

Leadership and Governance Standing Committee Meeting

Meeting of the Central Highlands Regional Council held
in the **Council Chambers, 65 Egerton Street, Emerald**
on

Tuesday, 12 December 2017
Commenced at 12.00pm

COUNCIL MINUTES

CENTRAL HIGHLANDS REGIONAL COUNCIL

GENERAL MEETING OF COUNCIL

TUESDAY 12 DECEMBER 2017

MINUTES CONTENTS

PRESENT	2
APOLOGIES	2
LEAVE OF ABSENCE	2
CONFIRMATION OF MINUTES OF PREVIOUS MEETING.....	2
4.1 Minutes - Leadership and Governance Standing Committee Meeting – 14 November 2017.....	2
BUSINESS ARISING OUT OF MINUTES	2
REVIEW OF OUTSTANDING MEETING ACTIONS	2
REVIEW OF UPCOMING AGENDA ITEMS.....	2
PETITIONS	2
MATERIAL PERSONAL INTEREST, CONFLICT OF INTEREST, PERSONAL GIFTS AND BENEFITS....	2
CORPORATE SERVICES.....	3
11.1 Turn On Technology One (TOTO) - Prosci Model Update	3
11.2 Contracting Exceptions - Sole Supplier Report.....	3
11.3 Local Preference Policy Update	5
CHIEF EXECUTIVE OFFICER	10
12.1 WHS Information Report	10
DEPARTMENTAL UPDATES	10
Departmental Updates.....	10
CLOSED SESSION.....	10
15.1 Organisational Structure Change	11
15.2 Departmental Update	11
GENERAL BUSINESS.....	11
CLOSURE OF MEETING.....	12

**MINUTES – LEADERSHIP AND GOVERNANCE STANDING COMMITTEE MEETING
HELD AT 12.00PM TUESDAY 12 DECEMBER 2017 IN THE CENTRAL HIGHLANDS REGIONAL
COUNCIL CHAMBERS, EMERALD OFFICE**

PRESENT

Councillors

Councillor (Crs) K. Hayes (Mayor), C. Rolfe (Chair),
Councillors (Crs) C. Brimblecombe, G. Nixon and G. Sypher

Officers

Chief Executive Officer S. Mason, General Manager Corporate Services J. Bradshaw, Coordinator
Communications A. Ferris, Minute Secretary T. Wheeler and S. Chant.

Observers

Councillors (Crs) G. Godwin-Smith and M. Daniels

APOLOGIES

Cr Paul Bell

Resolution:

Cr Nixon moved and seconded by Cr Brimblecombe “That an apology be received from Cr Bell for today’s meeting.”

2017 / 12 / 12 / 001

Carried (5-0)

LEAVE OF ABSENCE

Nil

CONFIRMATION OF MINUTES OF PREVIOUS MEETING

4.1 Minutes - Leadership and Governance Standing Committee Meeting – 14 November 2017

Resolution:

Cr Brimblecombe moved and seconded by Cr Sypher “That the minutes of the previous Leadership and Governance Standing Committee Meeting held on Tuesday 14 November 2017 be confirmed.”

2017 / 12 / 12 / 002

Carried (5-0)

BUSINESS ARISING OUT OF MINUTES

Nil

REVIEW OF OUTSTANDING MEETING ACTIONS

Nil

REVIEW OF UPCOMING AGENDA ITEMS

Nil

PETITIONS

Nil

MATERIAL PERSONAL INTEREST, CONFLICT OF INTEREST, PERSONAL GIFTS AND BENEFITS

Nil

CORPORATE SERVICES

11.1 Turn On Technology One (TOTO) - Prosci Model Update

Executive Summary:

A presentation was made to Council recently outlining the change management aspects associated with the changes in technology occurring across the organisation. This change management is being presented to Council by SeeChange Consulting who have been utilising a change model called Prosci. This report provides a brief summation of the change framework and outlines the summary of changes for project TOTO – Turn of Technology One. It is anticipated that over this model will become embedded in the Council's change management framework as a model for ensuring sustainable change.

Considered by Council

Attendance

Manager Finance S. Fogg and Coordinator Procurement D. Glacken attended the meeting at 12.07pm

11.2 Contracting Exceptions - Sole Supplier Report

Executive Summary:

The *Local Government Regulation 2012*, provides for an exception to the requirements to obtain quotes or tenders where the local government resolves that there is only one (1) supplier reasonably available to it. Appendix A lists required services/products that have been identified and provided for Council review and resolution as appropriate.

Resolution:

Cr Sypher moved and seconded by Cr Nixon "In accordance with section 235 (a) of the Local Government Regulation 2012, that Central Highlands Regional Council resolve that for the following services and suppliers there is only one (1) supplier reasonably available to Central Highlands Regional Council.

Required Service/Product	Company	Comments
Information Technology		
Software maintenance for Chameleon Software	Chameleon	Licensing and system maintenance or development of Chameleon product.
Community housing software	ADL Forms	Licensing and system maintenance of forms for community housing.
Asset management software	Assetic	Licensing and system maintenance or development of Assetic product.
GIS Mapping software	ESRI	Licensing and system maintenance or development of GIS product.
Guardian disaster management software	QIT Plus	Licensing and system maintenance or development of Guardian Disaster Management product.
Aurora Library Management Software	Aurora Information Technology	Licensing and system maintenance or development of Aurora Library Management product.
Telecommunications provider, web filter, email archiving, Lync software	Telstra	Sole Whole of Solution provider to regional councils.
Lync software	Insync Technology	Supply of Skype for business and office 365 platform
PDF Software	Nitro Pdf	Licensing and system maintenance or development of Nitro PDF Software.
Disaster Management	Resolute IT	Disaster Management and back up services
Water App and CRM web portal software	Horizon	Licensing and system maintenance or development of Water App and CRM web portal product.

Required Service/Product	Company	Comments
Technology One	Technology One	Software Upgrade to operating System
Process mapping software - Promapp	Promapp	Licensing and system maintenance or development of Process mapping software product.
Project management tool - Smartsheet	Smartsheet	Licensing and system maintenance or development of Smartsheet product.
ERP - Core operational application - Authority and Practical software	Civica	Licensing and system maintenance or development of Authority product and Licensing of Practical.
Waste management operational management software	Mandalay	Licensing and system maintenance or development of Mandalay product.
Records management - ECM	Technology One	Licensing and system maintenance or development of ECM product.
IBM server maintenance	Lenovo	Maintenance of core server infrastructure hardware - warranty and risk mitigation.
Autocad engineering design software	KarelCAD	Licensing and system maintenance or development of AutoCAD.
Legacy property /payroll/finance system cloud hosting - Aussoft	Emerg	Pre-amalgamation ERP software - historical data housing.
Microwave (radio) links	ATI Australia	Maintenance of Wide Area Network and disaster recovery infrastructure - warranty and risk mitigation.
Quarry operational management software	Aussie Weighbridge Systems	Licensing and system maintenance or development of AWS product.
Apet360 Integrated evaluation software	Lange Consulting and Software	Licensing and system maintenance of Apet 360Pro contractor and supplier product "Central Supplier Register".
Utilities		
Electricity supplier	Ergon	Sole Whole of Council provider to regional Councils.
Water supply	Sunwater	Sole Whole of Council provider to regional Councils.
Maintenance		
Locks for main office and depot doors	John Barnes Locksmiths	Maintains the master key system for Council buildings.
Maintain building systems	Firelec	Warranty on fire alarm panel
Office air conditioning management service	Veolia Energy Technical Services	Maintain CHRC building and airport building' warranty on parts and defect liability. Maintenance & Upgrades – They are the sole distributors & maintenance specialists in Aus for Trane products.
Crushing plant	Terex/Jaques	Maintenance and upgrades of the Shepton Quarry crushing plant. They are the sole distributors and maintenance specialists in Australia for Terex Jaques products.
Saleyard	Mettler Toledo	Maintenance and warranty for weigh bridge
Saleyard	Livestock Exchange	Operational computer software

11.3 Local Preference Policy Update

Executive Summary:

The Local Preference Policy provides consistent direction and guidance to support economic activity within the Central Highlands Region. The aim of this policy is to find the right balance between supporting local businesses and providing value for money for all ratepayers within the Central Highlands Region.


The policy provides for preference to be given to suppliers within the Central Highlands Region, as well as a further preference on a locality basis for suppliers within the vicinity in which the work is being performed. With increasing interactions with local business and the challenges in the national and local economies the policy provides a basis upon which to address current business practices and to create an environment where the support for local communities is reinforced.

Resolution:

Cr Brimblecombe moved and seconded by Cr Sypher “That Central Highlands Regional Council adopt the revised Local Preference Procurement Policy, with an effective operation date of 1 January 2018.”

LGSC 2017 / 12 / 12 / 004

Carried (5-0)

	COUNCIL POLICY	
	Local Preference Policy	
POLICY NUMBER: CHRC0028	DEPARTMENT: Corporate Services	
EFFECTIVE DATE: 01 st January 2018	UNIT: Finance	

1.0 Purpose and Scope

The policy's purpose and scope is to provide consistent direction and guidance to all officers when undertaking procurement activities in line with the sound contracting principles included in the *Local Government Act 2009*:

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

2.0 Reference

Local Government Act 2009
 Local Government Regulation 2012
 Trade Practices Act 1974
 Competition and Consumer Act 2010
 Employee Code of Conduct
 CHRC Procurement Guideline
 CHRC Procurement Manual

3.0 Definitions

CHRC shall mean *Central Highlands Regional Council*.

Council shall mean Central Highlands Regional Council.

Local shall mean an entity or individual physically located within the Central Highlands Regional Council boundaries.

Registered Business shall mean a company or entity as defined by the Australian Securities and Investment Commission (ASIC) and that also appears as "Active" in the ASIC Business Name Register and as amended from time to time.

Central/West Queensland shall mean the broader region outside of the Central Highlands Regional Council boundaries. Councils which fall under this region are Banana Shire Council, Barcaldine Regional Council, Blackall-Tambo Regional Council, Gladstone Regional Council, Isaac Regional Council, Livingstone Regional Council, Mackay Regional Council, Maranoa Regional Council, Murweh Regional Council, and Rockhampton Regional Council.

4.0 Policy Statement

Council is committed to the principle of the development of competitive local business and industry when entering into:

- contracts for the supply of goods or services;
- contracts for the carrying out of works; and
- the disposal of assets.

For this purpose, if an expression of interest, tender or quotation is evaluated and all things being equal it is council's preference to purchase locally. That is, a local preference evaluation/selection criteria with a weighting of not more than 15% (of the evaluation/selection criteria total) will be utilised in the evaluation process.

Council may accept a tender submission or offer from a local supplier in preference to a comparable tender submission or offer from a non-local supplier even if the tender submission or offer from the non-local supplier has been assessed as more favourable in terms of one or more of the assessment criteria applied (including, but not limited to, price), so long as the overall differences are not substantial, and so long as it is clear that the selected local supplier can meet council's requirements at an acceptably high standard which is generally comparable to that of other offers.

4.1 Local Preference/Content Evaluation and Weighting Criteria

Local preference is not simply a price benefit to a local supplier, (e.g. where their price is 15% higher than a competitor's price), but rather a quantitative measurement that can be utilised in recognition of the physical presence of the supplier in the Central Highlands Council area, as well as the demonstrated and/or actual accompanying social and economic benefits that this provides to council, such as:

- creation of new and/or maintenance of existing local employment opportunities;
- more responsive and readily available servicing support;
- closer and more convenient communication regarding progress, performance and measurement to enable effective and efficient contract administration and management;
- encouragement for the relocation of established businesses from outside the region to physically enter, establish and maintain a physical presence ongoing in the region;
- to assist businesses to become sustainable and ongoing;
- to assist local businesses to remain competitive;
- support for economic growth within the local area; and
- returning value-added benefits to Council and its ratepayers from the associated local commercial transactions.

Therefore, in this policy statement, a "local supplier" is a supplier that:

- is beneficially owned and operated by persons who are residents of the local government area of council and pay rates; or
- is a registered business or individual that has its principal place of business within the local government area of council; or otherwise
- has a place of business within the Local Government area of Council which solely or primarily employs persons who are residents or ratepayers of the Local Government area of Council.

Council's preference is to purchase locally and as such will apply up to a 15% weighting to all offers received in response to its expressions of interest, quotations and tenders where the offer is able to demonstrate some form of "local" economic benefit.

Where the total contract value is less than \$200,000 in a financial year, all offers shall have a 15% weighting applied to the relevant qualitative criteria when undertaking a comparative analysis of the offers.

Where the total contract value will be in excess of \$200,000 in a financial year, all offers will be treated in accordance with the identified evaluation criteria and weighting detailed in council's published invitation document taking into consideration the procurement context, although the weighting should not exceed a maximum of 5%.

Tenders greater than \$200,000 will where practical, have a demonstrated local content of 30% by the tenderer in their submission.

To facilitate council's desire to distribute work across the region, council will assign a higher weighting to those contractors/suppliers registered in the vicinity in which the work is being performed.

When evaluating offers the following ratings are to be applied:

Definition	Scoring	Supporting Business
Business is registered and operated in the locality the work is being performed, pays rates or leases a business premises and employs locals within that locality of Central Highlands Region.	100%	Economic and social benefits remain within the specific locality of the Central Highlands Region.
Business is registered and operated in the Central Highlands Regional Council area, however outside of the locality the work is being performed, pays rates or leases a business premises and employs locals within Central Highlands Regional Council boundaries.	50%	Economic and social benefits remain within the Central Highlands Regional Council area.
Business is registered outside Central Highlands Regional Council boundaries and employs greater than 50% of its workforce in Central Highlands Regional Council boundaries.	40%	Significant contribution and commitment being demonstrated and being realised in the Central Highlands Regional Council area.
Business is registered outside Central Highlands Regional Council boundaries and employs between 50% and 20% of its workforce in Central Highlands Regional Council boundaries.	30%	Economic and social benefits realised through the employment of locally based staff.
Business is registered outside Central Highlands Regional Council boundaries and employs a locally based workforce from within the Central Highlands Regional Council boundaries of less than 20%.	20%	Economic and social benefits realised through the employment of locally based staff.
Business is registered outside Central Highlands Regional Council boundaries and is within the Central/West Queensland Region. The business employs a locally based workforce from within the greater Central Highlands Regional Council and/or Central/West Queensland region.	10%	Significant contribution and commitment being demonstrated across the broader Central/West Queensland area.
Other	0%	External to Central Queensland Region

5.0 Policy Review

All policies will be reviewed at least bi-annually or when any of the following evaluations occur:

- Changes in relevant legislation, regulations, standards and/or council policies or directives; and
- Other circumstances as determined from time-to-time by the Chief Executive Officer or through a resolution of council.

This policy is nominated to be reviewed on or before 1 January, 2019.

Attendance

Manager Finance S. Fogg and Coordinator Procurement D. Glacken left the meeting at 12.17pm
Manager Safety and Wellness S. Schofield attended the meeting at 12.17pm.

CHIEF EXECUTIVE OFFICER

12.1 WHS Information Report

Executive Summary:

This report provides a summary of Council's health and safety initiatives. The purpose of the information provided is to highlight to Council any issues, risks and opportunities impacting the safety and health of workers at Central Highlands Regional Council.

Considered by Council

Attendance

Manager Safety and Wellness S. Schofield left the meeting at 12.27pm.

DEPARTMENTAL UPDATES

Attendance

Manager Information Services, A. Jurd attended the meeting at 12.27pm.
Cr Daniels left the meeting at 12.28pm
Coordinator Communications, A. Ferris attended the meeting at 12.38pm

Departmental Updates

Executive Summary:

The following information provides an update on key activities for the Corporate Service and the Chief Executive Officer Departments.

Considered by Council

Attendance

Manager Information Services A. Jurd left the meeting at 12.35pm.

CLOSED SESSION

Into Closed Session

Resolution:

Cr Nixon moved and seconded by Cr Sypher "That Council close its meeting to the public in accordance with *Section 275 (1) (b) and (h) of the Local Government Regulation 2012* and that only Council staff involved in the closed discussions remain in the room."

2017 / 12 / 12 / 005

Carried (5-0)

Attendance

Coordinator Communications, A. Ferris and S. Chant left the meeting at 12.57pm

The meeting was closed at 12.57pm.

15.1 Organisational Structure Change

15.2 Departmental Update

Out of Closed Session

Resolution:

Cr Nixon moved and seconded by Cr Brimblecombe “That the meeting now be re-opened to the public.”

2017 / 12 / 12 / 006

Carried (5-0)

The meeting was opened at 1.13pm.

15.1 Organisational Structure Change

Executive Summary:

Council is required to adopt an organisational structure that matches the operational requirements for the delivery of the operational plan and deliver services to the community as well meet the other regulatory requirements of being a local government. Recent changes have been made to the organisational structure to recognise the importance of safety within the organisation and to drive organisational leadership on safety and wellness for the workforce. The overall organisational structure continues to be subject to review and a further report will be provided into the new year for any further changes.

Resolution:

Cr Brimblecombe moved and seconded by Cr Nixon “That Central Highlands Regional Council endorse the changes to the organisational structure recognising the additional role of Manager Safety and Wellness as part of the organisational structure reporting directly to the Chief Executive Officer.”

LGSC 2017 / 12 / 12 / 007

Carried (5-0)

15.2 Departmental Update

Executive Summary:

The following information provides an update on key activities for the Commercial Services Department.

Considered by Council

GENERAL BUSINESS

Nil

CLOSURE OF MEETING

There being no further business, the Chair closed the meeting at 1.14pm.

CONFIRMED

CHAIR

DATE