



MINUTES OF SPECIAL COUNCIL MEETING

HELD ON

TUESDAY 12 MAY 2020

AT 5.30PM

**IN-PERSON AT COUNCIL CHAMBERS, 83 MANDURAH TERRACE MANDURAH
AND VIA ELECTRONIC MEETING**

PRESENT:

| | | |
|------------|-------------------------|--------------|
| MAYOR | R WILLIAMS | |
| COUNCILLOR | C KNIGHT [DEPUTY MAYOR] | NORTH WARD |
| COUNCILLOR | P JACKSON | NORTH WARD |
| COUNCILLOR | A ZILANI | NORTH WARD |
| COUNCILLOR | L RODGERS | EAST WARD |
| COUNCILLOR | D LEE | EAST WARD |
| COUNCILLOR | D PEMBER | EAST WARD |
| COUNCILLOR | M DARCY | COASTAL WARD |
| COUNCILLOR | J GREEN | COASTAL WARD |
| COUNCILLOR | C DI PRINZIO | COASTAL WARD |
| COUNCILLOR | P ROGERS | TOWN WARD |
| COUNCILLOR | M ROGERS | TOWN WARD |

| | | |
|-----|----------------|--------------------------------|
| MR | M NEWMAN | CHIEF EXECUTIVE OFFICER |
| MR | A CLAYDON | DIRECTOR WORKS & SERVICES |
| MR | G DAVIES | DEPUTY CHIEF EXECUTIVE OFFICER |
| MS | C MIHOVILOVICH | DIRECTOR CORPORATE SERVICES |
| MRS | L SLAYFORD | MINUTE OFFICER |

OPENING OF MEETING AND ANNOUNCEMENTS [AGENDA ITEM 1]

Prior to commencement of this electronic meeting, Council Members and other attendee connections by electronic means were tested and confirmed.

The Mayor declared the meeting open at 5.30pm.

The Mayor welcomed Council members and staff to the electronic meeting which is conducted in accordance with the *Local Government (Administration) Regulations 1996* and *Local Government (Administration) Amendment Regulation 2020*.

ACKNOWLEDGEMENT OF COUNTRY [AGENDA ITEM 2]

Mayor Williams acknowledged that the meeting was being held on the traditional land of the Bindjareb people, and paid his respect to their Elders past and present.

APOLOGIES [AGENDA ITEM 3]

Leave of Absence

Councillor Schumacher

Apologies

DISCLAIMER [AGENDA ITEM 4]

The Mayor advised that the purpose of this Special Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware that the provisions of the *Local Government Act 1995* (Section 5.25(e)) and Council's Consolidated Local Laws (Section 4.86) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person.

The City of Mandurah expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

PUBLIC QUESTION TIME [AGENDA ITEM 5]

The Mayor advised of processes, information and advertising undertaken to permit the electronic submission of questions by members of the public. No public questions were submitted for the meeting.

SP1/5/20 PRESENTATIONS AND ANNOUNCEMENTS [AGENDA ITEM 6]

The Mayor advised the meeting that the *City of Mandurah Standing Orders Local Law 2016* will be modified to ensure Council Members and the public can participate in and follow the meeting as it progresses.

MOTION

Moved: Mayor Williams
Seconded: Councillor C Knight

That Council:

1. **Suspend the operation of the following provisions of the *City of Mandurah Standing Orders Local Law 2016* for the duration of this electronic meeting to ensure Council Members and the public can follow and participate in the meeting as it progresses:**
 - 1.1. **Standing Orders 3.3 Public Question Time and 3.4 Public Statement Time pertaining to public participation in meetings continues via electronic means only with public submissions received to be read aloud by the Presiding Member at the relevant agenda item.**
 - 1.2. **Standing Order 7.2 Members to occupy own seats whilst present in meeting room. Relevant only for Elected Members attending the Council Chambers.**
 - 1.3. **Agree under Standing Orders 8.1(1) and 12.2, that instead of requiring a show of hands, a vote will be conducted by exception with the Presiding Member calling for those Members against each motion. If no response is received the motion will be declared carried and minuted accordingly.**
 - 1.4. **Reiterate the requirement as per Standing Order 7.3 for Members to advise the Presiding Member when leaving or entering the meeting at any time.**

CARRIED UNANIMOUSLY: 12/0

DEPUTATIONS [AGENDA ITEM 7]

The Mayor advised of processes, information and advertising undertaken to permit the electronic submission of deputations by members of the public. No deputations were received for the meeting.

DECLARATION OF INTERESTS [AGENDA ITEM 8]

Nil.

QUESTIONS FROM ELECTED MEMBERS [AGENDA ITEM 9]

Questions of which due notice has been given

Nil.

Questions of which notice has not been given

Nil.

5.35pm: At this juncture in the meeting Mayor Williams checked with each attendee and confirmed that all attendees remained connected and in attendance at the electronic meeting.

REPORTS [AGENDA ITEM 10]

**SP.2/5/20 ESTABLISHMENT OF THE STRATEGIC ECONOMIC ADVISORY GROUP
AND APPOINTMENT OF COUNCIL REPRESENTATIVE (REPORT 1)**

Summary

At Council's March 2020 Ordinary Council Meeting, the Strategic Community Plan 2020-2040 was approved.

In late 2018, the City of Mandurah launched one of its biggest community engagement initiatives to date, Mandurah Matters. Over 1600 people provided feedback over a five-month engagement period, and contributed towards shaping the vision, aspiration and outcomes for the community.

One of the five focus areas, in the Strategic Community Plan, is the economy. The economic outcomes that the community wish to see are:

- Supporting and empowering local businesses
- Creating local jobs and opportunities
- Fostering innovation and creativity in enterprise
- A diversity of employment, industries and enterprise
- Giving consideration to the impact of industry on the environment

To ensure that Council are well-informed and given expert advice in relation to Mandurah's economy, it is recommended that the Strategic Economic Advisory Group (SEAG) is established, that it is chaired by one of the independent representatives and that the Council appoint the Mayor to be its representative.

Officer Recommendation

That Council:

1. Adopt the Strategic Economic Advisory Group Terms of Reference as detailed in Attachment 1 of the report.
2. Appoint Mayor Williams to the Strategic Economic Advisory Group.

Officer Amended Recommendation

That Council:

1. Adopt the Strategic Economic Advisory Group Terms of Reference as detailed in Attachment 1 of the report with the amendment to the Purpose section to state:

To provide Council with the expert advice on the implementation of economic strategies within Mandurah including, local economy, Transform Mandurah program and other economic opportunities.

2. Appoint Mayor Williams to the Strategic Economic Advisory Group.

Council Resolution

MOTION

Moved: Councillor D Pember

Seconded: Councillor Lynn Rodgers

That Council:

1. **Adopt the Strategic Economic Advisory Group Terms of Reference as detailed in Attachment 1 of the report with the amendment to the Purpose section to state:**
To provide Council with the expert advice on the implementation of economic strategies within Mandurah including, local economy, Transform Mandurah program and other economic opportunities.
2. **Appoint Mayor Williams to the Strategic Economic Advisory Group.**

Note: The Officer Recommendation was changed to replace the purpose section of the Terms of Reference.

CARRIED UNANIMOUSLY: 12/0

SP.3/5/20 NOTICE OF INTENTION TO IMPOSE THE 2020/2021 DIFFERENTIAL RATES AND MINIMUM PAYMENTS (REPORT 2)

Summary

The *Local Government Act 1995* requires local governments which have differential rates, to advertise their proposed rates, and invite public submissions. The Minister for Local Government is expected to make an Order that allows the local government not to advertise in the local public section of the local newspaper, the intention to raise differential rates if the rate in the dollar results in a 0% rate increase. It is still recommended that Council advertise its intention to raise rates through other channels (such as website, media release, etc). Council is requested to adopt the rates in the dollar, minimum payments and the Objects and Reasons for Differential Rates for advertising purposes.

In light of the Covid-19 pandemic, the City is recommending to Council to advertise a 0% increase to the rate in the dollar, sometimes referred to as a rate freeze, to all categories except business improved that will incur a decrease of 5% to the rate in the dollar amount. This will ensure the City does not place an addition burden on ratepayers in these trying times.

Officer Recommendation

That Council:

1. Approves the following rates in the dollar and minimum payments for the purpose of advertising for public submissions:

| Rate Category | Rate in the dollar | Minimum Rate |
|----------------------|--------------------|--------------|
| Residential Improved | \$0.09594 | \$1,108 |
| Residential Vacant | \$0.16300 | \$917 |
| Business Improved | \$0.09293 | \$1,108 |
| Business Vacant | \$0.16560 | \$1,108 |
| Urban Development | \$0.13059 | \$1,108 |

2. Approves the following rates in the dollar for the purpose of advertising for public submission for the Specified Area Rates:

| Specified Area Rate | Rate in the dollar |
|-------------------------------|--------------------|
| Waterside Canals | \$0.0000 |
| Mandurah Ocean Marina | \$0.0143 |
| Mandurah Quay | \$0.0024 |
| Mariners Cove | \$0.0000 |
| Port Bouvard Eastport Canals | \$0.0015 |
| Port Bouvard Northport Canals | \$0.004 |
| Port Mandurah Canals | \$0.0039 |

3. Adopts the Statement of Objects and Reasons for the 2020/2021 financial year as detailed in Attachment 1 of the report.

The Council Resolution was moved by Councillor Pember, seconded by Councillor Darcy. Councillor Zilani foreshadowed his intention to move an alternate recommendation should the current motion be lost.

Council Resolution

MOTION

Moved: Councillor D Pember

Seconded: Councillor M Darcy

That Council:

1. Approves the following rates in the dollar and minimum payments for the purpose of advertising for public submissions:

| Rate Category | Rate in the dollar | Minimum Rate |
|----------------------|--------------------|--------------|
| Residential Improved | \$0.09594 | \$1,108 |
| Residential Vacant | \$0.16300 | \$917 |
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| Business Vacant | \$0.16560 | \$1,108 |
| Urban Development | \$0.13059 | \$1,108 |

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| Mandurah Quay | \$0.0024 |
| Mariners Cove | \$0.0000 |
| Port Bouvard Eastport Canals | \$0.0015 |
| Port Bouvard Northport Canals | \$0.004 |
| Port Mandurah Canals | \$0.0039 |

3. Adopts the Statement of Objects and Reasons for the 2020/2021 financial year as detailed in Attachment 1 of the report.

CARRIED: 11/1
FOR: Mayor Williams, Councillors Darcy, Di Prinzio, Green, Jackson, Knight, Lee Pember, Lynn Rodgers, Peter Rogers, Matt Rogers
AGAINST: Councillor Zilani

SP.4/5/20 RESTART MANDURAH FUNDING PROGRAM (REPORT 3)

Summary

It is recommended that Council transfer \$5 million from the Building Reserve (\$1m), City Centre Land Acquisition Reserve (\$2m) and Property Acquisition Reserve (\$2m) for the purposes of a Restart Mandurah Funding Program (program) to fund economic and sense of place initiatives in response to the state of emergency caused by COVID-19.

Officer Recommendation

1. Approve the reallocation of \$5million to the Restart Mandurah Funding Program:
 - 1.1. From the following reserves:
 - 1.1.1. Building Reserve (\$1m),
 - 1.1.2. City Centre Land Acquisition Reserve (\$2m)
 - 1.1.3. Property Acquisition Reserve (\$2m)
 - 1.2. Acknowledging that the decision to change the use of the money is made while there is in force a state of emergency declaration applying to the district of the local government
 - 1.3. Acknowledging that the change of use is required to address the local economic and community needs arising from the impacts and consequences, to which the state of emergency declaration relates
2. Approve the allocation of \$2,045,000 from the Restart Mandurah Funding Program to accelerate the following City works:
 - 2.1. South Mandurah Football Changeroom project - \$100,000
 - 2.2. Falcon Reserve Activation Plan Stage 2- \$200,000
 - 2.3. Shade Sails over playgrounds - \$200,000
 - 2.4. Bortolo Sump – Water Sensitive Urban Design \$300,000
 - 2.5. Dawesville Channel SE Foreshore - \$200,000
 - 2.6. Madora Bay Shade Shelters - \$60,000
 - 2.7. Mandurah Road Median - \$150,000

- 2.8. Madora Bay Beach - \$100,000
- 2.9. Stage 2 of Upgrades to Peelwood Reserve Changerooms - \$100,000
- 2.10. Peel Community Kitchen - \$100,000
- 2.11. Ablution Bortolo Reserve - \$200,000
- 2.12. Stingray Point Footpath Renewal - \$135,000
- 2.13. Waste Transfer Station road construction - \$100,000
- 2.14. Waste Transfer Station increase hardstand area with concrete - \$100,000
3. Approve the allocation of \$170,000 from the Restart Mandurah Funding Program to not charge the caravan park and camping ground annual licence fees and food premises inspection fees for the 2020/2021 financial year.
4. Request City officers to proceed with the preparation of the 2020/21 budget with the following inclusions as part of its ordinary allocation and funding:
 - 4.1. First rates payment due date to be in mid to late November to each the cashflow pressure the community is experiencing
 - 4.2. Rate freeze (no increase in the rate in the dollar) for specified area rates and all rate categories other than business improved (5% rate reduction) and a freeze (no increase) of all fees and charges
 - 4.3. City events when social distancing rules are relaxed where local businesses will benefit
 - 4.4. Online database, materials and workshops for tender writing for local businesses
 - 4.5. Identify projects whereby local businesses can carry out works in accordance with Council's Procurement Policy
 - 4.6. Through Visit Mandurah, assist tourism operators with product lines and experiences, promote tourism products and attractions, provide free Visitor Centre membership for existing members and carry out social media and destination campaigns
 - 4.7. Continue the lessees and licensees relief until the business is operating at pre-COVID-19 capacity up to 30 June 2021
 - 4.8. Continue to fund the business support training portal
 - 4.9. Community funding assistance
 - 4.10. Place activation and resident association support

The Council Resolution was moved by Councillor Pember, seconded by Councillor Darcy. Councillor Zilani foreshadowed his intention to move an alternate recommendation should the current motion be lost.

Council Resolution

MOTION

Moved: Councillor C Knight

Seconded: Councillor M Darcy

1. Approve the reallocation of \$5million to the Restart Mandurah Funding Program:
 - 1.1. From the following reserves:
 - 1.1.1. Building Reserve (\$1m),
 - 1.1.2. City Centre Land Acquisition Reserve (\$2m)
 - 1.1.3. Property Acquisition Reserve (\$2m)

- 1.2. Acknowledging that the decision to change the use of the money is made while there is in force a state of emergency declaration applying to the district of the local government
- 1.3. Acknowledging that the change of use is required to address the local economic and community needs arising from the impacts and consequences, to which the state of emergency declaration relates
2. Approve the allocation of \$2,045,000 from the Restart Mandurah Funding Program to accelerate the following City works:
 - 2.1. South Mandurah Football Changeroom project - \$100,000
 - 2.2. Falcon Reserve Activation Plan Stage 2- \$200,000
 - 2.3. Shade Sails over playgrounds - \$200,000
 - 2.4. Bortolo Sump – Water Sensitive Urban Design \$300,000
 - 2.5. Dawesville Channel SE Foreshore - \$200,000
 - 2.6. Madora Bay Shade Shelters - \$60,000
 - 2.7. Mandurah Road Median - \$150,000
 - 2.8. Madora Bay Beach - \$100,000
 - 2.9. Stage 2 of Upgrades to Peelwood Reserve Changerooms - \$100,000
 - 2.10. Peel Community Kitchen - \$100,000
 - 2.11. Ablution Bortolo Reserve - \$200,000
 - 2.12. Stingray Point Footpath Renewal - \$135,000
 - 2.13. Waste Transfer Station road construction - \$100,000
 - 2.14. Waste Transfer Station increase hardstand area with concrete - \$100,000
3. Approve the allocation of \$170,000 from the Restart Mandurah Funding Program to not charge the caravan park and camping ground annual licence fees and food premises inspection fees for the 2020/2021 financial year.
4. Request City officers to proceed with the preparation of the 2020/21 budget with the following inclusions as part of its ordinary allocation and funding:
 - 4.1. First rates payment due date to be in mid to late November to each the cashflow pressure the community is experiencing
 - 4.2. Rate freeze (no increase in the rate in the dollar) for specified area rates and all rate categories other than business improved (5% rate reduction) and a freeze (no increase) of all fees and charges
 - 4.3. City events when social distancing rules are relaxed where local businesses will benefit
 - 4.4. Online database, materials and workshops for tender writing for local businesses
 - 4.5. Identify projects whereby local businesses can carry out works in accordance with Council's Procurement Policy
 - 4.6. Through Visit Mandurah, assist tourism operators with product lines and experiences, promote tourism products and attractions, provide free Visitor Centre membership for existing members and carry out social media and destination campaigns
 - 4.7. Continue the lessees and licensees relief until the business is operating at pre-COVID-19 capacity up to 30 June 2021
 - 4.8. Continue to fund the business support training portal
 - 4.9. Community funding assistance
 - 4.10. Place activation and resident association support

CARRIED WITH ABSOLUTE MAJORITY: 11/1

FOR: Mayor Williams, Councillors Darcy, Di Prinzio, Green, Jackson, Knight, Lee
Pember, Lynn Rodgers, Peter Rogers, Matt Rogers

AGAINST: Councillor Zilani

SP.5/5/20 ADOPTION OF AMENDMENTS TO PROCUREMENT POLICY (REPORT 4)

Summary

The amendments to the Local Government (Functions and General) Regulations 1996 (Regulations) were gazetted on 9 April 2020 and further amendments are scheduled for 8 May 2020. The purpose of these changes were to increase the flexibility of the local government sector to contract with local suppliers during, and in the aftermath of, the State of Emergency Declaration under the Emergency Management Act 2005.

An amendment has now been made to regulation 11(1) of the Regulations to increase the tendering threshold from \$150,000 to \$250,000. The Department of Local Government, Sport and Cultural Industries (DLGSC) has advised that local governments should update their purchasing policy to cover the direct purchase of goods and services under \$250,000.

Further improvements have been recommended to Council's Procurement Policy CPM-02 resulting from the recent CEO's Review of Risk Management, Internal Controls and Legislative Compliance and additional improvements identified from the Office of the Auditor General (OAG) Local Government Contract Extensions and Variations Report of 4 May 2020. Council (through the Audit and Risk Committee) will receive reports in the coming months on the findings and improvements from these two reviews.

The Council's Procurement Policy CPM-02 has now been amended accordingly.

Officer Recommendation

That Council adopt the proposed amendments to POL-CPM 02 Procurement Policy as per Attachment 1 of the report.

Council Resolution

MOTION

Moved: Councillor C Knight
Seconded: Councillor Peter Rogers

That Council adopt the proposed amendments to POL-CPM 02 Procurement Policy as per Attachment 1 of the report.

CARRIED: 12/0

CONFIDENTIAL BUSINESS [AGENDA ITEM 11]

Nil.

6.00pm: At this juncture in the meeting Mayor Williams checked with each attendee and confirmed that all attendees remained connected and in attendance at the electronic meeting.

CLOSE OF MEETING [AGENDA ITEM 12]

There being no further business the Mayor declared the meeting closed at 6.01pm.

CONFIRMED (MAYOR)

ATTACHMENT TO MINUTES

| Minute | Attachment | Page |
|---------------|------------------------------------------------|-------------|
| SP.2/5/20 | Attachment 1 – SEAG Terms of Reference | 12 – 13 |
| SP.3/5/20 | Attachment 1 – Statement of Object and Reasons | 14 – 17 |
| SP.4/5/20 | Attachment 1 – Procurement Policy Amendments | 18 - 30 |

ATTACHMENTS TO RESOLUTIONS

**SP.2/5/20 ESTABLISHMENT OF THE STRATEGIC ECONOMIC ADVISORY GROUP
AND APPOINTMENT OF COUNCIL REPRESENTATIVE (REPORT 1)**

ATTACHMENT 1

Strategic Economic Advisory Group (SEAG)

Terms of Reference

Membership

The current membership of the Strategic Economic Advisory Group (SEAG) is as follows:

- a) Mayor
- b) Up to seven local business leader representatives in the following sectors:
 - Development and Construction
 - STEM/Education
 - Hospitality
 - Tourism
 - Australian/International Business
 - Retail
 - Health

To determine a shortlist of potential business leader representatives, each Elected Member is to nominate any person in the relevant sector and Council will discuss each nominee at a workshop to determine the shortlist of leaders. The Chief Executive Officer will approach the shortlist and present to Council, through a formal approval, for appointment based on their expertise, qualifications and interests.

Purpose

To provide expert advice on the implementation of economic strategies within Mandurah including:

- Clear communication to business and community on Mandurah's economic agenda
- Build confidence in the local economy
- Demonstrate Mandurah's collective vision for the local economy and increase leverage for investment
- Build trust in Council's economic efforts
- Kick start the longer term Transform Mandurah program

Objectives

- Increase visitor numbers and increase local spending
- Reconnect the community
- Supporting employment generating initiatives
- Grow capability to assist local businesses needing to adjust their business models

- Facilitate investment attraction opportunities
- Advocate for the long-term economic diversification agenda
- Connect with education and training institutions

Members Responsibilities

The following are some of the responsibilities of the advisory group:

1. Promoting and advocating for economic solutions for Mandurah
2. Articulating Council's endorsed economic agenda including shared priorities and coordination
3. Promote a shared economic agenda to guide economic development agencies and align funding opportunities for increased leverage
4. Ensure a consistent, integrated approach is being taken across all Mandurah stakeholders
5. Gather intelligence and undertake appropriate economic research
6. Liaise with the Peel Alliance and other Peel Region stakeholders to ensure consistent and collaborative regional approach
7. Providing strategic promoting and advocacy for the Mandurah economy
8. Provide expert advice to Council and other stakeholders on economic priorities and initiatives
9. Identification of the current business/industry gaps in the Mandurah area
10. Exploring and advising Council on future economic opportunities
11. Maintain confidentiality in relation to matters relating to the City of Mandurah.
12. Act in the best interest of the district and not to use their position for personal gain or to cause detriment to others.
13. Supporting the local economy/business to ensure industry relevant education and training courses exist

Chair Responsibilities

1. All of the responsibilities outlined in the Members Responsibilities
2. Attend, with the Mayor, any lobbying and advocacy activities, acting in the best interests of the City of Mandurah, Council and the objectives of SEAG.

Note: The Chair will not speak on behalf of SEAG. SEAG has no decision-making powers and are not authorised to speak on behalf of the City of Mandurah. The Mayor is the spokesperson for Council and SEAG.

Meetings

Meetings are held as required.

Note: Elected Members can attend the SEAG meetings.

SP.3/5/20

**NOTICE OF INTENTION TO IMPOSE THE 2020/2021 DIFFERENTIAL
RATES AND MINIMUM PAYMENTS (REPORT 2)**

ATTACHMENT 1

Statement of Object and Reasons for Imposing Differential Rates for 2020/21

The following Objects and Reasons are provided in accordance with Section 6.36 of the Local Government Act 1995 and to inform residents of the City of the Objects and Reasons for the differential rates being proposed for the 2020/2021 financial year.

The City of Mandurah applies a differential rate in the dollar depending on the characteristics and/or uses of the land, with the gross rental value (GRV) to determine the rates levied for each land that is rateable.

This document outlines the objects and reasons for implementing differential general rates.

Proposed Rates

The City proposes to impose differential general rates to all gross rental values in its district according to one or a combination of:

- The purpose for which land is zoned.
- Whether or not the land is vacant land.

For the 2020/2021 year, Council has decided to impose five differential rates as shown in the table below:

| Category | Rate in the dollar | Minimum Rate |
|----------------------|--------------------|--------------|
| Residential Improved | \$0.09594 | \$1,108 |
| Residential Vacant | \$0.16300 | \$917 |
| Business Improved | \$0.09293 | \$1,108 |
| Business Vacant | \$0.16560 | \$1,108 |
| Urban Development | \$0.13059 | \$1,108 |

Objects and reasons

The following are the objects and reasons for each of the differential rates:

Residential improved land – rate in the dollar \$0.09594 (0% increase in the rate in the dollar)

Object This proposed rate in the dollar is regarded as the base rate as it represents the greatest number of properties in the City.

Reason This rate aims to ensure that the proportion of rates raised from this category is between 70% and 75% of total rates.

Residential vacant - rate in the dollar \$0.16300 (0% increase in the rate in the dollar)

- Object This proposed rate in the dollar is set at a higher level as the City wishes to promote the development of all properties to their full potential, and to ensure that the proportion of total rate revenue derived from vacant land remains consistent with previous years.
- Reason This rate in the dollar will act to stimulate economic growth and development in the community.

Business improved - rate in the dollar \$0.09293 (rate in the dollar reduction of 5%)

- Object This rate is set at a higher level to recognise that certain expenditures in the budget are specifically directed towards the economic development of the City and the additional costs associated with the service provision related to business activities. As a result of COVID-19, the City has recognised that businesses have been significantly impacted by the pandemic and for the 2020/21 financial year, Council are proposing to impose a lower rate in the dollar than the residential improved rate category.
- Reason This rate will ensure that the City meets the higher level of service costs associated with business properties and the area within which they are situated, including:
- (a) higher provision and maintenance of road infrastructure and streetscapes including road renewals and upgrades, car parking, footpaths and traffic issues; and
 - (b) activation, facilitation and amenity improvements to promote the economic and social attractiveness to businesses areas.

Business vacant - rate in the dollar \$0.16560 (0% increase in the rate in the dollar)

- Object This rate is set at a higher level as the City wishes to promote the development of all properties to their full potential.
- Reason This rate in the dollar will act to stimulate economic growth and development in the community.

Urban development - rate in the dollar \$0.13059 (0% increase in the rate in the dollar)

- Object This proposed rate in the dollar relates to land held for future development (super-lots larger than 10 hectares in size).
- Reason As with other vacant land rates, this rate is set at a higher level as the City wishes to promote the development of all properties to their full potential.

Specified Area Rates (SAR)

The City imposes Specified Area Rates (SAR) on certain locations in the district. SAR's enable the enhancement and maintenance of the general amenity of an area by way of increased service levels for the benefit of the owners/residents who live or work in the area.

The authority to impose specified area rates is set out in section 6.37 of the *Local Government Act 1995* (Act). This section of the Act requires that the money raised from a SAR be used solely for the purpose which the rate was imposed, with any residual amount remaining being placed in a reserve for that same purpose.

Waterside Canals - rate in the dollar \$0.0000 (no charge this financial year)

This is levied on all properties within the Waterside Canals. The purpose of the rate is for owners to make a reasonable contribution toward maintaining and managing the canals. There is sufficient funds in the Waterside Canals SAR Reserves Account to cover the proposed expenditure of canal water quality testing, canal management fee, canal hydrographic survey costs and litter control.

Note: All owners are required to maintain/replace the canal walls on their land.

Mandurah Ocean Marina – rate in the dollar \$0.0143 (22% decrease in the rate in the dollar)

This is levied on all properties within the Mandurah Ocean Marina. The purpose is to provide for an enhanced maintenance standard and asset replacement costs. The SAR proposed expenditure includes maintaining navigable depths in the entrance, basin and boat ramp, maintenance to reflection wall along Breakwater Parade, maintenance of revetment walls, maintenance of cleaning and lighting boardwalk, contribution to security, maintaining navigational aids, environmental monitoring, Marina management, maintenance of Marina plant and equipment. There is also a requirement for funds to be transferred into the reserve to fund the future dredging requirements and replacement of revetment walls and reflection wall (along Breakwater Parade) when required.

Mandurah Quay – rate in the dollar \$0.0024 (0% increase in the rate in the dollar)

This is levied on all properties within the Mandurah Quay sub-division. The purpose is to ensure the maintenance of the marina (i.e. water body and walls) and is levied to cover the life cycle expenses of the marina. The SAR proposed expenditure includes litter control, hydrographic survey, water quality monitoring, canal management fees and minor maintenance of the walls (including the header course blocks). There is also a requirement for funds to be transferred into the reserve to fund any major maintenance works as well as the future replacement of canal walls when required. Note: The SAR does not fund the maintenance expenses for the pavement, garden beds and lighting along the public access way.

Mariners Cove – rate in the dollar \$0.0000 (no charge this financial year)

This is levied on all canal frontages on the Mariner Cove canals. The purpose of the rate is for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy – Canals and Core Management Group.

There is sufficient funds in the Mariners Cove Canals SAR Reserves Account to cover the proposed expenditure of canal water quality testing, canal management fee, canal hydrographic survey costs and litter control.

Note: All owners are required to maintain/replace the canal walls on their land.

Port Bouvard Eastport Canals - rate in the dollar \$0.0015 (0% increase in the rate in the dollar)

This is levied on all canal frontages on the Eastport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, canal management fee, surveying and minor maintenance.

Note: All owners are required to maintain/replace the canal walls on their land.

Port Bouvard Northport Canals – rate in the dollar \$0.004 (47% decrease in the rate in the dollar)

This is levied on all canal frontages on the Northport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, canal management fee, surveying and minor maintenance/canal cleaning.

Note: All owners are required to maintain/replace the canal walls on their land.

Port Mandurah Canals – rate in the dollar \$0.0039 (0% increase in the rate in the dollar)

This is levied on all canal frontage properties located within the defined area of Port Mandurah Canals. The purpose of the rate is for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy – Canals and Core Management Group. The SAR proposed expenditure includes litter control, hydrographic survey, water quality monitoring, canal management fees, contribution to the Port Mandurah Residents Association and transferring funds into the dredging reserve for when the constructed depths exceed the tolerance limits and dredging is required.

The defined area has been identified within the Government Gazette published 23 June 1995 as Schedule B in the City of Mandurah (Specified Area) Order No.1.

Note: All owners are required to maintain/replace the canal walls on their land.

Residents wishing to make written submissions are invited to lodge their submissions with the City by no later than close of business, 4:30pm on Tuesday 4 June 2020.

Written submissions can be directed to:

**Chief Executive Officer
City of Mandurah
PO Box 210
MANDURAH WA 6210**

Submissions will also be accepted via email: council@mandurah.wa.gov.au or on the City of Mandurah website, mandurahmatters.com.au

**Mark Newman
Chief Executive Officer**

PROCUREMENT**Attachment 1****COUNCIL POLICY****POL-CPM 02****Objective:**

The Procurement Policy (Policy) is developed in accordance with the statutory obligations of the *Local Government Act 1995* (Act) and Part 4 of the *Local Government (Functions and General) Regulations 1996* (Regulations) in relation to procurement activities undertaken by the City of Mandurah (the City).

The Policy is directed at meeting the following objectives:

- Achieving 'value for money' with respect to all procurement activities;
- Ensuring that the City complies with all obligations under the Act and Regulations;
- Strengthening integrity and confidence in procurement systems and processes;
- Ensuring that sustainable benefits, such as environmental, social and local economic factors are considered in the overall 'value for money' assessment;
- Mitigating probity risk by establishing consistent and demonstrated processes and training that promote transparency and fairness; and
- Ensuring that procurement activities are conducted in a consistent and efficient manner in accordance with applicable policies and procedures.

Statement:**1. APPLICABILITY**

The policy applies to all procurement activities undertaken by City officers, appointed representatives and where applicable, contractors. For the purposes of the Policy, such persons will be referred to as employees.

2. PRINCIPLES OF PROCUREMENT

All employees of the City shall observe the highest standards of ethics and integrity in undertaking procurement activity and act in an honest and professional manner. The following principles underpin the City's procurement activities:

- a. All processes, evaluations and decisions shall be transparent, free from bias, merit based and fully documented in accordance with the Act and Regulations, applicable Policies and Procedures, and audit requirements.
- b. Accountability shall be taken for all procurement decisions, to ensure the efficient, effective and proper expenditure of public monies based on achieving value for money, in accordance with the City's adopted budget.
- c. Procurement is to be carried out on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently.
- d. Any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed.

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3. VALUE FOR MONEY

- a. Value for money is achieved through the critical assessment of price, risk, timeliness, environmental, social, economic and qualitative factors to determine the most advantageous supply outcome that contributes to the City achieving its strategic and operational objectives.
- b. The City will apply value for money principles when assessing purchasing decisions and acknowledges that the lowest price may not always be the most advantageous.

3.1 Assessing Value for Money

- a. The assessment of value for money is the result of open, competitive sourcing practices and critical assessment of factors such as:
 - i. All relevant whole-of-life costs and benefits. This should include transaction costs associated with acquisition, delivery, distribution, as well as other costs such as holding costs, consumables, maintenance and disposal;
 - ii. The technical merits of the goods and/or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
 - iii. Financial viability and capacity to supply without risk of default;
 - iv. Ensuring a sufficient number of offers have been obtained to enable robust price comparison wherever practicable;
 - v. The safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and/or services from suppliers; and
 - vi. A supplier's ability to demonstrate the sustainable benefits and positive local impact of the goods and services offered.
- b. The level of assessment undertaken is commensurate with the value, complexity, risk and sensitivity of the goods or services being procured.

4. SUSTAINABLE PROCUREMENT

Sustainable procurement is defined as the purchasing of goods and services that have less environmental and/or negative social impacts than competing products or services over the entire life cycle of a product.

The City is committed, where possible, to procuring goods and services:

- a. that are economical to own and operate;
- b. reduce waste and are energy efficient;
- c. cause the least damage to the environment;
- d. have been created or obtained using legally compliant practices (Corporate Social Responsibility);
- e. provide local businesses with commercial opportunity;
- f. improve employment opportunities for local people; and

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- g. that encourage social advancement and benefits relating to special needs.

4.1 Local Content

- a. The City will:
- wherever practical, invite local suppliers to quote, in accordance with this Policy;
 - ensure procurement planning explores local business capability and opportunities for local content; and
 - consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses.
- b. Local suppliers are defined as those businesses that operate permanently within the district of the City of Mandurah local government municipal area.

4.2 Engaging with Australian Disability Enterprises or Aboriginal Businesses ~~up to \$150,000~~

- a. The City encourages the use of Australian Disability Enterprises and Aboriginal owned businesses for the supply of goods and/or services where value for money assessments demonstrate benefits for the City achieving its objectives.
- b. Where the required number of quotes from \$5,000 up to ~~\$1250,000~~ cannot be obtained from similar disability enterprises or Aboriginal owned businesses, alternate means of verifying that the offer truly represents value for money should form part of the evaluation documentation and applicable Procedure.
- b.c. When utilising tender exempt provisions for Aboriginal owned businesses the maximum procurement value permissible is \$250,000.

5. PROCUREMENT REQUIREMENTS

- a. The requirements that must be complied with by the City, including procurement thresholds and processes, are prescribed within the Regulations, this Policy and associated Procurement Procedures.
- b. In determining the purchase value, the following considerations are to be taken into account:
- All values are exclusive of GST; and
 - The amount is the actual or expected value of a contract over the full contract period, including all options.
- c. The following procurement value thresholds apply:

| Monetary Threshold of the contract value, including extensions and options (exclusive of GST) | Process Required | Source |
|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Up to \$4,999 | Direct purchase from a supplier after obtaining at least one (1) oral or written quotation in accordance with the Procurement Procedure – Goods and Services . | Local supplier where practical. If no local supplier, seek one (1) quote through: |

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| | | <ul style="list-style-type: none"> • Western Australian Local Government Association (WALGA) Preferred Supplier Program (PSP); or • State Common User Arrangement (CUA); or • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market. |
| \$5,000 to \$49,999 | Seek three (3) or more verbal or written quotations (method dependent on risk and complexity) in accordance with the Procurement Procedure – Goods and Services . Obtain a minimum of two (2) written responses | <p>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three (3) or more quotes through:</p> <ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market. |
| \$50,000 to \$149,999 | Formal Request for Quote in accordance with Procurement Procedure Goods and Services . Seek three (3) or more written formal quotations and obtain a minimum of two (2) responses. | <p>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three (3) or more quotes through:</p> <ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market. |
| <u>\$150,000 to \$249,999 and above</u> | <p><u>Formal Request for Quote in accordance with Procurement Procedure Goods and Services. Seek three (3) or more written formal quotations and obtain a minimum of two (2) responses.</u></p> <p><u>Public Tender, to be issued by Governance Services in accordance with the Act and Regulations</u></p> <p><u>Refer to Procurement Procedure – Goods and Services.</u></p> <p><u>Where circumstances warrant, Governance Services may conduct a tender process for projects which are</u></p> | <p><u>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</u></p> <p><u>If no local suppliers, seek three (3) or more quotes through:</u></p> <ul style="list-style-type: none"> • <u>WALGA PSP; or</u> • <u>State CUA; or</u> • <u>Australian Disability Enterprises; or</u> • <u>Aboriginal owned business; or</u> • <u>Open market</u> |

PROCUREMENT

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|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | below the \$150,000 threshold (refer to section 5.3): | Public Open Tender |
| <u>\$250,000 and above</u> | Public Tender, to be issued by Governance Services in accordance with the Act and Regulations Refer to <u>Procurement Procedure – Goods and Services</u> . Where circumstances warrant, Governance Services may conduct a tender process for projects which are below the \$250,000 threshold (refer to section 5.3). | <u>Public Open Tender</u> |
| <u>\$1250,000 and above</u> (Tender exempt) | Seek three (3) or more written formal Request for Quote, to be issued by Governance Services, in accordance with reg 11(2). Obtain a minimum of two (2) written responses, unless sole supply or supplier availability is limited i.e. only one supplier is represented under a panel arrangement. | <ul style="list-style-type: none"> • WALGA PSP • State CUA • Australian Disability Enterprise <u>Aboriginal-owned business</u> |

5.1 Conditions

- a. Existing contracts held with the City must be considered first before sourcing from other suppliers. Goods and/or services must be within scope of the existing contract and must not exceed the tender threshold unless specifically permissible or procured through a City held Panel of Pre-qualified Suppliers (section 6).
- b. Supply of goods or services must not commence until a purchase order has been issued, unless exempt from this requirement. A purchase order is unnecessary in the case of the following:
 - i. Insurances;
 - ii. Payments made through payroll;
 - iii. Utilities (service and/or consumption charges/fees only);
 - iv. Goods or services purchased through a purchasing card;
 - v. Fees and payments that are statutory, this includes bank fees;
 - vi. Other statutory damages, infringements and penalties;
 - vii. Loan repayments;
 - viii. Freight, postal charges and fuel cards;
 - ix. Goods purchased from petty cash;
 - x. Purchasing card payment requests.
- c. All procurement activity must be carried out in accordance with the relevant Procurement Procedure as defined in section 5.

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- d. Restrictions exist on procuring IT hardware, software and licenses, office furniture and fittings – refer to the City's IT and Procurement Procedures.
- e. Where the stated number of minimum quotations to be obtained cannot be achieved due to:
 - i. limited responses (all thresholds); or
 - ii. lack of availability (tender exempt panel supply arrangements only i.e. WALGA or State CUA);

the decision to continue with the evaluation and selection must be documented and clearly demonstrate the achievement of value for money.

5.2 Record Keeping

Communications, responses and documentation relating to procurement activity and approvals, regardless of value, must be recorded and retained in accordance with the *State Records Act 2000*, the Regulations (reg. 11A(3)(b) and 24AC(2)(e)), the City's Record Keeping Plan and applicable Procurement Procedures.

5.3 Requesting Tenders where value is less than Tender threshold

The City may elect to invite tenders in lieu of undertaking quotations for procurements under the tender threshold where it is considered appropriate and beneficial. This decision should be made after considering the commercial and probity benefits of this approach in comparison to cost and efficiency. Where a tender is called, the Regulations relating to tender requirements must be followed.

5.4 Anti-avoidance

Multiple procurement activities must not be entered into with the intent (inadvertent or otherwise) of "splitting" the purchase value to avoid a public tender being called (regulation 12 of the Regulations) or to avoid threshold quoting requirements under \$1250,000.

5.5 Minor Variations

- a. In accordance with regulation 20 of the Regulations, a minor variation may be made to a contract following a tender process, by the City, prior to the City and the preferred tenderer formalising the contract. A minor variation is required to meet the following conditions:
 - i. Does not alter the nature of the goods and/or services procured;
 - ii. Does not materially alter the scope provided in the initial tender;
 - iii. Amount to less than 10% of the original contract price or up to a maximum of \$100,000.00 whichever is the lesser; and
 - iv. Does not alter the decision to award the tender to the preferred tenderer.
- b. If the variation does not meet the conditions, then the variation must be presented to Council for consideration.

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- c. The above conditions also apply to procurements under \$1250,000 and are required to be undertaken in accordance with the Procurement Procedure Contract Variations and Extensions.
- d. All decisions regarding minor variations must be documented and recorded.

5.6 Variation after Contract Commencement

- a. If the City has entered into a contract for the supply of goods and/or services with a successful tenderer, in accordance with regulation 21A of the Regulations, the contract must not be varied unless:
 - i. the variation is necessary in order for the goods and/or services to be supplied; and does not change the scope of the contract; or
 - ii. the variation is a renewal or extension of the term of the contract as described in regulation 11 (2) (j); and
 - iii. The variation is within the budget allocated for the project.

~~These above conditions also apply to contracts valued procurement under \$1250,000.~~

- b. Consideration must be also be given to the original procurement process conducted and whether the combined value of the original price, any subsequent variations and proposed variation (which includes term extensions) would have resulted in a different procurement process being undertaken due to the increased expenditure.
- c. All contract variations are to be recorded and supported by adequate documentation describing the nature and reasons for the variations, including the associated cost, time and scope implications.
- d. Contract variations ~~to~~ are to be approved in accordance with the authorisation limits as per section 8 of this policy.
- e. These conditions also apply to contracts valued under \$250,000 and are required to be undertaken in accordance with the Procurement Procedure Contract Variations and Extensions.

b. Contract Extensions

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- a. Contracts are extended only if the original contract includes an extension option as per 5.6 above (unless State of Emergency provisions apply).
- b. For continuity of service provision, the contract extension must be approved before the expiration date of the original contract or previously extended term.
- c. Contract extensions are approved in accordance with the authorisation limits as per section 8 of this policy.
- d. There must be documented evidence that the contractor performance has been assessed before the contract extension is approved.

5.8 Contract Expiry

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Prior to the expiry of the original contract, and after any options for renewal or extension included in the original contract have been exercised, the City is required to review the purchasing requirements and commence a new competitive purchasing process in accordance with this Policy.

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5.75.9 Procurement Planning

A Procurement Plan is required for all procurement activities above \$50,000. Governance Services will facilitate this process in most instances.

5.85.10 Conflict of Interest

Actual or perceived interests are to be declared using the City's prescribed form. Where there is a perceived or actual conflict of interest in accordance with the Act, the Officer may be removed from any further procurement activity.

For purchases over \$5,000 to \$50,000 employees must sign the applicable procurement threshold documentation relating to conflict of interests, complete and sign the Conflict of Interest Declaration form.

5.95.11 Terms and Conditions

City of Mandurah Standard Terms and Conditions will apply unless a formal contract has been used. Any terms and conditions that are required to be varied must be approved by Manager Governance Services.

5.105.12 Probity Advisors and Audit

The Chief Executive Officer (CEO) may appoint an organisation to undertake a probity audit of the tender process conducted, or parts thereof, if required. The CEO may appoint a probity advisor to observe or participate in the procurement process that will be conducted.

5.115.13 Education and Training

- a. The CEO is required to implement a procurement education and training program. This will include both induction and refresher training to be delivered on an annual basis.
- b. Employees who undertake procurement activities will be required to attend training.

6 EXCEPTIONS TO PROCUREMENT REQUIREMENTS

6.1 Tender Exempt Supply Arrangements

- a. Procurements activities above tender threshold, sourced through tender exempt supply arrangements, must be in accordance with the Regulations and the City's Policies and Procedures. These are set out in regulation 11(2) of the Regulations and include:
 - i. pre-qualified suppliers under the WALGA PSP;
 - ii. suppliers under State Government CUA;
 - iii. suppliers on a Panel of Pre-qualified Suppliers established by the City;
 - iv. a Regional Local Government or another Local Government;

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- v. an Australian Disability Enterprise and where the procurement represents value for money;
- vi. where the contract is for petrol, oil, or other liquid or gas used for internal combustion engines; or
- vii. where the supply of goods or services is to be obtained from expenditure authorised in a local emergency under 6.8 (1)(c) of the Act; or
- vi.viii. the supply of the goods or services associated with a State of Emergency in accordance with 11 (2)(aa), (ja) and (3) of the Regulations; or
- vii.ix. procurements covered by any other exclusion under regulation 11 of the Regulations.

6.2 Use of Tender Exempt Suppliers under \$1250,000

- a. Procurements valued under \$1250,000 may be sourced from suppliers through the above tender exempt arrangements. Quotes should only be sourced from a single panel arrangement on each occasion i.e. PSP or a CUA. Written records of the justification and the approval obtained must be recorded in accordance with Procurement Procedures.

6.3 Goods and/or Services required in an Emergency (Local or State)

- a. An "emergency" is defined in the *Emergency Management Act 2005* as "the occurrence or imminent occurrence of a hazard which is of such a nature or magnitude that it requires a significant and coordinated response". Section 6.8(1)(c) of the Act makes provisions for unbudgeted expenditure in a local emergency to be incurred if approved in advance by the Mayor. Regulations 11 (2)(aa),(i) makes provisions where a State of Emergency is declared.
- b. The City's Procurement Procedures provides further information when expenditure is within budget or where a State of Emergency has been declared.
- c. A State of Emergency applies when it is declared under the Emergency Management Act 2005.
- d. The City's own contracts or WALGA's Hazardous and Emergency Event Services PSP should be used wherever possible. The City's Procedures make provision for services that are required urgently or out of hours.
- b. A State of Emergency applies when it is declared under the Emergency Management Act 2005

6.4 Sole Source of Supply

- a. Goods and/or services of a unique nature that can only be supplied from one supplier may be procured using a formal quotation process. Sufficient market testing and investigation of alternative sources of supply must be demonstrated and evidence documented.
- b. The City's Procurement Procedures detail the requirements for procurements under \$1250,000.
- c. The application of the provision of sole source of supply must only occur in limited circumstances with procurement experience indicating that generally more than one supplier is able to be found to provide the requirements of the specification.

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6.5 Waiver of Quotation Requirements under \$1250,000

A waiver to seek the required number of quotes (for budgeted expenditure), may be granted at the sole discretion of the CEO and/or Directors. Written records of the justification and the approval obtained must be recorded.

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7 PANELS OF PRE-QUALIFIED SUPPLIERS

Where there is a continuing need for a particular type of goods and/or services to be supplied, the City may determine it is beneficial to do so by means of a Panel of Pre-Qualified Suppliers (PQS's). The creation and operation of a PQS must be undertaken in accordance with Part 4, Division 3 of the Regulations.

7.1 Establishing a Panel

- a. State-wide public notice of the invitation to apply to join a PQS is required;
- b. PQS may be established for one supply requirement, or a number of similar supply requirements under defined categories;
- c. Each Request for Application (RFA) issued will describe further the supply type, how the PQS will operate and the minimum number of suppliers to be maintained;
- d. Evaluation criteria will be pre-determined;
- e. Suppliers appointed to a panel as members will be subject to the City's panel terms;
- f. The Regional Price Preference Council Policy may be applied when assessing applications to join a PQS.

7.2 Procuring from the Panel

Procuring from PQS will be outlined in detail in the RFA but in general will be undertaken as follows:

- a. Each panel member will be requested to quote for each item of work under the panel unless the panel is operating using a ranking system (see (b)). Quotes received will be assessed using pre-determined evaluation criteria to evaluate each quote.
- b. Where panel members are ranked, prices may be fixed by means of a pricing schedule or through a quotation on each occasion. The City will invite the highest ranked panel member, who will accept or decline the request. If declined, the next ranked panel member will be invited and so forth until a panel member accepts a Contract.
- c. The City may award any quantity of work to any member on the basis of their quote or any other pre-determined criteria stated in the RFA.
- d. Award of work shall be evidenced by an official Purchase Order, which will represent the "contract", governed by the panel terms.
- e. Contracts issued must not be formed for the supply of goods and/or services for a term exceeding 12 months nor contain an option to renew or extend its term.

7.3 Distributing work amongst panel members

PROCUREMENT

Unless otherwise specified in the RFA, when considering the distribution of work amongst panel members the City will generally take into account such factors as:

- a. accepted pricing schedule or price;
- b. value for money considerations;
- c. ranking (if applicable);
- d. performance during the term of the Panel;
- e. equipment, plant, or capability relative to the particular item of work;
- f. response time and/or availability;
- g. vicinity to the work location;
- h. ability to provide speciality products or services; or
- i. ability to respond to the quote request within the specified timeframe.

7.4 Panel Communication

To ensure clear, consistent, and regular communication between all parties to a panel, the City will allocate to each panel a dedicated contact person for the term of the panel. A communication plan will be developed by the contact person which will include a requirement for scheduled performance review meetings with the City.

7.5 Record Keeping Requirements for Panels

- 8 Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and award notifications must be captured in the City's electronic records system in a separate file, attached to a nominated electronic quotation system (if available) or to the applicable purchase order in the City's financial software system. Purchase orders raised must reference the PQS reference number for the purposes of monitoring expenditure.

98 AUTHORISATION

a. The following positions are authorised to approve and issue purchase orders or otherwise procure in accordance with this policy, subject to:

i) the general authorisation limits set out in the table below; and

ii) the individual position financial limits set out in the Authorisation Limit Listing; Authorisation to approve purchase requisitions and orders has been assigned to selected positions and is noted on the relevant position description in accordance with the following indicative levels:

| POSITION | AUTHORISATION LIMIT (exclusive of GST) |
|------------------------------------------------------------------------------|-------------------------------------------|
| Director/Executive Leadership Team Deputy CEO/Director | As determined by the CEO |
| Executive Manager/ Manager | Up to \$50,000 |

PROCUREMENT

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| Coordinator/Supervisor | \$15,000 to \$40,000 |
| Other <u>Staff</u> | Up to \$5,000 |

a.b. The conditions of approving purchase requisitions and orders is in accordance with the City's Policies and Procedures and purchases must be within the approved budget adopted by Council. The Authorisation Limit is the value of the contract, inclusive of extensions, variations and options (exclusive of GST).

b.c. An employee cannot exceed their financial authorisation as set out in the Authorisation Limit Listing unless specifically authorised in writing by the CEO i.e. under periods of higher duties. The City's Authorisation Limit Listing, and relevant Policy apply.

e.d. The Authorisations Limit Listing is subject to annual review and approval by the CEO such review to occur annually or as otherwise required, or as required.

9-48.1 Purchasing Cards

- The CEO will develop Procedures for the authorisation and payment of accounts to ensure there is effective security and appropriate authorisations in place for the use of purchasing cards.
- Council approves that the CEO has a purchasing card of a monthly limit of \$20,000 and a maximum transaction limit of \$10,000.
- The Mayor will approve the CEO purchasing card on a monthly basis.
- The CEO will authorise the issue of purchase cards to other City officers following applicable procedures.

9-28.2 Petty Cash

- Petty cash transactions under \$50 are to be authorised by Managers in accordance with City's Procedure.

499 POLICY NON-COMPLIANCE

- Procurement activities are subject to financial and performance audits to review compliance with legislative requirements and the City's Policies and Procedures. Failure to comply with the requirements of this Policy or prescribed processes will be subject to investigation, with findings to be considered in context of the employees training, experience, seniority and reasonable expectations of the performance of their role.
- Where a breach is substantiated it may be treated as:
 - an opportunity for additional training to be provided;
 - a disciplinary matter, which may or may not be subject to reporting requirements under the *Public Sector Management Act 1994*;
 - misconduct in accordance with the *Corruption, Crime and Misconduct Act 2003*.

PROCUREMENT

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|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Responsible Directorate: | Corporate Services |
| Reviewer: | Manager Governance Services |
| Creation date: | Minute G.28/3/07, 20 March 2007 |
| Amendments: | Minute G.37/5/12, 22 May 2012 Minute G.28/7/12, 24 July 2012 Minute G.36/9/13, 24 September 2013 Minute G.35/2/15, 24 February 2015 Minute G.10/7/19, 23 July 2019 Minute G.17/2/20, 25 February 2020 |
| Related Documentation and or/legislation: | <i>Local Government Act 1995 (Act) and Part 4 of the Local Government (Functions and General) Regulations 1996</i> |