

## **Leadership and Governance Standing Committee Meeting**

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

**Tuesday, 10 July 2018**  
**Commenced at 12.00pm**

# **COUNCIL MINUTES**

**CENTRAL HIGHLANDS REGIONAL COUNCIL**

**GENERAL MEETING OF COUNCIL**

**TUESDAY 10 JULY 2018**

**MINUTES CONTENTS**

<b>PRESENT .....</b>	<b>2</b>
<b>APOLOGIES .....</b>	<b>2</b>
<b>LEAVE OF ABSENCE .....</b>	<b>2</b>
<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING.....</b>	<b>2</b>
4.1 Minutes - Leadership and Governance Standing Committee Meeting – 12 June 2018 .....	2
<b>BUSINESS ARISING OUT OF MINUTES .....</b>	<b>2</b>
<b>REVIEW OF OUTSTANDING MEETING ACTIONS .....</b>	<b>2</b>
<b>REVIEW OF UPCOMING AGENDA ITEMS.....</b>	<b>2</b>
<b>SCHEDULE OF CENTRAL HIGHLANDS REGIONAL COUNCIL STRATEGIC DOCUMENTS .....</b>	<b>2</b>
<b>PETITIONS .....</b>	<b>2</b>
<b>MATERIAL PERSONAL INTEREST, CONFLICT OF INTEREST, PERSONAL GIFTS AND BENEFITS....</b>	<b>2</b>
<b>CORPORATE SERVICES.....</b>	<b>3</b>
10.1 Procurement Policy - Local Preference Amendment .....	3
<b>CHIEF EXECUTIVE OFFICER.....</b>	<b>8</b>
11.1 WHS Bi-Monthly Information Report.....	8
<b>DEPARTMENTAL UPDATES .....</b>	<b>8</b>
12.1 Departmental Update – Corporate Services .....	8
<b>GENERAL BUSINESS .....</b>	<b>8</b>
<b>CLOSED SESSION.....</b>	<b>8</b>
14.1 Departmental Update – Commercial Services .....	9
<b>CLOSURE OF MEETING.....</b>	<b>10</b>

**MINUTES – LEADERSHIP AND GOVERNANCE STANDING COMMITTEE MEETING  
HELD AT 12.00PM TUESDAY 10 JULY 2018 IN THE CENTRAL HIGHLANDS REGIONAL COUNCIL  
CHAMBERS, EMERALD OFFICE**

**PRESENT**

**Councillors**

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

**Officers**

Acting Chief Executive Officer M. Webster, General Manager Communities D. Fletcher, Manager Asset Management M. Gatt, Corporate Communications Officer J. Lorenzen and Minute Secretary S. Chant

**Observers**

G. Godwin-Smith (Deputy Mayor) and M. Daniels

**APOLOGIES**

Nil

**LEAVE OF ABSENCE**

Nil

**CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**4.1 Minutes - Leadership and Governance Standing Committee Meeting – 12 June 2018**

***Resolution:***

Cr Nixon moved and seconded by Cr Sypher “That the minutes of the previous Leadership and Governance Standing Committee Meeting held on 12 June 2018 be confirmed.”

**LGSC 2018 / 07 / 10 / 001**

Carried (6-0)

**BUSINESS ARISING OUT OF MINUTES**

Nil

**REVIEW OF OUTSTANDING MEETING ACTIONS**

Nil

**REVIEW OF UPCOMING AGENDA ITEMS**

Nil

**SCHEDULE OF CENTRAL HIGHLANDS REGIONAL COUNCIL STRATEGIC DOCUMENTS**

Nil

**PETITIONS**

Nil

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

Nil

Attendance

D Fletcher left the meeting at 12.06 pm

## **CORPORATE SERVICES**

### **10.1 Procurement Policy - Local Preference Amendment**

**Executive Summary:**


Following discussion at a recent Strategic and Briefing Forum 29 May 2018, the Local Preference Policy has now been amended to provide improved clarity on the application of the locality and it is presented for adoption.

**Resolution:**

Cr Brimblecombe moved and seconded by Cr Nixon “That Central Highlands Regional Council adopt the amendments made to the existing Local Preference Policy CHRC0028 to include additional definitions and wording for consistency and clarity”.

**LGSC 2018 / 07 / 10 / 002**

Carried (6-0)

 <b>Central Highlands</b> Regional Council	<b>POLICY</b>	
	<b>Local Preference</b>	
POLICY NUMBER: CHRC0028	DEPARTMENT:	Corporate Services
EFFECTIVE DATE: 1 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

**CEO** shall mean Chief Executive Officer - a person who holds an appointment under section 194 of the *Local Government Act 2009*. This includes a person acting in this position.

**CHRC** shall mean *Central Highlands Regional Council*.

**Council** shall mean Central Highlands Regional Council.

**Employee** shall mean a Local Government Employee, including:

- a. the Chief Executive Officer; or
- b. a person holding an appointment under section 196 of the *Local Government Act 2009*.

**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.

**The Act** shall mean the *Local Government Act 2009* (as amended).

**The Regulation** shall mean the *Local Government Regulation 2012* (as amended).

**Whole of Life Cost (WoL)** shall mean the total of all costs over the life of the good/service/work (i.e. acquisition, maintenance and disposal costs).

#### **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 20% (of the evaluation/selection criteria total) will be utilised in the evaluation process, and where other selection criteria are evaluated equally then;

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.

##### *1.0 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 20% 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 20% 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 between \$1 and less than \$15,000 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 is between \$15,001 and less than \$100,000 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 is between \$100,001 and 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.

Certain circumstances may require appropriate procurement of goods and services outside the Central Highlands Regional Council area but remains within the Central Queensland broader region. 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

This policy will be reviewed when any of the following occur:

1. As required by Legislation.
2. The related documents are amended or replaced.
3. Other circumstances as determined from time to time by a resolution of Council

Notwithstanding the above, this policy is to be reviewed at intervals of no more than four (4) years.



Attendance

Manager Safety and Wellness S Schofield attended the meeting at 12.09 pm

## **CHIEF EXECUTIVE OFFICER**

### **11.1 WHS Bi-Monthly Information Report**

**Executive Summary:**

This report provides a summary of Council's health and safety performance. 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.

**Resolution:**

Cr Sypher moved and seconded by Cr Nixon "That Central Highlands Regional Council receive the WHS Bi-Monthly Report for the months of May and June 2018".

**LGSC 2018 / 07 / 10 / 003**

Carried (6-0)

Attendance

S Schofield left the meeting at 12.24 pm

## **DEPARTMENTAL UPDATES**

### **12.1 Departmental Update – Corporate Services**

**Executive Summary:**

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

**Key Activities Summary**

1. Statutory Requirements Checklists

**Resolution:**

Cr Nixon moved and seconded by Cr Brimblecombe "That Central Highlands Regional Council receive the departmental update from the Corporate Services department."

**LGSC 2018 / 07 / 10 / 004**

Carried (6-0)

## **GENERAL BUSINESS**

Cr Rolfe raised matter of process for councillors providing letters of support to individuals and organisations and the need for a guideline and consistent approach to be communicated to councillors.

## **CLOSED SESSION**

### **Into Closed Session**

**Resolution:**

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

**LGSC 2018 / 07 / 10 / 005**

Carried (6-0)

The meeting was closed at 12.38 pm

Attendance

M Gatt and J Lorenzen left the meeting at 12.38 pm

**14.1 Departmental Update – Commercial Services**

**Key Activities Summary**

1. Native Title

Attendance

Governance Officer F Rofe attended the meeting at 12.39 pm

**Out of Closed Session**

**Resolution:**

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

**LGSC 2018 / 07 / 10 / 006**

Carried (6-0)

Attendance

F Rofe left the meeting at 12.57 pm

The meeting was opened at 12.58 pm

**Departmental Updates**

**Executive Summary:**

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

**Resolution:**

Cr Brimblecombe moved and seconded by Cr Sypher “That Central Highlands Regional Council receive the Commercial Services departmental update report, highlighting key activities for the month of June 2018.”

**LGSC 2018 / 07 / 10 / 007**

Carried (6-0)

**CLOSURE OF MEETING**

There being no further business, the Chair closed the meeting at 12.58 pm

CONFIRMED

CHAIR

DATE