



ORDINARY MINUTES

DATE: Tuesday, 22 September 2009

TIME: 2.45 pm

VENUE: Council Chambers, Lowood
Road, Mount Barker WA 6324

Rob Stewart
CHIEF EXECUTIVE OFFICER

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	1
2	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE....	1
3	RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED).....	1
4	PUBLIC QUESTION TIME.....	2
5	PETITIONS / DEPUTATIONS / PRESENTATIONS.....	2
6	DISCLOSURE OF INTEREST	3
7	APPLICATIONS FOR LEAVE OF ABSENCE	3
8	CONFIRMATION OF MINUTES.....	3
9	COMMITTEE MINUTES	4
10	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION	4
11	ANNOUNCEMENTS BY COUNCILLORS WITHOUT DISCUSSION	4
12	REPORTS OF COMMITTEES AND OFFICERS.....	5
12.1	DEVELOPMENT SERVICES REPORTS.....	5
12.2	WORKS AND SERVICES REPORTS.....	5
12.3	COMMUNITY SERVICES REPORTS	5
12.3.1	APPOINTMENT OF BUSH FIRE CONTROL OFFICERS 2009/2010.....	5
12.4	CORPORATE SERVICES REPORTS	11
12.4.1	FINANCIAL STATEMENTS – AUGUST 2009	11
12.4.2	LIST OF ACCOUNTS - AUGUST 2009.....	13
12.4.3	POLICY REVIEW - PURCHASING AND TENDERING.....	15
12.4.4	OLD MUSEUM BUILDINGS – EXTENSION OF LEASE TO HISTORICAL SOCIETY	34
12.5	EXECUTIVE SERVICES REPORTS.....	36

13 **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN 36**

14 **NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
DECISION OF THE MEETING..... 36**

 14.1.1 COUNCILLOR RESIGNATION - COUNCILLOR DEB NYE-
 CHART 36

15 **CONFIDENTIAL..... 39**

16 **CLOSURE OF MEETING..... 39**

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2:37 pm The Presiding member declared the meeting open.

Working to Occupational Safety and Health Best Practices, Mr Rob Stewart - Chief Executive Officer, read aloud the emergency evacuation procedures for Councillors, staff and members of the public present in the Council Chambers.

Mr Stewart then read aloud the following disclaimer:

'No responsibility whatsoever is implied or accepted by the Shire of Plantagenet for any act, omission or statement or intimation occurring during Council / Committee meetings or during formal / informal conversations with staff.

The Shire of Plantagenet disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, or statement of intimation occurring during Council / Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation or approval made by a member or officer of the Shire of Plantagenet during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Plantagenet. The Shire of Plantagenet warns that anyone who has an application with the Shire of Plantagenet must obtain and should only rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Plantagenet in respect of the application.'

2 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

3 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Members Present:

Cr K Forbes AM	Shire President - Rocky Gully/West Ward
Cr K Clements	Deputy Shire President -Town Ward
Cr A Budrikis	Kendenu Ward
Cr B Hollingworth	Town Ward
Cr J Mark	Town Ward
Cr J Moir	South Ward

Cr D Nye-Chart East Ward
Cr M Skinner East Ward

In Attendance:

Mr Rob Stewart Chief Executive Officer
Mr John Fathers Deputy Chief Executive Officer
Mr Dominic Le Cerf Manager Works and Services
Ms Nicole Selesnew Manager Community Services (arrived at 3.10pm)
Mr Peter Duncan Manager Development Services
Mrs Kaye Skinner Executive Secretary

Previously Approved Leave of Absence:

Cr S Grylls 20 September 2009 to 4 October 2009 inclusive.

There were three member(s) of the public in attendance.

There were one member(s) of the media in attendance.

4 PUBLIC QUESTION TIME

Section 5.24 Local Government Act 1995

Nil

5 PETITIONS / DEPUTATIONS / PRESENTATIONS

Proposal to re-name Mount Barker-Porongurup Road and Oatlands Road

Mrs Truphet advised that the changing of the road name could have a financial impact especially on GPS's and rural numbering. As this was raised on a verbal issue and nobody actually put their hand up as to who it was, the financial impact on businesses, could be significant and requested that the Council consider all the submissions especially on GPS's and road numbering.

Petition – Objecting to the renaming of Oatlands Road

The Chief Executive Officer advised of a petition received objecting to the renaming of Oatlands Road.

Moved Cr K Clements, seconded Cr B Hollingworth

That the non conforming petition signed by 35 electors objecting to the renaming of Oatlands Road be received and referred to the Chief Executive Officer for further report.

CARRIED (8/0)

NO. 261/09

Petition regarding Mount Barker Cooperative Staff Parking.

A Closely Associated Persons Interest was disclosed by Cr Clements.

3:50 pm Cr Clements withdrew from the meeting.

The Chief Executive Officer advised of a petition received regarding Mount Barker Cooperative staff parking.

The Chief Executive Officer advised that his partner is an employee of the Mount Barker Cooperative and any decision made by the Council regarding this matter would affect that closely associated person. That closely associated person was not a signatory to the petition.

Moved Cr B Hollingworth, seconded Cr D Nye-Chart:

That the non conforming petition relating to short term parking signed by 23 employees of the Mount Barker Cooperative be received and referred to the Chief Executive Officer for further report

CARRIED (7/0)

NO. 262/09

3:51 pm Cr Clements returned to the meeting.

6 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

Nil

7 APPLICATIONS FOR LEAVE OF ABSENCE

Section 5.25 Local Government Act 1995

Nil

8 CONFIRMATION OF MINUTES

Moved Cr M Skinner, seconded Cr J Mark:

That the Minutes of the Ordinary Meeting of the Shire of Plantagenet, held on 8 September 2009 as circulated, be taken as read and adopted as a correct record.

CARRIED (8/0)

NO. 263/09

Moved Cr J Mark, seconded Cr M Skinner:

That the Minutes of the Special Meeting of the Shire of Plantagenet, held on 15 September 2009 as circulated, be taken as read and adopted as a correct record.

CARRIED (8/0)

NO. 264/09

9 COMMITTEE MINUTES

Nil

10 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

- 11 August 2009. The Deputy Chief Executive Officer, Chief Executive Officer and I met with Minister Redman to discuss the State Saleyards Strategy and current outlook for the Great Southern Regional Cattle Saleyards.
- 17 September 2009. The Chief Executive Officer and I met from 1.00pm to 5.30pm with six nominees for Council, visiting current and new projects and discussing procedures.
- Attended the final function of the Area Consultative Committee as this committee has now been disbanded.

11 ANNOUNCEMENTS BY COUNCILLORS WITHOUT DISCUSSION

Cr D Nye-Chart

- Met at Sounness Park with members of the Hockey Club to discuss the possibility of astro turf being laid.
- Attended the Tourist Bureau Annual General Meeting and advised that they are still awaiting grant moneys.
- Advised the Council of her resignation as a Councillor effective from 16 October 2009.

Cr Forbes thanked Cr Nye-Chart for her contribution to the Council and wished her the best for her future endeavours.

12 REPORTS OF COMMITTEES AND OFFICERS

12.1 DEVELOPMENT SERVICES REPORTS

Nil

12.2 WORKS AND SERVICES REPORTS

Nil

12.3 COMMUNITY SERVICES REPORTS

12.3.1 APPOINTMENT OF BUSH FIRE CONTROL OFFICERS 2009/2010

File No: N12706
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 22 September 2009

PURPOSE

The purpose of this report is to:

- a) Appoint the Shire of Plantagenet Bush Fire Control Officers for 2009/2010 pursuant to Section 38 of the Bush Fires Act 1954;
- b) Appoint the Chief Fire Control Officer and Deputy Chief Bush Fire Control Officer, pursuant to Section 38 of the Bush Fires Act 1954;
- c) Appoint the Fire Weather Officer and Deputy Fire Weather Officer, pursuant to Section 38 of the Bush Fires Act 1954;
- d) Appoint the Base Radio Operator and Deputy Base Radio Operator; and
- e) Endorse the Shire of Plantagenet Bush Fire Advisory Committee delegates and proxy's.

BACKGROUND

The Shire of Plantagenet appoints delegates to the abovementioned positions annually.

Minutes of the Shire of Plantagenet Bush Fire Advisory Committee (BFAC) meeting held on 6 May 2009 confirmed the nominations for the appointment of the Chief Fire Control Officer, Deputy Chief Fire Control Officer, Fire Weather Officer, Deputy Fire Weather Officer, Base Radio Operator, Deputy Base Radio Operator and Bush Fire Control Officers.

STATUTORY ENVIRONMENT

Section 38 of the Bush Fires Act details the appointment and duties of Bush Fire Control Officers, Chief Bush Fire Control Officer, Deputy Chief Bush Fire Control

Officer and Fire Weather Officer. The role of the Base Radio Operator is defined in the Shire of Plantagenet Bush Fire Management and Response Plan.

EXTERNAL CONSULTATION

The BFAC has made the recommendations detailed in this report.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Bush Fire Management and Response Plan makes reference to the appointment and duties of Bush Fire Control Officers, the Chief Bush Fire Control Officer, Fire Weather Reporting Officer and Base Radio Operator.

OFFICER COMMENT

Nominations for appointment for the Bush Fire Control Officers for the Shire of Plantagenet for 2009/2010 are as follows:

Shire of Plantagenet Bush Fire Brigade	Bush Fire Control Officer Nominee
Denbarker	Simon Grylls
	Brian Holland
	John Rodgers
	Norm Handasyde
Forest Hill	Michael Lanigan
	Matt Candy
	Len Handasyde
	Murray McLean
	Craig Lynch
Kendenup	Wayne Davis
	Robert Baines
	David Burcham
	Brian Harwood
	Geoff DePledge
	Stan Hall
	Stephen Beech
	Ken Frost
Phillip Webb	

Middle Ward	Bill Sounness
	Kevin Forbes AM
	Ian Mackie
Narpyn	Norm Hill
	Mark Wallace
	Brett Bell
	Owen Sounness
Narrikup	Graeme Frusher
	Warren Forbes
	Bill Bentley
	Bill Hollingworth
	Joe Plowright
Perillup	Graham Ravenhill
Porongurup	Robin Ditchburn
	John Russell
	Brad Cluett
	Ray Williams
Rocky Gully	Ron Thomas
	Ian Higgins
South Porongurup	Murray Wills
	Jim Baily
Woogenellup	Grant Cooper
	Phillip Trent
	Trevor Pieper
	Barry Pearce
Shire of Plantagenet	Ray Parry
Mount Barker Volunteer Fire and Rescue Brigade	Wesley Beck

The Shire of Plantagenet Bush Fire Advisory Committee has nominated the following:

Designated Position	Officer
Chief Bush Fire Control Officer	David Burcham
Deputy Bush Fire Control Officer 1	Len Handasyde
Deputy Bush Fire Control Officer 2	John Russell
Fire Weather Officer	Len Handasyde
Deputy Fire Weather Officer	Rod Stan-Bishop
Base Radio Operator	Keith Hart
Deputy Base Radio Operator	Rod Stan-Bishop

The following Bush Fire Advisory Committee delegates and proxys have been nominated for 2009/2010:

Brigade	Delegate	Proxy
Denbarker	John Rodgers	Geoff Mather
Forest Hill	Matt Candy	Michael Lanigan
Kendenup	Wayne Davis	Geoff DePledge/Rod Stan-Bishop

Kojaneerup	Craig Nelson	
Middle Ward	Bill Sounness	Greg Sounness
Narpyn	Don Steven	Peter Slade Mark Wallace
Narrikup	Graeme Frusher	Warren Forbes
Perillup	Robin Ditchburn	Dean Trotter
Porongurup	John Russell	Mark Vitler
Rocky Gully	Ian Higgins	Murray Wills
South Porongurup	Richard Stan- Bishop	Jim Baily
South Stirling	Graeme Pyle	Luke Bennett
Woogenellup	Bryce Skinner	Mark Adams

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr M Skinner, seconded Cr B Hollingworth:

That:

1. All previous appointments for the positions of Bush Fire Control Officers for the Shire of Plantagenet be cancelled.
2. The following be appointed as Bush Fire Control Officers within the designated Bush Fire Brigade area, for the Shire of Plantagenet for 2009/2010:

Shire of Plantagenet Bush Fire Brigade	Bush Fire Control Officer Nominee
Denbarker	Simon Grylls
	Brian Holland
	John Rodgers
	Norm Handasyde
Forest Hill	Michael Lanigan
	Matt Candy
	Len Handasyde
	Murray McLean
Kendenup	Craig Lynch
	Wayne Davis
	Robert Baines
	David Burcham
	Brian Harwood
	Geoff DePledge
	Stan Hall
	Stephen Beech
Ken Frost	
Phillip Webb	

Middle Ward	Bill Sounness
	Kevin Forbes AM
	Ian Mackie
Narpyn	Norm Hill
	Mark Wallace
	Brett Bell
	Owen Sounness
Narrikup	Graeme Frusher
	Warren Forbes
	Bill Bentley
	Bill Hollingworth
	Joe Plowright
Perillup	Graham Ravenhill
Porongurup	Robin Ditchburn
	John Russell
	Brad Cluett
	Ray Williams
Rocky Gully	Ron Thomas
	Ian Higgins
South Porongurup	Murray Wills
Woogenellup	Jim Baily
	Grant Cooper
	Phillip Trent
	Trevor Pieper
Shire of Plantagenet	Barry Pearce
Mount Barker Volunteer Fire and Rescue Brigade	Ray Parry
	Wesley Beck

3. The Chief Bush Fire Control Officer, Deputy Chief Bush Fire Control Officers, Fire Weather Reporting Officer, Deputy Fire Weather Reporting Officer, Base Radio Operator and Deputy Base Radio Operator for the whole Shire of Plantagenet during 2009/2010 be:

Designated Position	Officer
Chief Bush Fire Control Officer	David Burcham
Deputy Bush Fire Control Officer 1	Len Handasyde
Deputy Bush Fire Control Officer 2	John Russell
Fire Weather Officer	Len Handasyde
Deputy Fire Weather Officer	Rod Stan-Bishop
Base Radio Operator	Keith Hart
Deputy Base Radio Operator	Rod Stan-Bishop

4. The Shire of Plantagenet Bush Fire Advisory Committee delegates and proxys for 2009/2010 be:

Brigade	Delegate	Proxy
Denbarker	John Rodgers	Geoff Mather
Forest Hill	Matt Candy	Michael Lanigan
Kendenup	Wayne Davis	Geoff DePledge/Rod Stan-Bishop
Kojaneerup	Craig Nelson	
Middle Ward	Bill Sounness	Greg Sounness
Narpyn	Don Steven	Peter Slade Mark Wallace
Narrikup	Graeme Frusher	Warren Forbes
Perillup	Robin Ditchburn	Dean Trotter
Porongurup	John Russell	Mark Vitler
Rocky Gully	Ian Higgins	Murray Wills
South Porongurup	Richard Stan- Bishop	Jim Baily
South Stirling	Graeme Pyle	Luke Bennett
Woogenellup	Bryce Skinner	Mark Adams

CARRIED (8/0)

NO. 265/09

12.4 CORPORATE SERVICES REPORTS

12.4.1 FINANCIAL STATEMENTS – AUGUST 2009

File No:	N12658
Attachments: (1)	Financial Statements – August 2009
Responsible Officer:	John Fathers Deputy Chief Executive Officer
Author:	Cherie Delmage Accountant
Proposed Meeting Date:	22 September 2009

PURPOSE

The purpose of this report is to present the financial position of the Shire of Plantagenet for the period ending 31 August 2009.

STATUTORY ENVIRONMENT

Regulation 34 of the Financial Management Regulations (1996) requires a Statement of Financial Activity to be prepared each month which is to contain the following details.

- a) annual budget estimates;
- b) budget estimates to the end of the month;
- c) actual amount of expenditure and revenue;
- d) material variances between comparable amounts in (b) and (c) above; and
- e) the net current assets at the end of the month to which the statement relates (i.e.: surplus/(deficit) position).

The Statement is to be accompanied by:

- a) explanation of the composition of net current assets, less committed assets and restricted assets;
- b) explanation of the material variances; and
- c) such other information considered relevant by the local government.

POLICY IMPLICATIONS

There are no policy implications for this report.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr B Hollingworth, seconded Cr J Moir:

That the Financial Statement for the period ending 31 August 2009 be received.

CARRIED (8/0)

NO. 266/09

12.4.2 LIST OF ACCOUNTS - AUGUST 2009

File No: N12700
Attachment: List of Accounts – August 2009
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Donna Jo Fawcett
Debtors/Creditors Officer
Proposed Meeting Date: 22 September 2009

PURPOSE

The purpose of this report is to present the list of payments that were made during the month of August 2009.

STATUTORY ENVIRONMENT

Regulation 13 of the Local Government (Financial Management) Regulations 1996 defines the reporting requirements to the Council of the List of Accounts.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Mark, seconded Cr M Skinner:

That:

- 1. The payment of accounts for the month of August 2009 covering the following:**
 - (a) Electronic Payments and direct debits totalling \$361,363.44;**
 - (b) Municipal Cheques 40262 – 40265 and 40267 – 40289 and 40292 – 40348 totalling \$181,990.67; and**
 - (c) Trust Cheques 265 and 267 totalling \$6,840.00;****be approved.**

2. Spoiled Municipal Cheques 40266 and 40290 – 40291 be noted.
3. Spoiled Trust Cheque 266 be noted.

CARRIED (8/0)

NO. 267/09

12.4.3 POLICY REVIEW - PURCHASING AND TENDERING

File No: N12660
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Cherie Delmage
Accountant
Proposed Meeting Date: 22 September 2009

PURPOSE

The purpose of this report is to review Council Policy No. F/FM/7 - Purchasing and Tendering.

BACKGROUND

At its meeting held 13 February 2007, the Council adopted the pro-forma purchasing and tendering guide issued by the Western Australian Local Government Association, as follows:

'THAT:

Council Policy No. F/FM/7 - Purchasing and Tender Guide as follows:

'PURCHASING AND TENDER GUIDE**1.1 OBJECTIVES**

- *To provide compliance with the Local Government Act, 1995 and the Local Government (Functions and General) Regulations, 1996.*
- *To deliver a best practice approach and procedures to internal purchasing for the Shire of Plantagenet.*
- *To ensure consistency for all purchasing activities that integrate within all the Shire of Plantagenet operational areas.*

1.2 WHY DO WE NEED A PURCHASING POLICY?

The Shire of Plantagenet is committed to setting up efficient, effective, economical and sustainable procedures in all purchasing activities. This policy:

- *Provides the Shire of Plantagenet with a more effective way of purchasing goods and services;*
- *Ensures that purchasing transactions are carried out in a fair and equitable manner;*
- *Strengthens integrity and confidence in the purchasing system;*
- *Ensures that the Shire of Plantagenet receives value for money in its purchasing;*
- *Ensures that the Shire of Plantagenet considers the environmental impact of the procurement process across the life cycle of goods and services;*
- *Ensures the Shire of Plantagenet is compliant with all regulatory obligations;*
- *Promotes effective governance and definition of roles and responsibilities;*

- Upholds respect from the public and industry for the Shire of Plantagenet's purchasing practices that withstands probity examination; and
- Ensure the Council's Occupational Health and Safety Policy is considered when making purchasing decisions.

1.3 ETHICS AND INTEGRITY

All officers and employees of the Shire of Plantagenet shall observe the highest standards of ethics and integrity in undertaking purchasing activity and act in an honest and professional manner that supports the standing of the Shire of Plantagenet.

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public moneys based on achieving value for money;
- all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Shire of Plantagenet policies and Code of Conduct;
- purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- any information provided to the Shire of Plantagenet by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

1.4 VALUE FOR MONEY

Value for money is an overarching principle governing purchasing that allows the best possible outcome to be achieved for the Shire of Plantagenet. It is important to note that compliance with the specification is more important than obtaining the lowest price, particularly taking into account user requirements, quality standards, sustainability, life cycle costing, and service benchmarks.

An assessment of the best value for money outcome for any purchasing should consider:

- all relevant whole-of-life costs and benefits, whole of life cycle costs (for goods) and whole of contract life costs (for services) including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal;
- the technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
- financial viability and capacity to supply without risk of default. (Competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history); and

- a strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable.

Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer.

1.5 SUSTAINABLE PROCUREMENT

Sustainable Procurement is defined as the procurement of goods and services that have less environmental and social impacts than competing products and services.

The Shire of Plantagenet is committed to sustainable procurement and where appropriate shall endeavour to design quotations and tenders to provide an advantage to goods, services and / or processes that minimise environmental and negative social impacts. Sustainable considerations must be balanced against value for money outcomes in accordance with the Shire of Plantagenet's sustainability objectives.

Practically, sustainable procurement means the Shire of Plantagenet shall endeavour at all times to identify and procure products and services that:

- *Have been determined as necessary;*
- *Demonstrate environmental best practice in energy efficiency / and or consumption which can be demonstrated through suitable rating systems and eco-labelling;*
- *Demonstrate environmental best practice in water efficiency;*
- *Are environmentally sound in manufacture, use, and disposal with a specific preference for products made using the minimum amount of raw materials from a sustainable resource, that are free of toxic or polluting materials and that consume minimal energy during the production stage;*
- *Products that can be refurbished, reused, recycled or reclaimed shall be given priority, and those that are designed for ease of recycling, re-manufacture or otherwise to minimise waste;*
- *For motor vehicles – select vehicles featuring the highest fuel efficiency available, based on vehicle type and within the designated price range; and*
- *For new buildings and refurbishments – where available use renewable energy and technologies.*

1.6 PURCHASING THRESHOLDS

Where the value of procurement (excluding GST) for the value of the contract over the full contract period (including options to extend) is, or is expected to be:

<i>Amount of Purchase</i>	<i>Policy</i>
<i>Up to \$1,000</i>	<i>Direct purchase from suppliers requiring only two (2) verbal quotations.</i>
<i>\$1,001 - \$19,999</i>	<i>Obtain at least three (3) verbal or written quotations.</i>
<i>\$20,000 - \$39,999</i>	<i>Obtain at least three (3) written quotations</i>
<i>\$40,000 - \$99,999</i>	<i>Obtain at least three (3) written quotations containing</i>

	<i>price and specification of goods and services (with procurement decision based on all value for money considerations).</i>
<i>\$100,000 and above</i>	<i>Conduct a public tender process.</i>

Where it is considered beneficial, tenders may be called in lieu of seeking quotations for purchases under the \$100,000 threshold (excluding GST). If a decision is made to seek public tenders for Contracts of less than \$100,000, a Request for Tender process that entails all the procedures for tendering outlined in this policy must be followed in full.

1.6.1 Up to \$1,000

Where the value of procurement of goods or services does not exceed \$1,000, purchase on the basis of at least two (2) verbal quotations is permitted. However it is recommended to use professional discretion and occasionally undertake market testing with a greater number or more formal forms of quotation to ensure best value is maintained.

This purchasing method is suitable where the purchase is relatively small and low risk.

Record keeping requirements must be maintained in accordance with record keeping policies. The WALGA Purchasing and Tender Guide contains a sample form for recording verbal quotations.

1.6.2 \$1,001 to \$19,999

This category is for the procurement of goods or services where the value of such procurement ranges between \$1,001 and \$19,999.

At least three verbal or written quotations (or a combination of both) are required. Where this is not practical e.g.: due to limited suppliers, it must be noted through records relating to the process.

The general principles for obtaining verbal quotations are:

- Ensure that the requirement / specification is clearly understood by the Shire of Plantagenet employee seeking the verbal quotations.*
- Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote.*
- Read back the details to the Supplier contact person to confirm their accuracy.*
- Written notes detailing each verbal quotation must be recorded.*

Record keeping requirements must be maintained in accordance with record keeping policies. The Western Australian Local Government Association Purchasing and Tender Guide contains sample forms for recording verbal and written quotations.

1.6.3 \$20,000 to \$39,999

For the procurement of goods or services where the value exceeds \$20,000 but is less than \$39,999, it is required to obtain at least three written quotes (commonly a sufficient number of quotes would be sought according to the type and nature of purchase).

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

Record keeping requirements must be maintained in accordance with record keeping policies.

NOTES: The general principles relating to written quotations are:

- *An appropriately detailed specification should communicate requirement(s) in a clear, concise and logical fashion.*
- *The request for written quotation should include as a minimum:*
 - *Written Specification;*
 - *Selection Criteria to be applied;*
 - *Price Schedule;*
 - *Conditions of responding; and*
 - *Validity period of offer.*
- *Invitations to quote should be issued simultaneously to ensure that all parties receive an equal opportunity to respond;*
- *Offer to all prospective suppliers at the same time any new information that is likely to change the requirements;*
- *Responses should be assessed for compliance, then against the selection criteria, and then value for money and all evaluations documented; and*
- *Respondents should be advised in writing as soon as possible after the final determination is made and approved.*

The tender guide produced by the Western Australian Local Government Association should be consulted for further details and guidance.

1.6.4 \$40,000 to \$99,999

For the procurement of goods or services where the value exceeds \$40,000 but is less than \$99,999, it is required to obtain at least three written quotations containing price and a sufficient amount of information relating to the specification of goods and services being purchased.

The Western Australian Local Government Association Purchasing and Tender Guide has a series of forms including a Request for Quotation Template which can assist with recording details. Record keeping requirements must be maintained in accordance with record keeping policies.

For this procurement range, the selection should not be based on price alone, and it is strongly recommended to consider some of the qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organisation's capability, previous relevant experience and any other relevant factors as part of the assessment of the quote.

1.7 REGULATORY COMPLIANCE

1.7.1 Tender Exemption

In the following instances public tenders or quotation procedures are not required (regardless of the value of expenditure):

- *An emergency situation as defined by the Local Government Act 1995;*
- *The purchase is under a contract of WALGA (Preferred Supplier Arrangements), Department of Treasury and Finance (permitted Common Use Arrangements), Regional Council, or another Local Government;*

- *The purchase is under auction which has been authorised by the Council;*
- *The contract is for petrol, oil, or other liquid or gas used for internal combustion engines; and*
- *Any of the other exclusions under Regulation 11 of the Local Government (Functions and General) Regulations 1996 apply.*

1.7.2 Sole Source of Supply (Monopoly Suppliers)

The procurement of goods and / or services available from only one private sector source of supply (ie: manufacturer, supplier or agency) is permitted without the need to call competitive quotations provided that there must genuinely be only one (1) source of supply. Every endeavour to find alternative sources must be made. Written confirmation of this must be kept on file for later audit.

Note: The application of provision 'sole source of supply' should only occur in limited cases and procurement experience indicates that generally more than one supplier is able to provide the requirements.

1.7.3 Anti-Avoidance

The Shire of Plantagenet shall not enter two (2) or more contracts of a similar nature for the purpose of splitting the value of the contracts to take the value of consideration below the level of \$100,000, thereby avoiding the need to publicly tender.

1.7.4 Tender Criteria

The Shire of Plantagenet shall, before tenders are publicly invited, determine in writing the criteria for deciding which tender should be accepted.

The evaluation panel shall be established prior to the advertising of a tender and include a mix of skills and experience relevant to the nature of the purchase.

For Requests with a total estimated (ex GST) price of:

- *Between \$40,000 and \$99,999, the panel must contain a minimum of two (2) members; and*
- *\$100,000 and above, the panel must contain a minimum of three (3) members.*

1.7.5 Advertising Tenders

Tenders are to be advertised in a state wide publication eg: 'The West Australian' newspaper Local Government Tenders section, preferably on a Wednesday or Saturday.

The tender must remain open for at least fourteen days after the date the tender is advertised. Care must be taken to ensure that fourteen full days are provided as a minimum.

The notice must include:

- *a brief description of the goods or services required;*
- *information as to where and how tenders may be submitted; and*
- *the date and time after which tenders cannot be submitted;*
- *particulars identifying a person from whom more detailed information as to tendering may be obtained;*

- *detailed information shall include;*
 - *such information as the Shire of Plantagenet decides should be disclosed to those interested in submitting a tender;*
 - *detailed specifications of the goods or services required;*
 - *the criteria for deciding which tender should be accepted;*
 - *whether or not the Shire of Plantagenet has decided to submit a tender; and*
 - *whether or not tenders can be submitted by facsimile or other electronic means, and if so, how tenders may so be submitted.*

1.7.6 Issuing Tender Documentation

Tenders will not be made available (counter, mail, internet, referral, or other means) without a robust process to ensure the recording of details of all parties who acquire the documentation.

This is essential as if clarifications, addendums or further communication is required prior to the close of tenders, all potential tenderers must have equal access to this information in order for the Shire of Plantagenet not to compromise its duty to be fair.

1.7.7 Tender Deadline

A tender that is not received in full in the required format by the advertised Tender Deadline shall be rejected.

1.7.8 Opening of Tenders

No tenders are to be removed from the tender box, or opened (read or evaluated) prior to the Tender Deadline.

Tenders are to be opened in the presence of the Chief Executive Officer's delegated nominee and preferably at least one other Council Officer. The details of all tenders received and opened shall be recorded in the Tender Register.

Tenders are to be opened in accordance with the advertised time and place. There is no obligation to disclose or record tendered prices at the tender opening, and price information should be regarded as commercial-in-confidence to the Shire of Plantagenet. Members of the public are entitled to be present.

The Tender Offer form, Price Schedule and other appropriate pages from each tender shall be date stamped and initialled by at least two (2) Shire of Plantagenet Officers present at the opening of tenders.

1.7.9 No Tenders Received

Where the Shire of Plantagenet has invited tenders, however no compliant submissions have been received, direct purchases can be arranged on the basis of the following:

- *a sufficient number of quotations are obtained;*
- *the process follows the guidelines for seeking quotations between \$40,000 and \$99,999 (listed above);*
- *the specification for goods and / or services remains unchanged; and*
- *purchasing is arranged within six (6) months of the closing date of the lapsed tender.*

1.7.10 Tender Evaluation

Tenders that have not been rejected shall be assessed by the Shire of Plantagenet by means of a written evaluation against the pre-determined criteria. The tender evaluation panel shall assess each tender that has not been rejected to determine which tender is most advantageous.

1.7.11 Addendum to Tender

If, after the tender has been publicly advertised, any changes, variations or adjustments to the tender document and/or the conditions of tender are required, the Shire of Plantagenet may vary the initial information by taking reasonable steps to give each person who has sought copies of the tender documents notice of the variation.

1.7.12 Minor Variation

If after the tender has been publicly advertised and a successful tenderer has been chosen but before the Shire of Plantagenet and tenderer have entered into a Contract, a minor variation may be made by the Shire of Plantagenet.

A minor variation will not alter the nature of the goods and / or services procured, nor will it materially alter the specification or structure provided for by the initial tender.

1.7.13 Notification of Outcome

Each tenderer shall be notified of the outcome of the tender following Council resolution. Notification shall include:

- *The name of the successful tenderer*
- *The total value of consideration of the winning offer*

The details and total value of consideration for the winning offer must also be entered into the Tenders Register at the conclusion of the tender process.

1.7.14 Records Management

All records associated with the tender process or a direct purchase process must be recorded and retained. For a tender process this includes:

- *Tender documentation;*
- *Internal documentation;*
- *Evaluation documentation;*
- *Enquiry and response documentation; and*
- *Notification and award documentation.*

For a direct purchasing process this includes:

- *Quotation documentation;*
- *Internal documentation; and*
- *Order forms and requisitions.*

Record retention shall be in accordance with the minimum requirements of the State Records Act and the Shire of Plantagenet's internal records management policy.'

STATUTORY ENVIRONMENT

Section 3.57(1) of the Local Government Act 1995 states that:

'A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.'

Section 5.43 of the Act states that:

'A local government cannot delegate to a CEO any of the following power of duties:

- (a) ...*
- (b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph.'*

Part 4 of the Local Government (Functions and General) Regulations 1996 regulates and provides the procedures for local government tenders for providing goods or services.

A council may delegate to its CEO to invite tenders under Section 3.57 of the Act and Part 4 of the Local Government (Functions and General) Regulations 1996 without inviting the necessity of setting a maximum limit on the tenders which the CEO may invite.

Regulation 11A of the Local Government (Functions and General) Regulations 1996 states:

- '(1) A local government is to prepare or adopt, and is to implement, a purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less or worth \$100,000 or less.*
- (2) A purchasing policy is to make provision for and in respect of the policy to be followed by the local government for, and in respect of, entering into contracts referred to in sub Regulation (1).*
- (3) A purchasing policy must make provision in respect of –*
 - (a) the form of quotations acceptable; and*
 - (b) the recording and retention of written information, or documents, in respect of –*
 - (i) all quotations received; and*
 - (ii) all purchases made.*
- (4) Different requirements may be imposed under a purchasing policy in respect of different classes, or types, of any of the following –*
 - (a) goods and services;*
 - (b) suppliers;*
 - (c) contracts;*
 - (d) any other thing that the local government considers appropriate.'*

FINANCIAL IMPLICATIONS

This policy ensures that the purchasing of goods and services is compliant with legislative requirements and enhances the Council's accountability in this area.

POLICY IMPLICATIONS

This policy is reviewed as part of the Council's ongoing policy review cycle.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

One area that has been regularly raised during past audits and again in our April 2008 Financial Management Review, is that purchase orders are being raised after suppliers' invoices have been received. The Auditor's recommendation was that *'all authorised officers be "reminded" of the need to ensure purchase orders are raised prior to the time of authorising works / services or ordering goods.'* They also noted that *'Purchases made without orders may commit the Shire to unauthorised expenditure.'*

To further enhance our management and control of purchasing, a paragraph has been added to the policy to provide that the Shire of Plantagenet will not pay invoices that do not quote a purchase order number. This is a standard business practice that ensures no invoices are drawn against the Shire without the appropriate controls.

Certain invoices would be exempt from such a requirement namely:

- Utilities.
- Invoices already governed by an agreement eg: rental payments; licensing fees.
- Kitchen staples eg: milk, tea, coffee.
- Minor stationery purchases (excluding the annual bulk stationery order which must be accompanied by quotes and a purchase order).

The policy has also been amended to reflect that some purchases, particularly minor ones, may be exempt from calling quotations such as low cost consumables and stationery etc. In addition, the Council has a number of preferred suppliers/contractors such as mechanical parts suppliers, plumbers, electricians, and I.T technicians who have developed a good awareness of the Shire's facilities and infrastructure over a period of years. The policy provides that day to day expenditures may be made through such suppliers without invoking the need to obtain quotations. The policy has also been numbered to reflect current practice.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

Moved Cr J Moir, seconded Cr M Skinner:

That amended Council Policy No: F/FM/7 – Purchasing and Tender Guide as follows:

'PURCHASING AND TENDER GUIDE

1.1 OBJECTIVES

- a) **To provide compliance with the Local Government Act, 1995 and the Local Government (Functions and General) Regulations, 1996;**
 - b) **To deliver a best practice approach and procedures to internal purchasing for the Shire of Plantagenet; and**
-

- c) To ensure consistency for all purchasing activities that integrate within all the Shire of Plantagenet operational areas.

1.2 WHY DO WE NEED A PURCHASING POLICY?

The Shire of Plantagenet is committed to setting up efficient, effective, economical and sustainable procedures in all purchasing activities. This policy:

- a) Provides the Shire of Plantagenet with a more effective way of purchasing goods and services;
- b) Ensures that purchasing transactions are carried out in a fair and equitable manner;
- c) Strengthens integrity and confidence in the purchasing system;
- d) Ensures that the Shire of Plantagenet receives value for money in its purchasing;
- e) Ensures that the Shire of Plantagenet considers the environmental impact of the procurement process across the life cycle of goods and services;
- f) Ensures the Shire of Plantagenet is compliant with all regulatory obligations;
- g) Promotes effective governance and definition of roles and responsibilities;
- h) Upholds respect from the public and industry for the Shire of Plantagenet's purchasing practices that withstands probity examination;
- i) Ensures the Council's Occupational Health and Safety Policy is considered when making purchasing decisions; and
- j) Provides that the Shire of Plantagenet will not pay invoices that do not quote a purchase order number.

1.3 ETHICS & INTEGRITY

All officers and employees of the Shire of Plantagenet shall observe the highest standards of ethics and integrity in undertaking purchasing activity and act in an honest and professional manner that supports the standing of the Shire of Plantagenet.

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- a) full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public moneys based on achieving value for money;
- b) all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Shire of Plantagenet policies and Code of Conduct;
- c) purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- d) all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- e) any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and

- f) any information provided to the Shire of Plantagenet by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

1.4 VALUE FOR MONEY

Value for money is an overarching principle governing purchasing that allows the best possible outcome to be achieved for the Shire of Plantagenet. It is important to note that compliance with the specification is more important than obtaining the lowest price, particularly taking into account user requirements, quality standards, sustainability, life cycle costing, and service benchmarks.

An assessment of the best value for money outcome for any purchasing should consider:

- a) all relevant whole-of-life costs and benefits, whole of life cycle costs (for goods) and whole of contract life costs (for services) including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal;
- b) the technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
- c) financial viability and capacity to supply without risk of default. (Competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history); and
- d) a strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable.

Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer.

It should be noted that the Council has a number of preferred suppliers/contractors such as mechanical parts suppliers, plumbers, electricians and I.T. technicians who have developed a good awareness of the Shire's facilities and infrastructure over a period of years. It is acknowledged that day to day expenditures may be made through such suppliers without invoking the need to obtain quotations.

1.5 SUSTAINABLE PROCUREMENT

Sustainable Procurement is defined as the procurement of goods and services that have less environmental and social impacts than competing products and services.

The Shire of Plantagenet is committed to sustainable procurement and where appropriate shall endeavour to design quotations and tenders to provide an advantage to goods, services and/or processes that minimise environmental and negative social impacts. Sustainable considerations must be balanced against value for money outcomes in accordance with the Shire of Plantagenet's sustainability objectives.

Practically, sustainable procurement means the Shire of Plantagenet shall endeavour at all times to identify and procure products and services that:

- a) Have been determined as necessary;
- b) Demonstrate environmental best practice in energy efficiency/and or consumption which can be demonstrated through suitable rating systems and eco-labelling;
- c) Demonstrate environmental best practice in water efficiency;
- d) Are environmentally sound in manufacture, use, and disposal with a specific preference for products made using the minimum amount of raw materials from a sustainable resource, that are free of toxic or polluting materials and that consume minimal energy during the production stage;
- e) Products that can be refurbished, reused, recycled or reclaimed shall be given priority, and those that are designed for ease of recycling, re-manufacture or otherwise to minimise waste;
- f) For motor vehicles – select vehicles featuring the highest fuel efficiency available, based on vehicle type and within the designated price range; and
- g) For new buildings and refurbishments – where available use renewable energy and technologies.

1.6 PURCHASING THRESHOLDS

Where the value of procurement (excluding GST) for the value of the contract over the full contract period (including options to extend) is, or is expected to be:

Amount of Purchase	Policy
Up to \$1,000	Direct purchase from suppliers requiring only two verbal quotations.
\$1,001 - \$19,999	Obtain at least three verbal or written quotations.
\$20,000 - \$39,999	Obtain at least three written quotations
\$40,000 - \$99,999	Obtain at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).
\$100,000 and above	Conduct a public tender process.

Where it is considered beneficial, tenders may be called in lieu of seeking quotations for purchases under the \$100,000 threshold (excluding GST). If a decision is made to seek public tenders for Contracts of less than \$100,000, a Request for Tender process that entails all the procedures for tendering outlined in this policy must be followed in full.

1.6.1 Up to \$1,000

Where the value of procurement of goods or services does not exceed \$1,000, purchase on the basis of at least two verbal quotations is permitted, except where a 'preferred supplier/contractor' situation exists or for minor purchase such as low cost consumables and stationery etc. However it is recommended to use professional discretion and occasionally undertake market testing with a greater number or more formal forms of quotation to ensure best value is maintained.

This purchasing method is suitable where the purchase is relatively small and low risk.

Record keeping requirements must be maintained in accordance with record keeping policies. The Shire of Plantagenet Purchasing and Tender Guide contains a sample form for recording verbal quotations.

1.6.2 \$1,001 to \$19,999

This category is for the procurement of goods or services where the value of such procurement ranges between \$1,001 and \$19,999.

At least three verbal or written quotations (or a combination of both) are required. Where this is not practical, e.g. due to limited suppliers or a 'preferred supplier/contractor' situation exists, it must be noted through records relating to the process.

The general principles for obtaining verbal quotations are:

- a) Ensure that the requirement/specification is clearly understood by the Shire of Plantagenet employee seeking the verbal quotations;
- b) Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote;
- c) Read back the details to the Supplier contact person to confirm their accuracy; and
- d) Written notes detailing each verbal quotation must be recorded.

Record keeping requirements must be maintained in accordance with record keeping policies. The Shire of Plantagenet Purchasing and Tender Guide contains sample forms for recording verbal and written quotations.

1.6.3 \$20,000 to \$39,999

For the procurement of goods or services where the value exceeds \$20,000 but is less than \$39,999, it is required to obtain at least three written quotes (commonly a sufficient number of quotes would be sought according to the type and nature of purchase).

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements. Record keeping requirements must be maintained in accordance with record keeping policies.

NOTES: The general principles relating to written quotations are:

- a) An appropriately detailed specification should communicate requirement(s) in a clear, concise and logical fashion;
- b) The request for written quotation should include as a minimum:
 - i) Written Specification;
 - ii) Selection Criteria to be applied;
 - iii) Price Schedule;
 - iv) Conditions of responding; and
 - v) Validity period of offer.
- c) Invitations to quote should be issued simultaneously to ensure that all parties receive an equal opportunity to respond;

- d) Offer to all prospective suppliers at the same time any new information that is likely to change the requirements;
- e) Responses should be assessed for compliance, then against the selection criteria, and then value for money and all evaluations documented; and
- f) Respondents should be advised in writing as soon as possible after the final determination is made and approved.

The tender guide produced by the Western Australian Local Government Association should be consulted for further details and guidance.

1.6.4 \$40,000 to \$99,999

For the procurement of goods or services where the value exceeds \$40,000 but is less than \$99,999, it is required to obtain at least three written quotations containing price and a sufficient amount of information relating to the specification of goods and services being purchased.

The Shire of Plantagenet Purchasing and Tender Guide has a series of forms including a Request for Quotation Template which can assist with recording details. Record keeping requirements must be maintained in accordance with record keeping policies.

For this procurement range, the selection should not be based on price alone, and it is strongly recommended to consider some of the qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organisation's capability, previous relevant experience and any other relevant factors as part of the assessment of the quote.

1.7 REGULATORY COMPLIANCE

1.7.1 Tender Exemption

In the following instances public tenders or quotation procedures are not required (regardless of the value of expenditure):

- a) An emergency situation as defined by the Local Government Act 1995;
- b) The purchase is under a contract of WALGA (Preferred Supplier Arrangements), Department of Treasury and Finance (permitted Common Use Arrangements), Regional Council, or another Local Government;
- c) The purchase is under auction which has been authorised by the Council;
- d) The contract is for petrol, oil, or other liquid or gas used for internal combustion engines; and
- e) Any of the other exclusions under Regulation 11 of the Local Government (Functions and General) Regulations 1996 apply.

1.7.2 Sole Source of Supply (Monopoly Suppliers)

The procurement of goods and/or services available from only one private sector source of supply, (i.e. manufacturer, supplier or agency) is permitted without the need to call competitive quotations provided that there must genuinely be only one source of supply. Every

endeavour to find alternative sources must be made. Written confirmation of this must be kept on file for later audit.

Note: The application of provision 'sole source of supply' should only occur in limited cases and procurement experience indicates that generally more than one supplier is able to provide the requirements.

1.7.3 Anti-Avoidance

The Shire of Plantagenet shall not enter two or more contracts of a similar nature for the purpose of splitting the value of the contracts to take the value of consideration below the level of \$100,000, thereby avoiding the need to publicly tender.

1.7.4 Tender Criteria

The Shire of Plantagenet shall, before tenders are publicly invited, determine in writing the criteria for deciding which tender should be accepted.

The evaluation panel shall be established prior to the advertising of a tender and include a mix of skills and experience relevant to the nature of the purchase.

For Requests with a total estimated (Ex GST) price of:

- a) Between \$40,000 and \$99,999, the panel must contain a minimum of 2 members; and
- b) \$100,000 and above, the panel must contain a minimum of 3 members.

1.7.5 Advertising Tenders

Tenders are to be advertised in a state wide publication e.g. 'The West Australian' newspaper Local Government Tenders section, preferably on a Wednesday or Saturday.

The tender must remain open for at least 14 days after the date the tender is advertised. Care must be taken to ensure that 14 full days are provided as a minimum.

The notice must include:

- a) a brief description of the goods or services required;
- b) information as to where and how tenders may be submitted; and
- c) the date and time after which tenders cannot be submitted;
- d) particulars identifying a person from whom more detailed information as to tendering may be obtained;
- e) detailed information shall include:
 - i) such information as the Shire of Plantagenet decides should be disclosed to those interested in submitting a tender;
 - ii) detailed specifications of the goods or services required;
 - iii) the criteria for deciding which tender should be accepted;
 - iv) whether or not the Shire of Plantagenet has decided to submit a tender; and

- v) whether or not tenders can be submitted by facsimile or other electronic means, and if so, how tenders may so be submitted.

1.7.6 Issuing Tender Documentation

Tenders will not be made available (counter, mail, internet, referral, or other means) without a robust process to ensure the recording of details of all parties who acquire the documentation.

This is essential as if clarifications, addendums or further communication is required prior to the close of tenders, all potential tenderers must have equal access to this information in order for the Shire of Plantagenet not to compromise its duty to be fair.

1.7.7 Tender Deadline

A tender that is not received in full in the required format by the advertised Tender Deadline shall be rejected.

1.7.8 Opening of Tenders

No tenders are to be removed from the tender box, or opened (read or evaluated) prior to the Tender Deadline.

Tenders are to be opened in the presence of the Chief Executive Officer's delegated nominee and preferably at least one other Council Officer. The details of all tenders received and opened shall be recorded in the Tender Register.

Tenders are to be opened in accordance with the advertised time and place. There is no obligation to disclose or record tendered prices at the tender opening, and price information should be regarded as *commercial-in-confidence* to the Shire of Plantagenet. Members of the public are entitled to be present.

The Tender Offer form, Price Schedule and other appropriate pages from each tender shall be date stamped and initialled by at least two Shire of Plantagenet Officers present at the opening of tenders.

1.7.9 No Tenders Received

Where the Shire of Plantagenet has invited tenders, however no compliant submissions have been received, direct purchases can be arranged on the basis of the following:

- a) a sufficient number of quotations are obtained;
- b) the process follows the guidelines for seeking quotations between \$40,000 & \$99,999 (listed above);
- c) the specification for goods and/or services remains unchanged; and
- d) purchasing is arranged within 6 months of the closing date of the lapsed tender.

1.7.10 Tender Evaluation

Tenders that have not been rejected shall be assessed by the Shire of Plantagenet by means of a written evaluation against the pre-determined criteria. The tender evaluation panel shall assess each tender that has not been rejected to determine which tender is most advantageous.

1.7.11 Addendum to Tender

If, after the tender has been publicly advertised, any changes, variations or adjustments to the tender document and/or the conditions of tender are required, the Shire of Plantagenet may vary the initial information by taking reasonable steps to give each person who has sought copies of the tender documents notice of the variation.

1.7.12 Minor Variation

If after the tender has been publicly advertised and a successful tenderer has been chosen but before the Shire of Plantagenet and tenderer have entered into a Contract, a minor variation may be made by the Shire of Plantagenet.

A minor variation will not alter the nature of the goods and/or services procured, nor will it materially alter the specification or structure provided for by the initial tender.

1.7.13 Notification of Outcome

Each tenderer shall be notified of the outcome of the tender following Council resolution. Notification shall include:

- a) The name of the successful tenderer; and
- b) The total value of consideration of the winning offer

The details and total value of consideration for the winning offer must also be entered into the Tenders Register at the conclusion of the tender process.

1.7.14 Records Management

All records associated with the tender process or a direct purchase process must be recorded and retained. For a tender process this includes:

- a) Tender documentation;
- b) Internal documentation;
- c) Evaluation documentation;
- d) Enquiry and response documentation; and
- e) Notification and award documentation.

For a direct purchasing process this includes:

- a) Quotation documentation;
- b) Internal documentation; and
- c) Order forms and requisitions.

Record retention shall be in accordance with the minimum requirements of the State Records Act, and the Shire of Plantagenet's internal records management policy.'

be endorsed.

Motion To Adjourn Question

Moved Cr A Budrikis, seconded Cr M Skinner:

That the question be adjourned and a further report be prepared addressing receiving and opening of tenders, format of tenders and registration of tenderers for the meeting of the Council to be held on 13 October 2009.

CARRIED (8/0)

NO. 268/09

12.4.4 OLD MUSEUM BUILDINGS – EXTENSION OF LEASE TO HISTORICAL SOCIETY

File No: N12639
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 22 September 2009

PURPOSE

The purpose of this report is to extend the Lease Agreement for Reserve 36685 (Lot 601) and Reserve 29661 (Lot 604) Albany Highway, Mount Barker to the Plantagenet Historical Society. This site comprises the old museum buildings.

BACKGROUND

At its meeting held 13 July 2004, the Council resolved that:

- '1) *The lease agreement between the Shire of Plantagenet and the Plantagenet Historical Society for Lot 601 and Lot 604 be renewed for a period of five (5) years, at a "peppercorn" rental.*
- 2) *Authority be granted to the Shire President and the Chief Executive Officer to affix the Common Seal of the Council to the lease agreement between the Shire of Plantagenet and the Plantagenet Historical Society.'*

This lease expired on 30 June 2009. The lease included a five year extension.

STATUTORY ENVIRONMENT

In accordance with Section 3.58 of the Local Government Act (1995), the disposition of this property does not require advertising.

The Regulations 30 and 31 (Functions and General) applied to Section 3.58 of the Local Government Act state that:

'A disposition of land is an exempt disposition and is excluded from the application of Section 3.58 if:

The land is disposed of to a body, whether incorporated or not:

- *The objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
- *the members of which are not entitled or permitted to received any pecuniary profit from the body's transaction.'*

EXTERNAL CONSULTATION

Consultation has occurred with the Plantagenet Historical Society, which is seeking to renew the lease under the same terms and conditions.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

Key Result Area 3 Community Services aims to:

‘Deliver, or facilitate the delivery of, a range of services which respond to, and reflect, the physical, social and cultural well being of the community.’

OFFICER COMMENT

It is considered to be appropriate to extend the lease with the Plantagenet Historical Society for a further period of five years at a ‘peppercorn’ rental. The only amendment to the lease is the requirement for the Plantagenet Historical Society to increase its Public Liability Insurance cover from \$5 million to \$10 million to maintain consistency with current insurance practices and the Council’s other current lease agreements.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr M Skinner, seconded Cr B Hollingworth:

That the lease agreement between the Shire of Plantagenet and the Plantagenet Historical Society for Lot 601 and Lot 604 be extended for a period of five years from 30 June 2009, at a ‘peppercorn’ rental, subject to an amendment requiring the Plantagenet Historical Society to increase its Public Liability Insurance cover from \$5 million to \$10 million.

CARRIED (8/0)

NO. 269/09

12.5 EXECUTIVE SERVICES REPORTS

Nil

13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

Moved Cr K Clements, seconded Cr B Hollingworth:

That new business of an urgent nature, namely:

- Councillor Resignation – Councillor Deb Nye-Chart
be introduced to the meeting.

CARRIED (8/0)

NO. 270/09

14.1.1 COUNCILLOR RESIGNATION - COUNCILLOR DEB NYE-CHART

File No: N12773
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: Rob Stewart
Chief Executive Officer
Proposed Meeting Date: 22 September 2009

PURPOSE

The purpose of this report is to advise the Council that Councillor Deb Nye-Chart has resigned from the office of Councillor, effective 16 October 2009.

BACKGROUND

Councillor Nye-Chart has resigned due to personal reasons. Cr Nye-Chart was elected to the position of Councillor for the East Ward in October 2007.

STATUTORY ENVIRONMENT

Section 2.32 of the Local Government Act (1995) provides that the office of a member of a Council becomes vacant if the member resigns from the office.

Further, Section 4.8 of the Act requires that if the office of a Councillor becomes vacant an election to fill the office is to be held.

Notwithstanding the above, Section 4.17 of the Act provides that if a member's office becomes vacant after the first Saturday in January in an election year but before the third Saturday in July in that election year the Council may, with the approval of the

Electoral Commissioner, fix the ordinary elections day in that election year as the day for holding any poll needed for the extraordinary election to fill that vacancy. As Cr Nye-Chart's resignation falls outside of this range, an alternative date is necessary. The Electoral Commission has stated that Thursday 17 December 2009 will be the election date for this extraordinary election.

Section 4.61 (2) of the Local Government Act 1995 states:

'The Local Government may decide (absolute majority required) to conduct the election as a postal election.'

Section 4.20(4) of the Local Government Act 1995 states:

'A Local Government may, having first obtained the written agreement of the Electoral Commissioner, declare (absolute majority required) the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.'

FINANCIAL IMPLICATIONS

An amount of approximately \$15,000 would need to be allocated to the extraordinary election. This figure has been supplied by the Electoral Commission and excludes Council staff time and extra advertising. Budget lines 20024.0003 and 20025.0030 are set aside for this purpose, however a re-allocation will be necessary during the next budget review, as the available funds are committed to the ordinary elections being held in October.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

It is recommended that 17 December 2009 be the day for an Extraordinary Election to be held as a postal ballot, to be conducted by the Electoral Commission of Western Australia.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr K Clements, seconded Cr J Mark:

That:

- 1. The resignation of Councillor Deb Nye-Chart from the office of Councillor effective 16 October 2009 be noted.**

2. Pursuant to Section 4.20(4) of the Local Government Act (1995) the Electoral Commission of Western Australia be responsible for the conduct of the Shire of Plantagenet extraordinary election to be held on 17 December 2009 together with any other elections or polls which may also be required.
3. In accordance with Section 4.61(2) of the Local Government Act 1995, the method of conducting the extraordinary election will be as a postal election.
4. Councillor Nye-Chart be thanked for her service to the Council and the District.

CARRIED (8/0)

NO. 271/09

(Absolute Majority)

15 CONFIDENTIAL

16 CLOSURE OF MEETING

3:38 pm The Presiding Member declared the meeting closed.

CONFIRMED: CHAIRPERSON _____ **DATE:** ____ / ____ / ____