation to Item 8.1 – Mooloolaba Foreshore Revitalisation - Stage Two Central Meeting Place and Southern Seawall.

6.2 DECLARABLE CONFLICTS OF INTEREST

NIL

30 MAY 2024

NIL

ORDINARY MEETING MINUTES

30 MAY 2024

8 REPORTS DIRECT TO COUNCIL

8.1 MOOLOOLABA FORESHORE REVITALISATION - STAGE TWO CENTRAL MEETING PLACE AND SOUTHERN SEAWALL

File No: Council Meetings

Author: Manager Project Delivery
Liveability & Natural Assets Group

Attachments: Att 1 - Structural Engineering Inspection and Assessment Loo With A View Structure
Att 2 - Structural Assessment Loo With A View Mooloolaba Beach
Att 3 - Mooloolaba Business Activation Group Terms of Reference
Att 4 - Mooloolaba Stakeholder Interest Group Terms of Reference
Att 5 - Mooloolaba Foreshore Stage Two Plan
Att 6 - Mooloolaba Foreshore Stage Two Community Engagement Report
Att 7 - Coastal Hazard Adaptation Strategy Parts A & B Mooloolaba section

Notification of Interest

In accordance with s150EL(3)(b)(i) of the *Local Government Act 2009* Councillor R Natoli gave notice of a Prescribed Conflict of Interest in relation to:

*I, Mayor Rosanna Natoli, notify that I have a **Prescribed Conflict of Interest** in Agenda Item 8.1 - **Mooloolaba Foreshore Revitalisation - Stage Two Central Meeting Place and Southern Seawall** to be considered at the Ordinary Meeting on 30 May 2024 due to the fact that on 3 February 2024, I received an electoral gift of a voucher for five nights' accommodation valued at \$2,200.00 from Scott Bowering, Resort Manager of the Peninsular Beachfront Resort located at 13 Mooloolaba Esplanade, Mooloolaba.*

The Peninsular Beachfront Resort will potentially benefit from, and/or be impacted by, the works proposed to the Central Meeting Place and the Southern Seawall.

On this basis, in accordance with section 150EK of the Local Government Act 2009, I will exclude myself from any meeting while this matter is being discussed and the vote is taken.

In accordance with s150EK(1) of the *Local Government Act 2009*, Councillor R Natoli left the place at which the meeting was being held, including the area set aside for the public and stayed away while the matter was considered and voted on.

The Mayor vacated the Chair.

The Deputy Mayor took the Chair.

Sunshine Coast Regional Council

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30 MAY 2024

Notification of Interest

In accordance with s150EL(3)(b)(i) of the *Local Government Act 2009* Councillor J Natoli gave notice of a Prescribed Conflict of Interest in relation to:

*I, Councillor Joe Natoli, notify that I have a **Prescribed Conflict of Interest** in Agenda Item 8.1 - **Mooloolaba Foreshore Revitalisation - Stage Two Central Meeting Place and Southern Seawall** to be considered at the Ordinary Meeting on 30 May 2024 due to the fact that on 3 February 2024, my wife, Mayor Rosanna Natoli, received an electoral gift of a voucher for five nights' accommodation valued at \$2,200.00 from Scott Bowering, General Manager of the Peninsular Beachfront Resort located at 13 Mooloolaba Esplanade, Mooloolaba.*

The Peninsular Beachfront Resort will potentially benefit from, and/or be impacted by, the works proposed to the Central Meeting Place and the Southern Seawall.

As I am a close associate of Mayor Natoli as defined under section 150EJ (1) of the Local Government Act 2009, the electoral gift which she received also gives rise to a Prescribed Conflict of Interest for myself.

On this basis, in accordance with section 150EK of the Local Government Act 2009, I will exclude myself from any meeting while this matter is being discussed and the vote is taken.

In accordance with s150EK(1) of the *Local Government Act 2009*, Councillor J Natoli left the place at which the meeting was being held, including the area set aside for the public and stayed away while the matter was considered and voted on.

Council Resolution (OM24/24)

Moved: Councillor T Burns
Seconded: Councillor E Hungerford

That Council:

- (a) *receive and note the report titled "**Mooloolaba Foreshore Revitalisation - Stage Two Central Meeting Place and Southern Seawall**"*
- (b) *approve the completed Stage Two Central Meeting Place and Southern Seawall design*
- (c) *approve the finalisation of the Draft Mooloolaba Business Activation Plan*
- (d) *authorise the Chief Executive Officer to continue application processes with State and Federal funding partners of the SEQ City Deal – SEQ Liveability fund to focus a contribution toward the Mooloolaba Foreshore - Stage Two, and*
- (e) *refer the project to the 2024/25 financial year 10-year capital works budget development process for consideration, supporting construction commencement in 2025.*

For: Councillor J Broderick, Councillor T Burns, Councillor W Johnston, Councillor E Hungerford, Councillor M Suarez and Councillor D Law.

Against: Councillor T Landsberg, Councillor C Dickson and Councillor T Bunnag.

Carried.

ORDINARY MEETING MINUTES

30 MAY 2024

Councillor C Dickson foreshadowed an alternate motion should the motion be lost.

Council Resolution

Moved: Councillor C Dickson

Seconded: Councillor W Johnston

That Council grant Councillor T Bunnag an extension of time for five minutes to speak further to the motion.

Carried unanimously.

Council Resolution

Moved: Councillor W Johnston

Seconded: Councillor T Burns

That Council grant Councillor D Law an extension of time for five minutes to speak further to the motion.

Carried unanimously.

Councillor R Natoli and Councillor J Natoli were absent for the discussion and vote on this item.

The Mayor returned to the Chair.

ORDINARY MEETING MINUTES

30 MAY 2024

8.2 COUNCIL PORTFOLIO SYSTEM 2024

File No: Council Meetings
 Author: Group Executive Civic Governance
 Civic Governance
 Appendices: App A - Portfolio System and Protocols
 App B - Council Portfolio Responsibilities

Council Resolution (OM24/25)

Moved: Councillor M Suarez
 Seconded: Councillor C Dickson

That Council:

- (a) receive and note the report titled "**Council Portfolio System 2024**"
- (b) approve the following allocation of Sunshine Coast Regional Council portfolios to Councillors –
 - Region Shaping Projects, Regional Advocacy and Intergovernmental Relations – Councillor Rosanna Natoli
 - Strong Community – Councillor David Law and Councillor Taylor Bunnag
 - Environment and Liveability – Councillor Maria Suarez and Councillor Tim Burns
 - Resilient Economy – Councillor Terry Landsberg and Councillor Joe Natoli
 - Service Excellence – Councillor Winston Johnston and Councillor Christian Dickson
 - Outstanding Organisation – Councillor Ted Hungerford and Councillor Jenny Broderick
- (c) approve the Sunshine Coast Regional Council 2024 Portfolio System and Protocols (Appendix A) to replace the Sunshine Coast Regional Council 2020 Councillor Portfolio System and Protocols
- (d) approve the Sunshine Coast Regional Council 2024 Portfolio Responsibilities (Appendix B) to replace the 2020-24 Councillor Portfolios – Strategic Alignment Model and
- (e) under section 210 (1) (b) (i) of the Local Government Regulation 2012 approve the appointment of Councillor Ted Hungerford and Councillor Jenny Broderick as members of the Sunshine Coast Regional Council Audit Committee.

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.3 QUARTERLY PROGRESS REPORT - QUARTER 3, 2023/24

File No: Council Meetings

Author: Manager, Strategy and Policy
Civic Governance

Appendices: App A - Chief Executive Officer's Quarterly Highlights Report
Quarter 3, 2023/24
App B - Operational Plan Activities Report Quarter 3, 2023/24

Council Resolution (OM24/26)

Moved: Councillor W Johnston

Seconded: Councillor T Bunnag

That Council:

- (a) receive and note the report titled "**Quarterly Progress Report - Quarter 3, 2023/24**"
- (b) receive and note the Chief Executive Officer's Quarterly Highlights Report – Quarter 3, 2023/24 (Appendix A) and
- (c) receive and note the Operational Plan Activities Report – Quarter 3, 2023/24 (Appendix B) reporting on implementation of the Corporate and Operational Plans.

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.4 APRIL 2024 FINANCIAL PERFORMANCE REPORT

File No: Council Meetings

Author: Acting Coordinator Financial Services
Business Performance Group

Attachments: Att 1 - April 2024 Financial Performance Report
Att 2 - Capital Grant Funded Project Report April 2024

Council Resolution (OM24/27)

Moved: Councillor E Hungerford

Seconded: Councillor T Burns

*That Council receive and note the report titled "**April 2024 Financial Performance Report**"*

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

**8.5 QUEENSLAND AUDIT OFFICE - FIRST INTERIM MANAGEMENT REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

File No: Council Meetings

Author: Coordinator Financial Accounting
Business Performance Group

Attachments: Att 1 - Queensland Audit Office First Interim Report 2024

Council Resolution (OM24/28)

Moved: Councillor E Hungerford

Seconded: Councillor T Landsberg

*That Council receive and note the report titled "Queensland Audit Office - First Interim
Management Report for the financial year ended 30 June 2024".*

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.6 SALE OF LAND FOR ARREARS OF RATES

File No: Council Meetings
 Author: Chief Financial Officer
 Business Performance Group
 Attachments: Att 1 - 2024 Sale of Land List - *Confidential*

Council Resolution (OM24/29)

Moved: Councillor J Natoli
 Seconded: Councillor E Hungerford

That Council:

- (a) receive and note the report titled "**Sale of Land for Arrears of Rates**";
- (b) pursuant to Section 140(2) of the Local Government Regulation 2012 sell the land where some or all of the rates or charges for the land have been overdue for at least three years as at 31 December 2023 in accordance with Chapter 4, Part 12, Division 3 of the Local Government Regulation 2012 to recover outstanding rates and charges, and
- (c) delegate to the Chief Executive Officer the power to take all further steps under Chapter 4, Part 12, Division 3 of the Local Government Regulation 2012 to effect the sale of the land procedures, including for the avoidance of doubt the power to end the sale procedures.

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.7 DEBT POLICY FOR 2024/25

File No: Council Meetings
Author: Acting Coordinator Financial Services
Business Performance Group
Appendices: App A - 2024/25 Debt Policy

Council Resolution (OM24/30)

Moved: Councillor E Hungerford
Seconded: Councillor W Johnston

That Council:

- (a) receive and note the report titled "**Debt Policy for 2024/25**" and
- (b) adopt the 2024/25 Debt Policy (Appendix A).

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.8 REVENUE POLICY FOR 2024/25

File No: Council Meetings

Author: Chief Financial Officer
Business Performance Group

Appendices: App A - 2024/25 Revenue Policy

Council Resolution (OM24/31)

Moved: Councillor E Hungerford

Seconded: Councillor W Johnston

That Council:

- (a) receive and note the report titled "**Revenue Policy for 2024/25**" and
- (b) adopt the 2024/25 Revenue Policy (Appendix A).

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.9 INVESTMENT POLICY FOR 2024/25

File No: Council Meetings
 Author: Coordinator Financial Accounting
 Business Performance Group
 Appendices: App A - 2024/25 Investment Policy

Council Resolution (OM24/32)

Moved: Councillor E Hungerford
 Seconded: Councillor W Johnston

That Council:

- (a) receive and note the report titled "**Investment Policy for 2024/25**" and
- (b) adopt the 2024/25 Investment Policy (Appendix A).

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.10 REGISTER OF GENERAL COST-RECOVERY FEES AND COMMERCIAL CHARGES 2024/25

File No: Council Meetings
 Author: Acting Coordinator Financial Services
 Business Performance Group
 Appendices: App A - Register of General Cost - Recovery Fees and Commercial Charges 2024/25
 Attachments: Att 1 - General Cost-Recovery Fees and Commercial Charges 2024/25 Notes

Council Resolution (OM24/33)

Moved: Councillor E Hungerford
 Seconded: Councillor T Bunnag

That Council:

- (a) receive and note the report titled "**Register of General Cost-Recovery Fees and Commercial Charges 2024/25**"
- (b) adopt the fees detailed in the Register of General Cost-Recovery Fees and Commercial Charges 2024/25 (Appendix A)
- (c) resolve that, in relation to those cost-recovery fees to which Section 97 of the Local Government Act 2009 apply:
 - (i) the applicant is the person liable to pay these fees
 - (ii) the fee must be paid at or before the time the application is lodged, and
- (d) delegate to the Chief Executive Officer the power
 - (i) to amend commercial charges to which Section 262(3)(c) of the Local Government Act 2009 apply and
 - (ii) to determine a reasonable fee based on cost recovery principles when a price on application is requested.

Carried unanimously.

ORDINARY MEETING MINUTES

30 MAY 2024

8.11 DEVELOPMENT SERVICES REGISTER OF COST-RECOVERY FEES AND COMMERCIAL CHARGES 2024/25

| | |
|---------------------|---|
| File No: | Council Meetings |
| Author: | Manager Development Services Customer & Planning Services Group |
| Appendices: | App A - Development Services Register of Cost-recovery Fees and Commercial Charges 2024/25 |
| Attachments: | Att 1 - Development Services Comparison of 2023/24 Fees and Charges to 2024/25 Att 2 - Urban Development Institute of Australia (UDIA) Queensland Research Foundation Fees and Charges 2023 Update |

Council Resolution (OM24/34)

Moved: Councillor E Hungerford

Seconded: Councillor J Natoli

That Council:

- (a) receive and note the report titled "**Development Services Register of Cost-recovery Fees and Commercial Charges 2024/25**"
- (b) adopt the fees detailed in the Development Services Register of Cost-recovery Fees and Commercial Charges for Sunshine Coast Council 2024/25 in Appendix A
- (c) resolve that, in relation to those cost recovery fees to which Section 97 of the Local Government Act 2009 apply:
 - (i) the applicant is the person liable to pay these fees and
 - (ii) the fee must be paid at or before the time the application is lodged and
- (d) delegate to the Chief Executive Officer the power:
 - (i) to amend commercial charges to which section 262(3) (c) of the Local Government Act 2009 apply and
 - (ii) to determine a reasonable fee based on cost recovery principles when a price on application is requested.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

ORDINARY MEETING MINUTES

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**8.12 DISPOSAL (LEASE) OF COMMERCIAL TENANCY AT MAROOCHYDORE
PARK'N'GO AT 4 LIGHTNING LANE, MAROOCHYDORE**

File No: Council Meetings
Author: Manager Leasing and Land Management
Business Performance Group
Attachments: Att 1 - Aerial Plan
Att 2 - Tenancy 2 - Lease Area Plan

Council Resolution (OM24/35)

Moved: Councillor J Natoli
Seconded: Councillor T Burns

That Council:

- (a) receive and note the report titled "**Disposal (Lease) of Commercial Tenancy at Maroochydore Park'n'Go at 4 Lightning Lane, Maroochydore**" and
- (b) resolve that, under section 236 (1) (a) of the Local Government Regulation 2012, Council may dispose of a valuable non-current asset other than by tender or auction, this being the disposal by way of the lease of an interest in Tenancy 2 at Maroochydore Park'n'Go at 4 Lightning Lane, Maroochydore (legally described as Lot 110 on SP305312), on the basis that:
 - (i) the lease has previously been offered to the market by public tender, and
 - (ii) a lease has not been entered into or secured via public tender as no tender was received.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

ORDINARY MEETING MINUTES

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**8.13 DISPOSAL (LEASES) OVER VARIOUS TELECOMMUNICATION SITES
LOCATED AT 30-32 WHITECROSS ROAD, BLI BLI AND 5 PALM STREET,
MALENY**

File No: Council Meetings
Author: Senior Property Officer
Business Performance Group
Attachments: Att 1 - Telecommunication Lease Area Plans

Council Resolution (OM24/36)

Moved: Councillor M Suarez
Seconded: Councillor W Johnston

That Council:

- (a) receive and note the report titled "**Disposal (Leases) over various Telecommunication Sites located at 30-32 Whitecross Road, Bli Bli and 5 Palm Street, Maleny**" and
- (b) resolve in accordance with section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest in land (lease) other than by tender or auction applies, as the disposal is pursuant to section 236(1)(c)(vi) related to a telecommunications tower over:-
 - (i) Part of Lot 1 on RP92714 to Indara Infrastructure Pty Ltd (Lease A and Lease V)
 - (ii) Part of Lot 1 on RP92714 to Telstra Corporation Ltd (Lease C), and
 - (iii) Part of Lot 1 RP78427 to Indara Infrastructure Pty Ltd.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

ORDINARY MEETING MINUTES

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8.14 DISPOSAL (LEASE) TO DYNAMIC HYDRO EXCAVATIONS PTY LTD OVER PORTION OF 4 BEARING AVENUE, WARANA

File No: Council Meetings
Author: Manager Leasing and Land Management
 Business Performance Group
Attachments: Att 1 - Locality Plan
 Att 2 - Lease Area Plan
 Att 3 - Proposed Terms of New Lease - *Confidential*

Council Resolution (OM24/37)

Moved: Councillor J Natoli
Seconded: Councillor T Bunnag

That Council:

- (a) *receive and note the report titled "**Disposal (Lease) to Dynamic Hydro Excavations Pty Ltd over portion of 4 Bearing Avenue, Warana**"*
- (b) *resolve that in accordance with Section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest in land (lease) other than by tender or action applies as per section 236(1)(c)(iii) as Dynamic Hydro Excavations Pty Ltd is the existing tenant of the land at 4 Bearing Avenue, Warana and*
- (c) *authorise the Chief Executive Officer to publicly release details relating to Trustee Lease once the negotiations have been finalised and registered with the Titles Registry.*

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

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9 NOTIFIED MOTIONS

NIL

ORDINARY MEETING MINUTES

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10 TABLING OF PETITIONS

10.1 PETITION - YELLOW LINE REQUEST OUTSIDE PLANTATION RISE
RETIREMENT RESORT COTTON TREE

Council Resolution (OM24/38)

Moved: Councillor J Natoli

Seconded: Councillor T Landsberg

That the petition tabled by Councillor J Natoli relating to the request for a yellow line outside the Plantation Rise Retirement Resort Cotton Tree be received and referred to the Chief Executive Officer to determine appropriate action.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

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10.2 PETITION - REQUEST TO NOT APPROVE QUARRY AT GLASSHOUSE MOUNTAINS

Council Resolution (OM24/39)

Moved: Councillor J Broderick

Seconded: Councillor T Bunnag

That the petition tabled by Councillor J Broderick relating to the request to not approve the Quarry at Glasshouse Mountains be received and referred to the Chief Executive Officer to determine appropriate action.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

ORDINARY MEETING MINUTES

30 MAY 2024

10.3 PETITION - STOP REMOVAL OF TREES FROM 345 MALENY KENILWORTH ROAD WITTA

Council Resolution (OM24/40)

Moved: Councillor W Johnston

Seconded: Councillor J Natoli

That the petition tabled by Councillor W Johnston relating to the request to stop the removal of trees from 345 Maleny Kenilworth Road, Witta be received and referred to the Chief Executive Officer to determine appropriate action.

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this item.

ORDINARY MEETING MINUTES

30 MAY 2024

11 CONFIDENTIAL SESSION

CLOSURE OF THE MEETING TO THE PUBLIC

Council Resolution

Moved: Councillor W Johnston
Seconded: Councillor E Hungerford

That the meeting be closed to the public pursuant to s254J(3)(g) of the Local Government Regulation 2012 to consider the following items:

11.1 Confidential - Not for Public Release - Strategic Land Acquisition - Ilkley

Carried unanimously.

Councillor C Dickson was absent for this motion.

RE-OPENING OF THE MEETING TO THE PUBLIC

Council Resolution

Moved: Councillor J Natoli
Seconded: Councillor T Landsberg

That the meeting be re-opened to the public.

Carried unanimously.

Councillor C Dickson was absent for this motion.

ORDINARY MEETING MINUTES

30 MAY 2024

11.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - STRATEGIC LAND ACQUISITION - ILKLEY

File No: Council Meetings
Authors: Coordinator Biodiversity & Waterways
 Liveability & Natural Assets Group
 Head of Strategic Property
 Business Performance Group

In preparing this report, the Chief Executive Officer recommends it be considered confidential in accordance with Section 254J (3) (g) of the *Local Government Regulation 2012* as it contains information relating to negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

The report is confidential in respect to the content and timeframes of negotiations with the landowners and recognising that, until Council makes a decision and the sale contracts are executed, the acquisition has no certainty.

Public disclosure at this time would potentially impact adversely on the finalisation of a current negotiation process and Council's ability to secure the land parcels at a price that represents the best value for the ratepayers of the region.

The report contains a recommendation to release details relating to the site location and price of the acquisitions once negotiations have been finalised and the transfer of the property title has been registered with the Titles Registry.

Council Resolution (OM24/41)

Moved: Councillor M Suarez
Seconded: Councillor T Bunnag

That Council:

- (a) *delegate authority to the Chief Executive Officer to enter into negotiations, execute all documentation and finalise the acquisition of the identified strategic property in Ilkley and*
- (b) *authorise the Chief Executive Officer to publicly release details relating to the site location and contract price for the identified strategic property once the negotiations have been finalised and the transfer of ownership of land has been registered with the Titles Registry.*

Carried unanimously.

Councillor C Dickson was absent for the discussion and vote on this Item.

ORDINARY MEETING MINUTES

30 MAY 2024

12 NEXT MEETING

The next Ordinary Meeting will be held on 20 June 2024 in the Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore

13 MEETING CLOSURE

The meeting closed at 3:19pm.

Confirmed 20 June 2024.



CHAIR

Amended 2023-24 Contracting Plan | Guidelines

Amended 2023-24 Contracting Plan

| | | |
|--------------|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

Contracting Activities are the processes by which Council forms contracts with suppliers for the provision of goods, services, and works, and through which it disposes of Valuable Non-Current Assets or Surplus Assets.

Guideline scope

Council adopts the Strategic Contracting Procedures to its Contracting Activities in accordance with Part 2, Schedule 6 of the *Local Government Regulation 2012*.

The Procurement Policy, Contract Manual, and this Contracting Plan, provide the framework for Council to carry out Contracting Activities in:

- An effective and efficient framework that delivers sound contracting outcomes;
- A manner that complies with the Procurement Policy; and
- Accordance with all applicable laws including the *Local Government Act 2009* (Qld) (LGA 2009) and the *Local Government Regulation 2012* (Qld) (LGR 2012);

Council Contracting Activities undertaken under the framework including this Contracting Plan, must be performed in a manner consistent with the following guidelines:

- Local Preference in Procurement Guideline;
- Social Benefit Procurement Guideline;
- First Nations Procurement Guideline;
- Innovation and Market-Led Engagement Guideline; and
- Environment and Sustainability in Procurement Guideline.

Guideline application

Application of Contracting Plan

This Contracting Plan identifies:

- the types of Contracts Council proposes to make in the 2024/25 financial year;
- the principles and strategies for performing the Contracts;

Amended 2023-24 Contracting Plan | Guidelines

- c) a policy about proposed delegations for the Contracts;
- d) a market assessment for each type of Contract;
- e) the Contracts that Council considers will be significant having regard to the market assessment; and
- f) a policy about the making of a Significant Contracting Plan.

Types of Contracts

To service these categories, Council maintain a suite of template Contracts including:

- Design and Construction
- Construction
- Supply and Installation
- Services (including professional and consulting services)
- Supply of Goods
- Queensland Information Technology Framework Contracts

To undertake Contracting Activities, Council has engaged a category procurement model.

Procurement Categories

For the 2022-23 financial year to 31 March 2023, Council spent \$329m across the six Procurement Categories as follows:

| Categories | Approximate Total Spend |
|-----------------------|-------------------------|
| Engineering and Works | \$110m |
| Facilities | \$76.1m |
| Services | \$62.7m |
| Waste Services | \$35.3m |
| Fleet and Plant | \$33.0m |
| ICTS | \$12.2m |

For the 2023-24 financial year, Council anticipates spending \$423m across the below categories:

| Categories | Anticipated Total Spend |
|-----------------------|-------------------------|
| Engineering and Works | \$173m |
| Facilities | \$55m |
| Services | \$86m |
| Waste Services | \$59m |

Amended 2023-24 Contracting Plan | Guidelines

| | |
|---|-------|
| ICTS | \$20m |
| Other (incl Fleet and Plant and Planning) | \$30m |

Principles and Strategies

Council will have regard to the Sound Contracting Principles when undertaking Contracting Activities.

The Sound Contracting Principles are:

- value for money;
- open and effective competition;
- the development of competitive local business and industry;
- environmental protection; and
- ethical behaviour and fair dealing.

Strategies and Plans for Procurement Categories and individual procurements will be developed as per the Procurement Policy and Contract Manual.

Delegation

Council has delegated powers to the CEO relating to Contracting Activities. The CEO has in turn delegated these powers onto appropriately qualified Council Officers. These delegations are recorded in the Delegation of Authority No. 2 – Procurement and Contracting Activities and Payments maintained by the CEO.

The procurement process used to enter into Contracts differs depending on the type of Contract. The type of Contract is determined by considering the complexity of the Contract, the associated risks, the anticipated value, and by the category in which it falls.

Market Assessment

An assessment of the market for each category, based on Contracting Activities during the 2022-23 financial year can be found in Annexure A of this attachment.

Significant Contracts

Significant Contracts are Contracts that:

- have an anticipated value of \$5 million or more; and/or
- are deemed Significant Contracts by the Procurement and Contract Performance Team following assessment under the Procurement Profiling Matrix, and Risk Assessment Calculator, which includes an assessment of the market relating to the Contract.

A list of the Contracts that Council considers will be Significant Contracts for the 2023-24 financial year are as follows:

Amended 2023-24 Contracting Plan | Guidelines

| Contract | Reason for Significant Contract | Proposed Procurement Strategy |
|--|---------------------------------|-------------------------------|
| Stringybark Rd Footbridge | >\$5M | Public Tender |
| Kawana Waters Regional Aquatic Centre | >\$5M | Public Tender |
| Resource Recovery Centre Operations | >\$5M | Public Tender |
| Landfill Operations | >\$5M | Public Tender |
| QRA Works – Unsealed Roads Maintenance | >\$5M | Public Tender |
| Landslip Remediation Works | >\$5M | Public Tender |
| QRA Works – Sealed Roads | >\$5M | Public Tender |
| Local Government Systems Contract | >\$5M | Exception |

Policy about the making of a Significant Contracting Plan

Significant Contracting Plans will be prepared for all Significant Contracts prior to the commencement of the Contract. They will state:

- the objectives of the Significant Contract;
- how the objectives are to be achieved;
- how achievement of the objectives will be measured;
- any alternative ways of achieving the objectives, and why the alternative ways were not adopted;
- proposed contractual arrangements for the activity; and
- a risk analysis of the market in which the Contract is to happen.

The Significant Contracting Plan will be prepared by the Business & Innovation Branch in consultation with the Contract Administrator and any other relevant stakeholders identified in the Procurement Plan.

The Significant Contracting Plan will be endorsed by the Manager of the Branch seeking the Significant Contract and their Group Executive.

The Significant Contracting Plan will be approved by the Chief Executive Officer prior to the commencement of the Contract to which it relates.

Amended 2023-24 Contracting Plan | Guidelines

Guideline review

This guideline will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|---------------------------------------|--|
| Council | Endorsement authority for setting this policy and for all material changes to this policy. Able to endorse non-material changes. Maintains awareness of organisational manuals where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Manual Sponsor. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this manual and any proposed material changes to the manual, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

The definitions in the *Procurement Policy* and *Contract Manual* apply to this Contracting Plan.

© Sunshine Coast Regional Council 2009-current.

Amended 2023-24 Contracting Plan | Guideline

Appendix

| Guideline information | | |
|--------------------------|---|---|
| Title | Amended 2023-24 Contracting Plan | |
| Purpose | Contracting Activities are the processes by which Council forms contracts with suppliers for the provision of goods, services, and works, and through which it disposes of Valuable Non-Current Assets or Surplus Assets. | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | Goal Pathway Service Output | Resilient economy / Outstanding Organisation High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2023 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | Council has authority to endorse material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">• <i>Public Sector Ethics Act 1994 (Qld)</i>• <i>Local Government Act 2009 (Qld)</i>• <i>Local Government Regulation 2012 (Qld)</i>• <i>Statutory Bodies Financial Arrangements Act 1982 (Qld)</i>• <i>Public Sector Ethics Act 1994 (Qld)</i>• <i>Disaster Management Act 2003 (Qld)</i>• <i>Human Rights Act 2019 (Qld)</i> | |
| Policy | <ul style="list-style-type: none">• 2024/25 Procurement Policy• 2024/25 Contract Manual• 2024/25 Contracting Plan• Significant Contracting Plan/s• Sunshine Coast Council's Corporate Plan 2024-2028 | |

| | |
|-----------------------|--|
| Operational documents | <ul style="list-style-type: none"> • Local Preference in Procurement Guideline • Social Benefit Procurement Guideline • First Nations Procurement Guideline • Innovation and Market-Led Engagement Guideline • Environment and Sustainability in Procurement Guideline • Employee Code of Conduct • Code of Conduct for Councillors • Councillors Acceptable Request Guidelines • Council's current delegations • Purchase Cards Guideline |
|-----------------------|--|

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

Annexure A - Market Assessment

An assessment of the market for each category, based on Contracting Activities during the 2022-23 financial year to 31 March 2023, is as follows:

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|-----------------------|---------------------|---------------------|-------------|--|--|
| Engineering and Works | 4,076 | 599 | \$110M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>Council's Engineering and Works category of expenditure broadly covers products and services related to roads and construction and includes subcategories such as concrete, bitumen, emulsions and asphalt materials and services, technical and engineering consulting services, playground, open space and recreational infrastructure and traffic management services.</p> <p>According to ABS, the construction sector (as measured by the value of construction done) is estimated to have increased by 1.0-1.5% in December 2022 compared to the same time the previous year. While the sector saw a downward trend in residential and non-residential building, the increase was driven by engineering construction work which was 4% higher. Indeed, the Australian Industry Group Performance of Construction Index indicates contraction across the construction sector throughout 2022 although the rate of decline eased towards the end of 2022. New orders increased for engineering but contracted for housing, apartments, and commercial activity. Interest rate increases and uncertainty about the economic outlook kept orders in contraction as constructors reported a slow-down in interest and customers delaying or cancelling projects.</p> <p>The ABS Producer Price Indexes (PPI) indicates that input prices to the construction sector increased 10% over the 12 months to the March 2023 quarter, primarily driven high energy and transportation costs and demand remaining high for materials due the volume of work already in the pipeline. Consequently, output prices increased 9% over the same period. Shortages of skilled and unskilled labour, in addition to material price increases continued to drive price growth. Other heavy and civil engineering construction prices rose due to concrete price increases resulting from high energy and manufacturing costs, and wage cost rises from labour shortages. Falls in steel prices and the impact of the USD exchange rate partially offset these increases. Road and bridge construction prices rose due to increased costs for concrete and bitumen, driven by</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|------------|---------------------|---------------------|-------------|--|---|
| | | | | | <p>high energy and manufacturing costs, coupled with strong global demand and limited supply. Heavy and civil engineering construction prices rose 7.5% over the 12-month period.</p> <p>The difficulty of security supply within this category is considered medium as the majority of products and services can be procured via existing panel arrangements available both regionally and locally.</p> |
| Facilities | 2,142 | 345 | \$76.1M | <ul style="list-style-type: none"> • Tender • RFQ • Exception | <p>The Facilities category covers expenditure related to the construction, maintenance and operations of Council facilities excluding technical and engineering professional services.</p> <p>Overall Services annual inflation of 6% over the 12 months to the March 2023 quarter is the highest since 2001. Engineering and technical services rose 4% due to high demand for engineering services across infrastructure programs, and the tight labour market. Rents rose 5% annually, which is the highest annual rise since 2010, reflecting strong demand amid low vacancy rates across the country. The annual rise in Electricity reflects price reviews in the September quarter 2022, which were driven by higher wholesale prices. However, price rises in the September quarter 2022 were partially offset by the introduction of electricity rebates in QLD, as well as WA and ACT. The unwinding of these rebates has seen the full effects of higher electricity prices reflected in the March quarter. Gas and other household fuels rose in all capital cities. The annual rise in Gas prices of 26% is the largest on record.</p> <p>In this category, Council is to continue consolidating its expenditure for facilities management services and offer the market the opportunity to tender for larger scope of work when going out to market to seek competitive offers and achieve value for money outcomes. Supply within this category is expected to continue to have a relatively low difficulty of being secured by Council due to sufficient availability of capable suppliers both regionally and locally and the relatively high level of market competition.</p> |
| Services | 4,373 | 1,517 | \$62.7M | <ul style="list-style-type: none"> • Tender • RFQ | <p>Overall Services annual inflation of 6% over the 12 months to the March 2023 quarter is the highest since 2001. Over the same period, management advice and related consulting services prices rose 4%. legal and accounting services prices rose 3%. The</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------------|---------------------|---------------------|-------------|--|--|
| | | | | <ul style="list-style-type: none"> Exception | <p>price growth was primarily driven by the tight labour market, competition in the skilled labour market for staff, and annual pricing reviews.</p> <p>As an indicator of activities in the Australian services sector, the Australian Industry Group Australian Performance of Services Index (Australian PSI®) declined falling 2.1 points to 45.6 points (seasonally adjusted) in November 2022 indicating contraction for a third month. Results below 50 points indicate contraction in the Australian PSI®, with lower numbers indicating a stronger rate of contraction.</p> <p>NAB Quarterly Business Survey March 2023 indicates that constraints are still tight, however prices may be past their peak. Most businesses continued to report facing constraints on output in Q1 of 2023. Labour shortages eased only slightly, despite the strong rebound in migration, with some 87% of firms reporting availability of labour as a constraint on output (down from a peak of 91% in 2022). Cost and price growth measures showed some signs of moderation, supporting expectations that inflation may have peaked in Q4. Labour cost growth ticked down to 1.4% in Q1 (from 1.6%), although wage growth is still clearly the most significant issue affecting business confidence and the share of firms expecting wage pressures to increase over the next six months ticked higher, to 75%.</p> <p>Council will continue to seek to procure services competitively and leverage existing panel arrangements when possible to secure various types of services and achieve value for money outcomes.</p> |
| Waste Services | 139 | 22 | \$35.3M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>The market size of the Waste Services industry in Australia has grown 3% per year on average between 2017 and 2022. It has increased faster than the utilities sector overall. The size of the population and the demand from construction heavily influence consumption volumes, which affect waste volumes. Broadly, Australia's population is expected to increase in 2022-23, providing an opportunity for industry expansion.</p> <p>Pricing within this category have generally increased in the market due to the high barrier to entry and developing regulations. Also, a technology change in the industry with treatment facilities automations and an increasing need for technical staff have had a negative impact on costs. However, Waste Services is a spend area that remains</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|-----------------|---------------------|---------------------|-------------|--|--|
| | | | | | fairly competitive with a number of capable and experienced suppliers which still enables Council to procure services competitively. |
| Fleet and Plant | 853 | 169 | \$33M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>The Fleet & Plant category covers the purchase, hire and lease of various types of fleet, maintenance of fleet and plant and the purchase of fuel, gas and lubricants.</p> <p>Generally, the ABS Consumer Price Index (CPI) rose 7% over the 12 months to the March 2023 quarter. Specifically, transport prices rose 4% quarter. Motor vehicles (+6%), spare parts and accessories (+14%) and maintenance and repair of motor vehicle (+5%) were the main contributors to the growth. Motor vehicles manufacturers continue to pass on input cost pressures due to material shortages and increased overhead costs. Automotive fuel prices remain high, however, the March quarter represents one year since Ukraine was invaded, which saw prices rise 11.0 per cent in the March 2022 quarter. Insurance (+4%) recorded the strongest quarterly rise since 2000. Broadly, insurance costs rose for motor vehicle, home, and home content insurance. Other goods and equipment rental and hiring rose by 1%, due to increased labour and equipment purchase costs. Other goods and equipment rental and hiring prices rose 5% over the 12-month period.</p> <p>Council is to continue to procure services competitively and leverage existing panel arrangements when possible, to secure various types of services and achieve value for money outcomes. Supply within the Fleet and Plant category is expected to have a medium difficulty of being secured by Council despite the availability of capable suppliers in the region and the competitive market within the fleet category such as dry and wet hire.</p> |
| ICT | 402 | 126 | \$12.2M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>Technology innovation and progress from the past few years have considerably impacted the ICT market; organisations are transitioning from self-managed hardware solutions to cloud computing as-a-service solutions.</p> <p>There is a growing number of niche software solution providers who compete directly with larger providers which increases the level of competition in all markets. Although the ICT category has a high level of market competition (both locally and internationally), ICT costs remain high, driven by global supply chain issues of computer chips and high demand for skilled labour required for navigating the transition to as-a-</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------|---------------------|---------------------|-------------|-----------------------|---|
| | | | | | <p>service solutions. Whilst the location of Council has little impact when it comes to securing software and hardware solutions, securing ICT technical services from ICT services providers with local resources remain challenging. Organisations' spend related to ICT has continued to increase as they anticipate changing software, hardware, infrastructure and security requirements to enable employees to work remotely.</p> <p>Council will continue to seek to procure ICT services by going out to market; leveraging existing panel arrangements to secure various types of services and achieving value for money outcomes.</p> |

Strategic Policy

2024-25 Procurement Policy

DRAFT

Endorsed by Council:

<Corporate Governance
INSERT Ordinary Meeting Date
and OM reference once
endorsed>

Policy purpose

This Procurement Policy will outline the principles as well as the procurement and disposal framework that Council will adopt and apply when conducting Contracting Activities, which include contracts for goods and services (including works) and the disposal of assets.

Policy scope

This policy applies to all Council employees (including contingent workers and volunteers) and relates to anyone who undertakes any part of a Contracting Activity on behalf of Council.

Policy statement

Council adopts the *LGR 2012*, Chapter 6 Contracting, Part 2 Strategic Contracting Procedures for entering into contracts for the:

- a) supply of goods and services (including carrying out work); and
- b) disposal of non-current assets (other than land).

Council will comply with these procedures when conducting Contracting Activities, other than those applying to disposal of land or an interest in land.

Council will deal with the disposal of land under the *LGR 2012*, Chapter 6 Contracting, Part 3 Default Contracting Procedures.

Council will ensure it is financially sustainable by establishing a financial management system that ensures regard is had for the Sound Contracting Principles when contracting for the supply of goods or services (including carrying out of works) and the disposal of assets.

Council will continue to apply the Sound Contracting Principles throughout the financial year along with other adopted principles in relation to Contracting Activities.

Sound Contracting Principles

The Sound Contracting Principles are:

- a) value for money; and
- b) open and effective competition; and
- c) the development of competitive local business and industry; and
- d) environmental protection; and

Procurement Policy | Strategic Policy

e) ethical behaviour and fair dealing.

Regard will be had for each principle, although each principle may not receive equal consideration.

Requirements of Strategic Contracting Procedures

The Strategic Contracting Procedures, comprise of:

- (a) Contract Manual;
- (b) Contracting Plan and associated guidelines, which include:
 - Local Preference in Procurement Guideline;
 - Social Benefit Procurement Guideline;
 - First Nations Procurement Guideline; and
 - Innovation and Market-Led Engagement Guideline; and
 - Environment and Sustainability in Procurement Guideline.
- (c) Significant Contracting Plan/s.

Policy application

This policy details how Council will conduct Procurement Activities. Procurement Activities will occur in the following manner:

Table 1: Procurement Contract thresholds

| Contract Threshold | Procurement Routes |
|---|---|
| \$5,000,000 and greater OR High Risk/Complex Contracts | <ul style="list-style-type: none"> A Significant Contracting Plan is required for any Contract that is: <ul style="list-style-type: none"> expected to reach the Contract Threshold; or of a high risk; or of a complex nature. <p>A Significant Contracting Plan must be made before the Contract starts. Each Significant Contracting Plan will identify the chosen procurement strategy.</p> <p>All Significant Contracting Plans must be approved in accordance with Council's Contracting Plan and may only be modified by resolution of Council.</p> |
| \$500,000 up to \$5,000,000 | <ul style="list-style-type: none"> Expression of Interest (EOI) Invite Tenders Available Exception |
| \$50,000 up to \$500,000 | <ul style="list-style-type: none"> EOI Invite Tenders Request for Quote issued to at least three (3) suitably capable suppliers Available Exception |

Procurement Policy | Strategic Policy

| Contract Threshold | Procurement Routes |
|--------------------|--|
| Up to \$50,000 | <ul style="list-style-type: none"> Request for Quote issued to at least one (1) suitably capable supplier |

Exceptions relating to Procurement Processes

Council has created alternative procurement routes to the primary procurement routes (of EOI, Tender and Request for Quote) by establishing the following Exceptions:

| Exception | Process for establishing and/or exercising an Exception |
|--|--|
| Supplier Arrangements | <p>Council can create Supplier Arrangements to undertake procurement processes to form contracts for goods, services (including the carrying out of works) that are required frequently, in high volume or where it is important to understand the capability of the Suppliers.</p> <p>Council will maintain an open and transparent process for creating, managing, refreshing, and finalising Supplier Arrangements. Public Tender will be used to create a Supplier Arrangement, however a Request For Quote may be used to manage or refresh an existing Supplier Arrangement.</p> <p>The Supplier Arrangement may be priced or non-priced.</p> <p>Utilising Supplier Arrangement with price provided</p> <p>Council will invite the highest ranked Supplier on the Supplier Arrangement to provide the goods, services and/or works. Where the highest ranked does not or cannot provide the goods, services and/or works, the next highest ranked Supplier may be engaged, and so on, until a Supplier is engaged.</p> <p>Utilising Supplier Arrangement without price provided</p> <p>Council will undertake a Request for Quote from any Supplier Arrangement where price is not provided, having regard to the thresholds outlined in Table 2: Procurement Contract value and related procurement routes to market above.</p> <p>Note: In exceptional circumstances, a contract valued over \$50,000 may be formed following a Request for Quote process with just one Supplier on a Supplier Arrangement. Please contact the Coordinator Procurement and Contract Performance prior to entering into a contract if this exception is required.</p> |
| Governmental Contracts and Arrangements | <p>The Contract is made with, or under an arrangement with, another Government, including Local, State or Commonwealth, and includes any Government Entity or Agency and Utility Providers.</p> <p>This exception is intended to include Local Government Association Arrangements and Utility Providers including water, electricity, gas and telecommunications.</p> <p>Note: In exceptional circumstances, a contract valued over \$50,000 may be formed following a Request for Quote process with just one Supplier on an</p> |

Procurement Policy | Strategic Policy

| | |
|--|---|
| | Arrangement. Please contact the Coordinator Procurement and Contract Performance prior to entering into a contract if this exception is required. |
| Memberships / subscriptions / conferences (e.g. professional associations, industry bodies, institutes) | Applies where alternatives do not practically exist (for example professional associations, industry bodies, and institutes). |
| Statement of licence, legislated requirements, third party ownership of assets or industry regulated standards | Applies if the goods, services, or works can only be supplied by a single supplier or a restricted group due to third-party ownership of a public utility plant asset. For example, Energex, Telstra, or APA. Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Where existing system, equipment or proprietary brand has requisite goods and services to ensure compatibility or warranty. | Applies if the goods or services being sought are restricted as they can only be supplied by a single supplier, or requires Council to procure a specific brand that restricts the supplier market (for example replacement parts for equipment under warranty or maintenance agreements). Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Information and communication Technology: Solutions tendered – re-sellers and software developers | Allows Council to contract with a copyright holder where the solution is tendered by an authorised reseller. |
| Extension of Information Communications Technology (ICT) licencing, support and maintenance contracts | Council's arrangements and contracts for the provision of ICT software and hardware (ICT products) can often continue to meet business requirements beyond the originally envisioned term. This exception provides a mechanism to approve purchasing of incremental licences as well as maintenance and support (which may include external hosting or subscription to existing solutions) for existing Council ICT products beyond the original term. Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Genuine Emergency | A genuine emergency exists. If the money spent in response to the genuine emergency is not provided for in the annual budget, Council must make a resolution about spending the money either before, or as soon as practicable after, the money is spent. |

Procurement Policy | Strategic Policy

| | |
|---|--|
| Innovation and Market-Led Engagement Guideline | Council has adopted an Innovation and Market-Led Engagement Guideline to identify the circumstances and processes for engaging with Suppliers who provide goods, services and/or works that fall within the contemplation of the Guideline. |
| General Exceptions | <p>A General Exception may be used to form a contract when a standard Procurement Process or other Exception is not available or appropriate under the circumstances. This may include activities previously identified as Exceptions, including:</p> <p>Sole or Specialised Supplier/s</p> <p>Council determines that:</p> <ul style="list-style-type: none"> there is only one supplier who is reasonably available; or because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for Council to invite quotes or tenders. <p>Auction Purchase</p> <p>The Contract is for the purchase of goods and is made by auction.</p> <p>Second-hand Goods</p> <p>The Contract is for the purchase of second-hand goods.</p> <p>Tender/Quote Consideration Plan/s</p> <p>If a Tender/Quote Consideration Plan has been approved or adopted, then Council may form a Contract from that Plan as contemplated by that Plan.</p> <p>A Procurement Plan must be developed prior to contract award for Procurement Activities involving a General Exception. A Procurement Plan for a General Exception must also explain the reasoning for using this Exception, including why a standard Procurement Process/es or other Exception/s were not available.</p> <p>A General Exception may be approved by the Manager, Business & Innovation and the Group Executive from the Group where the contract will be managed and administered, or with the sole approval of the CEO.</p> |

NOTE: Use of any of the aforementioned exceptions is limited to those with the delegated authority to conduct Contracting Activities, and within authorised expenditure limits.

Application to Disposal Processes

Council will conduct Disposal Contracting Activities having regard to the adopted Thresholds for Valuable Non-Current Assets.

Thresholds for Valuable Non-Current Assets (VNCA)

The LGR 2012 provides that a VNCA is:

- land; or

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- another non-current asset that has an apparent value that is equal to or more than a limit set by Council.

Council sets the value for VNCAs, other than land for the following amounts:

- for plant or equipment - \$5,000;
- for another type of non-current asset - \$10,000.

For clarity, items with an estimated value greater than or equal to the above values are VNCAs. Those items with an estimated value below the values above are considered Surplus Assets.

Table 3: Disposal Contract thresholds

| Contract Value | Disposal Routes |
|--|---|
| Plant, Equipment and any other VNCA worth more than \$5,000 (other than land) | <ul style="list-style-type: none"> • Public Tender • EOI • Available Exception |
| Surplus Assets worth less than \$10,000 | <ul style="list-style-type: none"> • EOI • Public Tender • Public Auction • Recycle • Waste/dumping • Trade in • Donating to Government Agency or Community Organisation |

Council will consider and apply the most appropriate disposal process to realise the best value for Council from the disposal.

Requirement for the Disposal of Land and Exceptions

Council will continue to dispose of land, or any interest in land in a manner consistent with the *LGR 2012*, Chapter 6 Contracting, Part 3 Default Contracting Procedures. These procedures require that, unless an exception applies, Council will dispose of land, or an interest in land by:

- EOI
- Tender
- Auction

There are a number of exceptions detailed in the LGR which may be exercised instead of undertaking an EOI, Tender or Auction and these are detailed in section 236(1). Exercise of the exceptions is subject to the following qualifications:

- For exceptions mentioned in subsections 236(1)(a) to (e), before the disposal, Council decides by resolution that the exception may apply to that particular disposal.
- For exceptions relating to disposal of land or an interest in land, the consideration for the disposal would be equal to, or more than, the market value of the land or the interest in land including the market value of any improvements. A written report about the market

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value from a valuer registered under the *Valuers Registration Act 1992* (not an employee of Council) will be sufficient evidence of the market value.

- c) Point (b) immediately above does not apply to disposal of land or an interest in land which is disposed of under sections 236(1)(b), (1)(c)(ii) or (1)(f).

Applying the Sound Contracting Principles in Procurement and Disposal Processes

Council will apply, and have regard for, the Sound Contracting Principles in the following manner:

Value for money

The concept of value for money is not restricted to the price of the goods, services or works.

Council will consider a number of factors when assessing value for money, including:

- a) whole-of-life costs including acquisition, use, maintenance and disposal costs;
- b) contribution to the achievement of Council's policies and priorities;
- c) fitness for purpose, quality, service and support;
- d) internal administration costs;
- e) technical compliance costs;
- f) risk exposure; and
- g) the value of any associated environmental benefits.

Open and effective competition

Contracting Activities will be conducted by Council using an open and competitive process unless a specific exception applies. Open and effective competition will be achieved by ensuring that:

- a) procedures and processes for contracting are visible to Council, suppliers and the community;
- b) prospective suppliers are given fair and reasonable consideration; and
- c) evaluation of offers is undertaken pursuant to the legislation, procedures and evaluation criteria applicable to the Contracting Activity.

The development of competitive local business and industry

Council encourages the development of competitive local businesses and will endeavour to promote and support competitive local industry while conducting Contracting Activities.

In addition to standard evaluation criteria, Council may also consider the following factors when conducting Contracting Activities:

- a) creation of local employment opportunities;
- b) economic growth within the local area including economic growth that aligns with the implementation of the *Regional Economic Development Strategy 2013-2033*;
- c) readily available servicing support and supply chain capability; and
- d) the benefit to Council of contracting with local suppliers and the associated local commercial transactions that flow from these engagements.

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Environmental protection

Council will seek to complement its broader environmental commitments and initiatives when conducting Contracting Activities. While conducting those activities, Council will have regard to the *Environment and Liveability Strategy 2017*, the *Organisational Zero-net Emissions Plan 2022* and a range of environment and sustainability factors including:

- a) the environmental and sustainability benefits and impacts for the whole lifecycle of products and services including manufacture, supply, use, maintenance and disposal;
- b) procurement of environmentally responsible goods, services and assets;
- c) goods and services that minimise resources and have reduced environmental impacts throughout their lifecycle, including:
 - reduced toxicity;
 - reduced packaging;
 - reducing waste to landfill;
 - greater energy efficiency and/or reduced carbon emissions,
 - greater water efficiency and/or reduced water use;
- d) use of products made from recycled materials, recycled green organics and/or recycled plastic products;
- e) provide an example to business, industry and the community in promoting the use of environmentally responsible goods and services; and
- f) pursuing, leading and building a circular economy.

Ethical behaviour and fair dealing

Council will conduct Contracting Activities with impartiality, fairness, independence, openness, and integrity to ensure probity, transparency and accountability for the outcomes. Council will promote ethical behaviour and fair dealing by:

- a) ensuring legislative and policy compliance in Contracting Activities;
- b) ensuring compliance with Employee and Councillor Codes of Conduct;
- c) creating and maintaining a robust and effective procurement process that operates in a mature probity environment;
- d) identifying and managing possible, real or perceived conflicts of interest between Council, Council Officers, Councillors and prospective or existing contractors;
- e) Ensuring equal and impartial treatment of all prospective and existing suppliers.

Other obligations

Outlined below is a series of further obligations that must be met or maintained. They are:

Powers to delegate (*LGA 2009*, ss 257, 259 & *LGR 2012*, s 238)

Council may delegate by resolution, a power under the *LGA 2009* or another Act to the Chief Executive Officer (CEO). Any delegation to the CEO will be reviewed annually. The Council must not

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delegate a power that an Act states must be exercised by resolution. Council may delegate a power with conditions.

Council has delegated powers to the CEO relating to Contracting Activities. The CEO has in turn delegated these powers onto appropriately qualified Council Officers. These delegations are recorded in the delegations register maintained by the CEO.

Persons engaged by Council in Contracts for Service (e.g. consultants, project managers and labour hire organisations) are not permitted to commence a Contracting Activity or award a Contract on behalf of Council unless they have been formally given an Instrument of Delegation as available in the Delegation No. 2 approved by the Chief Executive Officer and relevant Group Executive.

For clarity, some persons engaged in Contracts for Service that are considered Contingent Workers may participate in or manage the Contracting Activity through its various phases and provide, for example, technical advice during the evaluation of Tenders. However, they are not permitted to undertake any action or make any decision that results in them commencing a Procurement Process or forming a Contract on behalf of Council, or expending, or agreeing to expend money on behalf of Council unless a Instrument of Delegation has been provided for in the Delegation No. 2, approved by the Chief Executive Officer and relevant Group Executive.

Requirement to keep record of particular matters (LGR 2012, s 164)

Council will keep a written record stating the risks Council's operations are exposed to, to the extent they are relevant to financial management and the control measures adopted to manage the risks. Council will keep a copy of the Procurement Policy with that record.

Unauthorised spending (LGR 2012, s 173)

Council will only spend money in a financial year if it is adopted in the budget for the financial year; or before adopting its budget for the financial year, if it then provides for the spending in the budget for that financial year.

Council may spend money, not authorised in its budget, for genuine emergency or hardship. In this instance Council must make a resolution about spending the money; either before, or as soon as practicable after, the money is spent. The resolution will state how the spending is to be funded.

Other contents - Annual Report – changes to tenders (LGR 2012, s 190)

Council will include the number of invitations to change tenders under the LGR 2012, Section 228(7) during that financial year in its annual report for the financial year.

Procurement Policy – annual review (LGR 2012, s 198)

Council will prepare and adopt a Procurement Policy that will be reviewed annually. The Procurement Policy will include details of the principles, including the Sound Contracting Principles that Council will apply to purchasing goods and services and undertaking disposal activities.

Public access to relevant financial and planning documents (LGR 2012, s 199)

Council will allow the public to inspect this Procurement Policy by making it available:

- a) on its website <http://www.sunshinecoast.qld.gov.au>; and
- b) at Council's public offices.

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Council will also make a copy of the Procurement Policy available for purchase at a cost of no more than it costs Council to make it available.

Publishing details of contractual arrangements worth \$200,000 or more (*LGR 2012, s 237*)

Council will, as soon as practicable after entering into a contractual arrangement worth \$200,000 or more (GST exclusive), publish the relevant details of the contractual arrangement:

- a) on its website <http://www.sunshinecoast.qld.gov.au>; and
- b) in a conspicuous place in a public office.

Relevant details of a Contract means:

- a) the person with whom Council has entered into the contractual arrangement;
- b) the value of the contractual arrangement; and
- c) the purpose of the contractual arrangement.

For the purposes of this section a reference to Contractual Arrangement means a single Contract.

Councillor requests for information

The *LGA 2009* provides the circumstances under which Councillors may request information or assistance from Local Government Employees. A framework for this process has been established by the Councillors Acceptable Request Guidelines. This guideline outlines the processes for Councillors requesting, and Local Government Employees providing, information.

Councillors and Local Government Employees should comply with the legislation, the relevant Guideline and the respective Codes of Conduct when dealing with matters relating to Contracting Activities.

Councillors should direct any issues regarding Contracting Activities to the CEO. They should not attempt to influence any Contracting Activity. Attempts to do so may constitute a breach of legislation and/or the Councillor Code of Conduct. Further, attempts may cause the favoured industry participant to be disqualified from consideration under Council's probity conditions established under its procurement process and general conditions of offer.

Prohibition on splitting of Orders or Contracting Activities

Splitting orders or splitting Contracting Activities to attempt to avoid thresholds is not permitted.

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Policy review

This policy will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|--|--|
| Council | Endorsement authority for setting this policy and for all material changes to this policy. Able to endorse non-material changes. |
| Chief Executive Officer (CEO) | Policy Sponsor.. |
| Executive Leadership Team (ELT) | Provides advice to the CEO and/or Council on setting this policy and all proposed changes to this policy. Provides feedback to the policy sponsor and policy holder regarding the scope of approaching reviews. |
| Group Executive (GE), Business Performance | Policy sponsor. |
| Manager, Business & Innovation | Policy holder. |

Measurements of success

Success of this Procurement Policy will be measured by:

- Monthly and yearly dollar value of procurement spend and percentage of available procurement spend with **Local suppliers** compared with non-local suppliers;
- Monthly and yearly dollar value of procurement spend and percentage of available procurement spend with **First Nation suppliers**, and consideration of sub-contracting and employment opportunities;
- Monthly and yearly dollar value of procurement spend and percentage of available procurement spend with **Social Benefit suppliers**, and consideration of sub-contracting and employment opportunities;
- Number and percentage of Contracting Activities with an **Environmental and Sustainability** criterion;
- Number and percentage of Contracting Activities with a **Work health and safety** criterion;

Definitions

Refer to Council's Policy Framework for definitions of common terms. The following contains definitions for terms specific to this policy. For otherwise undefined terms, the plain English meaning informs interpretation.

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| Term | Definition |
|-------------------------------|--|
| Community Organisation | means: <ul style="list-style-type: none"> a) an entity that carries on activities for a public purpose; or b) another entity whose primary object is not directed at making a profit. |
| Contract | means a contract (including purchase orders and purchase card transactions) for: <ul style="list-style-type: none"> a) the supply of goods or services; or b) the carrying out of work; or c) the disposal of non-current assets. <p>In this policy, this term does not include a contract of employment between Council and a Local Government Employee (as defined in the <i>LGA 2009</i>).</p> |
| Contracting Activity | means Procurement Processes and/or Disposal Processes. |
| Contract Manual | means the Contract Manual prepared and adopted by Council for the financial year, as required under the provisions of the <i>LGR 2012</i> , s 222. |
| Contracting Plan | means the Contracting Plan prepared and adopted by Council for the financial year, as required under the provisions of the <i>LGR 2012</i> , s 220. |
| Contract for Service | means a contract to which an independent contractor is a party and that relates to the performance of work by the independent contractor. |
| Council Employee | means the CEO, senior contract employees, contract employees, award employees, casual employees, part-time employees, contractors, contingent workers, agency casual and volunteers. |
| Council Officer | means a Local Government Employee (as that term is defined in the <i>LGA 2009</i>) of the Sunshine Coast Regional Council, but does not include a person engaged on a Contract for Service for a defined time or designated project. |
| Disposal Contract | means a Contract for the disposal of Valuable Non-Current Assets and/or Surplus Assets. |
| Disposal Process | means the process Council must undertake to enable it to enter into a Contract for the disposal of an asset, including Valuable Non-Current Assets, Surplus Assets and land, including an interest in land. |
| EOI | means an Expression of Interest. |
| Expression of Interest | means an Expression of Interest process conducted by the Council. |
| Government Agency | is: <ul style="list-style-type: none"> a) the State, a government entity, a corporatised business entity or another local government; or |

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| | |
|--|---|
| | <p>b) another Australian government or an entity of another Australian government; or</p> <p>c) a local government of another State.</p> |
| Invitation to Tender | means a document released to the public titled "Invitation to Tender". |
| LGA Arrangement | means an arrangement established by Peak Services and/or Local Buy Pty Ltd, LGAQ Ltd or other entity of which LGAQ ILtd is the only shareholder. |
| Procurement Contract | means a Contract to purchase goods and/or for the provision of services or works. |
| Procurement Process | means the process Council must undertake to enable it to enter into a contract for the purchase of goods, the supply of services and/or the undertaking of works. |
| Prospective Respondent | means a person or entity that has requested or received an Invitation to Tender or Request for Quote but has not submitted a Tender Response Form or Request for Quote Response Form. |
| Quote | means a quote or quotes (including Alternative Quotes) submitted by Respondents in response to a Request for Quote. |
| Respondent/s | means a person or entity that has submitted an offer in response to an Invitation to Tender or Request for Quote. |
| Request for Quote/s | means a document released by Council to Prospective Respondents titled "Request for Quote". |
| Request for Quote Response Form | means the response form set out in the Request for Quote. |
| Significant Contracting Plan | means a Significant Contracting Plan prepared in accordance with Council's Contracting Plan as required under provisions of the <i>LGR 2012</i> , s 221. |
| Sound Contracting Principles | means the principles provided in the <i>LGA 2009</i> , s 104. |
| Supplier Arrangement | means a list of suppliers established by Council or other appropriate entity to facilitate the procurement of goods or services required frequently, in high volume and/or where the capability of the suppliers has been determined. |
| Surplus Asset | means an asset that is plant or equipment or another type of non-current asset that does not reach the value threshold of a Valuable Non-Current Asset as prescribed by Council in this policy. |
| Tender/s | means a tender or tenders (including Alternative Tenders) submitted by Respondents in response to the Invitation to Tender. |
| Tender Response Form | means the response form set out in the Invitation to Tender. |

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| | |
|----------------------------|--|
| Valuable Non-Current Asset | means land or another non-current asset that has a value equal to or more than the value threshold of a Valuable Non-Current Asset as prescribed in this policy. |
|----------------------------|--|

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Appendix

| Policy information | |
|--------------------------|--|
| Title | Procurement Policy |
| Purpose | This Procurement Policy will outline the principles as well as the procurement and disposal framework that Council will adopt and apply when conducting Contracting Activities, which include contracts for goods and services (including works) and the disposal of assets |
| Document number | <Business Area to include EDDIE reference of document seeking endorsement. Corporate Governance to update with FINAL EDDIE reference> |
| Corporate Plan reference | <div> Goal Pathway Service Output </div> Outstanding Organisation Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| Category | Administrative |
| Subcategory | Financial |
| Approved | <Corporate Governance to INSERT OM Reference> |
| Approval date | <insert> |
| Effective date | 1 July 2024 |
| Review schedule | A full review must be undertaken annually. |
| Last review | 2023 |
| Next review | May 2025 |
| Policy holder | The Manager responsible for this policy is: Business and Innovation. |
| Approval authority | Council has authority to endorse material changes. |
| Related documents | |
| Legislation | <ul style="list-style-type: none"> Public Sector Ethics Act 1994 (Qld) Local Government Act 2009 (Qld) Local Government Regulation 2012 (Qld) Statutory Bodies Financial Arrangements Act 1982 (Qld) Public Sector Ethics Act 1994 (Qld) Disaster Management Act 2003 (Qld) Human Rights Act 2019 (Qld) |
| Policy | <ul style="list-style-type: none"> Sunshine Coast Council's Corporate Plan 2024-2028 Sunshine Coast Council Environment and Liveability Strategy 2023 Organisational Zero-net Emissions Plan 2022 |

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| | |
|-----------------------|---|
| | <ul style="list-style-type: none"> Regional Economic Development Strategy 2013-2033 Community Strategy 2019-2041 Reconciliation Action Plan 2021-2022 |
| Operational documents | <ul style="list-style-type: none"> 2024-25 Contract Manual 2024-25 Contracting Plan Local Preference in Procurement Guideline Social Benefit Procurement Guideline First Nations Procurement Guideline Innovation and Market-Led Engagement Guideline Environment and Sustainability in Procurement Guideline Significant Contracting Plan/s Employee Code of Conduct Code of Conduct for Councillors Councillors Acceptable Request Guidelines Council's current delegations Purchase Cards Guideline |

| Version Control | | | | |
|-----------------|----------------|---|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Template change, updates. Human Rights Compatibility Assessed. | Council | <insert> |

Sunshine Coast Council | sunshinecoast.qld.gov.au | customerservices@sunshinecoast.qld.gov.au
07 5475 7272 | Locked Bag 72 Sunshine Coast Mail Centre Qld 4560

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| 2024-25 Contract Manual | | |
|-------------------------|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Manual purpose

The purpose of this Manual is to outline how Council will carry out Contracting Activities:

- (a) In an effective and efficient framework that delivers sound contracting outcomes;
- (b) In a manner that complies with the Procurement Policy; and
- (c) In accordance with all applicable laws including the *Local Government Act 2009* (Qld) (LGA 2009) and the *Local Government Regulation 2012* (Qld) (LGR 2012);

Manual scope

This Manual applies to Council employees (including contingent workers and volunteers) and relates to anyone who undertakes any part of a Contracting Activity on behalf of Council.

Manual

Council adopts the Strategic Contracting Procedures to its Contracting Activities in accordance with Part 2, Schedule 6 of the *Local Government Regulation 2012*.

Contracting Activities are the processes by which Council forms contracts with suppliers for the provision of goods, services, and works, and through which it disposes of valuable non-current assets or surplus assets.

The Procurement Policy, Contracting Plan and this Contract Manual, provide the framework for Contracting Activities.

1. Elements of Council's Strategic Contracting Procedures

The LGA 2009 and LGR 2012 impose specific obligations upon Local Governments when conducting Contracting Activities. Contracting Activities are the processes by which Council forms Contracts with suppliers for the provision of goods, services and/or works, and through which it disposes of valuable non-current assets or surplus assets.

Pursuant to Chapter 6, Part 2 of the LGR 2012, Council resolved to apply the Strategic Contracting Procedures to its Contracting Activities and as a result, Council's Procurement and Disposal Framework comprises:

- Procurement Policy;

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- Contracting Plan and any Significant Contracting Plan/s;
- Contract Manual;
- Local Preference in Procurement Guideline;
- Social Benefit Procurement Guideline;
- First Nations Procurement Guideline;
- Innovation and Market-Led Engagement Guideline; and
- Environment and Sustainability in Procurement Guideline.

This Contract Manual must be complied with and read in conjunction with the requirements of the Procurement Policy and Contracting Plan.

2. Limitations on Contractors conducting Contracting Activities

Council Officers are the only persons authorised to initiate any Procurement Process, or to contract on behalf of Council.

Persons engaged by Council in Contracts for Service (e.g. consultants, project managers and labour hire organisations) are not permitted to commence a Contracting Activity or award a Contract on behalf of Council unless they have been formally given an Instrument of Delegation as available in the Delegation No. 2 approved by the Chief Executive Officer and relevant Group Executive.

For clarity, some persons engaged in Contracts for Service that are considered Contingent Workers may participate in or manage the Contracting Activity through its various phases and provide, for example, technical advice during the evaluation of Tenders. However, they are not permitted to undertake any action or make any decision that results in them commencing a Procurement Process or forming a Contract on behalf of Council, or expending, or agreeing to expend money on behalf of Council unless an Instrument of Delegation has been provided for in the Delegation No. 2, approved by the Chief Executive Officer and relevant Group Executive.

Any conflicts of interests of the person must be managed appropriately before they are to be involved in any Contracting Activities. A Council Officer must remain the accountable person in relation to all aspects of the Contracting Activity if a person engaged in Contracts for Service is undertaking or being involved in any part of a procurement or disposal process.

3. Sound Contracting Principles

Council will have regard to the Sound Contracting Principles when entering Contracts for the supply of goods, services and/or works and the disposal of assets.

The **Sound Contracting Principles** are:

- (a) value for money;
- (b) open and effective competition;
- (c) the development of competitive local business and industry;
- (d) environmental protection; and
- (e) ethical behaviour and fair dealing.

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Regard must be had for these principles whenever forming a Contract, irrespective of the value or engagement process. This includes Contracts for even the smallest amounts, or those formed under Exceptions. There is never an exception to having regard to the Sound Contracting Principles. Council must only form a Contract with a supplier who provides the most advantageous offer, having regard to the Sound Contracting Principles.

4. Governance and Probity

To ensure that Council is accountable, effective, efficient, and sustainable, anyone performing a function under the LGA 2009 must do so in a manner that is consistent with the Local Government Principles. To meet these obligations the following Governance and Probity Framework sets out the governance and probity requirements for Contracting Activities.

4.1 Probity Requirements

A sound probity environment must be maintained during any Contracting Activity of any value. Promoting probity and having a framework to embed probity in Council's Contracting Activities is an integral element in ensuring that regard has been had for the Sound Contracting Principles, as well as ensuring our conduct reflects the ethical principles and Local Government Principles. The ethical principles are those outlined in the *Public Sector Ethics Act 1994* (Qld) and are:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency.

It is the responsibility of all Council Officers and Councillors associated with a Contracting Activity to ensure probity is achieved as outlined in the Procurement Policy.

Probity is underpinned by the ethical principles, the Local Government Principles, and the Sound Contracting Principle of ethical behaviour and fair dealing. The broad objectives of probity in Contracting Activities are to:

- ensure conformity to Council's Procurement Policy, principles, and processes that are designed to achieve the most advantageous outcome for Council;
- improve accountability;
- encourage commercial competition on the basis that all offers will be assessed against the same criteria;
- preserve public and Respondent confidence in Council processes;
- improve defensibility of decisions to potential administrative and legal challenge;
- underpin a transparent and competitive process; and
- identify and resolve any conflicts of interest.

The framework for probity in Council's Contracting Activities includes:

- Developing a Probity Plan for Contracting Activities of a certain value;
- Setting evaluation criteria where applicable;

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- Declaring and managing conflicts of interests;
- Ensuring security and confidentiality in the process;
- Having effective and appropriate communication including during the course of the process;
- Consistent processes for how Tenders, EOIs and Quotes are received and opened;
- Undertaking evaluations;
- Identifying critical issues and risks;
- Engaging with probity advisors where applicable; and
- Dealing with breaches of probity.

4.2 Probity Plan and Probity Checklist

A Probity Plan must be completed and signed by each evaluation panel member, the Branch Manager, and/or the Contract Sponsor for a Contracting Activity with value of \$50,000 or greater, where submissions (Tenders, Quotes, and any other submission or offer) will be received from Prospective Respondent/s.

The Probity Plan should be signed during the procurement planning and reflect the Procurement Plan where one is required. The Probity Plan also requires the evaluation panel members to declare that they have read and understood Council's probity requirements. Submissions (Tenders, Quotes, and any other submission or offer) cannot be released to evaluation panel members prior to signing the Probity Plan.

Evaluation criteria weightings in the Probity Plan must be set prior to the Probity Plan being signed to ensure that these are pre-determined well prior to submissions being viewed and evaluated.

A Probity Checklist is provided for guidance on probity related matters for a Contracting Activity of any value.

4.3 Conflict of Interest

Members of the evaluation panel need to declare any relationships or connections they currently have, or previously had, with any of the Respondents or their employees. Throughout any Contracting Activity, members of the evaluation panel or advisors to the panel cannot accept offers of gifts, meals, or any other benefit from any interested party and/or Prospective Respondent. Additionally, members of the evaluation panel and advisors will be expected to declare in writing to the chair of the evaluation panel the existence of any actual, perceived, or potential conflict of interest as soon as they become aware of it. Where the member of the evaluation panel is an employee, they need to comply with the Conflicts of Interest and other Personal Interest Organisational Guideline (including a Declaration of conflicts of interest Form).

Where a member of the evaluation panel has declared a conflict of interest with a Prospective Respondent, and due to the nature of the conflict, either the member or the evaluation panel feel that the person could not continue their involvement without potentially compromising the Procurement Process, that member should be replaced on the evaluation panel and not take further part in the evaluation.

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4.4 Confidentiality

It is essential for the integrity of the Contracting Activity that confidentiality is maintained. Respondents have a right to expect that commercial information will be treated in confidence. Lapses on the part of any evaluation panel member may seriously jeopardise the Contracting Activity. Similarly, the evaluation panel must maintain the confidentiality of all documentation relating to the evaluation including evaluation reports and other information generated during the evaluation process.

At the end of the Procurement or Disposal Processes all documents received from Respondents and records created throughout the Contracting Activity are to be captured into Council's Electronic Document Management System in a secure manner.

While it is understood that requests under the *Right to Information Act 2009* or related legislation could ultimately lead to the disclosure of confidential information, this does not diminish the need for the evaluation process to be conducted in a secure and confidential manner. Confidential information is to be shared only within the evaluation panel environment, unless otherwise authorised by the Chair of the Procurement Contracts Committee.

4.5 Probity Advisor or Auditor

Advice in relation to probity matters can be obtained internally from the Business and Innovation Branch or Legal Services, however there will be instances where an Independent Probity Advisor and/or Auditor may be required. Consideration should be given to engaging an Independent Probity Advisor for Contracting Activities that are high value, high risk, or complex. This should be identified in the procurement planning phase and monitored throughout the Contracting Activity. If circumstances arise that a procurement becomes complex, protracted, probity risks are identified, the risks of the activity increases, or the value increases, then engagement of an external Probity Advisor or Auditor may be required.

Engagement of an Independent Probity Advisor and/or Auditor will be undertaken by the chair of the Procurement Contracts Committee. An Independent Probity Advisor and/or Auditor may also be appointed at the direction of the CEO, Group Executive, or Manager Business and Innovation.

4.6 Probity Check-in Points

During a Contracting Activity, Probity is revisited whenever required but is specifically considered at the following key points:

1. At the commencement of developing the procurement/disposal strategy
2. Prior to approaching the market
3. Prior to and upon the close of a tender box or receipt of submissions
4. Prior to releasing submissions to evaluation panel members
5. During the evaluation
6. Prior to the award of the Contract
7. When providing submission feedback to Respondents.

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4.7 Breach of Probity

Should any breach or suspected breaches of probity processes occur at any time, Council Officers are required to report the breach in writing to the Manager Business and Innovation and/or the chair of the Procurement Contracts Committee.

5. Responsibilities, Delegations and Authorities

Before a Contracting Activity can be undertaken it is necessary to know and understand who has responsibility for the Contract, who has the necessary authority to approve the process and expend Council funds, and who has the necessary delegated authority to bind the Council in a lawful Contract with a supplier.

The following roles have responsibilities for various components of Contracting Activities as detailed in the "How to Guides" relevant to the process being undertaken:

- Contract Sponsor (Group Executive/Branch Manager/other Council Officer as required)
- Contract Administrator
- Procurement Specialist
- Chair of the Evaluation Panel (the Contract Administrator or Procurement Specialist)
- Evaluation Panel Members
- Financially Delegated Officer

5.1 Procurement Contracts Committee (PCC)

The purpose of the PCC is to provide a consolidated and consistent approach to Council's Contracting Activities for high value Contracts, including the formation of Supplier Arrangements. It also provides a key governance mechanism in Council's [Governance and Probity](#) framework. PCC is primarily responsible for:

- approving release of Public Tenders, EOIs, and high value RFQs;
- considering the recommendations of evaluation panels for advertised Public Tenders, EOIs, and high value RFQs;
- making Contracts with Respondents who provide the most advantageous offers to Council;
- considering and approving the establishment and the exercise of exceptions to the general Public Tender or RFQ obligations where necessary;
- considering and approving Contract variations and adjustments, Contract extensions and discharge of Contracts, for Public Tenders and high value RFQs.

The Procurement Contracts Committee is governed by its Terms of Reference.

The Manager, Business and Innovation Branch is the Chair of PCC and has the necessary delegated authority to invite Public Tenders, high value RFQs, and EOIs.

Minutes of PCC meetings are recorded and retained. They provide a clear explanation and justification of the recommendations made by the committee and the exercise of the powers of the delegated officer.

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5.2 Contracting and Financial Delegations

There are two types of delegated authorities relating to a Contracting Activity. They are:

- Authority to make, amend or discharge a Contract, and
- Expenditure authority (sometimes referred to as a Financial Delegation).

It should be noted that there is a significant difference between a delegated authority to make, amend and discharge Contracts (Contracting Delegation), and the authority to expend Council money.

The relevant power in relation to conducting a Contracting Activity is a power to make, amend and discharge Contracts. However, the expenditure authority (Financial Delegation), is given by the CEO to specific positions or officers within the organisational structure authorising them to commit or expend money and make or approve payments, including expenditure relating to Contracts, up to a designated threshold. The expenditure authority is an internal departmental management process whereby the CEO permits persons to expend money, up to a certain limit, for already established Contracts.

It is a combination of the delegated authority to make, amend or discharge a Contract and the delegated authority to expend money that operate in concert to provide a structured process for binding Council in Contract, and approving payments once Council has an existing Contract.

Where a Council Officer has both a delegated authority to make, amend and discharge Contracts, and an authority to expend Council money, that Council Officer may bind Council in Contract. However the maximum value of that contract that Council Officer may bind Council to is limited to the threshold of the expenditure authority.

Where a Council Officer only has an authority to expend money, they are only permitted to approve payments on established Contracts up to the limit of their expenditure authority.

The Contracting Delegation and Financial Delegation have been combined into the one delegation document. A copy of Delegation No. 2 – Delegation of Authority to conduct Procurement and Contracting Activities and Payments from CEO to Council Officers may be found on the Council's [Procurement Intranet Site](#).

5.3 Budget - Unauthorised spending

Council may only spend money in a financial year if the money for that expenditure is adopted in the budget for the financial year, or before adopting its budget for the financial year, if it then provides for the spending in the budget for that financial year.

Contract Administrators must therefore ensure sufficient budget is available for and committed to the Contract being sought before it is formed. It is the responsibility of the Branch Manager from the branch seeking to make a contract to confirm that sufficient budget is available and committed to a contract before it is formed. Evidence of this budgetary commitment will be required during the Contracting Activity.

The only exception to this requirement is where Council expends money for a genuine emergency or hardship. In this instance, Council must make a resolution about spending the money, either before, or as soon as practicable after the money is spent. The resolution must state how the spending is to be funded.

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5.4 Publishing details of Contracts

Section 237 of the LGR 2012 requires that a local government will, as soon as practicable after entering into a Contract worth \$200,000 or more, publish the relevant details of the contractual arrangement. These details must be published on the local government's website and displayed in a conspicuous place in the local government's public office.

5.5 Training

Training is provided by Council to relevant Council Officers in relation to procurement, contracting, and purchasing.

6. Contracting Activities and Procedures

The types of Contracts which may be formed under the Strategic Contracting Procedures are outlined in Table 1.

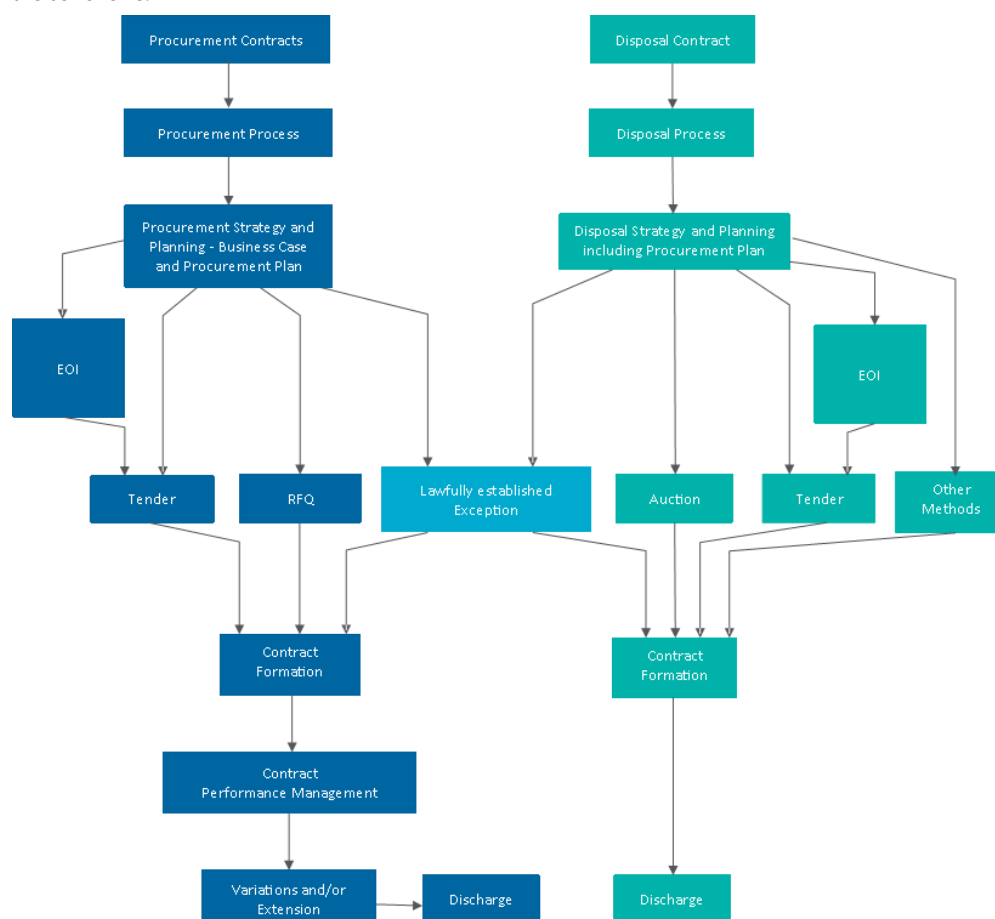
Table 1: Types of contracts

| Contract type: | Contract for: |
|------------------------------|--|
| Procurement Contracts | Contracts to purchase goods and services, including the provision of works. |
| Disposal Contracts | Contracts for the disposal of Valuable Non-Current Assets (excluding Land*) and Surplus Assets. |

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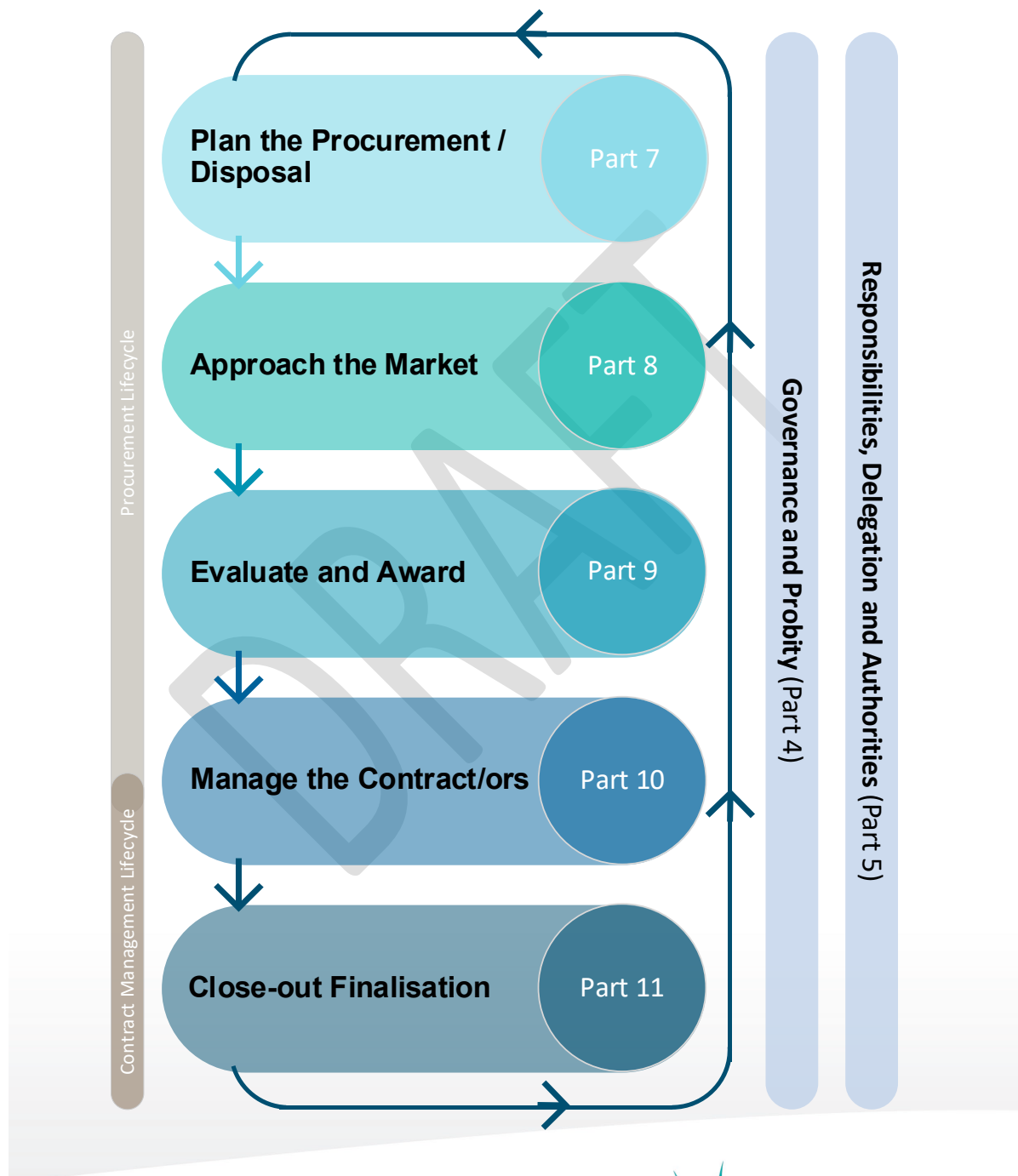
* Other Contracts that Council may form under the LGR 2012 include Contracts for the Disposal of Land (selling and leasing of Council land). Council Officers are to refer to Council's Procurement Policy and the "How to Dispose of Land Guide (including disposal by Leasing the land)".

A diagrammatic explanation of the procedure for procurement Contracts and disposal Contracts are as follows:



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A diagrammatic explanation of the procurement steps are as follows:



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7. Plan the Procurement / Disposal

7.1 Planning & Development

One of the primary steps in procurement and disposal processes is the planning phase to determine which approach to market should be adopted to lawfully procure the goods, services and/or works or dispose of the assets.

Council will conduct its Contracting Activities using an appropriate process having regard to relevant value thresholds. Therefore, it is necessary to determine the anticipated value of the Contract. Relevant Council Officers should also consider what other needs there may be across Council for the same goods, services and/or works for aggregation into one Contract. This may achieve better value, reduce the administrative and contract management effort and avoid conducting multiple procurement or disposal processes.

The values thresholds and corresponding processes are as follows:

Table 2: Procurement Contract value and related procurement routes to market

| Contract Value | Procurement Routes | Council requirements |
|---|--|--|
| \$5,000,000 and greater OR High Risk/Complex Contracts | <ul style="list-style-type: none"> Public Tender EOI Available Exception | <p>A Significant Contracting Plan is required for any Contract that is:</p> <ul style="list-style-type: none"> expected to reach this Contract Threshold; or of a high risk; or of a complex nature. <p>A Significant Contracting Plan must:</p> <ul style="list-style-type: none"> be made before the Contract starts identify the chosen procurement strategy be approved in accordance with the Contracting Plan. |
| \$500,000 up to \$5,000,000 | <ul style="list-style-type: none"> Public Tender EOI Available Exception | <p>Progress through the Procurement Process:</p> <ul style="list-style-type: none"> Public Tender (How to Invite Tenders Guide) EOI (How to request Expressions of Interest Guide) Exceptions (How to utilise Supplier Arrangements and other Exceptions Guide) |
| \$50,000 up to \$500,000 | <ul style="list-style-type: none"> Public Tender EOI Request for Quote issued to at least three suitably capable suppliers Available Exception | <p>Progress through the Procurement Process:</p> <ul style="list-style-type: none"> Public Tender (How to Invite Tenders Guide) EOI (How to request Expressions of Interest Guide) RFQ (How to Request Quotes Guide) Exceptions (How to utilise Supplier Arrangements and other Exceptions Guide) |

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| Contract Value | Procurement Routes | Council requirements |
|----------------|--|---|
| Up to \$50,000 | <ul style="list-style-type: none"> Obtain one Written Quote minimum from at least one suitably capable supplier | See the "How to undertake Low Value Procurements Guide" |

Table 3: Disposal Contract value and related disposal routes to market (excluding Land)

| Contract Value | Disposal Routes | Council requirements |
|--|--|--|
| Plant, Equipment and any other VNCA worth more than \$5,000 (other than land) | <ul style="list-style-type: none"> Public Tender EOI Public Auction Available Exception | <ul style="list-style-type: none"> Public Tender (How to Invite Tenders Guide) EOI (How to request Expressions of Interest Guide) Exceptions (How to utilise Supplier Arrangements and other Exceptions Guide) |
| Surplus Assets worth less than \$10,000 | <ul style="list-style-type: none"> EOI Public Tender Public Auction Other methods <ul style="list-style-type: none"> Recycle Waste/dumping Trade in Donating to Government Agency or Community Organisation | <ul style="list-style-type: none"> Public Tender (How to Invite Tenders Guide) EOI (How to request Expressions of Interest Guide) All other disposal methods, see the "How to Dispose of Assets (excluding Land) Guide" |
| Sale or Lease of Land | See Table 1: Types of contracts above – Disposal of Land is not covered by the Strategic Contracting Procedures | Refer to the LGR, Procurement Policy and the "How to Dispose of Council Land Guide" |

Order splitting, whereby the required goods, services and/or works are divided into smaller order values for the purpose of circumventing the procedures and delegation levels of upper thresholds, is not permitted.

Planning for the procurement or disposal process and development of the strategy for the process need to be undertaken to ensure Council's objectives are understood and can be achieved.

Consideration during this planning and development phase should be given to:

- applying sustainable procurement practices;
- encouraging strategic procurement decision making;
- establishing innovative Contracts;
- structuring the procurement to deliver value for money;
- promoting an open and competitive market place;

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- developing competitive local business and industry;
- managing exposure to risk.

7.2 Sustainable procurement

Council is committed to using procurement processes and purchasing power to drive sustainability.

Council's approach to sustainable procurement encompasses the following components:

- **Social** - positive social outcomes will be delivered by:
 - ensuring suppliers comply with occupational health and safety legislation, supporting safe workplaces for their employees
 - ensuring suppliers support a fair workplace, remunerate their employees fairly and meet all industrial obligations
 - supporting suppliers that have fair and ethical sourcing practices
 - incentivising the development of a competitive First Nations business and industry by facilitating a preference for First Nations businesses and supply chains in Contracting Activities
 - incentivising the engagement of Social Benefit Suppliers by facilitating a preference for Social Benefit Suppliers in Contracting Activities.
- **Environmental** - improved environmental outcomes, supporting Council's Organisational Zero-net Emissions Plan will be delivered by:
 - reducing carbon emissions in Council's supply chain
 - pursuing, leading and building a circular economy
 - incentivising suppliers to adopt climate resilient practices and incorporate sustainability in their goods and services
- **Economic** - improved economic outcomes will be achieved by:
 - achieving Value for Money across the whole of life (including disposal), rather than solely based on the initial cost
 - planning and market engagement to ensure that competitive markets and availability of services are sustained in the long term
 - supporting local business and industry by facilitating a preference for local suppliers in Contracting Activities

Council has an Environment and Sustainability in Procurement Guideline, which explains, in detail, the approach to matters of environment and sustainability during the Procurement Process.

The social and economic components of sustainable procurement are addressed in the respective guidelines (Local Preference in Procurement Guideline and Social Benefit Procurement Guideline).

7.3 Market Research

To develop effective procurement strategies, Council must have an understanding of the market in which it seeks to engage with. Operating effectively within a marketplace helps to;

- Build procurement capability by analysing demand and supply pressures, tracking extent of competition, and guarding against public sector organisations competing against one another and bidding up prices due to market scarcity;

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- Avoid over-reliance on a small number of industry participants;
- Encourage deeper markets by developing industry capacity and capability;
- Maintain a fair market by preventing bias in favour of particular industry participants.

There is no prescribed method for market research; it typically involves researching and identifying capable suppliers within the relevant market/industry. Contacting Prospective Respondents prior to release of a Public Tender or RFQ to assess their capacity and interest in responding to the proposed procurement is acceptable as is forwarding Tender Alerts to Prospective Respondents. However, it is important to remain transparent and treat suppliers fairly to maintain a level playing field.

When researching the market in which the Contract is to happen, Council Officers should consider whether a closed or restricted process could be warranted, whereby submissions will only be accepted from Respondents who are Social Benefit Suppliers and/or First Nations Businesses. Refer to the Social Benefit Procurement Guideline and the First Nations Procurement Guideline for further information and guidance.

7.4 Planning and Strategy Documentation

Contract Administrators and any other person undertaking Contracting Activities should be guided by and/or prepare the following:

7.4.1 Business Case

A business case should have been completed to identify Council's need to procure any goods, services and/or works. If the project is a capital works project, this will be the project brief delivered to the Capital Steering Committee. This document should be used to assist with the planning phase of the process as it will have already given consideration to some aspects relevant to the planning phase such as the relevant need, the intended scope and the cost vs benefits.

7.4.2 Procurement Plan

A Procurement Plan must be prepared for a Public Tender or EOI and covers the following aspects:

- Council's requirements, internal demand or ongoing need, financial considerations and sustainability considerations;
- Stakeholder engagement and consultation;
- an analysis and summary of the supply market;
- an assessment and identification of procurement strategies;
- procurement implementation;
- contractual arrangement including contract management; and
- an assessment of potential risks and mitigation strategies.

Sound planning is essential to achieving a successful outcome. Sufficient time should be allocated to the planning process to allow assessment of the market, and development and implementation of the procurement strategy, before approaching the market to establish a Contract.

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7.4.3 Significant Contracting Plan

Contracts that have been identified as Significant Contracts due to their value, risk, or complexity, require a Significant Contracting Plan in addition to a Procurement Plan. Significant Contracting Plans must be prepared in accordance with Council's Contracting Plan prior to commencement of the Significant Contract. They will state:

- the objectives of the Significant Contract;
- how the objectives are to be achieved;
- how achievement of the objectives will be measured;
- any alternative ways of achieving the objectives, and why the alternative ways were not adopted;
- proposed contractual arrangements for the activity; and
- a risk analysis of the market in which the Contract is to happen.

7.5 How to undertake Procurement and Disposal Processes

Conducting procurement and disposal processes have a number of legislative and policy influences that necessitate them being conducted by following particular procedures. To assist, Council has a number of "How to Guides" to support Council Officers through the detailed procedures and systems Council utilises. In relation to the Strategic Contracting Procedures these guides are as follows:

- How to Invite Tenders
- How to Request Quotes
- How to request Expressions of Interest
- How to undertake Low Value Procurements
- How to Dispose of Assets (excluding Land)
- How to utilise Supplier Arrangements and other Exceptions Guide
- How to Manage Contracts

This Manual will detail the overarching procedure for how Council will conduct these procurement and disposal processes.

7.6 Documentation

All documents required for conducting procurement and disposal processes are detailed in the "How to Guide" relevant to that procurement or disposal process as identified in Table 2 and 3 above.

8. Approach the Market

8.1 Processes to Approach the Market

8.1.1 Public Tender and EOI

All Public Tenders and EOIs are approved by the Procurement Contracts Committee, prior to being advertised via Council's Tender Alert Service and on the Queensland Government electronic tender

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system, QTenders. This platform provides for Prospective Respondents to download the documentation and upload their submissions.

Public Tenders and EOIs are to remain open for a period of no less than fourteen days after the advertisement has been released. Consideration should be given to the complexity of the project, and how long it would reasonably take Prospective Respondents to appropriately complete their submission. Public holidays that fall within this advertising period are also to be considered.

8.1.2 Request for Quote

The primary platform for requesting quotes from suppliers is through [Council's Contract Management System eTenderbox](#). The invitation should be sent to those from whom a Quote is being requested, outlining the project, referring to a scope and/or specification, and stating a clear Submission (closing) date.

The time for which Quotes must be returned should be determined having regard to the complexity of the project and the time it would reasonably take a supplier to prepare a useful and competitive offer.

8.1.3 Auctions and other disposal methods

Engage a licenced auctioneer, auction house or other platform to approach the market for an auction. The market will be approached for the other disposal methods in the most appropriate manner having regard to realising value.

8.2 Exceptions

How the market is approached will depend on the exception being utilised. Council Officers will be guided by the "How to utilise Supplier Arrangements and other Exceptions Guide" for the relevant exception being sought to the standard procurement and disposal routes (EOI, Public Tender and Request for Quote).

The Procurement Processes (EOI, Public Tender and Request for Quote) outlined above are processes to be adopted for conducting Contracting Activities, unless an Exception exists. The following Exceptions may be exercised where the relevant pre-requisites for use have been met.

It is important to note that Exceptions are alternatives to the standard procurement and disposal processes and routes to market, but are not exceptions to the Sound Contracting Principles or any other sections or obligations imposed by the LGA 2009 or LGR 2012.

Exceptions and the circumstances under which they may be exercised are outlined below.

8.2.1 Exceptions – Procurement Processes

Council has a number of Exceptions available to the EOI, Public Tender and Request for Quote processes for entering into Procurement Contracts.

Table 7: Exceptions for Procurement Contracts

| Exception | Process for establishing and/or exercising an Exception |
|------------------------------|--|
| Supplier Arrangements | <p>Council Supplier Arrangements</p> <p>Council can establish Supplier Arrangements that are to be utilised to form contracts for goods and services (including the carrying out of works).</p> <p>Supplier Arrangement are a list of suppliers established by Council to facilitate the procurement of goods, services and/or works that are either required frequently, in high volume or where the capability and/or capacity of</p> |

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suppliers is critical and can be established in the formation of a Supplier Arrangement.

Council will maintain an open and transparent process for creating, managing, refreshing, and finalising Supplier Arrangements. Public Tender will be used to create a Supplier Arrangement.

Condensed Procurement Processes are undertaken to form Contracts for goods, services and/or works from Suppliers on these Supplier Arrangement. The Supplier Arrangement may be priced or non-priced.

Utilising Supplier Arrangement with price provided

Council will invite the highest ranked Supplier on the Supplier Arrangement to provide the goods, services and/or works. Where the highest ranked does not or cannot provide the goods, services and/or works, the next highest ranked Supplier may be engaged, and so on, until a Supplier is engaged.

Utilising Supplier Arrangement without price provided

Council will undertake a Request for Quote from any Supplier Arrangement where price is not provided, having regard to the thresholds outlined in Table 2: Procurement Contract value and related procurement routes to market above.

Note: In exceptional circumstances, a Contract valued over \$50,000 may be formed following a Request for Quote process with just one Supplier on a Supplier Arrangement. Please contact the Procurement & Contract Performance Team prior to commencing a Procurement Process if this exception is required.

Government Arrangements and Local Government Arrangements

The Contract is made under an arrangement established by another Government Agency. This exception is intended to include State Government, Federal Government and Local Government Association Arrangements (such as LocalBuy Arrangements in Queensland) and other relevant Government Arrangements.

Council will frequently utilise Supplier Arrangements created by either another Government Agency, another Local Government or LocalBuy (wholly owned by LGAQ). These Supplier Arrangements will include priced and non-priced arrangements. Council will utilise these arrangements in accordance with the requirements of the Supplier Arrangement. Where the arrangement identifies that we use our own thresholds or Request for Quote requirements, then Council will conduct the Request for Quote from that arrangement in a manner that ensures sufficient quotes are obtained and the Sound Contracting Principles (including value for money) are met.

Note: In exceptional circumstances, a Contract valued over \$50,000 may be formed following a Request for Quote process with just one Supplier on these Arrangements. Please contact the Coordinator Procurement and Contract Performance prior commencing the Procurement Process if this exception is required.

Government Contracts

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| | |
|--|---|
| | The Contract is made with, or under an arrangement with, a Government Agency including Local, State or Commonwealth, and includes any Government Entity or agency and utility providers such as water, electricity and telecommunications. |
| Memberships / subscriptions / conferences (e.g. professional associations, industry bodies, institutes) | Applies where alternatives do not practically exist (for example professional associations, industry bodies, and institutes). |
| Statement of licence, legislated requirements, third party ownership of assets or industry regulated standards | Applies if the goods, services, or works can only be supplied by a single supplier or a restricted group due to third-party ownership of a public utility plant asset. For example, Energex, Telstra, or APA. Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Where existing system, equipment or proprietary brand has requisite goods and services to ensure compatibility or warranty. | Applies if the goods or services being sought are restricted as they can only be supplied by a single supplier, or requires Council to procure a specific brand that restricts the supplier market (for example replacement parts for equipment under warranty or maintenance agreements). Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Information and communication Technology: Solutions tendered – re-sellers and software developers | Allows Council to contract with a copyright holder where the solution is tendered by an authorised reseller. |
| Extension of Information Communications Technology (ICT) licencing, support and maintenance contracts | Council's arrangements and contracts for the provision of ICT software and hardware (ICT products) can often continue to meet business requirements beyond the originally envisioned term. This exception provides a mechanism to approve purchasing of incremental licences as well as maintenance and support (which may include external hosting or subscription to existing solutions) for existing Council ICT products beyond the original term. Where possible, competitive quotes are to be obtained and value for money demonstrated. |
| Genuine Emergency | A genuine emergency exists. If the money spent in response to the genuine emergency is not provided for in the annual budget, Council must make a resolution about spending the money; either before, or as soon as practicable after, the money is spent. |
| Innovation and Market-Led Engagement Guideline | Council has adopted an Innovation and Market-Led Engagement Guideline to identify the circumstances and processes for engaging with Suppliers who provide goods, services and/or works that fall within the contemplation of the Guideline. |

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| | |
|---------------------------|--|
| General Exceptions | <p>A General Exception may be used to form a Contract when a standard Procurement Process or other Exception is not available or appropriate under the circumstances. This may include activities previously identified as Exceptions, including:</p> <ul style="list-style-type: none"> • Sole or Specialised Supplier/s Council determines that: <ul style="list-style-type: none"> ○ there is only one supplier who is reasonably available; or ○ because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for Council to invite quotes or tenders. • Auction Purchase The Contract is for the purchase of goods and is made by auction. • Second-hand Goods The Contract is for the purchase of second-hand goods. • Tender/Quote Consideration Plan/s If a Tender/Quote Consideration Plan has been approved or adopted, then Council may form a Contract from that Plan as contemplated by that Plan. Quote or Tender Consideration Plans can be created for types of contracting activities where competitive quotes cannot always be sought (e.g. public art and entertainment). <p>Establishing the Exceptions above</p> <p>The Coordinator Procurement and Contract Performance will facilitate establishment of a valid Exception.</p> <p>A General Exception may be approved by support from the Manager, Business & Innovation and the Group Executive from the Group where the Contract will be managed and administered, or with the sole approval of the CEO.</p> |
|---------------------------|--|

NOTE: Use of any of the aforementioned exceptions is limited to those with the delegated authority to conduct Contracting Activities, and within authorised expenditure limits.

8.2.2 Exceptions – Disposal Processes (excluding Land)

Exceptions to the Public Tender, EOI and Public Auction processes for entering into Disposal Contracts for Valuable Non-Current Asset (excluding Land) are outlined below:

Table 8: Exceptions for Disposal Contracts

| Exception | Process for establishing and/or exercising an Exception |
|---------------------------|--|
| General Exceptions | <p>A General Exception may be used to form a Contract when a standard Disposal Process or other Exception is not available or appropriate under the circumstances:</p> <ul style="list-style-type: none"> • Previous offer for Sale or Auction |

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| | |
|--|---|
| | <ul style="list-style-type: none"> • Government Agency or Community Organisation (using the definitions of these as set out in the Local Government Act and Regulation) <p>Establishing the Exceptions above</p> <p>The Coordinator Procurement and Contract Performance will facilitate establishment of a valid Exception.</p> <p>A General Exception may be approved by support from the Manager, Business & Innovation and the Group Executive from the Group where the Contract will be managed and administered, or with the sole approval of the CEO.</p> |
|--|---|

8.3 Communication with Prospective Respondents

The chair of the evaluation panel is the only panel member authorised to deal with Prospective Respondents. Should any other panel member receive an enquiry relating to a Contracting Activity, that officer must direct them to the chair. Any questions or requests from Prospective Respondents are to be put in writing and submitted via proper channels (e.g. Tender Enquiries Mailbox). Should telephone or personal contact be unavoidable, the officer will make file notes of all discussions and forward to the chair for record keeping. In some instances, it may be deemed necessary to provide the information requested or conveyed to all Respondents via a Notice to Respondents.

Regardless of the format in which engagement with a Prospective Respondent occurs, all must be treated equally and fairly. This will ensure the same information is provided to all Prospective Respondents in a timely manner, providing an equal opportunity during the entire Procurement Process.

8.3.1 Notice to Respondents (NTRs)

NTRs are issued to all Prospective Respondents in response to specific queries received, or where the need arises to convey information to Prospective Respondents. NTRs should be issued through the mechanism in which the Invitation was issued in the first instance (e.g. QTender or eTendering).

8.3.2 Information Session

Information sessions and/or site inspections are often held for Public Tenders and some EOIs and Requests for Quote. The Contract Administrator and Procurement Specialist run the sessions jointly where a Procurement Specialist is involved in the process.

At an information session or site inspection, Council emphasises the critical elements that Prospective Respondents need to address in their submission, and Respondents can seek clarification of requirements.

Minutes of the information session, including questions raised and responses provided, are distributed via NTR as soon as possible after the session, to all parties that have downloaded the documents via the relevant electronic tender box.

8.4 Receiving submissions and tender box close

Following tender box close, submissions received into an electronic tender box (i.e. QTenders or eTendering) are downloaded and made available to the evaluation panel. A copy of the

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submissions is to be filed in a secure location in Council's electronic document management system.

9. Evaluate and Award

9.1 Evaluation of submissions

The evaluation of submissions will be undertaken by the evaluation panel who are the appointed evaluation panel detailed in the Probity Plan. The evaluation panel will assess all submissions against predetermined criteria using a prescribed rating system in the following stages:

1. Mandatory Criteria;
2. Non-Price Evaluation;
3. Price Evaluation

The evaluation methodologies will be contained in the Procurement Plan and/or reflected in the Probity Plan, Council's Evaluation Workbooks or [Council's Contract Management System](#).

In the first instance, each panel member conducts their own individual evaluation and allocates a score out of 10 against each predetermined evaluation criteria or sub-criteria. The evaluation panel then meets to undertake an evaluation moderation, where they discuss their individual findings and scores, and arrive at a consensus score for each of the criteria or sub-criteria (moderated scores).

It is imperative to an effective, accountable, and transparent evaluation process that good and comprehensive notes are taken, and that individual evaluations are followed by a moderation to ensure that a consensus has been reached. The detail of the scoring of each Respondent's Submission against the Evaluation Criteria and commentary relating to the evaluation will be included in the Evaluation Workbook or [Council's Contract Management System](#).

9.1.1 Evaluation Panel

An appropriate evaluation panel must be formed to evaluate the submissions against the pre-determined evaluation criteria. A two-tiered evaluation panel structure can be utilised with the first-tier members to conduct a full evaluation, while the second-tier members provide subject matter advice on relevant parts of the submissions. The second-tier members do not directly participate in all the evaluation.

Each member of the panel must sign the Probity Plan acknowledging they have read, understood, and accept the probity requirements. This has the effect of binding the member to undertaking the evaluation in a manner consistent with the Employee Code of Conduct and Council's governance and probity framework.

It is preferable that panel members from outside the branch seeking the Contract (or Unit/Team for RFQ processes under \$500,000) outnumber members from the branch. This is to provide a level of independence of the Branch/Team or project and provides a useful governance mechanism to encourage transparency and fair dealing.

The Probity Plan must be fully signed by all relevant persons listed on the Probity Plan and retained in the relevant document management system prior to the release of submissions to evaluation panel members.

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The Evaluation will be undertaken of the Mandatory Criteria, Non-Price Criteria and Price Evaluation as follows:

9.1.2 Mandatory Criteria

The chair of the evaluation panel (in conjunction with the evaluation panel where necessary) will assess the Mandatory Criteria. This criterion is outlined below and may include:

1. Workplace Health and Safety
2. Financial Capacity
3. Relevant Insurances for the Contract
4. Acceptance of the General Terms and Conditions of Contract
5. Relevant Licences, Certifications and Qualification

In instances where any of the mandatory criteria is not provided as part of a Respondents submission or is assessed as unsatisfactory, that submission may be considered non-conforming or disqualified from further evaluation.

9.1.3 Non-Price Criteria

Members of the Evaluation Panel will assess the Non-Price criteria that will be weighted in accordance with the weightings set out in the Procurement Probity Plan and Procurement Plan (for Procurements with an estimated contract value greater than \$500,000 or high-risk procurements).

Table 4: Table of standard Non-Price Evaluation Criteria for Procurement Processes over \$100,000

| Criteria | Details |
|---------------------------------------|---|
| 1. Capability and Experience | This may include an assessment of: <ul style="list-style-type: none"> • Previous contract experience • Contract commitments and coordination |
| 2. Methodology | This may include an assessment of: <ul style="list-style-type: none"> • Methodology for delivery, • Resourcing and Subcontracting. • Environment and Sustainability • Quality Assurance • Innovation |
| 3. Social and economic factors | <ul style="list-style-type: none"> • Contribution to Local Economy • First Nation Engagement • Social Benefit Engagement |

Table 5: Table of standard Non-Price Evaluation Criteria for Procurement Processes over \$50,000 and up to \$100,000 (Short-Form RFQ)

| Criteria | Details |
|---|--|
| 1. Capability and/or Methodology | This may include an assessment of: <ul style="list-style-type: none"> • Previous contract experience • Methodology for delivery, |

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| | |
|---------------------------------------|---|
| | <ul style="list-style-type: none"> Resourcing and Subcontracting. |
| 2. Social and economic factors | <ul style="list-style-type: none"> Contribution to Local Economy First Nation Engagement Social Benefit Engagement |

The Evaluation Criteria for a disposal process will be dependent on the type of asset being disposed of and may include some of the evaluation criteria in Table 4: Table of standard Non-Price Evaluation Criteria for Procurement Processes over \$100,000 and Table 5: Table of standard Non-Price Evaluation Criteria for Procurement Processes over \$50,000 and up to \$100,000 (Short-Form RFQ) above.

9.1.4 Price

Upon completion of the evaluation of the Mandatory and Non-Price criteria, a price evaluation will be completed to determine the best value and most advantageous outcome to Council. The price evaluation methodology will be detailed in the Procurement Probity Plan. The results of the staged evaluation are joined to provide assessments that are ranked in order of combined value.

9.2 Contract award

Following any procurement or disposal process, if Council seeks to proceed with an engagement, then the Contract needs to be awarded to the Respondent who provides the most advantageous offer to Council. This step will form the Contract with the Contractor and may be done slightly differently for each type of process. Some Contracts will only be awarded by both parties (Council and the Contractor) signing a Contract that has been specifically drafted for that process. For detailed information on awarding Contracts, see the relevant "How to Guide" for the process being undertaken (see Table 2: Procurement Contract value and related procurement routes to market and

Table 3: Disposal Contract value and related disposal routes to market (excluding Land)).

If the Contract is of the value and type that it is required to go to PCC, then the Contract Administrator and Procurement Specialist draft a PCC Award Report recommending the most advantageous offer based on the outcome of the evaluation, and attach appropriate supporting documents. PCC will make the recommendation for award in this instance.

Contract formation is the point where both Council and the Contractor becomes bound to fulfil its obligations under the Contract. This can result in Council becoming bound to significant expenditure to those contracts. As such, only those with the appropriate delegated authority may form a Contract and only where there is an approved budget for the expenditure (see Part 5.2 for more information on the appropriately delegated officer).

10. Manage the Contract/ors

10.1 Contract Management

Regardless of the process used to form a Contract, once formed it becomes necessary to manage its performance. Contract Management is a central element for ensuring that Council obtains from a supplier what they promised or were contracted to provide. During a Procurement Process for Contracts valued over \$1,000,000, the Contract Administrator must prepare a Contract

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Management Plan (CMP) which details the critical aspects of a contract and assesses key areas of risk that must be managed through the life of the contract.

A short form CMP must be prepared for Contracts with an anticipated value of \$1,000,000 or more, and a long form CMP must be prepared for contracts valued over \$5,000,000. If the Contract is being awarded at a PCC meeting, the CMP should be presented to the PCC at award.

10.2 Managing the Contract

It is the responsibility of the Contract Administrator to manage performance of the contract. The "How to Manage Contracts Guide" will provide detailed guidance on Contract Management to assist Council Officers in managing Contracts. Some key components in Council's Contract Management framework are:

1. Obtaining key deliverables under a Contract;
2. Measuring Key Performance Indicators;
3. Managing risk;
4. Managing workplace health and safety strategies;
5. Managing variations and contract extensions;
6. Finalising Contracts and managing transition to new Contracts or Suppliers.

10.3 Variations

Contract variations are any material change to the specification and scope or any change that alters the price paid for completing the Contract.

For price related variations, if a variation (or cumulative variations) exceeds 10% of the original contract value, the resultant value of the total Contract (original price and variation/s) will dictate the process to be adopted for seeking approval for the variation.

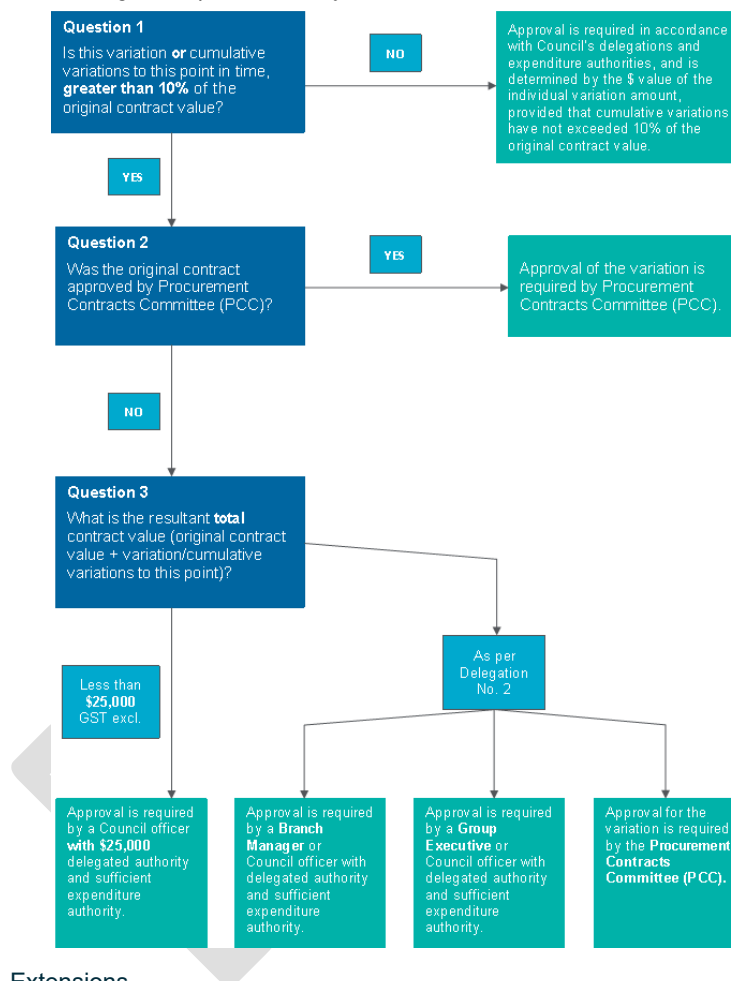
Approval must be sought at the earliest possible opportunity. The Contract Administrator is to ensure the Manager and Group Executive (of the Branch managing the contract) are informed as a minimum. The Group Executive to inform the CEO if they deem necessary.

Contract variations are to be approved in accordance with Council's delegation and expenditure authorities (see 5.2), and only in instances where budget is available for the entire revised Contract Amount.

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The following diagram provides an explanation for approval of variations.

10.3.1 Determining the required authority for contract variations



10.4 Extensions

Contracts will generally contain a term regarding their discharge or end date. Council may include another clause providing a right to extend the Contract for a fixed period, or a number of specific periods of time (Example – a one year extension or options of two by/times one year extensions).

Exercise of the extension periods must be carefully considered, taking into account various factors. Considerations include:

- contractor performance over the term;

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- whether the Contract, if extended, will provide Value for Money to Council over the life of the extension; and
- present market forces, including whether the market has grown, improved, or diminished during the term, thereby placing Council in a better or vulnerable position if a new Public Tender was conducted.

10.5 Discharge

Discharge is the point at which a Contract comes to an end. The common law provides that Contracts may only be discharged by:

- performance (the Contract is completed/reaches the end date);
- termination for breach (following a breach of an essential term or serious breach of an intermediate term);
- frustration (due to some event, not the fault of either party, the Contract cannot be performed as intended); or
- agreement (the parties mutually agree that the Contract is discharged).

The vast majority of Contracts will be discharged by performance, with the time or method of discharge (e.g. following delivery of the goods purchased, or on a certain date) being included in the Contract at the time of formation. When the Contract is performed as required, it will discharge at its end, with nothing further required from the person with appropriate delegated authority.

However, in some circumstances it may be necessary to discharge a Contract by one of the other means in which case, advice needs to be sought from the Business and Innovation Branch and/or the Chief Legal Officer, Legal Services.

10.6 Managing Supplier Arrangements

As with Contracts, Supplier Arrangements must also be managed appropriately. Arrangement Administrators are responsible for managing Supplier Arrangements. The usage and performance of Supplier Arrangements must be reviewed at intervals, including prior to seeking to exercise an available extension.

If a Supplier on a Supplier Arrangement is performing poorly, and/or no longer meeting the requirements of the Supplier Arrangement, they may be removed in accordance with the General Terms and Conditions of the Supplier Arrangement. This may include temporarily suspending the Supplier from the Supplier Arrangement while affording them the opportunity to remedy the existing issues.

If a Supplier Arrangement is not functioning to Council's expectations (e.g. Suppliers on the Supplier Arrangement are not responding to RFQs when invited, or some Suppliers have been removed from the Supplier Arrangement), or there has been significant change in the market since formation of the Supplier Arrangement, this may warrant refreshing the Supplier Arrangement (by conducting a Public Tender) to allow additional suppliers the opportunity to become pre-qualified. Incumbent Suppliers need not re-apply during a refresh, but if the Supplier Arrangement is priced/ranked, they must be afforded the opportunity to re-submit rates.

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10.7 Purchasing and Contracting Systems

Council has two systems to manage procurement and disposal processes, purchasing generally and contract management. These are Council's Financials System (T1 Financials) and [Council's Contract Management System](#) (Open Windows):

10.7.1 Council's Financials System

T1 Financials is Council's financial system where the accounting aspects of the Contracting Activities are to be managed through a Purchase Order and approved in accordance with Financial Delegations. Each "How to Guide" provides the guiding principles and processes for Purchase Orders in T1 Financials relevant to that procurement or disposal process.

10.7.2 Council's Contract Management System

Council's Contract Management System is a system from a software vendor called Open Windows and it is the Council wide system to be used to manage the operational aspects of a Contracting Activity as well as being Council's eTenderbox for some procurement and disposal processes.

11. Learn and Review

11.1 Close Out/Lessons Learnt

At the conclusion of a contracting period, it is necessary to determine the appropriate way to either close it out, vary it, extend it, renew it or transition to a new contractor. While each of these outcomes are different in nature, the key activities performed are basically the same. The number and type of tasks will vary depending on the nature and value of the Contract. Typical Contract finalisation activities are similar to implementation tasks and will include the following:

- Close-out meetings and briefings.
- Finalising or extending schedule of contract performance review meetings.
- Site visits, risk and issues register reviews, or safety update briefings.
- Review benefits targets realisation against total costs including variations or extensions.
- Milestone or Key Performance Indicator review and final reporting.
- Incumbent and Council handover/handback, including records and relevant data or files.
- Facilitation of a lessons learnt workshop or review process.
- Review and re-assignment of administrative roles.
- Collection or release and filing of updated or final contractually required documentation, such as insurance certificates of currency, licenses, bank/director guarantees, etc.
- Conclusion of a purchase order.
- Finalisation or update and review of Contract Management Plan.

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Manual review

This manual will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|--|--|
| Council | Endorsement authority for setting this policy and for all material changes to this policy. Able to endorse non-material changes. Maintains awareness of organisational manuals where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Manual Sponsor. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this manual and any proposed material changes to the manual, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

Refer to any related Council policies for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation.

| Term | Definition |
|-----------------------|--|
| Branch Manager | means an L3 manager within Council's organisation structure who has responsibility for a branch of that structure. |

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| | |
|-----------------------------------|--|
| Community Organisation | means: (a) an entity that carries on activities for a public purpose; or another entity whose primary object is not directed at making a profit. |
| Contract | means a contract (including purchase orders and purchase card transactions) for: (a) the supply of goods or services; (b) the carrying out of work; or (c) the disposal of non-current assets. In this instance, the term does not include a contract of employment between Council and a Local Government Employee (as defined in the LGA 2009). |
| Contract Administrator | is a Council Officer responsible for a Contracting Activity as set out in relevant "How to Guide" and also means Project Manager (if the Project Manager is a Council Officer) |
| Contract for Service | means a contract to which an independent contractor is a party and that relates to the performance of work by the independent contractor. |
| Contract Management System | means the electronic software/system implemented by Council to manage Council's Contracting Activities. |
| Contracting Activity | means Procurement Processes and/or Disposal Processes. |
| Council Officer | means a Local Government Employee (as that term is defined in the LGA 2009) of the Sunshine Coast Regional Council, but does not include a person engaged on a Contract for Service for a defined time or designated project. |
| Disposal Process | means the process Council must undertake to enable it to enter into a Contract for the disposal of an asset, including Valuable Non-Current Assets, Surplus Assets and land, including an interest in land. |
| Exception Contract | means a contract formed from exercise of the exceptions to Public Tender or RFQ processes. |
| EOI | means an Expression of Interest. |
| Expression of Interest | means an Expression of Interest process conducted by the Council. |
| Genuine Emergency | includes: (a) Any time that the Local Disaster Coordinator is performing a function under the <i>Disaster Management Act 2003</i> ; or (b) Any time an event occurs resulting in actual or likely loss of life or serious injury to person/s and where action from Council may prevent or reduce the actual or likely loss of life or serious injury to person/s, or aid and assist in response to the event; or Any time an event occurs resulting in actual or likely serious damage to property and where action from Council may prevent or reduce the actual or likely serious damage, or aid and assist in response to the event. |
| Government Agency | is: (a) the State, a government entity, a corporatised business entity or another local government; or (b) another Australian government or an entity of another Australian government; or (c) a local government of another State. |

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|--|---|
| LGA Arrangement | means an arrangement established by Peak Services and/or Local Buy Pty Ltd, LGAQ Ltd or other entity of which LGAQ Ltd is the only shareholder. |
| Net Disposal Return | means the revenue from a Disposal Contract, less all costs associated with the disposal. |
| Notice to Respondents | means a written notice sent by Council to either: (a) all Prospective Respondents to a Public Tender, who have downloaded the tender information, in situations where the tender box has <i>not</i> closed, or all Respondents who submitted an offer in response to a Public Tender, in situations where the tender box <i>has</i> closed. |
| NTR | means the definition provided under Notice to Respondents. |
| PCC | means the definition provided under Procurement Contracts Committee. |
| Procurement Process | means the process Council must undertake to enable it to enter into a contract for the purchase of goods, the supply of services and/or the undertaking of works. |
| Procurement Contracts Committee | means the committee established and governed by the Procurement Contract Committee Terms of Reference . |
| Project Manager | (if a Council Officer) see Contract Administrator. |
| Prospective Respondent | means a person or entity that has requested or received an Invitation to Tender or Request for Quote but has not submitted a Tender Response Form or Request for Quote Response Form. |
| Public Tender | means the process of Council inviting public tenders, the preparation and submission of Tenders by Respondents, the communications and negotiations between Council and Respondents in relation to the process and Tenders, evaluation of Tenders by Council and the negotiation of and entering into a contract. |
| Quote | means a quote or quotes (including Alternative Quotes) submitted by Respondents in response to a Request for Quote. |
| Respondent | means a person or entity that has submitted an offer in response to an EOI, Invitation to Tender or Request for Quote. |
| Request for Quote | means the process of Council requesting quotes, the preparation and submission of quotes by Respondents, the communications and negotiations between Council and Respondents in relation to the process and quotes, evaluation of quotes by Council and the negotiation of and entering into a contract. |
| RFQ | means Request for Quote. |
| Significant Contracting Plan | means a Significant Contracting Plan prepared in accordance with Council's Contracting Plan as required under provisions of the <i>LGR 2012</i> , s 221. |
| Sound Contracting Principles | means the principles provided in the <i>LGA 2009</i> , s 104. |

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| | |
|-----------------------------------|---|
| Submission | means Tenders, Quotes, or any other response or offer received following Council issuing an invitation. |
| Supplier Arrangement | means a list of suppliers established by Council or other appropriate entity to facilitate the procurement of goods or services required frequently, in high volume and/or where the capability of the suppliers has been determined. |
| Surplus Asset | means an asset that is plant or equipment or another type of non-current asset that does not reach the value threshold of a Valuable Non-Current Asset as prescribed by Council in this policy. |
| Tender/s | means a tender or tenders (including Alternative Tenders) submitted by Respondents in response to the Invitation to Tender. |
| Tender Response Form | means the response form set out in the Invitation to Tender. |
| Valuable Non-Current Asset | means land or another non-current asset that has a value equal to or more than the value threshold of a Valuable Non-Current Asset as prescribed in this policy. |
| Verbal Quote | means a verbal quote from a person or entity offering to supply goods to Council. |
| Written Quote | means a completed written quote from an entity offering to supply goods, services and/or works to Council, which includes the price and methodology for supply of the goods, services and/or works. |

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2024-25 Contract Manual | Manual

Appendix

| Guideline information | | |
|--------------------------|---|--|
| Title | 2024-25 Contract Manual | |
| Purpose | The purpose of this Manual is to outline how Council will carry out Contracting Activities | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | Goal Pathway | Outstanding Organisation Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| | Service Output | |
| Approval | < insert OM Ref and date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | Council has authority to endorse material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">• <i>Public Sector Ethics Act 1994 (Qld)</i>• <i>Local Government Act 2009 (Qld)</i>• <i>Local Government Regulation 2012 (Qld)</i>• <i>Statutory Bodies Financial Arrangements Act 1982 (Qld)</i>• <i>Public Sector Ethics Act 1994 (Qld)</i>• <i>Disaster Management Act 2003 (Qld)</i>• <i>Human Rights Act 2019 (Qld)</i> | |
| Policy | <ul style="list-style-type: none">• 2024-25 Procurement Policy• 2024-25 Contract Manual• 2024-25 Contracting Plan• Significant Contracting Plan/s• Sunshine Coast Council's Corporate Plan 2024-2028 | |
| Operational documents | <ul style="list-style-type: none">• Local Preference in Procurement Guideline• Social Benefit Procurement Guideline• First Nations Procurement Guideline• Innovation and Market-Led Engagement Guideline | |

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| | |
|--|--|
| | <ul style="list-style-type: none">• Environment and Sustainability in Procurement Guideline• Employee Code of Conduct• Code of Conduct for Councillors• Councillors Acceptable Request Guidelines• Council's current delegations• Purchase Cards Guideline. |
|--|--|

| Version Control | | | | |
|-----------------|----------------|------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Template updates | <insert> | <insert> |
| | | | | |



2024-25 Contracting Plan | Guidelines

| 2024-25 Contracting Plan | | |
|--------------------------|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

Contracting Activities are the processes by which Council forms contracts with suppliers for the provision of goods, services, and works, and through which it disposes of Valuable Non-Current Assets or Surplus Assets.

Guideline scope

Council adopts the Strategic Contracting Procedures to its Contracting Activities in accordance with Part 2, Schedule 6 of the *Local Government Regulation 2012*.

The Procurement Policy, Contract Manual, and this Contracting Plan, provide the framework for Council to carry out Contracting Activities in:

- (a) An effective and efficient framework that delivers sound contracting outcomes;
- (b) A manner that complies with the Procurement Policy; and
- (c) Accordance with all applicable laws including the *Local Government Act 2009* (Qld) (LGA 2009) and the *Local Government Regulation 2012* (Qld) (LGR 2012);

Council Contracting Activities undertaken under the framework including this Contracting Plan, must be performed in a manner consistent with the following guidelines:

- Local Preference in Procurement Guideline;
- Social Benefit Procurement Guideline;
- First Nations Procurement Guideline;
- Innovation and Market-Led Engagement Guideline; and
- Environment and Sustainability in Procurement Guideline.

Guideline application

Application of Contracting Plan

This Contracting Plan identifies:

- a) the types of Contracts Council proposes to make in the 2024/25 financial year;
- b) the principles and strategies for performing the Contracts;

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- c) a policy about proposed delegations for the Contracts;
- d) a market assessment for each type of Contract;
- e) the Contracts that Council considers will be significant having regard to the market assessment; and
- f) a policy about the making of a Significant Contracting Plan.

Types of Contracts

To service these categories, Council maintain a suite of template Contracts including:

- Design and Construction
- Construction
- Supply and Installation
- Services (including professional and consulting services)
- Supply of Goods
- Queensland Information Technology Framework Contracts

To undertake Contracting Activities, Council has engaged a category procurement model.

Procurement Categories

For the 2023-24 financial year to 29 February 2024, Council spent \$311.7m across the six Procurement Categories as follows:

| Categories | Approximate Total Spend |
|-----------------------|-------------------------|
| Engineering and Works | \$135.5m |
| Facilities | \$58.4m |
| Services | \$52.7m |
| Waste Services | \$31.1m |
| Fleet and Plant | \$22.7m |
| ICTS | \$11.3m |

For the 2024-25 financial year, Council anticipates spending \$442m across the below categories:

| Categories | Anticipated Total Spend |
|-----------------------|-------------------------|
| Engineering and Works | \$180m |
| Facilities | \$58m |
| Services | \$89m |
| Waste Services | \$63m |

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|---|-------|
| ICTS | \$21m |
| Other (incl Fleet and Plant and Planning) | \$31m |

Principles and Strategies

Council will have regard to the Sound Contracting Principles when undertaking Contracting Activities.

The Sound Contracting Principles are:

- value for money;
- open and effective competition;
- the development of competitive local business and industry;
- environmental protection; and
- ethical behaviour and fair dealing.

Strategies and Plans for Procurement Categories and individual procurements will be developed as per the Procurement Policy and Contract Manual.

Delegation

Council has delegated powers to the CEO relating to Contracting Activities. The CEO has in turn delegated these powers onto appropriately qualified Council Officers. These delegations are recorded in the Delegation of Authority No. 2 – Procurement and Contracting Activities and Payments maintained by the CEO.

The procurement process used to enter into Contracts differs depending on the type of Contract. The type of Contract is determined by considering the complexity of the Contract, the associated risks, the anticipated value, and by the category in which it falls.

Market Assessment

An assessment of the market for each category, based on Contracting Activities during the 2023/24 financial year can be found in Annexure A of this attachment.

Significant Contracts

Significant Contracts are Contracts that:

- have an anticipated value of \$5 million or more; and/or
- are deemed Significant Contracts by the Procurement and Contract Performance Team following assessment under the Procurement Profiling Matrix, and Risk Assessment Calculator, which includes an assessment of the market relating to the Contract.

A list of the Contracts that Council considers will be Significant Contracts for the 2024/25 financial year are as follows:

2024-25 Contracting Plan | Guidelines

| Contract | Reason for Significant Contract | Proposed Procurement Strategy |
|---|---------------------------------|-------------------------------|
| Oval Avenue and Gosling St Upgrade | >\$5M | Public Tender |
| Nambour Resource Recovery Centre | >\$5M | Public Tender |
| Food Organic and Garden Organic Processing Services | >\$5M | Public Tender |
| Mooloolaba Foreshore Central Meeting Place | >\$5M | Public Tender |
| Sippy Downs Library & Community Venue | >\$5M | Public Tender |
| Honey Farm Road Clubhouse Construction | >\$5M | Public Tender |
| Honey Farm Road Sports Field Establishment | >\$5M | Public Tender |
| Rail Upgrade Offset Project | >\$5M | Public Tender |
| Microsoft Enterprise Agreement | >\$5M | Public Tender |
| Landscape Maintenance Services | >\$5M | Public Tender |

Policy about the making of a Significant Contracting Plan

Significant Contracting Plans will be prepared for all Significant Contracts prior to the commencement of the Contract. They will state:

- the objectives of the Significant Contract;
- how the objectives are to be achieved;
- how achievement of the objectives will be measured;
- any alternative ways of achieving the objectives, and why the alternative ways were not adopted;
- proposed contractual arrangements for the activity; and
- a risk analysis of the market in which the Contract is to happen.

The Significant Contracting Plan will be prepared by the Business & Innovation Branch in consultation with the Contract Administrator and any other relevant stakeholders identified in the Procurement Plan.

The Significant Contracting Plan will be endorsed by the Manager of the Branch seeking the Significant Contract and their Group Executive.

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The Significant Contracting Plan will be approved by the Chief Executive Officer prior to the commencement of the Contract to which it relates.

Guideline review

This guideline will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|---------------------------------------|--|
| Council | Endorsement authority for setting this policy and for all material changes to this policy. Able to endorse non-material changes. Maintains awareness of organisational manuals where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Manual Sponsor. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this manual and any proposed material changes to the manual, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

The definitions in the *Procurement Policy* and *Contract Manual* apply to this Contracting Plan.

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2024-25 Contracting Plan | Guideline

Appendix

| Guideline information | | |
|--------------------------|--|---|
| Title | 2024-25 Contracting Plan | |
| Purpose | Contracting Activities are the processes by which Council forms contracts with suppliers for the provision of goods, services, and works, and through which it disposes of Valuable Non-Current Assets or Surplus Assets. | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | Goal Pathway Service Output | Resilient economy / Outstanding Organisation High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | Council has authority to endorse material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">Public Sector Ethics Act 1994 (Qld)Local Government Act 2009 (Qld)Local Government Regulation 2012 (Qld)Statutory Bodies Financial Arrangements Act 1982 (Qld)Public Sector Ethics Act 1994 (Qld)Disaster Management Act 2003 (Qld)Human Rights Act 2019 (Qld) | |
| Policy | <ul style="list-style-type: none">2024/25 Procurement Policy2024/25 Contract Manual2024/25 Contracting PlanSignificant Contracting Plan/sSunshine Coast Council's Corporate Plan 2024-2028 | |

| | |
|-----------------------|--|
| Operational documents | <ul style="list-style-type: none"> • Local Preference in Procurement Guideline • Social Benefit Procurement Guideline • First Nations Procurement Guideline • Innovation and Market-Led Engagement Guideline • Environment and Sustainability in Procurement Guideline • Employee Code of Conduct • Code of Conduct for Councillors • Councillors Acceptable Request Guidelines • Council's current delegations • Purchase Cards Guideline |
|-----------------------|--|

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

Annexure A - Market Assessment

An assessment of the market for each category, based on Contracting Activities during the 2023/24 financial year to 29 February 2024, is as follows:

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|-----------------------|---------------------|---------------------|-------------|--|--|
| Engineering and Works | 3,336 | 453 | \$135.5M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>Council's Engineering and Works category of expenditure broadly covers products and services related to roads and construction and includes subcategories such as concrete, bitumen, emulsions & asphalt materials and services, technical and engineering consulting services, playground, open space and recreational infrastructure and traffic management services.</p> <p>According to ABS data, following recent declines, the value of construction done in Australia saw a significant increase of 8.7% in Q4 2023 compared to the same period in the previous year. This is primarily driven by increases in Engineering Construction (15%) and Non-Residential Construction (12%). It should be noted that Residential Construction continued to see a decrease (-1.9%). Broadly, the value of construction done saw double-digit increases in WA (14.7%), ACT (12.4%), QLD (12.3%), and NSW (10.1%). The lowest increase was seen in VIC (1.9%) and SA (4.7%). The Australian Industry Group (Key Australian Industry Indicators) suggests that over 2023, the construction industry saw a 3.1% year-on-year growth in value-add.</p> <p>The ABS Producer Price Indexes (PPI) indicates that input prices to the construction sector rose 2.4% in the 12 months leading to December 2023. The main contributors were Electrical Equipment (+2.2%) due to raw material prices, higher manufacturing costs and limited labour supply in manufacturing, and other materials (+0.5%) including paint and other coatings (+1.6%) due to recent increases in crude oil prices. The price</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|------------|---------------------|---------------------|-------------|--|--|
| | | | | | <p>rises were offset by falls in steel products (-3.7%) due to weak demand from China and continued decline in residential building approvals.</p> <p>Output prices from the construction sector rose 5.4% in the same period. This growth was primarily driven by ongoing labour shortages for skilled tradespeople. Joinery trades, mechanical trades, and electricians are particularly in high demand. Additional strength recorded in non-residential construction reflects contractors increasing margins in order to mitigate risks associated with longer term projects.</p> <p>The difficulty of security supply within this category is considered medium as the majority of products and services can be procured via existing panel arrangements and registers of pre-qualified suppliers available both regionally and locally.</p> |
| Facilities | 1,658 | 241 | \$58.4M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>The Facilities category covers expenditure related to the construction, maintenance and operations of Council facilities excluding technical and engineering professional services. According to ABS data, changes in key price drivers are described below.</p> <p>- Labour costs (as measured by Wage Price index) rose 4.2% over the year 2023. This is seen across relevant industries including Utility Services (+3.7%), Construction (+4.1%),</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------|---------------------|---------------------|-------------|--|--|
| | | | | | <p>Accommodation and Food Services (+4%), Property Services (+3.8%), Administrative and Support Services (+4.5%).</p> <p>- Rental prices rose 7.3%. Continued growth in rental prices reflects low vacancy rates and a tight rental market, particularly in dwellings.</p> <p>- Electricity prices rose 6.9%. The introduction of the Energy Bill Relief Fund rebates from July 2023 has moderated the increase in electricity bills. Excluding the rebates, electricity prices would have increased 17.6% since June 2023 quarter.</p> <p>- Insurance prices rose 16.2%. This is the strongest annual rise since March 2021. Higher reinsurance, natural disaster, and claims costs contributed to higher premiums.</p> <p>According to IBIS Industry Report, facility management businesses have increasingly outsourced non-core, back-office functions to office administration service firms to benefit from their specialist expertise in these functions and reduce the costs of hiring specialised staff to provide various services. Market share concentration is low, there are a high number of businesses operating in this sector. They compete primarily on services quality and range, price and proximity to customers.</p> <p>Supply within this category is expected to continue to have a relatively low difficulty of being secured by Council due to sufficient availability of capable suppliers both regionally and locally and the relatively high level of market competition.</p> |
| Services | 3,995 | 1,567 | \$52.7M | <ul style="list-style-type: none"> • Tender • RFQ • Exception | <p>RBA is forecasting a further slowing in inflation to 3.3% by June 2024 and 3.2% by December 2024 and these forecasts are underpinned by expectations of a further moderation in services inflation. Goods inflation has more than halved from its peak of 9.6% per annum in September 2022 to its current level of 3.8% year on year to December 2023. Services inflation is running at 4.6% year on year to December 2023.</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------------|---------------------|---------------------|-------------|--|--|
| | | | | | <p>The largest services categories are: rents, insurance and financial services, travel, health services, education services, and food services.</p> <p>The Australian Industry Group Australian Industry Index indicates that activities in the business-oriented services sector is improving after a period of decline in 2023. The declined only started to ease in February 2024. Service businesses reported fragility in new orders due to increased prices and customer uncertainty. Some businesses reported improved activity, but shortages of specific skilled occupations constrained capacity to delivery projects.</p> <p>The NAB Quarterly Business Survey reported that after signs of easing cost and price pressures through late 2023 as the economy slowed, the business survey suggests progress was more incremental through Q1 2024. Business conditions appear to have stabilised and confidence also picked up, alongside improved but still weak forward orders. Capacity utilisation levels remain high. Materials availability issues appear to have abated but labour availability remained a significant issue for a third of firms and wage costs continue to be the top concern, alongside pressure on margins. However, NAB suggests that price growth measures are now tracking around a rate that, if maintained, would be consistent with inflation easing towards RBA's target range.</p> <p>Council will continue to seek to procure services competitively and leverage existing preferred supplier arrangements, register of pre-qualified supplier arrangements and panel arrangements when possible to secure various types of services and achieve value for money outcomes.</p> |
| Waste Services | 137 | 20 | \$31.1M | <ul style="list-style-type: none"> • Tender • RFQ • Exception | IBIS Industry Report indicates that the waste services industry's performance has been mixed in recent years. Industry revenue has grown at 2% compound annual growth rate over the past 5 years. Household waste generation has grown steadily, but activity has declined in many of the commercial and construction sectors, which has ultimately constrained industry demand. Furthermore, more recyclable and recoverable waste |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|-----------------|---------------------|---------------------|-------------|--|--|
| | | | | | <p>materials have been diverted to firms outside the industry, further restricting revenue. This trend has partly been due to government regulations encouraging recycling, alternative disposal methods (such as energy generation), and raising landfill disposal costs. However, industry firms have continued to treat and dispose of a large proportion of waste generated by households and businesses, which has supported industry revenue.</p> <p>Internal competition in the industry is low due to the specialised nature of waste treatment and disposal services, the need for economies of scale, and geographic limitations. Waste disposal services are mostly confined to larger operators, particularly in urban areas. Major players in the industry have engaged in significant acquisition activity in recent years, increasing market share concentration. The top four companies generate over 40% of industry revenue.</p> <p>Market size is projected to continue growing due to forecasted population growth, urbanisation trends and increased construction activity that will lead to higher waste generation.</p> |
| Fleet and Plant | 666 | 125 | \$22.7M | <ul style="list-style-type: none"> • Tender • RFQ • Exception | <p>The Fleet & Plant category covers the purchase, hire and lease of various types of fleet, maintenance of fleet and plant and the purchase of fuel, gas and lubricants.</p> <p>According to ABS data, inflation in the transportation group rose 3.7% in the 12 months to December 2023, driven by automotive fuel (+5.4%) and maintenance and repair of vehicles (+3.9%). Inflation eased by 0.2% in the quarter December 2024 from the previous quarter. The main contributors to the fall were spare parts (-3.4%), motor</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------|---------------------|---------------------|-------------|--|--|
| | | | | | <p>vehicles (-0.5%) and automotive fuel (-0.2%). This is offset by rises in insurance premiums (+3.8%).</p> <p>Prices of passenger car rental and hiring fell 19.5% in the 12 months to December 2023, driven by reductions in household and business short term car hire rates due to weaker demand and excess fleet size capacity.</p> <p>Prices of goods and equipment rental and hiring rose 5% in the same period, driven by heavy machinery and scaffold hire linked to elevated inputs costs amid construction equipment demand across the infrastructure, mining and heavy industrial markets.</p> <p>Council is to continue to procure services competitively and leverage existing preferred supplier arrangements, register of pre-qualified supplier arrangements and panel arrangements when possible, to secure various types of services and achieve value for money outcomes.</p> |
| ICT | 382 | 115 | \$11.3M | <ul style="list-style-type: none"> Tender RFQ Exception | <p>IBIS Industry Report indicates that ICT enterprises have benefited from climbing demand in recent years. Downstream clients are ramping up investment in IT projects and software solutions to meet growing technological requirements. New South Wales and Victoria have the greatest proportion of enterprises and revenue in 2023-24, along with the largest shares of the national population. These enterprises provide services throughout Australia and services are provided through remote working arrangements. Client businesses have required the most up-to-date technologies, as technology has become ubiquitous and considered a necessity. This factor has supported demand for ICT goods and services. Greater capital expenditure on software and existing computer system upgrades is expected over the coming years.</p> <p>ICT services exhibit a low concentration level. Despite the presence of several high-profile multinational corporations, the four largest players account for only a small</p> |

| Category | Number of Contracts | Number of Suppliers | Total Spend | Procurement Processes | Comments |
|----------|---------------------|---------------------|-------------|-----------------------|--|
| | | | | | <p>portion of industry revenue in 2023-24. Low barriers to entry encourage growth in the number of businesses in this sector.</p> <p>The ICT Industry Landscape Report (prepared by Accenture for NSW Government) indicates that, nationally, demand for ICT workers is expected to grow at 3.8% per year until 2030. It also forecasts a shortfall of over 180,000 workers by 2030. This shortage is expected to keep upward pressure on ICT professional services costs, including ICT contractors/consultants.</p> <p>Council will continue to seek to procure ICT services by going out to market; leveraging existing preferred supplier arrangements; registering pre-qualified supplier arrangements and panel arrangements to secure various types of services and achieving value for money outcomes.</p> |

Local Preference in Procurement | Guidelines

| Local Preference in Procurement Guideline | | |
|---|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

Sunshine Coast Council’s Corporate Plan 2024 – 2028 provides the goal that “Our resilient, high value economy of choice drives business performance, investment and enduring employment”.

The Regional Economic Development Strategy 2013-2033 seeks to ensure the region realises its full potential, with a confident future as an active participant in the global economy which will afford greater stability to the regional economy in terms of a broader industry and investment base.

Council is also one of the largest contributors to the economy of the Sunshine Coast through its annual budget, which expends upwards of \$300 million per annum in contracting for goods and services, with the majority of that being expended with local suppliers.

Guideline scope

Council recognises the inherent benefits in contracting with local suppliers for the provision of goods and services.

These benefits include:

- Developing a competitive local business and industry;
- Local goods are more readily available reducing lead time to fulfil orders or provide parts required for maintenance;
- Service providers are in closer proximity and can provide faster service and faster support;
- Ability to provide more environmentally sustainable outcomes through conserving the use of energy and resources such as reducing fuel consumption in travel and transport;
- Create new local employment opportunities and maintain the existing local employment base;
- Create new business and commercial opportunities, and continue to support the existing business and commercial base;
- Supporting local supply chains by encouraging all Council suppliers to sub-contract with, or seek goods and services from, local suppliers;
- Council investing in the community it serves to provide benefits to the local community; and
- Economic growth contributing to community prosperity.

Local Preference in Procurement | Guidelines

Guideline

Council will encourage the development of a competitive local business and industry by facilitating a preference for local suppliers in its Contracting Activities. The preference for local engagement to be applied to a Procurement Process as follows:

Inviting Locals to Respond to Procurement Processes

When undertaking a Request for Quote procurement process, the following table is to be followed:

Table 1:

| Procurement Process | Contract Value | Local preference |
|--|----------------------|---|
| ONE quote required | \$0 - \$50,000 | Quote/s must be sought ONLY from Local and Deemed Local Suppliers. |
| Request for Quote (minimum THREE quotes) | \$50,000 - \$500,000 | Quote/s must be sought ONLY from Local and Deemed Local Suppliers, unless a genuine reason not to applies (see below). |

Social and Economic Factors Criteria (includes Contribution to Local Economy)

Council's Social and Economic Factors evaluation criteria has an evaluation weighting of 20% as set out in Council's Contract Manual. The Social and Economic Factors evaluation criteria comprises of the following three components:

- Contribution to the Local Economy (which relates to this guideline),
- Social Benefit Engagement (Social Benefit in Procurement Guideline), and/or
- First Nations Engagement (First Nations Procurement Guideline).

If the Social and Economic factors for First Nations and/or Social Benefit engagement are not incorporated into the Procurement Process, then the Evaluation Criteria for Social and Economic Factors must include the Contribution to the Local Economy criterion and must receive the full 20% weighting.

In any invited only Procurement Process (such as a Request for Quote), if non-locals are invited to respond (where there is a Genuine Reason not to follow the guideline as set out below) the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a combined total weighting of no less than 20%.

For any open Procurement Process such as a Public Tender the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a weighting no less than 20%, unless an exception to this is approved.

Supplier Arrangements

When conducting a Procurement Process to create a Supplier Arrangement, Council must, at a minimum, include the evaluation criterion for the contribution made by the Respondent to the local economy as part of the Social and Economic Factors criteria. These factors must receive no

Local Preference in Procurement | Guidelines

less than 20% weighting. Council may, in appropriate circumstances, consider and apply other strategies in those tenders to support or drive greater local engagement.

Council has priced and non-priced Supplier Arrangements. Generally, priced Supplier Arrangements include suppliers in a ranked order, and in most cases, Council will directly approach the highest ranked supplier for the provision of the goods and services. If the highest ranked provider cannot supply those goods or services, Council will approach the next highest ranked supplier.

When forming Contracts from a non-priced Supplier Arrangement, Council will invite Quotes from some, or all, of the suppliers on the Supplier Arrangement with a view to undertaking a short evaluation to identify the most advantageous supplier. Evaluation Criteria for contribution to the local economy does not need to be included when seeking Quotes from a Supplier Arrangement as this has already been evaluated when forming the arrangement above.

Genuine reason not to follow this guideline

Council acknowledges there will be occasions when the requirements of this guideline cannot be followed. A genuine reason not to comply with the guideline will exist where:

- it is not possible to meet the requirements because, for example, there is not a local supplier, or sufficient local suppliers to enable the requirements of this guideline to be met; or
- there is sufficient local supplier availability, but because of the size, complexity or timing of the goods and/or services required, there are not sufficient local suppliers capable of meeting Council's requirements; or
- The supplier invited is invited in accordance with Council's First Nations Procurement Guideline and that supplier may not be local.

Where there is a genuine reason that the requirements of this guideline cannot be met then certain Council Officers may approve a departure from it (except in the instance of complying with Council's First Nations Procurement Guideline, no approval is required).

A Council Officer at the level of Manager (L3 or equivalent position) may approve departure from this guideline when a genuine reason exists and the Contract value is within that Council Officer's delegated authority for creating the Contract. All other departures from this guideline must be approved by a Group Executive (L2).

Where a gap in the local business or industry is identified such that a capable local supplier is not, and will not, be available in the foreseeable future, or it is believed that the most advantageous outcome cannot be achieved by engaging with a local supplier, a Group Executive (L2) may give a blanket exemption from complying with this guideline. Any blanket exemption must be for an identified type of Contract and timeframe.

Further where a gap is identified, it is imperative the Economic Development Branch be advised to ensure appropriate measures and opportunities are explored with industry to address the gap.

All departures from this guideline are to be reported to the Manager, Business & Innovation

Local Preference in Procurement | Guidelines

Contracts formed from External Supplier Arrangements

An externally created supplier arrangement is one that Council did not form, but Council is seeking to utilise for a particular procurement. The most common example of such arrangements are those created by Local Buy, and by Commonwealth, State or other local Governments.

Where a Contract is sought to be formed using an externally created supplier arrangement, Council Officers should seek to identify if there are any suppliers on that supplier arrangement that would be considered local suppliers by this guideline. If there are, appropriate consideration should be given to inviting quote/s from those local supplier/s.

Tender and Request for Quote - Evaluation of the Contribution made to the local economy

Council will invite Public Tenders via QTenders and receive Tenders from any Respondent, regardless of their location. Also, some procurements conducted by Request for Quote will invite Local, Deemed Local and Non-local Suppliers.

In these instances, the contribution made to the local economy must be included in the evaluation of these procurements as part of the Social and Economic Factors criteria.

The criterion will be evaluated having regard to:

- the local presence of the Respondent as categorised as one of the following:
 - a Local Supplier; or
 - a Deemed Local Supplier; or
 - A Non-local Supplier

Scoring for local presence will be applied as follows:

Table 3:

| Local presence | Scoring: |
|-----------------------|----------|
| Local Supplier | 10/10 |
| Supplier deemed local | 5/10 |
| Non-Local Supplier | 0/10 |

- the Respondent's explanation of the contribution already being made to the local economy, the contribution that will be made should they be awarded the Contract, or both. Explanation of that contribution may include:
 - Plant and equipment used to deliver business, sourcing of those and maintenance costs;
 - Consumables and sourcing;
 - Opportunities for further local engagement, for example sub-contracting;
 - How the Contract might contribute to the business maintaining its local presence;
 - New employment opportunities or requirements;
 - New or expansion of property, office space, vehicles or plant and equipment;
 - Evidence of support for local Community Organisations;

Local Preference in Procurement | Guidelines

- Contributions, support, sponsorship and volunteering for local community events.

The criterion score is an accumulated score based on local presence and contribution to the local economy.

Guideline review

It is a requirement that Council review and adopt the policy annually.

Roles and responsibilities

| Role | Responsibility |
|--|--|
| Council | Maintains awareness of organisational guidelines where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Approval authority for setting this guideline and for all material changes to this guideline, on advice from the GE. Able to approve non-material changes. CEO will consult with Councillors where the guideline applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this guideline and any proposed material changes to the guideline, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

Refer to any related Council policies, including the Procurement Policy and Contract Manual, for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation.

Local Preference in Procurement | Guidelines

Definitions application to this guideline are:

| Term | Definition |
|------------------------------|---|
| Deemed Local Supplier | means a supplier who does not have a primary office or business premises within the Sunshine Coast Council LGA, but has a significant business or primary service area in the Sunshine Coast LGA and/or a significant employee base that undertake work within the Sunshine Coast LGA (this employee base may include staff who work remotely on a regular basis from the local government area). |
| Excluded supplier | means a government body or utility service provider who Council has little or no choice but to Contract with. For example, Government Agencies such as telecommunication providers, fuel suppliers or Australia Post. |
| Local Supplier | means a supplier who: <ul style="list-style-type: none"> was established in and maintains their primary office or business premises within the Sunshine Coast Council Local Government Area; has an office or business premises, but not the primary premises, within the Sunshine Coast Council Local Government Area (Sunshine Coast LGA). |
| Non-local Supplier | means a supplier who is not from within the Sunshine Coast LGA, or is not a Deemed Local Supplier. |

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Local Preference in Procurement | Guideline

Appendix

| Guideline information | | |
|--------------------------|--|---|
| Title | Local Preference in Procurement Guideline | |
| Purpose | Sunshine Coast Council’s Corporate Plan 2024 – 2028 provides the goal that “Our resilient, high value economy of choice drives business performance, investment and enduring employment” | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | Goal Pathway Service Output | Resilient economy / Outstanding Organisation High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken within every four years, and reviewed guideline document must be provided to highest level approval authority for endorsement. Reviews may occur more regularly as required, having regard to a policy risk assessment. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | CEO has authority to approve material changes on advice of the Group Executive (GE). Relevant GE has authority to approve non-material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">• <i>Public Sector Ethics Act 1994</i> (Qld)• <i>Local Government Act 2009</i> (Qld)• <i>Local Government Regulation 2012</i> (Qld)• <i>Human Rights Act 2019</i> (Qld) | |
| Policy | <ul style="list-style-type: none">• 2024-25 Procurement Policy• 2024-25 Contact Manual• 2024-25 Contracting Plan other guidelines for that policy | |

Local Preference in Procurement | Guideline

| | |
|-----------------------|---|
| | <ul style="list-style-type: none">Sunshine Coast Council Corporate Plan 2024-2028Regional Economic Development Strategy 2013-2033 (REDS) |
| Operational documents | |

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

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07 5475 7272 | Locked Bag 72 Sunshine Coast Mail Centre Qld 4560

Social Benefit Procurement| Guidelines

| Social Benefit Procurement Guideline | | |
|--------------------------------------|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

Social benefit procurement uses procurement processes and purchasing power to generate positive social and economic outcomes in addition to the efficient delivery of goods, services and works. Council recognises the value of engaging in social procurement.

Guideline scope

Council’s Corporate Plan 2024-2028 provides the goal “Our communities are connected and thriving places where people are included, treated with respect and opportunities are available for all”.

The Sunshine Coast Community Strategy 2019-2041 has an outcome measure for “more than 20% growth in social enterprises operating in the Sunshine Coast Local Government Area.”

Council’s support of social benefit procurement can enable local enterprise growth and responses to social issues that improve the quality of life for local residents.

The purpose of this guideline is to outline a framework for Council to conduct social benefit procurement in its contracting activities.

Guideline

This guideline applies to any Contracting Activities undertaken by Council.

Social Benefit Suppliers are organisations whose social mission is centred on benefitting a group of people who are considered disadvantaged in their local community. Such organisations channel economic and social resources into a community in response to an underlying social need/issue.

Social Benefit Suppliers may include:

- Community Organisations, including not-for-profit entities
- Australian disability enterprises
- Charitable business ventures
- Community development finance institutions
- Worker or community owned co-operatives
- Fair trade social enterprises
- Intermediate labour market companies
- Social enterprises

Social Benefit Procurement| Guidelines

Application to Procurement Processes

Council will incentivise the engagement of Social Benefit Suppliers by facilitating a preference for Social Benefit Suppliers in its contracting activities as follows:

1. Conducting a restricted procurement process where capable Social Benefit Suppliers have been identified; or
2. Identifying contracting activities where the contract will require a supplier to reach a specific target relating to the engagement of local Social Benefit Suppliers in the delivery of the services under the contract; or
3. Inviting and assessing Tenders and Quotes from suppliers.

Social and Economic Factors Criteria (includes Contribution to Local Economy)

Council's Social and Economic Factors evaluation criteria has an evaluation weighting of 20% as set out in Council's Contract Manual. The Social and Economic Factors evaluation criteria comprises of the following three components:

- Contribution to the Local Economy (Local Preference in Procurement Guideline),
- Social Benefit Engagement (this Guideline), and/or
- First Nations Engagement (First Nations Procurement Guideline).

For any open Procurement Process such as a Public Tender the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a weighting no less than 20%, unless an exception to this is approved.

For any Request for Quote process, the incorporation of Social and Economic Factors will depend on whether there is Genuine Reason not to follow any of the three guidelines for Social and Economic Factors. Where there is not a Genuine Reason, then the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a combined total weighting of no less than 20%.

Forming Supplier Arrangements

Council creates Supplier Arrangements by conducting a public tender.

When conducting a public tender to create a Supplier Arrangement, Council will, at a minimum, include the evaluation criterion for Social and Economic Factors which must receive a combined total weighting of no less than 20%. Council may, in appropriate circumstances, consider and apply other strategies in those tenders to support or drive greater Social Benefit Supplier engagement.

Contracts formed from External Supplier Arrangements

An externally created Supplier Arrangement is one that Council did not form, but Council is seeking to utilise for a particular procurement. The most common example of such arrangements are those created by Local Buy, and by Commonwealth, State, or other Local Governments.

Where a contract is sought to be formed using an externally created Supplier Arrangement, Council Officers should seek to identify if there are any Social Benefit Suppliers on that Supplier

Social Benefit Procurement| Guidelines

Arrangement. If there are, appropriate consideration should be given to inviting quote/s from those supplier/s.

Evaluation of Social Benefit Suppliers

When Council undertakes a contracting activity where responses are to be evaluated against pre-determined evaluation criteria, then the evaluation criterion of Social Benefit Engagement must be included and evaluated.

The criterion will be evaluated having regard to the business of the Respondent and the Respondent's explanation of their Social Benefit Engagement.

Evaluation of each submission will consider the above information and scoring will be applied as follows:

| Supplier | Scoring: | Overall weighting |
|---|------------|---|
| A Supplier that is a Social Benefit Supplier | 10/10 | As set in the Procurement Process up to 20% |
| A Supplier that is not a Social Benefit Supplier but demonstrates that they are engaging Social Benefit Suppliers in their supply chain | 5 to 10/10 | |
| Not a Social Benefit Supplier and not engaging Social Benefit Suppliers in their supply chain | 0/10 | |

Drafting of specifications

When drafting specifications, the author should consider whether the goods or services sought can be delivered by a Social Benefit Supplier or whether a commercial supplier could engage members from a disadvantaged group.

If drafting of the specification is outsourced to a consultant, this should be conveyed to the consultant for consideration/inclusion in the specification.

Guideline review

This guideline will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|--|---|
| Council | Maintains awareness of organisational guidelines where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Approval authority for setting this guideline and for all material changes to this guideline, on advice from the GE. Able to approve non-material changes. CEO will consult with Councillors where the guideline applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this guideline and any proposed material changes to the guideline, as appropriate. |

Social Benefit Procurement| Guidelines

| | |
|--|--|
| | Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities. |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

Refer to any related Council policies, including the Procurement Policy and Contract Manual, for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation.

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Social Benefit Procurement | Guideline

Appendix

| Guideline information | | |
|--------------------------|--|--|
| Title | Social Benefit Procurement Guideline | |
| Purpose | Social benefit procurement uses procurement processes and purchasing power to generate positive social and economic outcomes in addition to the efficient delivery of goods, services and works. Council recognises the value of engaging in social procurement. | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | Goal Pathway Service Output | Strong Community / Resilient economy / Outstanding Organisation An inclusive community, with opportunities for everyone. High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | CEO has authority to approve material changes on advice of the Group Executive (GE). Relevant GE has authority to approve non-material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">• <i>Public Sector Ethics Act 1994</i> (Qld)• <i>Local Government Act 2009</i> (Qld)• <i>Local Government Regulation 2012</i> (Qld)• <i>Human Rights Act 2019</i> (Qld) | |
| Policy | <ul style="list-style-type: none">• 2024/25 Procurement Policy• 2024/25 Contact Manual• 2024/25 Contracting Plan other guidelines for that policy | |

Social Benefit Procurement | Guideline

| | |
|-----------------------|---|
| | <ul style="list-style-type: none">Sunshine Coast Council Corporate Plan 2024-2028Sunshine Coast Council Community Strategy 2019-2041Regional Economic Development Strategy 2013-2033 (REDS) |
| Operational documents | |

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

First Nations Procurement | Guidelines

| First Nations Procurement Guideline | | |
|-------------------------------------|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

Council recognises the inherent benefits in contracting with First Nations suppliers or supply chains for the provision of goods and services.

Guideline scope

Council’s Corporate Plan 2024-2028 provides the goal that “Our communities are connected and thriving places where people are included, treated with respect and opportunities are available for all”.

The Sunshine Coast Community Strategy 2019-2041 identifies that we are committed to reconciliation and social and economic opportunities for the Aboriginal and Torres Strait Islander community as demonstrated through our Reconciliation Action Plan.

Council’s Reconciliation Action Plan 2021-2022 (RAP) commits to work in partnership with the Traditional Custodians and the broader First Nations (Aboriginal and Torres Strait Islander) community to support self-determination through economic and community development. In addition, the RAP commits to increase First Nations supplier diversity to support improved economic and social outcomes.

Further, the Regional Economic Development Strategy 2013-2033 seeks to ensure the region realises its full potential – with a confident future and as an active participant in the global economy which will afford greater stability to the regional economy in terms of a broader industry and investment base.

Council recognises the inherent benefits in contracting with First Nations suppliers or supply chains for the provision of goods and services.

The purpose of this First Nations (Aboriginal and Torres Strait Islander) Procurement Guideline (“First Nations Procurement Guideline”) is to outline Council’s framework to increase procurement from First Nations suppliers and supply chains.

Guideline

This guideline applies to any Contracting Activities for the provision of goods and services undertaken by Council. Applying this guideline will:

- Develop a competitive First Nations business and industry both locally and regionally;

First Nations Procurement | Guidelines

- Create new business and commercial opportunities for First Nations suppliers, and supporting the existing First Nations business and commercial base;
- Maintain the existing First Nations local employment base while creating new local employment opportunities;
- Support First Nations supply chains by incentivising all Council suppliers to sub-contract with, or procure goods and services from, First Nations suppliers; and
- Diversify economic growth contributing to community prosperity.

Application to Procurement Processes

Council will incentivise the development of a competitive First Nations business and industry by facilitating a preference for First Nations businesses and supply chains in its Contracting Activities.

The preference for First Nations business and industry engagement to be applied to Contracting Activities is as follows:

1. Conducting a restricted procurement process where capable First Nations businesses have been identified; or
2. Identifying Contracting Activities where the Contract will require a supplier to reach a specific target relating to the employment and/or training of local First Nations people in the delivery of the services under the Contract; or
3. Inviting and assessing Tenders and Quotes from suppliers as set out in the Table 1 below.

Table 1:

| Contract Value | Procurement process | First Nations Businesses to be invited |
|----------------------|---|--|
| \$0 - \$50,000 | One quote required | If a First Nations Supplier with a local presence is identified through the Black Business Finder (or other approved registers that identify First Nations Businesses) who provide the goods or services required then they must be invited to Quote. |
| \$50,000 - \$500,000 | Request for Quote processes for inviting three quotes | If any First Nations Businesses is able to be identified through the Black Business Finder (or other approved registers that identify First Nations Businesses) who provide the goods or services required then they must be invited to Quote. Evaluation criterion for First Nations business contracting will receive a weighting up to 20% |
| \$500,000 and above | Public Tender | Evaluation criterion for First Nations business contracting will receive a weighting up to 20% |

First Nations Procurement | Guidelines

Social and Economic Factors Criteria (includes Contribution to Local Economy)

Council's Social and Economic Factors evaluation criteria has an evaluation weighting of 20% as set out in Council's Contract Manual. The Social and Economic Factors evaluation criteria comprises of the following three components:

- Contribution to the Local Economy (Local Preference in Procurement Guideline),
- Social Benefit Engagement (Social Benefit Procurement Guideline), and/or
- First Nations Engagement (this Guideline).

For any open Procurement Process such as a Public Tender the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a weighting no less than 20%, unless an exception to this is approved.

For any Request for Quote process, the incorporation of Social and Economic Factors will depend on whether there is Genuine Reason not to follow any of the three guidelines for Social and Economic Factors. Where there is not a Genuine Reason, then the Evaluation Criteria must include a criterion for the Social and Economic Factors which must receive a combined total weighting of no less than 20%.

Forming Supplier Arrangements

Council creates Supplier Arrangements by conducting a Public Tender.

When conducting a Public Tender to create a Supplier Arrangement, Council will, at a minimum, consider the Social and Economic Factors including the evaluation criterion for First Nations engagement in contracting. Council may, in appropriate circumstances, consider and apply other strategies in those Tenders to support or drive greater First Nations engagement.

Tender and Request for Quote - Evaluation of contracting opportunities

When Council undertakes a Contracting Activity where responses are to be evaluated against pre-determined evaluation criteria then the evaluation criterion of First Nations engagement in contracting must be included and evaluated.

The criterion will be evaluated having regard to the business of the Respondent and the Respondent's explanation of the contribution to First Nations engagement in contracting. When considering that contribution the following must be evaluated:

- Whether the Supplier is a First Nations Business;
- Whether the Supplier's First Nations people employment rate exceeds 25%;
- Whether the Supplier is engaging in its supply chain, a First Nations Business.

Evaluation of each submission will consider the above information and scoring will be applied as follows:

| Evaluation information | Scoring: | Overall weighting |
|------------------------|----------|-------------------|
|------------------------|----------|-------------------|

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| | | |
|---|------------|-----------|
| Supplier that is a First Nations Business | 10/10 | up to 20% |
| Supplier that is not a First Nations Business that demonstrates that they are engaging First Nations Business/es in their supply chain, employ more than 25% First Nations people or can demonstrate and commit to the employment of at least one additional First Nations person in the delivery of the contract | 5 to 10/10 | |
| Non-First Nations Business that is not engaging First Nations Business in their supply chain | 0/10 | |

Genuine reason not to follow this guideline

Council acknowledges there will be occasions when the requirements of this guideline cannot be followed, either because it is not possible to comply due to the nature of the procurement, or it is not in the best interests for achieving the most advantageous outcome.

A genuine reason not to comply with the guideline will exist where there is a First Nations Business availability, but because of the size, complexity or timing of the goods and/or services required, it is not in the interests of achieving the most advantageous outcome to invite the First Nations Business/es.

Where there is a genuine reason that the requirements of this guideline cannot be met then certain Council Officers may approve a departure from it.

A Council Officer at the level of Co-ordinator (L4 or equivalent position) may approve departure from this guideline when a genuine reason exists and the contract value is within that Council Officer's delegated authority for creating the contract. All other departures from this guideline must be approved by a Manager (L3).

Guideline review

This guideline will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|--|---|
| Council | Maintains awareness of organisational guidelines where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Approval authority for setting this guideline and for all material changes to this guideline, on advice from the GE. Able to approve non-material changes. CEO will consult with Councillors where the guideline applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this guideline and any proposed material changes to the guideline, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |

First Nations Procurement | Guidelines

| | |
|--|--|
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

Refer to any related Council policies, including the Procurement Policy and Contract Manual, for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation. The definitions applicable to this guideline are:

| Term | Definition |
|-------------------------------|---|
| First Nations Business | means a supplier or respondent who: <ol style="list-style-type: none"> 1. is majority owned by Aboriginal or Torres Strait Islander people; 2. is 50% owned by Aboriginal or Torres Strait Islander people; 3. is a non-First Nations business that employs at least 75% of Aboriginal or Torres Strait Islander workers; 4. is an equal Joint Venture agreement with a majority owned Aboriginal or Torres Strait Islander business entity; or 5. is registered as a First Nations Business with the Black Business Finder or with Supply Nation. |

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First Nations Procurement | Guideline

Appendix

| Guideline information | | |
|--------------------------|---|---|
| Title | First Nations Procurement Guideline | |
| Purpose | Council recognises the inherent benefits in contracting with First Nations suppliers or supply chains for the provision of goods and services. | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | <div>Goal Pathway</div> <div>Service Output</div> | <div>Strong Community / Resilient economy / Outstanding Organisation</div> <div>An inclusive community, with opportunities for everyone.</div> <div>High value economy of choice drives business performance, investment and enduring employment.</div> <div>Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council.</div> <div>Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions.</div> |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | CEO has authority to approve material changes on advice of the Group Executive (GE). Relevant GE has authority to approve non-material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">Public Sector Ethics Act 1994 (Qld)Local Government Act 2009 (Qld)Local Government Regulation 2012 (Qld)Human Rights Act 2019 (Qld) | |
| Policy | <ul style="list-style-type: none">2024/25 Procurement Policy2024/25 Contact Manual2024/25 Contracting Plan other guidelines for that policySunshine Coast Council Corporate Plan 2024-2028Regional Economic Development Strategy 2013-2033 (REDS)Sunshine Coast Council Community Strategy 2019-2041Sunshine Coast Council Reconciliation Action Plan 2021-2022 | |

First Nations Procurement | Guideline

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| Operational documents | |
|-----------------------|--|

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

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Innovation and Market-Led Engagement | Guidelines

| Innovation and Market-Led Engagement Guideline | | |
|--|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

The purpose of this guideline is to outline a framework for Council to:

- identify, invite, and consider Submissions from suppliers offering innovative or unique approaches to delivering goods, services, or works (Innovation Contract); and
- receive and consider Market-Led Proposals (MLP's).

Guideline scope

Council is committed to the Sunshine Coast being a prosperous, and high-value economy of choice for business, investment, and employment. This is underpinned by an appreciation for, and strong commitment to, innovation. Council is committed to the Sunshine Coast being a regional hub for innovation, entrepreneurship, and creativity.

The Regional Economic Development Strategy 2013-2033 seeks to ensure the region realises its full potential, with a confident future as an active participant in the global economy which will afford greater stability to the regional economy in terms of a broader industry and investment base.

Council is also one of the largest contributors to the economy of the Sunshine Coast through its annual budget, which expends upwards of \$300 million per annum in contracting for goods and services, with the majority of that being expended with local suppliers.

Council realises, however, that it cannot achieve its vision for the Sunshine Coast alone and that the private sector can contribute to the delivery of goods, services, and infrastructure across the Sunshine Coast.

Guideline

This guideline *may* apply to:

- Innovation proposal - certain Contracting Activities for the provision of goods, services, or works to be undertaken by Council, and any other existing service provided by Council that may be improved through some innovation; and
- Market-Led Proposals involving some form of contracting by Council for provision of goods or services, including works or disposal of Valuable Non-Current Assets (VNCA) (under certain defined circumstances - not land).

Innovation and Market-Led Engagement | Guidelines

Innovation Proposal

Council's strong commitment to innovation is imbedded within the Corporate Plan. Council also appreciates that opportunities to innovate are not without some challenges. Often great ideas and innovative opportunities need to be tested, developed, incubated and matured. Additionally, entities seeking to receive the benefit of an innovative opportunity (from a supplier) need to ensure the legitimacy and capability of the goods or services.

Council also recognises that, in some instances, mainstream procurement frameworks can restrict, and be counter-productive to, the introduction and realisation of innovative solutions. This tension can lead to the loss of otherwise viable opportunities.

A structured solution to the tension between mainstream procurement and realising innovation is to identify circumstances when the procurement will depart from that mainstream framework in pursuit of an innovative solution. Any departures or alternative processes will require governance mechanisms that adequately manage the risk associated with the solution.

Application to Contracting Activities

Council may depart from the Activities outlined in the Procurement Policy when it seeks to establish an Innovation Contract, but only in accordance with this Guideline.

An Innovation Contract may be considered by Council if it meets the following characteristics:

- the Innovation Contract will introduce a potential innovation that provides a cost, time, service improvement or advantage to Council or the Community; and
- the innovation sought is (in the opinion of Council) either:
 - only reasonably available to Council from a single external entity; or
 - a solution which
 - is from a market or provider with limited depth, capability or maturity; and
 - requires some level of further testing, development, verification, support or the like prior to adoption with any degree of permanency
- the Innovation Contract is valued at no more than \$250,000 (Exclusive of GST); and
- the Innovation Contract is for a term of no longer than 12 months.

Establishing the basis for an Innovation Contract

A Council Officer who believes a potential innovation may be realised from an Innovation Contract should:

- seek assistance from a Procurement Specialist or other appointed Council Officer from the Business and Innovation Branch;
- ensure appropriate budget exists for the Innovation Contract being pursued; and
- prepare an Innovation Contract Report.

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Innovation Contract Report

Prior to establishing an Innovation Contract, a report (Innovation Contract Report) must be produced for the consideration of an Evaluation Panel. The Council Officer proposing the Innovation Contract must prepare an Innovation Contract Report which identifies the following:

- comprehensive details of the proposed Innovation Contract, including the total anticipated cost and term of the Innovation Contract;
- the anticipated outcomes from the Innovation Contract, including the time, cost, service improvement or advantage to Council or the Community that may be realised from the Innovation Contract;
- a plan of how those outcomes will be measured and reported;
- any alternative ways of achieving the outcomes, and why the alternative ways were not adopted;
- a risk assessment of the Innovation Contract and the market from which the goods or services are to be obtained; and
- a Procurement Plan outlining the procurement strategy to be employed to establish the Innovation Contract that ensures appropriate regard for the Sound Contracting Principles.

For clarity, it is acknowledged that the Procurement Plan may propose a procurement route that is not consistent with the Procurement Policy. Innovation Contract Reports should be supported by the Branch Manager and submitted to the Manager of Business and Innovation who will establish an Evaluation Panel to evaluate the report. The Evaluation Panel will consider the report and make a recommendation to the Manager of Business and Innovation. The Manager of Business and Innovation may provide the report and recommendation to the Group Executive from the Group where the report was generated, for consideration.

That Group Executive may approve, reject or require further information about the proposed Innovation Contract.

Managing an Innovation Contract

When an Innovation Contract has been approved, the Contract should be managed in a manner consistent with contemporary contract management as outlined in the Contracting Manual. During the life of the Contract, the following matters should be considered:

- cost;
- risk; and
- ongoing assessment of the outcomes derived from the Innovation Contract, service improvement or advantage to Council or the Community.

Innovation Contract Finalisation Report

At the conclusion of an Innovation Contract, the Contract Administrator is required to produce a report (Innovation Contract Finalisation Report) for the consideration of the approving Group Executive and the Procurement Contracts Committee, outlining the following:

- the outcomes from the Innovation Contract, including the time, cost, service improvement or advantage to Council or the Community;

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- total cost and term of the Innovation Contract;
- a critical assessment of the Innovation Contract, including whether it:
 - met Council's objectives for the Innovation Contract;
 - provided the intended benefit to Council or the Community; and
 - represented value for money;
- a recommendation as to whether the Innovation Contract should be considered for renewal or further investigation by Council.

The Innovation Contract Report should be an annexure to the Innovation Contract Finalisation Report.

Market-Led Proposal (MLP)

MLP's provide an opportunity for Council to engage with the private sector in a manner that allows both Council and the private sector to collaboratively take part in the delivery of goods, services, and infrastructure to address the needs of the Sunshine Coast Community.

A MLP could be for:

- a commercial activity, involving some contribution from Council;
 - the acquisition of, or access to, Council assets, including land or other assets, information or partnerships;
- (Note: where a MLP involves disposal of Council land, Council must ensure compliance with the provisions of the *Local Government Regulation 2012* regarding Contracts for the disposal of land and the Procurement Policy regarding Disposal Processes);
- development of public or open access infrastructure on the Sunshine Coast; or
 - delivery of services to, or on behalf of, Council.

A successful MLP may result in Council departing from the primary procurement route for conducting a Contracting Activity provided in the Procurement Policy to Contract directly with a proponent.

To justify this direct sourcing, the proposal must meet stringent criteria, outlined under 'Criteria for assessment' section of this guideline.

Criteria for assessment

A successful MLP must satisfy the following assessment criteria:

1. Council policy, priority and community need
The proposal must satisfy a community need and align with Council policies, strategies and priorities.
2. Justification for direct negotiation
The proposal must demonstrate that the public interest is best served by Council negotiating directly with a proponent, rather than by engaging in a competitive process.
3. Sound Contracting Principles
The proposal must be consistent with the Sound Contract Principles, including demonstration that the proposal represents value-for-money for Council.

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4. Capacity and capability of the proponent
A proponent must demonstrate that it has the financial and technical capacity, capability, and experience to deliver the outcome successfully.
5. Risk and cost allocation
The proposal must include the proposed allocation of costs and risks between the proponent and Council.
6. Feasibility of the proposal
The proposal must be technically, commercially and practically feasible.

Submission and assessment of Market-Led Proposals

The process for assessing MLPs is staged so that proponents can align their effort with the level of Council interest and commitment. An assessment is completed by Council at each stage and proposals only move forward at the recommendation of Council.

There are four steps in the assessment process:

- Preliminary assessment
- Stage 1: Initial Proposal
- Stage 2: Detailed Proposal
- Stage 3: Final Binding Offer.

An Evaluation Panel of relevant senior Council Officers will be established when any proposal is received. The Evaluation Panel will determine whether or not a proponent will be invited to submit a proposal for Stage 1: Initial Proposal.

Preliminary assessment

The preliminary assessment stage enables Council to provide high-level feedback to proponents about the likely alignment of the MLP with criteria prior to proponents committing considerable resources to a formal Submission.

The MLP preliminary assessment template sets out the initial information a proponent should provide to Council. Key requirements include a clear articulation of the proposal, what is sought from Council and the expected outcomes.

Possible outcomes

The Evaluation Panel may decide that the proposal:

- may meet the MLP criteria, in which case the proponent may be invited to submit the proposal for consideration in Stage 1: Initial Proposal;

(Note: An invitation by Council to submit a Stage 1 proposal does not give any inference or indication that Council will accept the proposal, it simply indicates that the Evaluation Panel considers the concept somewhat aligns with the MLP criteria and would like to consider the concept further)

- is unlikely to meet the MLP criteria in its present form;

(Note: Feedback will be provided to the proponent to help them decide whether the

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proposal could be amended to better align with the MLP criteria)

- is unlikely to meet the MLP criteria but is considered to have merit and so the concept may be further developed by Council; or
- should proceed via a competitive Procurement Process.

Preliminary Assessment responsibilities

The proponent will:

- submit their idea to Council, using the MLP preliminary assessment template to inform the discussion; and
- respond to requests for further information, as requested by the Evaluation Panel. The information requested will depend on the size and complexity of the proposal. The Evaluation Panel will:
 - promptly acknowledge receipt of the proposal;
 - undertake a preliminary assessment of the proposal; and
 - provide feedback to the proponent

Stage 1:

Initial Proposal

During Stage 1: Initial Proposal, the proponent will expand on the information provided in the preliminary assessment and, in particular, address in more detail the following criteria:

- Council policy, priority and community need;
- justification for direct negotiation;
- value for money; and
- capacity and capability of the proponent.

An Evaluation Panel will be established to review the Initial Proposal against these criteria to determine whether the Initial Proposal aligns with these criteria.

The Evaluation Panel will also consider:

- whether any other proposal addressing the same need, or proposing a similar outcome, is under active consideration by Council; and
- if the proposal is a genuine and feasible commercial proposition requiring the support of Council and is unsuited to existing funding mechanisms.

Possible outcomes

The Evaluation Panel may decide, upon review of the Stage 1: Initial Proposal, that:

- the proposal meets the MLP criteria in principle and the proponent may be invited to progress to Stage 2: Detailed Proposal;

(Note: An invitation by Council to submit a Stage 2 proposal to Council does not give any

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inference or indication that Council will accept the proposal, it simply demonstrates that Council considers the proposal to meet the MLP criteria in principle and have an interest in the concept)

- the proposal is not suitable to progress to Stage 2: Detailed Proposal, but has merit and so the concept may be further developed by Council; or
- the proposal is not suitable for further consideration.

Responsibilities

The proponent will:

- provide a formal Submission to Council; and
- provide additional information, participate in meetings or workshops and respond to any requests for clarification as requested by Council to assist in the assessment of the proposal.

The Evaluation Panel will:

- undertake a formal assessment of the proposal against the MLP criteria;
- request further information from the proponent, if necessary;
- maintain regular contact with the proponent; and
- advise the proponent about Council's decision and provide a written summary of assessment findings

Proponents can discuss the findings with the Evaluation Panel (or a representative of the Evaluation Panel appointed to discuss the findings with the proponent on the Evaluation Panel's behalf).

Stage 2:

Detailed Proposal

At the detailed proposal stage, a proponent is required to comprehensively demonstrate how the proposal satisfies all of the MLP criteria, namely:

- Council policy, priority and community need;
- justification for direct negotiation;
- value for money;
- capacity and capability of the proponent;
- risk and cost allocation; and
- feasibility of the proposal.

The Evaluation Panel will consider the Detailed Proposal against these criteria.

The Evaluation Panel will also consider whether:

- any other proposal addressing the same need, or proposing a similar outcome, is under

Innovation and Market-Led Engagement | Guidelines

active consideration by Council; and

- the proposal is a genuine commercial proposition requiring the support of Council and is unsuited to existing funding mechanisms.

The output of this stage is a comprehensive final proposal, the content of which is similar to a detailed business case or a detailed bid in a competitive process. The detailed proposal will inform Council's decision as to whether it will enter into a final binding offer for progression and delivery of the proposal (Stage 3).

Unless otherwise agreed between the parties it is expected that the proponent will:

- bear all their own risks and costs of preparing, lodging, developing, and negotiating the proposal; and
- meet Council's reasonable costs in Stages 2 and 3.

All or part of the activities in Stage 3: Final Binding Offer may be run concurrently with Stage 2: Detailed Proposal. If this occurs it does not necessarily represent any commitment on the part of Council that Council has decided the proposal will progress to Stage 3.

Possible outcomes

The Evaluation Panel may decide that:

- the proponent is invited to progress to Stage 3 subject to any specific terms being agreed with Council;
(Note: An invitation by Council to progress to Stage 3 indicates that Council is considering entering into a Contract with the proponent but it does not infer or imply any obligation on the part of Council to actually enter into the Contract)
- the proposal is not suitable to progress to Stage 3 but has merit and so the concept may be further developed by Council; or
- the proposal is not suitable for further consideration.

Responsibilities

The proponent will:

- enter into a process deed with Council, which will guide the proponent's engagement with Council;
- provide information to enable a determination as to whether or not the proposal meets the assessment criteria;
- where requested by Council, provide additional information and participate in meetings or workshops; and
- assist in Council's assessment of the proposal.

The Evaluation Panel will:

- assess the detailed proposal and provide recommendations to Council about it;
- undertake an interactive process to facilitate the proponent's development of a detailed

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proposal;

- undertake a formal assessment of the detailed proposal against each of the assessment criteria;
- request further information from the proponent, where necessary; and
- advise the proponent about Council's decision and provide a written summary of assessment findings.

Proponents can discuss the findings with the Evaluation Panel (or a representative of the Evaluation Panel appointed to discuss the findings with the proponent on the Evaluation Panel's behalf).

Stage 3:

Final Binding Offer

The final binding offer stage involves the preparation by the proponent of a final binding offer which may be accepted or rejected by Council.

If the offer is accepted, this stage will involve the negotiation of a Contract between Council and the proponent for delivery of a project. Council's Evaluation Panel will negotiate with the proponent and prepare a Contract for consideration by the CEO and/or Council.

Possible outcomes

The Evaluation Panel may decide to recommend to the Business and Innovation Manager that:

- Council accept the terms contained in the final binding offer and approve that a Contract be entered into with the proponent on this basis; or
- Council accept the final binding offer subject to specific conditions; or
- Council does not accept the final binding offer, but that the proposal has merit and Council should seek to further develop the concept; or
- Council does not accept the final binding offer and conclude the MLP assessment process without entering into a Contract.

The Business and Innovation Manager may provide the Evaluation Panel's assessment and recommendations to the CEO for approval. The CEO may decide to adopt the Evaluation Panel's recommendations, and Council may enter into a Contract with the proponent as a result.

Responsibilities

The proponent will:

- participate in the negotiation process; and
- submit a final binding offer to Council.

Council will:

- advise the proponent of the processes, protocols, and elements for negotiation and agreement through Stage 3, and keep the proponent apprised of contract management and implementation materials developed through this stage; and

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- develop contract management arrangements setting out how to monitor implementation and operational stages of the project and ensure contracted outcomes are achieved.

The Evaluation Panel will:

- undertake a comprehensive assessment of the contractual documentation included in the final binding offer submitted by the proponent; and
- decide whether or not to recommend that Council accept the proponent's final binding offer and communicate its decision to the proponent.

Guideline review

This guideline will be reviewed annually.

Roles and responsibilities

| Role | Responsibility |
|---------------------------------------|--|
| Council | Maintains awareness of organisational guidelines where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Approval authority for setting this guideline and for all material changes to this guideline, on advice from the GE. Able to approve non-material changes. CEO will consult with Councillors where the guideline applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this guideline and any proposed material changes to the guideline, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Innovation and Market-Led Engagement | Guidelines

Definitions

Refer to any related Council policies, including the Procurement Policy and Contract Manual, for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation.

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Innovation and Market-Led Engagement | Guideline

Appendix

| Guideline information | | |
|--------------------------|--|--|
| Title | Innovation and Market-Led Engagement Guideline | |
| Purpose | The purpose of this guideline is to outline a framework for Council to: <ul style="list-style-type: none">• identify, invite, and consider Submissions from suppliers offering innovative or unique approaches to delivering goods, services, or works (Innovation Contract); and• receive and consider Market-Led Proposals (MLP's). | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | <div>Goal Pathway</div> <div>Service Output</div> | Strong Community / Resilient economy / Outstanding Organisation An inclusive community, with opportunities for everyone. High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | CEO has authority to approve material changes on advice of the Group Executive (GE). Relevant GE has authority to approve non-material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">• <i>Public Sector Ethics Act 1994</i> (Qld)• <i>Local Government Act 2009</i> (Qld)• <i>Local Government Regulation 2012</i> (Qld) | |
| Policy | <ul style="list-style-type: none">• 2024/25 Procurement Policy• 2024/25 Contact Manual• 2024/25 Contracting Plan other guidelines for that policy• Sunshine Coast Council Corporate Plan 2024-2028 | |

Innovation and Market-Led Engagement | Guideline

| | |
|-----------------------|---|
| | <ul style="list-style-type: none">Regional Economic Development Strategy 2013-2033 (REDS) |
| Operational documents | |

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

Environment and Sustainability in Procurement | Guidelines

| Environment and Sustainability in Procurement Guideline | | |
|---|--------------------|-------------------------|
| DRAFT | Approved by CEO: | <OCEO INSERT signature> |
| | | <OCEO INSERT date> |
| | Considered by ELT: | <INSERT date> |

Guideline purpose

The purpose of this Guideline is to outline Council’s framework for and approach to conducting Contracting Activities in an environmentally considerate and sustainable manner, with the goal of reducing Council’s Scope 3 – indirect GHG emissions.

Guideline scope

The Corporate Plan 2024-2028 recognises Council’s vision is to be Australia’s most sustainable region: Healthy. Smart. Creative.

The Environment and Liveability Strategy 2023 provides the overarching direction to guide growth and deliver a healthy environment and liveable Sunshine Coast. A key direction in the *Environment and Liveability Strategy 2023* is to embed sustainable practices into Council’s own business and decision making.

A target in the strategy commits Council to being a zero emissions organisation (and low carbon community) by 2041.

Council’s Organisational Zero-net Emissions Plan 2022 (ZNE), supported by science-based research, confirms that Council’s Contracting Activities (which form part of Scope 3 emissions – indirect GHG emissions) account for approximately 20% of Council’s overall GHG emissions in 2020/21.

In response, the ZNE Plan identifies a priority to incorporate sustainable procurement and circular economy principles into Council’s supply chain and Contracting Activities.

Guideline

The following parts of this Guideline outline the processes and activities that will be applied to Council’s Contracting Activities in order to achieve being a zero net emissions organisation by 2041. This Guideline provides guidance on how to consider sustainability in the different stages of the procurement process, from identifying the business need to the end of the contract, including review and reporting.

Sustainability in Procurement

Council identifies Sustainability in Procurement critical to achieving its zero net emissions target. While sustainability comes in a variety of forms, Council officers should consider sustainability factors including:

Environment and Sustainability in Procurement | Guidelines

- a) the environmental and sustainability benefits and impacts for the whole lifecycle of products and services including manufacture, supply, use, maintenance and disposal;
- b) procurement of environmentally responsible goods, services and assets;
- c) goods and services that minimise resources and have reduced environmental impacts throughout their lifecycle, including:
 - reduced toxicity;
 - reduced packaging;
 - minimising waste to landfill;
 - greater energy efficiency and/or reduced carbon emissions,
 - greater water efficiency and/or reduced water use;
- d) use of products made from recycled materials, recycled green organics and/or recycled plastic products;
- e) use of pre-owned, hired or shared resources;
- f) provide an example to business, industry and the community in promoting the use of environmentally responsible goods and services; and
- g) pursuing, leading and building a circular economy.

Environment and Sustainability in Procurement | Guidelines

Circular Economy

Council is committed to building a circular economy, aiming to reduce social, environmental and economic impacts of purchased goods and services throughout their life. This includes consideration of waste disposal, cost of operation and maintenance over the life of the goods and services.

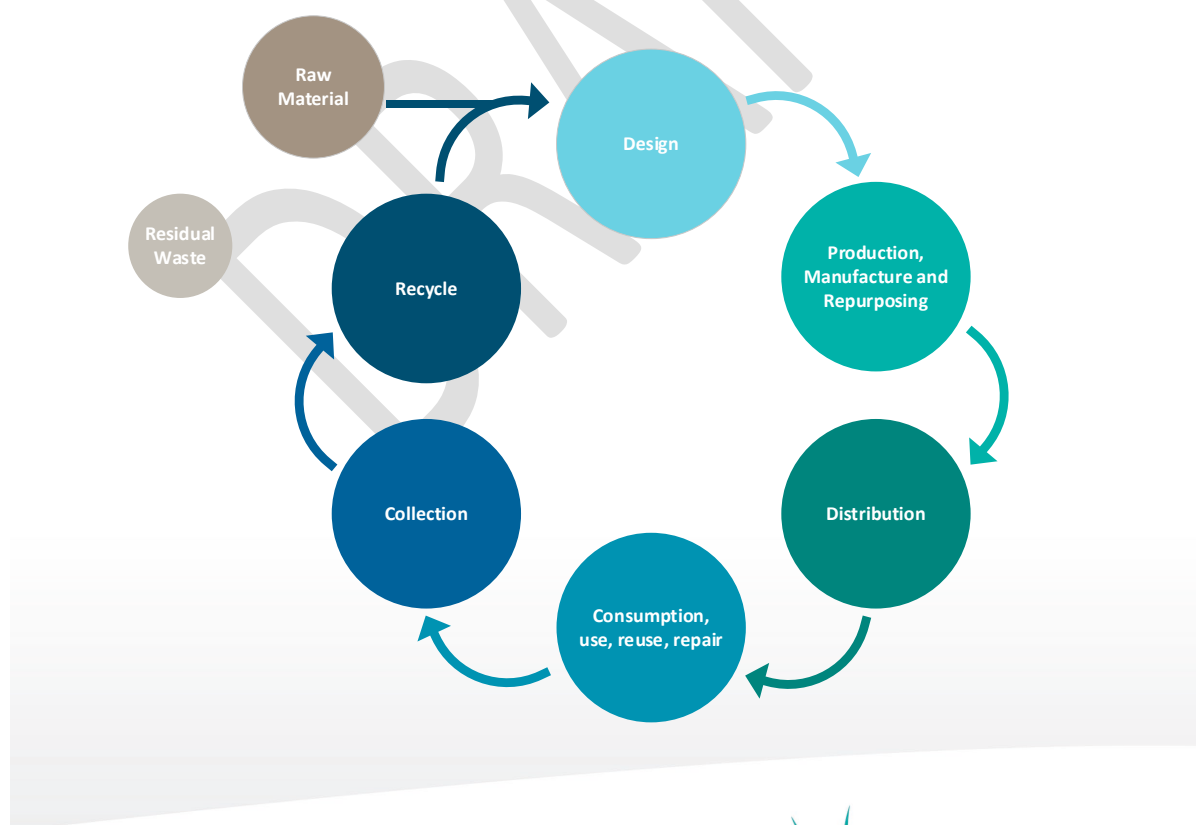
Benefits of a circular economy:

- Effective use of resources
- Increasing market opportunities for local business
- New jobs and skills capacity in local communities

Council has an opportunity to lead by example with its purchasing power and preference to purchase goods with recycled content where feasible.

Consideration of these benefits is required when making procurement decisions in line with our obligation to spend public money efficiently, effectively, economically and ethically.

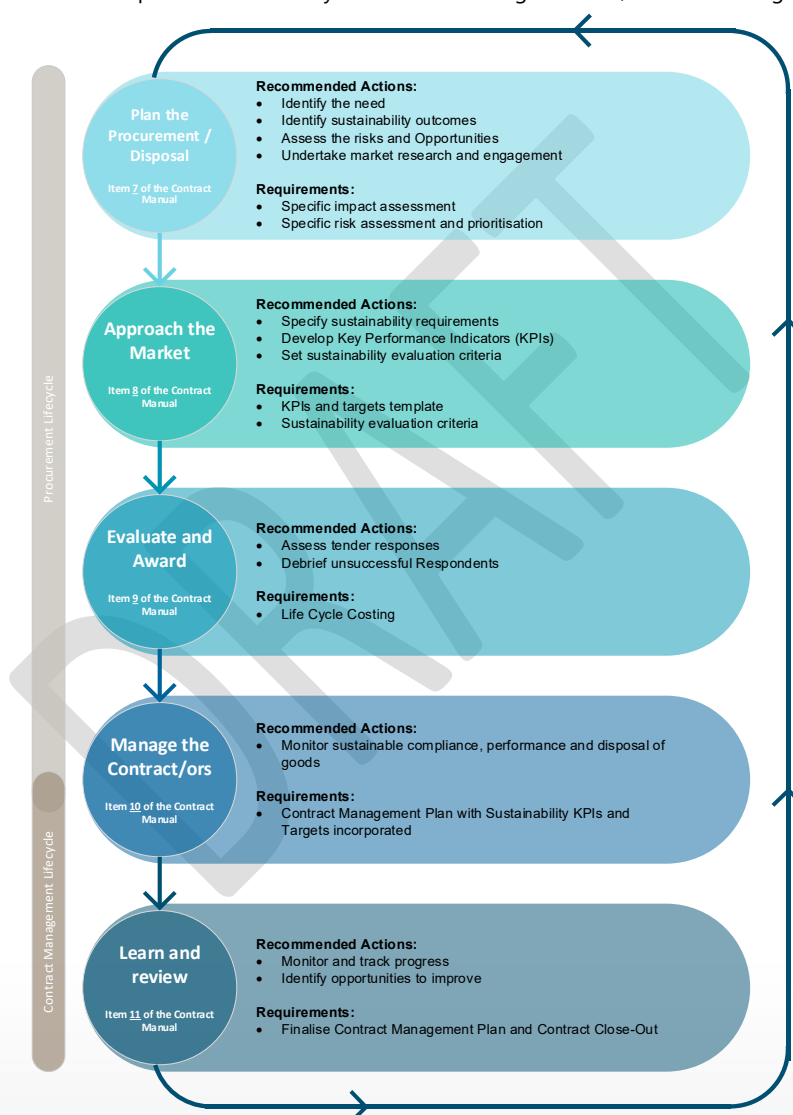
This will see most goods and services being continually used, reused, recycled and reprocessed as part of a circular economy (refer below diagram).



Environment and Sustainability in Procurement | Guidelines

Application to Planning Procurement and Disposal Activities

Council will incorporate sustainability into its Contracting Activities, in the following manner:



Environment and Sustainability in Procurement | Guidelines

1. Plan the Procurement / Disposal

1.1 Identify the need for the goods or services

Council can avoid and reduce waste by carefully considering the business need for the good or service. By employing demand management strategies, Council will avoid excess consumption and reduce unnecessary purchasing costs. Strategies to achieve this include identifying:

- alternatives to buying new including reusing, hiring or sharing goods or services; and
- functional and performance requirements at strategic and operational levels.

1.2 Identify and prioritise the sustainability outcomes

After confirming the need for the good or service, determine and prioritise sustainability outcomes. Council officers then need to identify approaches to realise these outcomes.

This could include considering:

- the environmental impact of the materials used;
- Material sourced from a verified recyclable resource; and
- Substitute material with a lower environmental impact.

1.3 Conduct a risk assessment and identify opportunities

Council Officers should use Council's risk framework and templates to conduct a risk assessment for the procurement, identifying sustainability risks.

The table below helps identify risks when procuring recycled content. The questions may be adapted to suit other Sustainability outcomes.

| Element | Key Questions to identify sustainability risk | Supporting Questions to identify sustainability risk |
|-------------------------|---|---|
| Organisational Need | Assess the need for the product, good(s), service or infrastructure. Can we avoid or reduce consumption? What alternatives exist to purchasing? e.g. reuse, recycle or hire | Are there other specific targets, objectives or policies that need to be met? Do we really need this? What other options are there? What specifications are required to improve sustainability outcomes? |
| Sustainability Outcomes | What is the scope for improvement ie to increase the tonnage/percentage of recycled material in this project? | What are the major components in the purchase that could involve using recycled content? |

Environment and Sustainability in Procurement | Guidelines

| | | |
|-----------------|---|---|
| | <p>What are the cost benefits of introducing higher requirements for recycled content in this procurement?</p> <p>What are the potential environment and sustainability impacts related to this good or service? e.g. Use of fossil fuels, energy efficiency, waste, transport, are non-renewable resources required?</p> <p>Are there products that have lesser environment and sustainability impacts?</p> <p>How should Council consider the sustainability credentials of the supplier's business operations?</p> | <p>What are possible mitigations to reduce the impact of any sustainability risks?</p> <p>Are there any reputational benefits of using recycled material?</p> <p>Where is the raw material being sourced, e.g. reclaimed timber, compost material or recycled plastic?</p> <p>What is the level of recyclable-content material?</p> <p>How far has it travelled e.g. local, national, or international?</p> <p>Are there environmental impacts with the item's manufacturing?</p> <p>Does it have any environmental or sustainability impacts during use?</p> <p>How will the item be disposed when it reaches the end of its life?</p> |
| Market Analysis | <p>Are products containing recycled material available on the market?</p> <p>Does the market have capacity to respond?</p> <p>Can the supplier manage the risk or opportunity?</p> <p>Are there alternatives that might offer reduced environment and sustainability impacts?</p> <p>Are there emerging alternatives? Eg new technology</p> <p>Is there capacity to specify environmental and sustainability requirements as either minimum (preferable) or desirable requirements?</p> | <p>Are there available products or materials using recycled content on the local, state or national market?</p> <p>Could Council encourage innovation around new products or services containing recycled content? And/or to build a local market?</p> <p>What emerging technologies or innovative approaches are available?</p> <p>Are the procurement specifications for environmental and sustainability considerations clearly outlined?</p> <p>Request detailed information about the manufacture, use, and disposal of the good(s)/service/infrastructure?</p> |
| Cost Analysis | <p>What are the financial impacts from these sustainable impacts?</p> | <p>Is there a financially sound (within budget) solution/product/service available on the market that can be used?</p> |

Environment and Sustainability in Procurement | Guidelines

| | | |
|--|--|---|
| | <p>Will it be cost-efficient to increase recycled content in the procurement?</p> <p>How will the environment and sustainability cost aspects be assessed?</p> <p>Which tool should be used when evaluating and comparing the whole-of-life costing?</p> | <p>How are the environment and sustainability cost aspects being addressed?</p> <p>Have the whole-of-life cost considerations been factored in during the final decision?</p> <p>Has the supplier provided evidence of their environment and sustainability management practices?</p> |
|--|--|---|

1.4 Undertake market research and engagement

Market research is undertaken to identify the available market for the goods or services being sought. This can include identifying alternative approaches for goods or services that could reduce sustainability impacts. Factors to consider include:

- eco-labelling;
- sustainability certification;
- membership of product stewardship schemes;
- the potential of emerging technologies;
- goods that are under development to meet the procurement need and deliver improved environmental outcomes.

1.5 Engage with the market

Market engagement should be conducted and, where appropriate, in collaboration with a Procurement Specialist. Information Sessions and Supplier Briefings can identify Prospective Respondents and provide the market with a greater opportunity to identify sustainable solutions.

2 Approach the Market

Once the sustainability requirements for your procurement have been identified, the specific sustainability requirements should be incorporated into the procurement documentation. This will include outlining requirements within the Service Specification, incorporating Key Performance Indicators to measure success of the contracted sustainability deliverables, an allocated portion of the evaluation criteria committed to sustainability.

2.1 Specify sustainability requirements

The procurement documentation, should consider how to incorporate the sustainability priorities into the procurement.

The scope, scale and risk of the procurement will inform the degree to which sustainability requirements will inform the procurement documentation. Incorporation in the documentation will include:

- **physical or descriptive requirements**, which specify characteristics of the goods or service (e.g.

Environment and Sustainability in Procurement | Guidelines

contain recycled content).

- **functional requirements**, which specify the proposed function for the goods or service to fulfil (e.g. specify the function of the surface of the road to be constructed).
- **performance requirements**, which define the performance standards to be met by the goods or service (e.g. percent of waste diverted from landfill, delivery of energy efficiencies and minimising GHG emissions).

Within your procurement documentation, requirements should be categorised as:

- A **mandatory requirement** is a requirement that must be met (e.g. a Green Star rating).
- A **minimum requirement** sets the lowest level to be met and may be exceeded (e.g. a minimum requirement for packaging to contain at least 25 per cent).
- A **desirable requirement** sets a requirement for a goods or services provider that is wanted by Council but not compulsory (e.g. supplier having a zero net emissions plan).

Other consideration may be:

- **Rating and certification schemes** - can be used as a framework in capital work projects. These schemes have the benefit of allowing comparisons across multiple projects, verifying performance, supporting measurement of progress and helping to build capacity in government and industry.
- **Ecolabels, certifications, standards and product stewardship schemes** - useful in evaluating the environmental credentials of goods and services along with the environmental credentials of suppliers.

It is important that you are transparent about the key sustainability requirements and the evaluation criteria that will be used, to help potential suppliers develop their responses.

2.2 Key performance indicators

Contract performance management is considered as part of the procurement development stage where it is established how the performance of the contract will be managed. The identified performance measures are incorporated in the Specification or Scope as KPIs or other performance measures that are to be utilised in managing performance under the Contract.

Incorporating Sustainability specific key performance indicators allows a particular sustainability requirement to be measured and tracked throughout the duration of a contract. All KPIs should be reliable and repeatable without taking too much effort to calculate or monitor. It is important that KPIs and any measuring and monitoring expectations, roles, processes, or systems are detailed in the Contract.

2.3 Setting evaluation criteria

When developing your procurement documentation, evaluation criteria for Council's sustainability requirements are to include:

- **Qualifying** sustainability criteria may be used to set minimum standards for the procurement. These should be clearly articulated to ensure potential suppliers are aware and are treated equitably.

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- **Rated** criteria are weighted to allow bids/proposals to be scored and ranked in order of merit.
- **Quantifiable** criteria are applied to prices to enable comparison between responses (e.g. Energy consumption, carbon emissions or disposal of waste to landfill avoided).
- **Fit for purpose** criteria are used to identify and evaluate whether goods or services have limited performance, have higher repair or replacement costs, are over engineered or have unwanted functionality.

Evaluation criteria are weighted to indicate to prospective respondents the importance of the criterion to Council. Sustainability criteria weightings should be considered relative to other priorities for the procurement.

3 Evaluation and Award

3.1 Assess tender responses including value for money

The evaluation of submissions will be undertaken by the appointed evaluation panel detailed in the Probity Plan.

The Environment and Sustainability requirements outlined by Council in the Procurement documents will have been addressed by Respondents as part of their submission. This will form part of the criteria evaluated by the evaluation panel.

It is imperative to an effective, accountable, and transparent evaluation process that good and comprehensive notes are taken, and that individual evaluations are followed by a moderation to ensure that a consensus has been reached.

Council can access several tools to assist assessing whole-of-life costs of the procurement.

Two commonly used tools are the:

- Life Cycle Cost (LCC) model – which calculates the long-term costs for goods or a service, beyond the initial price for the procurement. It places a monetary value (where possible) to sustainability outcomes, such as carbon emissions, electricity, resource use, disposal or local air pollutants.
- Materials Circularity Index (MCI) - calculates how well the product is using recyclable material instead of virgin material, how much of the product can be reused or recycled, and how much waste will need to be sent to landfill.

The Procurement Team, Commercial Analysis Team and Finance Branch can assist with considering the financial implications of responses, including application of the LCC and MCI models.

4 Managing the Contract

4.1 Monitor compliance and performance

The Contract, including any standards and specifications, along with KPIs and compliance measures (as identified in the procurement documents) should be reflected in the Contract Management Plan.

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Council Officers responsible for administering the Contract should then monitor the supplier's performance against the contract requirements using the Contract Management Plan.

4.2 Disposal of goods

Council's Procurement Policy outlines the requirements for the disposal of Valuable Non-Current Assets (VNCA). For items with a value lower than the thresholds identified in the Procurement Policy, it is necessary to consider the method of disposing of the goods, with the least preferable option being landfill.

Consideration should be given to dispose of goods and materials in the most environmentally preferred manner. This may include:

- re-purposing by adapting and using the item for a different purpose;
- adding the item to a resource sharing marketplace
- recycling collection services and centres;
- recycle by specialist recycler (eg. E-waste recycler);
- product stewardship scheme where the supplier or third party guarantees the goods will be recycled, refurbished or reused. (e.g. computers, televisions and tyres).

Consideration for the disposal method should be had when planning the procurement and incorporated into the Procurement Plan.

5 Learn and Review

5.1 Improvement opportunities

The contract management process provides opportunities for Council to work with the supplier to continue to improve sustainability outcomes. It provides a mechanism to raise any concerns or suggestions and allows the supplier to share ideas for new innovations, technologies or ways to improve sustainability.

5.2 Monitor and track progress

Council Officers should consider and report on procurement of recycled content and its use during contract delivery. Examples of items which may be reported on are:

- contract values (both dollars and percentage of value) of goods with recycled content;
- amount of recycled content procured;
- report on goods/services/contracts that have procured recycled content to calculate percentage of goods with recycled content purchased by Council;
- amount of waste diverted from landfill, specified in percentage terms.

Guideline review

This guideline will be reviewed annually.

Environment and Sustainability in Procurement | Guidelines

Roles and responsibilities

| Role | Responsibility |
|--|--|
| Council | Maintains awareness of organisational guidelines where relevant and provides feedback to the CEO when consulted. |
| Chief Executive Officer (CEO) | Approval authority for setting this guideline and for all material changes to this guideline, on advice from the GE. Able to approve non-material changes. CEO will consult with Councillors where the guideline applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | May provide advice to the CEO on setting this guideline and any proposed material changes to the guideline, as appropriate. Provides feedback to the GE and Manager regarding the scope of approaching reviews as appropriate. |
| Group Executive, Business Performance | Responsible for overseeing all financial management systems and services, including Contracting Activities. |
| Manager, Business & Innovation | Manual holder. Responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness. |
| All Managers | Responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities |
| All Officers | Responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation. |

Definitions

Refer to any related Council policies, including the Procurement Policy and Contract Manual, for relevant definitions of common terms. The following contains definitions for terms specific to this guideline. For otherwise undefined terms, the plain English meaning informs interpretation.

| Term | Definition |
|------------------------------|---|
| Whole of life costing | means the cost of acquiring the product (including design and planning where applicable), installing or commissioning, training, operation, maintenance, and disposal of the product at the end of life. (Note: the lowest up-front cost may not be the cheapest over the life of the asset, particularly where products use power, water, fuel or other consumables, or have complexities associated with disposal, resale, recycle or disassembly.) |

Environment and Sustainability in Procurement | Guidelines

| | |
|-------------------------|--|
| Circular economy | <p>means an economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles.</p> <p>Circular economy aims to keep resources in use for as long as possible, by extracting the maximum value from them while in use, then recover and regenerate products and materials at the end of each service life</p> |
|-------------------------|--|

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Environment and Sustainability in Procurement | Guideline

Appendix

| Guideline information | | |
|--------------------------|---|--|
| Title | Environment and Sustainability in Procurement Guideline | |
| Purpose | The purpose of this Guideline is to outline Council's framework for and approach to conducting Contracting Activities in an environmentally considerate and sustainable manner, with the goal of reducing Council's Scope 3 – indirect GHG emissions. | |
| Document number | <Business Area to include Final EDDIE reference of document seeking endorsement.> | |
| Corporate Plan reference | <div>Goal Pathway</div> <div>Service Output</div> | Our Environment and Liveability / Strong Community / Resilient economy / Outstanding Organisation Responsive, accessible and well managed assets and infrastructure. An inclusive community, with opportunities for everyone. High value economy of choice drives business performance, investment and enduring employment. Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council. Promote transparency in the decisions of Council and the information relied on to inform our decisions and actions. |
| GE advice date | <Insert> | |
| CEO approval date | <OCEO to insert date> | |
| Effective date | 1 July 2024 | |
| Review schedule | A full review must be undertaken annually. | |
| Last review | 2023 | |
| Next review | 2025 | |
| Guideline holder | The Manager responsible for this policy is: Business and Innovation. | |
| Approval authority | CEO has authority to approve material changes on advice of the Group Executive (GE). Relevant GE has authority to approve non-material changes. | |
| Related documents | | |
| Legislation | <ul style="list-style-type: none">Public Sector Ethics Act 1994 (Qld)Local Government Act 2009 (Qld)Local Government Regulation 2012 (Qld) | |
| Policy | <ul style="list-style-type: none">2024/25 Procurement Policy2024/25 Contact Manual2024/25 Contracting Plan other guidelines for that policySunshine Coast Council Corporate Plan 2024-2028Environment and Liveability Strategy 2023 | |

Environment and Sustainability in Procurement | Guideline

| | |
|-----------------------|---|
| | <ul style="list-style-type: none"> Organisational Zero-net Emissions Plan 2022 Regional Economic Development Strategy 2013-2033 (REDS) Sunshine Coast Council Community Strategy 2019-2041 National Waste Policy Action Plan 2019 |
| Operational documents | <ul style="list-style-type: none"> Australian Standard – AS ISO 200400:2018 – sustainable procurement Sustainable Procurement Guide – A practical guide for Commonwealth entities (Australian Government) Integrating Sustainability into the Procurement Process – Office of the Chief Advisor – Procurement (Queensland Government) Sunshine Coast Council – Setting a Science-Based Target and Emissions Scenarios |

| Version Control | | | | |
|-----------------|----------------|-------------------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | Review | Templates updates | <insert> | <insert> |
| | | | | |

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Appendix A –**Justification for not applying the Code of Competitive Conduct to certain prescribed business activities**

| Prescribed business activity | Corporate Plan & Policy linkage | Reasons for not applying the Code of Competitive Conduct |
|-------------------------------------|--|--|
| Aquatic Centres | The Sunshine Coast Aquatic Plan 2011 - 2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2025-2029. | <p>Aquatic centres are provided by Council to achieve public benefit objectives. Aquatic centres generate health benefits, ranging across a reduction in the burden of disease, improved mental health outcomes, reduced absenteeism, and fewer childhood drownings.</p> <p>They also provide social benefits such as: enhancing an individual's leisure time or creating increased life satisfaction; by bringing people together; supporting more vulnerable groups; and supporting early learning.</p> <p>Entry prices are set to provide equitable access to the community. Learn to swim services are provided by the private sector.</p> |
| Caloundra Indoor Stadium | The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2025-2029. | <p>Caloundra Indoor Stadium is provided by Council to achieve public benefit objectives. Providing equitable access to sport facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity. There is a positive association between sport and social integration, cohesion and community development.</p> <p>Pricing for these facilities reflects these objectives.</p> |
| Caloundra Regional Gallery | <p>The Sunshine Coast Creative Arts Plan 2023 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2025-2029 including:</p> <ul style="list-style-type: none"> • A shared future that embraces culture, heritage and diversity; and • a creative identity that supports community, cohesiveness development and wellbeing | <p>Caloundra Regional Gallery is provided by Council to achieve public benefit objectives. Caloundra Regional Gallery presents a changing exhibition program featuring leading local and national artists. Professional curators and education staff develop and deliver a range of exhibitions and public programs that explore the unique culture and character of the Sunshine Coast.</p> |

| Prescribed business activity | Corporate Plan & Policy linkage | Reasons for not applying the Code of Competitive Conduct |
|------------------------------|--|---|
| Cemeteries | The Cemetery Plan 2019-2028 informs the delivery of Sunshine Coast Council's cemetery network. The Plan contributes to the Sunshine Coast Council Corporate Plan 2025-2029, Sunshine Coast Community Strategy 2019-2041, Environment and Liveability Strategy 2017 and South East Queensland Regional Plan 2017. | <p>Cemetery services are mostly provided by local governments in the Queensland market. Private enterprise operating within the Sunshine Coast local government area provide options for ash interments and memorialisation but not burials.</p> <p>The majority of Council's cemeteries are located on State land entrusted to Council for the purpose of providing cemetery services including burials. Two cemeteries are owned as freehold.</p> <p>A proportion of the community continue to choose burials rather than cremation. This trend remains constant. Services would not meet the needs of the community if Council did not facilitate burials.</p> <p>Pricing for Council memorial services are set on a commercial basis. Pricing for other services are set on a cost recovery basis, which does not take into account notional costs under the full-cost pricing provisions required by the code of competitive conduct. Pricing practices are not a deterrent to new businesses entering the market.</p> |
| Festivals | <p>The Sunshine Coast Creative Arts Plan 2023 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2025-2029 including:</p> <ul style="list-style-type: none"> A shared future that embraces culture, heritage and diversity; and a creative identity that supports community, cohesiveness development and wellbeing | <p>Council's festival events are provided by Council to achieve public benefit objectives and form an integral part of delivering on the objectives of the Sunshine Coast Creative Arts Plan specifically:</p> <p>Goal 1 – Empowering and celebrating self-determined First Nations creativity and contemporary cultural expression.</p> <p>Goal 2- building the capacity of the region's creatives, artists and sector so that they are professional, skilled and connected.</p> <p>Goal 3 – growing arts audiences through participation and diverse, meaningful and tailored experiences</p> <p>Goal 5 – cultivating the Sunshine Coast identity as a creative region that attracts attention, talent and investment.</p> <p>The market for festival events is heavily influenced by time, place and content. Other private sector festival organisers are not constrained from starting up or visiting the Sunshine Coast because Council's festivals are each conducted over a discrete period of time (over a number of days at most). Like most major events, the date for Council's festivals are also published well in advance, allowing private sector festival organisers to plan their own events at dates and times that coincide or do not conflict with those of Council.</p> <p>Council's cultural festivals are a specific sector development and local showcase opportunity.</p> |

| Prescribed business activity | Corporate Plan & Policy linkage | Reasons for not applying the Code of Competitive Conduct |
|--------------------------------------|---|--|
| | | <p>Council's cultural and community service in the form of festivals for community and visitors of all ages and diversities – applying the code (particularly the pricing provisions) may detrimentally impact the ability of all ages and diversities to attend and enjoy such cultural and community events. It also decreases the ability to achieve the Arts Plan goals.</p> <p>Private sector organisers of large-scale festivals would generally not be interested in delivering the type of cultural and community service festival events that are run by Council (namely, the Caloundra Music Festival and the Horizon Festival) - it is therefore arguable that the festivals do not directly compete with the type of events that would normally be conducted by the private sector.</p> <p>Council is providing festivals, some of which are free or below cost of delivery. This pricing has been established to reflect social objectives, such as enabling a diverse range of ages and diversities to attend, promoting local talent, generating economic activity and encouraging tourism; and</p> <p>Community based events attract a strong community involvement in the form of a large volunteer base. Similarly, other groups, such as school groups and not-for-profit organisations rely upon festivals for unique fundraising opportunities.</p> |
| Multisport Complexes and Showgrounds | The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2025-2029. | <p>Multisport Complexes and Showgrounds are provided by Council to achieve public benefit objectives.</p> <p>Providing equitable access to these facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity. There is a positive association between sport and social integration, cohesion and community development.</p> <p>Multisport Complexes and Showgrounds are utilised by a diverse range of community and sporting groups that provide social benefits such as: enhancing an individual's leisure time or creating increased life satisfaction; by bringing people together.</p> <p>Pricing for these facilities reflects these objectives.</p> |

| Prescribed business activity | Corporate Plan & Policy linkage | Reasons for not applying the Code of Competitive Conduct |
|--|--|---|
| Off-street Parking | <p>The Sunshine Coast Council Parking Management Plan is guided by a range of strategic and legislative documents including:</p> <ul style="list-style-type: none"> Sunshine Coast Council Corporate Plan 2025-2029 Sunshine Coast Sustainable Transport Strategy 2011-2031 Sunshine Coast Smart City Framework Sunshine Coast Planning Scheme 2014. | <p>Council provides off-street parking to achieve the objectives of the Local Area Parking Plans.</p> <p>Council is providing services traditionally provided by a Local Government.</p> <p>If Council did not provide these services, there would be a clear gap in supply leading to negative outcomes such as traffic congestion in major precincts.</p> <p>The market for parking services is heavily influenced by location (the market can generally be narrowly defined as the region in which the car park is located and the distance that people are willing to walk from their car to their destination). If there are no private off-street parking facilities within close proximity (e.g. within reasonable walking distance) to Council's parking facilities, it is arguable that private sector competition is currently low.</p> <p>While some private sector parking providers may provide off-street parking, they are at different locations provided for different purposes and/or provided for free.</p> <p>Prices charged by Council are benchmarked against private sector providers.</p> |
| Retail Electricity and Sunshine Coast Solar Farm | <p>The Retail Electricity Strategy incorporating Sunshine Coast Solar Farm ensures affordable and reliable electricity supplies to Council operations which is essential to achieving the outcomes of the Sunshine Coast Council Corporate Plan 2025-2029.</p> <p>The Retail Electricity Strategy supports the policy positions on energy contained in Council's Environment and Liveability Strategy including: <i>"Renewable energy usage is maximised and underpins a transition to a clean energy future."</i></p> | <p>The Sunshine Coast Solar Farm is a cost replacement project being a mechanism to replace a portion of pre-existing committed electricity spend by offsetting Council's own electricity usage against the electricity generated by the Solar Farm.</p> <p>Excess generation is sold into, or any electricity requirement is purchased from, the wholesale electricity market as required.</p> <p>Council is not able to influence price setting and will take:</p> <ul style="list-style-type: none"> the Queensland spot price for electricity generated the market price for large-scale generation certificates. |
| Sunshine Coast International Broadband Cable Network | <p>The Sunshine Coast International Broadband Cable Network project contributes to Sunshine Coast Council's Regional Economic Development Strategy which provides a 20-year vision and blueprint for sustainable economic growth.</p> | <p>The Sunshine Coast International Broadband Cable Network project helps to stimulate local business, generate new investment and improve telecommunications diversity to Australia's east coast. The cable will help to future proof the Sunshine Coast telecommunications capacity and increase our smart city capability, ensuring access to important data networks.</p> <p>The Sunshine Coast provides the fastest international connection point from Queensland</p> |

| Prescribed business activity | Corporate Plan & Policy linkage | Reasons for not applying the Code of Competitive Conduct |
|---|---|--|
| | | <p>and east Australia to Asia, a significant step-change in the Sunshine Coast's attractiveness as an investment location and a key deliverable under Council's Regional Economic Development Strategy.</p> <p>RTI Connectivity Pty Ltd control pricing and access to the network. As such the International Broadband Submarine Cable Network is not a business activity of Council.</p> <p>In December 2021 Council sold the cable landing station facility to data centre provider NextDC.</p> |
| Sunshine Coast Stadium and Kawana Sports Precinct | The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2025-2029. | <p>Providing equitable access to sport facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity.</p> <p>As a regional facility Sunshine Coast Stadium serves the regional and national event markets. Elsewhere in Queensland these markets primarily utilise Queensland Government owned facilities.</p> <p>Pricing for these facilities to community-based groups reflects these objectives and does not take into account notional costs under the full-cost pricing provisions required by the code of competitive conduct. Pricing for commercial hire, are benchmarked against industry prices, thus avoiding any pricing advantage from government ownership.</p> |
| Venue 114 & Community Spaces | <p>The Sunshine Coast Arts Plan 2018 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2025-2029 including:</p> <ul style="list-style-type: none"> A shared future that embraces culture, heritage and diversity; and a creative identity that supports community, cohesiveness development and wellbeing | <p>Venues and community spaces are provided by Council to achieve public benefit objectives. Providing a range of facilities and venues enables the community to access and enjoy arts, entertainment and environmental activities. This contributes to the health and wellbeing, social cohesion and regional economy of the Sunshine Coast. Pricing for these facilities reflects these objectives. Pricing for commercial hire, are benchmarked against industry prices, thus avoiding any pricing advantage from government ownership.</p> |

Minutes

Audit Committee

Thursday, 23 May 2024

Council Chambers, 54 First Avenue, Maroochydore

AUDIT COMMITTEE MEMBERS

Councillor J Natoli

Division 4

Councillor E Hungerford

Division 7

Mr M Petrie

External Member (Chair)

Mr P McCallum

External Member

Ms S Tindal

External Member



AUDIT COMMITTEE MINUTES

23 MAY 2024

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Please Note: The resolutions as shown in italics throughout these minutes are the resolutions carried by the Audit Committee.

AUDIT COMMITTEE MINUTES

23 MAY 2024

1 DECLARATION OF OPENING

The Chair declared the meeting open at 2:04pm.

Councillor E Hungerford acknowledged the Traditional Custodians of the land on which the meeting took place.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

AUDIT COMMITTEE MEMBERS

| | |
|-------------------------|-------------------------|
| Councillor J Natoli | Division 4 |
| Councillor E Hungerford | Division 7 |
| Mr M Petrie | External Member (Chair) |
| Mr P McCallum | External Member |
| Ms S Tindal | External Member |

COUNCIL OFFICERS

Chief Executive Officer
Group Executive Built Infrastructure
Group Executive Business Performance
Group Executive Civic Governance
Group Executive Customer and Planning Services
Group Executive Economic and Community Development
Group Executive Liveability and Natural Assets
Manager Audit, Assurance and Risk Advisory Services
Chief Financial Officer
Coordinator Financial Accounting
Coordinator Corporate Risk & Insurance
Head of People & Culture
Manager Asset Management Branch

APOLOGIES

Manager, Wellbeing Health and Safety

ATTENDEES

| | |
|------------------------|-------------------------|
| Councillor J Broderick | Division 1 (Via Teams) |
| Engagement Manager | Queensland Audit Office |

AUDIT COMMITTEE MINUTES

23 MAY 2024

3 INFORMING OF CONFLICTS OF INTEREST

3.1 PRESCRIBED CONFLICTS OF INTEREST

Pursuant to Section 150EL of the *Local Government Act 2009*, no notifications of prescribed conflicts of interest were made during this meeting.

3.2 DECLARABLE CONFLICTS OF INTEREST

Pursuant to Section 150EQ of the *Local Government Act 2009*, no notifications of declarable conflicts of interest were made during this meeting.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4 REPORTS DIRECT TO AUDIT COMMITTEE

4.1 MEETINGS MINUTES AND AUDIT COMMITTEE RESOLUTIONS/ACTION ITEMS

File No: **Audit Committee**

Author: **Manager Audit, Assurance and Risk Advisory Services**
 Civic Governance

EXECUTIVE SUMMARY

Audit Committee Meeting Minutes

The Committee was advised that the Minutes of the Audit Committee meeting of 26 February 2024 were presented to Council for consideration at its Ordinary Meeting on 7 March 2024.

Audit Committee Resolutions and Action Items

Resolutions and action items recorded at Audit Committee meetings refer to specific approvals, recommendations, tasks, actions, or responsibilities assigned to individuals or teams.

Committee Recommendation (AC24/17)

Moved: **Councillor J Natoli**

Seconded: **Councillor E Hungerford**

That the Audit Committee receive and note the report titled "Meetings Minutes and Audit Committee Resolutions/Action Items".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.2 CHIEF EXECUTIVE OFFICER'S UPDATE

File No: **Audit Committee**
Author: **Manager, Strategy and Policy**
 Civic Governance

EXECUTIVE SUMMARY

The Audit Committee considers a regular report from the Chief Executive Officer outlining Council's performance in progressing the implementation of its corporate and operational plans.

This report provided information on the following items for consideration by the Audit Committee:

- Financial performance update as of 31 March 2024
- Capital Works Program delivery update as of 31 March 2024
- Workplace Health and Safety update as of 31 March 2024
- Significant achievements delivered between 1 January 2024 – 31 March 2024 (Quarter 3 of 2023/24) and
- Summary of Operational Plan performance by exception as of 31 March 2024

Committee Recommendation (AC24/18)

Moved: **S Tindal**
Seconded: **Councillor E Hungerford**

That the Audit Committee receive and note the report titled "Chief Executive Officer's Update".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

**4.3 FINANCE: ANNUAL FINANCIAL STATEMENT RISK AND PLANNING
ASSESSMENT**

File No: Audit Committee
Author: Coordinator Financial Accounting
 Business Performance Group

EXECUTIVE SUMMARY

Council has a statutory obligation to prepare General Purpose Financial Statements on an annual basis, culminating in audit certification in late October, before publication in Council's Annual Report.

In conjunction with Queensland Audit Office, Council endeavours each year to strengthen the quality control surrounding this process.

Committee Recommendation (AC24/19)

Moved: P McCallum
Seconded: Councillor E Hungerford

That the Audit Committee receive and note the report titled "Finance: Annual Financial Statement Risk and Planning Assessment."

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.4 FINANCE: PROGRAM OF WORK FOR ASSET VALUATION

File No: **Audit Committee**
Author: **Coordinator Financial Accounting**
 Business Performance Group

EXECUTIVE SUMMARY

annual basis in line with the *Local Government Act 2009*, *Local Government Regulation 2012* and the Australian Accounting Standards. These financial statements are audited by the Queensland Audit Office or their representative.

Council's Land, Buildings, Transportation, Stormwater and Other Infrastructure asset classes are recorded in the financial statements at fair value. Remaining financial asset classes i.e., Plant & Equipment and Intangibles are held at historical cost.

As per legislation and Australian Accounting Standards, Council is required to comprehensively revalue assets held at fair value at least once every 5 years or when a material change has occurred to an asset class as per industry indices. In the interim years, the index movement is reviewed.

Council will complete comprehensive asset revaluations for Stormwater and Other Infrastructure in 2023/24, along with Transportation which is also due this year. Indexation will be reviewed for Buildings and Land.

A monthly Asset Revaluation Update to the Independent Audit Committee members, Queensland Audit Office and the Executive Leadership Team commenced in December 2023.

Weekly updates are being provided to the CEO and relevant internal stakeholders, along with regular consultation with the Queensland Audit Office.

Regular updates will continue to be provided to Queensland Audit Office and internal stakeholders to ensure risks are mitigated throughout the process.

Committee Recommendation (AC24/20)

Moved: **P McCallum**
Seconded: **S Tindal**

That the Audit Committee receive and note the report titled "Finance: Program of work for Asset Valuation."

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.5 QUEENSLAND AUDIT OFFICE: FIRST INTERIM REPORT FOR 2023/24

File No: Audit Committee
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

The Queensland Audit Office conducted the First Interim Audit for the 2023/24 financial statement process during March 2024.

In this phase, Queensland Audit Office assessed the design and implementation of Council's internal controls relevant to the financial report, and whether they are operating effectively. They assessed the key controls they intend to rely on in auditing Council's financial statements.

Based on the results of Queensland Audit Office testing completed to date and the resolution of some of the prior year issues, they have determined Council's internal control environment does support an audit strategy where they can rely on Council's controls.

Committee Recommendation (AC24/21)

Moved: Councillor E Hungerford
Seconded: Councillor J Natoli

That the Audit Committee receive and note the report titled "Queensland Audit Office: First Interim Report for 2023/24".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.6 PEOPLE: WELLBEING, HEALTH AND SAFETY REPORT

File No: **Audit Committee**
Author: **Wellbeing Health and Safety Manager**
 Business Performance Group

EXECUTIVE SUMMARY

As part of our continuous safety improvement, the Health and Safety Intranet pages have been refreshed to improve employee user-experience and access to safety information. The Wellbeing Intranet page redesign is underway to align with the 'FRESH' Program (5 pillars approach to wellbeing – Fit, Refreshed, Energised, Safe and Happy).

The Wellbeing Health and Safety (WHS) team has held "Listen and Learn" discovery sessions at our libraries.

Improvements to the safety management system and Council's safety culture has achieved ongoing reduction in Lost Time Injuries and Frequency Rates (LTIFR):

- Lost Time Injuries in the 2023/24 financial year from Quarter 3 (n=4) remained consistent with Quarter 2 (n=4)
- A 5% decrease in the severity rate averages from Quarter 2 (n=87.7) to Quarter 3 (n=83.4).

In the third quarter, there was one (1) major incident notifiable to Work Health and Safety Queensland. All actions are completed, and the Incident has been closed.

Committee Recommendation (AC24/22)

Moved: **Councillor J Natoli**
Seconded: **Councillor E Hungerford**

That the Audit Committee receive and note the report titled "People: Wellbeing, Health and Safety Report".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.7 GOVERNANCE: STRATEGIC RISK UPDATE

File No: **Audit Committee**
Author: **Coordinator Corporate Risk & Insurance**
 Civic Governance

EXECUTIVE SUMMARY

The review of the Mitigation Strategies and Controls for each of Council's strategic risks has now been completed. The review included updating the causes and consequences, the mitigation strategies and the controls to reflect the evolution and impacts on Council's current operating environment. The review of mitigations and controls were reviewed, with these categorised on the following basis:

- Operational – day to day functions that take place within operational areas (up to one to two years)
- Tactical – Plans or actions that run up to three years;
- Strategic – Plans or actions that run past three years to advance Council's strategic objectives.

This is in line with the progression of the Strategic Risk Roadmap.

A Risk Appetite Statement and Tolerance Table has also been prepared for consultation with and consideration by the Executive Leadership Team. The methodology used for developing the Risk Appetite Statement and Tolerance Table was based on the Risk Appetite Methodology proposed by Jardine Lloyd Thompson (JLT) for councils across Australia. The framework below was created by JLT to assist local governments with the creation of a sound Risk Appetite Statement.

Committee Recommendation (AC24/23)

Moved: **P McCallum**
Seconded: **Councillor E Hungerford**

*That the Audit Committee receive and note the report titled "**Governance: Strategic Risk Update**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.8 GOVERNANCE: OPERATIONAL RISK PROFILE OVERVIEW

File No: **Audit Committee**
Author: **Coordinator Corporate Risk & Insurance**
 Civic Governance

EXECUTIVE SUMMARY

During the third quarter of this financial year, there were further operational risk reviews completed in partnership with teams and branches across the organisation.

The Operational Risk Registers will continue to change as the environment and nature of the work Council performs adjusts to the changing operational needs of the Sunshine Coast.

Committee Recommendation (AC24/24)

Moved: **S Tindal**
Seconded: **Councillor E Hungerford**

*That the Audit Committee receive and note the report titled "**Governance: Operational Risk Profile Overview**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.9 GOVERNANCE: INTERNAL AUDIT PROGRAM OF WORK UPDATE

File No: Audit Committee
Author: Manager Audit, Assurance and Risk Advisory Services
Civic Governance

EXECUTIVE SUMMARY

The table below provides a progress summary of Internal Audit engagements as at 22 April 2024:

| Status | FY2023 | | FY2024 | |
|--|-----------|-------------|----------|-------------|
| Completed | 10 | 91% | 3 | 33% |
| Reporting | 1 | 9% | 2 | 22% |
| Fieldwork | 0 | 0% | 2 | 22% |
| Planning | 0 | 0% | 2 | 22% |
| Not Started | 0 | 0% | 0 | 0% |
| Total No. of A&A Activities | 11 | 100% | 9 | 100% |

Reports

- Four reports were reported at the 26 February 2024 Audit Committee Meeting
- The following two reports are proposed to be considered at this Audit Committee meeting (see 14.12 Governance: Internal Audit Reports):
 - 2023 - Road Maintenance Program
 - 24-03 - Gender Pay Gap review

Committee Recommendation (AC24/25)

Moved: Councillor E Hungerford
Seconded: P McCallum

That Audit Committee receive and note the report titled "Governance: Internal Audit Program of Work Update".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.10 GOVERNANCE: PROPOSED INTERNAL AUDIT 2024-2025 PROGRAM OF WORK

File No: Audit Committee
Author: Manager Audit, Assurance and Risk Advisory Services
 Civic Governance

EXECUTIVE SUMMARY

Contemporary audit planning requires the head of internal audit to identify each year, the audit topics on a strategic, cross-organisational and functional basis, drawing on risk management information.

The proposed 2024-2025 Internal Audit Program of Work for the Audit, Assurance and Risk Advisory Services Branch has been developed in consultation with the Chief Executive Officer, Group Executives and business areas to provide timely, relevant, responsive, and risk-based coverage for aspects of the operations of Council - with the integration of internal audit with risk management and strategic planning.

Whilst most audit topics in the proposed Program of Work are focused on assurance, there is increasing provision for advisory services.

The format for the proposed Program of Work has been expanded this year to provide a more holistic view of the activities with which the Audit, Assurance and Risk Advisory Services Branch is involved.

Once considered by the Audit Committee and endorsed by Council, the Program of Work will become the operating plan for the Internal Audit resources in the Audit, Assurance and Risk Advisory Services Branch.

Committee Recommendation (AC24/26)

Moved: P McCallum
Seconded: S Tindal

That the Audit Committee:

- (a) *receive and note the report titled "Governance: Proposed Internal Audit 2024-2025 Program of Work" and*
- (b) *recommend to Council that the Proposed FY2025 Program of Work be endorsed.*

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.11 GOVERNANCE: RECOMMENDATION MONITORING

File No: Audit Committee
Author: Manager Audit, Assurance and Risk Advisory Services
Civic Governance

EXECUTIVE SUMMARY

As at 31 March 2023, there were 21 active audit recommendations. The table below summarises the status of Audit Recommendations.

| | | Number | Notes |
|----------------|---|--------|--------------------|
| Reconciliation | Audit Recommendations Being Reviewed and Monitored (ACTIVE at start of period) | 21 | |
| | Due to be implemented by 31 March 2024; date extension approved by the responsible Group Executive (Open Audit Recommendation) | 0 | |
| | Revised implementation date is proposed for recommendation to Chief Executive Officer (Open Audit Recommendation) | 0 | |
| | Implementation date not yet due (Open Audit Recommendation) | 16 | (See Attachment 1) |
| | Completed and marked as closed in period. (Closed Audit Recommendation) | 5 | (See Attachment 2) |
| | | | |
| Balance | Balance of Open Active Audit Recommendations (at end of period) | 16 | |
| | Added – eleven (11) new audit recommendations | 11 | (See Attachment 3) |
| | LESS new audit recommendations closed | 1 | |
| | Active Audit Recommendations to follow-up for next quarter | 26 | Balance |

NOTE: Two (2) Audit Recommendations remain without a due date. However, the two (2) Audit Recommendations are being worked on by the business.

AUDIT COMMITTEE MINUTES

23 MAY 2024

Committee Recommendation (AC24/27)

Moved: P McCallum

Seconded: Councillor E Hungerford

That the Audit Committee receive and note the report titled "Governance: Recommendation Monitoring".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.12 GOVERNANCE: INTERNAL AUDIT REPORTS

File No: **Audit Committee**
Author: **Manager Audit, Assurance and Risk Advisory Services**
 Civic Governance

EXECUTIVE SUMMARY

One report – Road Maintenance – Compliance with Legislation and Best Practice - has recently been completed addressing residual matters from the 2022-2023 Internal Audit program. A report on the current status of two matters identified in the 2023-2024 Internal Audit program – Gender Pay Equity Review and the Employee Central (EC) and Employee Central Payroll (ECP) Dayforce technical review was also presented for the information of the committee.

In each case, audit recommendations have been submitted to and have been considered – or are being considered - by the relevant Group Executive. The assistance of the branch managers and their teams involved in each of these audit assignments and that of their respective Group Executives is appreciated.

Accepted audit recommendations, the responsible officer and nominated completion dates will be captured in the Audit Recommendations Register within the Pulse System.

The implementation of Management Actions is monitored on an ongoing basis by the Audit Committee and the Executive Leadership Team.

Committee Recommendation (AC24/28)

Moved: **Councillor J Natoli**
Seconded: **P McCallum**

That the Audit Committee receive and note the report titled "Governance: Internal Audit Reports".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.13 PEOPLE & CULTURE: GENDER PAY EQUITY BRIEFING

File No: **Audit Committee**
Author: **Head of People & Culture**
 Business Performance Group

EXECUTIVE SUMMARY

Sunshine Coast Council is not presently covered by the obligations pursuant to the *Workplace Gender Equality Act of 2012*.

At the request of the Chief Executive Officer, the Internal Audit team has engaged MinterEllison to conduct an independent, external review to assess the adequacy and effectiveness of controls independently and objectively in relation to whether there is any evidence of a Gender Pay Gap at SCC (Audit Internal review). This review is also intended to assist with preparing Council for the requirements of the amendments to the *Workplace Gender Equality Act 2012* (WGE Act).

The Chief Executive Officer has expressed interest in self-reporting as soon as practicable.

At a high-level, Council's approach and practices regarding gender equity are found to be sound and Council is appropriately complying with Workplace Gender Equality Act standards.

Council's People and Culture Branch will work with the Internal Audit team to agree on a set management action plans to address the recommendations in the draft report.

Committee Recommendation (AC24/29)

Moved: **S Tindal**
Seconded: **Councillor E Hungerford**

That the Audit Committee receive and note the report titled "People & Culture: Gender Pay Equity Briefing".

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

4.14 GOVERNANCE: AUDIT COMMITTEE PERFORMANCE ASSESSMENT

File No: **Audit Committee**
Author: **Manager Audit, Assurance and Risk Advisory Services**
 Civic Governance

EXECUTIVE SUMMARY

The Audit Committee Self-Assessment Survey is suggested best practice by Queensland Treasury and recommended for use by the Queensland Audit Office (QAO).

An Audit Committee should regularly assess its own performance – and the adequacy of its terms of reference, work plans, forums for discussion and communication – with a view to highlighting skills and/or knowledge gaps and identifying areas in which the committee and its processes might be more effective.

The survey was conducted in the March-April time period, with the following aspects noted:

- The survey responses were treated as anonymous
- The survey had 55 questions
- There were 13 replies received. Not all participants responded to all questions
- One question Q48, was missed out when Q47 was accidentally repeated.
- 80 comments were received across 39 Scored questions.
- 5 comments were received for the one Open-Ended question.
- 73.7% of responses were Agree (361) or Strongly Agree (88).
- 22.7% of responses were Neutral (138).
- 3.5% of responses were Disagree (21).
- Less than 1% of responses were Strongly Disagree (1).

Committee Recommendation (AC24/30)

Moved: **P McCallum**
Seconded: **Councillor J Natoli**

That the Audit Committee:

- (a) *receive and note the report titled "Governance: Audit Committee Performance Assessment" and*
- (b) *the chair of the committee will form an action plan with the CEO for consideration at the next meeting.*

Carried unanimously.

AUDIT COMMITTEE MINUTES

23 MAY 2024

5 NEXT MEETING

The next Audit Committee Meeting will be held on 2 September 2024 at the Council Chambers, 54 First Avenue, Maroochydore.

6 MEETING CLOSURE

The Audit Committee Chair wishes to acknowledge that this is the Chief Executive Officer's last meeting before leaving council, and to thank her for her contribution to the Audit Committee over the period of his being Chair.

The Audit Committee Chair wishes to acknowledge that this is the Councillor J Natoli's last meeting as one of the two Councillor members of the Committee, and thanks the Councillor for his contribution to the Audit Committee over the period of the last four years.

The meeting closed at 4:24pm.

FY2025 PROGRAM OF WORK

FINAL DRAFT

INTERNAL AUDIT

01 July 2024 to 30 June 2025

| | |
|-------------|-----------------------------|
| Version | FY2025 Program of Work v0.1 |
| Status | FINAL DRAFT |
| Last update | 2024-05-15 |
| Author | Internal Audit |

Internal Audit FY2025 Program of Work

Introduction

Context

The International Standards for the Professional Practice of Internal Auditing (the standard) define that a risk-based plan is to be established to determine the priorities of the internal audit activity, consistent with the council's goals.

Internal Audit team (IA) provides independent and objective, audit services and advice to management, and the Audit Committee (AC) over the operations, projects, initiatives, and activities that underpin the Sunshine Coast Council's delivery of its corporate plan and strategies.

Looking to increase the role and impact of IA, the Branch will:

| | |
|--------|---|
| FY2024 | • Encourage business to engage Audit & Assurance for assurance activities |
| | • Provide advisory internal audit services to add value |
| | • Continuing the use of external internal audit providers |
| | • Working together with business to assess and manage risks, controls, and compliance obligations to enhance and protect the Council. |
| FY2025 | • Leverage off internal audit reviews undertaken in FY2024 |
| | • Fully move to manage action plans as business area response |
| | • Continuing the use of external internal audit providers |
| | • Working together with business to assess and manage risks, controls, and compliance obligations to enhance and protect the Council. |

IA is looking to increase the insights provided to the CEO across the council, and to increase the value and impact of our work within the business areas.

In this context IA seeks to provide advice and support for business processes and internal controls to strengthen the control environment. There will be opportunities to:

- deliver real time "audit" insights over key projects/reforms, focus reviews in areas of higher risk, leveraging on the work undertaken by the risk management team
- complete key compliance audit reviews
- respond to business needs for audit, process, and internal control advice
- drive an improved internal control environment through education, self-assessment, and advice.

How the internal audit topics are chosen

To identify the areas of focus for audit, the following activities were performed:

- Continuing with themed, Council wide and auditing service enabler areas
- Discussion on the audit universe within the team and insights provided
- Formal discussions with the Chief Executive Officer and Group Executives (and Branch Managers if required)

Internal Audit team (IA) will for FY2024 introduce a system of **Substitutions, Deferrals, Additions and Reallocations** needing to be documented for any changes to the FY2024 Program of Work. If a program change is required during the year and IA assessment agrees it is to be added to the Program; capacity will be reviewed, and a current review assessed as being of lower risk or importance will be substituted/replaced.

What are the internal audit topics?

Each audit review topic has been overlaid against the Strategic Risk Register to provide the risk context for the audit. Further, initial scoping considerations are outlined to provide the context of the high-level objectives for the audit. The detail of the audit area will be defined at the time of detailed audit planning.

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Internal Audit FY2025 Program of Work

Not all individual audit topics are directly reflected in the strategic risk register or the group/branch risk registers. This is due to the difference in the risk levels being assessed.

IA activity may be separated into six (6) types being:

- **Insights** – mini-reviews to perform a quick health-check, take the pulse of any project, process or activity and deliver an insight report(s) to SCC Council, CEO and ELT.
- **IA Reviews** – Base level compliance reviews focused on core elements of the internal control environment. Conduct end-to-end process walkthrough; then testing or sampling of transactions. Identify opportunities for process or control improvement.
- **IA Services** – Audit and/or advisory based services over initiatives/business processes designed to add value by assessing the effectiveness and efficiency of the project/process. Engagement through a variety of methods such as up-front advice, health checks or on-going monitoring and real time feedback (i.e. following along & acting as a touch point).
- **Program and Project Audit** – reviewing that major projects are managed to deliver the intended benefits, are on time and on budget.
- **Control Environment Initiatives** – continuous improvement program of activities, tasks, events, and actions that should be undertaken and reviewed at regular intervals to ensure progress is being made and that standards are increasing.
- **Audit Administration and IA projects** – activity or project work that is internally focused to the IA function, it is not performed with a “client” focus.

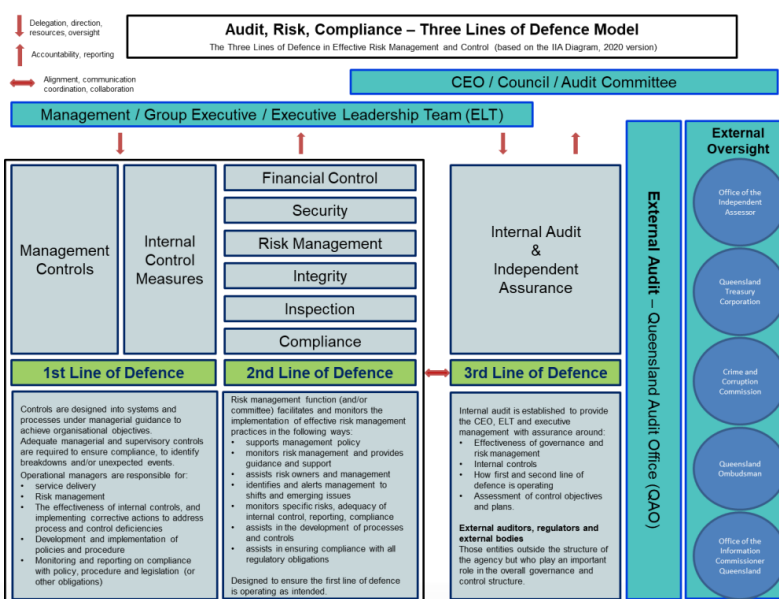
Three lines of defence

The program of work linkage with the three lines of defence provides line of sight to the Audit Committee (AC) and management of the ways in which key process areas are controlled and risks mitigated.

First Line of Defence is by the business units. Control assurance at this level is primarily obtained through segregation of duties, control self-assessment, monitoring and reporting.

Second Line of Defence includes management and internal oversight functions.

Third Line of Defence is independent assurance. This relates to a third-party evaluation of the effectiveness of management systems and/or specific controls. It also includes the activities performed by IA, independent specialist auditors, other IA functions and external audit.



Connecting with Risk Management (RM)

IA uses the RM strategic risk register as a key input into defining its focus and activities. This input is influenced by the maturity of the council's risk management framework.

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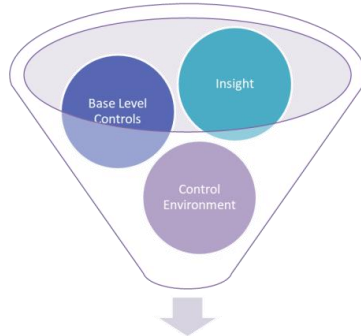
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Internal Audit FY2025 Program of Work

Group/branch risk registers will also be reviewed, where available.

Value of Internal Audit Activities

Base Level Controls – compliance reviews focused on providing fundamental audit review over



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core elements, activities, and functions.

Audit will assess the baseline of internal controls for both financial and non-financial.

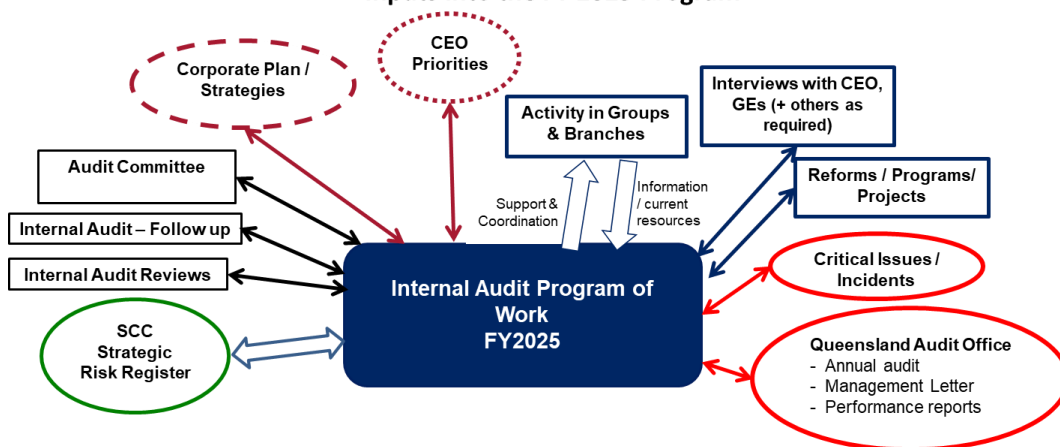
Insight – formative reviews designed to be more forward-looking and aware, briefer and more layered, more visual and dynamic. Forward-looking, insightful reports focus on the risks and issues of most concern to stakeholders.

Control Environment – Internal audit will assess the set of standards, processes, and structures that provide the basis for carrying out internal control across the council.

Key Drivers and Inputs

To develop the full year program of work for FY2024 a robust process was undertaken to consider various drivers, inputs, and sources to define the program of work.

Inputs into the FY 2025 Program



List of Key Inputs

- **Core** – systems, processes, functions, and compliance coverage – ensure that the program of work includes coverage/assurance across the SCC's core activities and processes
- **Governance, Risk and Compliance (GRC)** – good practice to meet requirements of good governance, risk, and compliance.
- **Risks** and risk management – stakeholders require adequate and effective mitigation strategies over strategic and operational risks to reduce both the likelihood of these risks occurring and the consequences. Reviews on the associated business operations, projects and activities are considered.

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Internal Audit FY2025 Program of Work

- **CEO Priorities (CEO)** – key priorities that will make council even better and enhance living on the Sunshine Coast.
- **Projects, Programs and Reforms (PPR)** – Assurance that key initiatives are managed and on track to deliver quality, on time and on budget outcomes. It is important for audit to engage with the projects, programs and/or reforms from the early stages of business case, through benefits identification, mobilisation, execution and closure.
- **Requests SCC & AC (RMA)** – we meet with all members of SCC ELT to understand the key objectives which they rely on and areas where they would value audit. Interviews will be used to validate the inclusion in the program of reviews driven by risks and coverage of key process areas, plus identified additional potential reviews. Together with the SCC corporate plan and strategies
- **Internal Audit Analysis (IA)** –IA uses its professional judgement and understanding of SCC, its risks, good practice expectations and other relevant information to identify areas for internal audits. Plus may be for follow-up audit requirements.
- **Statutory Obligation and/or Requirement (SOR)**– Statutory or right to access/use obligation or requirement. I.e. Annual access review for or rates.

Audit requirements identified through the above drivers were considered for inclusion in the program. Audit then discusses the proposed program with the CEO, ELT and the AC to balance audit needs with available resources.

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Internal Audit FY2025 Program of Work

PROPOSED FY2025 REVIEWS

| Ref | Review title | Key Input# | Provider | Description | Work Days | Start Quarter |
|--|---|------------|----------|--|--------------|---------------|
| COMPLETE FROM 2023-2024 Reviews | | | | | | |
| 24-05 | Council Wide Contract management & Contract delegations - Key controls and processes are working to ensure appropriate and compliant contract management | SR7 | Internal | Contract Management Frameworks to understand key areas: • Procurement • Varying a contract - Contract variations - Scope change - Additional requirements • Business processes in place (including process maps) • Policies, procedures, and guidance in use • Review processes in place (including identifying benefits from contracts in place) • Level of spend and number of contracts. | 45-30 | FY24-Q4/ |
| FY2024 Reviews | | | | | TOTAL | 45 30 |

| Ref | Review title | Key Input# | Provider | Description | Work Days | Start Quarter |
|--------------------------|---|-----------------|---------------------|---|-----------|---------------|
| 2024-2025 Reviews | | | | | | |
| 25-01 | Business Performance - Rates | GRC, Risk | Co-source | Review each year on an aspect or area relating to council rates. • Transport Levy Compliance, where required either revenue, or expenditure, or both. | 30 | Q2 |
| 25-02 | External - Cherbourg Aboriginal Shire Council | CEO | Internal | AUDIT 2025 | 30 | Q2 |
| 25-03 | Council Wide - Environmental/sustainability claims | SR2, Risk | TBC | Scoping exercise looking at reporting and measurement criteria frameworks. Assess the commitments being made by management. Setting the right protocols and adjusting commitments as new protocols that are announced e.g. by the UN, or others. Check to see that progress and performance are being reported accurately and consistently internally, and that appropriate metrics are being fully, accurately, and honestly reported externally with appropriate context. Avoiding "Green Washing". | 20 | TBC |
| 25-04 | Business Performance - Payroll Audit | SR6/ Core, SOR | Internal /Co-source | TBC. To assess the design adequacy and operating effectiveness of key controls in relation to Payroll May be a follow-up review of prior internal audits. | 20 | Q4 |
| 25-05 | Liveability & Natural Assets - Capital Works Program Development | SR1, SR11, Risk | Internal /Co-source | To be scoped with management input. Key areas: - Model Check / Case Study - Evaluation Check - Methodology and Business Case process - Prioritisation | 35 | Q1 |

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Internal Audit FY2025 Program of Work

| Ref | Review title | Key Input# | Provider | Description | Work Days | Start Quarter |
|-------|--|-----------------|---------------------|--|-----------|---------------|
| 25-06 | Council Wide - Asset handover and recognition of Constructed/Contributed Assets (Capitalisation) | SR11, SR1, Risk | Internal | Look at a completed major project/projects, asset handover process/commissioning, physical verification, and reconciliation to Confirm and Financial Asset Register. Key areas: - Financial Accuracy, Completeness, Sustainability - Asset Tracking and Accountability - Risk, Operations, Service Quality, Efficiency | 40 | |
| 25-07 | Liveability & Natural Assets - WHS of Contractor Services | SR7, SOR, Risk | Internal /Co-source | Provide assurance that processes, procedures, and controls surrounding Council WHS program are in place and operating with evidence contractors. How does contractor acquit their WHS to Council. Key areas: - Compliance, Risk Management - Contractual Obligations, Legal & Reputational Protection - Workplace Safety Culture, Incident Prevention | 30 | |
| 25-08 | Customer & Planning Services - Cash Handling Review | SR6, SR7 | Internal | To be scoped with management input. Key areas: - Financial Accuracy, Leakage Prevention (Fraud) - Risk Management - Operations, Efficiency, Internal Controls - Training and Awareness, Reputation | 30 | |
| 25-09 | Economic and Community Development - Grants and Sponsorships review | SR5, GRC | Internal | Review Sponsorship and recent Grant processes and acquittals. Follow-up of CCC review recommendations Determine what QAO will look at to avoid duplication. Key areas: - Financial Accountability, Compliance - Risk Management, Due Diligence - Practices & Procedures, Internal Controls | 30 | |
| 25-10 | Council Wide - Compliance Chain of Responsibility (Heavy Vehicle National Law) | SR7, SOR, Risk | Internal /Co-source | Key areas: - Safety & Regulatory Compliance - Driver & Vehicle Safety, Training & Competency - Emergency Response Preparedness | 30 | |
| 25-11 | Business Performance – DIS Project Management Methodology & Delivery - (include OPEX Projects and Council Programs) | SR11, SR6, GRC | Internal | Management of projects is key to providing value for money and demonstrating sound stewardship in program delivery. The objective of the audit is to assess the effectiveness of the project management framework and controls to support the delivery of projects, including governance, risk and compliance with the policy and procedures. | 35 | |
| | FY2025 Reviews | | | Sub-Total | 330 | |

Internal Audit FY2025 Program of Work

| Ref | Review title | Key Input | Provider | Description | Work Days | Start Quarter |
|--|---|-----------|----------|--|-----------|---------------|
| Internal Audit - Control Environment Initiatives / Administrative Tasks | | | | | | |
| 24-80 | IA Quality Assurance and Continuous Improvement Program (QAIP) | Core | Internal | Independent assurance for compliance | 10 | 1-4 |
| 24-81 | Fraud Prevention/Control Program | Core | Internal | Support and advisory assistance. | 10 | 1-4 |
| 24-82 | Management Initiated Services | Core | Internal | Services provided or reviews undertaken by Internal Audit specifically at the request of management. | 0 | 1-4 |
| 24-90 | Audit Committee attendance, paper preparation, issues reporting & follow-up | Core | Internal | | 10 | 1-4 |
| 24-91 | Preparation Planning for FY2025 | Core | Internal | | 10 | Q3-4 |
| 24-92 | Quality Assurance Reviews | Core | Internal | | 10 | Q1-4 |
| | Internal Audit Activities | | | Sub Total | 50 | |

SUMMARY for FY2025

| | | |
|---------------------------|------------|--|
| FY2024 Reviews | 30 | |
| FY2025 Reviews | 330 | |
| Internal Audit Activities | 50 | |
| Total for Year | 410 | |

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Internal Audit FY2025 Program of Work

Resources available

The combined co-sourced IA function has the following resources available to deliver the reviews (total available time less estimated leave, training and other non-review time).

| Resources | Days Planned | FY2025 Days Available |
|---|--------------|---------------------------|
| Estimated/Planned Work Effort in Days | 410 | |
| <i>A: Audit and Assurance – Internal Days</i> | | 275 |
| <i>B: Internal Audit and Risk Service Provider – External Days⁺⁺</i> | | 120 ^{&&} |
| Total Available Days = A + B | | 395 |
| FY2025 Days Available | 410 | 395 |
| Additional Days Available (surplus) | 0 | |
| Additional Days Required^{\$\$} (shortage) | 15 | |

⁺⁺ Service provider days based on average daily rate of \$1,250 approximately.

Notes:

- There are 0 internal days available for ad-hoc requests from management. If a management request is received or if a business change occurs during the year and IA assessment deems it to be required to be added to the Program; capacity will be reviewed, and a current review assessed as being of lower risk or importance will be substituted/replaced.
- ⁺⁺ If additional external days were required would need budgetary approval
- ^{\$\$} Days required will be found within current available work-days and from savings (plus any under and over estimations)
- ^{&&} provided an estimated equivalent amount of work days (4 reviews by 30 days)

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Internal Audit FY2025 Program of Work

3 Year indicative audit program

| Group | FY2025 - Current | FY2026 | FY2027 | FY2028 |
|--|--|---|--|--|
| Council Wide | Rates Compliance - Transport Levy Asset handover and recognition of Constructed/Contributed Assets (Capitalisation) Environmental/sustainability claims (Scope) Compliance Chain of Responsibility (Heavy Vehicle National Law) | Rates Compliance - Environment Levy and Special and Heritage Arts Useful asset lives & depreciation Facilities management (TBC) | Rates Compliance - General Rates Gifts and Benefits policy and procedures Compliance with Electrical Safety testing Staff Retention & Recruitment | Rates Compliance - Waste Utility Charge Secondary Employment Policy and Compliance Review |
| Civic Governance | | | | |
| Business Performance | Payroll Process Audit (follow-up) Project Management Methodology & Delivery | Leave and Allowance Recording and Processes | Procurement Controls – end to end | |
| Built Infrastructure | | Council Car Parks Operations Review of internal process and procedures for QRA Acquittal | Other areas of Fleet Vehicle Processes and procedures Plant Hire Processes and procedures | Capitalisation of the road reseal program |
| Liveability & Natural Assets | WHS Contractor Services Capital Works Program Development | Waste management continuity of services | Waste Contract Evaluation & Tender Award | Waste recycling |
| Economic and Community Development | Grants and Sponsorships review | Aquatic Centres | Review of Caloundra Music Festival | |
| Customer & Planning Services | Cash Handling review | Disaster Recovery and Business Continuity of DA computer system | Pest and Vector Management | |
| External Support | Cherbourg Aboriginal Shire Council | | | |
| Audit Activities & Control Environment Initiatives | As per program of work (time permitting) | As per program of work (time permitting) | As per program of work (time permitting) | As per program of work (time permitting) |
| | 12 <i>(reviews for FY2024)</i> | 10 <i>(other Reviews to be considered)</i> | 11 <i>(other Reviews to be considered)</i> | 5 <i>(other Reviews to be considered)</i> |

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Internal Audit FY2025 Program of Work

Strategic Risks

| Strategic Risk (SR) Register | |
|------------------------------|---|
| SR Ref | Risk |
| 1 | Inability to achieve and maintain financially sustainable operations, asset management and service delivery to the community into the future |
| 2 | Inability to reduce emissions, adapt and respond to extreme weather conditions, climate impacts |
| 3 | Failure to provide and maintain infrastructure to agreed standards and to meet population growth |
| 4 | Failure to plan and manage the impacts of rapid population growth on livability and natural environment |
| 5 | Failure to deliver on key community and economic strategies and projects |
| 6 | Inadequate corporate governance and internal controls to support a culture that effectively manages fraud prevention or ethical conduct, compliance and performance |
| 7 | Oversight in processes to ensure the safety and wellbeing of our community, staff and contractors that result in fatality, damages and reputational loss |
| 8 | Culture not aligned to values which lead to inappropriate behaviours and adverse performance |
| 9 | Lack of preparedness for significant disruptions to the ability to service the needs of the community, including through an act of terrorism and or natural disasters/pandemics |
| 10 | Inability to maintain sufficient and ongoing protection against unauthorised or erroneous access to computer systems and data |
| 11 | Major projects fail to deliver desired outcomes and value for money due to oversight and capability |

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Internal Audit FY2025 Program of Work

Control Environment Initiatives:

We would like to begin to introduce a conceptual framework to enhance IA, its role, performance, and value to the business. The goal is to lift the impact and effect of IA on the business and establish a program of continuous improvement.

To achieve this, proposed initiatives for FY2025 are run alongside the Program of Work.

Time permitting these are the activities and initiatives that we would like to start and progress:

Initiative: Led by Internal Audit Outputs/outcomes

| | |
|--|--|
| Baseline controls education | <ul style="list-style-type: none"> Series of training sessions with financial and other teams across various business units. Increased awareness of risk and controls and an improvement in the control environment (together with Risk Management Team) |
| Connectivity with Executive | <ul style="list-style-type: none"> Feedback to Internal Audit team on issues, challenges, concerns and areas where Internal Audit can assist the business Influence of Executive to seek Internal Audit opinion, views and audit Flexibility in Internal Audit Program demonstrated through changes made to respond to business needs |
| Internal Audit methodology and reporting templates review | <ul style="list-style-type: none"> Regular review and update for continuous improvement opportunities, resulting in more effective Internal Audit delivery |
| Trend/maturity analysis | <ul style="list-style-type: none"> Analysis of Internal Audit reports and other intelligence gained through interaction with the business, to identify themes and issues that require consideration by Internal Audit. |
| Client satisfaction questionnaire (CSQ) feedback | <ul style="list-style-type: none"> Feedback obtained from auditee/sponsor on Internal Audit reviews, summarised and considered by the Internal Audit team for action where required; reported to AC 6 monthly |
| Develop assurance maps/audit universe | <ul style="list-style-type: none"> Robust set of assurance maps for business units, providing effective overview of sources of assurance over key risks, controls, processes |
| Auditors from the business | <ul style="list-style-type: none"> Identified and used guest auditors from the business of Internal Audit review teams Improved awareness of risks and controls within the business |
| Controls self-assessment (CSA) process | <ul style="list-style-type: none"> Introduce entry-level CSA's into selected areas of the business. |
| Project implementation audit framework | <ul style="list-style-type: none"> Develop as part of the Project/Program Management Framework Greater level of timely audit over key projects |
| Develop partnership with our IARSPs | <ul style="list-style-type: none"> Using our Internal Audit and Risk Service providers (IARSPs) to support IA services to the SCC Utilise IARSPs range of skills to extend the range of reviews IA |
| Present thought leadership and global connectivity with subject matter experts (SME's) | <ul style="list-style-type: none"> Facilitated sessions between SCC and SME's on relevant topics, aiming to provide insights to management on challenges and issues |
| Quality assurance of Audit engagements | <ul style="list-style-type: none"> More robust application of Internal Audit methodology, higher quality delivery of Internal Audit results, compliance with good practice internal audit standards |

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Internal Audit FY2025 Program of Work

FULL LIST OF INTERNAL AUDITS UNDER CONSIDERATION

| Review title | Description |
|---|--|
| Business Performance - Rates – Compliance, where required either revenue, or expenditure, or both. | Review each year on an aspect or area relating to council rates. <ul style="list-style-type: none"> Transport Levy Compliance, where required either revenue, or expenditure, or both. |
| Cherbourg Aboriginal Shire Council | AUDIT 2025 |
| Environmental/sustainability claims | Assess the commitments being made by management. Setting the right protocols and adjusting commitments as new protocols that are announced e.g. by the UN, or others. Check to see that progress and performance are being reported accurately and consistently internally, and that appropriate metrics are being fully, accurately, and honestly reported externally with appropriate context. Avoiding "Green Washing". |
| Business Performance - Payroll Process Audits (TBC) | TBC. To assess the design adequacy and operating effectiveness of key controls in relation to Payroll May be a follow-up review of prior internal audits. |
| Post Capital Works Program <ul style="list-style-type: none"> - Model Check / Case Study - Evaluation Check - Methodology and Business Cases - Prioritisation | To be scoped with management input. Key areas: <ul style="list-style-type: none"> - Model Check / Case Study - Evaluation Check - Methodology and Business Case process - Prioritisation |
| Council Car Parks Operations | To be scoped with management input. Key areas: <ul style="list-style-type: none"> - Revenue Assurance & Leakage Prevention (Fraud) - Risk, Operations, Service Quality, Efficiency - Asset conditions and utilisation |
| Asset handover and recognition of Constructed Assets (Capitalisation) | Look at a completed major project/projects, asset handover process/commissioning, physical verification, and reconciliation to Confirm and Financial Asset Register. Key areas: <ul style="list-style-type: none"> - Financial Accuracy, Completeness, Sustainability - Asset Tracking and Accountability - Risk, Operations, Service Quality, Efficiency |
| WHS of Contractor Services | Provide assurance that processes, procedures, and controls surrounding Council WHS program are in place and operating with evidence contractors. How does contractor acquit their WHS to Council. Key areas: <ul style="list-style-type: none"> - Compliance, Risk Management - Contractual Obligations, Legal & Reputational Protection - Workplace Safety Culture, Incident Prevention |
| Compliance with Electrical Safety testing | Review of compliance, flagged to ELT. Changes to Community leases, and inspection/condition assessments. Key areas: <ul style="list-style-type: none"> - Legal and Regulatory Compliance, Risk - Workplace Safety - Equipment Reliability, Preventive Maintenance |
| Cash Handling review | To be scoped with management input. Key areas: <ul style="list-style-type: none"> - Financial Accuracy, Leakage Prevention (Fraud) - Risk Management - Operations, Efficiency, Internal Controls - Training and Awareness, Reputation |
| Grants and Sponsorships review - ECD | Review Sponsorship and recent Grant processes and acquittals. Follow-up of CCC review recommendations |

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Internal Audit FY2025 Program of Work

| Review title | Description |
|---|--|
| | Determine what QAO will look at to avoid duplication. Key areas: - Financial Accountability, Compliance - Risk Management, Due Diligence - Practices & Procedures, Internal Controls |
| Council Wide - Compliance Chain of Responsibility (Heavy Vehicle National Law) | Key areas: - Safety & Regulatory Compliance - Driver & Vehicle Safety, Training & Competency - Emergency Response Preparedness |
| Project Management Methodology & Delivery Include OPEX Projects and Council Programs | Management of projects is key to providing value for money and demonstrating sound stewardship in program delivery. The objective of the audit is to assess the effectiveness of the project management framework and controls to support the delivery of projects, including governance, risk and compliance with the policy and procedures. |
| Gifts and Benefits policy and procedures and training | To assess the design adequacy and operating effectiveness of key controls in relation to Gifts and Benefits policy and procedures |
| Disaster Recovery and Business Continuity of DA computer system | To assess the effectiveness and efficiency of systems, processes and controls surrounding the DA computer system. Requirements for high availability. |
| Other areas of Fleet Vehicle Processes and procedures <ul style="list-style-type: none"> Fleet Processes and reporting Fleet inventory Fleet models Objectives and reality of commitments being made FBT Review for fleet. | Review of SCC fleet management Review of SCC owned vehicle management (vehicle booking and return, log book maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements. |
| Review of internal process and procedures for QRA Acquittal | The objectives of this internal audit are to: provide reasonable assurance that the QRA grants were expended for the purposes for which they were given; and assess the adequacy and effectiveness of internal controls in relation to managing the QRA funding. |
| Facilities management <i>Review of SAMP, OPEX costs</i> | Facilities management helps ensure the functionality, comfort, safety and efficiency of buildings and grounds, infrastructure and real estate. |
| Staff Retention & Recruitment | Framework to improve Staff Retention is operational and working effectively |
| Secondary Employment Policy and Compliance Review | With tougher economic times staff are seeking secondary employment more often. COI and risks to business need to be assessed to support staff to economically |
| Useful asset lives & depreciation | Review of recent exercise in Finance and asset custodians (depends on what QAO are doing)? Determine what QAO will look at to avoid duplication |
| Service review follow-up | Anything coming out of service reviews that we should be looking at?? |
| capitalisation of the road reseal program | Road reseal program and continued problems with accuracy and completeness of capitalisation. Impact on financial sustainability |
| Fraud and Corruption Control Self-Assessment | Determine the organisation's overall position in relation to fraud control and compliance with better practice and standards using the QAO's (Nov 2023) self-assessment tool. New QAO tool developed to assess overall fraud control environment in Local Councils. Would be useful exercise for the new Manager Ethical Standards |

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Internal Audit FY2025 Program of Work

| Review title | Description |
|--|--|
| Plant Hire Processes and procedures | This review may also take in plant hire. Provide assurance that processes, procedures, and controls surrounding Council plant hire. |
| Procurement Controls – end to end | Effectiveness of controls in managing procurement. Compliance with procurement policy (e.g. Vendor selection, shortlisting ad etc.) Follow on from past reviews to look at imbedding changes work. |
| Staff Retention & Recruitment | Framework to improve Staff Retention is operational and working effectively |
| Waste management continuity of services | Services list, plus contracts dates. BIA/Risk Assessment Review adequacy of business continuity for waste services. Contract review and associated controls to ensure continuity of services |
| WHS of Contractor Services | Provide assurance that processes, procedures and controls surrounding Council WHS program are in place and operating with evidence contractors. How does contract acquit their WHS to Council. |
| Waste recycling | Elements of procurement and contract management and performance (WH&S?) Not reviewed in over 10 years, sustainability is a strategic objective. |

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Internal Audit FY2025 Program of Work

FY2024 YEAR's RESULT

| Ref | Review title | Key Input# | Provider | Description |
|-------------------------------|--|---------------------------|---------------------|--|
| • COMPLETED 2022-2023 Reviews | | | | |
| 23-20 | Council Wide - Climate Performance (2022-23) | SR7 | Internal | Corporate contract management processes relating to health and safety and critical risk management. |
| 23-21 | Council Wide - WH&S - Contractor Management | SR7 | Internal | Corporate contract management processes relating to health and safety and critical risk management. |
| 23-22 | Built Infrastructure - Road Maintenance – Compliance with Legislation and best practice | SR3/ Core | Co-source | Compliance with legislation and good practice to stay ahead of the curve |
| COMPLETED 2023-2024 Reviews | | | | |
| 24-01 | Business Performance - Rates Compliance | GRC | Co-source | Review each year on an aspect or area relating to council rates. |
| 24-02 | External - Cherbourg Aboriginal Shire Council | CEO | Internal | AUDIT 2024 |
| 24-03 | Business Performance - Gender Pay Gap review | SR8 SOR | Co-source | Compliance with legislation and good practice |
| 24-04 | Business Performance - RPEQ review | SR3/ SR6 | Co-source | To be scoped together with external provider |
| 24-05 | NOTE: Carry forward into FY25 | SR3 SR6 SR9 Core | Internal | Contract Management Frameworks to understand key areas: • Procurement • Varying a contract - Contract variations - Scope change - Additional requirements • Business processes in place (including process maps) • Policies, procedures, and guidance in use • Review processes in place (including identifying benefits from contracts in place) • Level of spend and number of contracts. |
| | Council Wide Contract management - Key controls and processes are working to ensure appropriate and compliant contract management | | | |
| | Council Wide - Contract delegations | | | Review the design, approval, and communication of the delegated authority matrix. Sample testing to ensure delegations are being used and adhered to. |
| 24-06 | Council Wide - Fleet Management & Branch Obligations | SR6 | Internal | Review of SCC owned vehicle management (vehicle booking and return, logbook maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements. |
| 24-07 | Business Performance - Payroll EC-ECP- Ceridian Technical Review | SR6/ Core | Internal /Co-source | To assess the design adequacy and operating effectiveness of key controls in relation to Payroll – technical review |
| 24-08 | Built Infrastructure - Tree Mgmt. review follow-up | SR6/S R7 | Internal | Follow up to the Tree management review in December 2022 |
| 24-09 | Built Infrastructure - Asset management process and systems | SR1/S R3/ SR6/ P PR | Internal | Follow along the project to Asset Management Transformation |

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DELEGATION AUTHORITY

| | |
|---|---|
| DELEGATION NO. | 2016-73 (v9.0) |
| DELEGATION TITLE: | Delegation to the Chief Executive Officer |
| Delegation from Council to: | Chief Executive Officer |
| Date and Resolution No. | |
| Source of Authority: <i>Local Government Act 2009 (Qld)</i> <i>Refer Schedule 1</i> <i>Refer Schedule 2</i> | |

Delegated Power:

Council resolves, pursuant to section 257(1)(b) of the *Local Government Act 2009 (Qld)*, to delegate to the Chief Executive Officer all of the powers of the local government conferred under:

- a) Council's Local Laws;
- b) the Acts and Subordinate Legislation listed in Schedule 1 of this delegation.

Interpretation:

1. To the extent that this delegation confers a power to take any action, including making a decision, the power extends to doing anything which is necessary or convenient to perform that action, make that decision or give effect to a decision made by the local government or the local government's delegate such as:
 - a) considering factual and legal matters and issues in order to:
 - i) form any belief which is required; and
 - ii) be satisfied about any matter or thing;
 - b) consulting with any person who is required to be consulted with;
 - c) issuing any notices including publishing any notice in the gazette, newspaper or on the local government's website;
 - d) approving any forms;
 - e) filing any document;
 - f) extending any period;
 - g) providing reasons; and
 - h) making or refunding any payment.

2. Under this delegation, the words used are to take their meaning from the Queensland legislation conferring the authority or to the extent that no meaning is prescribed, the words will take their ordinary meaning unless otherwise specified in this delegation.
3. Under this delegation, the words used have the meanings set out below:
 - a) 'Act' has the meaning given to that term under the *Acts Interpretation Act 1954* (Qld);
 - b) 'Queensland legislation' has the meaning given to that term under the *Acts Interpretation Act 1954* (Qld);
 - c) 'powers of the local government' means all powers conferred on the local government under Queensland legislation which is the subject of this delegation including any Subordinate Legislation and Statutory Instrument made under that legislation or which has taken effect under that legislation even if not expressly mentioned in this delegation;
 - d) 'Subordinate Legislation' has the meaning given to that term under the *Statutory Instruments Act 1992* (Qld);
 - e) 'Statutory Instrument' has the meaning given to that term under the *Statutory Instruments Act 1992* (Qld);
 - f) 'Local Law' has the meaning given to that term under the *Local Government Act 2009* (Qld) and a reference to a local law in this delegation includes a reference to:
 - i) an 'interim local law' as defined by the *Local Government Act 2009* (Qld);
 - ii) a 'subordinate local law' as defined by the *Local Government Act 2009* (Qld); and
 - iii) a local law that incorporates a 'model local law' as defined by the *Local Government Act 2009* (Qld).
4. To the extent of any inconsistency between the conferral of this delegation of powers and any earlier delegation of powers to the Chief Executive Officer, this delegation prevails.

Delegation Conditions and Guiding Principles

1. The powers conferred by this delegation must be exercised in accordance with the Queensland legislation conferring the authority, including any obligations which are imposed in exercising the power.
2. The powers conferred by this delegation must not be exercised in circumstances where the power is not capable of delegation (refer to schedule 2 of this delegation).
3. The delegated officer must make and keep a register of all instances of where this delegation has been exercised.
4. Unless compliance would be contrary to any law, the policies of the local government and codes of conduct must be complied with in exercising the powers conferred by this delegation.
5. The following guiding principles apply:
 - a) The powers conferred by delegation to the Chief Executive Officer must be exercised in a manner that is consistent with Local Government Act 2009, Local Government Regulation 2012 and in accordance with any other legislation that may specifically confer authority to exercise the delegated power.
 - b) When making a decision to exercise a delegated power, the Chief Executive Officer must have due regard to the strategic direction and priorities set by Council including the Corporate Plan, Operational Plan, Annual Budget and financial delegation.
 - c) In the performance of a delegated function or in the exercise of a delegated power, the Chief Executive Officer may do anything that is lawfully and reasonably incidental to the delegated function or power.

- d) Delegations made by Council are made to the position of Chief Executive Officer and unless excluded in the terms of appointment extend to persons acting in that position from time to time.
- e) The Chief Executive Officer is not obliged to exercise a delegation.
- f) The Chief Executive Officer must avoid exercising any delegation where it can fairly be concluded that to do so would give rise to material claims of the delegate having an actual or perceived conflict of interest, whether financial or otherwise.
- g) As a matter of practice, the Chief Executive Officer must consult with the Mayor and relevant Portfolio Councillor prior to exercising a delegated power in instances where the exercise of the delegations may reasonably be expected to:
 - i. generate significant community concern; and/or
 - ii. result in significant financial, resource or policy implications for Council

Delegation Criteria - *Planning Act 2016*

1. The delegated officer may exercise the powers of the local government under the *Planning Act 2016* for an application other than the following:
 - a) an application where, in the opinion of the delegated officer, the estimated construction value of the proposed development exceeds \$100 million (excluding land content);
 - b) under the transitional provisions set out in Chapter 8 of the *Planning Act 2016*- an application for the approval of a master plan for a master planned area;
 - c) an application for a variation request as defined in the *Planning Act 2016*;
 - d) an application for a proposed development where a substantial number of submissions have been received during the notification part objecting to the proposed development.
2. In exercising the powers delegated, where a development application has been decided by Council the delegated officer must give due consideration to the materiality of the changes sought through a negotiated decision notice and consult with the divisional councillor where those changes would have a material impact on the outcome of the original decision.
3. However, even if paragraph 9 a) above applies, the delegated officer may exercise the powers of the local government under the *Planning Act 2016* without that limitation for an application where the application has the potential for "deemed approval".

Delegation Administration Procedure – *Planning Act 2016*:

1. The following procedure is to be undertaken for any powers exercised under the *Planning Act 2016* and *Planning Regulation 2017* unless compliance would be contrary to any law:
 - a) The policies of the local government must be complied with and in particular any policy related to entering into an infrastructure agreement.
 - b) The policies and codes of conduct of the local government must be complied with and in particular:
 - i) a development application is to be referred to the Chief Executive Officer for decision where a councillor has a material personal interest in the development application.

Schedule 1

Acts

| No. | Name of Act |
|-----|---|
| 1 | <i>Aboriginal Cultural Heritage Act 2003 (Qld)</i> |
| 2 | <i>Acquisition of Land Act 1967 (Qld)</i> |
| 3 | <i>Acquisition of Land Regulation (2014) (Qld)</i> |
| 4 | <i>Animal Care and Protection Act 2001 (Qld)</i> |
| 5 | <i>Animal Care and Protection Regulation 2012 (Qld)</i> |
| 6 | <i>Animal Management (Cats and Dogs) Act 2008 (Qld)</i> |
| 7 | <i>Animal Management (Cats and Dogs) Regulation 2019 (Qld)</i> |
| 8 | <i>Anti-Discrimination Act 1991 (Qld)</i> |
| 9 | <i>Auditor-General Act 2009 (Qld)</i> |
| 10 | <i>Australia's Foreign Relations (State and Territory Arrangements) Act 2020 (Cth)</i> |
| 11 | <i>Biosecurity Act 2014 (Qld)</i> |
| 12 | <i>Biosecurity Regulation 2016 (Qld)</i> |
| 13 | <i>Body Corporate and Community Management (Accommodation Module) Regulation 2020 (Qld)</i> |
| 14 | <i>Body Corporate and Community Management (Commercial Module) Regulation 2020 (Qld)</i> |
| 15 | <i>Body Corporate and Community Management (Small Schemes Module) Regulation 2020 (Qld)</i> |
| 16 | <i>Body Corporate and Community Management (Specified Two-lot Schemes Module) Regulation 2011 (Qld)</i> |
| 17 | <i>Body Corporate and Community Management (Standard Module) Regulation 2020 (Qld)</i> |
| 18 | <i>Body Corporate and Community Management Act 1997 (Qld)</i> |
| 19 | <i>Building Act 1975 (Qld)</i> |
| 20 | <i>Building Fire Safety Regulation 2008 (Qld)</i> |
| 21 | <i>Building Regulation 2006 (Qld)</i> |
| 22 | <i>Building Regulation 2021 (Qld)</i> |
| 23 | <i>Coastal Protection and Management Act 1995 (Qld)</i> |
| 24 | <i>Corporations Act 2001 (Cth)</i> |
| 25 | <i>Crime and Corruption Act 2001 (Qld)</i> |
| 26 | <i>Development Assessment Rules (Qld)</i> |
| 27 | <i>Disaster Management Act 2003 (Qld)</i> |
| 28 | <i>Disaster Management Regulation 2014 (Qld)</i> |
| 29 | <i>Economic Development Act 2012 (Qld)</i> |
| 30 | <i>Electricity Act 1994 (Qld)</i> |
| 31 | <i>Electricity Regulation 2006 (Qld)</i> |
| 32 | <i>Electrical Safety Act 2002 (Qld)</i> |
| 33 | <i>Electrical Safety Regulation 2013 (Qld)</i> |

| No. | Name of Act |
|-----|--|
| 34 | <i>Environmental Offsets Act 2014 (Qld)</i> |
| 35 | <i>Environmental Offsets Regulation 2014 (Qld)</i> |
| 36 | <i>Environmental Protection (Water and Wetland Biodiversity) Policy 2019 (Qld)</i> |
| 37 | <i>Environmental Protection Act 1994 (Qld)</i> |
| 38 | <i>Environmental Protection Regulation 2019 (Qld)</i> |
| 39 | <i>Evidence Act 1977 (Qld)</i> |
| 40 | <i>Fire and Emergency Service Act 1990 (Qld)</i> |
| 41 | <i>Fisheries Act 1994 (Qld)</i> |
| 42 | <i>Food Act 2006 (Qld)</i> |
| 43 | <i>Food Production (Safety) Act 2000 (Qld)</i> |
| 44 | <i>Forestry Act 1959 (Qld)</i> |
| 45 | <i>Fossicking Act 1994 (Qld)</i> |
| 46 | <i>Gaming Machine Act 1991 (Qld)</i> |
| 47 | <i>Geothermal Energy Act 2010 (Qld)</i> |
| 48 | <i>Greenhouse Gas Storage Act 2009 (Qld)</i> |
| 49 | <i>Heavy Vehicle (Mass, Dimension and Loading) National Regulation (Qld)</i> |
| 50 | <i>Heavy Vehicle National Law Act 2012 (Qld)</i> |
| 51 | <i>Heavy Vehicle National Law (Queensland)</i> |
| 52 | <i>Heavy Vehicle National Law Regulation 2014 (Qld)</i> |
| 53 | <i>Housing Act 2003 (Qld)</i> |
| 54 | <i>Housing Regulation 2015 (Qld)</i> |
| 55 | <i>Human Rights Act 2019 (Qld)</i> |
| 56 | <i>Industrial Relations Act 2016 (Qld)</i> |
| 57 | <i>Industrial Relations Regulation 2018 (Qld)</i> |
| 58 | <i>Information Privacy Act 2009 (Qld)</i> |
| 59 | <i>Instrument of Delegation and Direction – Economic Development Act 2012 (Minister for Economic Development Queensland) 17 October 2019</i> |
| 60 | <i>Integrity Act 2009 (Qld)</i> |
| 61 | <i>Integrated Planning Act 1997 (Qld)</i> |
| 62 | <i>Integrated Resort Development Act 1987 (Qld)</i> |
| 63 | <i>Justices Act 1886 (Qld)</i> |
| 64 | <i>Judicial Review Act 1991 (Qld)</i> |
| 65 | <i>Labour Hire Licensing Act 2017 (Qld)</i> |
| 66 | <i>Land Access Ombudsman Act 2017 (Qld)</i> |
| 67 | <i>Land Act 1994 (Qld)</i> |
| 68 | <i>Land Regulation 2020 (Qld)</i> |
| 69 | <i>Land Title Act 1994 (Qld)</i> |

| No. | Name of Act |
|-----|--|
| 70 | <i>Land Valuation Act 2010 (Qld)</i> |
| 71 | <i>Libraries Act 1988 (Qld)</i> |
| 72 | <i>Liquor Act 1992 (Qld)</i> |
| 73 | <i>Local Government Act 2009 (Qld)</i> |
| 74 | <i>Local Government Electoral Act 2011 (Qld)</i> |
| 75 | <i>Local Government Regulation 2012 (Qld)</i> |
| 76 | <i>Manufactured Homes (Residential Parks) Act 2003 (Qld)</i> |
| 77 | <i>Marine Parks Act 2004 (Qld)</i> |
| 78 | <i>Medicines and Poisons (Pest Management Activities) Regulation 2021 (Qld)</i> |
| 79 | <i>Medicines and Poisons (Poisons and Prohibited Substances) Regulation 2021 (Qld)</i> |
| 80 | <i>Medicines and Poisons Act 2019 (Qld)</i> |
| 81 | <i>Mineral & Energy Resources (Common Provisions) Act 2014 (Qld)</i> |
| 82 | <i>Mineral Resources Act 1989 (Qld)</i> |
| 83 | <i>Mining and Quarrying Safety and Health Act 1999 (Qld)</i> |
| 84 | <i>Mining and Quarrying Safety and Health Regulation 2017 (Qld)</i> |
| 85 | <i>Minister's Guidelines and Rules Under the Planning Act 2016 (Qld)</i> |
| 86 | <i>Mixed Use Development Act 1993 (Qld)</i> |
| 87 | <i>Nature Conservation (Administration) Regulation 2017 (Qld)</i> |
| 88 | <i>Nature Conservation (Animals) Regulation 2020 (Qld)</i> |
| 89 | <i>Nature Conservation (Plants) Regulation 2020 (Qld)</i> |
| 90 | <i>Nature Conservation (Protected Areas Management) Regulation 2017 (Qld)</i> |
| 91 | <i>Nature Conservation (Wildlife Management) Regulation 2006 (Qld)</i> |
| 92 | <i>Nature Conservation Act 1992 (Qld)</i> |
| 93 | <i>Neighbourhood Disputes (Dividing Fences and Trees) Act 2011 (Qld)</i> |
| 94 | <i>Peaceful Assembly Act 1992 (Qld)</i> |
| 95 | <i>Petroleum and Gas (Production and Safety) Act 2004 (Qld)</i> |
| 96 | <i>Petroleum and Gas (Production and Safety) Regulation 2018 (Qld)</i> |
| 97 | <i>Planning Act 2016 (Qld)</i> |
| 98 | <i>Planning Regulation 2017 (Qld)</i> |
| 99 | <i>Planning Act 2016 – Development Assessment Rules (Qld)</i> |
| 100 | <i>Planning and Environment Court Act 2016 (Qld)</i> |
| 101 | <i>Planning and Environment Court Rules 2018 (Qld)</i> |
| 102 | <i>Plumbing and Drainage Act 2002 (Qld)</i> |
| 103 | <i>Plumbing and Drainage Regulation 2019 (Qld)</i> |
| 104 | <i>Plumbing and Drainage Act 2018 (Qld)</i> |
| 105 | <i>Plumbing and Drainage Regulation 2019 (Qld)</i> |
| 106 | <i>Property Law Act 1974 (Qld)</i> |

| No. | Name of Act |
|-----|--|
| 107 | <i>Prostitution Act 1999 (Qld)</i> |
| 108 | <i>Public Health (Infection Control for Personal Appearance Services) Act 2003 (Qld)</i> |
| 109 | <i>Public Health Act 2005 (Qld)</i> |
| 110 | <i>Public Health Regulation 2018 (Qld)</i> |
| 111 | <i>Public Interest Disclosure Act 2010 (Qld)</i> |
| 112 | <i>Public Records Act 2002 (Qld)</i> |
| 113 | <i>Public Sector Ethics Act 1994 (Qld)</i> |
| 114 | <i>Queensland Building and Construction Commission Act 1991 (Qld)</i> |
| 115 | <i>Queensland Heritage Act 1992 (Qld)</i> |
| 116 | <i>Queensland Reconstruction Authority Act 2011 (Qld)</i> |
| 117 | <i>Rail Safety National Law (Qld)</i> |
| 118 | <i>Regional Planning Interests Act 2014 (Qld)</i> |
| 119 | <i>Residential Services (Accreditation) Act 2002 (Qld)</i> |
| 120 | <i>Residential Tenancies and Rooming Accommodation Act 2008 (Qld)</i> |
| 121 | <i>Retail Shop Leases Act 1994 (Qld)</i> |
| 122 | <i>Retail Shop Leases Regulation 2016</i> |
| 123 | <i>Right to Information Act 2009 (Qld)</i> |
| 124 | <i>River Improvement Trust Act 1940 (Qld)</i> |
| 125 | <i>Safety in Recreational Water Activities Act 2011 (Qld)</i> |
| 126 | <i>Soil Conservation Act 1986 (Qld)</i> |
| 127 | <i>South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)</i> <i>Delegation by Northern SEQ Distributer Retailer Authority (Unitywater) to Moreton Bay Regional Council, Sunshine Coast Regional Council and Noosa Shire Council – 30 June 2014</i> |
| 128 | <i>Standard Plumbing and Drainage Regulation 2003 (Qld)</i> |
| 129 | <i>State Development and Public Works Organisation Act 1971 (Qld)</i> |
| 130 | <i>State Penalties Enforcement Act 1999 (Qld)</i> |
| 131 | <i>State Penalties Enforcement Regulation 2014 (Qld)</i> |
| 132 | <i>Statutory Bodies Financial Arrangements Act 1982 (Qld)</i> |
| 133 | <i>Statutory Bodies Financial Arrangements Regulation 2019 (Qld)</i> |
| 134 | <i>Stock Act 1915 (Qld)</i> |
| 135 | <i>Stock Route Management Act 2002 (Qld)</i> |
| 136 | <i>Stock Route Management Regulation 2003 (Qld)</i> |
| 137 | <i>Strong and Sustainable Resource Communities Act 2017 (Qld)</i> |
| 138 | <i>Summary Offences Act 2005 (Qld)</i> |
| 139 | <i>Summary Offences Regulation 2016 (Qld)</i> |
| 140 | <i>Survey and Mapping Infrastructure Act 2003 (Qld)</i> |
| 141 | <i>Sustainable Planning Act 2009 (Qld)</i> |

| No. | Name of Act |
|-----|--|
| 142 | <i>Sustainable Planning Regulation 2009 (Qld)</i> |
| 143 | <i>Telecommunications (Interception and Access) Act 1979 (Cth)</i> |
| 144 | <i>Tobacco and Other Smoking Products Act 1998 (Qld)</i> |
| 145 | <i>Torres Strait Islander Cultural Heritage Act 2003 (Qld)</i> |
| 146 | <i>Transport Infrastructure (Busway) Regulation 2002 (Qld)</i> |
| 147 | <i>Transport Infrastructure (Public Marine Facilities) Regulation 2023 (Qld)</i> |
| 148 | <i>Transport Infrastructure (Rail) Regulation 2006 (Qld)</i> |
| 149 | <i>Transport Infrastructure (State Controlled Roads) Regulation 2017 (Qld)</i> |
| 150 | <i>Transport Infrastructure Act 1994 (Qld)</i> |
| 151 | <i>Transport Operations (Marine Pollution) Act 1995 (Qld)</i> |
| 152 | <i>Transport Operations (Marine Safety) Act 1994 (Qld)</i> |
| 153 | <i>Transport Operations (Marine Safety) Regulation 2016 (Qld)</i> |
| 154 | <i>Transport Operations (Passenger Transport) Act 1994 (Qld)</i> |
| 155 | <i>Transport Operations (Road Use Management) Act 1995 (Qld)</i> |
| 156 | <i>Transport Operations (Road Use Management – Accreditation and Other Provisions) Regulation 2015 (Qld)</i> |
| 157 | <i>Transport Operations (Road Use Management—Road Rules) Regulation 2009 (Qld)</i> |
| 158 | <i>Transport Operations (Road Use Management—Vehicle Registration) Regulation 2021 (Qld)</i> |
| 159 | <i>Transport Planning and Coordination Act 1994 (Qld)</i> |
| 160 | <i>Trusts Act 1973 (Qld)</i> |
| 161 | <i>Waste Reduction and Recycling Act 2011 (Qld)</i> |
| 162 | <i>Waste Reduction and Recycling Regulation 2023 (Qld)</i> |
| 163 | <i>The Waste Reduction and Recycling (Local Government) Delegation (No. 1) 2015</i> |
| 164 | <i>Water Act 2000 (Qld)</i> |
| 165 | <i>Water Regulation 2016 (Qld)</i> |
| 166 | <i>Water Supply (Safety and Reliability) Act 2008 (Qld)</i> |
| 167 | <i>Work Health and Safety Act 2011 (Qld)</i> |
| 168 | <i>Work Health and Safety Regulation 2011 (Qld)</i> |
| 169 | <i>Workers Compensation and Rehabilitation Act 2003 (Qld)</i> |
| 170 | <i>Workers Compensation and Rehabilitation Regulation 2014 (Qld)</i> |
| 171 | <i>Working with Children (Risk Management and Screening) Act 2000 (Qld)</i> |

Schedule 2

Matters that require a resolution of Council.

The powers of Sunshine Coast Regional Council which are not able to be delegated are set out in the tables below.

| Animal Management (Cats and Dogs) Act 2008 (Qld) (AMCDA) | |
|---|---|
| Section | Cannot be delegated |
| 12 – Identification devices under Act | Council may, by resolution, nominate a device to assist in identifying a dog. |
| 50 – Duration of registration | Council may, by resolution, fix the period for registration of a dog. However, the period must not be more than 3 years. |
| 74 – Requirements for application (Restricted Dog Permits) and 83 – Requirements for renewal application | Restricted dog permits and renewals must be accompanied by the fee fixed by resolution of Council. |
| 113 – Approval of inspection program authorising entry | Council may, by resolution, approve a program (an approved inspection program) under which an authorised person may enter a place to monitor compliance with the AMCDA or an aspect of the AMCDA. |

| Biosecurity Act 2014 | |
|--|---|
| Section | Cannot be delegated |
| 235 - Authorising and carrying out biosecurity program | A program authorisation must be authorised by a resolution of the local government. |

| Building Act 1975 (Qld) | |
|---|---|
| Section | Cannot be delegated |
| 32 - Local laws, local planning instruments and local government resolutions that may form part of the building assessment provisions | Council may make resolutions about an aspect of, or matter related or incidental to, building work prescribed under a regulation. |

| Building Regulation 2021 (Qld) | |
|--|---|
| Section | Cannot be delegated |
| 8 – Designation of area liable to flooding | Council may, by resolution: <ul style="list-style-type: none"> (a) designate part of its area as a flood hazard area; and (b) declare the following for all or part of a flood hazard area: <ul style="list-style-type: none"> (i) the defined flood level; (ii) the maximum flow velocity of water; |

| Building Regulation 2021 (Qld) | |
|--|--|
| Section | Cannot be delegated |
| | <p>(iii) an inactive flow or backwater area;</p> <p>(iv) a freeboard that is more than 300mm;</p> <p>(v) the finished floor level of class 1 buildings built in all or part of the flood hazard area.</p> <p>If the local government makes a designation or declaration, the local government must state in the planning scheme, temporary local planning instrument under the Planning Act or resolution, that the designation or declaration is made under this section.</p> |
| 45 – Local governments may exempt particular assessable building work from particular stages of inspection | <p>Council may, by resolution, declare localities and forms of buildings or structures in its area exempt from inspection at a stage of assessable building work if the work:</p> <p>(a) is, or is an alteration to, a single detached class 1a building or a class 10 building or structure; and</p> <p>(b) is not for a swimming pool or fencing around it.</p> |

| Economic Development Act 2012 (Qld) | |
|--|--|
| Section | Cannot be delegated |
| 169 – Delegations | <p>Council may not subdelegate a function or power of the Minister for Economic Development Queensland (MEDQ) delegated to it where MEDQ has, when delegating the function or power to Council, directed that the function or power cannot be subdelegated.</p> |

| Environmental Protection Act 1994 (Qld) (EPA) | |
|--|---|
| Section | Cannot be delegated |
| 514 – Devolution of powers | <p>(a) Council may make a resolution about the fees payable to it for the administration and enforcement of a matter devolved to it by the Governor in Council, which may include prescribing a different fee, whether higher or lower.</p> |
| 518 – Delegation by administering authority | <p>Where Council is an administering authority, it may, by resolution, delegate its powers under the Environmental Protection Act to an appropriately qualified entity.</p> |

| Food Act 2006 (Qld) (Food Act) | |
|--|--|
| Section | Cannot be delegated |
| 31 – Fees payable to local governments | <p>Council may make a resolution about the fees payable to it for providing a service or taking action under the Food Act.</p> |

| Land Act 1994 (Qld) | |
|----------------------------|--|
| Section | Cannot be delegated |
| 56 – Model by-laws | <p>Decide where the local government is trustee of trust land to adopt a model by-law.</p> |

| Libraries Act 1988 (Qld) | |
|---------------------------------|---|
| Section | Cannot be delegated |
| 55 – Library committees | Council may direct, by resolution, the functions, powers and duties to be fulfilled by a library committee. |

| Liquor Act 1992 (Qld) | |
|----------------------------------|---|
| Section | Cannot be delegated |
| 173N – Suspension of designation | Council may, by resolution, suspend the designation of a public place as a public place where permitted liquor may be consumed for a period of not more than 10 days if it reasonably believes it is in the best interests of the residents of the area to do so. |

| Local Government Act 2009 (Qld) (Local Government Act) | |
|---|--|
| Section | Cannot be delegated |
| 25C – Establishment of joint local governments | A joint local government is established for an area if 2 or more local governments approve, by resolution, the constitution for the joint local government. |
| 25H – Chairperson and deputy chairperson | A joint local government must appoint a chairperson and deputy chairperson from its members, by resolution. |
| 25I - Disbursement from operating fund of joint local government for purposes other than exclusive jurisdiction | A joint local government may only make a disbursement from its operating fund if the joint local government has, by resolution, decided the amount of the disbursement is not required for exercising its exclusive jurisdiction. |
| 25J – Winding up joint local governments | A joint local government may, by resolution, decide to wind up the joint local government. |
| 29 – Local law making process | A local law must be made by resolution of Council. |
| 32 – Consolidated versions of local laws | Council may prepare and adopt, by resolution, a consolidated version of a local law. |
| 46 – Assessing public benefit | Council must conduct a public benefit assessment of any new significant business activity that is identified in the annual report. Council must prepare a report on the public benefit assessment that contains its recommendations about the application of the competitive neutrality principle in relation to the significant business activity. Council must consider the report and decide, by resolution, whether or not to apply the competitive neutrality principle in relation to the significant business activity. |
| 47 – Code of competitive conduct | Council must decide each financial year, by resolution, whether to apply the code of competitive conduct to a business activity prescribed under regulation. |
| 48 – Competitive neutrality complaints | Council must adopt, by resolution, a process for resolving competitive neutrality complaints. A competitive neutrality complaint is a complaint: (a) relating to a failure of Council to conduct a business activity in accordance with the competitive neutrality principle; and (b) is made by an affected person as defined in section 48(3) of the Local Government Act. |

| Local Government Act 2009 (Qld) (Local Government Act) | |
|--|--|
| Section | Cannot be delegated |
| 74 – Roads map and register | Council may, by resolution or local law, fix a fee for a copy of a map or register of roads within the local government area. |
| 80A – Malls | Council may decide by resolution to pay compensation to a person because of the establishment, modification or closing of a mall by the local government |
| 84 – Meetings about trust land generally open to the public | All meetings relating to trust land must be open to the public, unless the trustee council decides, by resolution, that the meeting be closed to the public. |
| 93 – Land on which rates are levied | Land, primarily used for showgrounds or horseracing or charitable purposes may be exempted from rating by resolution of Council. |
| 94 – Power to levy rates and charges | The rates and charges to be levied in a financial year must be decided by resolution at Council's budget meeting for that financial year. |
| 97 – Cost-recovery fees | Council may, under a local law or a resolution, fix a cost-recovery fee. An application for the issue or renewal of a licence, permit, registration or other approval under a local government Act may also include a tax if Council decides, by resolution, that the purpose of the tax benefits its local government area. |
| 99 – Fees on occupiers of land below the high-water mark | Council may, by resolution, levy a fee on the occupier of land below the high-water mark for the use of Council's roads and other infrastructure. |
| 107A – Approval of budget | Council must consider the budget presented by the mayor and, by resolution, adopt the budget with or without amendment. The budget must be adopted before 1 August in the financial year to which the budget relates. |
| 110 – Councillors liable for improper disbursements | Councillors will be liable in accordance with section 110 for any disbursement of Council funds which is: (a) not provided for in Council's budget; and (b) made without the approval, by resolution, of Council. |
| 134 – Approving an inspection program | Council may, by resolution, approve a systematic or a selective inspection program allowing an authorised person to enter and inspect certain properties within Council's local government area. |
| 150G 150AE 150AF 150ES 150EU Conduct of Councillors | Adoption of the model procedures or other procedures for the conduct of the local government's meetings and meetings of its committees; Adoption of an investigation policy about dealing with suspected inappropriate conduct of councillors referred by the assessor to the local government; Decision to investigate a councillor's conduct in another way than as provided above; Decision, where a councillor has a declarable conflict of interest, to allow the Councillor to participate in a decision about the matter or to leave the place where the meeting is being held; Decision, where there is no quorum for deciding matter because of the prescribed conflicts of interest or declarable conflicts of interest, to deter the matter to a later meeting; Decision, where there is no quorum for deciding matter because of the prescribed conflicts of interest or declarable conflicts of interest, not to decide the matter and take no further action in relation to the matter. |
| 164 - Filling vacancy in office of mayor | Decision to appoint a councillor to the office of mayor if the office becomes vacant during the final part of the local government's term |

| Local Government Act 2009 (Qld) (Local Government Act) | |
|--|--|
| Section | Cannot be delegated |
| 165 – Acting mayor | Council may, by resolution, appoint an acting mayor from its councillors in certain circumstances. Council may also, by resolution, declare that the office of deputy mayor is vacant, in which case it must immediately appoint another deputy mayor from its councillors. |
| 166 – Filling a vacancy in the office of another councillor (other than the Mayor) | If the office of a councillor who is not the mayor becomes vacant during the beginning or middle of Council's term, Council must, by resolution, fill the vacant office by either: (a) a by-election; or (b) by following the procedure under section 166A. If the former councillor's office becomes vacant during the final part of Council's term, the vacant office must be filled by Council appointing, by resolution, a person who is: (a) qualified to be a councillor; and (b) if the former councillor was elected or appointed to office as a political party's nominee—the political party's nominee. |
| 170A – Requests for assistance or information | 'Acceptable requests guidelines' are guidelines of Council regarding: (a) the way in which a councillor may ask a local government employee for advice to help the councillor carry out his or her responsibilities under the Local Government Act; and (b) reasonable limits on requests that a councillor may make. Acceptable requests guidelines must be adopted by resolution by Council. |
| 175 – Post-election meetings | Council must, by resolution, appoint a deputy mayor from its councillors (other than the mayor) at: (a) a meeting held within 14 days after the conclusion of each quadrennial election and the conclusion of a fresh election of its councillors; and (b) at the first meeting after the office of the councillor who is the deputy mayor becomes vacant. |
| 196 – Appointing other local government employees | Council must, by resolution, adopt an organisational structure that is appropriate to the performance of Council's responsibilities. |
| 197A – Councillor advisors | Council must, by resolution, allow a councillor to appoint one or more appropriately qualified persons (each a councillor advisor) to assist the councillor in performing responsibilities under the Act. |
| 202 – Appointing authorised persons | A person is qualified to be an authorised person of Council if: (a) the person is an authorised person for another local government; and (b) Council has, by resolution, decided that authorised persons of the other local government may be appointed as authorised persons of Council. |
| 257 – Delegation of local government powers | Council may only delegate certain powers under the Local Government Act or another Act by resolution. Council must not delegate a power that an Act states must be exercised by resolution. |
| 257A – Delegation of joint local government's powers | A joint local government may, by resolution, delegate its powers to certain persons or bodies. However it must not delegate a power that an Act states must be exercised by resolution. |
| 259 – Delegation of chief executive officer powers | Council's CEO must not delegate the following powers: |

| Local Government Act 2009 (Qld) (Local Government Act) | |
|---|---|
| Section | Cannot be delegated |
| | (a) a power delegated by the local government, if the local government has directed the chief executive officer not to further delegate the power; and (b) a power to keep a register of interests. |
| 268 – Process for administrative action complaints | Council must adopt, by resolution, a process for resolving complaints about an administrative action of Council by a person who is apparently directly affected by the administrative action. |
| 276 – Local laws | Council may proceed in adopting or making a local law in accordance with the relevant process. |
| 324 Process if no investigation policy | Decision about the procedure for investigating a councillor's inappropriate conduct if an investigation policy has not been adopted under section 150AE; Decision to deal with a councillors inappropriate conduct in another way than as recommended by the assessor under Section 150AC(3) |

| Local Government Regulation 2012 (Qld) (Local Government Regulation) | |
|---|---|
| Section | Cannot be delegated |
| 29 – Converting a business unit to a commercial business unit | Council must make the decision to convert a business unit to a commercial business unit by resolution. |
| 30 – Creating a commercial business unit | Council must make the decision to create a commercial business unit by resolution. |
| 55 – Local government response to competition authority's report | Council must decide, by resolution, whether to implement the recommendations in a report by the competition authority. |
| 74 – Rateable value of land | When calculating the rateable value of land, Council may use the value of the land averaged over a number of financial years only if it decides, by resolution, to do so. |
| 81 – Categorisation of land for differential general rates | Council must decide the different categories of rateable land in its local government area by resolution at its budget meeting, before Council levies differential general rates. |
| 94 – Levying special rates or charges | Council may, by resolution, decide to levy special rates and charges. Council may amend an overall plan or an annual implementation plan regarding the special rates or charges at any time by resolution. |
| 97 – Surplus special rates or charges after plan is cancelled | Where: (a) Council decides to cancel an overall plan before it is carried out; and (b) Council has not spent all the special rates or charges; and (c) the overall plan identifies the beneficiaries of the plan, Council may decide, by resolution, the proportions that it must pay the current owners of the land on which the special rates or charges were levied. |
| 102 – Reading meters for utility charges | Council may, by resolution, decide a meter is taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the meter is actually read. |
| 116 – Limitation of increase in rates or charges levied | Council may resolve to limit the increase in rates or charges when it resolves to levy rates or charges. |

| Local Government Regulation 2012 (Qld) (Local Government Regulation) | |
|---|---|
| Section | Cannot be delegated |
| 118 – When rates or charges must be paid | Council must decide, by resolution at its budget meeting, the date by which, or the period within which, rates or charges must be paid. |
| 122 – Resolutions for granting concession | Council may only grant a ratepayer a concession for rates or charges for land by resolution. |
| 129 – Paying rates or charges by instalments | Council may decide, by resolution at its budget meeting, to allow ratepayers to pay rates or charges by instalments. |
| 130 – Discount for prompt payment of rates or charges | Council may decide, by resolution at its budget meeting, to allow a discount for payment of rates or charges before the due date for payment. Council may change the due date for payment and the discount period to end on a later day by resolution. |
| 133 - Interest on overdue rates or charges | Decision about the rate of interest payable on overdue rates or charges under 133 (3)(b) |
| 140 – Notice of intention to sell land for overdue rates or charges | Council may, by resolution, decide to sell land on which there are overdue rates or charges in the circumstances set out in section 140 of the Local Government Regulation. |
| 149 – Requirements for notice of intention to acquire land | Council may decide to acquire land by resolution for overdue rates or charges. |
| 165 – Preparation of 5-year corporate plan | Council must prepare a 5-year Corporate Plan and must adopt its 5-year Corporate Plan. Council may also amend its 5-year corporate plan at any time by resolution. |
| 167 – Preparation of long term asset management plan | Council must prepare and adopt a long-term asset management plan. |
| 170 – Adoption and amendment of budget | Council must adopt a budget and may amend the budget for a financial year by resolution any time before the end of the financial year. |
| 173 – Unauthorised spending | Adopting an annual budget amended in compliance with Sect 173A. Council may spend money which is not authorised in its budget for genuine emergency or hardship if it makes a resolution about spending the money before, or as soon as practicable after, the money is spent. |
| 174 – Preparation and adoption of annual operational plan | Council must adopt an annual operational plan and may, by resolution, amend its annual operational plan at any time before the end of the financial year. |
| 182 – Preparation of annual report | Council must adopt its annual report within one month after the day the auditor-general gives their report about the local government's financial statement. |
| 191- Investment policy | Council must adopt an investment policy. |
| 192 – Debt policy | Council must adopt a debt policy for a financial year. |
| 195 – Community grants policy | Council must adopt a policy about local government grants to community organisations (including eligibility criteria). |
| 196 – Entertainment and hospitality | Council must adopt a policy about the local government's spending on entertainment or hospitality. |
| 197 – Advertising spending | Council must adopt a policy about the local government's spending on advertising. |
| 198 – Procurement policy | Council must adopt a policy about procurement. |

| Local Government Regulation 2012 (Qld) (Local Government Regulation) | |
|---|--|
| Section | Cannot be delegated |
| 201- Transferring money to or from a trust fund | Council may, by resolution, transfer money from the trust fund if the purpose for which it was credited to the fund no longer exists. |
| 206 – Valuation of non-current physical assets | Council must, by resolution, set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense. |
| 218 – Power to choose strategic approach | Council may decide to apply Strategic contracting procedures to its contracts by resolution. Council may also decide that Chapter 6, Part 2 no longer applies to its contracts by a later resolution. |
| 219 - Effect of choice | Decision that Chapter 6 Part 2 (strategic contracting procedures) no longer applies to local government contracts. |
| 220 – Contracting plans | Council must make and adopt a contracting plan each financial year by resolution, but must not do so before it adopts an annual budget for a financial year. Council may, by resolution, amend a contracting plan at any time before the end of the financial year to which the plan relates. |
| 221 – Significant contracting plans | Council may, by resolution, amend a significant contracting plan at any time before the end of the financial year to which the plan relates. |
| 222 – Contracting manual | Council must make and adopt a contract manual. |
| 228 – Tender process | Council may invite expressions of interest under section 228(5) only if it decides by resolution that it would be in the public interest to invite expressions of interest before inviting written tenders. |
| 230 – Exception if quote or tender consideration plan prepared | Council may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if it decides, by resolution, to prepare a quote or tender consideration plan and prepares and adopts the plan. |
| 235 – Other exceptions | Council may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if it decides, by resolution, that: (a) there is only one supplier who is reasonably available; or (b) because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders. |
| 236 – Exceptions for valuable non-current asset contracts | Before disposing of a valuable non-current asset other than by tender or auction in accordance with section 236, Council must decide by resolution that the exceptions allowing such disposal apply to Council. Note that section 236 (1) (f) (seeking a Ministerial exemption) is not subject to the requirement for a Council resolution in accordance with s236(2) and is thereby delegated to the Chief Executive Officer |
| 247 – Remuneration payable to councillors | Council may decide, by resolution, that the maximum amount of remuneration payable to a councillor under the remuneration schedule is not payable to the councillor. If this occurs, Council must also decide, by resolution, the amount of remuneration payable to the councillor. |
| 250 – Requirement to adopt expenses reimbursement policy or amendment | Council must adopt and may amend its expenses reimbursement policy at any time by resolution. |

| Local Government Regulation 2012 (Qld) (Local Government Regulation) | |
|---|---|
| Section | Cannot be delegated |
| 254 - Exemption of minutes and close a meeting | Council may exempt an advisory committee from the requirement to take minutes of its proceedings by resolution. Council or a committee may decide by resolution that a meeting be closed to the public if the councillors or members of the committee consider it necessary to close the meeting to discuss certain matters. |
| 257 – Frequency and place of meetings | Council must meet at least once in each month either at one of its public offices or at another place fixed by Council by resolution for the meeting. |
| 306 – Process for resolving administrative actions complaints | Council must adopt a complaints management process and written policies and procedures supporting the process. |

| Minister's Guidelines and Rules for amending a planning scheme for section 20 of the Planning Act 2016 | |
|---|--|
| Section | Cannot be delegated |
| Chapter 2, Part 1, 3.1 | For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed administrative amendment to a planning scheme. |
| Chapter 2, Part 2, 6.1 | For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed minor amendment to a planning scheme. |
| Chapter 2, Part 3, 14.1 | For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed qualified state interest amendment to a planning scheme approved and notified by the Minister under section 13.5. |
| Chapter 2, Part 4, 22.1 | For the purposes of section 20 of the Planning Act (amending planning schemes under the Minister's rules), adoption of a proposed major amendment to a planning scheme approved and notified by the Minister under section 21.5. |
| Chapter 3, Part 1, 5.1 | For the purposes of section 22 of the Planning Act (making or amending planning scheme policies), adoption of a proposed planning scheme policy or amendment. |
| Chapter 3, Part 2, 9.1 | For the purposes of section 23 of the Planning Act (making or amending temporary local planning instruments), adoption of a proposed temporary local planning instrument or temporary local planning instrument amendment approved and notified by the Minister under section 8.5. |
| Chapter 5, Part 2, 6.1 | For the purposes of section 25(3) of the Planning Act (reviewing a local government infrastructure plan) and making or amending an LGIP, or making an interim LGIP amendment, adoption of a proposed LGIP or amendment approved and notified by the Minister under section .7.9 |

| Planning Act 2016 | |
|--|---|
| Section | Cannot be delegated |
| 9 – Temporary local planning instruments | Resolution that the local government give a temporary local planning instrument or amendment, and the request for an earlier effective day, to the Minister for approval. |
| 24 – Repealing TLPIs or planning scheme policies | Council may repeal a TLPI, or planning scheme policy, by resolution. |

| Planning Act 2016 | |
|--|---|
| Section | Cannot be delegated |
| 9 – Temporary local planning instruments | Resolution that the local government give a temporary local planning instrument or amendment, and the request for an earlier effective day, to the Minister for approval. |
| 113 – Adopting Charges by Resolution | Council may by resolution (a charges resolution) adopt charges (each an adopted charge) for providing trunk infrastructure for development. |
| 175 – Proceedings brought in a representative capacity | A person may bring offence proceedings in a representative capacity if the person has the consent of the members of its controlling or governing body where the proceedings are being brought on behalf of a body of persons or a corporation (e.g. Council). |
| Schedule 2 – Required fee | Fixing of a fee for an application or referral to a local government. |

| Planning Regulation 2017 | |
|--|---|
| Section | Cannot be delegated |
| Part 1 - Division 3 – Superseded Planning Schemes – s 11(3) | Council may, by resolution, set a fee for considering a superseded planning scheme request. |
| Schedule 6 Part 2 – Material change of use for particular buildings or structures – s 3(b) | For a class 1(a) building made up of not more than 2 attached dwellings – the local government for the local government area in which the premises are located may decide by resolution that this subsection will apply to that class of building. |
| Schedule 9 - Division 2 – Local Government as referral agency (Table 1) | Council may declare in its planning scheme, or by resolution, that building work for a building or structure is in a locality and of a form that may: <ul style="list-style-type: none"> (a) have an extremely adverse effect on the amenity or likely amenity of the locality; (b) or be in extreme conflict with the character of the locality. |
| 68D - Provisions in relation to economic support instruments | Adopt an economic support instrument for its local government area |
| 68G - Provisions in relation to economic support instruments | Revoke an economic support instrument for its local government area |

| Plumbing and Drainage Regulation 2019 (Qld) | |
|---|--|
| Section | Cannot be delegated |
| 39 – Fast-track work declaration for a local government area | Council may decide, by resolution, to declare permit work of a stated type to be fast-track permit work for its local government area (a fast-track work declaration). |
| 40 - Fast-track opt-out declaration for local government area | Council may decide, by resolution, to declare that it will not deal with any applications relating to permits for work to be carried out in its local government area as fast-track applications (a fast-track opt-out declaration). |
| 71 - Local government declarations about remote areas and eligible work | Council may decide, by resolution to declare part of its local government area to be a remote area because of the area's remoteness from the local government's public office (a remote area declaration). |

| Plumbing and Drainage Regulation 2019 (Qld) | |
|---|--|
| Section | Cannot be delegated |
| 71 - Local government declarations about remote areas and eligible work | Council may decide, by resolution, to declare particular permit work carried out in a remote area to be eligible work if the local government considers the work is of a type that, even if not inspected, will not be likely to adversely affect public health or safety, or the environment. |

| Public Health (Infection Control for Personal Appearance Services) Act 2003 (Qld) (PHICPASA) | |
|---|---|
| Section | Cannot be delegated |
| 9 – Local government to administer Act | Council may make a resolution about the fees payable to it for providing a service or taking action under the PHICPASA. |

| Queensland Heritage Act 1992 (Qld) | |
|--|--|
| Section | Cannot be delegated |
| 119 – Local government resolution to enter place in, or remove place from, local heritage register | Council may, by resolution, add or remove a place from its local heritage register in certain circumstances. |

| Residential Services (Accreditation) Act 2002 (Qld) | |
|---|---|
| Section | Cannot be delegated |
| 29 – Notice of compliance with prescribed building requirements | Council may, by resolution, prescribe a fixed fee for a written application to Council by a person conducting, or who proposes to conduct, a residential service for a notice stating whether the relevant premises comply with the prescribed building requirements. |

| South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld) | |
|---|--|
| Section | Cannot be delegated |
| 28 – Power to amend by agreement | If Council is a participant in a participation agreement for a distributor-retailer, Council may agree to an amendment of the agreement only if it has passed a resolution to that effect. |
| 34 – Councillor members | A councillor-member's appointment to the board of a distributor-retailer ends if Council (and all other participating local governments) have agreed as such by resolution. |

| Stock Route Management Act 2002 | |
|--|--|
| Section | Cannot be delegated |
| 110 – Adopting a stock route network management plan | If the Minister is satisfied of the matters mentioned in section 109(2), the Minister must advise the local government that it may, by resolution, adopt the plan. |

| Stock Route Management Act 2002 | |
|--|--|
| Section | Cannot be delegated |
| 114 – Amending a stock route management plan | After considering the amended plan the Minister must advise the local government that the local government may by resolution amend the plan. |

| Sunshine Coast Regional Council Local Law No. 1 (Administration) 2011 | |
|--|---|
| Section | Cannot be delegated |
| 35 – Rewards | The amount of any reward offered for information leading to the conviction of a person for an offence and the conditions on which the reward is payable must be decided by resolution of Council. |
| 42 – Fees | If a local law provides for payment of a fee, and does not itself fix the amount of the fee, the fee is to be fixed by resolution under Chapter 4, Part 2 of the Local Government Act. Such resolution may provide for the reimbursement of the fee in certain circumstances. |

| Sunshine Coast Regional Council Local Law No. 2 (Animal Management) 2011 | |
|---|--|
| Section | Cannot be delegated |
| 4A – Registration device | Council must decide, by resolution, registration devices to be used to assist in identifying a cat (e.g. collar tags). |
| 4H – Duration of registration | Council must prescribe a fixed period, by resolution, for the registration of cats. |

| Sunshine Coast Regional Council Local Law No. 3 (Community Health and Environmental Management) 2011 | |
|---|---|
| Section | Cannot be delegated |
| 7 – Emergency declarations | Council may, by resolution, declare an animal or plant to be a local pest if it is satisfied that urgent action is needed to avoid or minimise an immediate risk of environmental harm posed by the relevant plant or animal. |

| Sunshine Coast Regional Council Local Law No. 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011 | |
|---|---|
| Section | Cannot be delegated |
| 9 – Power to close a local government controlled area, facility or infrastructure | Council may, by resolution, temporarily (and for a maximum of 6 months) close a Council controlled area or road to public access in certain circumstances. |
| 11 – Protected areas | Council may, by resolution, delegate a Council controlled area or road or any part thereof as a protected area for the cultivation of vegetation or the protection of fauna or flora. |

| Sustainable Planning Act 2009 | |
|---|---|
| Section | Cannot be delegated |
| 92 – Action local government may take after review | After reviewing its planning scheme, Council may, by resolution: <ul style="list-style-type: none"> (a) propose to prepare a new scheme; or (b) propose to amend the scheme; or (c) if Council is satisfied that the scheme is suitable to continue without amendment, decide to take no further action. |
| 123 – Repealing temporary local planning instruments | Council may, by resolution, repeal a temporary local planning instrument. |
| 124 – Repealing planning scheme policies | Council may, by resolution, repeal a planning scheme policy, other than a planning scheme policy that is replaced by another planning scheme policy. |
| 399 – Who may carry out compliance assessment | Council may nominate, by resolution, a suitable qualified entity to carry out compliance assessment for Council. |
| 590 – Giving enforcement notices | If Council is the assessing authority, it may not delegate its power to give an enforcement notice ordering the demolition of a building. |
| 598 – Proceeding brought in a representative capacity | Where a proceeding is brought in the Magistrates Court to prosecute a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf. |
| 602 – Proceeding brought in a representative capacity | Where a proceeding is brought in the court in relation to an enforcement order or interim enforcement order on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf. |
| 630 – Power to adopt charges by resolution | Council may, by resolution, adopt charges for providing trunk infrastructure for development. This is defined as a 'charges resolution'. |

| Sustainable Planning Regulation 2009 | |
|---|---|
| Section | Cannot be delegated |
| Schedule 7 (Item 17) – Amenity and aesthetic impact of particular building work | Council may declare in its planning scheme or by resolution that building work for a building or structure is in a locality and of a form that may: <ul style="list-style-type: none"> (a) have an extremely adverse effect on the amenity, or likely amenity, of the locality; or (b) be in extreme conflict with the character of the locality. |

| Transport Operations (Road Use Management) Act 1995 (Qld) | |
|--|--|
| Section | Cannot be delegated |
| 103 – Examples of how parking may be regulated | Council may, by local law or resolution, specify parking fees for a place or traffic area of the fee for: <ul style="list-style-type: none"> (a) a disabled or other parking permit issued by Council; and (b) a commercial vehicle identification label allowing a vehicle to park in a loading zone. |

| Waste Reduction and Recycling Act 2011 (Qld) | |
|---|---|
| Section | Cannot be delegated |
| 125 – Adoption of plan following consultation | Council must adopt, by resolution, a waste reduction and recycling plan, or an amendment of a waste reduction and recycling plan, before the plan or amendment is implemented in its local government area. |

| Waste Reduction and Recycling Regulation 2023 (Qld) | |
|--|--|
| Section | Cannot be delegated |
| 5 – Designation of areas | Council may, by resolution, designate areas within its local government area in which Council may conduct general waste or green waste collection. |

| Water Supply (Safety and Reliability) Act 2008 (Qld) (Water Supply Act) | |
|---|---|
| Section | Cannot be delegated |
| 161 – Declaration of service area if Council supplies a reticulated water service or sewerage service in all or part of the local government area | <p>Council may declare by resolution:</p> <ul style="list-style-type: none"> (a) all or part of its local government area to be a service area for a retail water service or a sewerage service; and (b) the service provider for the service area. <p>Council may also amend the declaration, by resolution, to add an area to, or remove an area from, the service area (with the written agreement of the service provider).</p> |
| 476 – Proceeding started in a representative capacity | Where a proceeding for an enforcement order is commenced by a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf. |
| 498 – Proceeding brought in a representative capacity | Where a proceeding for an offence against the Water Supply Act is commenced by a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf. |

Strategic Policy

Investigation Policy - Councillors

DRAFT

Approved by Council:

<INSERT Date>

Policy purpose

This is Sunshine Coast Council's Investigation Policy (the policy) for how complaints about a suspected conduct breach of a Councillor (including the Mayor) will be dealt with as required by section 150AE of the *Local Government Act 2009* (The Act).

Policy scope

This policy applies to investigations and determinations by Council about the suspected conduct breach of a Councillor including the Mayor, which has been referred by the Independent Assessor. As required, this policy:

- provides a procedure for investigating a suspected conduct breach of a Councillor,
- states the circumstances in which another entity may investigate the conduct,
- is consistent with the principles of natural justice,
- specifies the requirement to prepare a report about each investigation,
- incorporates the requirement for a notice about the outcome of investigations to be provided to:
 - the Independent Assessor;
 - the Councillor who is the subject of the investigation; and
 - persons who made the complaint about the Councillor's conduct, and
- includes a procedure about when a decision may be made to not start, or to discontinue, an investigation under section 150AEA.

This policy requires that:

- the Councillor to whom the complaint relates is given information about the suspected conduct breach, including details about the evidence of the conduct,
- the Councillor who is the subject of the complaint is given a notice if an investigation is not started or is discontinued,
- for the person who made the complaint, if the contact details of the person are known, to be provided with a notice if an investigation is not started or is discontinued,
- the Councillor who is the subject of the complaint is given the preliminary findings of the investigation before preparation of an investigation report about the investigation,

Investigation Policy – Councillors | Strategic Policy

- the Councillor who is the subject of the complaint is able to give evidence or a written submission to Council about the suspected conduct and preliminary findings,
- any evidence and written submission given by the Councillor who is the subject of the complaint are considered in the preparation of the investigation report for the investigation; and
- the investigation report includes:
 - if evidence is given by the Councillor—a summary of the evidence; and
 - if the Councillor gives a written submission—a full copy of the written submission.

This policy does not relate to more serious Councillor conduct, such as misconduct or corrupt conduct, which are dealt with under separate legislative provisions.

This policy also does not deal with unsuitable meeting conduct, or any conduct undertaken in a personal capacity by a Councillor, for example, a sitting Councillor campaigning for re-election or attending a private social function.

Policy statement

Chapter 5A of the *Local Government Act 2009* (the Act) prescribes the Councillor conduct management system.

Section 150CT of the Act establishes an Independent Assessor to carry out certain functions including the preliminary assessment, dismissal, referral, or investigation of complaints about Councillor conduct.

After undertaking a preliminary assessment on a Councillor conduct matter, if the Independent Assessor reasonably suspects a Councillor has engaged in a conduct breach, the Independent Assessor may decide to refer a suspected conduct breach to Sunshine Coast Council (Council) to deal with under section 150SD(4)(a) or 150W(b) of the Act.

Upon receipt of the referral notice of a complaint of a suspected conduct breach, Council must deal with the Councillor's conduct as prescribed under section 150AF of the Act unless a decision is made not to start, or to discontinue, the investigation under section 150AEA of the Act. In conducting the investigation, Council must comply with this policy.

Council may decide to not start, or to discontinue, an investigation if:

- the complaint is withdrawn by the complainant,
- the complainant consents to the matter being withdrawn, for example, the matter has been resolved and it is unnecessary for the Council to investigate the matter,
- the complainant refuses to cooperate by providing additional information during the investigation phase and not enough information is available to proceed, or
- the office of the Councillor becomes vacant for any reason, i.e. the person has resigned or was not re-elected and is no longer a Councillor.

Investigation Policy – Councillors | Strategic Policy

Confidentiality

Matters relating to the investigation of a suspected conduct breach of a Councillor are confidential during the investigation period, other than:

- to give the Councillor information about the suspected conduct, including details about the evidence of the conduct,
- to give the Councillor the preliminary findings of the investigation before preparing an investigation report about the investigation,
- to give the Councillor a notice if an investigation is not started or is discontinued; and
- for conduct the subject of a complaint - to give the person who made the complaint, and the Independent Assessor a notice if an investigation is not started or is discontinued.

Once the conduct is investigated and an investigation report is received, a summary of the investigation report must be made publicly available before any discussion is undertaken by Council. The published summary report must not contain any names or identifying information about the complainant and persons who were interviewed or provided a statement or affidavit. The summary report must also not include any transcripts of interviews conducted by the investigator.

Once the matter has been investigated the matter will be placed on an Ordinary Meeting agenda. The investigation report and any recommendations of the investigator may be considered during the Ordinary Meeting. The debate on the investigation report may occur in a closed session under section 254J(j) of the *Local Government Regulation 2012* (the Regulation).

A decision (by resolution) made during an open Council meeting, must be made to determine whether a Councillor engaged in a conduct breach and if so, any decision about orders that are made under section 150AH of the Act. Any decision that is not consistent with the recommendations of the investigation report must state the reason for the decision in the meeting minutes. The minutes must give sufficient information to demonstrate the logic that has been applied to justify the decision to deviate from the recommendations of the investigation report.

The full investigation report must be made publicly available within 10 business days of Council deciding (by resolution) about whether the Councillor engaged in a conduct breach. The published full investigation report must not contain any names or identifying information about the complainant; persons who were interviewed, any transcript of interview, or statement or affidavit by a witness or person interviewed, unless the complainant is a Councillor or the Chief Executive Officer of the Council.¹

¹ section 150AGA(4)(a)

Investigation Policy – Councillors | Strategic Policy

When deciding what action to take Council may consider:

- any previous conduct breach of the Councillor
- any allegation made in the investigation that was admitted, or not challenged, and the Council is reasonably satisfied is true.

A notice about the outcome of the investigation must be given to the Independent Assessor as soon as practicable that states the decision, the reasons for the decision and the details of any orders made under section 150AH of the Act.

Natural Justice

Any investigation of a suspected conduct breach of a Councillor must be carried out in accordance with natural justice principles.

Natural justice, or procedural fairness, refers to three key principles:

- That the Councillor who is the subject of the suspected conduct breach has a chance to have his or her say before adverse findings are made and before any adverse action is taken i.e., fair hearing.
- That the investigator should be objective and impartial (ie. absence of bias²).
- That any actions taken, or decisions made are based on evidence (ie. not on suspicion or speculation).

A fair hearing means the Councillor who is the subject of the suspected conduct breach will receive information about the suspected conduct, including:

- information about the suspected conduct, including details about the evidence of the conduct,
- the preliminary findings of the investigation before the preparation of an investigation report about the investigation outcome, and afforded the opportunity to respond to the preliminary findings,
- a notice if an investigation is not started or is discontinued including the reasons for the decision,
- allow the Councillor to give evidence or a written submission to Council about the suspected conduct breach and preliminary findings,
- requiring Council to consider the evidence or written statement from the Councillor in preparing the investigation report, and
- include, if evidence is given by the Councillor, a summary of the evidence and, if a written submission is provided, a full copy of the written submission, in the

² An absence of bias means that any investigation must not be biased or be seen to be biased in any way. This principle embodies the concept of impartiality. A proper examination of all issues means the investigation must give a proper and genuine consideration to each party's case. It must be kept in mind that the matter, when referred, is suspected and not yet proven.

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investigation report.

Notice must be given to the following parties if an investigation is not started or discontinued including the reasons for the decision:

- the person who made the complaint; and
- the Independent Assessor

Standard of proof

The civil standard of proof is to be applied by the investigator when determining whether a Councillor has engaged in a conduct breach.

The civil standard of proof is 'on the balance of probabilities', which means the weighing up and comparison of the likelihood of the existence of competing facts or conclusions.

An allegation is sustained 'on the balance of probabilities', if based on the evidence, the investigator and/or Council, is reasonably satisfied that its existence is more probable than not³.

Timeline

The Councillor conduct framework must be effective and efficient. The investigator will make all reasonable endeavours to complete the investigation and provide a report within eight weeks of commencing the investigation.⁴

Expenses

Council will pay the expenses associated with the investigation of a suspected conduct breach of a Councillor, including any costs of:

- an independent investigator engaged on behalf of Council,
- travel where the investigator needs to travel to undertake the investigation, or to interview witnesses, and/or
- obtaining legal or expert advice.⁵

³ *Briginshaw v Briginshaw* (1938) 60CLR 336 considered how the requisite standard of proof should operate in civil proceedings. The case affirmed that the standard of proof that applies to all civil matters is the balance of probabilities. Matters involving allegations of a more serious nature may require stronger evidence to be adduced to establish the cause of action.

⁴ Note: If the investigator is of the opinion that it may take longer than eight weeks to complete the investigation, the matter should be raised with the CEO (or delegate) to seek an extension of time.

⁵ Note: Council may order the subject Councillor to reimburse all or some of the costs arising from a sustained conduct breach. These costs would usually only relate to obtaining legal or expert advice and reasonable costs for the investigator engaged to undertake the investigation. Any costs incurred by complainants, or the subject Councillor will not be met by Council. Where possible, costs should be kept to a reasonable rate, taking into consideration the costs for more serious matters dealt with by, for example, the Councillor Conduct Tribunal or other jurisdictions who deal with conduct matters.

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Councillor Conduct Register

The Chief Executive Officer must ensure decisions and any orders under section 150AH of the Act made about a conduct breach by a Councillor or any decision to not start, or to discontinue an investigation of a suspected conduct breach under section 150AEA of the Act, are entered into the relevant Councillor Conduct Register.

Deciding not to start, or to discontinue an investigation

Depending on the circumstances of the matter, Council may determine to not start, or to discontinue an investigation about a Councillor's conduct after receiving a referral notice if:

- The complainant withdraws the complaint or consents to the investigation not being started or being discontinued; or
- The complainant does not comply with a request from Council for further information; or
- There is insufficient information to investigate the conduct.

Council will discontinue or not start an investigation and will not make a decision if the office of the councillor is vacated during the process.

Should Council decide not to start or to discontinue an investigation of a Councillor's conduct, it will provide a notice to the Independent Assessor stating the decision and the reasons for same.

Procedure for investigation

The CEO will manage the investigation of suspected conduct breach matters relating to the Mayor or Councillors by either performing the role of investigator or engaging a suitably qualified person to undertake the investigation.

If the investigator obtains information which indicates a Councillor may have engaged in misconduct, the investigator must cease the investigation and advise the CEO. The CEO will then provide relevant information to the Independent Assessor.

If the investigator obtains information which indicates a Councillor may have engaged in corrupt conduct, the investigator must cease the investigation and advise the CEO. The investigator and/or the CEO will then provide relevant information to the Crime and Corruption Commission.

Once the investigation is finalised the investigator will prepare a report for Council including the following details:

- the investigation process
- any witnesses interviewed
- documents or other evidence obtained

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- a statement of the relevant facts ascertained
- confirmation that the subject Councillor has been provided with an opportunity to respond to the complaint and the evidence compiled
- the investigation findings and any response by the Councillor the subject of the complaint to the findings
- a statement of any relevant previous disciplinary history
- any recommendations about dealing with the conduct
- a record of the investigation costs.

Completion of investigation

Findings and recommendations

The investigator must prepare a statement of preliminary findings and must give the preliminary findings to the Councillor before preparing the final Investigation Report. The investigator must allow the Councillor to give evidence or a written statement about the conduct and any preliminary findings.

The investigator must consider any evidence or written submission given by the Councillor in preparing the investigation report and include a summary of the evidence and a full copy of any written submission in the investigation report.

Investigation report

The investigator must prepare an investigation report about the investigation of a suspected conduct breach referred by the Independent Assessor to Council under section 150AFA of the Act.

A summary investigation report must be prepared and made publicly available before the meeting where the Councillors will consider the matter. The summary report must be made available:

- 5pm on the next business day after the notice of the meeting at which a decision is to be made has been provided to the Councillors, or
- the day and time when the agenda for the meeting at which a decision is to be made is publicly available.

The summary report must include:

- the name of the Councillor whose conduct has been investigated; and
- a description of the alleged conduct; and
- a statement of the facts established by the investigation; and
- a description of how natural justice was afforded to the Councillor during the conduct of the investigation; and

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- a summary of the findings of the investigation; and
- any recommendations made by the investigator who investigated the conduct.

The following information must not be made publicly available:

- if the investigation relates to the conduct of a Councillor that was the subject of a complaint:
 - the name of the person who made the complaint or any other person, other than the Councillor; or
 - information that could reasonably be expected to result in identifying a person who made the complaint or any other person; or
 - if a person, other than the Councillor, provided information for the purposes of the investigation including, for example, by giving an interview or making a submission or affidavit:
 - the name of the person; or
 - information that could reasonably be expected to result in identifying the person or any other person, other than the Councillor
 - any other information the Council is entitled or required to keep confidential under a law.

Making a decision about the investigation

Council must decide as to whether the subject Councillor has engaged in a conduct breach.

When debating this matter the subject Councillor who has a declarable conflict of interest in the matter, must declare the conflict of interest. The eligible Councillors (those who do not have a conflict of interest in the matter) can decide by resolution if the subject Councillor can remain in the meeting during the debate and may answer questions to assist the eligible Councillors in deciding.

Alternatively, the eligible Councillors may resolve that the subject Councillor must leave the place where the meeting is being held, including any area set aside for the public, during the consideration and or vote on the matter.

Should the complainant be a Councillor, that Councillor has a declarable conflict of interest in the matter and must follow the declarable conflict of interest procedures set out in Council's Standing Orders and the Act.

If the Council cannot achieve and maintain a quorum due to the number of conflicted Councillors or another reason, the matter is to be deferred to another date when a quorum will be present; or the matter is to be delegated consistent with section 257 of the Act.

The eligible Councillors at the meeting will consider the findings and recommendations of the investigator's report, decide whether the subject Councillor engaged in a conduct breach and what, if any, action it will take under section 150AH of the Act.

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After deciding about the conduct breach, Council must make the investigation report for the investigation publicly available the **earlier of**

- on or before the day and time prescribed by regulation, or within 10 business days after the decision is made, or
- on the day and time that the meeting minutes are made publicly available.

The following information contained in the investigation report must not be made publicly available:

- if the investigation relates to the conduct of a Councillor that was the subject of a complaint
 - the name of the person who made the complaint or any other person, other than the Councillor even if that person has a declarable conflict of interest; or
 - information that could reasonably be expected to result in identifying a person
- if a person, other than the Councillor, provided information for the purposes of the investigation including, for example, by giving an interview or making a submission or affidavit:
 - the name of the person; or
 - information that could reasonably be expected to result in identifying the person or any other person, other than the Councillor; or
 - the submission or affidavit of, or a record or transcript of information provided orally by, a person, including, for example, a transcript of an interview; or
 - any other information Council is entitled or required to keep confidential under a law e.g. documents subject to legal professional privilege or information that is part of a public interest disclosure under the *Public Interest Disclosure Act 2010*.

The report made publicly available must include the name of the person who made the complaint if:

- the person is a Councillor or the Chief Executive Officer of Council; and
- the person's identity as the complainant was disclosed at the meeting at which the report for the investigation was considered.

Disciplinary action against Councillors

If Council decides that the Councillor has engaged in a conduct breach, any of the following orders may be imposed:

- order that no action be taken against the Councillor, or

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- make an order outlining what action Council will take to discipline the Councillor under section 150AH of the Act. Under this section the Council may make 1 or more orders in accordance with those set out section 150AH(b)(i) - (vii) of the Act.

Notice of outcome of investigation

After an investigation is finalised, Council must give a notice about the outcome to:

- the Independent Assessor; and
- the person who made the complaint about the Councillor' conduct that was the subject of the investigation; and
- the subject Councillor who was investigated.

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Policy application

A local government must adopt, by resolution, the policy about how it deals with a suspected conduct breach of a Councillor referred, by the Independent Assessor (the Independent Assessor) under section 150AE (1), of the Act, to the local government to be dealt with. The policy must be published on the local government's website (section 150AE (4), of the Act).

Policy review

This policy will be reviewed in line with related legislative changes and or at least every 4 years as required.

Roles and responsibilities

| Role | Responsibility |
|--|--|
| Council | Maintains awareness of organisational policies. Provides feedback to the CEO when consulted (on policies which apply to Councillors or where this policy impacts the community). |
| Chief Executive Officer (CEO) | Approval authority for setting this policy and for all material changes to this policy, on advice from ELT. Able to approve non-material changes. CEO will consult with Councillors where this policy applies to Councillors or impacts the community. |
| Executive Leadership Team (ELT) | Provides advice to the CEO on setting this policy and all proposed material changes to this policy. Provides feedback to the policy sponsor and policy holder regarding the scope of approaching reviews. |
| Group Executive (GE), Civic Governance | Policy sponsor. Approval authority for any non-material change to this policy. |
| Manager, Ethical Standards | Policy holder. Approval authority for any minor non-material changes to this policy. |

Definitions

Refer to Council's Policy Framework for definitions of common terms. The following contains definitions for terms specific to this policy. For otherwise undefined terms, the plain English meaning informs interpretation.

| Term | Definition |
|----------------------|---|
| Independent Assessor | Independent Assessor appointed under section 150CT of the Act |

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| | |
|---------------------------------|---|
| Behavioural standard | a standard of behaviour for Councillors set out in the Code of Conduct for Councillors in Queensland approved under section 150D and 150E of the Act |
| Chief Executive Officer | Council's Chief Executive Officer |
| Conduct | includes: <ul style="list-style-type: none"> failing to act; and a conspiracy, or attempt, to engage in conduct |
| Councillor conduct register | the register required to be kept by the local government as set out in section 150DX and 150DY of the Act |
| Conduct breach | as set out in section 150K of the Act |
| Corrupt conduct | as set out in section 15 of the <i>Crime and Corruption Act 2001</i> |
| Investigator | the person responsible under this policy for carrying out the investigation of the suspected conduct breach of a Councillor or Mayor |
| Summary of investigation report | a summary of the full investigation report prepared before making a decision about the outcome of the investigation |
| Investigation Report | a report provided by the investigator to the local government |
| The Act | <i>Local Government Act 2009</i> |
| Local Government Meeting | a meeting of: <ul style="list-style-type: none"> a local government; or a committee of a local government |
| Misconduct | see section 150L of the Act |
| Referral Notice | see section 150L of the Act |
| Tribunal | the Councillor Conduct Tribunal as established under section 150DK of the Act |
| Unsuitable meeting conduct | see section 150H of the Act |

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Investigation Policy – Councillors

Appendix

| Policy information | | |
|---|--|--|
| Title | Investigation Policy - Councillors | |
| Purpose | This is Sunshine Coast Council’s Investigation Policy (the policy) for how complaints about a suspected conduct breach of a Councillor (including the Mayor) will be dealt with as required by section 150AE of the Local Government Act 2009 (The Act). | |
| Document number | | |
| Corporate Plan reference | Goal | <p>Our Outstanding Organisation</p> <p>Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council.</p> <p>Provide advice on, and support the effective management of, Council’s legal risks and statutory compliance activities.</p> |
| Category | Strategic | |
| Subcategory | Councillors | |
| ELT advice date | | |
| CEO approval date | | |
| Effective date | From adoption | |
| Review schedule | A full review must be undertaken within every four years, and reviewed policy document must be provided to highest level approval authority for endorsement. Reviews may occur more regularly as required, having regard to a policy risk assessment. | |
| Last review | 2024 | |
| Next review | 2028 | |
| Policy holder | The Manager responsible for this policy is Manager, Ethical Standards | |
| Approval authority | Council | |
| Related documents | | |
| <p>Local Government Act 2009 (the Act); Local Government Regulation 2012 (the Regulation)</p> <p>Crime and Corruption Act 2001;</p> <p>Public Interest Disclosure Act 2010</p> <p>Public Sector Ethics Act 1994</p> | | |
| Code of Conduct for Councillors | | |

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|---|
| Administration Action Complaints Management Process |
| Information Privacy Policy |
| Public Interest Disclosure Program and Procedure |
| Sunshine Coast Council Standing Orders |

| Version Control | | | | |
|-----------------|---------------------|----------|----------------------|----------|
| Version | Reason/Trigger | Change | Endorsed/Reviewed by | Date |
| 1.0 | New Policy Position | <insert> | <insert> | <insert> |

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