



**GLADSTONE**  
REGIONAL COUNCIL

**GENERAL MEETING NOTICE  
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On Tuesday 7 November 2023**

**Commencing at 9.00am**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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**G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

## **G/2. CONFIRMATION OF MINUTES**

### **G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 24 OCTOBER 2023**

**Responsible Officer:** Chief Executive Officer

**Prepared By:** Executive Secretary

**Council Meeting Date:** 7 November 2023

**File Ref:** CM7.2

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#### **Purpose:**

Confirmation of the minutes of the General Meeting held on 24 October 2023.

#### **Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 24 October 2023 be confirmed.

#### **Attachments:**

1. Minutes of the General Meeting of Council held on 24 October 2023.

**G/3. DEPUTATIONS**

## **G/4. OFFICERS' REPORTS**

### **G/4.1. 2023/24 OPERATIONAL PLAN - QUARTER ONE PERFORMANCE REPORT**

**Responsible Officer:** General Manager People and Strategy

**Prepared By:** Manager Strategy and Improvement (Acting)

**Council Meeting Date:** 7 November 2023

**File Ref:** CM14.2

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#### **Purpose:**

To present Council with the first quarterly performance report for the 2023/24 Operational Plan.

#### **Officer's Recommendation:**

That Council endorses the 2023/24 Operational Plan – Quarter One Performance Report.

#### **Summary:**

- All nine (9) initiatives are On Track to be delivered this financial year
- Initiatives have progressed 17 per cent on average
- Four (4) initiatives have had timeline revisions
- One (1) initiative has had a budget revision

#### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

#### **Background:**

- The 2023/24 Operational Plan was endorsed by Council on 20 June 2023 and identifies nine (9) initiatives and 50 core services that progress delivery of the Corporate Plan 2021-26.
- This report details progress for Quarter One, being July to September 2023.
- Quarterly Performance Reports have been refreshed, with simplified design changes to enhance transparency, brand alignment and make it a more enjoyable read.

#### **Risk Management Summary:**

Based on updates provided, there is a low risk of the 2023/24 Operational Plan not being delivered in full.

## Options and Opportunity Analysis:

### Access and Inclusion Action Plan – **On Track** (5 per cent under target progress)

- We have begun exploring existing documentation and assessing tender applications for two portions of work that we require consultant support with.
- Delays with procurement led to a timeline revision, however no change to the intent or scope of the work involved has been made and we still anticipate delivering on time.
- Initial assessment of the tenders we have received indicates contracted work will cost more than we anticipated. We will review the initiative budget and scope next quarter to understand the impact of this.
- Note that the initiative is referred to as Access and Inclusion Action Plan, rather than Disability Access and Inclusion Action Plan as described in the 2023/24 Operational Plan. This update to the title was made to better represent the broad view of inclusion covering all abilities and improve alignment with the scope of the initiative. This change does not impact deliverables or the intent of the initiative.

### Social Infrastructure Strategic Plan (SISP) - **On Track** (10 per cent under target progress)

- We have completed a desktop review to improve our understanding of the historical social infrastructure needs of our region and began analysis of our region's population forecast and infrastructure and services impact model. We intended to have the analysis complete this quarter, however delays with getting access to data delayed this by one month. We expect to have this finalised in October, with no forecasted impact on the initiative.

### Planning Scheme Review - **On Track**

- We have selected a suitably qualified consultant who can provide the resources, skills and expertise we need to successfully deliver this initiative.

### Works Delivery - **On Track**

- We have appointed key resources that will enable us to lead the improved maintenance delivery model and key projects within the Works Delivery program.
- Guiding principles have been established to allow us to assess our maturity in planning and delivering maintenance, enabling us to target areas that require improvement.
- We have spent \$120,000 of the \$2.2 million allocated budget.
- Part of the foundational work we are doing so that we can improve our maintenance is cleansing the data in our Asset Register. About 7.2 million pieces of data are set to be cleansed within the register. Six (6) per cent of the data has been cleansed to date, with a further nine (9) per cent in progress and 85 per cent not yet started. Next quarter we look forward to assigning dedicated resources to accelerate our progress with this activity so that the majority of cleansing is completed by June 2024.

### Community Waste Education - **On Track**

- Delays with recruitment led to a timeline revision, however no change to the intent or scope of the work involved has been made and we still anticipate delivering on time.

### Future of Fleet - **On Track**

- We have completed the first round of consultation to understand the needs and impacts of this initiative on our people and operations. We have used feedback from the consultation to make an informed decision about how we will implement the new Fleet System. This includes finalising and consulting on Data Use Guidelines before purchasing the system.

**Creating Constructive Culture – On Track**

- We have closed out the 2022/23 Culture Journey with lessons learned and prepared foundational tools to support us through the 2023/24 commitments.
- A budget revision this quarter increased our investment in this initiative by \$22,000. More detail on this is provided in the attached report.
- We have spent \$11,815 of the \$181,740 allocated budget.

**Psychosocial Safety – On Track (6 per cent under target progress)**

- We have shared the Psychosocial Hazards survey results with our people, debriefed on our Psychosocial Risk Assessment Process and completed interviews with employees in high-risk teams to better understand the psychosocial risks in our workplace.
- We have recorded an organisational level psychosocial risk in Council's Corporate Risk Register and developed an organisation wide Psychosocial Risk Register.
- This quarter we appointed a new Project Lead which delayed progress toward a planned milestone and led to a timeline revision. No change to the intent or scope of the work involved has been made and we still anticipate delivering on time.

**Information Management – On Track**

- We have completed a gap analysis to help us understand where we need to improve when it comes to information management.
- We have spent \$198 of the \$10,000 allocated budget.

**Core Services** - The report also details core service delivery highlights, including;

- Philip Street Communities and Families Precinct welcomed 400 faces at this year's Welcoming Week morning tea celebration with great community connection
- 2,465km of roads and pathways condition assessed to help us prioritise our maintenance
- Over 20,000 people visited our Contact Centres in person
- Over 44,000 visited the GECC
- We repaired 292 potholes
- Secured over \$34 million in external funding, reducing financial burden on our ratepayers
- Invested in the future of our region – by welcoming 31 work experience students
- Progressed our Transition Economy Roadmap with 62% of actions activated
- Held 165 job interviews and made 65 position appointments
- Celebrated 765 years of service at our milestone anniversary lunch, looking after our people so they look after our community
- Released community education videos on pest weeds, fish and birds to help protect our natural environment and native species

The attached report provides a full update for this period being 1 July to 30 September 2023.

**Stakeholder Engagement:**

This report is collated with internal resources and involves touchpoints with approximately 80 people from across the business, from Officers on the ground to the CEO.

Initiative progress is provided by Initiative Leads and approved by the relevant Sponsor. Core service highlights are shared by employees across the business and reviewed by the relevant Manager.



**Legal and Regulatory Implications:**

*Section 174(3) Local Government Regulation 2021 (Preparation and adoption of annual operational plan)* states that: The Chief Executive Officer must present a written assessment of the local government's progress towards implementing the annual operational plan at meetings of the local government held at regular intervals of not more than 3 months.

**Financial and Resource Implications:**

The Creating Constructive Culture underwent a budget revision this quarter, increasing our investment in this initiative by \$22,000. More detail on this is provided in the attached report.

Allocated budget and spend to date for each initiative is detailed in the attached report.

**Anticipated Resolution Completion Date:**

N/A - information only report.

**Attachments:**

1. 2023/24 Operational Plan - Quarter One Progress Report

## **G/4.2. PROPOSED AMENDMENTS TO THE RECONCILIATION ACTION PLAN REFERENCE GROUP TERMS OF REFERENCE**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Governance Business Partner and First Nations Liaison Officer

**Council Meeting Date:** 7 November 2023

**File Ref:** CR3.3, CR15.1

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### **Purpose:**

This report presents a revised Terms of Reference for the Reconciliation Action Plan Reference Group for Council's consideration.

### **Officer's Recommendation:**

That Council adopt the revised Terms of Reference for the Reconciliation Action Plan Reference Group presented as Attachment 1 to this report.

### **Summary:**

This report provides an opportunity for Council to consider changes to the Terms of Reference for the Reconciliation Action Plan Reference Group.

### **Link to Corporate Plan:**

Connecting Communities - We work with you and for you, supporting the success of our communities.

### **Background:**

The Reconciliation Action Plan (RAP) Reference Group operates in accordance with its Terms of Reference and plays a pivotal role in informing and influencing the direction of Council's commitment to reconciliation. The RAP Reference Group was instrumental in developing Council's first Innovate RAP and more recently, the second Innovate RAP for June 2023 to June 2025.

The Committee identified that the current Terms of Reference would benefit from some minor amendments to assist the Group in achieving the Reconciliation Action Plan Objectives. The changes seek to:

1. Introduce a Co-Chairperson arrangement shared between a Community Co-Chairperson and a Councillor Co-Chairperson with the Co-Chairpersons to share the responsibility for any dispute resolution within the Group if required.
2. Extend the maximum number of meetings in the first year of a new RAP to eight meetings to ensure that initiatives are implemented in a timely way.
3. Allow members to extend their tenure beyond four (4) years to provide for continuity of knowledge and experience.

4. The inclusion of an encouragement clause for Aboriginal and/or Torres Strait Islander Council employees to be participate on the RAP Reference Group.
5. Update the references to Council position titles and Business Unit names to reflect recent changes.
6. Amend the background to reflect that a second Innovate RAP has been developed and adopted.
7. Update the language in line with the current accepted protocols and to improve readability.

A revised Terms of Reference is presented for Council's consideration (Attachment 1) including a tracked changes version (Attachment 2) for Councillors to easily identify the proposed amendments.

### **Risk Management Summary:**

Council has a moderate risk appetite for Regulatory, Legal and Reputational risks. Amending the Terms of Reference to support the work of the RAP Reference Group assists Council in balancing its risk and the outcomes achieved from the RAP Reference Group.

### **Options and Opportunity Analysis:**

#### Option 1: Recommendation

This option provides the opportunity for Council to support the work of the RAP Reference Group through the adoption of minor changes to how the Group operates particularly in relation to how meetings are chaired.

#### Option 2: Adopt the Revised Terms of Reference with amendments

Should Council want to make amendments other than those proposed in the recommendation, the following resolution could be adopted:

*"That Council adopt the revised Terms of Reference for the Reconciliation Action Plan Reference Group presented as Attachment 1 to this report, subject to the following amendments:*

1. *Insert amendment*
2. *Insert amendment....."*

#### Option 3: Retain the existing Terms of Reference

Council may seek to retain the existing Terms of Reference. This option is not recommended as the Terms of Reference contain out of date information (i.e. second Innovate RAP, Business Units, etc).

### **Stakeholder Engagement:**

The revised Terms of Reference have been developed in conjunction with the RAP Reference Group and Council's Governance & Risk Team.

### **Legal and Regulatory Implications:**

Reconciliation Action Plans and the work of RAP Reference Groups support the boarder nation-wide journey towards meaningful, tangible and substantive reconciliation action to strengthen relationships between Aboriginal and Torres Strait Islander peoples for the benefit of all Australians.

**Financial and Resource Implications:**

There are no financial or resource implications associated with the proposed changes to the RAP Terms of Reference. A budget for RAP deliverables has been approved by Council under the broader 2023/24 Community and Lifestyle budget.

**Anticipated Resolution Completion Date:**

18 November 2023

**Attachments:**

1. Revised RAP Terms of Reference
2. Tracked Changes – Revised RAP Terms of Reference

### **G/4.3. TENDER RPQS 56-23 SUPPLY AND DELIVERY OF READY MIX AND PRE-CAST CONCRETE**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement

**Council Meeting Date:** 7 November 2023

**File Ref:** PE1.1

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#### **Purpose:**

This report seeks resolution from Council to enter into a Register of Pre-Qualified Suppliers for the supply and delivery of ready mix and pre-cast concrete products.

#### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation to appoint Boral Resources (QLD) Pty Ltd to RPQS 56-23 Supply and Delivery of Ready Mix and Pre-Cast Concrete; and
2. Authorise the Chief Executive Officer to enter into a contract for a term of one (1) year, with the option to extend the contract for a further four (4) periods of one (1) year, to a maximum of five (5) years in total, with Boral Resources (QLD) Pty Ltd.

#### **Summary:**

An open market tender was conducted in accordance with s232 of the *Local Government Regulation 2012*, and the Officer's recommendation is to appoint Boral Resources (QLD) Pty Ltd to the Register of Pre-Qualified Suppliers ('RPQS') 56-23 Supply and Delivery of Ready Mix and Pre-Cast Concrete for a period up to five (5) years.

#### **Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.

#### **Background:**

Council is required, from time to time, to engage the supply and delivery of ready-mix concrete, pre-cast concrete and associated products to assist with projects and maintenance throughout the Gladstone Region, including:

- Normal class concrete (various strength grades);
- Kerb-making concrete;
- Slurry;
- Stabilising sand;
- Concrete grading;
- Concrete reinforcement fibre; and
- Pre-cast products such as culverts, headwalls and pipes.

**Risk Management Summary:**

Without access to on-contract suppliers, the Roads Program Delivery Team would be required to request quotes for all jobs over \$5,000 ex GST, which can be time consuming for both Council and its suppliers, and delays with receiving products can lead to service interruptions or limited short-term impact on business objectives. There are also health, safety and environmental risks to Council with engaging off-contract suppliers to carry out activities on Council job sites.

**Options and Opportunity Analysis:**

To enable the Roads Program Delivery Team access to on-contract suppliers without the need for quoting processes, Council is seeking to establish a register of suppliers.

An RPQS provides Council with efficiencies when engaging service providers as follows:

- i. s232 of the *Local Government Regulation 2012*, allows Council to enter into contracts with suppliers for engagements \$15,000 ex GST and over, without the need for a formal quoting or tender process.
- ii. The suppliers on an RPQS have been appointed in accordance with the requirements of Council’s Procurement Policy including meeting safety requirements, local content and value for money.
- iii. Suppliers and their personnel relevant to potential future works, will be managed in Council’s Contractor Management System (‘Beakon’) including inductions, licensing and insurances.
- iv. For low value requirements e.g. below \$25,000 ex GST, employees can engage suppliers on the RPQS with a phone request supporting prompt delivery of requirements;
- v. For larger value requirements e.g. above \$25,000 ex GST, employees are required to request quotes from suppliers on the RPQS to ensure value for money is achieved.
- vi. Engagements will be approved via Purchase Orders in accordance with Council’s Register of Financial Delegations; which means any engagements (outside of approved capital and RMPC projects) over \$500,000 ex GST will be brought to Council for approval.

On 10 June 2023, Council released an Invitation to Tender (‘ITT’) to the open market via VendorPanel in accordance with the tender process requirements set out in s228 of the *Local Government Regulation 2012*.

The tender closed on 4 July 2023, with one offer received from Boral Resources (QLD) Pty Ltd (‘Boral’). The offer was evaluated by a panel of subject matter experts, based on the following criteria disclosed in the ITT:

Objective Evaluation Criteria	Weighting
Business Capabilities demonstrates understanding of the scope and GRC’s requirements and includes a Resourcing Plan which addresses all aspects of the scope and GRC’s requirements.	50%
Proposed Program/Schedule meets GRC timing requirements and includes all key tasks.	25%
Nominated past projects performed meet GRC’s experience requirements.	25%

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The offer from Boral was evaluated as meeting Council's requirements for acceptance onto this panel.

Appointment to an RPQS gives no guarantee or representation as to the volume or value of orders to be issued by Council, nor is Council limited to utilise only these service providers.

Council may refresh this contract at any time during the contract term by issuing a new Invitation to Tender based on the same evaluation criteria as this ITT, seeking offers from service providers wishing to be added to the register.

### **Stakeholder Engagement:**

A range of personnel from Council's Roads Program Delivery Team were involved in the preparation of the tender requirements and evaluation of the offers received.

### **Legal and Regulatory Implications:**

Council sought offers via VendorPanel in accordance with the *Local Government Regulation 2012*, *Local Government Act 2009* and Council's Procurement Policy P-2021-01.

Council's endorsement of this tender award is in accordance with the Register of Delegations - Exercise of Statutory Powers and Financial Delegation Register.

The Officer's recommendation is based on the evaluation methodology and criteria in the ITT. There are risks associated with Council awarding a contract contrary to the Officer's recommendation. If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to Officers for re-evaluation. In the interests of probity, an amendment to the evaluation methodology and/or criteria may require referral back to tenderers so that they can each have the opportunity to make any changes to their offers having regard to the amended criteria prior to re-evaluation.

### **Financial and Resource Implications:**

Appointment to an RPQS is based on a schedule of rates, it does not commit financial resources. Engagements with service providers under this arrangement will be exempt from tender or quote requirements in accordance with s232 of the *Local Government Regulation 2012*, however will be subject to the Sound Contracting Principles and Register of Delegations - Exercise of Statutory Powers and Financial Delegation Register.

The approximate expenditure under this contract is anticipated to be \$2,600,000 ex GST over the potential five (5) year term.

### **Anticipated Resolution Completion Date:**

The contract will be executed in November 2023.

### **Attachments:**

1. CONFIDENTIAL RPQS 56-23 Offer Evaluation Report

**G/4.4. 2023-24 GENERAL SOLE AND SPECIALISED SUPPLIERS - ADDITIONAL AND AMENDED**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement

**Council Meeting Date:** 7 November 2023

**File Ref:** PE1.1

**Purpose:**

This report seeks resolution from Council to make use of the provisions in section 235(b) of the *Local Government Regulation 2012*, that allows for exceptions to the requirement for written quotes or tenders.

**Officer's Recommendation:**

That:

1. The following amendments are made to suppliers approved by Council under resolution GM/23/5042 as specialised or confidential in accordance with Section 235(b) of the *Local Government Regulation 2012*:

GCM Enviro Pty Ltd	OEM of landfill compactor parts and service
Hastings Deering (Australia) Pty Ltd	OEM parts for Caterpillar machinery parts and service
Spirac Solid Handling Solutions	OEM for Spirac conveyor parts and service
Western Truck Group Pty Ltd	OEM parts and service for Volvo machinery
Wideland Group	OEM parts and service for Iveco and Isuzu Trucks

2. In accordance with Section 235(b) of the *Local Government Regulation 2012*, Council is satisfied that 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 from suppliers for the relevant services for the 2023/24 financial year:

Social Pinpoint	Proprietor of the Social Pinpoint Conversations Platform used for community engagement
Milne Bros	OEM parts and service for Hino Trucks

**Summary:**

Section 235(b) of the *Local Government Regulation 2012* provides an exception to the requirement to obtain quotes or tenders when it would be impractical or disadvantageous for the local government. The suppliers identified in this report are regularly engaged by Council and for varying reasons outlined in the report, application of this exception is sought.

**Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.



**Background:**

At its General Meeting on 4 July 2023, Council (via Resolution GM/23/5042) resolved that due to the specialised or confidential nature of the services sought, it would be impractical or disadvantageous for Council to invite quotes or tenders from the following several suppliers including:

Supplier	Goods/Service provided
GCM Enviro Pty Ltd	OEM of landfill compactor parts
Hastings Deering (Australia) Pty Ltd	OEM parts for Caterpillar machinery parts
Spirac Solid Handling Solutions	OEM for Spirac conveyor parts
Western Truck Group Pty Ltd	OEM parts for Volvo machinery
Wideland Group	OEM parts for Iveco and Isuzu Trucks

The above suppliers are Original Equipment Manufacturers ('OEM') or OEM representatives and/or OEM authorised dealers that operate within the closest vicinity to Gladstone. The suppliers predominantly provide Council with OEM maintenance and/or repairs to equipment (including OEM parts).

Resolution GM/23/5042 only included the supply of spare parts and did not include the labour for maintenance and repairs. A further resolution specifying the inclusion of the words "and service" is sought to rectify the omission.

In this report, officers are also seeking the addition of the following suppliers as specialised suppliers under s235(b):

Supplier	Goods/Services provided
Social Pinpoint	Proprietor of the Social Pinpoint Conversations Platform used for community engagement
Milne Bros	OEM parts and service for Hino Trucks

Social Pinpoint is the proprietor of the Social Pinpoint Conversations Platform that Council uses for community engagement activities. The Conversation Platform provides a safe place for the community to discuss specific issues and is a tool that is embedded. It would be disadvantageous to Council in terms of resources (cost and time) to change supplier and replicate the Conversations and Virtual Neighborhood. It would also be disruptive for the community who are familiar with this platform.

Milne Bros are the closest OEM service agent for Hino Trucks and in order to maintain warranty validity Council requires the ability to obtain OEM parts, service and repairs as required for Hino trucks within the vehicle fleet.

**Risk Management Summary:**

Council has set a moderate appetite for Financial and Service delivery risks and a minimal appetite for reputational risk. Establishing sole suppliers and specialised suppliers allows Council to mitigate the risks of interruptions to service delivery and associated financial implications that may be experienced if maintenance and repairs of our plant and equipment cannot be undertaken as and when required.

## **Options and Opportunity Analysis:**

### Option 1 – Officer's Recommendation

Due to the nature of some goods and services, there may be only one (1) supplier who is reasonably available or who provides a specialised service. Given that a number of these types of purchases are recurring on an annual basis, it has become more typical for Councils to apply the legislation and prepare an annual report seeking resolution.

The suppliers identified in this report are regularly engaged by Council to supply various services and often the expense exceeds \$15,000 ex GST. Seeking quotes to satisfy legislative requirements is impractical as in all instances outlined in this report, the supplier offers a specialised service for which there is no competition, or the competition is an impractical distance away from Gladstone.

Using the identified specialised suppliers ensures that Council retaining warranty validity and access to specialist tooling/diagnostics.

### Option 2 – Do not resolve the specialised suppliers

If Council is not satisfied that because of the specialised or confidential nature of the services that the suppliers provide, it would be impractical or disadvantageous for Council to invite quotes or tenders from the suppliers referred to in this report, Council should resolve as follows:

*“That there be no amendment to the specialised suppliers identified in Resolution GM/23/5042.”*

In this instance, officers would be required to follow the provisions of the LGR and Council’s Procurement Corporate Standard and obtain a minimum of two (2) quotes for all purchases of goods and services greater than \$5,000 and three (3) quotes for all purchases greater than \$15,000.

## **Stakeholder Engagement:**

Subject matter experts have been consulted in the recommendation to appoint the proposed specialised suppliers.

## **Legal Regulatory Implications:**

It is a requirement of s225 of the LGR to invite written quotations or tenders where the supply of goods or services with a cost greater than \$15,000.

Additionally, Council’s Procurement Corporate Standard requires a minimum of two (2) quotes for all purchases of goods and services greater than \$5,000 and three (3) quotes for all purchases greater than \$15,000.

Section 235(b) of the LGR provides an exception where the local government resolves that, 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.

## **Financial and Resource Implications:**

Procurement activities making use of this resolution will be subject to Council’s Register of Financial Delegations.

**Anticipated Resolution Completion Date:**

Exceptions granted within this report will be updated in Council's Long-Term Contracts Register in November 2023.

**Attachments:**

Nil

## **G/4.5. EXPENDITURE APPROVAL - WASTE GRINDING SERVICES**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement

**Council Meeting Date:** 7 November 2023

**File Ref:** PE1.1

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### **Purpose:**

This report seeks a resolution from Council, in accordance with Council's Register of Financial Delegations, to approve expenditure for the waste grinding services.

### **Officer's Recommendation:**

That Council approve the expenditure of \$525,300.50 ex GST with Arboriculture Contractors Australia Pty Ltd for the grinding of green waste and timber waste at Benaraby, Gladstone and Agnes Water waste sites.

### **Summary:**

Arboriculture Contractors Australia Pty Ltd is appointed on Council's Register of Pre-Qualified Suppliers for Waste Grinding Services and this paper seeks expenditure approval to allow a purchase order to be issued for immediate waste grinding services.

### **Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.

### **Background:**

Council requires grinding of green waste and timber waste at Benaraby, Gladstone and Agnes Water waste sites. Transport of the processed material is also required from the processing area to the stockpile area at Benaraby and Gladstone waste sites.

Due to the volume of waste exceeding 5,000 tonnes of unprocessed green and timber waste, over the three (3) sites, a mobile ERA54 environmental license is required to undertake this work. Council does not hold this license and therefore the contractor is required to hold the license. The only contractor on the Register of Pre-Qualified Suppliers ('RPQS') that holds a mobile ERA54 environmental license is Arboriculture Contractors Australia Pty Ltd.

The Chief Executive Officer's financial delegation is limited to \$500,000 for operational expenditure and approval is sought from Council.

### **Risk Management Summary:**

All three waste sites are nearing capacity for green and timber waste. If this waste is not dealt with to make way for further waste to be disposed, there is a risk that Council may need to limit the volumes of green and timber waste accepted at the sites and/or make significant changes to the sites to accommodate further waste disposal, which will come at an expense to Council.

**Options and Opportunity Analysis:**

A Request for Proposal (RFP) was released via email to Arboriculture Contractors Australia Pty Ltd, and the offer received was in accordance with agreed rates under the RPQS and was confirmed as meeting Council's technical requirements for the works to be undertaken.

**Stakeholder Engagement:**

Waste Program Delivery Team.

**Legal and Regulatory Implications:**

Council sought the offer via a Register of Pre-Qualified Suppliers in accordance with section 232 of the *Local Government Regulation 2012*, which states that:

A local government may enter into the contract without first inviting written quotes or tenders if the contract is entered into with a supplier from a register of pre-qualified suppliers.

Council's approval of this expenditure is in accordance with the Financial Delegation Register.

**Financial and Resource Implications:**

The expenditure of \$525,300.50 ex GST is contained within the Waste Program Delivery operational budget.

**Anticipated Resolution Completion Date:**

A purchase order will be issued in November 2023.

**Attachments:**

Nil.

## **G/4.6. AUDIT RISK AND IMPROVEMENT COMMITTEE MEMBERSHIP**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Governance and Risk (Acting)

**Council Meeting Date:** 07 November 2023

**File Ref:** CM26.2

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### **Purpose:**

To consider the membership of the Audit Risk and Improvement Committee.

### **Officer's Recommendation:**

That Council:

1. Extend the appointment term of Stephen Coates and Sandra Collins to the Audit Risk and Improvement Committee expiring 31 December 2024; and
2. Recruit via an expression of interest process for two (2) external members to commence on the Audit Risk and Improvement Committee from 01 January 2025.

### **Summary:**

The tenure for two (2) external members of Council's Audit Risk and Improvement Committee are due to expire on 31 December 2023. This report considers the options available to Council in respect of the committee's membership.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

### **Background:**

The tenures for Audit Risk and Improvement Committee (ARIC) members Stephen Coates (Chair) and Sandra Collins are due to expire on 31 December 2023. Both Stephen and Sandra commenced their appointments in December 2018. At the expiry of their tenure, Stephen and Sandra will have served on ARIC for five (5) years, the maximum appointment term under Council's P-2020-15 Audit Risk and Improvement Committee Policy.

### **Risk Management Summary:**

Council takes a balanced approach towards taking risk when it has potential regulatory and legal consequences. All options presented seek to control the risk whilst meeting Council's legislative obligations. Whilst Options 1 and 2 do not align with the Audit Risk and Improvement Committee Policy, they do provide balance between continuity and legislative/policy obligations.

### **Options and Opportunity Analysis:**

#### Option 1 – Extend the appointment of both external members whose tenure is expiring

The extension of the appointment of both Sandra Collins and Stephen Coates to 31 December 2024 will provide continuity of ARIC membership over the local government election period and the formation of the new Council. Both members have advised that they would be open to an extension of their appointments.

Option 2 – Extend the appointment of one (1) external member whose tenure is expiring

The *Local Government Regulation 2012* requires the audit committee to consist of at least three (3) but no more than six (6) members and one (1) but no more than two (2) Councillor appointments.

Council's Audit Risk and Improvement Committee Policy further states that a minimum of two (2) external members will be appointed to the audit committee.

There are currently three (3) external members appointed to the audit committee. Council may seek to extend the appointment of only one (1) of the external members whose tenure is expiring which will satisfy Council's legislative and policy requirements. An alternative resolution could be:

*That Council extend the appointment of \_\_\_\_\_ to the Audit Risk and Improvement Committee expiring 31 December 2024.*

It is noted that Stephen currently holds the position of Chair of the audit committee. Should Council seek to extend the appointment of Sandra only, an additional resolution would be required to appoint a chairperson as required under the *Local Government Regulation 2012*. Both the Regulation and Council's policy do not stipulate who the chairperson must be (i.e. Councillor or external member); however it is the officer's recommendation that the appointed chairperson be an external member. The additional resolution could be:

*That Council appoint \_\_\_\_\_ as the chairperson of the Audit Risk and Improvement Committee.*

Option 3 – Recruitment Process

At the expiry of their tenure (31 December 2023), both members will have served on the audit committee for five (5) years, the maximum appointment term under the Audit Risk and Improvement Committee Policy.

The policy requires appointments to be made via an expression of interest process. It is anticipated that a minimum of eight (8) to 12 weeks would be required to successfully recruit and appoint a new external member/s.

If recruitment commenced immediately, it is anticipated that an appointment could be made prior to the first scheduled meeting of the audit committee in 2024 (March). It is noted that there is a planning day for the audit committee scheduled for January 2024 and an appointment may not be finalised prior to this.

An alternative resolution could be:

*That Council commence recruitment via an expression of interest process for two (2) external members to commence on the Audit Risk and Improvement Committee from 01 January 2024.*

It is noted that at the time of appointment of the new external members to the audit committee, Council will also need to appoint a chairperson.

**Stakeholder Engagement:**

Feedback has been sought from internal stakeholders in addition to both external members whose tenure is due to expire on 31 December 2023. Both external members have provided advice that they would be open to an extension of their appointments.

**Legal and Regulatory Implications:**

Pursuant to section 105(2) of the *Local Government Act 2009*, Council must establish an audit committee. Section 210 of the *Local Government Regulation 2012* further sets out the composition requirements of the committee including:

- must consist of at least three (3) and no more than six (6) members; and
- include one (1) but not more than two (2) Councillors;
- one (1) member must have significant financial experience and skills; and
- the local government must appoint one (1) of the members of the audit committee as chairperson.

**Financial and Resource Implications:**

There are no additional financial or resource implications associated with Option 1. Some financial savings would be realised if Council resolved to reduce the number of committee members (Option 2). Historically, recruitment processes have been coordinated with internal resources (Option 3).

**Anticipated Resolution Completion Date:**

Options 1 and 2 can be completed within two (2) weeks of the resolution. Officers would require a minimum of eight (8) to 12 weeks if a recruitment process is required (Option 3).

**Attachments:**

Nil.



## **G/4.7. AUDIT RISK AND IMPROVEMENT COMMITTEE MINUTES - 20 SEPTEMBER 2023**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Principal Internal Auditor

**Council Meeting Date:** 7 November 2023

**File Ref:** CM26.2

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### **Purpose:**

To present a report about the matters presented at the Audit Risk and Improvement Committee meeting held 20 September 2023, pursuant to section 211 of the *Local Government Regulation 2012*.

### **Officer's Recommendation:**

The Council receive the minutes of the Audit Risk and Improvement Committee Meeting that was held on 20 September 2023.

### **Summary:**

Council's audit committee, the Audit Risk and Improvement Committee (ARIC), met on 20 September 2023. In accordance with section 211(1)(c) of the *Local Government Regulation 2012*, the audit committee of Council must, as soon as practicable after a meeting of the committee, give a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.

The minutes of the Audit Risk and Improvement Committee meeting held on 20 September 2023 are attached for Council's consideration.

### **Link to Corporate Plan:**

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### **Risk Management Summary:**

The responsibilities of the Audit Risk and Improvement Committee related to risk management includes:

- Review the effectiveness of the risk management framework and assist with the development of a risk aware culture through the facilitation of risk management.
- Monitor that Council's risk management activities are not limited to insurance coverage but includes active risk minimisation.
- Ascertain whether fraud and corruption risks have been included in the assessment of the risk profile of Council. Consider risk and probity matters associated with significant procurement activities.
- Consider reports on changes in the corporate risk profile including consideration of emerging risk areas.

## **Options and Opportunity Analysis:**

Below are some of the highlights from the minutes:

### ***Item 8.1 – Asset Management***

The committee enquired regarding the progress of the Strategic Asset Management Plans and Asset Management Plans work and the management of risks in the interim. It was noted that the work, while ambitious, is on track and that the work is refreshing existing management plans.

### ***Item 8.3 – Annual Insurance Renewal***

The committee enquired regarding the claims statistics and how Council's statistics compare to other local governments. Advice was provided that Council is on average with other local governments and that Council's insurers provide a report on claims and trends which enable the identification of any potential areas that may require review.

### ***Item 10.1 – Annual Committee Self-Assessment and Councillor Survey***

The results of the Audit Risk and Improvement Committee self-assessment and Councillor Survey were presented. The Committee and Councillors were thanked for completing the self-assessment and survey and providing feedback. Some feedback received was highlighted including the following:

- a new committee member might not know the depth to go into in reviewing reports and might need better clarification of their role on the committee
- clarification in the compliance space regarding visibility across any findings from regulatory agencies and the process for capturing the findings
- increased availability / time allocation with internal audit.

It was acknowledged that the self-assessment process is undertaken well although quite large and the committee were encouraged to provide any feedback on improvements to the Chair and / or CEO.

### ***Item 10.2 – Internal Audit Reports***

The Contract Management Internal Audit Report was presented, and it was noted that the Contract Management Corporate Standard is scheduled for review. A discussion was held regarding contract management plans. The committee highlighted that the purpose of a contract management plan is to use what was in the original procurement and the benefits to be achieved and prepared when drafting up the contracts. It was acknowledged that the Contract Management process is being enhanced and matured. The committee enquired regarding the overall conclusion of the audit and if there was a high risk. Advice was provided that overall there is a high risk however, there have been significant changes in the contract management space with further review of the processes and contracts for efficiencies underway.

The RPQS 87-21 Trade Services (Welding) Tender Review was presented. It was noted that there have been changes implemented to the tender process subsequent to the award of this tender.

### ***Item 10.3 – Ethics Integrity and Audit Progress Report***

It was mentioned that the Workforce Management Staff Wellbeing and Resilience Internal Audit may be rescheduled to the following year. It was acknowledged that there is a lot of work being undertaken in this space currently.

A discussion was held regarding recent break-ins at Council's Waste Transfer Stations and the damage and costs incurred as a result. It was noted that Council is moving to (and has for some already) cashless transfer stations to remove the risk of cash held on premises. It was mentioned that Council is working with insurers on improving safety and security measures across Council assets.

**Stakeholder Engagement:**

The minutes of the Audit Risk and Improvement Committee are reviewed by the committee members and relevant internal stakeholders.

**Legal and Regulatory Implications:**

The *Local Government Act 2009* requires that the audit committee of Council – the Audit Risk and Improvement Committee – oversee audit, annual financial reporting and other relevant governance functions to provide Council with an additional level of assurance that systems and controls are in place to minimise risk exposure.

The Audit Risk and Improvement Committee also operates in accordance with Council’s Audit Risk and Improvement Committee Policy (P-2020-15).

**Financial and Resource Implications:**

N/A

**Anticipated Resolution Completion Date:**

N/A

**Attachments:**

1. Audit Risk and Improvement Committee Minutes 20 September 2023

**G/5. COUNCILLORS REPORT**

**G/6. URGENT BUSINESS**

**G/7. NOTICE OF MOTION**

**G/8. CONFIDENTIAL ITEMS**